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ORIGINAL

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A-110550F0147
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March 23, 2000

MAR 23 2000

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

FEDEX
James J. McNulty, Secretary
Pennsylvania Public Utility Commission
North Office Building, Room B-18
Commonwealth Avenue and North Street
Harrisburg, Pennsylvania 17105-3265

RE: Application of PECO Company, Pursuant to Chapters 11, 19, 21, 22 and 28 Of
The Public Utility Code, For Approval of (1) A Plan of Corporate Restructuring,
Including The Creation Of A Holding Company and (2) The Merger Of The
Newly Formed Holding Company And Unicom Corporation

Dear Secretary McNulty:

On behalf of the signatory parties, enclosed for filing are an original and three copies of
a Joint Petition for Settlement of the above-captioned matter.

Also enclosed is a Statement in Support of the Settlement by the Commission's Office
of Trial Staff and Citizens for Pennsylvania's Future. Other Joint Petitioners will be
filing Statements in Support within the next week.

The Joint Petitioners propose the following process for expeditious review of the
Settlement by Administrative Law Judge Rainey and the Commission. This process
follows the Commission's rules for review of settlements in major rate cases at 52 Pa.
Code § 69.406.

- | | |
|--|---|
| March 23 | Settlement Filed |
| March 27 - April 4 | Public Input Hearings (as previously scheduled) |
| As soon as possible but not later than March 31 | Newspaper notice of the Settlement |
| April 5 | Comments or objections to the Settlement filed |
| April 10 | Joint Petitioners' replies to comments or objections |
| April 14 | ALJ Recommended Decision |
| April 27 | Commission final vote on the Settlement |

March 24, 2000

Page 2

The Joint Petitioners ask that the schedule that ALJ Rainey previously established (including the submission of written testimony and hearings) be suspended pending the Commission's review of the Settlement.

In reaching this Settlement, the Joint Petitioners "worked diligently, in the spirit of compromise repeatedly endorsed by this Commission, to reach an amicable resolution of this matter," as Chairman Quain urged at the March 2, 2000 Commission Public Meeting in addressing the schedule for this proceeding. The Joint Petitioners request that the Commission approve this Settlement expeditiously.

Sincerely,


Paul R. Bonney

PRB/mbo

Enclosures

cc: John M. Quain, Chairman (Via Hand Delivery)
Nora Mead Brownell, Commissioner (Via Hand Delivery)
Aaron Wilson, Jr., Commissioner (Via Hand Delivery)
Terrance J. Fitzpatrick, Commissioner (Via Hand Delivery)
Robert K. Bloom, Commissioner (Via Hand Delivery)
Administrative Law Judge Charles E. Rainey, Jr. (Via Hand Delivery)
All parties to this proceeding and to PECO's Electric Restructuring
Proceeding (per the Certificate of Service)

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MAR 23 2000

**BEFORE THE PA PUBLIC UTILITY COMMISSION
PENNSYLVANIA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU**

| | | |
|--|---|---------------------------------|
| APPLICATION OF PECO ENERGY | : | |
| COMPANY, PURSUANT TO CHAPTERS | : | |
| 11, 19, 21, 22 AND 28 OF THE PUBLIC | : | |
| UTILITY CODE, FOR APPROVAL | : | |
| OF (1) A PLAN OF CORPORATE | : | |
| RESTRUCTURING, INCLUDING THE | : | APPLICATION |
| CREATION OF A HOLDING COMPANY | : | DOCKET NO. A-110550F0147 |
| AND (2) THE MERGER OF THE NEWLY | : | |
| FORMED HOLDING COMPANY AND | : | |
| UNICOM CORPORATION | : | |

JOINT PETITION FOR SETTLEMENT

~~DOCKETED
MAR 23 2000~~

DOCKETED
MAR 27 2000

**DOCUMENT
FOLDER**

March 23, 2000

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**APPLICATION OF PECO ENERGY :
COMPANY, PURSUANT TO CHAPTERS :
11, 19, 21, 22 AND 28 OF THE PUBLIC :
UTILITY CODE, FOR APPROVAL :
OF (1) A PLAN OF CORPORATE :
RESTRUCTURING, INCLUDING THE : APPLICATION
CREATION OF A HOLDING COMPANY : DOCKET NO. A-110550F0147
AND (2) THE MERGER OF THE NEWLY :
FORMED HOLDING COMPANY AND :
UNICOM CORPORATION :**

JOINT PETITION FOR SETTLEMENT

This Joint Petition for Settlement (“Joint Petition”) is submitted by the following parties in the above-captioned proceeding: PECO Energy Company (“PECO” or the “Company”); the Office of Trial Staff (“OTS”); the Office of Consumer Advocate (“OCA”); the Office of Small Business Advocate (“OSBA”); Citizens for Pennsylvania’s Future and the ten named individuals that joined in its Protest and Petition to Intervene (collectively, “PennFuture”); Senator Vincent J. Fumo; the City of Philadelphia; Clean Air Council and the three named individuals that joined in its Protest and Petition to Intervene (“CAC”); the Consumers Education and Protective Association *et al.* (“CEPA”)¹; Enron Energy Services, Inc. (“Enron”); the Philadelphia Area Industrial Energy Users Group (“PAIEUG”); the Industrial Energy Consumers

¹ As used herein, “CEPA” refers collectively to the Consumer Education and Protective Association (“CEPA”), the Association of Community Organizations for Reform Now (“ACORN”) and the Tenants’ Action Group (“TAG”), which are represented by common counsel and submitted a joint protest and petition to intervene.

of Pennsylvania (“IECPA”); Conectiv Energy (“Conectiv”); Eric Joseph Epstein; Patricia McNamara; the National Railroad Passenger Corporation (“Amtrak”); and the Mid-Atlantic Power Supply Association (“MAPSA”) (all such parties collectively referred to as the “Joint Petitioners”).

The terms and conditions set forth in this Joint Petition represent a comprehensive settlement (“Settlement”) among the aforementioned parties that resolves all issues pertaining to the above-captioned Application.² The Joint Petitioners aver that this comprehensive Settlement is in the public interest and, therefore, request that the Commission: (1) approve without modification the proposed Settlement as set forth herein; (2) issue the Certificates of Public Convenience and enter Orders granting the approvals and making the findings requested in PECO’s Application; and (3) approve the tariff supplements, appended hereto, that are necessary to implement the rate reductions and other changes agreed to as part of the proposed Settlement.

In support of their request, the Joint Petitioners state as follows:

I. SUMMARY OF SETTLEMENT

The Joint Petitioners have agreed to the proposed Settlement terms and conditions set forth in this document as a means to resolve, fairly and equitably, all issues arising from the Application filed by PECO for approval of the proposed corporate restructuring and merger. As a result of this Settlement, further protracted litigation is avoided and customers can begin to realize the benefits of this Settlement sooner.

The Joint Petitioners have agreed to terms and conditions that fairly balance the interests

² The Joint Petitioners understand that West Penn Power Company, The Potomac Edison Company and Monogahela Power Company (“Allegheny Power”) and Allegheny Energy Supply Company, LLC (“AES”) will submit a separate letter indicating they do not oppose or take exception to the Settlement. Additionally East Brandywine Township and Wallace Township have indicated that they are taking no position on the Settlement at this time. PECO agrees that East Brandywine Township and Wallace Townships are in no way precluded from pursuing a separate agreement with PECO as to additional reliability upgrades and assurances.

of all parties and affirmatively promote the public interest. In particular, on January 1, 2002, PECO will reduce its retail electric distribution rates by \$60.0 million annually.³ Such \$60.0 million reduction will remain in effect until January 1, 2004, when the annual rate decrease will become \$40.0 million. The \$40.0 million rate reduction will remain in effect through December 31, 2005. PECO will also extend the cap on its retail transmission and distribution charges agreed upon in the settlement of PECO's restructuring proceeding at Docket No. R-00973953 (the "1998 Electric Restructuring Settlement"), which would otherwise expire on June 30, 2005, for an additional eighteen months, or through December 31, 2006.

In addition, the Settlement: (1) imposes limitations on PECO's right to request recovery of any increases in nuclear decommissioning costs; (2) establishes benchmarks and measurement criteria for reliability and customer service and commits PECO to develop, with other parties, and implement, a quality of service plan to provide higher levels of reliability and customer service; (3) provides for enhancements in PECO's electric and gas universal service programs; (4) commits PECO to implement various initiatives to foster and promote renewable energy and related economic development; (5) promotes increased retail electric competition in PECO's service area, through a variety of commitments; (6) adopts various corporate structure protections to insulate retail customers from the risks of unregulated ventures and avoid the potential for improper cross-subsidization; (7) provides for PECO to maintain a strong corporate presence in Southeastern Pennsylvania through specific commitments regarding its corporate headquarters, employment and staffing levels and charitable and civic giving; and (8) enhances PECO's customer relationship with the City of Philadelphia.

³ PECO has already agreed to reduce its retail rates by \$60.0 million for the duration of 2001 pursuant to the terms of a separate settlement of PECO's recent securitization filing at Docket No. R-00005030. The settlement was approved by the Commission on

The other Joint Petitioners agree, in turn, to resolve all objections to the Application and the granting of the various approvals requested therein and, subject to certain exceptions and qualifications as more fully set forth in Section 71, *infra*, to withdraw all actions, interventions or protests filed, and to terminate all other participation by themselves and their affiliates, in all proceedings involving or related to the merger of PECO and Unicom or the PECO, Unicom or Commonwealth Edison corporate restructurings, transfers of assets and related transactions. The other Joint Petitioners also agree to fully support the Settlement and to make reasonable good faith efforts to obtain its approval by the Commission and, if necessary, any Courts.

II. BACKGROUND

1. This proceeding was initiated by the filing, on November 22, 1999, of the *Application Of PECO Energy Company, Pursuant To Chapters 11, 19, 21, 22 and 28 Of The Public Utility Code, For Approval Of (1) A Plan Of Corporate Restructuring, Including The Creation Of A Holding Company And (2) The Merger Of The Newly Formed Holding Company And Unicom Corporation* ("Application").

2. The transactions comprehended by the Application consist of the following: (1) the creation of NEWHOLDCO Corporation ("NewCo.") as a wholly owned subsidiary of PECO⁴; (2) the exchange of PECO common stock for NewCo. common stock, such that, after the share exchange, NewCo. will be the parent of PECO; (3) PECO's transfer of its generating assets and wholesale power contracts to a newly formed generation subsidiary ("GenCo.") and its transfer of certain other assets and common facilities to NewCo., to a newly formed service company

March 16, 2000.

⁴ Subsequent to the filing of the Application, it was announced that NEWHOLDCO Corporation would be renamed Exelon Corporation.

("ServeCo.") and to newly formed non-utility business subsidiaries ("VenturesCo."); (4) PECO's distribution to NewCo. of its shares in GenCo., ServeCo. and VenturesCo., thereby making those companies direct subsidiaries of NewCo.; and (5) concurrent with the consummation of the restructuring, and pursuant to the terms of their Agreement and Plan of Exchange and Merger, the merger of NewCo. and Unicom Corporation ("Unicom"). Hereafter, the transactions identified in (1)-(4), above, are referred to collectively as the "Corporate Restructuring," and the transaction identified in (5), above, is referred to as the "Merger." The Corporate Restructuring and Merger are described in greater detail in Paragraph Nos. 7-16 of the Application.

3. In the Application, PECO requested that the Commission grant the approvals necessary to effect the transactions described above, which consist of (1) the issuance of Certificates of Public Convenience under Section 1102 of the Public Utility Code (66 Pa.C.S. §1102), as more fully described in Paragraph Nos. 18-22 of the Application; (2) the registration of Securities Certificates under Section 1901 of the Public Utility Code (66 Pa.C.S. §1901), if required, as more fully described in Paragraph No. 22 of the Application; (3) the approval of contracts with affiliated interests under Section 2102(b) of the Public Utility Code (66 Pa.C.S. §2102(b)), as more fully described in Paragraph Nos. 23-25 of the Application; (4) making the findings described in Sections 2210 and 2811(e) of the Public Utility Code (66 Pa.C.S. §§2210 and 2810(e)), as more fully described in Paragraph No. 26 of the Application; and (5) making the findings required by Sections 32(c) and 32(k) of the Public Utility Holding Company Act (15 U.S.C. §793-5a(c) and (k)) for PECO to seek from the Federal Energy Regulatory Commission

("FERC") Exempt Wholesale Generator ("EWG") status and approval to purchase electric power from an affiliate at market-based rates, as more fully described in Paragraph Nos. 27-29 of the Application.

4. Along with its Application, PECO submitted Appendices A-O and Statement Nos. 1-5 and accompanying exhibits. The statements and exhibits are summarized in Paragraph No. 38 of the Application. An element of PECO's supporting information is the market power analysis conducted by William H. Hieronymus, Senior Vice President of PHB Hagler Bailly, Inc. (PECO Statement No. 5 and Exhibit WHH-1), that was conducted in accordance with the Competitive Analysis Screen described in Appendix A to the FERC's Merger Policy Statement, which in turn is intended to comport with the Department of Justice and Federal Trade Commission Horizontal Merger Guidelines. In addition, on February 2, 2000, PECO submitted supplemental testimony to explain certain amendments made to the Agreement and Plan of Merger after the filing of the Application (PECO Statement No. 2S).

5. PECO notified its customers of the filing of the Application by bill inserts. In addition, PECO issued a press release announcing and describing the Merger. PECO also served copies of its filing on the OTS, the OCA and the OSBA and served notice of the filing on all of the active parties to PECO's electric restructuring proceeding at Docket No. R-00973953 and all active parties to PECO's natural gas restructuring proceeding at Docket No. R-00994787, as more fully explained in Paragraph No. 51 of the Application and its accompanying Certificate of Service.

6. On December 4, 1999, the Commission caused a notice of the filing of PECO's Application to be published in the *Pennsylvania Bulletin* (29 Pa. Bulletin 6208), which allowed

interested parties until December 20, 1999 to file protests and petitions to intervene. Twenty-four parties filed protests or petitions to intervene in response to the Commission's Order.⁵ In addition, the OTS entered its appearance.

7. The Commission assigned this matter to Administrative Law Judge Charles E. Rainey to conduct hearings and issue an initial decision. By its Order entered March 4, 2000, the Commission denied PECO's request that, in lieu of an initial decision, the Administrative Law Judge certify the record to the Commission for final decision pursuant to Section 335(a) of the Public Utility Code (66 Pa.C.S. §335(a)). On January 20, 2000, a Prehearing Conference was held in Philadelphia at which various procedural matters were addressed and resolved, including the establishment of a schedule in the event that litigation of the proceeding proved necessary.

8. Commencing shortly after PECO filed its Application, the parties engaged in extensive formal and informal discovery. To date, PECO has responded to approximately 500 interrogatories and requests for production of documents, which provided extensive additional information about the transactions for which approval is requested and about other issues of importance to the parties.

9. All parties actively engaged in a collaborative process to address what they perceive to be the issues raised by the Application. To that end, the schedule established at the Prehearing Conference committed the parties to two days of face-to-face meetings, on March 1 and 2, 2000, to attempt to resolve their differences. The success of those meetings prompted further rounds of negotiation, which ultimately led to the Settlement set forth herein.

⁵ Twenty-two of the filings were made before the Commission-imposed deadline. Two parties, New Energy and the City of Philadelphia, filed protests and petitions to intervene after December 20, 1999. NewEnergy was permitted to intervene over PECO's objection. PECO chose not to contest the intervention of the City of Philadelphia. Additionally, the Department of the Navy filed a Notice to Intervene Out of Time, which it withdrew pursuant to a Notice of Withdrawal filed on March 22, 2000.

III. TERMS AND CONDITIONS

The Joint Petitioners, intending to be legally bound and for due consideration given, agree that the Application should be approved and the relief requested therein granted, subject to the following terms and conditions:

A. Rate Reductions and Extension of Transmission and Distribution Rate Cap

10. **Rate Reductions.** On January 1, 2002, PECO will reduce its retail electric distribution rates by \$60.0 million annually from the levels that otherwise would be in effect pursuant to the Commission's Order, entered May 14, 1998, approving the 1998 Electric Restructuring Settlement.⁶ That \$60.0 million distribution rate reduction will remain in effect until January 1, 2004, at which time the annual rate decrease will become \$40.0 million. The \$40.0 million rate reduction will remain in effect through December 31, 2005. The following distribution rate reductions will apply to all retail rate classifications and all customers within those rate classifications as set forth on a system average basis in Schedule 1 below:⁷

⁶ PECO has already agreed to reduce its retail rates by \$60.0 million for the duration of 2001 pursuant to the terms of a separate settlement of PECO's re-securitization filing at Docket No. R-00005030. The settlement was approved by the Commission on March 16, 2000.

⁷ Rates reflecting the distribution rate reductions agreed to herein will be reflected on customers' bills commencing with regular billing cycles beginning after January 1 of the respective years shown on Schedule 1 and ending with the first regular billing cycle of the next subsequent year.

Schedule 1

SCHEDULE OF SYSTEM-WIDE AVERAGE RATES (a)

| <u>Effective Date</u> | <u>Transmission</u> (b) (1) | <u>Distribution</u> (2) | <u>T&D Rate Cap</u> (3) = (1) + (2) | <u>CTC or ITC</u> (4) | <u>Shopping Credit</u> (5) | <u>Generation Rate Cap</u> (6) = (4) + (5) |
|-----------------------|--------------------------------|----------------------------|---|--------------------------|-------------------------------|--|
| | ¢/kWh | ¢/kWh | ¢/kWh | ¢/kWh | ¢/kWh | ¢/kWh |
| January 1, 2002 | 0.45¢ | 2.35¢ | 2.80¢ | 2.51¢ | 4.47¢ | 6.98¢ |
| January 1, 2003 | 0.45¢ | 2.35¢ | 2.80¢ | 2.47¢ | 4.51¢ | 6.98¢ |
| January 1, 2004 | 0.45¢ | 2.41¢ | 2.86¢ | 2.43¢ | 4.55¢ | 6.98¢ |
| January 1, 2005 | 0.45¢ | 2.41¢ | 2.86¢ | 2.40¢ | 4.58¢ | 6.98¢ |
| January 1, 2006 | 0.45¢ | 2.53¢(c) | 2.98¢(c) | 2.66¢ | 4.85¢ | 7.51¢ |

- (a) All prices reflect average retail billing for all classes of service (including gross receipts tax). Detail of actual individual rates for each class of service is provided in Appendix A. The average prices as presented in this Schedule 1 reflect the profile of service contained in PECO's proof of revenue set forth in Appendix A.
- (b) The transmission prices listed are for unbundling only. The Pennsylvania Public Utility Commission does not regulate the rates for transmission service.
- (c) The cap on PECO's transmission and distribution rates under Section 2804(4) of the Electric Competition Act will be extended until December 31, 2006.

11. **a. Extension of Rate Cap.** The cap on PECO's retail transmission and distribution charges, under Paragraph 21 of the 1998 Electric Restructuring Settlement, entitled "Rate Caps and Transmission and Distribution Charges," which otherwise would expire on June 30, 2005, will be extended an additional eighteen months, or through December 31, 2006. The other provisions of Paragraph 21 of the 1998 Electric Restructuring Settlement will remain in full force and effect and will apply for the duration of the new transmission and distribution rate cap period through December 31, 2006.

b. Other Costs. PECO agrees that expenses directly attributable to achieving the synergies under the merger will be incurred prior to the conclusion of the transmission and distribution rate cap period. PECO also hereby confirms that the Merger is a merger of equals and does not include an acquisition premium.

B. Recovery Of Nuclear Costs, Including Decommissioning Expense; Nuclear Monitoring and Waste Storage.

12. **Recovery of Nuclear Costs.** PECO agrees that it will not seek to recover through Pennsylvania retail electric distribution rates the costs associated with the ownership and operation of any nuclear generating plants, or any fractional interests in such nuclear generating plants, that it did not hold on December 31, 1999 ("PECO's Pre-Existing Nuclear Interests").⁸ For purposes of this section, such costs include, *inter alia*, nuclear decommissioning expense obligations, but do not include nuclear-related costs included in purchased power costs, or other

⁸ The Joint Petitioners agree that the PECO Pre-Existing Nuclear Interests consist of a 100% ownership interest in Peach Bottom Unit No. 1, a 42.49% ownership interest in Peach Bottom Unit Nos. 2 and 3, a 42.59% ownership interest in Salem Unit Nos. 1 and 2 and a 100% ownership interest in Limerick Unit Nos. 1 and 2.

nuclear costs. To the extent otherwise not prohibited by the Distribution Rate Cap established pursuant to this Settlement, the Generation Rate Cap established under the 1998 Electric Restructuring Settlement, or by this Settlement, PECO shall not be precluded from recovery of purchased power costs related to nuclear generation, or other nuclear-related costs, that are incurred by PECO based on market pricing principles.

13. Except as specifically provided herein, nothing in this Settlement is intended to limit or otherwise modify PECO's rights to seek recovery through Pennsylvania retail electric rates of nuclear decommissioning costs associated with PECO's Pre-Existing Nuclear Interests. However, PECO agrees that if and when it seeks to increase its annual nuclear decommissioning expense allowance above the base \$29.162 million annual accrual level used for the purpose of calculating its Nuclear Decommissioning Cost Adjustment Charge ("NDCAC"), it will, under specifically defined circumstances as set forth in the Distribution Tariff attached as Appendix A, voluntarily forego recovery of (1) \$50 million of its total decommissioning cost obligations, plus (2) 5% of any additional increase in the annual accrual level above the base \$29.162 million annual accrual level.

14. To the extent permitted under applicable law, separate decommissioning trust funds, or sub-funds, shall be established for the decommissioning liability associated with any nuclear generating plant, or any fractional interest in a nuclear generating plant, that is not included in the definition of PECO's Pre-Existing Nuclear Interests ("Acquired Nuclear Interests"). To the extent permitted under applicable law, each Acquired Nuclear Interest fund or subfund shall be maintained separately and apart from the decommissioning funds established and existing for PECO's Pre-Existing Nuclear Interests ("PECO's Pre-Existing Nuclear Interest

Funds”). No part of the cost of decommissioning Acquired Nuclear Interests shall be paid from PECO’s Pre-Existing Nuclear Interest Funds.

15. The Joint Petitioners agree that if the actual expenditures necessary to accomplish the full decommissioning of PECO’s Pre-Existing Nuclear Interests are less than the full balance of PECO’s Pre-Existing Nuclear Interest Funds, PECO is entitled to obtain release of such funds for the purpose of sharing the amount between customers and shareholders. In the event of such release, PECO will be permitted to retain for its own benefit (1) the first \$50.0 million of the net after tax released amount and (2) 5.0% of the remaining net after-tax released amount. The balance of the released funds not retained by PECO shall be returned to retail customers in a manner to be directed by the Commission.

16. Nothing in this Settlement is designed to prevent PECO from entering into purchase power agreements with any entity, affiliated or otherwise, for the procurement of nuclear generation.

17. PECO also agrees that, in the event that any nuclear generating unit owned by PECO or a PECO affiliate experiences an incident or accident that results in uninsured damage claims in excess of \$1 billion, PECO shall: (i) notify the PUC within 60 days of such incident or accident, and (ii) within 90 days thereafter, demonstrate that PECO’s net cash flows are sufficient for PECO to provide safe, adequate, continuous, efficient, reliable and reasonable distribution service to its Pennsylvania customers at reasonable rates.

18. **Nuclear Monitoring and Waste Storage.** PECO shall enter into an agreement with Eric Joseph Epstein which shall be substantially in the same form as that attached hereto as Appendix B. This Agreement shall specifically address certain issues relating to the continued

safe operation of Peach Bottom 2 and 3, robotics research, and community involvement concerns raised by Mr. Epstein. This Agreement is referenced for informational purposes only. The parties do not specifically request the Commission to approve this Agreement as part of the Joint Petition for Settlement.

C. Reliability And Customer Service.

19. PECO commits to a Quality of Service Plan ("Service Plan") designed to provide higher levels of reliability and customer service in PECO's service territory. The Company also agrees to continue its commitment and efforts to resolve reliability problems identified in several specific areas, which include, but are not limited to, the on-going efforts in East Brandywine Township, Aston Township, Wallace Township, York County as well as other areas. The Company agrees that it will continue to respond to customer and community concerns regarding reliability and will not argue that this Settlement or Service Plan limits or eliminates its responsibility to address reliability concerns throughout its service territory.

20. The Company agrees to establish service quality standards that enhance reliability and customer service over the period from January 1, 2001 to December 31, 2005. The Company and the Joint Petitioners further agree to reconvene in 2005 to determine if further action is necessary and, if so, the nature and scope thereof.

21. The Company, OCA, OTS, the City of Philadelphia and other interested parties agree to work cooperatively to provide higher levels of reliability and customer service over the period from January 1, 2001 through December 31, 2005. The parties also agree to work cooperatively to determine necessary action to be implemented pursuant to the Service Plan each year.

22. The Service Plan will include specific measurement areas where the Company will be expected to provide higher levels of service. In addition, the Service Plan will identify areas where performance must be maintained and areas that must be reported to the OCA, the OTS, the Commission, the City of Philadelphia and other interested parties.

23. **Reliability.** The Joint Petitioners have set targets utilizing, where available, five-year historic data from 1994 through 1998 and reflecting agreed upon higher levels of service over the period 2001 through 2005. The following indices, utilizing Commission definitions where available, will be measured and/or reported. A mutually agreed upon range and/or reporting requirement for higher levels of service for these indices is set forth below:

- Customer Average Interruption Duration Index (CAIDI): The Company agrees to move, by 2005, to a level of reliability measured by CAIDI that is 10% higher than the level set by the Commission in its Reliability Benchmarks and Standards (PUC Docket No. M-00991220).
- System Average Interruption Frequency Index (SAIFI): The Company agrees to move, by 2005, to a level of reliability measured by SAIFI that is 10% higher than the level set by the Commission in its Reliability Benchmarks and Standards (PUC Docket No. M-00991220).
- Repeat Outages: The Company agrees to provide a yearly plan, beginning in 2001, to reduce the number of customers with repeat outages and agrees to a yearly reporting requirement regarding this index.
- Five Worst Circuits: The Company agrees to provide yearly plan, beginning in 2001, to provide a higher level of service for the five worst circuits and agrees to provide a yearly report of its results in achieving this plan.
- System Average Interruption Duration Index (SAIDI): Reporting Requirement. The levels for SAIDI expected to be consistent with CAIDI and SAIFI.
- Momentary Average Interruption Frequency Index (MAIFI): Reporting Requirement.
- Storm Management: The Company will provide to the OCA, the OTS, The City of Philadelphia, and the Commission individual storm performance reports

addressing the Company's storm management efforts for storms excluded by the Commission's definition.

24. **Customer Service.** Initial targets have been developed from historical data, where available, and from Company standards, Bureau of Consumer Services ("BCS") standards and industry practices, reflecting agreed upon higher levels of service over the period 2001 through 2005. The indices may be increased to reflect the PUC standards as set forth in the Commission's future rulemaking. A mutually agreed upon range and/or reporting requirement for higher levels of services for these indices is set forth below:

- Percentage of calls answered within 30 seconds (as defined by the Company): The Company agrees to a target of 70% through 2005, which reflects a higher level of performance. The Company will be considered non-compliant for this index if the percentage of calls answered within 30 seconds is below 65% in any year of the Service Plan.
- Average "Busy-Out" rate (% of calls that encounter a busy signal): The Company agrees to a target of 4% through 2005, which reflects a higher level of performance. The Company will be considered non-compliant for this index if the percentage of calls that encounter a busy signal is above 5% in any year of the Service Plan.
- Number of residential customer disputes not issued a Company report within 30 days. The Company agrees to 50% decrease in this index over the period 2001 through 2005.
- Gas Response Time to Safety Calls. The Company commits to maintain its current high level of performance, by continuing to respond to 99% of all gas emergency calls within one hour. The Company agrees to provide OCA with copies of monthly reports on gas emergency call response submitted to the Commission's Bureau of Safety and Compliance.
- Worker/Employee Safety--OSHA Loss Work Day Cases. The Company commits, as its target, to remain in the top 10% of EEI comparable utilities (companies with 1500-4000 employees). The Company will be considered non-compliant for this index if it falls below the top 20% of the EEI comparable utilities.

25. **Customer Service Reports.** The following indices will be reported annually:

- Average call abandonment rate.
- Average number and % of residential bills not rendered once every billing period.
- Average number and % of small commercial bills not rendered once every billing period.
- Number and % of residential meters not read as required by 52 Pa. Code §56.12(4) (ii).
- Number and % of residential meters not read as required by 52 Pa. Code §56.12(4)(iii)
- Number of residential customers not read as required by 52 Pa. Code §56.12(5)(i).
- Justified consumer complaint rate. Report only the data contained in the BCS Annual Report.
- PUC Infraction Rate. The Company to report only until necessary data are available.
- Customer satisfaction surveys.
 - % satisfied with recent contact.
 - % appointments met.

26. The Company agrees to include overall performance under the above identified Service Plan in the annual performance appraisal and compensation for the management and supervisory employees in its Distribution Operations and the Customer and Marketing Services groups.

27. **Evaluation of Compliance.** The Company will provide a report each year to the PUC, the OCA, the OTS, the OSBA, the City of Philadelphia and other interested parties analyzing its performance in each area and its performance in achieving the targets for higher levels of service. The Company will analyze each of the performance indicators in its report.

28. **Response to Failure to Achieve the Targets in the Improvement Plan.**

a. The Company agrees that, in any year during the Service Plan, if its performance is outside of the agreed upon range for any performance area being measured pursuant to Sections 23 and 24, the Commission will open a formal proceeding to investigate the Company's performance under the Service Plan. The Company, as an initial part of this proceeding, will provide the PUC, OCA, OTS, OSBA, the City of Philadelphia and other interested parties with a report that analyzes the root cause of the failure and specifies the steps to be taken over the next 12 months to meet the required standard in the following year. The report shall include specific measurements of progress over the 12 months. A prehearing conference will be convened within 60 days of the filing of the Report. At the prehearing conference, the parties to the proceeding must indicate whether they wish to proceed to full litigation of the matter or whether the matter has been resolved among the parties.

b. In any proceeding convened to investigate the Company's non-compliance with the Service Plan, any party may request the Commission to order penalties for the service quality non-compliance. The Commission shall consider the degree of non-compliance and the number of indices in the Service Plan in which PECO failed to achieve agreed upon performance in determining whether to impose penalties and the level of penalties. The Commission can consider other methods of ensuring compliance with the Service Plan.

c. The Company agrees that the parties retain their right to petition the Commission for an on-the-record investigation or file a complaint in response to the storm management reports, storm response, other reported indices that are not directly measured in the Service Plan, individual or community complaints, or under other Commission Regulations.

d. Nothing contained herein is intended to limit the authority of the Commission, BCS, the Bureau of Safety and Compliance, or other Bureaus of the Commission from performing their duties and making recommendations, including recommendations regarding fines, for failure of PECO to perform in any of the areas contained in the Service Plan.

D. Universal Service

29. The Company agrees to provide \$1.3 million per year for 2001 and 2002 to the county fuel fund agencies in each county in PECO's electric service territory that currently administer fuel grants.⁹ These payments shall be made on or before January 15 of each year in which a payment is to be made pursuant to this Section. Payments made pursuant to this Section shall be distributed to the county fuel fund agencies in accordance with the existing allocation formula for PECO's Matching Energy Assistance Fund ("MEAF") funds to each county. If PECO has not implemented a "special needs" component to its CAP Rate program by January 1, 2003, it shall provide an additional \$400,000 to the county fuel fund agencies on or before January 15, 2003, to be allocated among such agencies in the same manner as the payments to be made pursuant to this Section in 2001 and 2002. PECO shall take all steps necessary to ensure that its CARES Program efficiently draws on the resources provided by this provision. These contributions do not limit or replace PECO's commitment to its hardship funds. The county fuel fund agencies will provide annual reports to the Company detailing how payments made pursuant to this section were spent.

30. The Company agrees to institute and maintain a customer data warehouse that will include appropriate Universal Service data. The data warehouse shall be designed to gather, to

⁹ The county fuel fund agencies are: Project Heat, c/o Bucks County Opportunity Council, Inc.; Chester County Cares, c/o Community Service Council of Chester County; Delco Shares Its Warmth, c/o Community Action Agency; Project Reach, c/o

the extent technically feasible, historic data for Universal Service customers, including data back to at least December 1, 1998. In addition, the data warehouse shall be designed to enable the Company to monitor and manage its Universal Service programs. H. Gil Peach, Ph.D. ("Dr. Peach") will be included on the distribution list for communications in defining the content of the data warehouse, and will routinely interact with the PECO representatives that are developing the data warehouse. By January 31, 2001, the data warehouse will be in place and will begin its data population. The Company agrees to provide Dr. Peach with timely and convenient on-site access to the customer data and statistical analysis tools, that will be necessary for him to effectively analyze the CAP Rate programs and the need, and structure of, if necessary, any "special needs" program. The Company agrees that the information contained in its data warehouse will be treated in accordance with the Commission's May 18, 1999 Enrollment Order at PUC Docket No. M-00991230, the Company's Electric Generation Supplier Coordination Tariff and other Commission Orders and Regulations.

31. The Joint Petitioners agree that a determination of the need for a "special needs" program and the components of such a program are more properly determined after sufficient Universal Service data are compiled. To that end, the Company agrees to review the Universal Service data contained in the data warehouse and other relevant sources to evaluate, with the LIURP Advisory Committee, whether a "special needs" component should be added to the Company's CAP Rate programs. A "special needs" component shall include, but is not limited to, program changes that address the special needs of customers with incomes at or below 50% of the federal poverty level. The determination of whether a "special needs" program is necessary,

and the formulation of the program, if necessary, shall be completed by June 30, 2002. If PECO and the LIURP Advisory Committee are unable to achieve consensus on a program by that date, PECO shall, within 60 days thereafter, make a recommendation to the Commission concerning a "special needs" component. Nothing in this Settlement shall be interpreted to preclude earlier action from being taken to implement a "special needs" component in conjunction with the LIURP Advisory Committee or as the result of any other proceeding or Commission requirement. The contributions to the county fuel funds, as described in Section 29, above, will be in lieu of the Company implementing a "safety net" or "special needs" component in years 2001 and 2002. As described in this Settlement, the Company agrees to use its best efforts to develop data, to study, and to evaluate this issue during this time frame.

32. As committed to in its Gas Restructuring Settlement at Docket No. R-00994787, the Company agrees to an updated evaluation of the CAP Rate program by Dr. Peach.¹⁰ In this evaluation, Dr. Peach will assess the need for a "special needs" component to the CAP Rate. Dr. Peach's evaluation shall be completed by January 31, 2002.

33. By June 30, 2001, the Company agrees to provide the LIURP Advisory Committee with a status report on the Company's data warehouse and a report on the contributions to the county fuel funds.

34. The initial maximum participation level of 100,000 customers in the Electric CAP program specified in Paragraph 34 of the 1998 Electric Restructuring Settlement is increased. Consistent with Paragraph 34 of the 1998 Electric Restructuring Settlement, the CAP Rate

¹⁰ Dr. Peach is the consultant who has conducted recent evaluations of PECO's CAP Rate Program. In the event that Dr. Peach declines or is unable to provide the service as set forth herein, a substitute shall be chosen who is mutually acceptable to PECO and the LIURP Advisory Committee.

remains an open enrollment program for all eligible customers with a provisional maximum participation level of 125,000 customers subject to revision and adjustment in consultation with the LIURP Advisory Committee when that level is reached.

35. In the event that Electric CAP Rate enrollment reaches 90,000 customers, the cost credit recoverable in the Universal Service Fund Cost ("USFC") Section 1307 recovery mechanism for each CAP Rate customer in excess of 90,000 will be \$383 per year in order to recover revenue shortfalls from the CAP Rate discounts. The USFC mechanism will recover only the revenue shortfalls described above, and the Company relinquishes the right to recover administration, credit and collection costs, Uncollectible Accounts expenses, LIURP expense and similar costs related to the CAP program through the USFC mechanism. The \$383 per customer per year amount will remain in effect until the Company's next base rate case, will not be challenged in Section 1307 proceedings, and will be deemed acceptable for the purpose of Section 1307 audits. The annual recoverable amount will be calculated on the basis of the \$383 cost credit multiplied by the total number of electric customers over 90,000 enrolled in the CAP Rate program (prorated for partial year participants). The Joint Petitioners further agree that the Company will be permitted to recover the annual recoverable amount beginning January 1, 2002. Accordingly, this Section modifies the cost credit recovery calculation of the Section 1307 mechanism described in Paragraphs 33 and 34 of the 1998 Electric Restructuring Settlement.

36. In the event that Gas CAP Rate enrollment reaches 17,500 customers, the cost credit recoverable in the USFC Section 1307 recovery mechanism for each Gas CAP Rate customer in excess of 17,500 will be \$200 per year in order to recover revenue shortfalls from the

Gas CAP Rate discounts. The USFC mechanism will recover only the revenue shortfalls described above, and the Company relinquishes the right to recover administration, credit and collection costs, Uncollectible Accounts expenses, LIURP expense and similar costs related to the Gas CAP program through the USFC mechanism. The \$200 per customer per year amount will remain in effect until the Company's next base rate case, will not be challenged in Section 1307 proceedings, and will be deemed acceptable for the purpose of 1307 audits. The annual recoverable amount will be calculated on the basis of the \$200 cost credit multiplied by the total number of gas customers over 17,500 enrolled in the CAP Rate program (prorated for partial year participants). Except as modified herein, the Joint Petitioners further agree that Company will be permitted to recover the annual recoverable amount beginning June 30, 2002, in accordance with the Gas Restructuring Settlement at Docket No. R-00994787.

37. Additional electric and gas program costs for any new Universal Service programs, such as a "special needs" program (other than amounts committed above for 2001, 2002, and 2003 of \$1.3 million, \$1.3 million, and \$0.4 million, respectively), will be eligible to be recovered through the USFC Section 1307 recovery mechanism.

E. Environmental Provisions

38. **Wind Block Program.**

a. **Funding.** PECO agrees to contribute to Community Energy, Inc.

("CEI")¹¹ the sum of three and one-half million dollars (\$3,500,000.00) for its Pennsylvania Wind Energy Program, payable to CEI in the following four installments: the first one million dollar

¹¹ CEI is a Delaware corporation with its offices in Philadelphia and Doylestown, Pennsylvania. CEI's corporate mission is to develop and market renewable and clean energy options in a customer choice environment. The principal project of CEI at this time is "Pennsylvania Wind Energy," under which new wind turbines are constructed with the generation marketed in "blocks" to retail customers. The program has developed new wind facilities near Hazleton, Pennsylvania, that commenced commercial operation in

installment to be paid on the first business day following the date of the consummation of the Merger; the second one million dollar installment to be paid within two business days after January 1, 2002; the third one million dollar installment to be paid within two business days after January 1, 2003; and the remaining \$500,000 to be paid within two business days after January 1, 2004. The funding will be used to advance the Pennsylvania Wind Energy Program to Pennsylvania electric customers in a manner that is non-exclusive to the Electric Generation Supplier a participating customer may select. Semiannually during 2001, 2002, 2003 and 2004, CEI shall submit a report to PECO, the PUC, and the OCA detailing its expenditure of the funds received from PECO. This report shall be in a form reasonably satisfactory to PECO.

b. **Co-operative Marketing.** Separate from the provisions in subsection (a) above, CEI will work in conjunction with PECO Energy and/or Exelon Energy (or its successor EGS) to develop the business relationship necessary for PECO and/or Exelon Energy to successfully offer wind blocks to their customers. PECO Energy and/or Exelon Energy (or its successor EGS) will provide resources to CEI to help CEI develop this program.

39. **Photovoltaic Project.**

a. The Company agrees to provide four million dollars (\$4,000,000.00) to fund a four-year photovoltaic project to purchase, install, finance and/or write down the cost of the minimum number of rooftop units in each year of the project, as indicated below, with at least 1/3 of each year's minimum production operational by May 15 of that year and the remainder operational by the end of the respective year.

- 2001 - 100 Units
- 2002 - 100 Units

December, 1999 with wind blocks sold to commercial customers in the PECO service territory. Brent Alderfer, a former Public Utilities Commissioner in Colorado, is President of CEI.

- 2003 - 125 Units
- 2004 - 125 Units

Each unit shall have a capacity ranging from 1.0 kW to 5 kW.

b. The payments to fund the project shall be made in four equal installments to the Sustainable Development Fund (“SDF”) within two business days after January 1 of each respective project year, except that in the event the Merger has not been consummated by January 1, 2001, the first payment shall be made on the first business day following said consummation.

c. SDF shall submit a report on this project as a distinct section of each SDF semi-annual report that is required to be submitted to the Commission and the Joint Petitioners pursuant to the SDF bylaws and applicable Commission order(s). Program investments, loans, revenue and expenditures shall be reported in SDF’s fiscal audits.

d. The SDF shall use its best efforts to implement the program as described herein and to maximize effective use of the funds to install photovoltaic systems, consistent with its chartered purpose and its normal operating procedures managed by its Board of Directors.

40. Tariff Issues.

a. The Company will make changes to Rate RS and Competitive Transition Charge sections of the Electric Service Tariff as reflected in the red-lined versions attached hereto as Appendix A.

b. To effectively implement Rate RS, a committee composed of representatives from PennFuture, CAC, OCA and PECO shall, in consultation with Electric Generation Suppliers (“EGSs”), establish standardized metering and billing practices for that rate.

41. **New Pennsylvania Wind Facilities.**

a. To enable the development of new wind facilities in Pennsylvania, the Company will provide the SDF three payments of four (4) million dollars each for a total amount of twelve (12) million dollars for the development of new wind powered generation projects in Pennsylvania, with the first payment to be made upon the consummation of the merger and the subsequent two payments on the following two anniversaries of that date.

b. The SDF shall submit a report on this project as a distinct section of each SDF semi-annual report that is required to be submitted to the Commission and the Joint Petitioners pursuant to the SDF bylaws and applicable Commission order(s). Program investments, loans, revenue and expenditures shall be reported in the SDF's fiscal audits.

c. The SDF shall use its best efforts to implement the program as described herein and to maximize effective use of the funds to develop new wind facilities in Pennsylvania, consistent with its chartered purpose and its normal operating procedures managed by its Board of Directors. The Company will be able to promote its funding of these facilities.

42. **Renewables Education.**

a. PECO agrees to pay the SDF the amount of five hundred thousand dollars (\$500,000.00) a year for five (5) years to help fund consumer education on electricity from renewable sources, including environmental, financial and technical considerations. Funds shall be payable within two business days after January 1 of each year, except that in the event the merger is not consummated on or before January 1, 2001, the first year's payment shall be made upon consummation of the merger.

b. The SDF shall submit a report on this project as a distinct section of each SDF semi-annual report that is required to be submitted to the Commission and the Joint Petitioners pursuant to the SDF bylaws and applicable Commission order(s). Program investments, loans, revenue and expenditures shall be reported in SDF's fiscal audits.

c. The SDF shall use its best efforts to implement the program as described herein and to maximize effective use of the funds to provide public education on renewable electricity, consistent with its chartered purpose and its normal operating procedures managed by its Board of Directors.

d. In no event may the SDF use the funds provided by PECO to promote the generation product of any particular company.

43. **Sustainable Development Fund.** The Company agrees to accelerate the annual payments otherwise due to the SDF by paying into said fund a lump sum payment of \$9.98 Million before the later of consummation of the merger or January 1, 2001, representing estimated collections during the period January 1, 2001 to December 31, 2006. Such payment shall be in complete satisfaction of all existing obligations of the Company to make payment to the fund and will not be subject to reconciliation.

44. **Interconnection Issues.**

a. **Facilities under 40 kW.** PECO agrees to modify the provisions of its "Requirements for Parallel Operation of Generation," including Appendix II thereto, such that all standards and procedures for certification and interconnection of facilities not exceeding 40 kW are stated within Appendix II. Proposed changes shall be submitted for review and discussion with other parties, as more fully delineated in Subsection B, below, prior to adoption by PECO.

b. **Facilities over 40 kW.** Additionally, in order to facilitate the interconnection of distributed and renewable energy sources, while maintaining system safety and reliability, PECO agrees to review, and adopt, where appropriate, new technical standards, procedural requirements and expense requirements for interconnection. PECO will do so based upon discussions with CAC, PennFuture, the SDF, and other interested parties regarding modifications to the “Requirements for Parallel Operation of Generation,” including Appendix II thereto. The revisions to be considered shall provide for: (1) pre-certification of various categories of such facilities to minimize individualized review; (2) standardization of engineering and other pre-interconnection study costs; (3) inclusion of the system benefits of distributed generation in determining distribution system costs charged to the customer and those borne by the system; and (4) incorporation of relevant standards of the Institute of Electronic and Electrical Engineers (“IEEE”) and National Fire Protection Association (“NFPA”). Facilitating interconnection by maximizing time, procedural, technical and expense certainty while maintaining system safety and reliability shall be of primary importance in considering any modifications (as discussed above) to the current procedures. After consultation with the interested parties, as described herein, PECO shall make the final determination as to what changes are incorporated. PECO shall not impose any distribution or transmission charges on the interconnecting generator unless such charges are imposed on all similarly situated generators regardless of owner or purchaser, do not duplicate charges to retail customers, and have been approved by the appropriate regulatory agency.

F. Promoting Competition

45. **Access to Installed Capacity (“ICAP”).** The Joint Petitioners expressly

acknowledge that specified quantities of ICAP will be provided to EGSs pursuant to PECO's FERC Electric Market-Based Rate Tariff or the GenCo successor thereto as described in Appendix C. The Joint Petitioners do not request the Commission to specifically approve the terms of this Appendix C as part of the Joint Petition for Settlement, and the Joint Petitioners acknowledge that Appendix C is referred to here for informational purposes only. The Joint Petitioners further acknowledge that, by referencing and attaching Appendix C, the Joint Petitioners do not intend to confer jurisdiction on the PUC that does not otherwise exist under applicable law.

46. **a. Release of Customer Historical Billing Data.** Via posting on the Success website, or its successor thereto, for all customers who, pursuant to applicable Commission orders, secretarial letters, rules or regulations, have authorized release of their information, PECO shall provide, without charge, to both licensed EGSs and licensed natural gas suppliers ("NGSs") serving PECO customers, twelve individual months of historical monthly electric usage and billed demand and/or gas billing data, as applicable, and as provided to PECO customers. Said data shall be provided per customer account. The website customer lists containing such data shall be maintained until January 1, 2004, unless the Commission shall make a generic determination (whether by order, secretarial letter, rule or regulation) that such program shall continue and, if so, under what terms. Nothing in this Section releases PECO from complying with such a generic determination by the Commission before the effective date of the Merger. The Success website customer lists shall be updated quarterly and shall include individual monthly electric usage and billed demand and/or gas billing data for the most recent twelve month period preceding the respective quarter, for which data is available. However, the lag time shall not exceed 2 billing

cycles. The relevant Supplier Coordination Tariff language shall be attached hereto as Appendix D.

b. Individual Customer Inquires. PECO shall make all reasonable efforts to respond within four (4) business days to customer-authorized EGS or NGS requests for individual 12 month historical customer usage and measured and billed demand information as historically provided to customers.

47. **Advance Notice of Process Changes.** PECO Energy agrees to provide EGSs thirty (30) days advance notice of all discretionary, material Electric Choice process changes, such as, for example, load forecasting and reconciliation, and a reasonable opportunity for comment prior to making such changes.

48. **Customer Load Profile Revisions.** If an EGS demonstrates to the Company that a specific customer or customers experienced significant over or under deliveries relative to their load profile(s) for a period of six continuous months, then the Company agrees to have a representative of its Supplier Administration Group meet with the EGS to evaluate whether to assign such customer(s) different prospective load profile(s) and, if such reassignment is justified, to mutually agree to a prospective change in the load profile(s) of such customer(s).

49. **EDI.** PECO and all EGSs shall comply with all electronic data interchange (“EDI”) standards and protocols as developed and defined by the Electronic Data Exchange Working Group (“EDEWG”) and as approved by the PUC. PECO and all EGSs shall provide an individual point of contact skilled in EDI processes and systems for discussion and remediation of any process failure or information transfer failure. All process or information transfer failures caused by PECO or an EGS shall be remediated by the responsible party as soon as reasonably

possible but not to exceed four (4) business days. In the event of frequent and repetitive process or information transfer failures, the responsible party will provide additional resources, including EDI consultants, to meet promptly with the other party's point of contact to identify causal factors and develop a remediation plan for such failures. The responsible party shall inform the other party of the progress of all corrective actions taken. Nothing contained herein shall prevent the party alleging harm from filing a complaint with the PUC or pursuing other available remedies.

50. **Dispute Resolution.** PECO Energy agrees to apply and adhere to the Abbreviated Dispute Resolution Process set forth in Appendix E hereto to resolve disputes involving alleged violations of the Retail Access Code of Conduct, the GenCo Code of Conduct, alleged violations of its Electric Generation Supplier Coordination Tariff or a dispute allegedly affecting or threatening the ability of an entity to provide electric generation or related services to a customer or customers.

51. **PLR Marketing.** Until January 1, 2004, PECO agrees not to market, advertise and promote its Provider of Last Resort ("PLR") service. This agreement, however, shall not preclude PECO from providing objective information to customers of the availability and terms of PLR service as part of a Commission-approved consumer education program or in response to a specific consumer inquiries nor shall it prohibit PECO from continuing to conduct general corporate image advertising concerning, for example, PECO's role as a corporate citizen in the community or the reliability of PECO's distribution system, such as the current "Be Prepared" advertising campaign.

52. **Competitive Default Service.** PECO agrees to revise the currently existing Competitive Default Service ("CDS") auction process as follows:

a. As of April 1, 2000, the Company will issue a Request for Proposal (“RFP”) for electric generation supply and capacity only, excluding customer care functions (such as call center, collections and billing, etc.), that requires bids to be received on or before May 1, 2000. The winning bidder will be selected by the Commission by July 1, 2000. As required by the terms of its 1998 Electric Restructuring Settlement, PECO's divisional or affiliated EGSs may not bid, and the RFP will cover 20% of all of PECO's residential customers determined randomly from both shopping and non-shopping customers. The Company will adjust downward, as appropriate, the currently required surety to reflect the reduced risk to the Company associated with bids for only the energy and capacity component of PLR service.

b. In the event no winning bidder is selected through the RFP process, the Company agrees to engage in good faith negotiations with qualified suppliers to enter into a bilateral CDS agreement or agreements between PECO and one or more suppliers for provision of electric generation supply and capacity to the twenty percent (20%) of PECO's residential customers included in the CDS auction. PECO's divisional or affiliated EGSs may not participate in this process. For the bilateral agreements, EGSs are free to propose the stranded cost buy down. Any CDS bilateral agreement(s) resulting from these negotiations shall: (1) include a schedule for implementation; (2) shall not require CDS customers to pay generation rates in excess of the otherwise applicable shopping credits; (3) unless PECO otherwise agrees, shall not impose additional costs on PECO as compared to costs PECO would have incurred if the CDS load had been awarded in accordance with the terms of the 1998 Electric Restructuring Settlement; and (4) shall be filed with the Commission on or before October 1, 2000. Unless expressly provided herein, the CDS provisions in Paragraph 38 of the 1998 Electric Restructuring

Settlement shall remain in effect.

c. In the event that PECO is unable to reach agreement with any supplier on a CDS bilateral agreement by October 1, 2000, or in the event the Commission, by November 1, 2000, modifies, rejects or fails to approve any filed bilateral CDS agreement, and if, on January 1, 2001, less than 35% of all PECO's residential and commercial customers, by class, are obtaining generation service from an alternate EGS or PECO supplier affiliate or division, then PECO shall, as provided in the Company's 1998 Electric Restructuring Settlement, randomly assign, by class, to all licensed suppliers serving residential and/or commercial customers on its system, except PECO's divisional or affiliated EGSs, the percentage of such customers required to fulfill the January 1, 2001 thirty five (35%) market share threshold. Nothing contained herein shall absolve, limit or qualify PECO's obligation to randomly assign, by class, customers sufficient to achieve the 35% target, as set forth in Paragraph M. 39.a. of the 1998 Electric Restructuring Settlement. PECO shall assign said percentage of such customers among eligible suppliers in accordance with Commission-approved procedures. Any such assignment resulting from this process shall not require the assigned customers to pay generation rates in excess of the otherwise applicable shopping credits.

d. If, for reasons beyond PECO's reasonable control, the schedules outlined in Sections 53. a. and/or b., above, are not met, such that PECO is unable to select a CDS provider thereunder by January 1, 2001, then, for purposes of the assignment required by Section 53.c., above, the twenty percent (20%) of customers otherwise covered under Sections 53. a. and b. will nonetheless be included in calculating the required thirty-five percent (35%) market share threshold. Notwithstanding the above, in the event that, by September 1, 2000, a CDS provider

has not been selected pursuant to either Sections 53. a. or b., above, the Company shall, pursuant to the process set forth in Section 53. c., above, assign the percentage of customers necessary to reach the 35% market share threshold. This assignment shall fully satisfy the Company's CDS auction requirement.

53. **Shopping Credits (CTC/ITC True -Up).** The Company will reconcile all Competitive Transition Charge ("CTC") and Intangible Transition Charge ("ITC") (collectively "Transition Charge") revenues on an annual basis in two categories: (a) Residential; and (b) Commercial/Industrial (encompassing all commercial and industrial accounts). This change will become effective for the Section 1307 reconciliation proceeding determining rates for the year 2001. This modification of the reconciliation process will minimize changes to shopping credits in commercial and industrial rate classes by expanding the reconciliation base. The Company will notify customers by bill insert of the applicable shopping credits that result from the annual CTC/ITC reconciliation. Whenever possible, the Company will attempt to provide such notice in advance of the change becoming effective.

54. **"Fresh Start" For Special Contract Customers.** Notwithstanding any contrary contract term or condition, each customer that is party to an existing contract with PECO entered into under Rule 4.6, the Economic Efficiency Rider, the Incremental Process Rider or the Large Interruptible Load Rider of PECO's Tariff Electric-Pa. PUC ("Special Contracts") shall have a unilateral, one-time option to terminate such contract with PECO for Competitive Energy Supply. The customer may exercise the option by providing written notice via certified mail, return receipt requested, to the Vice President, Customer and Marketing Services, PECO Energy Company, 2301 Market Street, Philadelphia, Pennsylvania 19101 to be received during the sixty

(60) day period commencing ninety (90) days after the date of closing on the merger of PECO and Unicom. If exercised, such termination will be effective as of the meter-read date immediately following the expiration of the sixty (60) day exercise period. Customers exercising the "Fresh Start" option will not be subject to an extra-contractual "Fresh Start" penalty or charge, but will be required to fulfill any otherwise applicable contractual obligations for the remainder of the contract term. For customers exercising this option who were parties to Special Contracts as of January 1, 1997, the charges for Electric Delivery Service, which consist of the unbundled charges for distribution services and Transition Charges, shall be those charges as unbundled effective as of January 1, 1999, subject to any applicable increases that result from the expiration of the distribution and/or generation rate caps. Where the Special Contract expressly specifies unbundled charges or methodology, the contract shall govern. For customers who were parties to Special Contracts entered into after December 31, 1996, the charges for Electric Delivery Service shall be the same as those for customers receiving service under Rate HT, unless the Special Contract otherwise specifies those charges. In such case, the Special Contract shall govern.

55. **Information Reporting.** Upon the request of an EGS, PECO will provide to the requesting party a copy of the monthly report filed with the Commission pursuant to the GenCo Code of Conduct, excluding sales by the GenCo to PECO for Provider of Last Resort Service.

56. **Distribution Of A Shopping Guide.** In cooperation with the OCA, PECO will distribute to all of its residential customers copies of the OCA's "Shopping Guide" or a similar shopping guide that shows the prices, relative to PECO's price to compare, being offered by competitive suppliers for residential generation service in PECO's service territory. PECO will

provide copies and distribute the shopping guide at its own expense at least twice per year during calendar years 2000, 2001 and 2002.

G. Corporate Structure Protections

57. **Cost of Capital of Regulated Distribution Operations.** The cost of capital used in establishing PECO's rates for retail electric and gas distribution service regulated by the Commission shall not reflect any risk adjustment associated with its corporate parent, Exelon, or any affiliate not regulated by the Commission. For purposes of this section, PECO's cost of capital shall include its cost rates for debt, preferred stock and common equity as applied to PECO's capital structure ratios.

58. **Investment Conditions.** From and after the effective date of this Settlement, PECO shall not: (1) guarantee the debt or credit instruments of Exelon or any affiliate not regulated by the Commission; (2) grant a mortgage or other lien or otherwise pledge as security for repayment of the principal or interest of any loan or credit instrument of Exelon or any affiliate not regulated by the Commission any property used and useful in providing retail utility service to the public subject to the Commission's jurisdiction; or (3) make any loan or otherwise extend credit to Exelon or any affiliate not regulated by the Commission for a term of one year or more. Upon PECO's request, as set forth in a Securities Certificate registration or other appropriate filing, the Commission may waive any one or more of these prohibitions if it finds that PECO's retail customers receiving service subject to the Commission's jurisdiction will be fully protected from bearing any increased costs as a result of granting the requested exception and that such customers will obtain some benefit from the transaction(s) made possible by the requested exception.

59. **Transactions Between PECO and Its Affiliates.** PECO will maintain reasonable accounting controls and other procedures for the allocation of overhead and other costs of jointly used assets and personnel. Such controls and procedures will be designed to provide reasonable assurance that PECO does not bear costs associated with the business activities of affiliated companies, which costs are not regulated by the Commission. PECO will also maintain reasonable pricing protocols for determining transfer prices for transactions between PECO and affiliated companies involved in business activities not regulated by the Commission. PECO will provide for appropriate ratemaking recognition, after expiration of its transmission and distribution rate cap, of all after-tax net proceeds, or other benefits, from the sale to, or use by, affiliates of used and useful utility assets that were allowed in PECO's retail distribution base rates.

60. **Limitation on Affiliate Purchased Power Rate Cap Exception.** PECO agrees that it cannot argue, in any proceeding before the PUC involving the applicability of the rate cap exception (66 Pa. C.S. §2804(4)), that increases in the price of purchased power are outside the control of PECO simply because the purchase is from Exelon Generating Company or another affiliate. PECO agrees that the Call Contract between it and Exelon GENCO, filed with the FERC on December 16, 1999, cannot form the basis of a rate cap exception and that the PUC retains authority to review the reasonableness of rates charged to PECO's retail distribution customers as a result of the Call Contract.

61. **Continuation of Jurisdiction.** The Commission's approval of the Application does not affect PECO's existing legal obligation to comply with all provisions of the Code, including Chapters 11 and 21 thereof.

62. **Access to Books, Records and Personnel.** Upon written request, PECO will provide to the Commission, the OTS, the OCA and the OSBA reasonable access to the books, records, officials and staff of PECO's affiliates not regulated by the Commission to the extent: (1) such affiliates provide goods or services to PECO; and (2) access to such books, records, officials or staff is necessary for the Commission to perform its regulatory oversight responsibility with respect to PECO's purchases of goods or services from those affiliates. PECO agrees to accept service in Philadelphia, Pennsylvania, of any requests made pursuant to these provisions and, in responding to such requests, PECO will make available within the Commonwealth of Pennsylvania the books, records and personnel responsive to those requests. However, nothing set forth herein shall constitute or be interpreted as a waiver by PECO of its right to raise traditional discovery objections to any such requests, including, but not limited to, objections on the basis of relevance and privilege. Additionally, before responding to any such requests, PECO shall be permitted to require the imposition of protections it deems necessary to prohibit disclosure of proprietary or confidential information.

63. **Annual Reports.** PECO shall provide the OCA and the OTS with a copy of its annual report filed with the Securities and Exchange Commission ("SEC") and its Annual Report to Shareholders applicable to each of the years 2001 through 2006.

H. Corporate Presence And Commitment To Local Communities

64. **PECO's Corporate Headquarters.** PECO will maintain the corporate headquarters for its distribution business in Philadelphia through at least 2005.

65. **Employment and Staffing Levels.** PECO Energy will maintain employment at 2301 Market Street at no less than 1250 employees through 2003 and will verify compliance with

this provision by filing an annual statement with the Commission. In addition, PECO commits to maintain the staffing levels required to ensure the adequate, efficient, safe, reasonable and reasonably continuous operation of its regulated distribution business.

66. **Contributions.** PECO agrees to maintain at least current levels of charitable and civic giving and economic and community development contributions in Pennsylvania through 2003.

I. Large Customer Provisions

67. **Amtrak Options for Transition Charge Buyout.** Amtrak shall have the option to execute a lump-sum buyout of its Transition Charges as set forth in Appendix F. The Commission is requested to approve this provision.

68. **City of Philadelphia Options Under Rule 4.6 Contract.** PECO shall grant the City of Philadelphia additional rights and options under its Rule 4.6 contract, as set forth in Appendix G. The Commission is requested to approve the changes reflected in Appendix G.

J. General Settlement Provisions

69. **Effectiveness of Settlement.** The Settlement will go into effect upon the Commission's issuance of a final order approving the Settlement without modification. If the Commission rejects the Settlement, the Settlement automatically will terminate and be null and void. If the Commission, in approving the Settlement, should modify any terms or conditions of the Settlement or add any conditions, any Joint Petitioner may elect to withdraw from the Settlement by filing a notice of withdrawal with the Commission's Secretary and serving a copy thereof upon all Joint Petitioners by facsimile or overnight delivery service within five business days of the entry of the Commission's Order. In addition, the consummation and closing of the

Merger and Corporate Restructuring constitute conditions precedent to the Settlement; provided, however, that Section 53 of the Settlement (dealing with Competitive Default Service), and Sections 69 and 70 of the Settlement (dealing with Commission approvals necessary to consummate the Corporate Restructuring and Merger, withdrawal of intervenors' actions at other agencies and the parties' obligations to support the Settlement), are not subject to these conditions precedent; and provided further that Sections 58 through 63 (dealing with Corporate Structure Protections) shall have as a condition precedent only the consummation of the Corporate Restructuring. Once the Merger and Corporate Restructuring have been consummated and closed, this Settlement and its terms shall be implemented and enforceable notwithstanding the pendency of a petition for reconsideration or a legal challenge to the Commission's approval of this Joint Petition and Settlement unless such implementation and enforcement of the Settlement is stayed or enjoined by the Commission, another regulatory agency, or a court having competent jurisdiction over the matter.

70. **All Issues Resolved.** The Settlement resolves with prejudice all issues related to PECO's Application for Merger and Corporate Restructuring. The approvals requested in PECO's Application are approved, as modified by the Settlement. This Settlement precludes the Joint Petitioners from asserting contrary positions in derogation of this Settlement with respect to any issue addressed herein during subsequent litigation against PECO; provided, however, that this Settlement is made without admission against or prejudice to any factual or legal positions which any of the Joint Petitioners may assert in (a) the subsequent litigation of this proceeding in the event that the Commission does not issue a final, non-appealable Order approving this Settlement without modification; or (b) in any proceeding involving another Pennsylvania utility.

This Settlement is determinative and conclusive of all of the issues addressed herein and constitutes a final adjudication as to the Joint Petitioners of the matters thereof. All Joint Petitioners shall support the Settlement and make reasonable and good faith efforts to obtain approval of the Settlement by the Commission and any Courts.

71. **Intervenors to Withdraw Other Actions.** All Joint Petitioners other than PECO (“Intervenors”) shall, immediately upon entry of a final Commission order approving the Settlement, withdraw any actions, interventions or protests filed and terminate all other participation, formal or informal, direct or indirect, by such Intervenors and their affiliates in all proceedings involving or related to the Merger, the Corporate Restructuring, the comparable corporate restructuring of Unicom and Commonwealth Edison and related transfers of assets and transactions thereunder before other agencies or courts including, but not limited to, FERC, SEC, NRC, DOJ, FTC, FCC, IRS, and Illinois Commerce Commission (“Other Forum”).¹² Upon execution of the Joint Petition, Intervenors and their affiliates shall not initiate any such action, protest, intervention or participation before any Other Forum; provided, however, if, before the Commission enters an order granting, denying or modifying this Joint Petition, a filing is required in a proceeding before an Other Forum which, if not made, would cause the Intervenor to waive its right to participate in such proceeding in the event this Settlement is not approved, a filing, which does not state a position adverse to PECO in such proceeding, may be filed to preserve such Intervenor’s right to participate in such proceeding. Any such filing will be withdrawn immediately upon entry of a final Commission order approving the Settlement. Additionally, if

¹² However, this provision does not require any Intervenor to withdraw from the FERC proceeding at Docket No. EL00-25-000 wherein Commonwealth Edison, et al., requested a declaratory order containing, inter alia, findings that an independent transmission company subject to oversight by the Midwest Independent Transmission System Operator would have the characteristics and would fulfill the functions of a Regional Transmission Operator (“RTO”) under FERC’s Notice of Proposed Rulemaking at Docket No. RM99-2-000.

any court reverses, vacates or modifies the Commission's final order approving the Settlement, the Intervenor may intervene or revive a prior intervention in any then-pending proceeding in an Other Forum and, in that event, PECO shall not object to such intervention or revival on the grounds that it is untimely.

72. **Other Proceedings.** Acknowledging that it is expressly understood and agreed that the Settlement constitutes a negotiated resolution solely of issues addressed herein, the Merger and the Corporate Restructuring, the Joint Petitioners agree that this Settlement shall not constitute or be cited as controlling precedent in any other proceeding, including a proceeding involving a merger or an acquisition by another Pennsylvania electric utility.

73. Unless expressly modified by this Settlement, all of the terms and conditions of the 1998 Electric Restructuring Settlement remain in full force and effect.

IV. PUBLIC INTEREST CONSIDERATIONS

The Joint Petitioners submit that this Settlement is in the public interest and should be approved in full for the following reasons:

74. **Rates Will Be Reduced.** The Settlement provides for \$200 million of rate reductions over a four-year period commencing January 1, 2002.

75. **Transmission And Distribution Charges Will Be Capped For An Additional Eighteen Months.** The Settlement extends the cap on PECO's transmission and distribution charges, which otherwise would expire on June 30, 2005 under the 1998 Electric Restructuring Settlement, until December 31, 2006.

76. **Post-Cap Distribution Rate Increases Will Be Mitigated.** The Merger will create the opportunity to achieve cost savings through the sharing of best practices, purchasing

economies and the elimination of duplicative functions. In addition, PECO has agreed that any future increases in nuclear decommissioning costs will be shared between shareholders and customers.

77. **Reliability And Customer Service Will Be Enhanced.** The Settlement requires PECO to develop enhanced reliability and customer service standards and to hold management and supervisory personnel accountable if those standards are not met.

78. **Competition Will Be Promoted.** The separation of electric generation and marketing functions from regulated delivery services will facilitate compliance with the Code of Conduct and Competitive Safeguards (GenCo Code of Conduct) adopted as part of the 1998 Electric Restructuring Settlement. In addition, the Settlement promotes *increased retail electric competition* in PECO's service area through power sale commitments under its FERC market-based tariff; grants special contract customers a sixty-day "fresh start"; facilitates the exchange of information between PECO and third party suppliers; imposes restrictions on PECO's promotion of its provider of last resort (PLR) service; implements an Abbreviated Dispute Resolution Process; and establishes transition cost reconciliation procedures designed to reduce annual swings in shopping credits.

79. **Universal Service Coverage Will Be Expanded.** The Settlement removes the 100,000 customer limit on the CAP Program, reduces the level of cost recovery of the Universal Service Program, calls for consideration of institution of a "special needs" program and provides for additional contributions by PECO to county fuel fund agencies in PECO's service territory.

80. **The Environment Will Benefit.** The Settlement promotes the use of renewable energy sources through the funding of one of the largest investments in wind generation in the

Eastern United States; educational outreach; the development and/or funding of a retail wind block program; the development of photovoltaic generation; expanded availability of Rate RS for renewable energy installations; and the acceleration of payments to the Sustainable Development Fund.

81. **Customers Will Be Protected Against Unregulated Risk And Cross-Subsidization.** One of PECO's objectives in adopting a holding company structure is to insulate utility customers from the risks attendant to unregulated businesses. Consistent with that objective, the Settlement provides that the determination of regulated rates shall not be affected by the success or failure of nonregulated businesses; requires PECO to adhere to reasonable accounting controls and pricing protocols in its dealings with affiliates; imposes conditions on PECO's extension of credit; and ensures reasonable access to the books, records and personnel of affiliated entities.

82. **PECO Will Maintain A Strong Corporate Presence In Southeastern Pennsylvania.** The Settlement ensures that PECO will maintain corporate staffing at 2301 Market Street at no less than 1250 through 2003 and maintain charitable and civic giving in Pennsylvania at no less than current levels through 2003.

83. **Substantial Litigation And Associated Costs Will Be Avoided.** The Settlement amicably and expeditiously resolves a number of important and contentious issues. The administrative and appellate burden and costs to litigate these matters to conclusion would be substantial.

84. **The Settlement Is Consistent With Commission Policies Promoting Negotiated Settlements.** The Joint Petitioners arrived at the Settlement terms after conducting

extensive discovery and engaging in in-depth discussions over many weeks. The Settlement terms and conditions constitute a carefully crafted package representing reasonable negotiated compromises on the issues addressed herein. Thus, the Settlement is consistent with the Commission's rules and practices encouraging negotiated settlements (see 52 Pa. Code §§ 5.231, 69.391, 69.401) and Chairman Quain's admonition specific to this proceeding that the parties "work diligently, in the spirit of compromise repeatedly endorsed by this Commission, to reach an amicable resolution of this matter, if at all possible." *See* Separate Statement of John M. Quain, Chairman, issued March 2, 2000 in conjunction with the PUC's Order denying PECO's Petition for certification of the record under Section 335(a).

V. CONCLUSION

WHEREFORE, the Joint Petitioners, intending to be legally bound, respectfully request that the Commission: (1) approve this Joint Petition, including all terms and conditions contained herein, without modification; (2) issue Certificates of Public Convenience under Section 1102 of the Code authorizing the proposed Corporate Restructuring and Merger and the transfer of assets contemplated therein; (3) approve the agreements with affiliated interests attached as Exhibits "H-1", "H-2" and "H-3" to the Application; (4) make the findings required by Sections 2210 and 2811(e) of the Code; (5) make the findings required by Sections 32(c) and 32(k) of the Public Utility Holding Company Act regarding EWG status; (6) approve the Tariff Supplements attached as Appendix A to become effective pursuant to terms set forth therein; and (7) terminate and mark closed the proceedings at Docket No. A-110550F0147.

Respectfully submitted,



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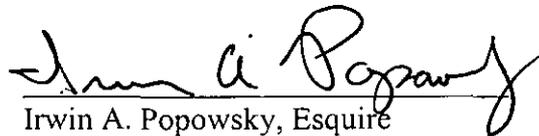
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Respectfully submitted,

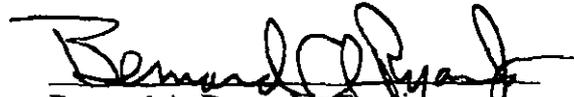
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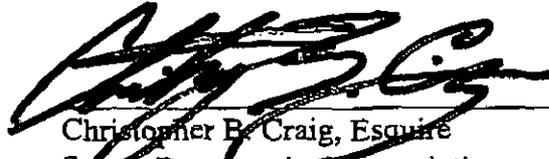


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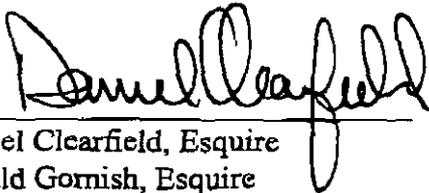


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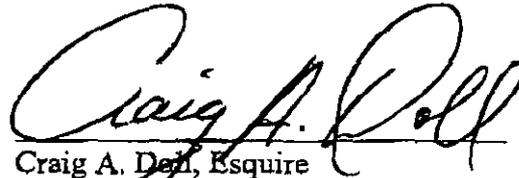
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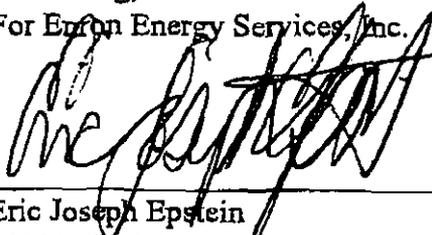
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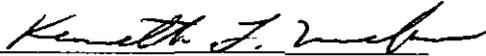


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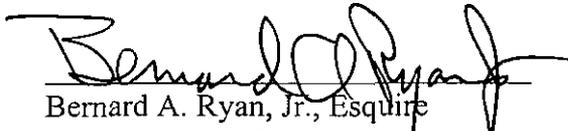


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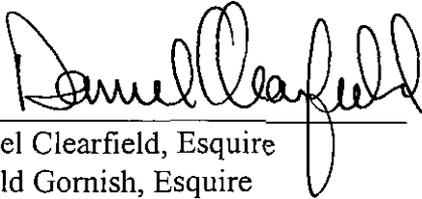


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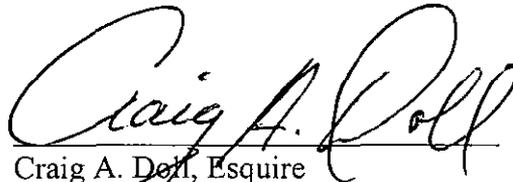
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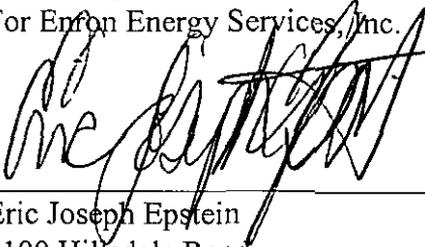
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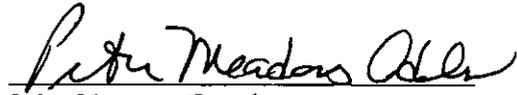
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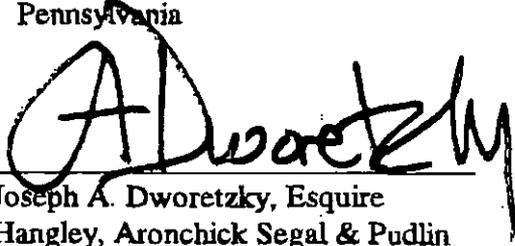
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Appendix A

Distribution Tariff and Proof of Revenues

COMPETITIVE TRANSITION CHARGE (CTC)

Incorporated into the tariff rate schedules is the applicable non-bypassable Competitive Transition Charge (CTC) authorized to recover PECO Energy's approved Transition or Stranded Costs plus a 10.75% return and applicable Pennsylvania Gross Receipts Tax (Pa GRT). Each customer will be charged their full CTC allocable to their use of the transmission and distribution system. As an alternative means of collecting the CTC, individual customers and PECO Energy may mutually agree to a payment schedule that fully collects the same present value without bypass by the customer or overcollection by PECO Energy. For purposes of determining such a payment schedule, the Company will follow the provisions contained in paragraph 25 of the Joint Petition for Full Settlement.

Special Rules for On-Site Generation

To ensure that customers that use on-site generation equipment that operates in parallel with PECO Energy's transmission and distribution system pay their fully allocated share of Transition or Stranded Costs through the Company's CTC/ITC, to be reflected in the Reconciliation set forth below, the Company will follow the following procedure:

1. For all customers served under the Auxiliary Service Rider, PECO Energy will determine annually, following completion of each calendar year during which it is charging a CTC/ITC, whether any such customer purchased at least 10% fewer kilowatt-hours through PECO Energy's transmission and distribution system than the customer purchased during the applicable base year as defined below.
2. Base Year definition: For customers who begin service under the Auxiliary Service Rider on or after January 1, 1997, the base year will be the immediate prior calendar year. For all other Auxiliary Service Rider customers, the base year will be 1996.
3. For all such customers, PECO Energy will then determine the extent to which the reason for the reduction is use of on-site generation equipment. If this cannot be determined using metering data otherwise available to the Company, the customer will be required to provide metering data for its generator, or of its load served by that generator.
4. If the Company determines that the ratio expressed as a percentage between: (1) the amount of the usage difference caused by the on-site generation; and (2) the base year usage, is 10% or more, then the Company will render a separate bill to the customer that is equal to the difference between: (1) the total CTC/ITC amount that the customer would have paid in the just completed calendar year using monthly usage and demand data for the base year (adjusted for any portion that is not related to on-site generation); and (2) the total CTC/ITC amount that the customer did pay in the just completed calendar year.
5. The separate bill will be issued in the first quarter of the new calendar year, and will be due within thirty (30) days of the issuance date printed on the bill.

Alternatively, for existing industrial and commercial customers whose peak load during 1996 was at least four (4) megawatts, and who can document that they were actively self generating or considering self-generation as of December 31, 1996 or earlier, will pay CTC/ITC charges following full start-up of any self-generation facility they install before December 31, 2010 as follows:

- i. PECO Energy will calculate the customer's average billing demand and energy usage for calendar year 1996;
- ii. Using those billing determinants PECO Energy will determine the dollar amount that would be charged where the customer billed for CTC/ITC using the prevailing Rate HT CTC/ITC charges;
- iii. PECO Energy will bill the customer one-third of the dollar amount determined in accordance with step 2.

This provision shall not apply to customers served under the annual reconciliation provision of Rate RS.

(C)

Reconciliation of Transition or Stranded Cost Recovery (CTC/ITC)

The Company shall file an annual reconciliation of the CTC recovery (including ITC recovery) on a rate class specific (i.e. Residential and Commercial/Industrial, i.e., in accordance with Appendix E Paragraph 53 of the Joint Petition for Full Settlement at Docket No. A-110550F0147) basis in accordance with Section 1307(e) of the Pennsylvania Public Utility Code. The reconciliation during calendar year 2010 will be done quarterly or, if necessary, monthly in order to insure full CTC recovery and termination by December 31, 2010. The reconciliation will include a redetermination of the CTC rates necessary to refund or recover previous over or under recoveries of the Annual CTC Revenue Requirement based upon the difference between CTC revenue from actual usage of the PECO Energy transmission and distribution system by rate class and the assumed level of CTC revenue for the class based upon sales in Appendix E of the Joint Petition for Full Settlement.

(C)

Accordingly, the adjusted CTC rates will be calculated to produce the level of CTC revenue that will make the actual unamortized Transition or Stranded Cost principal balance at the next true-up date equal to the projected balance at that date (as set forth in on Sheet 3 of 3 of Appendix E of the Joint Petition for Full Settlement incorporating a 10.75% interest rate and applicable Pa GRT). Sales for each true-up period shall be determined by assuming, as shown in Appendix E of the Joint Petition for Full Settlement, a total sales level in 1999 of 33,569,358 MWH and increasing such sales level for each rate class by 0.8% on an annual basis, unless it is apparent that such methodology would significantly over or under recover the Annual CTC Revenue Requirement for the following year, in which case the Company will propose an adjusted sales level that reflects actual sales and updated sales projections for the following year.

(C)

(C) Indicates Change.

PECO Energy Company

NUCLEAR DECOMMISSIONING COST ADJUSTMENT CLAUSE (NDCA)

The NDCA provides for the recovery of nuclear decommissioning costs related to the Company's Ownership Interest in Nuclear Generation as of 12/31/99. The NDCA shall be charged to all customers taking service under this Tariff. The adjustment shall be a cents per kWh charge calculated to the nearest one hundredth of one cent. (C)

The Company's Ownership interest in nuclear generation as of December 31, 1999 consists of the following: (C)

| | |
|-----------------------|---------------|
| <u>Peach Bottom 1</u> | <u>100%</u> |
| <u>Peach Bottom 2</u> | <u>42.49%</u> |
| <u>Peach Bottom 3</u> | <u>42.49%</u> |
| <u>Salem 1</u> | <u>42.59%</u> |
| <u>Salem 2</u> | <u>42.59%</u> |
| <u>Limerick 1</u> | <u>100%</u> |
| <u>Limerick 2</u> | <u>100%</u> |

Formula

The following formula shall be used to determine the NDCA.

$$NDCA = \frac{\text{PaPUC Authorized Decommissioning Expense Adjustment}}{\text{Total Pennsylvania Jurisdictional Sales for Calculation Year}}$$

Where:

PaPUC Authorized Decommissioning Expense Adjustment

(Adjusted Annual Accrual - Base Accrual) x .95 = the amount allowed by the PaPUC Adjusted Annual Accrual for retail electric cost of service in the Calculation Year less the Base amount Accrual. The initial amount is 0. (C)

Total Pennsylvania Retail Jurisdictional Sales = total kWh sales under this Tariff for the calculation year including sales for distribution or CTC purposes.

Calculation Year = year in which the Company proposes a change to the NDCA. To the extent a new cost study, performed every five years, indicates the Company requires an adjustment in the rate, the Company shall change the NDCA to reflect such new expense level. In calculating the annual expense the Company shall use the sinking fund methodology.

Adjusted Annual Accrual = accrual necessary to fund the Adjusted Obligation.

Adjusted Obligation = Gross Decommissioning Obligation reduced by \$50 million for ratemaking purposes.

Gross Decommissioning Obligation - The total decommissioning cost obligation as approved by the Commission as expressed in escalated future dollars.

Methodology for Calculating Expense

The base period expense shall be based upon the decommissioning costs set forth in the table below. The Company shall use a sinking fund methodology to determine the appropriate level of decommissioning expense. The assumptions shall be consistent with NRC policy and requirements.

The Base level of expense Accrual shall consist of the following levels for each unit. (C)

| | |
|----------------|--------------|
| Peach Bottom 1 | \$2,992,000 |
| Peach Bottom 2 | 2,588,000 |
| Peach Bottom 3 | 5,976,000 |
| Salem 1 | 2,651,000 |
| Salem 2 | 2,509,000 |
| Limerick 1 | 4,403,000 |
| Limerick 2 | 8,043,000 |
| Total | \$29,162,000 |

Frequency of Calculation

The annual expense shall be recalculated every five years. The Company shall adjust the NDCA to reflect the new expense level 60 days after filing the new study and the associated rate calculation with the PaPUC. The first calculation of the NDCA shall be considered to have taken place on January 1, 1998.

Completion of Decommissioning

In the event that the actual expenditures necessary to accomplish full decommissioning of the PECO Interest are less than the full balance in the funds established for such purpose, PECO shall be entitled to a release of such funds to PECO for the purpose of sharing the amount between ratepayers and shareholders. In the event that such release is granted, PECO's shareholders shall be entitled to retain (1) the first \$50 million of the net after-tax amount and (2) 5 percent of the remaining net after-tax amount of the released funds. (C)

(C) Denotes Change

Issued

Effective

PECO Energy Company

Universal Service Fund Charge (USFC)

PROVISIONS FOR RECOVERY OF USFC

The Variable Distribution Service Charges for applicable service rates shall be adjusted and reconciled in accordance with paragraphs 33 and 34 of the Joint Petition for Full Settlement as modified by paragraphs 35 and 37 of the Settlement at Docket No. A-110550F0147.

PECO Energy Company

Universal Service Fund Charge (USFC)

PROVISIONS FOR RECOVERY OF USFC

The Variable Distribution Service Charges for applicable service rates shall be adjusted and reconciled in accordance with Paragraph X of the Joint Petition for Settlement of the Gas Restructuring at Docket No. 994787 as modified by Paragraphs 36 and 37 of the Joint Petition for Settlement at Docket No.A-110550F0147.

RATE R-S RENEWABLE ENERGY SERVICE**AVAILABILITY.**

Single-phase Electric service in the entire territory of the Company for a customer served under Rate R, Rate R-H, Rate R-T or Rate GS, that has installed a device or devices that are, in PECO Energy's sole judgment, a bona fide technology for use in generating electricity from qualifying renewable energy installations not exceeding 10 40 kW, and that will be operated in parallel with the Company's system. Qualifying renewable energy installations include solar panels, wind, hydro, biomass, methane field, and fuel cell generation. The customer's equipment must conform to the installation requirements contained in Appendix II of the Company's published "Requirements For Parallel Operation Of Generation." The Company will modify its distribution and transmission facilities as necessary to interconnect with the customer at a single point. A customer will be charged for all modifications, additions or retirements made to provide the interconnection, in excess of \$1000 in accordance with Appendix II of the "Requirements for Parallel Operation of Generation."

(Not available when the source of supply is service purchased from a neighboring Company under Rate BLI Borderline Interchange Service.)

METERING/BILLING PROVISIONS.

A customer may select one of the following billing and metering options in conjunction with the Applicable Rate R, Rate R-H, Rate R-T or Rate GS charges, whether receiving generation services and selling excess energy to the Company or an EGS,

(a) A non-ratcheted, bi-directional meter, such as the existing meter at the facility, may be used to record net energy sales to the customer.

(b) Two meters may be installed. One will measure the energy delivered by the Company that the customer uses, and the other will measure the energy delivered to the Company from the customer that is generated by the customer's qualified renewable energy installation.

(c) PECO Energy shall provide such other Qualified Meters on such terms as shall be approved by the Commission.

~~Provisions (a), (b) and (c) each assume that the customer remains with PECO Energy for their energy supply, metering and billing. A customer desiring Competitive Energy Supply and/or competitive billing from an EGS, and/or Advanced Meter Services from an AMSP must contact those parties to determine whether they support this rate and an appropriate metering/billing provision as listed above (options (a) (b) or (c)). PECO will also provide metering and/or billing to a customer contracting for the purchase and/or sale of energy from an EGS providing net metering service. A customer may also arrange for competitive billing from an EGS, and/or Advanced Meter Services from an AMSP.~~

If, in any billing month, the amount of energy delivered by the Company ~~under Option (b) or (c)~~ that the customer uses is greater than the amount of energy the customer delivered to the Company, then the Company will bill the customer for the difference in all usage based charges on a per kwh basis pursuant to the applicable Rate R, RH, RT or GS rate schedule. If, in any billing month, the amount of energy delivered by the Company ~~under Option (b) or (c)~~ that the customer uses is less than the amount of energy the customer delivered to the Company, the Company will not bill the customer for any usage based charges on a per kwh basis and will pay the customer under Option (b) or (c) for the excess using the monthly average PJM billing rate, market clearing price, or its successor. For customers with Rate R-T, and the appropriate metering equipment (Option(c)), the billing will reflect the on-peak and off-peak generation and use and a metering charge under Option (C) will apply. A monthly meter charge shall apply if Option (b) or (c) is selected. A customer may sell any excess energy to an EGS other than PECO Energy at prices agreed upon between the customer and the EGS. ~~However, the customer must pay the appropriate Variable Distribution Service Charges on this excess energy.~~

CURRENT CHARACTERISTICS.

Standard single-phase secondary service as defined under the qualifying rate schedule.

METERING CHARGE: Under Option (a), service under R-S includes no metering charges in addition to any metering or Fixed Distribution Service Charge under the applicable rate schedule. Customers under Options (b) or (c), who receive metering service from an AMSP shall receive as a credit for the meter a portion of the Fixed Distribution Service Charge under their applicable rate schedule. Customers under Rate RT or taking Options (b) or (c) shall only pay the incremental cost over their existing meter charges.

Option (b) - \$ 4.46

Option (c) - meter cost shall be based upon the net incremental cost of purchasing and installing the new metering equipment as approved by the Commission.

MONTHLY RATE TABLE FOR NET ENERGY USED BY CUSTOMER. (See Applicable Rate R, Rate R-H, Rate RT or Rate GS for charges.).

MINIMUM CHARGE: The minimum charge per month will be the Fixed Distribution Service Charge for the applicable Rate R, Rate R-H, Rate R-T or Rate GS Service and the metering charge if the customer has selected Option(b) or Option(c).

~~If the renewable energy installation generates more electricity than the customer uses in any billing month, then the customer will not be charged for any energy usage, but the customer will not be paid by the Company for the excess energy delivered to PECO Energy. No dual metering charge shall apply.~~

Customers receiving service under metering/billing Option (a): If the renewable energy installation generates more electricity than the customer uses in any billing month, then the customer will not be charged for any energy usage, but the customer will not be paid by the Company for the excess energy delivered to PECO Energy.

Customers receiving service under metering/billing Option (b) or (c): the customer shall not be charged for any energy received from the Company that is less than the amount delivered to the Company in the billing month but shall be paid an

amount for such excess delivered to the Company as described below. If the customer receives more energy from the Company than is delivered to the Company, the customer shall be billed for the excess energy and capacity pursuant to the applicable Rate R, Rate R-H, Rate RT or Rate GS Charges. For customers that deliver more energy to the Company than is received from the Company, PECO will pay for the excess energy using the monthly average PJM market clearing price, or its successor. Customers receiving service in conjunction with Rate R-T shall be paid for excess energy delivered to the Company at the monthly average PJM peak and/or off-peak rates as applicable.

ANNUAL RECONCILIATION PROVISION

The annual reconciliation provision is limited to 4 MW of qualifying capacity in 2001. The limit shall increase by 2 MW per year thereafter.

Under this provision energy charges will be subject to annual reconciliation. PECO Energy shall reconcile the monthly usage based charges on a per kWh basis for each calendar year based upon an annual summary bill issued by March 1 each year. The summary bill will identify the reconciliation period total of all monthly net deliveries to the Company and the total of all monthly net deliveries to the customer on a per kWh basis. If the net kWh delivered to the Company from the customer exceeds the net kWh delivered to the customer for the reconciliation period, the Company will refund any overpayment at the applicable per/kWh charge, or credit any outstanding bills at that applicable charge. For customers using Rate R-S in conjunction with Rate R-T, the Company shall reconcile on-peak and off-peak usage separately.

Customers contracting with an EGS for energy and capacity: Charges and/or credits for energy shall be determined pursuant to the customer/EGS agreement.

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RATE.

CONTRACT TERM.

Not less than twelve months.

PAYMENT TERMS.

Standard

2002

2002 Unbundled Revenue

| | <u>Sales</u> (MWh) | <u>Total Rev</u> (1) | <u>Transmission</u> (2) | <u>Distribution</u> (3) | <u>Allocation of \$60,000,000</u> | | <u>New</u> <u>Distribution</u> (3a) | <u>CTC</u> (4) | <u>Market Energy</u> (5)=1-2-3-4 |
|-------|-----------------------|-------------------------|----------------------------|----------------------------|-----------------------------------|--------------------------------------|---|-------------------|-------------------------------------|
| | | | | | <u>Alloc</u> % | <u>\$ (60,000,000)</u> Allocation | | | |
| HT | 14,542,215 | 1,001,069,782 | 51,190,027 | 111,301,827 | 12.83% | (7,696,354) | 103,605,473 | 294,256,898 | 552,017,384 |
| EP | 654,254 | 47,847,292 | 2,373,227 | 7,478,499 | 0.86% | (517,127) | 6,961,372 | 13,352,431 | 25,160,262 |
| PD | 1,107,824 | 105,130,656 | 5,183,690 | 20,019,844 | 2.31% | (1,384,342) | 18,635,502 | 29,212,312 | 52,099,152 |
| GS | 6,756,312 | 774,562,157 | 39,838,587 | 144,898,335 | 16.70% | (10,019,502) | 134,878,833 | 224,960,668 | 374,884,068 |
| GS | 6,715,671 | 769,978,781 | 39,602,848 | 144,040,917 | 16.60% | (9,960,213) | 134,080,704 | 223,629,491 | 372,665,738 |
| TL | 40,641 | 4,583,376 | 235,740 | 857,418 | 0.10% | (59,289) | 798,129 | 1,331,177 | 2,210,000 |
| RH | 2,884,604 | 288,904,442 | 11,521,404 | 100,803,925 | 11.62% | (6,970,440) | 93,833,485 | 62,481,061 | 121,068,491 |
| R | 7,885,699 | 1,093,016,664 | 44,098,864 | 441,168,627 | 50.84% | (30,506,148) | 410,662,479 | 236,624,587 | 401,630,733 |
| R | 7,885,618 | 1,093,006,700 | 44,098,462 | 441,164,606 | 50.84% | (30,505,870) | 410,658,736 | 236,622,430 | 401,627,072 |
| RT | 81 | 9,964 | 402 | 4,022 | 0.00% | (278) | 3,744 | 2,157 | 3,661 |
| OP | 384,915 | 25,288,035 | 182,874 | 19,585,166 | 2.26% | (1,354,285) | 18,230,881 | 391,316 | 6,482,964 |
| SLP | 90,951 | 13,304,657 | 157,270 | 10,880,721 | 1.25% | (752,386) | 10,128,336 | 633,313 | 2,385,738 |
| SLS | 17,317 | 4,981,281 | 82,942 | 3,930,701 | 0.45% | (271,802) | 3,658,899 | 382,010 | 857,431 |
| SLE | 48,154 | 7,578,438 | 77,308 | 5,960,250 | 0.69% | (412,142) | 5,548,108 | 273,596 | 1,953,023 |
| OTHER | 9,237 | 1,793,623 | 10,472 | 1,669,910 | 0.19% | (115,472) | 1,554,438 | 12,303 | 216,409 |
| POL | 9,205 | 1,789,774 | 10,450 | 1,666,327 | 0.19% | (115,224) | 1,551,103 | 12,277 | 215,945 |
| AL | 32 | 3,849 | 22 | 3,583 | 0.00% | (248) | 3,336 | 26 | 464 |
| TOTAL | 34,381,484 | 3,363,477,028 | 154,716,666 | 867,697,806 | 100.00% | \$ (60,000,000) | 807,697,806 | 862,580,496 | 1,538,755,656 |
| ¢/kWh | | 9.78 | 0.45 | 2.52 | | \$ (0.17) | \$ 2.35 | 2.51 | 4.47 |

2002 Unbundled Unit Rates (¢/kWh)

| | | | <u>Transmission</u> (2) | <u>Distribution</u> (3) | <u>Allocation of \$60,000,000</u> | | <u>New</u> <u>Distribution</u> (3a) | <u>CTC</u> (4) | <u>Market Energy</u> (6)=1-2-3-4-5 |
|-------|------------|-------|----------------------------|----------------------------|-----------------------------------|---|---|-------------------|---------------------------------------|
| | | | | | <u>Alloc</u> % | <u>\$ (60,000,000)</u> <u>Allocation</u> | | | |
| HT | 14,542,215 | 6.88 | 0.35 | 0.76 | 12.83% | (0.05) | 0.71 | 2.03 | 3.80 |
| EP | 654,254 | 7.31 | 0.36 | 1.14 | 0.86% | (0.08) | 1.06 | 2.04 | 3.85 |
| PD | 1,107,824 | 9.49 | 0.47 | 1.80 | 2.31% | (0.12) | 1.68 | 2.64 | 4.70 |
| GS | 6,756,312 | 11.46 | 0.59 | 2.14 | 16.70% | (0.15) | 1.99 | 3.33 | 5.55 |
| GS | 6,715,671 | 11.47 | 0.59 | 2.14 | 16.60% | (0.15) | 1.99 | 3.34 | 5.55 |
| TL | 40,641 | 11.28 | 0.58 | 2.10 | 0.10% | (0.15) | 1.96 | 3.28 | 5.55 |
| RH | 2,884,604 | 10.02 | 0.40 | 3.49 | 11.62% | (0.24) | 3.24 | 2.17 | 4.20 |
| R | 7,885,699 | 13.86 | 0.56 | 5.58 | 50.84% | (0.39) | 5.19 | 3.01 | 5.09 |
| R | 7,885,618 | 13.86 | 0.56 | 5.58 | 50.84% | (0.39) | 5.19 | 3.01 | 5.09 |
| RT | 81 | 12.31 | 0.50 | 4.96 | 0.00% | (0.34) | 4.61 | 2.68 | 4.52 |
| OP | 384,915 | 6.57 | 0.05 | 5.08 | 2.26% | (0.35) | 4.72 | 0.11 | 1.68 |
| SLP | 90,951 | 14.63 | 0.17 | 11.93 | 1.25% | (0.83) | 11.11 | 0.73 | 2.62 |
| SLS | 17,317 | 28.77 | 0.48 | 22.64 | 0.45% | (1.57) | 21.07 | 2.26 | 4.95 |
| SLE | 48,154 | 19.39 | 0.16 | 16.81 | 0.69% | (0.86) | 15.95 | 0.57 | 4.06 |
| OTHER | 9,237 | 19.42 | 0.11 | 18.03 | 0.19% | (1.25) | 16.78 | 0.18 | 2.34 |
| POL | 9,205 | 19.44 | 0.11 | 18.06 | 0.19% | (1.25) | 16.81 | 0.18 | 2.35 |
| AL | 32 | 12.12 | 0.07 | 11.26 | 0.00% | (0.78) | 10.48 | 0.11 | 1.46 |
| TOTAL | | 9.78 | 0.45 | 2.52 | | (0.17) | 2.35 | 2.51 | 4.47 |

PECO Energy Company
Development of Multipliers to Effect Distribution Rate Reductions

| | 2002 | | | | 2004 | | | |
|--------------|------------------------------|-------------------------------|-------------------------|------------|------------------------------|-------------------------------|-------------------------|------------|
| | Existing Distribution (a) | \$ (60,000,000) Allocation | New Distribution (a) | Multiplier | Existing Distribution (a) | \$ (40,000,000) Allocation | New Distribution (a) | Multiplier |
| HT | \$ 103,105,706 | \$ (7,696,354) | \$ 95,409,352 | 0.92535 | \$ 104,761,996 | \$ (5,130,896) | \$ 99,631,100 | 0.95102 |
| EP | \$ 6,885,567 | \$ (517,127) | \$ 6,368,440 | 0.92490 | \$ 6,996,177 | \$ (344,751) | \$ 6,651,426 | 0.95072 |
| PD | \$ 16,524,019 | \$ (1,384,342) | \$ 15,139,677 | 0.91622 | \$ 16,789,461 | \$ (922,894) | \$ 15,866,567 | 0.94503 |
| GS | \$ 111,856,529 | \$ (9,960,213) | \$ 101,896,316 | 0.91096 | \$ 113,653,392 | \$ (6,640,133) | \$ 107,013,259 | 0.94158 |
| TL | \$ 857,418 | \$ (59,289) | \$ 798,129 | 0.93085 | \$ 871,191 | \$ (39,526) | \$ 831,665 | 0.95463 |
| RH | \$ 91,276,265 | \$ (6,970,440) | \$ 84,305,825 | 0.92363 | \$ 92,742,527 | \$ (4,646,954) | \$ 88,095,573 | 0.94989 |
| R | \$ 369,552,444 | \$ (30,505,870) | \$ 339,046,574 | 0.91745 | \$ 375,488,934 | \$ (20,337,220) | \$ 355,151,714 | 0.94584 |
| RT | \$ 2,528 | \$ (278) | \$ 2,250 | 0.89001 | \$ 2,569 | \$ (185) | \$ 2,384 | 0.92783 |
| OP | \$ 14,036,193 | \$ (1,354,285) | \$ 12,681,908 | 0.90351 | \$ 14,261,671 | \$ (902,855) | \$ 13,358,815 | 0.93669 |
| SLP | \$ 10,880,721 | \$ (752,386) | \$ 10,128,336 | 0.93085 | \$ 11,055,509 | \$ (501,590) | \$ 10,553,919 | 0.95463 |
| SLS | \$ 3,930,696 | \$ (271,802) | \$ 3,658,894 | 0.93085 | \$ 3,993,839 | \$ (181,201) | \$ 3,812,638 | 0.95463 |
| SLE | \$ 5,960,250 | \$ (412,142) | \$ 5,548,108 | 0.93085 | \$ 6,057,134 | \$ (274,813) | \$ 5,782,321 | 0.95463 |
| POL | \$ 1,669,249 | \$ (115,224) | \$ 1,554,025 | 0.93097 | \$ 1,696,064 | \$ (76,816) | \$ 1,619,248 | 0.95471 |
| AL | \$ 3,583 | \$ (248) | \$ 3,336 | 0.93085 | \$ 3,641 | \$ (165) | \$ 3,476 | 0.95463 |
| TOTAL | | \$ (60,000,000) | | | | \$ (40,000,000) | | |

(a) Excludes Customer Charges

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Rate R**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.91745 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (25) Fixed Distribution Charge | 13,709,923 Bills | \$ 5.10 | \$ 69,920,607 | \$ 71,612,162 | | |
| (26) | | | | | | |
| (27) Transmission Service Charge | | | | | | |
| (28) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0055 | \$ 29,542,074 | \$ 30,256,771 | | |
| (29) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0055 | \$ 5,916,395 | \$ 6,059,528 | | |
| (30) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0063 | \$ 7,598,340 | \$ 7,782,163 | | |
| (31) | | | \$ 43,056,810 | \$ 44,098,462 | | |
| (32) Variable Distribution Charge | | | | | | |
| (33) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0457 | \$ 247,567,493 | \$ 253,556,772 | \$ 0.0419 | \$ 232,626,130 |
| (34) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0457 | \$ 49,580,377 | \$ 50,779,851 | \$ 0.0419 | \$ 46,588,068 |
| (35) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0531 | \$ 63,675,354 | \$ 65,215,821 | \$ 0.0487 | \$ 59,832,375 |
| (36) | | | \$ 360,823,223 | \$ 369,552,444 | | \$ 339,046,574 |
| (37) Competitive Transition Charge | | | | | | |
| (38) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0293 | \$ 158,763,992 | \$ 162,604,892 | | |
| (39) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0293 | \$ 31,795,687 | \$ 32,564,904 | | |
| (40) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0339 | \$ 40,574,196 | \$ 41,555,788 | | |
| (41) | | | \$ 231,133,875 | \$ 236,725,584 | | |
| (42) Electric Generation | | | | | | |
| (43) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0500 | \$ 270,900,742 | \$ 277,454,511 | | |
| (44) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0500 | \$ 54,253,330 | \$ 55,565,854 | | |
| (45) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0558 | \$ 66,895,413 | \$ 68,513,781 | | |
| (46) | | | \$ 392,049,484 | \$ 401,534,146 | | |
| (47) | | | | | | |
| (48) Total Revenue | | | \$ 1,096,984,000 | \$ 1,123,522,799 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate RT

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | <u>New Pricing for</u> Distribution | <u>New Distribution</u> Revenue @ 0.89001 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|--|---|
| (29) Fixed Distribution Charge | 143 bills | \$ 10.19 | \$ 1,458 | \$ 1,493 | | |
| (30) | | | | | | |
| (31) Transmission Charge | | | | | | |
| (32) Summer Off-peak kwh | 32,901 kWh | \$ 0.0030 | \$ 98 | \$ 100 | | |
| (33) Summer On-peak kwh | 8,067 kWh | \$ 0.0121 | \$ 98 | \$ 100 | | |
| (34) Winter Off-peak kwh | 27,659 kWh | \$ 0.0030 | \$ 82 | \$ 84 | | |
| (35) Winter On-peak kwh | 10,372 kWh | \$ 0.0111 | \$ 115 | \$ 118 | | |
| (36) | | | \$ 393 | \$ 402 | | |
| (37) Variable Distribution Charge | | | | | | |
| (38) Summer Off-peak kwh | 32,901 kWh | \$ 0.0187 | \$ 615 | \$ 630 | \$ 0.0166 | \$ 560 |
| (39) Summer On-peak kwh | 8,067 kWh | \$ 0.0761 | \$ 614 | \$ 628 | \$ 0.0677 | \$ 559 |
| (40) Winter Off-peak kwh | 27,659 kWh | \$ 0.0187 | \$ 517 | \$ 529 | \$ 0.0166 | \$ 471 |
| (41) Winter On-peak kwh | 10,372 kWh | \$ 0.0698 | \$ 724 | \$ 741 | \$ 0.0621 | \$ 660 |
| (42) | | | \$ 2,469 | \$ 2,528 | | \$ 2,250 |
| (43) Competitive Transition Charge | | | | | | |
| (44) Summer Off-peak kwh | 32,901 kWh | \$ 0.0165 | \$ 544 | \$ 557 | | |
| (45) Summer On-peak kwh | 8,067 kWh | \$ 0.0627 | \$ 507 | \$ 519 | | |
| (46) Winter Off-peak kwh | 27,659 kWh | \$ 0.0165 | \$ 458 | \$ 469 | | |
| (47) Winter On-peak kwh | 10,372 kWh | \$ 0.0577 | \$ 599 | \$ 613 | | |
| (48) | | | \$ 2,107 | \$ 2,158 | | |
| (49) Electric Generation | | | | | | |
| (50) Summer Off-peak kwh | 32,901 kWh | \$ 0.0328 | \$ 1,079 | \$ 1,105 | | |
| (51) Summer On-peak kwh | 8,067 kWh | \$ 0.0896 | \$ 722 | \$ 740 | | |
| (52) Winter Off-peak kwh | 27,659 kWh | \$ 0.0328 | \$ 907 | \$ 929 | | |
| (53) Winter On-peak kwh | 10,372 kWh | \$ 0.0833 | \$ 864 | \$ 885 | | |
| (54) | | | \$ 3,573 | \$ 3,660 | | |
| (55) | | | | | | |
| (56) Total Revenue | | | \$ 10,000 | \$ 10,242 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate RH

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.92363 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (29) Fixed Distribution Charge | 1,824,041 bills | \$ 5.10 | \$ 9,302,607 | \$ 9,527,660 | | |
| (30) | | | | | | |
| (31) Transmission Charge | | | | | | |
| (32) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0055 | \$ 2,513,424 | \$ 2,574,230 | | |
| (33) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0064 | \$ 2,259,924 | \$ 2,314,597 | | |
| (34) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0055 | \$ 3,239,862 | \$ 3,318,242 | | |
| (35) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0023 | \$ 3,236,047 | \$ 3,314,335 | | |
| (36) | | | \$ 11,249,256 | \$ 11,521,404 | | |
| (37) Variable Distribution Charge | | | | | | |
| (38) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0435 | \$ 19,912,151 | \$ 20,393,876 | \$ 0.0402 | \$ 18,836,469 |
| (39) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0506 | \$ 17,903,842 | \$ 18,336,981 | \$ 0.0467 | \$ 16,936,652 |
| (40) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0435 | \$ 25,667,227 | \$ 26,288,182 | \$ 0.0402 | \$ 24,280,648 |
| (41) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0181 | \$ 25,637,002 | \$ 26,257,226 | \$ 0.0167 | \$ 24,252,056 |
| (42) | | | \$ 89,120,223 | \$ 91,276,265 | | \$ 84,305,825 |
| (43) Competitive Transition Charge | | | | | | |
| (44) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0293 | \$ 13,408,817 | \$ 13,733,210 | | |
| (45) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0338 | \$ 11,979,951 | \$ 12,269,776 | | |
| (46) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0293 | \$ 17,284,277 | \$ 17,702,427 | | |
| (47) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0130 | \$ 18,362,508 | \$ 18,806,744 | | |
| (48) | | | \$ 61,035,553 | \$ 62,512,156 | | |
| (49) Total Electric Generation | | | | | | |
| (50) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0522 | \$ 23,870,510 | \$ 24,447,998 | | |
| (51) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0583 | \$ 20,614,383 | \$ 21,113,097 | | |
| (52) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0522 | \$ 30,769,644 | \$ 31,514,039 | | |
| (53) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0303 | \$ 42,923,824 | \$ 43,962,259 | | |
| (54) | | | \$ 118,178,361 | \$ 121,037,392 | | |
| (55) | | | | | | |
| (56) Total Revenue | | | \$ 288,886,000 | \$ 295,874,878 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Rate CAP**

Electric PA PUC No. 3

| | | | Trans. | Dist. | CTC | Energy | New Distr Pricing |
|----------------|--------------------------|-------|----------------|-------|------|--------|----------------------|
| Rate R | | | | | | | |
| (1) | Cap 1 | | | | | | |
| (2) | ¢/kWh for first 500 kWh | 6.31 | | | | | |
| (3) | ¢/kWh for additional kWh | 13.05 | | | | | |
| (4) | Cap 2 | | | | | | |
| (5) | ¢/kWh for first 500 kWh | 9.68 | | | | | |
| (6) | ¢/kWh for additional kWh | 13.05 | | | | | |
| (7) | | | | | | | |
| Rate RH | | | | | | | |
| (9) | Cap 1 | | | | | | |
| (10) | Winter | | | | | | |
| (11) | ¢/kWh for all kWh | 6.31 | | | | | |
| (12) | Summer | | | | | | |
| (13) | ¢/kWh for first 500 kWh | 6.31 | | | | | |
| (14) | ¢/kWh for additional kWh | 13.05 | | | | | |
| (15) | Cap 2 | | | | | | |
| (16) | Winter | | | | | | |
| (17) | ¢/kWh for first 500 kWh | 10.50 | | | | | |
| (18) | ¢/kWh for additional kWh | 6.31 | | | | | |
| (19) | Summer | | | | | | |
| (20) | ¢/kWh for first 500 kWh | 9.68 | | | | | |
| (21) | ¢/kWh for additional kWh | 13.05 | | | | | |
| | | | Rate R | | | | |
| (22) | Cap 1 | | | | | | |
| (23) | ¢/kWh for first 500 kWh | | 0.27 | 2.21 | 1.42 | 2.41 | 2.03 |
| (24) | ¢/kWh for additional kWh | | 0.55 | 4.57 | 2.93 | 5.00 | 4.19 |
| (25) | Cap 2 | | | | | | |
| (26) | ¢/kWh for first 500 kWh | | 0.41 | 3.39 | 2.17 | 3.71 | 3.11 |
| (27) | ¢/kWh for additional kWh | | 0.55 | 4.57 | 2.93 | 5.00 | 4.19 |
| (28) | | | | | | | |
| | | | Rate RH | | | | |
| (30) | Cap 1 | | | | | | |
| (31) | Winter | | | | | | |
| (32) | ¢/kWh for all kWh | | 0.27 | 2.10 | 1.42 | 2.52 | 1.94 |
| (33) | Summer | | | | | | |
| (34) | ¢/kWh for first 500 kWh | | 0.27 | 2.10 | 1.42 | 2.52 | 1.94 |
| (35) | ¢/kWh for additional kWh | | 0.55 | 4.35 | 2.93 | 5.22 | 4.02 |
| (36) | Cap 2 | | | | | | |
| (37) | Winter | | | | | | |
| (38) | ¢/kWh for first 500 kWh | | 0.41 | 3.22 | 3.00 | 3.87 | 2.97 |
| (39) | ¢/kWh for additional kWh | | 0.27 | 2.10 | 1.42 | 2.52 | 1.94 |
| (40) | Summer | | | | | | |
| (41) | ¢/kWh for first 500 kWh | | 0.41 | 3.22 | 2.18 | 3.87 | 2.97 |
| (42) | ¢/kWh for additional kWh | | 0.55 | 4.35 | 2.93 | 5.22 | 4.02 |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Rate OP**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.90351 |
|--|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (12) Fixed Distribution Charge (13) | 1,182,948 Bills | \$ 4.58 | \$ 5,417,900 | \$ 5,548,973 | | |
| (14) Transmission Charge (15) | 375,823,000 kWh | \$ 0.0005 | \$ 178,554 | \$ 182,874 | | |
| (16) Variable Distribution Charge (17) | 375,823,000 kWh | \$ 0.0365 | \$ 13,704,643 | \$ 14,036,193 | \$ 0.0329 | \$ 12,681,908 |
| (18) Competitive Transition Charge (19) | 375,823,000 kWh | \$ 0.0010 | \$ 383,699 | \$ 392,981 | | |
| (20) Electric Generation Charges (21) | 375,823,000 kWh | \$ 0.0168 | \$ 6,328,204 | \$ 6,481,299 | | |
| (22) Total Revenue | | | \$ 26,013,000 | \$ 26,642,320 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Rate GS**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | | <u>Pricing</u> (5)=(6)/(4) | | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.91096 |
|------------------------------------|------------------------------------|-------|-------------------------------|--|-----------------------|--------------------------------------|---------------------------------|--|
| (35) Fixed Distribution Charge | | | | | | | | |
| (36) Single-Phase | 1,847,446 | Bills | \$ 8.67 | | \$ 16,017,355 | \$ 16,404,855 | | |
| (37) Poly-Phase | 657,007 | Bills | \$ 23.45 | | \$ 15,406,804 | \$ 15,779,533 | | |
| (38) | | | | | \$ 31,424,159 | \$ 32,184,388 | | |
| (39) Transmission Charge | | | | | | | | |
| (40) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.0127 | | \$ 18,951,130 | \$ 19,409,606 | | |
| (41) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0060 | | \$ 3,924,719 | \$ 4,019,668 | | |
| (42) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0038 | | \$ 13,894,392 | \$ 14,230,532 | | |
| (43) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0016 | | \$ 250,363 | \$ 256,420 | | |
| (44) Space Heating | 556,994,349 | kWh | \$ 0.0030 | | \$ 1,646,781 | \$ 1,686,621 | | |
| (45) | | | | | \$ 38,667,386 | \$ 39,602,848 | | |
| (46) Variable Distribution Charge | | | | | | | | |
| (47) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.0358 | | \$ 53,526,647 | \$ 54,821,591 | \$ 0.0326 | \$ 49,940,028 |
| (48) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0168 | | \$ 11,085,200 | \$ 11,353,379 | \$ 0.0153 | \$ 10,342,423 |
| (49) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0106 | | \$ 39,244,109 | \$ 40,193,523 | \$ 0.0097 | \$ 36,614,509 |
| (50) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0047 | | \$ 707,141 | \$ 724,248 | \$ 0.0042 | \$ 659,758 |
| (51) Space Heating | 556,994,349 | kWh | \$ 0.0084 | | \$ 4,651,262 | \$ 4,763,788 | \$ 0.0076 | \$ 4,339,598 |
| (52) | | | | | \$ 109,214,359 | \$ 111,856,529 | | \$ 101,896,316 |
| (53) Competitive Transition Charge | | | | | | | | |
| (54) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.0702 | | \$ 104,778,027 | \$ 107,312,870 | | |
| (55) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0337 | | \$ 22,161,964 | \$ 22,698,118 | | |
| (56) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0217 | | \$ 80,269,761 | \$ 82,211,688 | | |
| (57) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0103 | | \$ 1,559,499 | \$ 1,597,227 | | |
| (58) Space Heating | 556,994,349 | kWh | \$ 0.0173 | | \$ 9,671,330 | \$ 9,905,304 | | |
| (59) | | | | | \$ 218,440,581 | \$ 223,725,207 | | |
| (60) Electric Generation Charge | | | | | | | | |
| (61) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.1027 | | \$ 153,395,135 | \$ 157,106,149 | | |
| (62) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0559 | | \$ 36,817,220 | \$ 37,707,921 | | |
| (63) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0406 | | \$ 150,106,925 | \$ 153,738,388 | | |
| (64) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0259 | | \$ 3,939,068 | \$ 4,034,364 | | |
| (65) Space Heating | 556,994,349 | kWh | \$ 0.0350 | | \$ 19,511,167 | \$ 19,983,191 | | |
| (66) | | | | | \$ 363,769,515 | \$ 372,570,013 | | |
| (67) | | | | | | | | |
| (68) Total Revenue | | | | | \$ 761,516,000 | \$ 779,938,985 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Off-Peak Thermal Storage Provision**

| | <u>On-Peak</u> | <u>New Distr Pricing</u> | <u>Off-Peak</u> | <u>New Distr Pricing</u> |
|---------------|----------------|--------------------------|-----------------|--------------------------|
| Transmission | 0.25 ¢/kWh | | 0.16 ¢/kWh | |
| Distribution | 2.17 ¢/kWh | 1.98 | 1.41 ¢/kWh | 1.28 |
| CTC | 1.34 ¢/kWh | | 0.88 ¢/kWh | |
| Market Energy | 2.61 ¢/kWh | | 1.70 ¢/kWh | |
| Bundled | 6.37 ¢/kWh | | 4.15 ¢/kWh | |

Night Service GS Rider

| | | <u>New Dist Pricing</u> |
|---------------------------|----------------|-------------------------|
| Fixed Distribution Charge | \$ 8.97 | |
| Demand Charge | \$ 0.47 per kW | \$ 0.43 |

Rate GS Minimum Charge

| | | <u>New Dist Pricing</u> |
|-----------------------|----------------|-------------------------|
| Variable Distribution | \$ 0.92 per kW | \$ 0.84 |
| Transmission | \$ 0.33 per kW | |
| CTC | \$ 1.85 per kW | |
| Energy and Capacity | \$ 3.07 per kW | |
| | \$ 6.17 | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Rate PD**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.91622 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (33) Fixed Distribution Charge | 12,259 Bills | \$ 275.28 | \$ 3,374,777 | \$ 3,456,421 | | |
| (34) | | | | | | |
| (35) Transmission Charge | | | | | | |
| (36) Capacity Charge | 2,814,280 kW | \$ 0.56 | \$ 1,582,117 | \$ 1,620,393 | | |
| (37) First 150 hrs use | 435,697,564 kWh | \$ 0.0050 | \$ 2,163,707 | \$ 2,216,053 | | |
| (38) Next 150 hrs use | 355,277,140 kWh | \$ 0.0029 | \$ 1,043,154 | \$ 1,068,391 | | |
| (39) Additional use | 290,681,296 kWh | \$ 0.0009 | \$ 272,267 | \$ 278,854 | | |
| (40) | | | \$ 5,061,246 | \$ 5,183,690 | | |
| (41) Variable Distribution Charge | | | | | | |
| (42) Capacity Charge | 2,814,280 kW | \$ 1.79 | \$ 5,038,839 | \$ 5,160,741 | \$ 1.64 | \$ 4,728,387 |
| (43) First 150 hrs use | 435,697,564 kWh | \$ 0.0158 | \$ 6,891,128 | \$ 7,057,842 | \$ 0.0145 | \$ 6,466,553 |
| (44) Next 150 hrs use | 355,277,140 kWh | \$ 0.0094 | \$ 3,322,311 | \$ 3,402,686 | \$ 0.0086 | \$ 3,117,617 |
| (45) Additional use | 290,681,296 kWh | \$ 0.0030 | \$ 867,135 | \$ 888,114 | \$ 0.0027 | \$ 813,710 |
| (46) | | | \$ 16,119,413 | \$ 16,509,382 | | \$ 15,126,266 |
| (47) Competitive Transition Charge | | | | | | |
| (48) Capacity Charge | 2,814,280 kW | \$ 3.01 | \$ 8,470,886 | \$ 8,675,818 | | |
| (49) First 150 hrs use | 435,697,564 kWh | \$ 0.0279 | \$ 12,163,518 | \$ 12,457,784 | | |
| (50) Next 150 hrs use | 355,277,140 kWh | \$ 0.0170 | \$ 6,057,094 | \$ 6,203,630 | | |
| (51) Additional use | 290,681,296 kWh | \$ 0.0064 | \$ 1,843,854 | \$ 1,888,461 | | |
| (52) | | | \$ 28,535,351 | \$ 29,225,693 | | |
| (53) Night Service Rider | | | | | | |
| (54) Fixed Distribution Charge | 3,432 Bills | \$ 11.21 | \$ 38,473 | \$ 39,404 | | |
| (55) Demand Charge | 16,617 kW | \$ 0.86 | \$ 14,291 | \$ 14,637 | \$ 0.81 | \$ 13,411 |
| (56) | | | \$ 52,764 | \$ 54,040 | | \$ 13,411 |
| (57) Electric Generation Charge | | | | | | |
| (58) Capacity Charge | 2,814,280 kW | \$ 3.89 | \$ 10,940,252 | \$ 11,204,924 | | |
| (59) First 150 hrs use | 435,697,564 kWh | \$ 0.0490 | \$ 21,349,299 | \$ 21,865,792 | | |
| (60) Next 150 hrs use | 355,277,140 kWh | \$ 0.0350 | \$ 12,421,761 | \$ 12,722,275 | | |
| (61) Additional use | 290,681,296 kWh | \$ 0.0211 | \$ 6,144,137 | \$ 6,292,779 | | |
| (62) | | | \$ 50,855,449 | \$ 52,085,770 | | |
| (63) | | | | | | |
| (64) Total Revenue | | | \$ 103,999,000 | \$ 106,514,997 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate HT

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.92535 |
|------------------------------------|------------------------------------|-------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (33) Fixed Distribution Charge | 27,747 | Bills | \$ 286.86 | \$ 7,959,474 | \$ 8,152,034 | | |
| (34) | | | | | | | |
| (35) Transmission Charge | | | | | | | |
| (36) Capacity Charge | 24,898,251 | kW | \$ 0.79 | \$ 19,719,147 | \$ 20,196,202 | | |
| (37) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0042 | \$ 9,006,974 | \$ 9,224,875 | | |
| (38) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0025 | \$ 12,723,737 | \$ 13,031,556 | | |
| (39) Additional use | 6,232,767,691 | kWh | \$ 0.0008 | \$ 4,874,003 | \$ 4,991,918 | | |
| (40) | | | | \$ 46,323,861 | \$ 47,444,552 | | |
| (41) Variable Distribution Charge | | | | | | | |
| (42) Capacity Charge | 24,898,251 | kW | \$ 1.66 | \$ 41,228,329 | \$ 42,225,745 | \$ 1.53 | \$ 39,073,793 |
| (43) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0088 | \$ 18,831,570 | \$ 19,287,153 | \$ 0.0082 | \$ 17,847,458 |
| (44) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0052 | \$ 26,602,490 | \$ 27,246,071 | \$ 0.0048 | \$ 25,212,281 |
| (45) Additional use | 6,232,767,691 | kWh | \$ 0.0016 | \$ 10,190,452 | \$ 10,436,984 | \$ 0.0015 | \$ 9,657,913 |
| (46) | | | | \$ 96,852,840 | \$ 99,195,954 | | \$ 91,791,444 |
| (47) Competitive Transition Charge | | | | | | | |
| (48) Capacity Charge | 24,898,251 | kW | \$ 4.60 | \$ 114,639,657 | \$ 117,413,078 | | |
| (49) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0259 | \$ 54,985,399 | \$ 56,315,634 | | |
| (50) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0157 | \$ 80,246,327 | \$ 82,187,687 | | |
| (51) Additional use | 6,232,767,691 | kWh | \$ 0.0058 | \$ 36,005,467 | \$ 36,876,530 | | |
| (52) | | | | \$ 285,876,851 | \$ 292,792,930 | | |
| (53) Night Service Rider | | | | | | | |
| (54) Customer Charge | 3,840 | Bills | \$ 11.21 | \$ 43,046 | \$ 44,087 | | |
| (55) Demand Charge | 525,737 | kW | \$ 0.91 | \$ 478,421 | \$ 489,995 | \$ 0.84 | \$ 453,419 |
| (56) | | | | \$ 521,467 | \$ 534,083 | | \$ 453,419 |
| (57) Electric Generation | | | | | | | |
| (58) Capacity Charge | 24,898,251 | kW | \$ 5.71 | \$ 142,114,553 | \$ 145,552,661 | | |
| (59) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0440 | \$ 93,830,299 | \$ 96,100,290 | | |
| (60) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0316 | \$ 160,901,992 | \$ 164,794,615 | | |
| (61) Additional use | 6,232,767,691 | kWh | \$ 0.0192 | \$ 119,707,912 | \$ 122,603,948 | | |
| (62) | | | | \$ 516,554,756 | \$ 529,051,513 | | |
| (63) | | | | | | | |
| (64) Base Revenue | | | | \$ 954,089,249 | \$ 977,171,064 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate HT

| | | | | | | | | | |
|------|-------------------------------|-----------------|-----------|----------------|------------------|----|--------|--------------|-----------|
| (37) | High Voltage Discount | | | | | | | | |
| (38) | >66 kV | | | \$ (180) | \$ (184) | | | \$ (171) | |
| (39) | 66 kV | | | \$ (8,983) | \$ (9,200) | | | \$ (8,514) | |
| (40) | 33 kV | | | \$ (611,242) | \$ (626,029) | | | \$ (579,299) | |
| (41) | | | | \$ (620,405) | \$ (635,414) | | | \$ (587,983) | |
| (42) | HT Auxiliary Service Rider | | | | | | | | |
| (43) | Firm kW | | | | | | | | |
| (44) | Transmission | 314,340 kW | \$ 0.15 | \$ 47,706 | \$ 48,860 | | | | |
| (45) | Distribution | 314,340 kW | \$ 0.33 | \$ 103,727 | \$ 106,236 | \$ | 0.31 | \$ | 98,306 |
| (46) | Competitive Transition Charge | 314,340 kW | \$ 0.88 | \$ 276,619 | \$ 283,311 | | | | |
| (47) | Electric Generation | 314,340 kW | \$ 1.64 | \$ 515,907 | \$ 528,388 | | | | |
| (48) | | | \$ 3.00 | \$ 943,959 | \$ 966,796 | | | | |
| (49) | | | | | | | | | |
| (50) | Firm kWh | | | | | | | | |
| (51) | Transmission | 46,820,419 kWh | \$ 0.0040 | \$ 185,460 | \$ 189,947 | | | | |
| (52) | Distribution | 46,820,419 kWh | \$ 0.0086 | \$ 403,243 | \$ 412,999 | \$ | 0.0080 | \$ | 382,170 |
| (53) | Competitive Transition Charge | 46,820,419 kWh | \$ 0.0229 | \$ 1,071,720 | \$ 1,097,647 | | | | |
| (54) | Electric Generation | 46,820,419 kWh | \$ 0.0428 | \$ 2,005,616 | \$ 2,054,137 | | | | |
| (55) | | | \$ 0.0783 | \$ 3,666,039 | \$ 3,754,730 | | | | |
| (56) | | | | | | | | | |
| (57) | Interruptable kWh | | | | | | | | |
| (58) | Transmission | 35,721,342 kWh | \$ 0.0008 | \$ 28,577 | \$ 29,268 | | | | |
| (59) | Distribution | 35,721,342 kWh | \$ 0.0016 | \$ 57,154 | \$ 58,537 | \$ | 0.0015 | \$ | 54,167 |
| (60) | Competitive Transition Charge | 35,721,342 kWh | \$ 0.0058 | \$ 207,184 | \$ 212,196 | | | | |
| (61) | Electric Generation | 35,721,342 kWh | \$ 0.0192 | \$ 685,850 | \$ 702,442 | | | | |
| (62) | | | \$ 0.0274 | \$ 978,765 | \$ 1,002,444 | | | | |
| (63) | | | | | | | | | |
| (64) | Curtailment Rider | | | \$ (286,778) | \$ (293,716) | | | | |
| (65) | | | | | | | | | |
| (66) | LILR | | | | | | | | |
| (67) | Transmission | 652,934,600 kWh | \$ 0.0052 | \$ 3,395,260 | \$ 3,477,400 | | | | |
| (68) | Distribution | 652,934,600 kWh | \$ 0.0052 | \$ 3,395,260 | \$ 3,477,400 | \$ | 0.0048 | \$ | 3,217,828 |
| (69) | Electric Generation | | | \$ 19,377,590 | \$ 19,846,383 | | | | |
| (70) | | | | \$ 26,168,110 | \$ 26,801,182 | | | | |
| (71) | | | | | | | | | |
| (72) | Adjusted Base Revenue | | | \$ 984,938,939 | \$ 1,008,767,086 | | | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate POL

| | Quantity | Monthly Bundled Charge | Annual Bundled Revenue | Monthly Unbundled Charges | | | | | Annual Unbundled Revenue | | | | | New Distr Revenue @ 0.93087 |
|--|----------|------------------------|------------------------|---------------------------|---------|--------|------------|-------------------|--------------------------|--------------|-----------|------------|-------------|-----------------------------|
| | | | | Trans. | Dist. | CTC | Elec. Gen. | New Distr Pricing | Trans. | Dist. | CTC | Elec. Gen. | Total | |
| Mercury Vapor | | | | | | | | | | | | | | |
| Company Pole | | | | | | | | | | | | | | |
| 4000 Lumens | 527 | \$12.72 | \$80,441 | \$0.06 | \$11.18 | \$0.04 | \$1.44 | \$ 10.18 | \$ 379 | \$ 70,692 | \$ 257 | \$ 9,113 | \$ 80,441 | \$ 65,813 |
| 8000 Lumens | 270 | \$17.27 | \$55,955 | \$0.09 | \$15.15 | \$0.07 | \$1.98 | \$ 13.77 | \$ 292 | \$ 49,094 | \$ 230 | \$ 8,339 | \$ 55,955 | \$ 45,705 |
| 12000 Lumens | 378 | \$21.30 | \$98,617 | \$0.11 | \$18.67 | \$0.10 | \$2.41 | \$ 18.97 | \$ 499 | \$ 84,700 | \$ 473 | \$ 10,948 | \$ 96,617 | \$ 78,853 |
| 20000 Lumens | 984 | \$27.48 | \$324,484 | \$0.14 | \$24.10 | \$0.13 | \$3.11 | \$ 21.90 | \$ 1,653 | \$ 284,521 | \$ 1,550 | \$ 38,760 | \$ 324,484 | \$ 264,881 |
| 22000 Lumens | 41 | \$29.72 | \$14,822 | \$0.16 | \$26.06 | \$0.14 | \$3.37 | \$ 23.88 | \$ 79 | \$ 12,819 | \$ 68 | \$ 1,657 | \$ 14,622 | \$ 11,934 |
| Customer Pole | | | | | | | | | | | | | | |
| 4000 Lumens | 346 | \$11.45 | \$47,540 | \$0.06 | \$10.01 | \$0.08 | \$1.30 | \$ 9.10 | \$ 249 | \$ 41,562 | \$ 344 | \$ 5,388 | \$ 47,540 | \$ 38,893 |
| 8000 Lumens | 141 | \$18.05 | \$27,157 | \$0.09 | \$14.03 | \$0.11 | \$1.82 | \$ 12.75 | \$ 152 | \$ 23,739 | \$ 189 | \$ 3,077 | \$ 27,157 | \$ 22,100 |
| 12000 Lumens | 228 | \$20.21 | \$54,810 | \$0.11 | \$17.67 | \$0.14 | \$2.29 | \$ 16.08 | \$ 298 | \$ 47,921 | \$ 381 | \$ 6,209 | \$ 54,810 | \$ 44,613 |
| 20000 Lumens | 968 | \$26.05 | \$302,597 | \$0.14 | \$22.78 | \$0.18 | \$2.85 | \$ 20.71 | \$ 1,626 | \$ 284,612 | \$ 2,078 | \$ 34,281 | \$ 302,597 | \$ 246,347 |
| 22000 Lumens | 11 | \$28.29 | \$3,734 | \$0.16 | \$24.74 | \$0.19 | \$3.20 | \$ 22.49 | \$ 21 | \$ 3,268 | \$ 24 | \$ 423 | \$ 3,734 | \$ 3,040 |
| Sodium Vapor | | | | | | | | | | | | | | |
| Company Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 51 | \$17.39 | \$10,843 | \$0.09 | \$15.28 | \$0.07 | \$1.97 | \$ 13.87 | \$ 55 | \$ 9,340 | \$ 42 | \$ 1,206 | \$ 10,643 | \$ 8,695 |
| 25000 Lumens | 131 | \$27.70 | \$43,544 | \$0.14 | \$24.29 | \$0.14 | \$3.14 | \$ 22.08 | \$ 220 | \$ 38,177 | \$ 214 | \$ 4,933 | \$ 43,544 | \$ 35,542 |
| 50000 Lumens | 484 | \$30.41 | \$178,621 | \$0.16 | \$28.66 | \$0.15 | \$3.45 | \$ 24.23 | \$ 929 | \$ 154,818 | \$ 867 | \$ 20,009 | \$ 178,621 | \$ 144,129 |
| 50000 Lumens | 468 | \$32.64 | \$183,308 | \$0.17 | \$28.61 | \$0.17 | \$3.70 | \$ 26.00 | \$ 955 | \$ 160,649 | \$ 936 | \$ 20,788 | \$ 183,308 | \$ 149,580 |
| Customer Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 23 | \$16.15 | \$4,457 | \$0.09 | \$14.12 | \$0.11 | \$1.83 | \$ 12.83 | \$ 25 | \$ 3,897 | \$ 30 | \$ 505 | \$ 4,457 | \$ 3,628 |
| 25000 Lumens | 41 | \$26.27 | \$12,925 | \$0.14 | \$22.97 | \$0.18 | \$2.98 | \$ 20.88 | \$ 69 | \$ 11,301 | \$ 90 | \$ 1,484 | \$ 12,925 | \$ 10,521 |
| 50000 Lumens | 163 | \$28.98 | \$58,685 | \$0.16 | \$25.34 | \$0.20 | \$3.28 | \$ 23.03 | \$ 313 | \$ 49,565 | \$ 385 | \$ 8,422 | \$ 58,685 | \$ 46,144 |
| 50000 Lumens | 203 | \$31.21 | \$76,028 | \$0.17 | \$27.29 | \$0.21 | \$3.54 | \$ 24.81 | \$ 414 | \$ 66,478 | \$ 522 | \$ 8,613 | \$ 76,028 | \$ 61,890 |
| Standard Metal Halide | | | | | | | | | | | | | | |
| Company Pole | | | | | | | | | | | | | | |
| 36000 Lumens | 191 | \$32.14 | \$73,665 | \$0.17 | \$28.17 | \$0.16 | \$3.84 | \$ 26.60 | \$ 390 | \$ 64,563 | \$ 367 | \$ 8,345 | \$ 73,665 | \$ 60,106 |
| 110000 Lumens | 41 | \$58.30 | \$27,700 | \$0.30 | \$48.28 | \$0.33 | \$6.38 | \$ 44.80 | \$ 148 | \$ 24,250 | \$ 164 | \$ 3,138 | \$ 27,700 | \$ 22,576 |
| Customer Pole | | | | | | | | | | | | | | |
| 36000 Lumens | 115 | \$30.75 | \$42,435 | \$0.17 | \$28.89 | \$0.21 | \$3.48 | \$ 24.44 | \$ 235 | \$ 37,108 | \$ 285 | \$ 4,807 | \$ 42,435 | \$ 34,547 |
| 110000 Lumens | 18 | \$54.91 | \$11,881 | \$0.30 | \$48.01 | \$0.38 | \$6.22 | \$ 43.64 | \$ 65 | \$ 10,370 | \$ 82 | \$ 1,344 | \$ 11,861 | \$ 9,654 |
| Standard High Pressure Sodium Vapor | | | | | | | | | | | | | | |
| Company Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 18 | \$19.55 | \$4,223 | \$0.10 | \$17.18 | \$0.08 | \$2.21 | \$ 15.60 | \$ 22 | \$ 3,708 | \$ 17 | \$ 478 | \$ 4,223 | \$ 3,450 |
| 9500 Lumens | 11 | \$20.67 | \$2,728 | \$0.11 | \$18.14 | \$0.08 | \$2.34 | \$ 18.49 | \$ 15 | \$ 2,394 | \$ 10 | \$ 309 | \$ 2,728 | \$ 2,229 |
| 16000 Lumens | 9 | \$22.59 | \$2,440 | \$0.12 | \$19.82 | \$0.09 | \$2.58 | \$ 18.01 | \$ 13 | \$ 2,140 | \$ 10 | \$ 278 | \$ 2,440 | \$ 1,993 |
| 25000 Lumens | 72 | \$26.54 | \$22,931 | \$0.14 | \$23.27 | \$0.13 | \$3.01 | \$ 21.15 | \$ 121 | \$ 20,104 | \$ 108 | \$ 2,598 | \$ 22,931 | \$ 18,716 |
| 50000 Lumens | 203 | \$32.20 | \$78,439 | \$0.17 | \$28.22 | \$0.16 | \$3.65 | \$ 25.85 | \$ 414 | \$ 68,739 | \$ 400 | \$ 8,886 | \$ 78,439 | \$ 63,994 |
| Customer Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 2 | \$18.16 | \$436 | \$0.10 | \$15.88 | \$0.12 | \$2.06 | \$ 14.43 | \$ 2 | \$ 381 | \$ 3 | \$ 49 | \$ 436 | \$ 355 |
| 9500 Lumens | 7 | \$19.28 | \$1,620 | \$0.11 | \$16.86 | \$0.13 | \$2.18 | \$ 15.33 | \$ 9 | \$ 1,416 | \$ 11 | \$ 183 | \$ 1,620 | \$ 1,318 |
| 16000 Lumens | 2 | \$21.20 | \$509 | \$0.12 | \$18.54 | \$0.14 | \$2.40 | \$ 16.85 | \$ 3 | \$ 445 | \$ 3 | \$ 58 | \$ 509 | \$ 414 |
| 25000 Lumens | 23 | \$25.14 | \$8,939 | \$0.14 | \$21.98 | \$0.17 | \$2.85 | \$ 19.98 | \$ 39 | \$ 6,068 | \$ 47 | \$ 786 | \$ 8,939 | \$ 6,848 |
| 50000 Lumens | 34 | \$30.80 | \$12,566 | \$0.17 | \$26.93 | \$0.21 | \$3.49 | \$ 24.48 | \$ 69 | \$ 10,987 | \$ 86 | \$ 1,424 | \$ 12,566 | \$ 10,229 |
| | 8,202 | | \$1,880,656 | | | | | | \$ 9,772 | \$ 1,629,820 | \$ 10,274 | \$ 210,790 | \$1,860,856 | \$ 1,517,318 |
| | | | | | | | | | \$ 10,009 | \$ 1,669,249 | \$ 10,522 | \$ 215,889 | \$1,905,870 | \$ 1,554,025 |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate SL-P

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.93085 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (27) Facilities Charge | | | | | | |
| (28) City Control | 93,161 | \$ 8.64 | \$ 9,658,903 | \$ 9,892,576 | \$ 8.04 | \$ 9,208,519 |
| (29) Company Control - Aerial | - | \$ 9.24 | \$ - | \$ - | | |
| (30) Company Control - Underground | - | \$ 12.89 | \$ - | \$ - | | |
| (31) | | | \$ 9,658,903 | \$ 9,892,576 | | |
| (32) Transmission Charge | | | | | | |
| (33) Capacity Charge | 179,516,200 W | \$ 0.0002 | \$ 43,146 | \$ 44,190 | | |
| (34) Energy Charge | 88,803,000 kWh | \$ 0.0012 | \$ 110,409 | \$ 113,080 | | |
| (35) | | | \$ 153,555 | \$ 157,270 | | |
| (36) Variable Distribution Chg. | | | | | | |
| (37) Capacity Charge | 179,516,200 W | \$ 0.0015 | \$ 271,090 | \$ 277,649 | \$ 0.0014 | \$ 258,450 |
| (38) Energy Charge | 88,803,000 kWh | \$ 0.0078 | \$ 693,714 | \$ 710,496 | \$ 0.0073 | \$ 661,367 |
| (39) | | | \$ 964,804 | \$ 988,145 | | \$ 919,816 |
| (40) CTC Charge | | | | | | |
| (41) Capacity Charge | 179,516,200 W | \$ 0.0008 | \$ 134,703 | \$ 137,962 | | |
| (42) Energy Charge | 88,803,000 kWh | \$ 0.0055 | \$ 482,018 | \$ 493,679 | | |
| (43) | | | \$ 616,721 | \$ 631,641 | | |
| (44) | | | | | | |
| (45) Outage Allowance | | | \$ (8,616) | \$ (8,824) | | |
| (46) | | | | | | |
| (47) Electric Generation Charge | | | | | | |
| (48) Capacity Charge | 179,516,200 W | \$ 0.0012 | \$ 215,271 | \$ 220,479 | | |
| (49) Energy Charge | 88,803,000 kWh | \$ 0.0239 | \$ 2,123,894 | \$ 2,175,277 | | |
| (50) | | | \$ 2,339,165 | \$ 2,395,755 | | |
| (51) | | | | | | |
| (52) Total Revenue | | | \$ 13,724,532 | \$ 14,056,563 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate SL-S

| | Quantity | Annual Bundled Charge | Annual Bundled Revenue | Annual Unbundled Charges | | | | | Annual Unbundled Revenue | | | | | |
|----------------------|----------|-----------------------|------------------------|--------------------------|----------|---------|------------|-------------------|--------------------------|---------------------|-------------------|-------------------|---------------------|-----------------------------|
| | | | | Trans. | Dist. | CTC | Elec. Gen. | New Distr Pricing | Trans. | Dist. | CTC | Elec. Gen. | Total | New Distr Revenue @ 0.93085 |
| Incandescent | | | | | | | | | | | | | | |
| 320 Lumens | 164 | \$99.26 | \$ 16,279 | \$1.57 | \$74.27 | \$7.22 | \$16.20 | \$67.50 | \$ 257 | \$ 12,180 | \$ 1,184 | \$ 2,656 | \$ 16,279 | \$ 11,338 |
| 600 Lumens | 21 | \$138.30 | \$ 2,904 | \$2.18 | \$103.49 | \$10.06 | \$22.57 | \$94.06 | \$ 46 | \$ 2,173 | \$ 211 | \$ 474 | \$ 2,904 | \$ 2,023 |
| 1000 Lumens | 1,532 | \$194.00 | \$ 297,208 | \$3.06 | \$145.16 | \$14.12 | \$31.66 | \$131.93 | \$ 4,688 | \$ 222,385 | \$ 21,636 | \$ 48,499 | \$ 297,208 | \$ 207,008 |
| 2500 Lumens | 342 | \$266.96 | \$ 91,300 | \$4.22 | \$199.76 | \$19.42 | \$43.56 | \$181.55 | \$ 1,443 | \$ 68,318 | \$ 6,641 | \$ 14,899 | \$ 91,300 | \$ 63,594 |
| 6000 Lumens | 39 | \$304.58 | \$ 11,879 | \$4.81 | \$227.91 | \$22.16 | \$49.70 | \$207.14 | \$ 188 | \$ 8,888 | \$ 864 | \$ 1,938 | \$ 11,879 | \$ 8,274 |
| 10000 Lumens | - | \$364.64 | \$ - | \$5.76 | \$272.85 | \$26.53 | \$59.50 | \$253.98 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Mercury Vapor | | | | | | | | | | | | | | |
| 4000 Lumens | 8,493 | \$228.29 | \$ 1,938,867 | \$3.60 | \$170.82 | \$16.62 | \$37.25 | \$155.25 | \$ 30,575 | \$ 1,450,774 | \$ 141,129 | \$ 316,389 | \$ 1,938,867 | \$ 1,350,455 |
| 8000 Lumens | 4,692 | \$241.10 | \$ 1,131,241 | \$3.81 | \$180.41 | \$17.54 | \$39.34 | \$163.97 | \$ 17,877 | \$ 846,484 | \$ 82,282 | \$ 184,599 | \$ 1,131,241 | \$ 787,951 |
| 12000 Lumens | 1,330 | \$257.08 | \$ 341,916 | \$4.06 | \$192.36 | \$18.71 | \$41.95 | \$174.83 | \$ 5,400 | \$ 255,839 | \$ 24,883 | \$ 55,795 | \$ 341,916 | \$ 238,148 |
| 20000 Lumens | 2,086 | \$301.99 | \$ 629,951 | \$4.77 | \$225.97 | \$21.97 | \$49.28 | \$205.38 | \$ 9,950 | \$ 471,373 | \$ 45,831 | \$ 102,797 | \$ 629,951 | \$ 438,779 |
| 42000 Lumens | 130 | \$430.18 | \$ 55,923 | \$6.79 | \$321.89 | \$31.30 | \$70.20 | \$292.55 | \$ 883 | \$ 41,846 | \$ 4,069 | \$ 9,126 | \$ 55,923 | \$ 38,952 |
| 59000 Lumens | 135 | \$484.90 | \$ 65,462 | \$7.66 | \$362.83 | \$35.28 | \$79.13 | \$329.76 | \$ 1,034 | \$ 48,982 | \$ 4,763 | \$ 10,682 | \$ 65,462 | \$ 45,595 |
| Sodium Vapor | | | | | | | | | | | | | | |
| 5800 Lumens | 444 | \$226.58 | \$ 100,602 | \$3.58 | \$169.54 | \$16.49 | \$36.97 | \$154.09 | \$ 1,590 | \$ 75,276 | \$ 7,320 | \$ 16,416 | \$ 100,602 | \$ 70,071 |
| 9500 Lumens | 563 | \$246.35 | \$ 138,695 | \$3.89 | \$184.34 | \$17.92 | \$40.20 | \$167.54 | \$ 2,190 | \$ 103,783 | \$ 10,089 | \$ 22,633 | \$ 138,695 | \$ 96,607 |
| 16000 Lumens | 153 | \$276.69 | \$ 42,334 | \$4.37 | \$207.04 | \$20.13 | \$45.15 | \$188.17 | \$ 669 | \$ 31,677 | \$ 3,080 | \$ 6,908 | \$ 42,334 | \$ 29,487 |
| 25000 Lumens | 647 | \$314.35 | \$ 203,384 | \$4.96 | \$235.22 | \$22.87 | \$51.30 | \$213.78 | \$ 3,209 | \$ 152,187 | \$ 14,799 | \$ 33,189 | \$ 203,384 | \$ 141,664 |
| 50000 Lumens | 163 | \$374.54 | \$ 61,050 | \$5.91 | \$280.26 | \$27.25 | \$61.12 | \$254.72 | \$ 963 | \$ 45,682 | \$ 4,442 | \$ 9,962 | \$ 61,050 | \$ 42,524 |
| Total | | | \$ 5,128,995 | | | | | | \$ 80,961 | \$ 3,837,849 | \$ 373,223 | \$ 836,962 | \$ 5,128,995 | \$ 3,572,467 |
| | | | | | | | | | \$ 82,919 | \$ 3,930,696 | \$ 382,253 | \$ 857,210 | \$ 5,253,078 | \$ 3,658,894 |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket R-00973953

Proof of Revenue - 12 Months Ending 12/31/02

Rate SLE

Electric PA PUC No. 3 - Supplement 10

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7) = (6) * 1.02 | New Pricing for Distribution | New Distribution Revenue @ 0.93085 |
|---------------------------------------|------------------------------------|-------------------------------|-----------------------|---|---------------------------------|--|
| (23) Service Location Charge - Trans. | 831,508 Locations | \$ - | \$ - | \$ - | | |
| (24) Service Location Charge - Dist | 831,508 Locations | \$ 7.00 | \$ 5,820,557 | \$ 5,960,250 | \$ 6.51 | \$ 5,548,108 |
| (25) Service Location Charge - CTC | 831,508 Locations | \$ - | \$ - | \$ - | | |
| (26) | | | \$ 5,820,557 | \$ 5,960,250 | | |
| (27) Transmission Charge | | | | | | |
| (28) Capacity Charge | 136,607,992 Watt | \$ 0.00055 | \$ 75,496 | \$ 77,308 | | |
| (29) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (30) | | | \$ 75,496 | \$ 77,308 | | |
| (31) Variable Distribution Charge | | | | | | |
| (32) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (33) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (34) | | | \$ - | \$ - | | |
| (35) Competitive Transition Charge | | | | | | |
| (36) Capacity Charge | 136,607,992 Watt | \$ 0.00062 | \$ 84,163 | \$ 86,183 | | |
| (37) Energy Charge | 47,017,000 kWh | \$ 0.00389 | \$ 183,021 | \$ 187,414 | | |
| (38) | | | \$ 267,184 | \$ 273,596 | | |
| (39) Electric Generation Charge | | | | | | |
| (40) Capacity Charge | 136,607,992 Watt | \$ 0.00289 | \$ 395,447 | \$ 404,938 | | |
| (41) Energy Charge | 47,017,000 kWh | \$ 0.03215 | \$ 1,511,802 | \$ 1,548,085 | | |
| (42) | | | \$ 1,907,249 | \$ 1,953,023 | | |
| (43) | | | | | | |
| (44) Total Revenue | | | \$ 8,070,485 | \$ 7,990,580 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Rate TL**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.93085 |
|--|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (12) Transmission Charge (13) | 39,681,000 kWh | \$ 0.0058 | \$ 230,171 | \$ 235,740 | | |
| (14) Variable Distribution Charge (15) | 39,681,000 kWh | \$ 0.0211 | \$ 837,165 | \$ 857,418 | \$ 0.0196 | \$ 798,129 |
| (16) Competitive Transition Charge (17) | 39,681,000 kWh | \$ 0.0328 | \$ 1,300,286 | \$ 1,331,744 | | |
| (18) Unaccounted for (19) | | | \$ 5,398 | \$ 5,529 | | |
| (20) Market Generation (21) | 39,681,000 kWh | \$ 0.0544 | \$ 2,159,979 | \$ 2,212,235 | | |
| (22) Total Revenue | | | \$ 4,533,000 | \$ 4,642,665 | | |

PECO ENERGY COMPANY
Compliance to 2/5/98 Order at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/02
Rate EP

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.92490 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (21) Fixed Distribution Charge | 465 Deliv. points | \$ 1,243.85 | \$ 578,926 | \$ 592,932 | | |
| (22) | | | | | | |
| (23) Transmission Charge | | | | | | |
| (24) Capacity Charge | 1,770,350 kW | \$ 1.03 | \$ 1,821,164 | \$ 1,865,223 | | |
| (25) Energy Charge | 638,800,000 kWh | \$ 0.0008 | \$ 496,005 | \$ 508,005 | | |
| (26) | | | \$ 2,317,169 | \$ 2,373,227 | | |
| (27) Variable Distribution Charge | | | | | | |
| (28) Capacity Charge | 1,770,350 kW | \$ 2.98 | \$ 5,283,838 | \$ 5,411,667 | \$ 2.76 | \$ 5,005,235 |
| (29) Energy Charge | 638,800,000 kWh | \$ 0.0023 | \$ 1,439,085 | \$ 1,473,900 | \$ 0.0021 | \$ 1,363,205 |
| (30) | | | \$ 6,722,923 | \$ 6,885,567 | | \$ 6,368,440 |
| (31) Competitive Transition Charge | | | | | | |
| (32) Capacity Charge | 1,770,350 kW | \$ 5.45 | \$ 9,640,407 | \$ 9,873,632 | | |
| (33) Energy Charge | 638,800,000 kWh | \$ 0.0053 | \$ 3,402,935 | \$ 3,485,261 | | |
| (34) | | | \$ 13,043,342 | \$ 13,358,893 | | |
| (35) Electric Generation Charge | | | | | | |
| (36) Capacity Charge | 1,770,350 kW | \$ 7.00 | \$ 12,394,545 | \$ 12,694,400 | | |
| (37) Energy Charge | 638,800,000 kWh | \$ 0.0190 | \$ 12,165,095 | \$ 12,459,399 | | |
| (38) | | | \$ 24,559,640 | \$ 25,153,799 | | |
| (39) | | | | | | |
| (40) Total Revenue | | | \$ 47,222,000 | \$ 48,364,419 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Rate AL**

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.93085 |
|-----------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (10) Transmission Charge | 31,472 kWh | \$ 0.0007 | \$ 22 | \$ 22 | | |
| (11) | | | | | | |
| (12) Variable Distribution Charge | 31,472 kWh | \$ 0.1112 | \$ 3,499 | \$ 3,583 | \$ 0.1035 | \$ 3,336 |
| (13) | | | | | | |
| (14) CTC Charge | 31,472 kWh | \$ 0.0008 | \$ 26 | \$ 27 | | |
| (15) | | | | | | |
| (16) Market Generation | 31,472 kWh | \$ 0.0144 | \$ 453 | \$ 464 | | |
| (17) | | | | | | |
| (18) Total Revenues | | | \$ 4,000 | \$ 4,097 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Auxiliary Service Rider**

| | Bundled | Trans. | Dist. | CTC | Energy | New Distr Pricing | |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|----------------------|-----|
| FIRM BACK-UP POWER | | | | | | | |
| Demand Charge (\$/kW) | | | | | | | |
| All Customers | \$3.00 | \$ 0.15 | \$ 0.33 | \$ 0.88 | \$ 1.64 | 0.31 | (a) |
| Energy Charge (\$/kWh) | | | | | | | |
| High Tension Voltage | \$ 0.0783 | \$ 0.0040 | \$ 0.0086 | \$ 0.0229 | \$ 0.0428 | 0.0080 | (a) |
| Primary Voltage | \$ 0.0988 | \$ 0.0048 | \$ 0.0186 | \$ 0.0271 | \$ 0.0483 | 0.0172 | (a) |
| Secondary Voltage | \$ 0.1245 | \$ 0.0063 | \$ 0.0230 | \$ 0.0357 | \$ 0.0595 | 0.0210 | (b) |
| INTERRUPTIBLE BACK-UP POWER | | | | | | | |
| Energy Charge (\$/kWh) | | | | | | | |
| High Tension Voltage | \$ 0.0274 | \$ 0.0008 | \$ 0.0016 | \$ 0.0058 | \$ 0.0192 | 0.0015 | (a) |
| Primary Voltage | \$ 0.0314 | \$ 0.0009 | \$ 0.0030 | \$ 0.0064 | \$ 0.0211 | 0.0028 | (a) |
| Secondary Voltage | \$ 0.0637 | \$ 0.0030 | \$ 0.0084 | \$ 0.0173 | \$ 0.0350 | 0.0077 | (b) |

(a) refer to Rate HT multiplier
 (b) refer to Rate GS multiplier

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Employment and Economic Recovery Rider**

| | Bundled (\$/kWh) | Tran (\$/kWh) | Dist (\$/kWh) | CTC (\$/kWh) | Energy (\$/kWh) | New Distr Pricing @ 0.92535 |
|-----------------------------|-----------------------------|--------------------------|--------------------------|-------------------------|----------------------------|--|
| Existing Location | | | | | | |
| Years | | | | | | |
| 1-5 | 0.050 | 0.003 | 0.006 | 0.014 | 0.027 | 0.006 |
| 6 | 0.040 | 0.002 | 0.004 | 0.012 | 0.022 | 0.004 |
| 7 | 0.030 | 0.002 | 0.003 | 0.009 | 0.016 | 0.003 |
| 8 | 0.020 | 0.001 | 0.002 | 0.006 | 0.011 | 0.002 |
| 9 | 0.010 | 0.001 | 0.001 | 0.003 | 0.005 | 0.001 |
| New Service Location | | | | | | |
| Years | | | | | | |
| 1-5 | 1.000 | 0.051 | 0.110 | 0.292 | 0.547 | 0.102 |
| 6 | 0.800 | 0.041 | 0.088 | 0.233 | 0.438 | 0.081 |
| 7 | 0.600 | 0.030 | 0.066 | 0.176 | 0.328 | 0.061 |
| 8 | 0.400 | 0.020 | 0.044 | 0.117 | 0.219 | 0.041 |
| 9 | 0.200 | 0.010 | 0.022 | 0.059 | 0.109 | 0.020 |
| Accelerated | | | | | | |
| Years | | | | | | |
| 1-4 | 1.35 | 0.069 | 0.149 | 0.393 | 0.739 | 0.138 |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Seasonal Capacity Charge Service Rider**

| | <u>Summer</u> | New Dist Pricing | <u>Winter</u> | New Dist Pricing |
|---------------|----------------|------------------|---------------|------------------|
| Transmission | \$1.49 | | \$0.37 | |
| Distribution | \$3.14 | \$2.91 | \$0.79 | \$ 0.73 |
| CTC | \$8.67 | | \$2.17 | |
| Market Energy | <u>\$10.77</u> | | <u>\$2.69</u> | |
| Bundled | \$24.07 | | \$6.02 | |

Cooling Thermal Storage HT Rider

| | | New Dist Pricing |
|---|----------|------------------|
| Billing and Metering Charge | \$ 11.21 | |
| Off Peak Charge per kW of off peak billing demand per month | \$ 0.91 | \$ 0.84 |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/02
 Suburban Street Lighting Rider**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.024 | New Pricing for Distribution | New Distribution Revenue @ 0.93085 |
|---------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (23) Service Location Charge - Trans. | 831,508 Locations | \$ 0.09 | \$ 75,496 | \$ 77,322 | | |
| (24) Service Location Charge - Dist | 831,508 Locations | \$ 9.53 | \$ 7,922,340 | \$ 8,114,001 | \$ 8.87 | \$ 7,552,930 |
| (25) Service Location Charge - CTC | 831,508 Locations | \$ 0.32 | \$ 267,184 | \$ 273,647 | | |
| (26) | | | \$ 8,265,019 | \$ 8,464,971 | | |
| (27) Transmission Charge | | | | | | |
| (28) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (29) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (30) | | | \$ - | \$ - | | |
| (31) Variable Distribution Charge | | | | | | |
| (32) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (33) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (34) | | | \$ - | \$ - | | |
| (35) Competitive Transition Charge | | | | | | |
| (36) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (37) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (38) | | | \$ - | \$ - | | |
| (39) Electric Generation Charge | | | | | | |
| (40) Capacity Charge | 136,607,992 Watt | \$ 0.00289 | \$ 395,447 | \$ 405,014 | | |
| (41) Energy Charge | 47,017,000 kWh | \$ 0.01826 | \$ 858,533 | \$ 879,303 | | |
| (42) | | | \$ 1,253,981 | \$ 1,284,318 | | |
| (43) | | | | | | |
| (44) Total Revenue | | | \$ 9,519,000 | \$ 9,749,289 | | |

RATE R RESIDENCE SERVICE

AVAILABILITY.

Single-phase service in the service territory of the Company to the dwelling and appurtenances of a single private family (or to a multiple dwelling unit building consisting of two to five dwelling units, whether occupied or not), for the domestic requirements of its members when such service is supplied through one meter. Service is also available for related farm purposes when such service is supplied through one meter in conjunction with the farmhouse domestic requirements.

Each dwelling unit connected after May 10, 1980 except those dwelling units under construction or under written contract for construction as of that date must be individually metered for their basic service supply. Centrally supplied master metered heating, cooling or water heating service may be provided if such supply will result in energy conservation.

The term "residence service" includes service to: (a) the separate dwelling unit in an apartment house or condominium, but not the halls, basement, or other portions of such building common to more than one such unit; (b) the premises occupied as the living quarters of five persons or less who unite to establish a common dwelling place for their own personal comfort and convenience on a cost-sharing basis; the premises owned by a church, and primarily designated or set aside for, and actually occupied and used as, the dwelling place of a priest, rabbi, pastor, rector, nun or other functioning Church Divine, and the resident associates; (d) private dwellings in which a portion of the space is used for the conduct of business by a person residing therein; (e) farm purpose uses by an individual employing the natural processes of growth for the production of grain, stock, dairy, poultry, garden truck, or other agricultural products.

The term does NOT include service to: (a) Premises institutional in character including Clubs, Fraternities, Orphanages or Homes; (b) premises defined as a rooming house or boarding house in the Municipal Code for Cities of the First Class enacted by Act of General Assembly; a premises containing a residence unit but primarily devoted to a professional or other office, studio, or other gainful pursuit; (d) farms operated principally to sell, prepare, or process products produced by others, or farms using air conditioning for climatic control in conjunction with growth processes (except those customers receiving such service as of August 2, 1969); (e) electric furnaces or welding apparatus other than a transformer type "limited input" arc welder with an input not to exceed 37-1/2 amperes at 240 volts.

CURRENT CHARACTERISTICS. Standard single-phase secondary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE. \$5.10

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

SUMMER MONTHS. (June through September)

4.19¢ per kWh for the first 500 kWh per dwelling unit

4.87¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

4.19¢ per kWh

COMPETITIVE TRANSITION CHARGE:

SUMMER MONTHS. (June through September)

2.93¢ per kWh for the first 500 kWh per dwelling unit

3.39¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

2.93¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

SUMMER MONTHS. (June through September)

5.00¢ per kWh for the first 500 kWh per dwelling unit

5.58¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

5.00¢ per kWh

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

PAYMENT TERMS. Standard.

RATE RT RESIDENCE TIME-OF-USE SERVICE

AVAILABILITY.

Single-phase service in the territory of the Company to the dwelling and appurtenances of a single private family for the domestic requirements of its members when such service is provided through one meter. Service is also available for related farm purposes when such service is provided through one meter in conjunction with the farmhouse domestic requirements.

The term "residence service" includes service to: (a) the separate dwelling unit in an apartment house or condominium, but not the halls, basement, or other portions of such building common to more than one such unit; (b) the premises occupied as the living quarters of five persons or less who unite to establish a common dwelling place for their own personal comfort and convenience on a cost-sharing basis; the premises owned by a church, and primarily designated or set aside for, and actually occupied and used as, the dwelling place of a priest, rabbi, pastor, rector, nun or other functioning Church Divine, and the resident associates; (d) private dwellings in which a portion of the space is used for the conduct of business by a person residing therein; (e) farm purpose uses by an individual employing the natural processes of growth for the production of grain, stock, dairy, poultry, garden truck, or other agricultural products.

The term does NOT include service to: (a) Premises institutional in character including Clubs, Fraternities, Orphanages or Homes; (b) premises defined as a rooming house or boarding house in the Municipal Code for Cities of the First Class enacted by Act of General Assembly; a premises containing a residence unit but primarily devoted to a professional or other office, studio, or other gainful pursuit; (d) farms operated principally to sell, prepare, or process products produced by others, or farms using air conditioning for climatic control in conjunction with growth processes (except those customers receiving such service as of August 2, 1969); (e) electric furnaces or welding apparatus other than a transformer type "limited input" arc welder with an input not to exceed 37-1/2 amperes at 240 volts.

CURRENT CHARACTERISTICS. Standard single-phase secondary service.

DEFINITION OF PEAK-HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as on-peak hours.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$10.19

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

SUMMER MONTHS (June through September)

1.66¢ per off-peak kWh

6.77¢ per on-peak kWh

WINTER MONTHS (October through May)

1.66¢ per off-peak kWh

6.21¢ per on-peak kWh

COMPETITIVE TRANSITION CHARGE:

SUMMER MONTHS. (June through September)

1.65¢ per off-peak kWh

6.27¢ per on-peak kWh.

WINTER MONTHS. (October through May)

1.65¢ per off-peak kWh

5.77¢ per on-peak kWh.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

SUMMER MONTHS. (June through September)

3.28¢ per off-peak kWh

8.96¢ per on-peak kWh

WINTER MONTHS. (October through May)

3.28¢ per off-peak kWh

8.33¢ per on-peak kWh

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND
CHARGE APPLY TO THIS RATE

CONTRACT TERM. Not less than twelve months.

PAYMENT TERMS. Standard.

RATE R-H RESIDENTIAL HEATING SERVICE

AVAILABILITY.

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

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

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

CURRENT CHARACTERISTICS. Standard single-phase secondary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$5.10

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

SUMMER MONTHS. (June through September)

4.02¢ per kWh for the first 500 kWh per dwelling unit

4.67¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

4.02¢ for the first 600 kWh per dwelling unit

1.67¢ per kWh for additional kWh.

COMPETITIVE TRANSITION CHARGE:

SUMMER MONTHS. (June through September)

2.93¢ per kWh for the first 500 kWh per dwelling unit

3.38¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

2.93¢ per kWh for the first 600 kWh per dwelling unit

1.30¢ per kWh for additional kWh.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

SUMMER MONTHS. (June through September)

5.22¢ per kWh for the first 500 kWh per dwelling unit

5.83¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

5.22¢ per kWh for the first 600 kWh per dwelling unit

3.03¢ per kWh for additional kWh.

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

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

PAYMENT TERMS. Standard.

CAP RATE

AVAILABILITY.

To payment-troubled customers who are currently served under or otherwise qualify for Rate R or Rate RH (does not include multiple dwelling unit buildings consisting of two to five dwelling units). Customers must apply for this rate and must demonstrate annual household gross income below 150% of the Federal Poverty guidelines.

Customers with annual household gross incomes below 100% of the Federal poverty income guidelines will be eligible for Customer Assistance Program (CAP) Rate I which provides a 51.9% discount on the pricing of the first 500 kWh of usage.

Customers with annual household gross incomes between 100% and 150% of the Federal poverty income guidelines will be eligible for Customer Assistance Program (CAP) Rate II which provides a 26% discount on the pricing of the first 500 kWh of usage.

Certification by various State agencies that a customer is receiving certain government assistance payments may be used where possible to expedite the eligibility process. These payments include (but are not limited to) AFDC, SSI, Food Stamps, PACE and Medicaid. Information available from the Pa. Department of Revenue may also be used where appropriate to expedite the process.

A process will be established to provide verification of eligibility for customers who do not fit the above processes. Asset testing will also be used where necessary and appropriate.

Customers being considered for the CAP Rates will be required to:

- * Waive certain privacy rights to enable PECO Energy to effectively conduct the above certification process.
- * Apply for and assign to PECO Energy at least one energy assistance grant from the Commonwealth.
- * Participate in various energy education and conservation programs facilitated by PECO Energy.

MONTHLY RATE TABLE.

| | RATE R | | RATE RH | | | |
|---|------------|------------|------------|------------|------------|------------|
| | CAP I | CAP II | CAP I | | CAP II | |
| | | | Summer | Winter | Summer | Winter |
| Fixed Distribution Service Charge | \$5.10 | \$5.10 | \$5.10 | \$5.10 | \$5.10 | \$5.10 |
| Variable Distribution Service Charge | | | | | | |
| for the first 500 kWh | 2.03 ¢/kWh | 3.11 ¢/kWh | 1.94 ¢/kWh | 1.94 ¢/kWh | 2.97 ¢/kWh | 2.97 ¢/kWh |
| for additional kWh | 4.19 ¢/kWh | 4.19 ¢/kWh | 4.02 ¢/kWh | 1.94 ¢/kWh | 4.02 ¢/kWh | 1.94 ¢/kWh |
| Competitive Transition Charge | | | | | | |
| for the first 500 kWh | 1.42 ¢/kWh | 2.17 ¢/kWh | 1.42 ¢/kWh | 1.42 ¢/kWh | 2.18 ¢/kWh | 3.00 ¢/kWh |
| for additional kWh | 2.93 ¢/kWh | 2.93 ¢/kWh | 2.93 ¢/kWh | 1.42 ¢/kWh | 2.93 ¢/kWh | 1.42 ¢/kWh |
| Energy and Capacity Charge | | | | | | |
| for the first 500 kWh | 2.41 ¢/kWh | 3.71 ¢/kWh | 2.52 ¢/kWh | 2.52 ¢/kWh | 3.87 ¢/kWh | 3.87 ¢/kWh |
| for additional kWh | 5.00 ¢/kWh | 5.00 ¢/kWh | 5.22 ¢/kWh | 2.52 ¢/kWh | 5.22 ¢/kWh | 2.52 ¢/kWh |

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for Rate R or RH as applicable in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for Rate R or RH as applicable in Appendix B to the Joint Petition for Full Settlement.

ENERGY AND CAPACITY CHARGE: The preceding Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001. Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

If the customer obtains Competitive Energy Supply, the customer will receive a credit, on the first 500 kWh of usage on their PECO Energy bill, as follows:

Customer Credit when obtaining Competitive Energy Supply:

| | RATE R | | RATE RH | | | |
|--|-----------|------------|------------|------------|------------|------------|
| | CAP I | CAP II | CAP I | | CAP II | |
| | | | Summer | Winter | Summer | Winter |
| | 2.65¢/kWh | 1.32 ¢/kWh | 2.76 ¢/kWh | 2.76 ¢/kWh | 1.38 ¢/kWh | 1.38 ¢/kWh |

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

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE. Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

ARREARAGE.

Customers who qualify and are placed on the CAP Rate will have their pre-program arrearage forgiven if they remain current on their CAP bill for six to twelve months. The development of any new arrearage during this period will delay forgiveness. Customers that develop any new arrearage will be offered a payment agreement.

RATE OP OFF-PEAK SERVICE

AVAILABILITY.

In conjunction with Rates R, RT, R-H and with residence service under Rate GS, for any customer receiving service at 120/240 volts, 3 wires, or 120/208 volts, 3 wires, for the operation of 240-volt or 208-volt domestic equipment of a type approved by the Company. Any load connected for service under Rate OP may not be connected for service under any other rate during the period that service under Rate OP is interrupted. Service will be interrupted during on-peak periods as established by the Company. This rate is not available when the source of supply is service purchased from a neighboring company under a borderline-purchase agreement.

SPECIAL RULES AND REGULATIONS.

The normal control device furnished by the Company has a limited capacity. The customer shall notify the Company before connecting any load in addition to an existing water heater. If necessary, the Company will install a control device with a rating of 100 amperes to accommodate the additional 240-volt controlled load. For controlled loads larger than 100 amperes the control device shall be furnished, installed and maintained by the customer.

Service may be interrupted for a total of not more than 6-1/2 hours per day during scheduled periods which may vary from customer to customer.

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

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$4.58 per month

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE: 3.29¢ per kWh

COMPETITIVE TRANSITION CHARGE: 0.0010¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

1.68¢ per kWh

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

PAYMENT TERMS.

Standard.

RATE-GS GENERAL SERVICE

AVAILABILITY.

Service through a single metering installation for offices, professional, commercial or industrial establishments, governmental agencies, and other applications outside the scope of the Residence Service rate schedules.

CURRENT CHARACTERISTICS.

Standard single-phase or polyphase secondary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE:

- \$ 6.63 for single-phase service without demand measurement, or
- \$ 8.67 for single-phase service with demand measurement, or
- \$23.45 for polyphase service.

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

- 3.26¢ per kWh for the first 80 hours' use of billing demand
- * 1.53¢ per kWh for the next 80 hours' use of the billing demand
- 0.97¢ per kWh for additional use; except
- 0.42¢ per kWh over both 400 hours' use of billing demand and 2,000 kWh

COMPETITIVE TRANSITION CHARGE:

- 7.02¢ per kWh for the first 80 hours' use of billing demand
- * 3.37¢ per kWh for the next 80 hours' use of billing demand
- 2.17¢ per kWh for additional use; except
- 1.03¢ per kWh over both 400 hours' use of billing demand and 2,000 kWh.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

- 10.27¢ per kWh for the first 80 hours' use of billing demand
- * 5.59¢ per kWh for the next 80 hours' use of billing demand
- 4.06¢ per kWh for additional use; except
- 2.59¢ per kWh over both 400 hours' use of billing demand and 2,000 kWh.
- * During October through May this block is eliminated.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF DEMAND.

The billing demand will be measured where consumption exceeds 1,100 kilowatt-hours per month for three consecutive months; or where load tests indicate a demand of five or more kilowatts; or where the customer requests demand measurement. Measured demands will be determined to the nearest 0.1 of a kilowatt but will not be less than 1.2 kilowatts, and will be adjusted for power factor in accordance with the Rules and Regulations.

For those customers with demand measurement, during October through May the billing demand will not be less than 40% of the highest billing demand in the preceding months of June through September, nor less than the minimum value stated in the contract for service. If a measured demand customer has less than 1,100 monthly kilowatt-hours of use, the monthly billing demand will be the measured demand or the metered monthly kilowatt-hours divided by 175 hours, whichever is less, but not less than 40% of the highest billing demand in the preceding months of June through September, nor less than 1.2 kilowatts.

For those customers without demand measurement, the monthly billing demand will be computed by dividing the metered monthly kilowatt-hours by 175 hours. The computed demand will be determined to the nearest 0.1 of a kilowatt, but will not be less than 1.2 kilowatts.

MINIMUM CHARGE.

The monthly minimum charge for customers without demand measurement will be the Fixed Distribution Service Charge. The monthly minimum charge for customers with demand measurement will be the Fixed Distribution Service Charge, plus a charge of \$6.09 per kW of billing demand, as follows: Variable Distribution - \$0.84 per kW; Competitive Transition Charge - \$1.85 per kW; Energy and Capacity - \$3.07 per kW (Energy and Capacity Charge applicable only if Customer receives Default PLR Service).

HEATING MODIFICATION.

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

METERING.

A. Single Meter.

Applicable where an area is heated solely by permanently connected electric space heating installations (1) acceptable to the Company, (2) sensitive to outdoor temperature and (3) not less than 5 kilowatts. Qualifying electric heating systems are (1) electric resistance coils, (2) electric resistance baseboards, (3) electric boilers and (4) heat pumps with electric back-up.

During October through May the monthly maximum measured demand shall be reduced by one-half of the difference between the peak winter measured demand and the base load demand over the two most recent winter seasons preceding the start of the current winter season (October 1st). The demand reduction will be subject to annual review and any revisions will be based on the two most recent winter seasons. The base load demand will be defined as the lowest measured demand during the period from October to May. For time-of-use metered customers, the demand reduction will be based upon the difference between the peak winter and base load demands regardless of whether they occur on or off peak. During this period, the billing demand shall never be less than 15 kilowatts; except for those customers in service as of February 18, 1971, the billing demand during October through May shall not be less than one-half of the monthly measured demand.

A customer whose demand reduction was calculated under the methods in effect on October 17, 1996, will continue to receive the same reduction until the date of full Direct Access unless the current method (described in the preceding paragraph) yields a smaller billed demand for the customer.

A customer who adds new electrical connected heating load will receive the same proportion of forgiven demand to total demand that they currently receive.

This demand modification will only be applicable within 30 days of the date that the customer requests billing under this provision. It shall be the responsibility of the customer to notify the Company of any subsequent changes to its heating equipment or requirements.

B. Separate Meters.

At the option of the customer, electricity supplying permanently connected space heating installations or heating equipment sensitive to outdoor temperature with a total capacity of not less than 5 kilowatts, which are acceptable to the Company; will be measured apart from the customer's other requirements for electric service at the premises. Air conditioning equipment of rated electrical capacity up to twice that of the heating equipment also may be supplied through this separate heating circuit.

During October through May the usage of this separate circuit shall be billed at the charges listed below in lieu of the pricing of the basic Monthly Rate Table.

VARIABLE DISTRIBUTION SERVICE CHARGE: 0.76¢ per kWh
COMPETITIVE TRANSITION CHARGE: 1.73¢ per kWh
ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply:
3.50¢ per kWh

During June through September the combined usage shall be billed under the price provisions of the basic Monthly Rate Table.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

OFF-PEAK THERMAL STORAGE PROVISION.

Off-peak energy may be provided exclusively for qualifying Thermal Storage applications only in conjunction with this rate schedule when the load supplied is separately metered. This service will be billed separately at the rate of \$11.21 per month, plus the charges listed below.

OFF-PEAK USAGE DURING THE WINTER AND SUMMER MONTHS:

VARIABLE DISTRIBUTION SERVICE CHARGE: 1.28¢ per kWh
COMPETITIVE TRANSITION CHARGE: 0.88¢ per kWh
ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply:
1.70¢ per kWh

ON-PEAK USAGE DURING THE WINTER MONTHS:

VARIABLE DISTRIBUTION SERVICE CHARGE: 1.98¢ per kWh
COMPETITIVE TRANSITION CHARGE: 1.34¢ per kWh
ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.
2.61¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

During the summer months, any on-peak demand and energy will contribute to the pricing of the basic Monthly Rate Table. To qualify for this provision, the customer must submit an engineering study performed by a professional engineer registered in the Commonwealth of Pennsylvania to the Company for technical review and approval. On-peak hours are defined as the hours between 8:00 a.m. and 8:00 p.m., Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 p.m. on Fridays. Off-peak hours are defined as the hours other than those specified as on-peak hours. For Cooling Thermal Storage applications, during the months of June through September, on-peak hours will commence at 10:00 a.m. instead of 8:00 a.m.

SPECIAL PROVISION.

In accordance with Section 1511, Title 66 Public Utilities, a volunteer fire company or a non-profit senior citizen center may, upon application, elect to have its electric service billed at the pricing of Rate R Residential Service, Rate RT Residential Time of Use, Rate R-H Residential Heating Service, or Rate OP Off-Peak Service as appropriate for the application. The execution of a contract for a minimum term of one year will be required.

For the purposes of this provision, the following words and terms shall have the following meanings, unless the context clearly indicates otherwise:

VOLUNTEER FIRE COMPANY - a separately metered service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this location shall be to support the activities of the volunteer fire company. Any fund raising activities at this service location must be used solely to support volunteer fire fighting operations.

The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of fire fighting services.

NON-PROFIT SENIOR CITIZEN CENTER - a separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.

The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Pennsylvania Department of Aging as an operator of a senior citizen center.

PAYMENT TERMS.

Standard.

TERM OF CONTRACT.

The initial contract term shall be for at least one year.

PAYMENT TERMS.

Standard.

RATE-PD PRIMARY-DISTRIBUTION POWER

AVAILABILITY.

Untransformed service from the primary supply lines of the Company's distribution system where the customer installs, owns, and maintains any transforming, switching and other receiving equipment required. However, standard primary service is not available in areas where the distribution voltage has been changed to either 13 kV or 33 kV unless the customer was served with standard primary service before the conversion of the area to either 13 kV or 33 kV. This rate is available only for service locations served on this rate on July 6, 1987 as long as the original primary service has not been removed. PECO Energy may refuse to increase the load supplied to a customer served under this rate when, in PECO Energy's sole judgment, any transmission or distribution capacity limitations exist. If a customer changes the billing rate of a location being served on this rate, PECO Energy may refuse to change that location back to Rate PD when, in PECO Energy's sole judgment, any transmission or distribution capacity limitations exist.

CURRENT CHARACTERISTICS.

Standard primary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$275.28

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

\$1.64¢ per kW of billing demand
1.45¢ per kWh of the first 150 hours' use of billing demand
0.86¢ per kWh of the first next 150 hours' use of billing demand
0.27¢ per kWh for additional use.

COMPETITIVE TRANSITION CHARGE:

\$3.01 per kW of billing demand
2.79¢ per kWh of the first 150 hours' use of billing demand
1.70¢ per kWh for the next 150 hours' use of billing demand
0.64¢ per kWh for additional use.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

\$3.89 per kW of billing demand
4.90¢ per kWh of the first 150 hours' use of billing demand
3.50¢ per kWh for the next 150 hours' use of billing demand
2.11¢ per kWh for additional use.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF BILLING DEMAND.

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 25 kilowatts. Additionally, during the eight months of October through May the billing demand will not be less than 40% of the maximum demand specified in the contract nor less than 80% of the highest billing demand in the preceding months of June through September.

MINIMUM CHARGE.

The monthly minimum charge shall be the Fixed Distribution Service Charge, plus the charge per kW component of the Variable Distribution Service Charge, the CTC, and the Energy and Capacity Charge.

TERM OF CONTRACT.

The initial contract term shall be for at least three years.

PAYMENT TERMS.

Standard.

RATE-HT HIGH-TENSION POWER

AVAILABILITY.

Untransformed service from the Company's standard high-tension lines, where the customer installs, owns, and maintains, any transforming, switching and other receiving equipment required.

CURRENT CHARACTERISTICS.

Standard high-tension service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$286.86

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

- \$1.53 per kW of billing demand
- 0.82¢ per kWh of the first 150 hours' use of billing demand
- 0.48¢ per kWh of the first 150 hours' use of billing demand, but not more than 7,500,000 kwh
- 0.15¢ per kWh for additional use.

COMPETITIVE TRANSITION CHARGE:

- \$4.60 per kW of billing demand
- 2.59¢ per kWh for the first 150 hours' use of billing demand
- 1.57¢ per kWh for the next 150 hours' use of billing demand, but not more than 7,500,000 kwh
- 0.58¢ per kWh for additional use.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

- \$5.71 per kW of billing demand
- 4.40¢ per kWh for the first 150 hours' use of billing demand
- 3.16¢ per kWh for the next 150 hours' use of billing demand, but not more than 7,500,000 kwh
- 1.92¢ per kWh for additional use.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

TIME-OF-USE ADJUSTMENT:

Customers with measured demand of 2,000 kW or greater will be given a credit for energy use during off-peak hours and will be subject to an additional charge for energy use during on-peak hours. On-peak hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 pm on Fridays.. Off-peak hours are defined as the hours other than those specified as on-peak hours. The credits and charges are as follows:

| | Summer Months (June through September) | Winter Months (October through May) |
|----------------------|---|--|
| Off-peak credit..... | 0.21¢ per kWh | 0.21¢ per kWh |
| On-peak charge..... | 0.57¢ per kWh | 0.22¢ per kWh |

HIGH VOLTAGE DISCOUNT:

- For customers supplied at 33,000 volts: 7¢ per kW of measured demand.
- For customers supplied at 69,000 volts: 28¢ per kW for first 10,000 kW of measured demand.
- For customers supplied over 69,000 volts: 28¢ per kW for first 100,000 kW of measured demand.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF BILLING DEMAND.

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 25 kilowatts. Additionally, during the eight months of October through May the billing demand will not be less than 40% of the maximum demand specified in the contract nor less than 80% of the highest billing demand in the preceding months of June through September.

DELIVERY POINTS.

Where the load of a customer located on single or contiguous premises becomes greater than the capacity of the standard circuit or circuits established by the Company to supply the customer, an additional separate delivery point may be established for such premises upon the written request of the customer with billing continued as if the service were being delivered and metered at a single point, provided such multi-point delivery is not disadvantageous to the Company.

MINIMUM CHARGE.

The monthly minimum charge shall be the Fixed Distribution Service Charge, plus the charge per kW component of the Variable Distribution Service Charge, the CTC, and the Energy and Capacity Charge, less the high voltage discount where applicable.

TERM OF CONTRACT.

The initial contract term shall be for at least three years.

PAYMENT TERMS.

Standard.

RATE POL PRIVATE OUTDOOR LIGHTING

AVAILABILITY.

Outdoor lighting of sidewalks, driveways, yards, lots and similar places, outside the scope of service under Rate SL-P, SL-S and SL-E.

MONTHLY RATE TABLE.

PRICE PER LIGHTING UNIT

| <u>MERCURY-VAPOR LAMPS</u> | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|--|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 100 Watts(nominally 4,000 Lumens) | \$0.04 | \$0.08 | \$1.44 | \$1.30 | \$10.16 | \$ 9.10 |
| 175 Watts(nominally 8,000 Lumens) | \$0.07 | \$0.11 | \$1.96 | \$1.82 | \$13.77 | \$12.75 |
| 250 Watts(nominally 12,000 Lumens) | \$0.10 | \$0.14 | \$2.41 | \$2.29 | \$16.97 | \$16.06 |
| 400 Watts(nominally 20,000 Lumens) | \$0.13 | \$0.18 | \$3.11 | \$2.95 | \$21.90 | \$20.71 |
| 400 Watts Floodlight (nominally 22,000 Lumens) | \$0.14 | \$0.19 | \$3.37 | \$3.20 | \$23.68 | \$22.49 |

| <u>SODIUM-VAPOR LAMPS</u> | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|--|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 70 Watts (nominally 5,800 Lumens) | \$0.07 | \$0.11 | \$1.97 | \$1.83 | \$13.87 | \$12.83 |
| 250 Watts (nominally 25,000 Lumens) | \$0.14 | \$0.18 | \$3.14 | \$2.98 | \$22.08 | \$20.88 |
| 400 Watts (nominally 50,000 Lumens) | \$0.15 | \$0.20 | \$3.45 | \$3.28 | \$24.23 | \$23.03 |
| 400 Watts Floodlight (nominally 50,000 Lumens) | \$0.17 | \$0.21 | \$3.70 | \$3.54 | \$26.00 | \$24.81 |

| <u>STANDARD METAL HALIDE LAMPS</u> | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|---------------------------------------|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 400 Watts (nominally 36,000 Lumens) | \$0.16 | \$0.21 | \$3.64 | \$3.48 | \$25.60 | \$24.44 |
| 1000 Watts (nominally 110,000 Lumens) | \$0.33 | \$0.38 | \$6.38 | \$6.22 | \$44.80 | \$43.64 |

| <u>STANDARD HIGH PRESSURE SODIUM LAMPS</u> | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|--|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 70 Watts (nominally 5,800 Lumens) | \$0.08 | \$0.12 | \$2.21 | \$2.06 | \$15.60 | \$14.43 |
| 100 Watts (nominally 9,500 Lumens) | \$0.08 | \$0.13 | \$2.34 | \$2.18 | \$16.49 | \$15.33 |
| 150 Watts (nominally 16,000 Lumens) | \$0.09 | \$0.14 | \$2.56 | \$2.40 | \$18.01 | \$16.85 |
| 250 Watts (nominally 25,000 Lumens) | \$0.13 | \$0.17 | \$3.01 | \$2.85 | \$21.15 | \$19.98 |
| 400 Watts (nominally 50,000 Lumens) | \$0.16 | \$0.21 | \$3.65 | \$3.49 | \$26.65 | \$24.48 |
| 1,000 Lumens (nominally 130,000 Lumens) | | | | | | |

The Energy and Capacity Charges set forth above will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

GENERAL PROVISIONS.

1. Standard Lighting Unit. A Standard Lighting Unit shall be a Cobra Head or Floodlight comprised of a bracket, the lead wires and a luminaire, including lamp, reactor and control.

2. Standard Installations. In connection with the standard service provided herein, the Company will install, own and maintain all facilities within highway limits, and all standard service-supply lines and all Lighting Units. The customer will install, own and maintain all poles on the customer's property and all service extensions on the customer's property from the Company's standard service-supply lines.

Investment by the Company under standard conditions of supply will be limited to that warranted by three times the prospective revenue recovered through the Company's tariffed Variable Distribution Service Charge. Any additional investment will be assumed by the customer.

Standard supply to lighting installations will be from aerial wires, except that, at the option of the Company, in areas where its other distribution facilities are underground, supply may be underground.

For underground supply furnished at the request of the customer where aerial supply would be normal, the Company will assume the cost up to the amount it would normally have invested and the additional cost shall be assumed by the customer.

3. Non-Standard installations. The Company may offer non-standard lighting units and installations in addition to those listed above in the Monthly Rate Table. For customers requesting such service, there will be an additional charge, as specified in the customer's contract based on the incremental cover that listed in the Monthly Rate Table.

4. Location and Authorization. Lighting Units shall be installed at locations and upon structures approved by the Company and in positions permitting servicing from a ladder truck. Customer construction shall meet the Company's standards which are based upon the National Electrical Code.

The customer shall obtain and submit any permits or other authority requisite to the installation and operation of the Lighting Units served hereunder.

5. Service. Each lamp shall be individually controlled by a photoelectric cell which shall operate to energize the lamp during periods of darkness and to de-energize it during other periods. The service shall include the supply of lamps and their renewal when burned out. Renewal of lamps will be made only during regular daytime working hours after notification by the customer of the necessity therefor.

6. Outage Allowances. Written notice to the Company prior to 4:00 pm of the failure of any light to burn on the previous night shall entitle the customer to a pro rata reduction in the charges under this rate for the hours of failure if such failure continues for a period in excess of 24 hours after the notice is received. Allowances will not be made for outages resulting from riot, fire, storm, flood, interference by civil or military authorities, or any other cause beyond the Company's control.

7. Equipment Removal. If the customer requests that the Company remove or replace any existing street lighting installation, except incandescent lights, the Company will charge for removal or replacement of the street lighting installations and the associated poles and conductors used exclusively for the street lighting installation. The Company's charge will include the cost of removal or replacement plus the estimated remaining book value of the removed or replaced equipment less salvage.

8. Location, Authorization and Protection. The location of lamps to be supplied is to be approved by the properly designated authorized representative of the customer and the customer shall furnish any requisite authority for the erection and maintenance of poles, wires, luminaries and other equipment necessary to operate the lamps at the approved locations. The customer shall protect the Company from damage to the lighting system to the extent of their ability. At the expense of the customer, the Company will relocate a lamp to a new location after receiving a written request from the customer.

TERM OF CONTRACT.

The initial contract term for each Lighting Unit shall be for at least three years.

PAYMENT TERMS.

Standard

RATE SL-P STREET LIGHTING IN CITY OF PHILADELPHIA

AVAILABILITY.

For the safety and convenience of the public, only to a governmental agency, municipal, state or federal, for outdoor lighting of streets, highways, bridges, parks or similar places located within the City of Philadelphia, including directional highway signs at locations where other outdoor lighting service is provided hereunder, and by incandescent filament, mercury-vapor, fluorescent or sodium-vapor lamps of standard sizes and types approved by the Company, only if the customer installs, owns and maintains all Utilization Facilities as hereinafter defined. Service will be provided under this rate for street Lighting Units supported in a conventional manner such as on poles, posts, brackets or hangers, and under conditions of installation and supply acceptable to the Company.

CHARACTERISTICS OF SUPPLY.

Service under this rate will be from series 6.6 ampere circuits or from standard single-phase secondary circuits, as specified by the Company, except that, where conditions require, or where existing standard secondary circuits are not available, the Company at its option may supply service from nonstandard secondary circuits, providing nominally 240 volts.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE:

For Lighting Units in service as of the fifteenth day of the month.

- \$ 8.04 per Lighting Unit supplied from standard secondary (aerial or underground) circuits where the customer owns the individual control for such Lighting Unit.
- \$ 9.24 per Lighting Unit supplied from aerial (series or secondary) circuits where the Company provides group controls.
- \$12.89 per Lighting Unit supplied from underground (series or secondary) circuits where the Company provides group controls.

VARIABLE DISTRIBUTION SERVICE CHARGE:

- 0.14¢ per watt.
- 0.73¢ per kWh of energy billed.

COMPETITIVE TRANSITION CHARGE:

- 0.08¢ per watt.
- 0.55¢ per kWh of energy billed.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply:

- 0.12¢ per watt.
- 2.39¢ per kWh.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

LIGHTING UNIT.

A Lighting Unit shall comprise each lighting installation which is separately connected to a delivery point on the Company's series or secondary circuit.

DETERMINATION OF BILLING DEMAND.

The wattage, expressed to the nearest tenth of a watt, of a Lighting Unit shall be composed of manufacturer's rating of its lamps, ballasts, transformers, individual controls and other load components required for its operation. The aggregate of wattages of all Lighting Units in service as of the fifteenth day of a month shall constitute the billing demand for the month.

DETERMINATION OF ENERGY BILLED.

The energy use for a month of a Lighting Unit shall be computed to the nearest kilowatt-hour as the product of one-thousandth of its wattage and the effective hours of use of such wattage during the calendar month under the established operation schedules approved by the authorized representatives of the customer and the Company. The aggregate of the kilowatt-hours thus computed for all Lighting Units in service as of the fifteenth day of a month shall constitute the energy billed for the month.

TERMS AND CONDITIONS.

1. Ownership and Type of Control Facilities.

a. Lighting Units Supplied from Standard Secondary Circuits: customer shall provide, own and maintain for each of such Lighting Units, the individual control of a type approved by the Company except that, at the option of the customer, the Company will continue to provide group control facilities presently in service.

b. Lighting Units Supplied from Series and from Nonstandard Secondary Circuits: Company will provide, own and maintain group control facilities.

2. Ownership of Utilization Facilities.

a. Lighting Units Supplied from Aerial Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the brackets, hangers, luminaries, lamps, ballasts, transformers, individual controls (where used) and other components required for the operation of such Lighting Units, conductors, molding and supporting insulators between the meter receptacles and line wires of the Company's distribution facilities.

Company shall provide the supporting pole or post for such aerially supplied Lighting Unit and will issue authorization to permit the customer to install thereon the said Utilization Facilities.

b. Lighting Units Supplied from Underground Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the supporting pole or post, foundation with 90-degree pipe bend, brackets or hangers, luminaries, lamps, ballasts, transformers, individual controls (where used) and other components required for the operation of such Lighting Units, conductors and conduits from the lamp receptacles to sidewalk level, or in special cases, such as Federally and State financed limited access highways, to a delivery point designated by the Company on its secondary voltage circuit, and shall assume all costs of installing such Utilization Facilities.

Where vertical extensions are required on foreign-owned posts for the support of such underground supplied Lighting Units, the extension shall be provided and owned by the customer. Rentals incurred on such foreign-owned posts shall be the responsibility of the customer.

Except as provided in 5 hereof, the Company shall own conduit from the distribution circuit to the 90-degree pipe bend, shall own conductors from its distribution system to the designated delivery point or the sidewalk level as specified in 2b, and shall provide sufficient length of conductors for splicing at the designated delivery point or in the post base where sidewalk level access is provided. Where a splicing chamber is provided in the post base, the customer shall provide space for any relays or similar devices required for the operation on the street lighting circuit.

3. Standards of Construction for Utilization Facilities. Customer construction shall meet the Company's standards which are based upon the National Electrical Safety Code. Designs of proposed construction deviating from such standards shall be submitted to the Company for approval before proceeding with any work.

4. Power Factor. The Utilization Facilities provided by the customer shall be of such a nature as to maintain the power factor of each Lighting Unit at not less than 85%.

5. Supply Facilities. Lighting service shall be provided from distribution facilities and equipment, including group control facilities where required, installed at the cost and expense of the Company and owned and controlled by it, except that in locations (such as bridges, overpasses, underpasses and limited access highways) where Company ownership of conduit, manholes or vaults may not be practical for reasons beyond its control, the customer shall make available at no expense to the Company, space for the Company's distribution facilities required in rendering service under this rate.

6. Connection of Lighting Units. For new Lighting Units, relocated Lighting Units and for any modernization or maintenance work involving connections to the Company's distribution circuits. In accordance with the provisions of 2, the customer shall provide sufficient length of conductors to permit the Company to make taps at the top of the pole for aerial circuits, or for splices to underground circuits at the designated delivery point on the Company's secondary voltage circuit, or at the splicing chamber in the post base (where provided), or at the nearest available manhole, handhole or splice box (where such splicing chamber is not provided). In the latter case, the customer will bill the Company for the cost of the conductors from the sidewalk level to the manhole, handhole or splice box. All work done by the customer that may involve Company street lighting, control, and other distribution circuits shall be performed under Company permit and blocking procedures.

7. Location and Type of Installation. The prices of the rate apply to street lighting service under conditions named herein at locations designated by the properly authorized representatives of the customer.

8. Service. Lighting service will be operated on all-night, every-night lighting schedules, to be approved by the authorized representatives of the customer and the Company, under which lights normally are turned on after sunset and off before sunrise. Extended lighting service during all daylight hours will be provided for lamps specified by the customer.

9. **Change in Size of Type of Lighting Units.** Written notice of any planned change in size or type of any components of Lighting Units by locations shall be furnished by the customer to the Company or less than 10 days prior to the effective date of such change. The customer shall be responsible for notification to the Company of any changes made in manufacturer's wattage ratings of Lighting Units used.

10. **Service Maintenance.** Upon receipt of report of Lighting Unit or Units not burning, the Company will determine the cause of failure and will restore service on street lighting or distribution circuit and control equipment, disconnecting if necessary any faulty Lighting Units from the circuit. Customer will make necessary repairs between the lamp receptacle of the faulty Lighting Unit or Units and the point of connection to the Company's street lighting or distribution circuit. In the event the fault is located in the Company owned facilities, the customer will bill the Company for this portion of the replace facilities.

11. **Authorization and Protection.** The customer shall, to the extent of ability, furnish any requisite authority for the erection and maintenance of poles wires, fixtures and other equipment necessary to operate the lights at the locations and under the conditions designated, and shall protect the Company from malicious damage to the light system.

12. **Additional Lighting.** Lighting service for additional lamps installed by the customer will be provided by the Company upon written notice from the customer specifying the locations of the installations unless the proposed additional lighting makes the investment or cost of providing distribution equipment excessive. In which case a portion of the investment or cost shall be borne by the customer subject to agreement between the customer and the Company.

13. **Relocation of Lighting Units.** Where a pole is replaced by the Company at its own option, it shall be the customer's responsibility to have the Utilization Facilities transferred from the old to the new pole.

14. **Outage Allowance.** The Company will use reasonable diligence to provide a continuous, regular and uninterrupted supply of service and the customer will use reasonable diligence to protect the lighting system. In lieu of determination of the actual hours of Lighting Unit outages resulting from a failure of any light to burn for any reason, a deduction of 0.20% of the sum of the Company's monthly Fixed and Variable Distribution Service Charges, CTCs and Energy and Capacity Charges (unless the Customer is receiving Default PLR Service) will be made on the monthly bill. The Company shall not be liable for service interruptions as a result of the customer's failure to protect the lighting system, or as a result of riot, fire, storm, flood, interference by civil or military authorities or any other cause beyond its control.

TERM OF CONTRACT.

The initial contract term for each lighting unit shall be for at least one year.

PAYMENT TERMS.

Bills will be rendered monthly.

RATE SL-S STREET LIGHTING-SUBURBAN COUNTIES

AVAILABILITY.

Outdoor lighting of streets, highways, bridges, parks and similar places located in Suburban Counties.

ANNUAL RATE TABLE - MANUFACTURER'S RATING OF LAMP SIZES.

Incandescent Filament Lamps:

| <u>Size of Lamp</u> | <u>Billing Watts</u> | <u>Distribution</u> | <u>CTC</u> | <u>Energy & Capacity</u> |
|---------------------|----------------------|---------------------|------------|------------------------------|
| 320 Lumens | 32 | \$67.50 | \$7.22 | \$ 16.20 |
| 600 Lumens | 58 | \$94.06 | \$10.06 | \$22.57 |
| 1,000 Lumens | 103 | \$131.93 | \$14.12 | \$31.66 |
| 2,500 Lumens | 202 | \$181.55 | \$19.42 | \$43.56 |
| 6,000 Lumens | 448 | \$207.14 | \$22.16 | \$49.70 |
| 10,000 Lumens | 690 | \$253.98 | \$26.53 | \$59.50 |

Mercury Vapor Lamps

| <u>Size of Lamp</u> | <u>Billing Watts</u> | <u>Distribution</u> | <u>CTC</u> | <u>Energy & Capacity</u> |
|---------------------|----------------------|---------------------|------------|------------------------------|
| 4,000 Lumens | 115 | \$155.25 | \$16.62 | \$37.25 |
| 8,000 Lumens | 191 | \$163.97 | \$17.54 | \$39.34 |
| 12,000 Lumens | 275 | \$174.83 | \$18.71 | \$41.95 |
| 20,000 Lumens | 429 | \$205.38 | \$21.97 | \$49.28 |
| 42,000 Lumens | 768 | \$292.55 | \$31.30 | \$70.20 |
| 59,000 Lumens | 1,090 | \$329.76 | \$35.28 | \$79.13 |

Sodium-Vapor Lamps

| <u>Size of Lamp</u> | <u>Billing Watts</u> | <u>Distribution</u> | <u>CTC</u> | <u>Energy & Capacity</u> |
|---------------------|----------------------|---------------------|------------|------------------------------|
| 5,800 Lumens | 94 | \$154.09 | \$16.49 | \$36.97 |
| 9,500 Lumens | 131 | \$167.54 | \$17.92 | \$40.20 |
| 16,000 Lumens | 192 | \$188.17 | \$20.13 | \$45.15 |
| 25,000 Lumens | 294 | \$213.78 | \$22.87 | \$51.30 |
| 50,000 Lumens | 450 | \$254.72 | \$27.25 | \$61.12 |

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

The Energy and Capacity Charges set forth above will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

GENERAL PROVISIONS.

1. Service. The lighting service will be operated on an all-night, every-night lighting schedule of approximately 4,100 hours annual burning time (average monthly burning hours = 341.11 hours), under which lights are turned on after sunset and off before sunrise. It includes the supply of lamps and their removal when burned out or broken.

2. Outage Allowances. Written notice to the Company prior to 4:00 pm of the failure of any light to burn on the previous night shall entitle the customer to a pro rata reduction to the Company's monthly Fixed and Variable Distribution Service Charges, CTCs and Energy and Capacity Charges (unless the Customer is receiving Default PLR Service) will be made on the monthly bill for the hours of failure if such failure continues for a period in excess of 12 hours after the notice is received. Allowances will not be made for outages resulting from the customer's failure to protect the lighting system or from riot, fire, storm, flood, interference by civil or military authorities, or any other cause beyond the Company's control.

3. Lighting Installations. The prices in the Rate Table apply to all Company-approved installations for (a) federal, state, county and municipal authorities and community associations entering into a contract for lighting service; and (b) building operation developers for lighting, during the development period, of streets that are to be dedicated, where the municipality has approved the lighting and agreed to subsequently assume the charges for it under a standard contract.

Standard lighting installations under standard conditions of supply will be made on the public highways at the expense of the Company to the extent warranted by the revenue in prospect, any additional investment to be assumed by the customer.

Standard supply to lighting installations will be from aerial wires, except that, at the option of the Company, in areas where its other electric distribution facilities are underground, supply may be underground.

For underground supply furnished at the request of the Company where aerial supply would be normal, or for other than standard installations made at the request of the customer and of a type approved by the Company, the Company will assume the cost up to the amount it would normally have invested and the additional cost shall be assumed by the customer.

The installation cost of lighting on private property, or for contracts of less than standard term, shall be paid by the customer.

Title to all lighting installations of a type approved by the Company shall be vested in the Company and all necessary maintenance, repair and replacement of equipment in such installations will be made by the Company. Maintenance, repair and replacement of nonstandard equipment shall be at the expense of the customer.

4. Excess Costs. In cases where the remote location of the proposed new or additional lighting, or the number or spacing of the lamps, or the lack of necessary supply lines or any other reason makes the cost of installation excessive, such excess costs shall be assumed by the customer as mutually agreed.

5. Location, Authorization and Protection. The location of lamps to be supplied is to be approved by the properly designated authorized representative of the customer and the customer shall furnish any requisite authority for the erection and maintenance of poles, wires, luminaries and other equipment necessary to operate the lamps at the approved locations. The customer shall protect the Company from damage to the lighting system to the extent of one's ability. At the expense of the customer, the Company will relocate a lamp to a new location after receiving a written request from the customer.

6. Equipment Removal. If the customer requests that the Company remove or replace any existing street lighting installation, except incandescent lights, the Company will charge for removal or replacement of the street lighting installations and the associated poles and conducts used exclusively for the street lighting installation. The Company's charge will include the cost of removal or replacement plus the estimated remaining life value of the removed or replaced equipment less salvage.

PAYMENT TERMS.

Bills will be rendered monthly. Each month, for the purpose of prorating the price, shall be considered 1/12 of a year.

TERM OF CONTRACT.

The initial contract term for each lighting installation shall be for at least three years.

RATE SL-E STREET LIGHTING CUSTOMER-OWNED FACILITIES

AVAILABILITY.

To any governmental agency for outdoor lighting provided for the safety and convenience of the public of streets, highways, bridges, parks or similar places located outside of the City of Philadelphia, including directional highway signs at locations where other outdoor lighting service is established hereunder only if all of the utilization facilities, as defined in Terms and Conditions in this Base Rate, are installed, owned and maintained by a governmental agency.

This rate is also available to community associations of residential property owners both inside and outside the City of Philadelphia for the lighting of streets that are not dedicated. This rate is not available to commercial or industrial customers. All facilities and their installations shall be approved by the Company.

A qualified agency or association may receive service under this tariff effective with their first scheduled billing cycle beginning after September 6, 1999.

MONTHLY RATE TABLE.

SERVICE LOCATION DISTRIBUTION CHARGE: \$6.51 per Service Location (as defined below)

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

0.289¢ per Watt
3.215¢ per kWh

COMPETITIVE TRANSITION CHARGE:

0.62¢ per Watt
0.389¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

SERVICE LOCATION.

A Service Location shall comprise each lighting installation and must be separately connected to a delivery point on the Company's secondary circuit.

DETERMINATION OF BILLING DEMAND.

The wattage, expressed to the nearest tenth of a watt, of a Service Location shall be composed of manufacturer's rating of its lamps, ballasts, transformers, individual controls and other load components required for its operation. The aggregate of wattages of all Service Locations in service shall constitute the billing demand for the month.

DETERMINATION OF ENERGY BILLED.

The energy use for a month of a Service Location shall be computed to the nearest kilowatt-hour as the product of one-thousandth of its wattage and the effective hours of use of such wattage during the calendar month under the established operation schedules as set forth under Terms and Conditions, Paragraph 6 Service. The aggregate of the kilowatt-hours thus computed for all Active Service Locations shall constitute the energy billed for the month.

TERMS AND CONDITIONS.

1. Ownership of Utilization Facilities.

a. Service Locations Supplied from Aerial Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the brackets, hangers, luminaries, lamps, ballasts, transformers, individual controls, conductors, molding and supporting insulators between the lamp receptacles and line wires of the Company's distribution facilities and any other components as required for the operation of each Service Location.

The Company shall provide the supporting pole or post for such aerially supplied Service Location and will issue authorization to permit the customer to install thereon the said Utilization Facilities.

b. Service Locations Supplied from Underground Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the supporting pole or post, foundation with 90-degree pipe bend, brackets or hangers, luminaries, lamps, ballasts, transformers, individual controls, conductors and conduits from the lamp receptacles to sidewalk level, or in special cases, such as Federally and State financed limited access highways, to a delivery point designated by the Company on its secondary voltage circuit, and shall assume all costs of installing such utilization facilities.

Except as provided in Paragraph 4 Supply Facilities, the Company shall own conduit from the distribution circuit to the 90-degree pipe bend, shall own conductors from its distribution system to the designated delivery point and shall provide sufficient length of conductors for splicing at the designated delivery point or in the post base where sidewalk level access is provided.

2. Standards of Construction for Utilization Facilities. Customer construction shall meet the Company's standards which are based upon the National Electrical Safety Code. Designs of proposed construction deviating from such standards shall be submitted to the Company for approval before proceeding with any work.

3. Power Factor. The Utilization Facilities provided by the customer shall be of such nature as to maintain the power factor of each Lighting Unit at not less than 85%.

4. Supply Facilities. Lighting service shall be supplied from distribution facilities and equipment installed, owned and maintained by the Company. A customer contribution for new, additional or relocated lighting service may be required as described in Paragraph 10.

Where Company ownership of conduit, manholes or vaults may not be practical for reasons beyond its control (such as bridges, overpasses, underpasses and limited access highways), the customer shall make available at no expense to the Company, space for the Company's distribution facilities required in rendering service under this rate.

5. Connection of Service Location. For new, additional or relocated Service Locations and for any modernization or maintenance work involving connections to the Company's distribution circuits, the customer will provide sufficient length of conductors to permit the Company to make taps at the top of the pole for aerial circuits, or for splices to underground circuits at the designated delivery point on the Company's secondary voltage circuit. All work done by the customer that may involve Company street lighting, control, and other distribution circuits shall be performed under Company permit and blocking procedures.

6. Service. Lighting service will be operated on all-night, every-night lighting schedules, under which lights normally are turned on after sunset and off before sunrise with approximately 4,100 annual operating hours. Extended lighting service during all daylight hours will be supplied for lamps specified by the customer.

7. Change in Size and Type of Service Locations. Written notice of any planned change in size or type of any components of Service Locations shall be furnished by the customer to the Company not less than 10 days prior to the effective date of such change. The customer shall be responsible for notification to the Company of any changes made in manufacturer's wattage ratings at any Service Location.

8. Service Maintenance. Upon receipt of report of a Service Location not receiving power, the Company will determine the cause of power failure and will restore service to the distribution circuit and control equipment, disconnecting, if necessary, any faulty Service Location from the circuit. Customer will make necessary repairs between the lamp receptacle of the faulty utilization facilities and the point of connection to the Company's distribution circuit. In the event the fault is located in the Company owned facilities, the customer will bill the Company for this portion of the replaced facilities.

9. Authorization and Protection. The customer shall, to the extent of one's ability, furnish any requisite authority for the erection and maintenance of poles, wires, fixtures and other equipment necessary to operate the lights at the locations and under the conditions designated, and shall protect the Company from malicious damage to the lighting system.

10. New, Additional or Relocated Lighting. The total costs to provide lighting service for new, additional or relocated lamps installed by the customer shall be subject to a revenue test. If the costs exceed the estimated revenue recovered through the Company's tariffed Variable Distribution Service Charges for four years, a customer contribution for all excess costs will be required.

11. Relocation of Service Locations. Where a pole is replaced by the Company at its own option, it shall be the customer's responsibility to have the Utilization Facilities transferred from the old to the new pole.

TERM OF CONTRACT.

The initial contract term for each Service Location shall be for at least one year.

PAYMENT TERMS.

Bills will be rendered monthly.

RATE TL TRAFFIC LIGHTING SERVICE

AVAILABILITY.

To any municipality using the Company's standard service for electric traffic signal lights installed, owned and maintained by the municipality.

CURRENT CHARACTERISTICS.

Standard single-phase secondary service.

RATE TABLE.

VARIABLE DISTRIBUTION SERVICE CHARGE: 1.96¢ per kWh

COMPETITIVE TRANSITION CHARGE: 3.28¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

5.44¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

SPECIAL RULES AND REGULATIONS.

The use of energy will be estimated by the Company on the basis of the size of lamps and controlling apparatus and the burning-hours. The customer shall immediately notify the Company whenever any change is made in the equipment or the burning-hours, so that the Company may forthwith revise its estimate of the energy used.

The Company shall not be liable for damage to person or property arising, accruing or resulting from the attachment of the signal equipment to its poles, wires, or fixtures.

MINIMUM CHARGE.

\$3.56 per month per signal light.

TERM OF CONTRACT.

The initial contract term for each signal light installation shall be for at least one year.

PAYMENT TERMS.

Standard.

RATE EP ELECTRIC PROPULSION

AVAILABILITY.

This rate is available only to the National Rail Passenger Corporation (AMTRAK) and to the Southeastern Pennsylvania Transportation Authority (SEPTA) for untransformed service from the Company's standard high-tension lines, where the customer installs, owns, and maintains any transforming, switching and other receiving equipment required and where the service is provided for the operation of electrified transit and railroad systems and appurtenances.

CURRENT CHARACTERISTICS.

Standard sixty hertz (60 Hz) high-tension service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$1,243.85 per delivery point

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

\$2.76 per kW of billing demand

0.21¢ per kWh

COMPETITIVE TRANSITION CHARGE:

\$5.45 per kW of billing demand

0.53¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

\$7.00 per kW of billing demand

1.90¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

TIME-OF-USE ADJUSTMENT:

There will be a credit for energy use during off-peak hours and an additional charge for energy use during on-peak hours. On-peak hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 pm on Fridays. Off-peak hours are defined as the hours other than those specified as on-peak hours. The credits and charges are as follows:

| | Summer Months (<u>June through September</u>) | Winter Months (<u>October through May</u>) |
|-----------------|--|---|
| Off-peak credit | 0.21¢ per kWh | 0.21¢ per kWh |
| On-peak charge | 0.57¢ per kWh | 0.22¢ per kWh |

HIGH VOLTAGE DISCOUNT:

For delivery points supplied at 33,000 volts: 7¢ per kW

For delivery points supplied at 69,000 volts: 30¢ per kW for first 10,000 kW of measured demand.

For delivery points supplied over 69,000 volts: 30¢ per kW for first 100,000 kW of measured demand.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF BILLING DEMAND.

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 5,000 kilowatts. Additionally, during the eight months of October through May the billing demand will not be less than 40% of the maximum demand specified in the contract nor less than 80% of the highest billing demand in the preceding months of June through September.

CONJUNCTIVE BILLING OF MULTIPLE DELIVERY POINTS.

If the load of a customer located at a delivery point becomes greater than the capacity of the circuits established by the Company to supply the customer at that delivery point, upon the written request of the customer, the Company will establish a new delivery point and bill the customer as if it were delivering and metering the two services at a single point, as long as installation of the new service is, in the Company's opinion, less costly for the Company than upgrading the service to the first delivery point.

RATE AL - ALLEY LIGHTING IN CITY OF PHILADELPHIA

APPLICABILITY. To multiple, unmetered lighting service supplied the City of Philadelphia to operate incandescent lamps and appurtenances installed, owned and maintained by the City, which assumes the cost involved in making the connections to the Company's facilities.

LIGHTING DISTRIBUTION SERVICE DEFINED. All-night outdoor lighting of alleys and courts by incandescent lights installed on poles or supports supplied by the City.

NOTICE TO COMPANY. The City shall give advance notice to the Company of all proposed new installations or of the replacement or reconstruction of existing installations. The City shall advise the Company as to each new installation or change in the equipment or connected load of an existing installation, including any change in burning hours and the date on which such new or changed operation took effect.

MONTHLY RATE TABLE.

VARIABLE DISTRIBUTION SERVICE CHARGE: 10.35¢ per kWh

COMPETITIVE TRANSITION CHARGE: .08¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

1.44¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT CLAUSE APPLY TO THIS RATE

PLAN OF MONTHLY BILLING. Bills may be rendered in equal monthly installments, computed from the calculated annual use of energy, adjusted each month to give effect to any new or changed rate of annual use, by reason of changes in the City's installation, with charge or credit for fractional parts of the month during which a change occurred.

LIABILITY PROVISION. The Company shall not be liable for damage, or for claims for damage, to persons or property, arising, accruing or resulting from, installation, location or use of lamps, wires, fixtures and appurtenances; or resulting from failure of any light, or lights, to burn for any cause whatsoever.

TERM OF CONTRACT. The initial contract term for each lighting unit shall be for at least one year.

AUXILIARY SERVICE RIDER

APPLICABILITY. To customers, including but not limited to, Qualifying Facilities or Small Power Producers and cogenerators as defined in the Public Utility Regulatory Policies Act, whose electrical requirements are partially or wholly provided by facilities not owned by the Company and when such facilities operate in parallel with the Company, will be supplied under the provisions of this rider and the customer's other applicable Base Rate and riders.

EXTENT OF SUPPLY. The maximum firm supply available from the Company will be defined by contract except for customers served on Rates R, R-H and GS-without demand measurement.

PARALLEL OPERATION. The customer shall not commence initial operation of any other source of supply in parallel with the Company's distribution or transmission lines until written permission is given by the Company for such parallel operation. Written permission is not necessary for reestablishing parallel operation, but the customer shall notify the Company when resuming any parallel operation after an outage. The Company shall have the right to inspect the customer's installation in accordance with Tariff Rule 9.3.

TYPE OF SUPPLY. The following types of power supply are available:

Supplementary Power supply is available to add to alternative generating capacity whether or not owned by the customer. All power provided pursuant to this Rider shall be Supplementary Power unless it is provided within the definition of Back-up Power or Maintenance Power.

Back-Up Power supply is available to replace customer's alternative generating capacity ("AGC") whether or not owned by the customer during a forced outage of all or part of such generating capacity. Back-Up Power (firm and interruptible) shall be limited to 15% of the hours in any twelve-month period after which any additional power utilized shall be billed at Supplementary Power. The customer must orally notify the Company immediately when Back-Up Power is used, and within one business day after the forced outage giving rise to the need for Back-Up Power, shall furnish the Company with a letter verifying the outage, specifying the time at which the outage commenced, the reason for the outage, and providing the best estimate possible of its duration. Oral and written notice shall also be provided to the Company within one business day following the conclusion of the forced outage. The Company may require verification of the cause of such forced outage. The foregoing 15% limitation on the number of hours in which Back-Up Power may be received shall not apply during the following periods, nor shall such periods be taken into account in determining whether Back-Up Power use in any subsequent period has exceeded such limitation: (a) in the case of an AGC facility with rated capacity of 1 MW or less, the three-month period commencing on the date such facility is first operated in parallel with the Company's service; and (b) in the case of an AGC facility with rated capacity in excess of 1 MW; the six-month period commencing on the date such facility is first operated in parallel with the Company's service.

Maintenance Power is available to replace AGC during periods of scheduled maintenance. Maintenance Power will be supplied on a scheduled basis in one of the following manners:

- (a) Upon mutual agreement, at any time.
- (b) Upon at least 60 days written notice and not more than 180 days written notice by the customer, the Company will advise the customer, within 30 days of the receipt of the request, of the availability of the requested Maintenance Power, for power required for a period of more than 48 hours duration. If the power is unavailable during the requested period, the Company will provide Maintenance Power within 30 days prior or subsequent to the beginning of the requested period and will so inform the customer.
- (c) Upon 360 days written notice by the customer, the Company will provide Maintenance Power during the requested period, unless the cumulative total of all such power requested during such time period will exceed 5% of the Company's operable generating capacity, in which case the provisions of (b) above will apply.
- (d) For Maintenance Power required for a period of 48 hours or less duration, at a demand of 50 MW or less, the Company will supply such power on a least 30 days written notice.
- (e) The Company in its sole discretion may refuse to schedule firm Maintenance Power during the months of June through September except that Maintenance Power as defined in (d) above will be made available during June through September as long as it can be scheduled during Off-Peak Hours.

Maintenance Power will be limited to no more than 120 days in any twelve-month period, and no more than 60 consecutive days, after which any additional power utilized shall be billed as Supplementary Power. The foregoing limitations on the number of days in which Maintenance Power may be received shall not apply during the following periods, nor shall such periods be taken into account in determining whether Maintenance Power use in any subsequent period has exceeded such limitations: (a) in the case of an AGC facility with rated capacity of 1 MW or less, the three-month period commencing on the date such facility is first operated in parallel with the Company's service; and (b) in the case of an AGC facility with rated capacity in excess of 1 MW, the six-month period commencing on the date such facility is first operated in parallel with the Company's service. The supply of Maintenance Power will be terminated when generating capacity from which the customer is supplied is returned to operation as indicated by the recorded demands on the Company's metering equipment, or upon notification to the Company by the customer, or upon the expiration of the maximum maintenance period, whichever occurs first.

INTERRUPTIBLE POWER FOR BACK-UP OR MAINTENANCE. Customers with a maximum of 1,000 KW of interruptible Back-Up or Maintenance Power and who purchase their interruptible back-up or maintenance energy from PECO Energy may contract for interruptible supply. When a customer contracts for interruptible supply, such supply shall be interrupted when, in the sole judgment of the Company, any production, transmission or distribution capacity limitations exist. The customer shall interrupt such load after a minimum of sixty minutes prior notice by the Company. When a customer is notified by the Company to interrupt service and the customer fails to interrupt, a penalty of \$24 per kilowatt shall be applicable to each kilowatt of demand that has not been interrupted.

RATE AND BILLING.

All monthly bills for service on this rider shall include one application of the Fixed Distribution Service Charge of the applicable rate. All other capacity and energy charges of the applicable rate shall be modified as set forth below.

SUPPLEMENTARY POWER. Billing shall be under the provisions of the applicable rate and riders.

FIRM BACK-UP POWER. Charges are per kilowatt of demand specified in the contract for back-up supply. This charge shall include energy use equal in cost to the total monthly demand charge.

For all customers:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | \$0.31 per kW |
| Competitive Transition Charge: | \$0.88 per kW |
| Energy and Capacity Charge: | \$1.64 per kW |

For service billed at:
High Tension Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.80¢ per kWh |
| Competitive Transition Charge: | 2.29¢ per kWh |
| Energy and Capacity Charge: | 4.28¢ per kWh |

Primary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 1.72¢ per kWh |
| Competitive Transition Charge: | 2.71¢ per kWh |
| Energy and Capacity Charge: | 4.83¢ per kWh |

Secondary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 2.10¢ per kWh |
| Competitive Transition Charge: | 3.57¢ per kWh |
| Energy and Capacity Charge: | 5.95¢ per kWh |

The preceding "Energy and Capacity Charges" will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

INTERRUPTIBLE BACK-UP POWER. (Interruptible Back-up Power is available only to customers who are served under the Energy Services Rider.)

For service billed at:

High Tension Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.15¢ per kWh |
| Competitive Transition Charge: | 0.58¢ per kWh |
| Energy and Capacity Charge: | 1.92¢ per kWh |

Primary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.28¢ per kWh |
| Competitive Transition Charge: | 0.64¢ per kWh |
| Energy and Capacity Charge: | 2.11¢ per kWh |

Secondary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.77¢ per kWh |
| Competitive Transition Charge: | 1.73¢ per kWh |
| Energy and Capacity Charge: | 3.50¢ per kWh |

The preceding Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply from an EGS.

FIRM MAINTENANCE POWER.

June through September: Same as Supplementary Power.
October through May: Same as Interruptible Back-Up Power.

INTERRUPTIBLE MAINTENANCE POWER. (Interruptible Maintenance Power is available only to customers who are served under the Energy Services Rider).

Same as Interruptible Back-Up Power.

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

BILLING. Bills rendered to the customer shall distinguish between the customer's use of Supplementary Power, Back-Up Power and Maintenance Power. In the event that the customer receives two or more types of supply during the billing period, the billing characteristics shall be determined as follows:

- (a) the billing demand will be the maximum measured demand, adjusted for power factor in accordance with the Rules and Regulations, occurring during any unscheduled outage period of the month less the Supplementary Power billing demand; less the Scheduled Maintenance Power Capacity for the month if one or both of these additional services are provided at the time of maximum measured demand.
- (b) the energy use billed as Back-Up and/or Maintenance Power shall be one-half of the sum of the Back-Up and/or Maintenance half-hour demands;
- (c) the total energy use, less the energy use determined in (b) shall be the energy use for Supplementary Power;
- (d) if only one type of power is used, billing shall be in accordance with the total recorded demand and energy use.

DISTRIBUTION FACILITIES. Any investment in additions or changes to the Company's distribution facilities required to provide auxiliary service (in excess of such investments normally made by the Company to provide equivalent service to the customer) will be paid by the customer before the interconnection of Company and customer facilities. In addition, when necessary, the cost of communications equipment, such as telemetering or telephone, will be paid by the customer.

POINTS OF SERVICE. The Company shall not be required to serve customers receiving electric power from AGS facilities at multiple points of service that were used prior to the parallel operation of the AGS facilities if after the introduction of these AGS facilities the multiple points of service are disadvantageous to the Company or pose unacceptable risks.

DATA. The customer shall furnish such detailed load data and data on forced outage rates as the Company shall, from time to time, require, together with such supporting documentation as the Company shall request, in order for the Company to collect data and prepare such reports as may be required by the Commission.

TERM. Annual, except where otherwise specified by the firm rate.

COOLING THERMAL STORAGE HT RIDER

AVAILABILITY/APPLICABILITY. To customers displacing at least 50% of their conventional cooling capacity by utilizing a qualifying Cooling Thermal Storage application. To qualify, the customer must submit to the Company for technical review and approval an engineering study performed by a professional engineer registered in the Commonwealth of Pennsylvania.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 a.m. and 8:00 p.m., Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 p.m. on Fridays and during the months of June through September, On-Peak Hours will commence at 10:00 a.m. instead of 8:00 a.m. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rate HT, including all its terms and guarantees, is applicable to service provided during On-Peak Hours. The capacity charges and blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) in Rate HT shall be based on the billing demand for On-Peak Hours except that, when the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the demand specified for Off-Peak Hours, the amount of such excess shall be added to the billing demand for On-Peak Hours and the resultant sum shall then constitute the basis for said capacity charges and blocking of energy charges. During the eight months of October through May, the billing demand will not be less than 80% of the average billing demand in the preceding months of June through September. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Cooling Thermal Storage Service Billing and Metering Charge: \$11.21
Off-peak charge per kW of Off-Peak billing demand per month: \$0.84

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand, except that, when said greatest demand during Off-Peak Hours exceeds the demand specified for Off-Peak Hours, said greatest Off-Peak demand shall be reduced by the amount of the excess in determining the Off-Peak billing demand.

EMPLOYMENT AND ECONOMIC RECOVERY RIDER

AVAILABILITY/APPLICABILITY. This rider is available to customers taking service under Rate HT or PD, and to those customers taking service under Rate GS at Service Locations in an Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code, for service provided to Qualifying Service Locations, as defined below. The Company will not begin to apply the rider until at least 30 days after the customer provides to the Company written notice of its desire to be placed on the rider.

I. QUALIFYING SERVICE LOCATIONS.

- A. QUALIFYING EXISTING SERVICE LOCATION.** A Service location will be considered a Qualifying Existing Service Location if the customer can satisfy all of the following conditions:
1. The customer files with the Company, before the effective date of the rider for the Service Location, a Manufacturing Sales Tax Exemption Certificate, as defined below, for the Service Location. This condition is waived for Stevedoring Operations located within a Port Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
 2. The customer files with the Company copies of the Base Period Employment Reports as defined below, for the Service Location.
 3. The customer does not have an unpaid balance that includes a late fee for service previously provided to the Service Location before the effective date of the rider for the Service Location.
 4. The arithmetic mean of the sum of the number of employees as determined from the Current Employment Report and the total Investment Units on record, as defined below, must be greater than the Base Period Employees, as defined below, by at least six (6).
- B. QUALIFYING NEW SERVICE LOCATION.** A Service Location will be considered a Qualifying New Service Location if the customer can satisfy all of the following conditions:
1. The customer files with the Company before the effective date of the rider for the Service Location a Manufacturing Sales Tax Exemption Certificate, as defined below, for the Service Location. This condition is waived for Stevedoring Operations located within a Port Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
 2. The customer does not have an unpaid balance that includes a late fee for service provided to the Service Location before the effective date of the rider for the Service Location.
 3. The Company has not previously provided service to the Service Location, or the service previously provided by the Company to the Service Location was not used for substantially the same type of operation or that was terminated at least twelve (12) months before the customer's contractually specified effective date for service under this rider. This condition is waived for existing service locations where an entity has assumed operation of a service location from a customer which has ceased operations as a result of dissolution, so long as the formation of the entity did not occur as a result of merger, joint venture, acquisition and/or any other variation of combined business structures with the former customer at the service location.

II. DEFINITIONS.

1. **SERVICE LOCATION.** A single or contiguous premises having one or more delivery points for distribution service billed by the Company under a single account.
2. **MANUFACTURING SALES TAX EXEMPTION CERTIFICATE.** Pennsylvania Sales Tax Blanket Exemption Certificate filed by the customer with the Company showing the address of the Service Location and certifying that more than fifty (50) percent (on an annual basis) of the service purchased by the customer for the Service Location is exempt from sales tax because it is used in manufacturing operations, shipbuilding operations, or shipcleaning operations.
3. **EMPLOYMENT REPORT.** The "Employer's Report for Unemployment Compensation" (PA Form UC-2) as filed by the customer with the Office of Employment Security, Department of Labor and Industry, Commonwealth of Pennsylvania.
4. **BASE PERIOD.** The twelve (12) month period immediately preceding the billing month in which the customer provides the Company written notice of its desire to be placed on the rider. If the customer does not then qualify for the rider within 60 days of the written notice, then the base period will be the twelve month period immediately preceding the billing month to which this rider is first applied to the customer's bills.
5. **BASE PERIOD EMPLOYMENT REPORTS.** The Employment Reports for all quarterly reporting periods, as defined by 43 P.S. 753 [d], in the Base Period.

6. **BASE PERIOD EMPLOYEES.** The arithmetic mean of the number of employees each month as reported on the applicable Base Period Employment Report. An adjustment will be made to normalize Base Period Employees in quarters during which either the Casualty or Construction Rider was in effect for the Service Location.
 7. **BASE PERIOD ENERGY.** The number of kilowatt-hours used by the customer for service to the Qualifying Service Location during each month of the Base Period. An adjustment will be made to normalize usage in months during which the Construction or Casualty rider was in effect.
 8. **CURRENT EMPLOYMENT REPORT.** The Employment Report covering the calendar month immediately following the Base Period as defined by 43 P.S. 753 [d]. The customer may submit an updated Employment Report at any time to reflect increases in Current Period Employees replacing and superseding the original report. The Company reserves the right to request an updated Employment Report at any time which may reflect increases or decreases in Current Period Employees replacing and superseding the original report.
 9. **CURRENT PERIOD EMPLOYEES.** The arithmetic mean of the number of employees each month as reported on the Current Employment Report.
 10. **INVESTMENT UNIT.** Each \$15,000 of new investment in physical plant, machinery or equipment, excluding land, placed in service at a Service Location on or after the beginning of the Base Period, as certified in writing by a Certified Public Accountant on a form supplied by the Company.
- III. **RATE REDUCTION.** The rate reduction will be applicable to the customer's base bill for the Qualifying Service Location before the application of the State Tax Adjustment and Nuclear Decommissioning Cost Adjustment. For the purpose of calculating this reduction an investment Unit shall be considered the equivalent of one additional employee.
- A. **QUALIFYING EXISTING SERVICE LOCATION.**
1. **Monthly Eligibility -** The customer is not eligible for the rate reduction in any month in which one or more of the following conditions is true:
 - a. The customer's electric energy usage is less than its usage in the corresponding month of the Base Period.
 - b. The customer does not have on file with PECO Energy a Manufacturing Sales Tax Exemption Certificate for at least 50% of its electric use, this condition is waived for Stevedoring Operations located within a Port Enterprise Development Area.
 - c. The customer has an unpaid balance which includes a late fee.
 - d. The customer has transferred to Rate GS and the Service Location is not in an Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
 - e. The arithmetic mean of the sum of: (1) the number of employees as determined from the Current Employment Report and, (2) the Total Investment Units on record, does not exceed the Base Period Employees by at least six (6).
 2. **Calculation of Reduction -** The rate reduction shall apply to the number of kilowatt-hours that constitute the difference between, (1) the number of kilowatt-hours used in the month and, (2) the Base Period Energy for the corresponding month of the Base Period.

The Revenue Reduction applied to each qualifying kilowatt-hour shall be calculated using the following formula:

$$R = F \times N$$

Where:

R = Revenue Reduction, cents per kWh

N = $(C+I-B)/B \times 100$

If the result of this calculation of N is a value greater than 20, N shall be equal to 20

C = Current Period Employees

I = Investment Units Added

B = Base Period Employees, and

F= the values set forth in the following table:

| <u>Year(s)</u> | <u>Variable Distribution Service</u> | | <u>CTC</u> | | <u>Energy and Capacity*</u> |
|--------------------------|--------------------------------------|---|-------------|---|-----------------------------|
| one (1) through five (5) | 0.006 cents | + | 0.014 cents | + | 0.027 cents |
| six (6) | 0.004cents | + | 0.012 cents | + | 0.022 cents |
| seven (7) | 0.003 cents | + | 0.009cents | + | 0.016 cents |
| eight (8) | 0.002 cents | + | 0.006 cents | + | 0.011 cents |
| nine (9) | 0.001 cents | + | 0.003 cents | + | 0.005 cents |

*If the customer receives Default PLR Service, these rate reductions shall apply. They shall not apply if the customer obtains Competitive Energy Supply.

B. QUALIFYING NEW SERVICE LOCATION

1. Monthly Eligibility - The customer is not eligible for the rate reduction in any month in which one or more of the following conditions is true:
 - a. The customer does not have on file with PECO Energy a Manufacturing Sales Tax Exemption Certificate for at least 50% of its use.
 - b. The customer has an unpaid balance which includes a late fee.
 - c. The customer has transferred to Rate GS and the Service Location is not in an Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
2. The following rate reduction shall apply to all kilowatt-hours:

| <u>Year(s)</u> | <u>Variable Distribution Service</u> | <u>CTC</u> | <u>Energy and Capacity*</u> |
|--------------------------|--------------------------------------|--------------|-----------------------------|
| one (1) through five (5) | 0.102 cents | 0.292 cents | 0.557 cents |
| six (6) | 0.081 cents | 0.233 cents | 0.438 cents |
| seven (7) | 0.061 cents | 0.1766 cents | 0.328 cents |
| eight (8) | 0.041 cents | 0.117 cents | 0.219cents |
| nine (9) | 0.020 cents | 0.059 cents | 0.119 cents |

*If the customer receives Default PLR Service, these rate reductions shall apply. They shall not apply if the customer obtains Competitive Energy Supply.

3. Accelerated Rate Reduction - The customer may select an accelerated rate reduction over a shorter time period. The rate reduction shall apply to all kilowatt-hours as follows:

| <u>Year(s)</u> | <u>Variable Distribution Service</u> | <u>CTC</u> | <u>Energy and Capacity*</u> |
|--------------------------|--------------------------------------|-------------|-----------------------------|
| one (1) through four (4) | 0.138 cents | 0.393 cents | 0.739 cents |

*If the customer receives Default PLR Service, these rate reductions shall apply. They shall not apply if the customer obtains Competitive Energy Supply.

- IV. **TERM OF CONTRACT.** This rider shall be in effect for either a period of nine years, for customers choosing the standard rate reduction, or for a period of four years for Qualifying New Service Locations selecting the accelerated rate reduction, which period of time shall be continuous and shall begin on the date on which the Company first applies the rider to the customer's bill for the Service Location. This term cannot be modified except as provided below under the heading RENEWAL.
- V. **RENEWAL.** A customer may renew the rider at any time in accordance with the terms and provisions of the rider as it applies to Qualifying Existing Service Locations. For renewal customers, the Base Period Energy for any month of the new Base Period shall not be less than the Base Period Energy of the corresponding month of the customer's previous Base Period. The Term of Contract for the renewal shall begin on the date on which the renewal of the rider is first applied based on the new Base Period.
- VI. **TRANSFER OF OWNERSHIP.** The Company will only apply the rider to the customer's bills for the term of contract. If, during the term of contract, the ownership of the service location changes, the Company may continue to apply the rider to the new owner's bills for the Service Location. If the Company continues to apply the rider in such circumstances, the Company shall apply the rider to the new owner's bills for the Service Location as if the new owner had been on the rider for the Service Location for the same period of time as was the previous owner.

AVAILABILITY.

This rider is restricted to Rate HT and EP customers under contract, pursuant to this rider, on December 1, 1995. Customers must satisfy the load requirement defined below.

FIRM DEMAND.

The firm demand is the demand to which the customer must reduce its load when called upon to interrupt pursuant to the "Interruptions" section below.

LOAD REQUIREMENT.

The average of the customer's maximum daily On-Peak demands on the 60 days with the customer's highest on peak maximum measured demands during the most recent summer billing period (June through September in the same calendar year) must be 10,000 kW or greater than the customer's firm demand as originally specified in the contract between the customer and the Company. The Company will not begin to bill a customer pursuant to the "Energy and On-Peak Billing Demand" section of this rider until the customer has satisfied this load requirement. If a customer fails to satisfy its load requirement in a summer billing period, the Company will no longer bill the customer in accordance with the provisions of the "Energy and On-Peak Billing Demand" section of this rider until the customer again satisfies its load requirement. A customer under agreement to be served under the former Supplemental Energy provision of the Night Service HT Rider on or before June 1, 1993 is exempt from the above load requirement and may continue to qualify for this rider based on the load requirement in effect at the time that such customer executed its contract or agreement.

For a customer that operates standby generation or that uses cogeneration to serve any portion of its load during an interruption, the Company, at any time, has the right to inspect the customer's equipment or operating records to obtain reasonable assurance that the customer will be able to comply with an interruption request. If the Company in good faith believes that the customer is not capable of complying completely with an interruption request, and the customer is not able to remedy the condition that the Company believes would render the customer unable to comply completely, the Company will then, (1) require the customer to amend its contract to reflect a higher firm demand to which the Company in good faith believes that the customer would be able to reduce load, or, (2) terminate the customer's contract if the required increase in firm demand would render the customer unable to satisfy the load requirement as described in the preceding paragraph.

INTERRUPTIONS.

When, in the sole judgment of the Company and at any time of day and for any duration, there exists any potential or actual production, transmission, or distribution capacity limitation, the customer must reduce load for the duration of the interruption to its firm demand within one hour of notification by the Company during the On-Peak interruption hours (as defined in the "Penalty for Failure to Interrupt" section below) in the months of June through September. The customer will be required to reduce load to its firm demand within two hours of notification by the Company during all other hours. (The Company will make its best efforts to notify the customer as far in advance as possible).

PENALTY FOR FAILURE TO INTERRUPT.

Definition of Peak Interruption Hours: On-peak interruption hours are the hours between 8:00 am and 8:00 pm Eastern Standard Time or Daylight Savings Time, whichever is in common use, Monday through Friday except Saturdays, Sundays and holidays (as defined in the "Definitions Of Terms And Explanation of Abbreviations" Section of the Company's Tariff). Off-peak interruption hours are all hours other than On-Peak interruption hours.

Each time the customer fails to comply with the "Interruptions" section above, the following will occur:

- A. June through September Exclusively On-Peak:
 - 1. Firm Demand Adjustment - The Company will increase the customer's firm demand to the third highest On-Peak half-hour demand measured during the interruption for the balance of the customer's term of contract. This adjustment will become effective in the month of the failure to interrupt; and
 - 2. Penalty per kW of Uninterrupted Demand - The Company will apply a penalty of \$24 per kW to the difference between the firm demand in effect immediately preceding the interruption and the maximum demand measured during the interruption period. The penalty will be applied to the customer's bill in the month in which the failure to interrupt occurs.

- B. October through May Exclusively On-Peak:
 - 1. Same as A.1. above.

- C. Exclusively Off-Peak:
 - 1. Same as A.2. above.

If an interruption spans On-Peak and Off-Peak Hours, the "Firm Demand Adjustment" will be based on the customer's third highest half-hour demand during the On-Peak Hours of interruption. The "Penalty per kW of Uninterrupted Demand" will be based on the customer's highest half-hour demand measured during the entire interruption period, except that in the interruption period, except that in the months of October through May, such penalty shall be based on the highest half-hour measured demand during the Off-Peak Hours of the interruption.

Request for Test: Twelve months or thereafter following the month in which a customer fails to interrupt to its firm demand, the customer may request a test interruption to be conducted during On-Peak Hours to establish a new firm demand. The Company, in its sole judgment, will schedule the time and establish the length and acceptance criteria for the test interruption and will determine if the customer has met the acceptance criteria. A test interruption will establish a customer's new firm demand.

UNBUNDLED RATE AND BILLING.

Definition of Peak Billing Hours: On-peak billing hours are the hours between 8:00 am and 8:00 pm Eastern Standard Time or Daylight Savings Time, whichever is in common use, Monday through Friday except Saturdays, Sundays and holidays (as defined in the "Definitions Of Terms And Explanation of Abbreviations" Section of the Company's Tariff); except that On-Peak billing hours will end at 4:00 pm on Fridays. Off-peak billing hours are all hours other than On-Peak billing hours.

On-Peak Billing Demand: The On-Peak billing demand shall be the firm demand as originally specified in the contract or the adjusted firm demand (as determined in accordance with the "Penalty For Failure To Interrupt" section), if applicable, between the customer and the Company, adjusted for power factor and excess Off-Peak demand, if any. The On-Peak billing demand for the winter billing months of October through May shall not be less than 80% of the highest billing demand during the summer billing period before execution of the contract. In no case shall the On-Peak billing demand be less than the minimum billing demand calculated in accordance with the customer's applicable firm Rate (Rate HT or Rate EP). If the Company, pursuant to Rule 11.3 of the Company's Tariff, permits a customer to reduce its firm demand during a winter billing month, the customer's On-Peak billing demand for the remaining winter months shall not be less than 80% of the highest billing demand in the most recent preceding summer billing period.

Off-Peak Billing Demand: The Off-Peak billing demand shall be the amount by which the maximum measured demand during Off-Peak Hours exceeds the On-Peak billing demand, whether the latter is a minimum or an actual measured demand adjusted for power factor, except that, when said maximum measured demand during Off-Peak Hours exceeds the demand specified in the contract for Off-Peak Hours, said maximum registered measured demand shall be reduced by the amount of such excess. In addition, when the highest measured demand during the Off-Peak Hours exceeds the demand specified in the contract for Off-Peak Hours, the amount of such excess Off-Peak demand shall be added to the On-Peak Billing Demand.

Distribution Charges:

Fixed Distribution Service Charge: Rate HT Fixed Distribution Charge using On-Peak Billing Demand

Variable Distribution Service Charges for On-Peak kWh associated with interruptible load (adjusted for power factor pursuant to Rule 15.3(d)): \$0.0048 per kWh

Variable Distribution Service Charges for all other kWh: Rate HT Variable Distribution Charges using On-Peak Billing Demand

Off-peak Charge per kW of Off-Peak billing demand per month: \$0.84

Night Service Billing and Metering Charge: \$11.21

Competitive Transition Charges:

Competitive Transition Charges for On-Peak kWh associated with interruptible load (adjusted for power factor pursuant to Rule 15.3(d)): \$0.00 per kWh

Competitive Transition Charges for all other kWh: Rate HT Competitive Transition Charges using On-Peak Billing Demand

Energy and Capacity Charges:

Energy and Capacity Charge for On-Peak kWh associated with the customer's interruptible load (adjusted for power factor pursuant to Rule 15.3(d)): PECO Energy hourly PJM billing rate or its replacement (adjusted for Pennsylvania Gross Receipts Tax). The energy usage billed at this rate shall not exceed the energy usage during the Off-Peak Hours during the current billing month.

Energy and Capacity Charges for all other kWh: Rate HT Energy Charges using On-Peak Billing Demand.

THE STATE TAX ADJUSTMENT CLAUSE AND RATE HT TIME-OF-USE ADJUSTMENT CLAUSES ARE NOT APPLICABLE TO THE ON-PEAK ENERGY AND CAPACITY CHARGES ASSOCIATED WITH THE CUSTOMER'S INTERRUPTIBLE LOAD. THE NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLIES TO THIS RIDER.

FACILITIES.

Additional expenses required by the Company to implement this rider including, but not limited to, the cost of communication, telemetering or telephone equipment, shall be paid by the customer.

OTHER RIDERS.

The Curtailment HT Rider is not available in conjunction with this rider. The rate reductions specified in the Employment and Economic Recovery Rider are not applicable to the energy usage associated with the interruptible load, in both On-Peak and Off-Peak Hours, even if all of that energy usage, or any portion of it, is being billed in accordance with the applicable Rate (Rate HT or Rate EP) due to the application of the provisions in the "Penalty For Failure To Interrupt" section or because the customer has failed to satisfy its load requirement. In addition, the On-Peak energy usage charge for energy usage associated with interruptible load is not applicable to back-up or maintenance power as defined in the Auxiliary Service Rider (ASR), except when such power would otherwise be billed as supplementary power under the ASR. Firm back-up or maintenance power may not be used to serve interruptible load during periods of interruption.

TERM OF CONTRACT/RIGHTS AND CONSEQUENCES ASSOCIATED WITH DIRECT ACCESS.

Customers served under this rider may remain on this rider throughout the Statutory Transition Period, and may terminate their service under this rider on thirty (30) days notice. Throughout the Statutory Transition Period or any rate cap period contained in the Joint Petition for Full Settlement, whichever is longer, customers may remain on the rider while also obtaining Competitive Energy Supply. If a customer wishing to remain on this rider obtains Competitive Energy Supply, the customer will continue to pay the unbundled Distribution Charges and Competitive Transition Charges set forth in the Unbundled Rate And Billing section of this rider, and will be entitled to the unbundled Energy and Capacity Charges set forth in that section should the customer wish to return to Default PLR Service.

NIGHT SERVICE GS RIDER

(The number of customers served under this rider may be limited by the availability of the required demand meters.)

AVAILABILITY/APPLICABILITY. To service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours may be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rate GS (with demand measurement), including all its terms and guarantees, is applicable. The blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) shall be based on the billing demand for On-Peak Hours. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Night Service billing and metering charge: \$8.97

The meter charge will be \$5.00 for those customers served before November 23, 1983 whose metering does not provide for the extended Off-Peak Hours beginning at 4:00 pm on Fridays.

Charge per kW of Off-Peak billing demand per month: \$0.43 per kW.

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand.

OTHER RIDERS. This rider will not be applied in conjunction with the Temporary Service Rider.

TERM OF CONTRACT. The initial contract term shall be for at least one year.

NIGHT SERVICE HT RIDER

AVAILABILITY/APPLICABILITY. To service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours shall be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rates HT or EP, including all terms and guarantees, are applicable during On-Peak Hours. The capacity charges and blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) shall be based on the billing demand for On-Peak Hours except that, when the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the demand specified for Off-Peak Hours, the amount of such excess shall be added to the billing demand for On-Peak Hours and the resultant sum shall then constitute the basis for said capacity charges and blocking of energy charges. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Night Service billing and metering charge: \$11.21
Charge per kW of Off-Peak billing demand per month: \$0.84

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand, except that, when said greatest demand during Off-Peak Hours exceeds the demand specified for Off-Peak Hours, said greatest Off-Peak demand shall be reduced by the amount of the excess in determining the Off-Peak billing demand.

OTHER RIDERS. Where the Off-Peak Rider and this rider are applied to the same contract, the Off-Peak Rider will be applied only to the provisions of the contract, and this rider will then be applied to the contract as modified. This rider will not be applied in conjunction with the Temporary Service Rider.

TERM OF CONTRACT. The initial contract term shall be for at least one year.

NIGHT SERVICE PD RIDER

AVAILABILITY/APPLICABILITY. To service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours shall be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rate PD, including all terms and guarantees, is applicable during On-Peak Hours. The capacity charges and blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) shall be based on the billing demand for On-Peak Hours except that, when the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the demand specified for Off-Peak Hours, the amount of such excess shall be added to the billing demand for On-Peak Hours and the resultant sum shall then constitute the basis for said capacity charges and blocking of energy charges. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Night Service billing and metering charge: \$11.21
Charge per kW of Off-Peak billing demand per month: \$0.81

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand, except that, when said greatest demand during Off-Peak Hours exceeds the demand specified for Off-Peak Hours, said greatest Off-Peak demand shall be reduced by the amount of the excess in determining the Off-Peak billing demand.

OTHER RIDERS. Where the Off-Peak Rider and this rider are applied to the same contract, the Off-Peak Rider will be applied only to the provisions of the contract, and this rider will then be applied to the contract as modified. This rider will not be applied in conjunction with the Temporary Service Rider.

TERM OF CONTRACT. The initial contract term shall be for at least one year.

SEASONAL CAPACITY CHARGE SERVICE RIDER

AVAILABILITY. For service to Rate HT customers that satisfy both of the following eligibility requirements:4

1. The average of the customer's billing demands during the most recent December-February billing period (the most recent consecutive December, January and February billing months) must be at least 2,000 kW greater than the customer's highest billing demand during the summer billing period (consecutive billing months of June through September) preceding the most recent December-February billing period.
2. The customer may not have installed generation equipment the sole function of which is peak shaving.

The rider shall be available on a first-come-first-served basis. The Company will continue to place qualifying customers on this rider until the placement of an additional customer would increase the total monthly non-coincident peak load supplied under this rider to 40 MW or more.

RATE AND BILLING. Rate HT High Tension Power, including all of its terms and conditions, except that the On-Peak capacity charges shall be as follows:

| <u>Summer Months</u> (June through September) | | <u>Winter Months</u> (October through May) | |
|--|---------------|---|---------------|
| Distribution Charge | \$2.91 per kW | Distribution Charge | \$0.73 per kW |
| CTC | \$8.67 per kW | CTC | \$2.17 per kW |

Energy and Capacity Charge Prices: The following energy charges will apply to customers that receive Default PLR Service and are not applicable to customers who purchase Competitive Energy Supply.

| <u>Summer Months</u> | | <u>Winter Months</u> | |
|----------------------------|----------------|----------------------------|---------------|
| Energy and Capacity Charge | \$10.77 per kW | Energy and Capacity Charge | \$2.69 per kW |

The preceding modifications to the "Energy and Capacity Charges" will apply to the customer if the customer receives Default PLR Service. These modifications to the "Energy and Capacity Charges" will not apply to the customer if it obtains Competitive Energy Supply.

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

OTHER RIDERS. A customer served under this rider may not receive service under the Employment and Economic Recovery Rider, the Large Interruptible Load Rider, or the Curtailment HT Rider.

TERM OF CONTRACT. Service under this rider shall be for a period of at least three years.

SUBURBAN STREET LIGHTING RIDER

AVAILABILITY.

Available with the first regular billing cycle beginning after September 6, 1999 and limited to qualified governmental agencies and community associations that were served under base Rate SL-E as of July 8, 1999. If, however, any qualified customer that utilizes this rider chooses at any point to switch to base Rate SL-E, said customer may not thereafter return to this rider.

This rate is not available to commercial or industrial customers. All facilities and their installation shall be approved by the Company.

MONTHLY RATE TABLE.

SERVICE LOCATION DISTRIBUTION CHARGE: \$8.87 per Service Location (as defined below)
SERVICE LOCATION CTC CHARGE: \$0.32 per Service Location (as defined below)

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

0.289¢ per Watt
1.826¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

SERVICE LOCATION.

A Service Location shall comprise each lighting installation and must be separately connected to a delivery point on the Company's secondary circuit.

DETERMINATION OF BILLING DEMAND.

The wattage, expressed to the nearest tenth of a watt, of a Service Location shall be composed of manufacturer's rating of its lamps, ballasts, transformers, individual controls and other load components required for its operation. The aggregate of wattages of all Service Locations in service shall constitute the billing demand for the month.

DETERMINATION OF ENERGY BILLED.

The energy use for a month of a Service Location shall be computed to the nearest kilowatt-hour as the product of one-thousandth of its wattage and the effective hours of use of such wattage during the calendar month under the established operation schedules as set forth under Terms and Conditions, Paragraph 6 Service. The aggregate of the kilowatt-hours thus computed for all Active Service Locations shall constitute the energy billed for the month.

TERMS AND CONDITIONS.

Per Rate SL-E.

2004

2004 Unbundled Revenue

| | Sales (MWh) | Total Rev (1) | Transmission (2) | Distribution (3) | Allocation of \$40,000,000 | | New Distribution (3a) | CTC (4) | Market Energy (5)=1-2-3-4 |
|-------|----------------|------------------|---------------------|---------------------|----------------------------|-------------------------------|-----------------------------|-------------|------------------------------|
| | | | | | Alloc % | \$ (40,000,000) Allocation | | | |
| HT | 14,775,821 | 1,019,840,059 | 52,012,344 | 113,089,780 | 12.83% | (5,130,896) | 107,958,884 | 288,945,174 | 570,923,659 |
| EP | 664,764 | 48,796,595 | 2,411,351 | 7,598,633 | 0.86% | (344,751) | 7,253,883 | 13,109,375 | 26,021,986 |
| PD | 1,125,620 | 107,303,162 | 5,266,961 | 20,341,443 | 2.31% | (922,894) | 19,418,549 | 28,734,133 | 53,883,518 |
| GS | 6,864,846 | 790,505,519 | 40,478,555 | 147,225,982 | 16.70% | (6,679,660) | 140,546,323 | 221,757,013 | 387,723,923 |
| GS | 6,823,552 | 785,827,801 | 40,239,028 | 146,354,791 | 16.60% | (6,640,133) | 139,714,657 | 220,444,793 | 385,429,923 |
| TL | 41,294 | 4,677,718 | 239,527 | 871,191 | 0.10% | (39,526) | 831,665 | 1,312,220 | 2,294,307 |
| RH | 2,930,943 | 295,980,862 | 11,706,484 | 102,423,239 | 11.62% | (4,646,954) | 97,776,285 | 61,283,075 | 125,215,017 |
| R | 8,012,375 | 1,121,233,677 | 44,807,268 | 448,255,560 | 50.84% | (20,337,406) | 427,918,155 | 233,121,902 | 415,386,352 |
| R | 8,012,293 | 1,121,223,456 | 44,806,860 | 448,251,474 | 50.84% | (20,337,220) | 427,914,254 | 233,119,776 | 415,382,566 |
| RT | 82 | 10,221 | 408 | 4,086 | 0.00% | (185) | 3,901 | 2,125 | 3,787 |
| OP | 391,098 | 26,167,447 | 185,812 | 19,899,782 | 2.26% | (902,855) | 18,996,927 | 279,707 | 6,705,002 |
| SLP | 92,412 | 13,781,265 | 159,796 | 11,055,509 | 1.25% | (501,590) | 10,553,919 | 600,101 | 2,467,448 |
| SLS | 17,595 | 5,156,268 | 84,274 | 3,993,844 | 0.45% | (181,201) | 3,812,643 | 372,554 | 886,798 |
| SLE | 48,928 | 7,868,997 | 78,565 | 6,057,134 | 0.69% | (274,813) | 5,782,321 | 254,701 | 2,008,112 |
| OTHER | 9,386 | 1,862,781 | 10,640 | 1,696,736 | 0.19% | (76,981) | 1,619,755 | 8,565 | 223,821 |
| POL | 9,353 | 1,858,784 | 10,618 | 1,693,095 | 0.19% | (76,816) | 1,616,279 | 8,547 | 223,341 |
| AL | 32 | 3,997 | 23 | 3,641 | 0.00% | (165) | 3,476 | 18 | 480 |
| TOTAL | 34,933,789 | 3,438,496,632 | 157,202,049 | 881,637,642 | 100.00% | (40,000,000) | 841,637,642 | 848,466,299 | 1,591,445,342 |
| ¢/kWh | | 9.84 | 0.45 | 2.52 | | (0.11) | 2.41 | 2.43 | 4.55 |

2004 Unbundled Unit Rates (¢/kWh)

| | | | <u>Transmission</u> (2) | <u>Distribution</u> (3) | <u>Allocation of \$40,000,000</u> | | <u>New</u> <u>Distribution</u> (3a) | <u>CTC</u> (4) | <u>Market Energy</u> (6)=1-2-3-4-5 |
|-------|------------|-------|----------------------------|----------------------------|-----------------------------------|--------------------------------------|---|-------------------|---------------------------------------|
| | | | | | <u>Alloc</u> % | <u>\$ (40,000,000)</u> Allocation | | | |
| HT | 14,775,821 | 6.90 | 0.35 | 0.76 | 12.83% | (0.03) | 0.73 | 1.96 | 3.86 |
| EP | 664,764 | 7.34 | 0.36 | 1.14 | 0.86% | (0.05) | 1.09 | 1.97 | 3.91 |
| PD | 1,125,620 | 9.53 | 0.47 | 1.80 | 2.31% | (0.08) | 1.72 | 2.56 | 4.79 |
| GS | 6,864,846 | 11.52 | 0.59 | 2.14 | 16.70% | (0.10) | 2.04 | 3.24 | 5.65 |
| GS | 6,823,552 | 11.52 | 0.59 | 2.14 | 16.60% | (0.10) | 2.04 | 3.24 | 5.65 |
| TL | 41,294 | 11.33 | 0.58 | 2.10 | 0.10% | (0.10) | 2.01 | 3.18 | 5.56 |
| RH | 2,930,943 | 10.10 | 0.40 | 3.49 | 11.62% | (0.16) | 3.33 | 2.10 | 4.27 |
| R | 8,012,375 | 13.99 | 0.56 | 5.58 | 50.84% | (0.25) | 5.33 | 2.92 | 5.18 |
| R | 8,012,293 | 13.99 | 0.56 | 5.58 | 50.84% | (0.25) | 5.33 | 2.92 | 5.18 |
| RT | 82 | 12.43 | 0.50 | 4.96 | 0.00% | (0.23) | 4.73 | 2.60 | 4.61 |
| OP | 391,098 | 6.69 | 0.05 | 5.08 | 2.26% | (0.23) | 4.84 | 0.08 | 1.71 |
| SLP | 92,412 | 14.91 | 0.17 | 11.93 | 1.25% | (0.54) | 11.39 | 0.68 | 2.67 |
| SLS | 17,595 | 29.30 | 0.48 | 22.64 | 0.45% | (1.03) | 21.61 | 2.17 | 5.04 |
| SLE | 48,928 | 19.68 | 0.16 | 16.81 | 0.69% | (0.56) | 16.25 | 0.52 | 4.10 |
| OTHER | 9,386 | 19.85 | 0.11 | 18.03 | 0.19% | (0.82) | 17.21 | 0.14 | 2.38 |
| POL | 9,353 | 19.87 | 0.11 | 18.06 | 0.19% | (0.82) | 17.24 | 0.14 | 2.39 |
| AL | 32 | 12.39 | 0.07 | 11.26 | 0.00% | (0.51) | 10.75 | 0.08 | 1.49 |
| TOTAL | | 9.84 | 0.45 | 2.52 | 100.00% | (0.11) | 2.41 | 2.43 | 4.55 |

PECO Energy Company
Development of Multipliers to Effect Distribution Rate Reductions

| | 2002 | | | | 2004 | | | |
|--------------|------------------------------|-------------------------------|-------------------------|------------|------------------------------|-------------------------------|-------------------------|------------|
| | Existing Distribution (a) | \$ (60,000,000) Allocation | New Distribution (a) | Multiplier | Existing Distribution (a) | \$ (40,000,000) Allocation | New Distribution (a) | Multiplier |
| HT | \$ 103,105,706 | \$ (7,696,354) | \$ 95,409,352 | 0.92535 | \$ 104,761,996 | \$ (5,130,896) | \$ 99,631,100 | 0.95102 |
| EP | \$ 6,885,567 | \$ (517,127) | \$ 6,368,440 | 0.92490 | \$ 6,996,177 | \$ (344,751) | \$ 6,651,426 | 0.95072 |
| PD | \$ 16,524,019 | \$ (1,384,342) | \$ 15,139,677 | 0.91622 | \$ 16,789,461 | \$ (922,894) | \$ 15,866,567 | 0.94503 |
| GS | \$ 111,856,529 | \$ (9,960,213) | \$ 101,896,316 | 0.91096 | \$ 113,653,392 | \$ (6,640,133) | \$ 107,013,259 | 0.94158 |
| TL | \$ 857,418 | \$ (59,289) | \$ 798,129 | 0.93085 | \$ 871,191 | \$ (39,526) | \$ 831,665 | 0.95463 |
| RH | \$ 91,276,265 | \$ (6,970,440) | \$ 84,305,825 | 0.92363 | \$ 92,742,527 | \$ (4,646,954) | \$ 88,095,573 | 0.94989 |
| R | \$ 369,552,444 | \$ (30,505,870) | \$ 339,046,574 | 0.91745 | \$ 375,488,934 | \$ (20,337,220) | \$ 355,151,714 | 0.94584 |
| RT | \$ 2,528 | \$ (278) | \$ 2,250 | 0.89001 | \$ 2,569 | \$ (185) | \$ 2,384 | 0.92783 |
| OP | \$ 14,036,193 | \$ (1,354,285) | \$ 12,681,908 | 0.90351 | \$ 14,261,671 | \$ (902,855) | \$ 13,358,815 | 0.93669 |
| SLP | \$ 10,880,721 | \$ (752,386) | \$ 10,128,336 | 0.93085 | \$ 11,055,509 | \$ (501,590) | \$ 10,553,919 | 0.95463 |
| SLS | \$ 3,930,696 | \$ (271,802) | \$ 3,658,894 | 0.93085 | \$ 3,993,839 | \$ (181,201) | \$ 3,812,638 | 0.95463 |
| SLE | \$ 5,960,250 | \$ (412,142) | \$ 5,548,108 | 0.93085 | \$ 6,057,134 | \$ (274,813) | \$ 5,782,321 | 0.95463 |
| POL | \$ 1,669,249 | \$ (115,224) | \$ 1,554,025 | 0.93097 | \$ 1,696,064 | \$ (76,816) | \$ 1,619,248 | 0.95471 |
| AL | \$ 3,583 | \$ (248) | \$ 3,336 | 0.93085 | \$ 3,641 | \$ (165) | \$ 3,476 | 0.95463 |
| TOTAL | | \$ (60,000,000) | | | | \$ (40,000,000) | | |

(a) Excludes Customer Charges

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate R

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.94584 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (25) Fixed Distribution Charge | 13,709,923 Bills | \$ 5.10 | \$ 69,920,607 | \$ 72,762,540 | | |
| (26) | | | | | | |
| (27) Transmission Service Charge | | | | | | |
| (28) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0055 | \$ 29,542,074 | \$ 30,742,816 | | |
| (29) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0055 | \$ 5,916,395 | \$ 6,156,868 | | |
| (30) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0063 | \$ 7,598,340 | \$ 7,907,176 | | |
| (31) | | | \$ 43,056,810 | \$ 44,806,860 | | |
| (32) Variable Distribution Charge | | | | | | |
| (33) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0457 | \$ 247,567,493 | \$ 257,629,908 | \$ 0.0432 | \$ 243,676,165 |
| (34) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0457 | \$ 49,580,377 | \$ 51,595,578 | \$ 0.0432 | \$ 48,801,060 |
| (35) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0531 | \$ 63,675,354 | \$ 66,263,447 | \$ 0.0502 | \$ 62,674,489 |
| (36) | | | \$ 360,823,223 | \$ 375,488,934 | | \$ 355,151,714 |
| (37) Competitive Transition Charge | | | | | | |
| (38) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0284 | \$ 153,918,428 | \$ 160,174,464 | | |
| (39) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0284 | \$ 30,825,265 | \$ 32,078,162 | | |
| (40) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0329 | \$ 39,377,647 | \$ 40,978,157 | | |
| (41) | | | \$ 224,121,341 | \$ 233,230,784 | | |
| (42) Electric Generation | | | | | | |
| (43) Up to 500 kwh | 5,415,895,024 kWh | \$ 0.0509 | \$ 275,746,306 | \$ 286,954,053 | | |
| (44) kwh over 500-Winter | 1,084,642,063 kWh | \$ 0.0509 | \$ 55,223,752 | \$ 57,468,329 | | |
| (45) kwh over 500-Summer | 1,198,814,912 kWh | \$ 0.0568 | \$ 68,091,962 | \$ 70,859,569 | | |
| (46) | | | \$ 399,062,019 | \$ 415,281,951 | | |
| (47) | | | | | | |
| (48) Total Revenue | | | \$ 1,096,984,000 | \$ 1,141,571,069 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate RT

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | <u>New Pricing for New Distribution</u> Distribution | <u>Revenue @</u> 0.92783 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---|-----------------------------|
| (29) Fixed Distribution Charge | 143 bills | \$ 10.19 | \$ 1,458 | \$ 1,517 | | |
| (30) | | | | | | |
| (31) Transmission Charge | | | | | | |
| (32) Summer Off-peak kwh | 32,901 kWh | \$ 0.0030 | \$ 98 | \$ 102 | | |
| (33) Summer On-peak kwh | 8,067 kWh | \$ 0.0121 | \$ 98 | \$ 102 | | |
| (34) Winter Off-peak kwh | 27,659 kWh | \$ 0.0030 | \$ 82 | \$ 86 | | |
| (35) Winter On-peak kwh | 10,372 kWh | \$ 0.0111 | \$ 115 | \$ 120 | | |
| (36) | | | \$ 393 | \$ 408 | | |
| (37) Variable Distribution Charge | | | | | | |
| (38) Summer Off-peak kwh | 32,901 kWh | \$ 0.0187 | \$ 615 | \$ 640 | \$ 0.0173 | \$ 594 |
| (39) Summer On-peak kwh | 8,067 kWh | \$ 0.0761 | \$ 614 | \$ 639 | \$ 0.0706 | \$ 592 |
| (40) Winter Off-peak kwh | 27,659 kWh | \$ 0.0187 | \$ 517 | \$ 538 | \$ 0.0173 | \$ 499 |
| (41) Winter On-peak kwh | 10,372 kWh | \$ 0.0698 | \$ 724 | \$ 753 | \$ 0.0647 | \$ 699 |
| (42) | | | \$ 2,469 | \$ 2,569 | | \$ 2,384 |
| (43) Competitive Transition Charge | | | | | | |
| (44) Summer Off-peak kwh | 32,901 kWh | \$ 0.0159 | \$ 525 | \$ 546 | | |
| (45) Summer On-peak kwh | 8,067 kWh | \$ 0.0611 | \$ 494 | \$ 514 | | |
| (46) Winter Off-peak kwh | 27,659 kWh | \$ 0.0159 | \$ 441 | \$ 459 | | |
| (47) Winter On-peak kwh | 10,372 kWh | \$ 0.0562 | \$ 583 | \$ 607 | | |
| (48) | | | \$ 2,043 | \$ 2,126 | | |
| (49) Electric Generation | | | | | | |
| (50) Summer Off-peak kwh | 32,901 kWh | \$ 0.0334 | \$ 1,099 | \$ 1,143 | | |
| (51) Summer On-peak kwh | 8,067 kWh | \$ 0.0912 | \$ 735 | \$ 765 | | |
| (52) Winter Off-peak kwh | 27,659 kWh | \$ 0.0334 | \$ 924 | \$ 961 | | |
| (53) Winter On-peak kwh | 10,372 kWh | \$ 0.0848 | \$ 880 | \$ 916 | | |
| (54) | | | \$ 3,637 | \$ 3,785 | | |
| (55) | | | | | | |
| (56) Total Revenue | | | \$ 10,000 | \$ 10,406 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04**

Rate RH

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | <u>New Pricing for</u> <u>Distribution</u> | <u>New Distribution</u> <u>Revenue @</u> 0.94989 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---|--|
| (29) Fixed Distribution Charge | 1,824,041 bills | \$ 5.10 | \$ 9,302,607 | \$ 9,680,713 | | |
| (30) | | | | | | |
| (31) Transmission Charge | | | | | | |
| (32) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0055 | \$ 2,513,424 | \$ 2,615,582 | | |
| (33) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0064 | \$ 2,259,924 | \$ 2,351,779 | | |
| (34) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0055 | \$ 3,239,862 | \$ 3,371,547 | | |
| (35) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0023 | \$ 3,236,047 | \$ 3,367,576 | | |
| (36) | | | \$ 11,249,256 | \$ 11,706,484 | | |
| (37) Variable Distribution Charge | | | | | | |
| (38) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0435 | \$ 19,912,151 | \$ 20,721,483 | \$ 0.0413 | \$ 19,683,213 |
| (39) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0506 | \$ 17,903,842 | \$ 18,631,546 | \$ 0.0481 | \$ 17,697,995 |
| (40) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0435 | \$ 25,667,227 | \$ 26,710,475 | \$ 0.0413 | \$ 25,372,121 |
| (41) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0181 | \$ 25,637,002 | \$ 26,679,022 | \$ 0.0172 | \$ 25,342,244 |
| (42) | | | \$ 89,120,223 | \$ 92,742,527 | | \$ 88,095,573 |
| (43) Competitive Transition Charge | | | | | | |
| (44) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0284 | \$ 12,981,837 | \$ 13,509,486 | | |
| (45) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0328 | \$ 11,611,215 | \$ 12,083,155 | | |
| (46) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0284 | \$ 16,733,890 | \$ 17,414,042 | | |
| (47) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0124 | \$ 17,594,716 | \$ 18,309,856 | | |
| (48) | | | \$ 58,921,659 | \$ 61,316,538 | | |
| (49) Total Electric Generation | | | | | | |
| (50) Summer - Up to 500 kwh | 457,508,824 kWh | \$ 0.0531 | \$ 24,297,490 | \$ 25,285,064 | | |
| (51) Summer - Over 500 kwh | 353,843,726 kWh | \$ 0.0593 | \$ 20,983,119 | \$ 21,835,981 | | |
| (52) Winter - Up to 600 kwh | 589,739,544 kWh | \$ 0.0531 | \$ 31,320,031 | \$ 32,593,038 | | |
| (53) Winter - Over 600 kwh | 1,415,374,905 kWh | \$ 0.0309 | \$ 43,691,616 | \$ 45,467,467 | | |
| (54) | | | \$ 120,292,255 | \$ 125,181,550 | | |
| (55) | | | | | | |
| (56) Total Revenue | | | \$ 288,886,000 | \$ 300,627,812 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Rate OP**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.93669 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (12) Fixed Distribution Charge | 1,182,948 Bills | \$ 4.58 | \$ 5,417,900 | \$ 5,638,111 | | |
| (13) | | | | | | |
| (14) Transmission Charge | 375,823,000 kWh | \$ 0.0005 | \$ 178,554 | \$ 185,812 | | |
| (15) | | | | | | |
| (16) Variable Distribution Charge | 375,823,000 kWh | \$ 0.0365 | \$ 13,704,643 | \$ 14,261,671 | \$ 0.0342 | \$ 13,358,815 |
| (17) | | | | | | |
| (18) Competitive Transition Charge | 375,823,000 kWh | \$ 0.0007 | \$ 270,504 | \$ 281,499 | | |
| (19) | | | | | | |
| (20) Electric Generation Charges | 375,823,000 kWh | \$ 0.0171 | \$ 6,441,398 | \$ 6,703,210 | | |
| (21) | | | | | | |
| (22) Total Revenue | | | \$ 26,013,000 | \$ 27,070,302 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate GS**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | | <u>Pricing</u> (5)=(6)/(4) | | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.94158 |
|------------------------------------|------------------------------------|-------|-------------------------------|--|-----------------------|--------------------------------------|---------------------------------|--|
| (35) Fixed Distribution Charge | | | | | | | | |
| (36) Single-Phase | 1,847,446 | Bills | \$ 8.67 | | \$ 16,017,355 | \$ 16,668,383 | | |
| (37) Poly-Phase | 657,007 | Bills | \$ 23.45 | | \$ 15,406,804 | \$ 16,033,016 | | |
| (38) | | | | | \$ 31,424,159 | \$ 32,701,398 | | |
| (39) Transmission Charge | | | | | | | | |
| (40) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.0127 | | \$ 18,951,130 | \$ 19,721,402 | | |
| (41) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0060 | | \$ 3,924,719 | \$ 4,084,240 | | |
| (42) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0038 | | \$ 13,894,392 | \$ 14,459,132 | | |
| (43) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0016 | | \$ 250,363 | \$ 260,540 | | |
| (44) Space Heating | 556,994,349 | kWh | \$ 0.0030 | | \$ 1,646,781 | \$ 1,713,715 | | |
| (45) | | | | | \$ 38,667,386 | \$ 40,239,028 | | |
| (46) Variable Distribution Charge | | | | | | | | |
| (47) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.0358 | | \$ 53,526,647 | \$ 55,702,245 | \$ 0.0337 | \$ 52,447,874 |
| (48) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0168 | | \$ 11,085,200 | \$ 11,535,760 | \$ 0.0159 | \$ 10,861,790 |
| (49) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0106 | | \$ 39,244,109 | \$ 40,839,192 | \$ 0.0100 | \$ 38,453,186 |
| (50) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0047 | | \$ 707,141 | \$ 735,883 | \$ 0.0044 | \$ 692,889 |
| (51) Space Heating | 556,994,349 | kWh | \$ 0.0084 | | \$ 4,651,262 | \$ 4,840,313 | \$ 0.0079 | \$ 4,557,521 |
| (52) | | | | | \$ 109,214,359 | \$ 113,653,392 | | \$ 107,013,259 |
| (53) Competitive Transition Charge | | | | | | | | |
| (54) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.0684 | | \$ 102,034,199 | \$ 106,181,394 | | |
| (55) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0327 | | \$ 21,503,403 | \$ 22,377,412 | | |
| (56) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0210 | | \$ 77,584,751 | \$ 80,738,194 | | |
| (57) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0098 | | \$ 1,489,039 | \$ 1,549,561 | | |
| (58) Space Heating | 556,994,349 | kWh | \$ 0.0166 | | \$ 9,322,328 | \$ 9,701,235 | | |
| (59) | | | | | \$ 211,933,720 | \$ 220,547,796 | | |
| (60) Electric Generation Charge | | | | | | | | |
| (61) First 80 Hours Use | 1,493,455,009 | kWh | \$ 0.1045 | | \$ 156,138,962 | \$ 162,485,253 | | |
| (62) Next 80 Hrs Use-Summer | 658,266,049 | kWh | \$ 0.0569 | | \$ 37,475,781 | \$ 38,998,989 | | |
| (63) Additional Use-Except | 3,696,417,044 | kWh | \$ 0.0413 | | \$ 152,791,935 | \$ 159,002,184 | | |
| (64) Over 400 Hrs & 2000 kwh | 151,907,550 | kWh | \$ 0.0264 | | \$ 4,009,528 | \$ 4,172,495 | | |
| (65) Space Heating | 556,994,349 | kWh | \$ 0.0357 | | \$ 19,860,170 | \$ 20,667,389 | | |
| (66) | | | | | \$ 370,276,375 | \$ 385,326,311 | | |
| (67) | | | | | | | | |
| (68) Total Revenue | | | | | \$ 761,516,000 | \$ 792,467,925 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Off-Peak Thermal Storage Provision**

| | <u>On-Peak</u> | New Dist Pricing | | <u>Off-Peak</u> | New Dist Pricing |
|---------------|----------------|------------------|--|-----------------|------------------|
| Transmission | 0.25 ¢/kWh | 2.04 | | 0.16 ¢/kWh | 1.33 |
| Distribution | 2.17 ¢/kWh | | | 1.41 ¢/kWh | |
| CTC | 1.30 ¢/kWh | | | 0.85 ¢/kWh | |
| Market Energy | 2.65 ¢/kWh | | | 1.73 ¢/kWh | |
| Bundled | 6.37 ¢/kWh | | | 4.15 ¢/kWh | |

Night Service GS Rider

| | | |
|---------------------------|----------------|-----------------------------|
| Fixed Distribution Charge | \$ 8.97 | New Dist Pricing \$ 0.44 |
| Demand Charge | \$ 0.47 per kW | |

Rate GS Minimum Charge

| | | |
|-----------------------|----------------|-----------------------------|
| Variable Distribution | \$ 0.92 per kW | New Dist Pricing \$ 0.87 |
| Transmission | \$ 0.33 per kW | |
| CTC | \$ 1.85 per kW | |
| Energy and Capacity | \$ 3.07 per kW | |
| | \$ 6.17 | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate PD

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.94503 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (33) Fixed Distribution Charge | 12,259 Bills | \$ 275.28 | \$ 3,374,777 | \$ 3,511,945 | | |
| (34) | | | | | | |
| (35) Transmission Charge | | | | | | |
| (36) Capacity Charge | 2,814,280 kW | \$ 0.56 | \$ 1,582,117 | \$ 1,646,423 | | |
| (37) First 150 hrs use | 435,697,564 kWh | \$ 0.0050 | \$ 2,163,707 | \$ 2,251,652 | | |
| (38) Next 150 hrs use | 355,277,140 kWh | \$ 0.0029 | \$ 1,043,154 | \$ 1,085,553 | | |
| (39) Additional use | 290,681,296 kWh | \$ 0.0009 | \$ 272,267 | \$ 283,333 | | |
| (40) | | | \$ 5,061,246 | \$ 5,266,961 | | |
| (41) Variable Distribution Charge | | | | | | |
| (42) Capacity Charge | 2,814,280 kW | \$ 1.79 | \$ 5,038,839 | \$ 5,243,643 | \$ 1.69 | \$ 4,955,407 |
| (43) First 150 hrs use | 435,697,564 kWh | \$ 0.0158 | \$ 6,891,128 | \$ 7,171,219 | \$ 0.0149 | \$ 6,777,027 |
| (44) Next 150 hrs use | 355,277,140 kWh | \$ 0.0094 | \$ 3,322,311 | \$ 3,457,347 | \$ 0.0088 | \$ 3,267,301 |
| (45) Additional use | 290,681,296 kWh | \$ 0.0030 | \$ 867,135 | \$ 902,380 | \$ 0.0028 | \$ 852,778 |
| (46) | | | \$ 16,119,413 | \$ 16,774,589 | | \$ 15,852,513 |
| (47) Competitive Transition Charge | | | | | | |
| (48) Capacity Charge | 2,814,280 kW | \$ 2.94 | \$ 8,275,194 | \$ 8,611,541 | | |
| (49) First 150 hrs use | 435,697,564 kWh | \$ 0.0270 | \$ 11,781,636 | \$ 12,260,502 | | |
| (50) Next 150 hrs use | 355,277,140 kWh | \$ 0.0164 | \$ 5,834,902 | \$ 6,072,062 | | |
| (51) Additional use | 290,681,296 kWh | \$ 0.0060 | \$ 1,733,951 | \$ 1,804,428 | | |
| (52) | | | \$ 27,625,683 | \$ 28,748,533 | | |
| (53) Night Service Rider | | | | | | |
| (54) Fixed Distribution Charge | 3,432 Bills | \$ 11.21 | \$ 38,473 | \$ 40,037 | | |
| (55) Demand Charge | 16,617 kW | \$ 0.86 | \$ 14,291 | \$ 14,872 | \$ 0.81 | \$ 14,054 |
| (56) | | | \$ 52,764 | \$ 54,909 | | \$ 14,054 |
| (57) Electric Generation Charge | | | | | | |
| (58) Capacity Charge | 2,814,280 kW | \$ 3.96 | \$ 11,135,944 | \$ 11,588,566 | | |
| (59) First 150 hrs use | 435,697,564 kWh | \$ 0.0499 | \$ 21,731,180 | \$ 22,614,447 | | |
| (60) Next 150 hrs use | 355,277,140 kWh | \$ 0.0356 | \$ 12,643,953 | \$ 13,157,869 | | |
| (61) Additional use | 290,681,296 kWh | \$ 0.0215 | \$ 6,254,039 | \$ 6,508,235 | | |
| (62) | | | \$ 51,765,116 | \$ 53,869,117 | | |
| (63) | | | | | | |
| (64) Total Revenue | | | \$ 103,999,000 | \$ 108,226,054 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate HT

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.95102 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (33) Fixed Distribution Charge | 27,747 | Bills | \$ 286.86 | \$ 7,959,474 | \$ 8,282,988 | |
| (34) | | | | | | |
| (35) Transmission Charge | | | | | | |
| (36) Capacity Charge | 24,898,251 | KW | \$ 0.79 | \$ 19,719,147 | \$ 20,520,634 | |
| (37) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0042 | \$ 9,006,974 | \$ 9,373,064 | |
| (38) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0025 | \$ 12,723,737 | \$ 13,240,895 | |
| (39) Additional use | 6,232,767,691 | kWh | \$ 0.0008 | \$ 4,874,003 | \$ 5,072,108 | |
| (40) | | | | \$ 46,323,861 | \$ 48,206,701 | |
| (41) Variable Distribution Charge | | | | | | |
| (42) Capacity Charge | 24,898,251 | KW | \$ 1.66 | \$ 41,228,329 | \$ 42,904,060 | \$ 1.57 |
| (43) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0088 | \$ 18,831,570 | \$ 19,596,982 | \$ 0.0084 |
| (44) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0052 | \$ 26,602,490 | \$ 27,683,752 | \$ 0.0050 |
| (45) Additional use | 6,232,767,691 | kWh | \$ 0.0016 | \$ 10,190,452 | \$ 10,604,644 | \$ 0.0016 |
| (46) | | | | \$ 96,852,840 | \$ 100,789,437 | \$ 95,853,104 |
| (47) Competitive Transition Charge | | | | | | |
| (48) Capacity Charge | 24,898,251 | KW | \$ 4.50 | \$ 112,097,609 | \$ 116,653,832 | |
| (49) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0251 | \$ 53,307,027 | \$ 55,473,698 | |
| (50) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0152 | \$ 77,368,222 | \$ 80,512,865 | |
| (51) Additional use | 6,232,767,691 | kWh | \$ 0.0055 | \$ 33,864,214 | \$ 35,240,630 | |
| (52) | | | | \$ 276,637,072 | \$ 287,881,025 | |
| (53) Night Service Rider | | | | | | |
| (54) Customer Charge | 3,840 | Bills | \$ 11.21 | \$ 43,046 | \$ 44,796 | |
| (55) Demand Charge | 525,737 | KW | \$ 0.91 | \$ 478,421 | \$ 497,866 | \$ 0.87 |
| (56) | | | | \$ 521,467 | \$ 542,662 | \$ 473,483 |
| (57) Electric Generation | | | | | | |
| (58) Capacity Charge | 24,898,251 | KW | \$ 5.81 | \$ 144,656,601 | \$ 150,536,189 | |
| (59) First 150 hrs use | 2,130,931,747 | kWh | \$ 0.0448 | \$ 95,508,671 | \$ 99,390,635 | |
| (60) Next 150 hrs use | 5,099,537,202 | kWh | \$ 0.0321 | \$ 163,780,097 | \$ 170,436,962 | |
| (61) Additional use | 6,232,767,691 | kWh | \$ 0.0195 | \$ 121,849,166 | \$ 126,801,742 | |
| (62) | | | | \$ 525,794,535 | \$ 547,165,527 | |
| (63) | | | | | | |
| (64) Base Revenue | | | | \$ 954,089,249 | \$ 992,868,340 | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate HT

| | | | | | | | | | |
|------|-------------------------------|-----------------|-----------|----------------|------------------|----|--------|--------------|-----------|
| (37) | High Voltage Discount | | | | | | | | |
| (38) | >66 kV | | | \$ (180) | \$ (187) | | | \$ (178) | |
| (39) | 66 kV | | | \$ (8,983) | \$ (9,348) | | | \$ (8,890) | |
| (40) | 33 kV | | | \$ (611,242) | \$ (636,086) | | | \$ (604,933) | |
| (41) | | | | \$ (620,405) | \$ (645,621) | | | \$ (614,001) | |
| (42) | HT Auxiliary Service Rider | | | | | | | | |
| (43) | Firm kW | | | | | | | | |
| (44) | Transmission | 314,340 kW | \$ 0.15 | \$ 47,706 | \$ 49,645 | | | | |
| (45) | Distribution | 314,340 kW | \$ 0.33 | \$ 103,727 | \$ 107,943 | \$ | 0.31 | \$ | 102,656 |
| (46) | Competitive Transition Charge | 314,340 kW | \$ 0.85 | \$ 267,189 | \$ 278,049 | | | | |
| (47) | Electric Generation | 314,340 kW | \$ 1.67 | \$ 525,135 | \$ 546,480 | | | | |
| (48) | | | \$ 3.00 | \$ 943,757 | \$ 982,116 | | | | |
| (49) | | | | | | | | | |
| (50) | Firm kWh | | | | | | | | |
| (51) | Transmission | 46,820,419 kWh | \$ 0.0040 | \$ 185,460 | \$ 192,998 | | | | |
| (52) | Distribution | 46,820,419 kWh | \$ 0.0086 | \$ 403,243 | \$ 419,633 | \$ | 0.0082 | \$ | 399,081 |
| (53) | Competitive Transition Charge | 46,820,419 kWh | \$ 0.0221 | \$ 1,035,845 | \$ 1,077,947 | | | | |
| (54) | Electric Generation | 46,820,419 kWh | \$ 0.0436 | \$ 2,041,491 | \$ 2,124,468 | | | | |
| (55) | | | \$ 0.0783 | \$ 3,666,039 | \$ 3,815,046 | | | | |
| (56) | | | | | | | | | |
| (57) | Interruptable kWh | | | | | | | | |
| (58) | Transmission | 35,721,342 kWh | \$ 0.0008 | \$ 28,577 | \$ 29,739 | | | | |
| (59) | Distribution | 35,721,342 kWh | \$ 0.0016 | \$ 57,154 | \$ 59,477 | \$ | 0.0015 | \$ | 56,564 |
| (60) | Competitive Transition Charge | 35,721,342 kWh | \$ 0.0055 | \$ 196,467 | \$ 204,453 | | | | |
| (61) | Electric Generation | 35,721,342 kWh | \$ 0.0195 | \$ 696,566 | \$ 724,878 | | | | |
| (62) | | | \$ 0.0274 | \$ 978,765 | \$ 1,018,547 | | | | |
| (63) | | | | | | | | | |
| (64) | Curtailment Rider | | | \$ (286,778) | \$ (298,434) | | | | |
| (65) | | | | | | | | | |
| (66) | LILR | | | | | | | | |
| (67) | Transmission | 652,934,600 kWh | \$ 0.0052 | \$ 3,395,260 | \$ 3,533,261 | | | | |
| (68) | Distribution | 652,934,600 kWh | \$ 0.0052 | \$ 3,395,260 | \$ 3,533,261 | \$ | 0.0049 | \$ | 3,360,213 |
| (69) | Electric Generation | | | \$ 19,377,590 | \$ 20,165,195 | | | | |
| (70) | | | | \$ 26,168,110 | \$ 27,231,717 | | | | |
| (71) | | | | | | | | | |
| (72) | Adjusted Base Revenue | | | \$ 984,938,737 | \$ 1,024,971,710 | | | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate POL

| | Quantity | Monthly Bundled Charge | Annual Bundled Revenue | Monthly Unbundled Charges | | | | | Annual Unbundled Revenue | | | | | New Distribution Revenue @ 0.95471 |
|---|----------|------------------------|------------------------|---------------------------|---------|--------|------------|------------------------------|--------------------------|-------------|----------|------------|-------------|------------------------------------|
| | | | | Trans. | Dist. | CTC | Elec. Gen. | New Pricing for Distribution | Trans. | Dist. | CTC | Elec. Gen. | Total | |
| Mercury Vapor Company Pole | | | | | | | | | | | | | | |
| 4000 Lumens | 527 | \$12.72 | \$80,441 | \$0.06 | \$11.18 | \$0.01 | \$1.47 | \$ 10.28 | \$ 379 | \$ 70,692 | \$ 94 | \$ 9,276 | \$ 80,441 | \$ 87,491 |
| 8000 Lumens | 270 | \$17.27 | \$55,955 | \$0.09 | \$15.15 | \$0.04 | \$1.99 | \$ 13.90 | \$ 292 | \$ 49,094 | \$ 117 | \$ 6,452 | \$ 55,955 | \$ 48,870 |
| 12000 Lumens | 378 | \$21.30 | \$96,617 | \$0.11 | \$18.67 | \$0.08 | \$2.46 | \$ 17.13 | \$ 499 | \$ 84,700 | \$ 277 | \$ 11,141 | \$ 96,617 | \$ 80,864 |
| 20000 Lumens | 984 | \$27.48 | \$324,484 | \$0.14 | \$24.10 | \$0.08 | \$3.17 | \$ 22.11 | \$ 1,653 | \$ 284,521 | \$ 892 | \$ 37,418 | \$ 324,484 | \$ 271,635 |
| 22000 Lumens | 41 | \$29.72 | \$14,822 | \$0.18 | \$28.06 | \$0.08 | \$3.43 | \$ 23.90 | \$ 79 | \$ 12,819 | \$ 38 | \$ 1,668 | \$ 14,822 | \$ 12,239 |
| Customer Pole | | | | | | | | | | | | | | |
| 4000 Lumens | 348 | \$11.45 | \$47,540 | \$0.08 | \$10.01 | \$0.06 | \$1.32 | \$ 9.18 | \$ 249 | \$ 41,562 | \$ 248 | \$ 5,482 | \$ 47,540 | \$ 39,679 |
| 8000 Lumens | 141 | \$16.05 | \$27,157 | \$0.09 | \$14.03 | \$0.08 | \$1.85 | \$ 12.87 | \$ 152 | \$ 23,739 | \$ 134 | \$ 3,132 | \$ 27,157 | \$ 22,664 |
| 12000 Lumens | 228 | \$20.21 | \$54,810 | \$0.11 | \$17.87 | \$0.10 | \$2.33 | \$ 18.21 | \$ 298 | \$ 47,921 | \$ 270 | \$ 8,320 | \$ 54,810 | \$ 45,751 |
| 20000 Lumens | 968 | \$26.05 | \$302,597 | \$0.14 | \$22.78 | \$0.13 | \$3.00 | \$ 20.90 | \$ 1,628 | \$ 264,612 | \$ 1,464 | \$ 34,894 | \$ 302,597 | \$ 252,628 |
| 22000 Lumens | 11 | \$28.29 | \$3,734 | \$0.18 | \$24.74 | \$0.13 | \$3.26 | \$ 22.70 | \$ 21 | \$ 3,266 | \$ 17 | \$ 431 | \$ 3,734 | \$ 3,118 |
| Sodium Vapor Company Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 51 | \$17.39 | \$10,643 | \$0.09 | \$15.28 | \$0.03 | \$2.01 | \$ 14.00 | \$ 55 | \$ 9,340 | \$ 21 | \$ 1,227 | \$ 10,643 | \$ 8,917 |
| 25000 Lumens | 131 | \$27.70 | \$43,544 | \$0.14 | \$24.29 | \$0.08 | \$3.19 | \$ 22.28 | \$ 220 | \$ 38,177 | \$ 128 | \$ 5,021 | \$ 43,544 | \$ 38,448 |
| 50000 Lumens | 484 | \$30.41 | \$178,621 | \$0.16 | \$28.66 | \$0.09 | \$3.51 | \$ 24.45 | \$ 929 | \$ 154,816 | \$ 509 | \$ 20,367 | \$ 176,621 | \$ 147,804 |
| 50000 Lumens | 468 | \$32.64 | \$183,306 | \$0.17 | \$28.81 | \$0.10 | \$3.78 | \$ 26.24 | \$ 955 | \$ 160,649 | \$ 565 | \$ 21,138 | \$ 183,306 | \$ 153,373 |
| Customer Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 23 | \$16.15 | \$4,457 | \$0.09 | \$14.12 | \$0.08 | \$1.88 | \$ 12.95 | \$ 25 | \$ 3,897 | \$ 21 | \$ 514 | \$ 4,457 | \$ 3,721 |
| 25000 Lumens | 41 | \$28.27 | \$12,925 | \$0.14 | \$22.97 | \$0.13 | \$3.03 | \$ 21.07 | \$ 89 | \$ 11,301 | \$ 64 | \$ 1,490 | \$ 12,925 | \$ 10,789 |
| 50000 Lumens | 163 | \$28.98 | \$56,685 | \$0.16 | \$25.34 | \$0.14 | \$3.34 | \$ 23.25 | \$ 313 | \$ 49,565 | \$ 270 | \$ 6,537 | \$ 56,685 | \$ 47,320 |
| 50000 Lumens | 203 | \$31.21 | \$78,028 | \$0.17 | \$27.29 | \$0.15 | \$3.60 | \$ 25.04 | \$ 414 | \$ 66,478 | \$ 368 | \$ 8,767 | \$ 78,028 | \$ 63,468 |
| Standard Metal Halide Company Pole | | | | | | | | | | | | | | |
| 36000 Lumens | 191 | \$32.14 | \$73,885 | \$0.17 | \$28.17 | \$0.09 | \$3.71 | \$ 25.84 | \$ 390 | \$ 64,563 | \$ 218 | \$ 8,495 | \$ 73,885 | \$ 61,839 |
| 110000 Lumens | 41 | \$56.30 | \$27,700 | \$0.30 | \$49.29 | \$0.22 | \$8.49 | \$ 45.22 | \$ 148 | \$ 24,250 | \$ 108 | \$ 3,194 | \$ 27,700 | \$ 23,152 |
| Customer Pole | | | | | | | | | | | | | | |
| 36000 Lumens | 115 | \$30.75 | \$42,435 | \$0.17 | \$28.89 | \$0.14 | \$3.55 | \$ 24.67 | \$ 235 | \$ 37,108 | \$ 189 | \$ 4,893 | \$ 42,435 | \$ 35,428 |
| 110000 Lumens | 18 | \$54.91 | \$11,861 | \$0.30 | \$48.01 | \$0.27 | \$6.33 | \$ 44.05 | \$ 65 | \$ 10,370 | \$ 58 | \$ 1,368 | \$ 11,861 | \$ 9,900 |
| Standard High Pressure Sodium Vapor Company Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 18 | \$19.55 | \$4,223 | \$0.10 | \$17.16 | \$0.04 | \$2.25 | \$ 15.74 | \$ 22 | \$ 3,706 | \$ 8 | \$ 487 | \$ 4,223 | \$ 3,538 |
| 9500 Lumens | 11 | \$20.67 | \$2,728 | \$0.11 | \$18.14 | \$0.04 | \$2.38 | \$ 16.84 | \$ 15 | \$ 2,394 | \$ 5 | \$ 315 | \$ 2,728 | \$ 2,286 |
| 16000 Lumens | 9 | \$22.59 | \$2,440 | \$0.12 | \$19.82 | \$0.05 | \$2.60 | \$ 18.18 | \$ 13 | \$ 2,140 | \$ 5 | \$ 281 | \$ 2,440 | \$ 2,043 |
| 25000 Lumens | 72 | \$26.54 | \$22,931 | \$0.14 | \$23.27 | \$0.07 | \$3.08 | \$ 21.35 | \$ 121 | \$ 20,104 | \$ 82 | \$ 2,844 | \$ 22,931 | \$ 19,193 |
| 50000 Lumens | 203 | \$32.20 | \$78,439 | \$0.17 | \$28.22 | \$0.10 | \$3.71 | \$ 25.89 | \$ 414 | \$ 68,739 | \$ 241 | \$ 9,045 | \$ 78,439 | \$ 65,626 |
| Customer Pole | | | | | | | | | | | | | | |
| 5800 Lumens | 2 | \$18.16 | \$438 | \$0.10 | \$15.88 | \$0.09 | \$2.09 | \$ 14.57 | \$ 2 | \$ 381 | \$ 2 | \$ 50 | \$ 438 | \$ 364 |
| 9500 Lumens | 7 | \$19.28 | \$1,620 | \$0.11 | \$16.86 | \$0.09 | \$2.22 | \$ 15.47 | \$ 9 | \$ 1,418 | \$ 7 | \$ 187 | \$ 1,620 | \$ 1,352 |
| 16000 Lumens | 2 | \$21.20 | \$509 | \$0.12 | \$18.54 | \$0.10 | \$2.44 | \$ 17.01 | \$ 3 | \$ 445 | \$ 2 | \$ 59 | \$ 509 | \$ 425 |
| 25000 Lumens | 23 | \$25.14 | \$6,939 | \$0.14 | \$21.98 | \$0.12 | \$2.90 | \$ 20.16 | \$ 39 | \$ 6,068 | \$ 33 | \$ 800 | \$ 6,939 | \$ 5,792 |
| 50000 Lumens | 34 | \$30.80 | \$12,568 | \$0.17 | \$26.93 | \$0.15 | \$3.55 | \$ 24.71 | \$ 89 | \$ 10,987 | \$ 61 | \$ 1,449 | \$ 12,568 | \$ 10,490 |
| | 6,202 | | \$1,880,656 | | | | | | \$ 8,772 | \$1,629,820 | \$ 6,503 | \$214,560 | \$1,860,656 | \$ 1,558,004 |
| | | | | | | | | | \$10,169 | \$1,698,064 | \$ 6,788 | \$223,781 | \$1,936,262 | \$ 1,619,248 |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Rate SL-P**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for New Distribution Distribution | New Distribution Revenue @ 0.95463 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|--|--|
| (27) Facilities Charge | | | | | | |
| (28) City Control | 93,161 | \$ 8.64 | \$ 9,658,903 | \$ 10,051,490 | \$ 8.25 | \$ 9,595,453 |
| (29) Company Control - Aerial | - | \$ 9.24 | \$ - | \$ - | | |
| (30) Company Control - Underground | - | \$ 12.89 | \$ - | \$ - | | |
| (31) | | | \$ 9,658,903 | \$ 10,051,490 | | |
| (32) Transmission Charge | | | | | | |
| (33) Capacity Charge | 179,516,200 W | \$ 0.0002 | \$ 43,146 | \$ 44,900 | | |
| (34) Energy Charge | 88,803,000 kWh | \$ 0.0012 | \$ 110,409 | \$ 114,897 | | |
| (35) | | | \$ 153,555 | \$ 159,796 | | |
| (36) Variable Distribution Chg. | | | | | | |
| (37) Capacity Charge | 179,516,200 W | \$ 0.0015 | \$ 271,090 | \$ 282,109 | \$ 0.0014 | \$ 269,309 |
| (38) Energy Charge | 88,803,000 kWh | \$ 0.0078 | \$ 693,714 | \$ 721,910 | \$ 0.0075 | \$ 689,157 |
| (39) | | | \$ 964,804 | \$ 1,004,018 | | \$ 958,466 |
| (40) CTC Charge | | | | | | |
| (41) Capacity Charge | 179,516,200 W | \$ 0.0008 | \$ 130,852 | \$ 136,170 | | |
| (42) Energy Charge | 88,803,000 kWh | \$ 0.0051 | \$ 444,019 | \$ 462,067 | | |
| (43) | | | \$ 574,871 | \$ 598,237 | | |
| (44) | | | | | | |
| (45) Outtage Allowance | | | \$ (8,616) | \$ (8,966) | | |
| (46) | | | | | | |
| (47) Electric Generation Charge | | | | | | |
| (48) Capacity Charge | 179,516,200 W | \$ 0.0012 | \$ 219,122 | \$ 228,029 | | |
| (49) Energy Charge | 88,803,000 kWh | \$ 0.0243 | \$ 2,161,893 | \$ 2,249,763 | | |
| (50) | | | \$ 2,381,015 | \$ 2,477,792 | | |
| (51) | | | | | | |
| (52) Total Revenue | | | \$ 13,724,532 | \$ 14,282,368 | | |

Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate SL-S

| Quantity | Annual Bundled Charge | Annual Bundled Revenue | Annual Unbundled Charges | | | | | Annual Unbundled Revenue | | | | | New Distribution Revenue @ 0.95463 | | | | | | | | | |
|----------------------|-----------------------|------------------------|--------------------------|-----------|--------|------------|------------------------------|--------------------------|----------|-----|------------|---------------|------------------------------------|--------------------|-----------|----------------|-----------|----------------|-----------|--------------------|-----------|------------------|
| | | | Trans. | Dist. | CTC | Elec. Gen. | New Pricing For Distribution | Trans. | Dist. | CTC | Elec. Gen. | Total | | | | | | | | | | |
| Incandescent | | | | | | | | | | | | | | | | | | | | | | |
| 320 Lumens | 164 | \$99.26 | \$ | 16,279 | \$1.57 | \$74.27 | \$6.93 | \$16.49 | \$68.13 | \$ | 257 | \$ | 12,180 | \$ | 1,137 | \$ | 2,704 | \$ | 16,279 | \$ | 11,628 | |
| 600 Lumens | 21 | \$138.30 | \$ | 2,904 | \$2.18 | \$103.49 | \$9.66 | \$22.97 | \$94.94 | \$ | 46 | \$ | 2,173 | \$ | 203 | \$ | 482 | \$ | 2,904 | \$ | 2,075 | |
| 1000 Lumens | 1,532 | \$194.00 | \$ | 297,208 | \$3.06 | \$145.16 | \$13.56 | \$32.22 | \$133.16 | \$ | 4,688 | \$ | 222,385 | \$ | 20,768 | \$ | 49,367 | \$ | 297,208 | \$ | 212,295 | |
| 2500 Lumens | 342 | \$266.96 | \$ | 91,300 | \$4.22 | \$199.76 | \$18.64 | \$44.34 | \$183.25 | \$ | 1,443 | \$ | 68,318 | \$ | 6,374 | \$ | 15,165 | \$ | 91,300 | \$ | 65,218 | |
| 6000 Lumens | 39 | \$304.58 | \$ | 11,879 | \$4.81 | \$227.91 | \$21.27 | \$50.59 | \$209.07 | \$ | 188 | \$ | 8,888 | \$ | 829 | \$ | 1,973 | \$ | 11,879 | \$ | 8,485 | |
| 10000 Lumens | - | \$364.64 | \$ | - | \$5.76 | \$272.85 | \$25.46 | \$60.57 | \$260.47 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | |
| Mercury Vapor | | | | | | | | | | | | | | | | | | | | | | |
| 4000 Lumens | 8,493 | \$228.29 | \$ | 1,938,867 | \$3.60 | \$170.82 | \$15.95 | \$37.92 | \$156.70 | \$ | 30,575 | \$ | 1,450,774 | \$ | 135,470 | \$ | 322,048 | \$ | 1,938,867 | \$ | 1,384,952 | |
| 8000 Lumens | 4,692 | \$241.10 | \$ | 1,131,241 | \$3.81 | \$180.41 | \$16.83 | \$40.05 | \$165.50 | \$ | 17,877 | \$ | 846,484 | \$ | 78,980 | \$ | 187,901 | \$ | 1,131,241 | \$ | 808,079 | |
| 12000 Lumens | 1,330 | \$257.08 | \$ | 341,916 | \$4.06 | \$192.36 | \$17.96 | \$42.70 | \$176.46 | \$ | 5,400 | \$ | 255,839 | \$ | 23,885 | \$ | 56,793 | \$ | 341,916 | \$ | 244,231 | |
| 20000 Lumens | 2,086 | \$301.99 | \$ | 629,951 | \$4.77 | \$225.97 | \$21.09 | \$50.16 | \$207.29 | \$ | 9,950 | \$ | 471,373 | \$ | 43,992 | \$ | 104,636 | \$ | 629,951 | \$ | 449,987 | |
| 42000 Lumens | 130 | \$430.18 | \$ | 55,923 | \$6.79 | \$321.89 | \$30.05 | \$71.45 | \$295.28 | \$ | 883 | \$ | 41,846 | \$ | 3,906 | \$ | 9,289 | \$ | 55,923 | \$ | 39,947 | |
| 59000 Lumens | 135 | \$484.90 | \$ | 65,462 | \$7.66 | \$362.83 | \$33.87 | \$80.54 | \$332.84 | \$ | 1,034 | \$ | 48,982 | \$ | 4,572 | \$ | 10,873 | \$ | 65,462 | \$ | 46,760 | |
| Sodium Vapor | | | | | | | | | | | | | | | | | | | | | | |
| 5800 Lumens | 444 | \$226.58 | \$ | 100,602 | \$3.58 | \$169.54 | \$15.82 | \$37.64 | \$155.53 | \$ | 1,590 | \$ | 75,276 | \$ | 7,026 | \$ | 16,710 | \$ | 100,602 | \$ | 71,860 | |
| 9500 Lumens | 563 | \$246.35 | \$ | 138,695 | \$3.89 | \$184.34 | \$17.20 | \$40.92 | \$169.10 | \$ | 2,190 | \$ | 103,783 | \$ | 9,684 | \$ | 23,037 | \$ | 138,695 | \$ | 99,075 | |
| 16000 Lumens | 153 | \$276.69 | \$ | 42,334 | \$4.37 | \$207.04 | \$19.32 | \$45.96 | \$189.93 | \$ | 669 | \$ | 31,677 | \$ | 2,956 | \$ | 7,032 | \$ | 42,334 | \$ | 30,240 | |
| 25000 Lumens | 647 | \$314.35 | \$ | 203,384 | \$4.96 | \$235.22 | \$21.96 | \$52.21 | \$215.78 | \$ | 3,209 | \$ | 152,187 | \$ | 14,206 | \$ | 33,782 | \$ | 203,384 | \$ | 145,283 | |
| 50000 Lumens | 163 | \$374.54 | \$ | 61,050 | \$5.91 | \$280.26 | \$26.16 | \$62.21 | \$267.54 | \$ | 963 | \$ | 45,682 | \$ | 4,264 | \$ | 10,140 | \$ | 61,050 | \$ | 43,610 | |
| Total | | \$5,128,995 | | | | | | | | | \$ | 80,961 | \$ | \$3,837,849 | \$ | 358,252 | \$ | 851,933 | \$ | \$5,128,995 | \$ | 3,663,725 |
| | | | | | | | | | | | \$ | 84,251 | \$ | \$3,993,839 | \$ | 372,814 | \$ | 886,560 | \$ | \$5,337,464 | \$ | 3,812,638 |

Joint Petition for approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973956
Proof of Revenue - 12 Months Ending 12/31/04
Rate SLE

Electric PA PUC No. 3 - Supplement 10

| | <u>Billing Determinants</u> | <u>Pricing</u> | <u>Revenue</u> | <u>Growth Ratio</u> | <u>New Pricing for</u> | <u>New Distribution</u> |
|---------------------------------------|-----------------------------|----------------|----------------|---------------------|------------------------|-------------------------|
| | (4) | (5)=(6)/(4) | (6) | (7)=(6)x1.041 | Distribution | Revenue @ 0.95463 |
| (23) Service Location Charge - Trans. | 831,508 Locations | \$ - | \$ - | \$ - | | |
| (24) Service Location Charge - Dist | 831,508 Locations | \$ 7.00 | \$ 5,820,557 | \$ 6,057,134 | \$ 6.68 | \$ 5,782,321 |
| (25) Service Location Charge - CTC | 831,508 Locations | \$ - | \$ - | \$ - | | |
| (26) | | | \$ 5,820,557 | \$ 6,057,134 | | |
| (27) Transmission Charge | | | | | | |
| (28) Capacity Charge | 136,607,992 Watt | \$ 0.00055 | \$ 75,496 | \$ 78,565 | | |
| (29) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (30) | | | \$ 75,496 | \$ 78,565 | | |
| (31) Variable Distribution Charge | | | | | | |
| (32) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (33) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (34) | | | \$ - | \$ - | | |
| (35) Competitive Transition Charge | | | | | | |
| (36) Capacity Charge | 136,607,992 Watt | \$ 0.00056 | \$ 77,097 | \$ 80,231 | | |
| (37) Energy Charge | 47,017,000 kWh | \$ 0.00357 | \$ 167,656 | \$ 174,470 | | |
| (38) | | | \$ 244,753 | \$ 254,701 | | |
| (39) Electric Generation Charge | | | | | | |
| (40) Capacity Charge | 136,607,992 Watt | \$ 0.00295 | \$ 402,521 | \$ 418,882 | | |
| (41) Energy Charge | 47,017,000 kWh | \$ 0.03248 | \$ 1,527,159 | \$ 1,589,230 | | |
| (42) | | | \$ 1,929,680 | \$ 2,008,112 | | |
| (43) | | | | | | |
| (44) Total Revenue | | | \$ 8,070,485 | \$ 8,143,810 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Rate TL**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.95463 |
|--|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (12) Transmission Charge (13) | 39,681,000 kWh | \$ 0.0058 | \$ 230,171 | \$ 239,527 | | |
| (14) Variable Distribution Charge (15) | 39,681,000 kWh | \$ 0.0211 | \$ 837,165 | \$ 871,191 | \$ 0.0201 | \$ 831,665 |
| (16) Competitive Transition Charge (17) | 39,681,000 kWh | \$ 0.0318 | \$ 1,261,650 | \$ 1,312,930 | | |
| (18) Unaccounted for (19) | | | \$ 5,398 | \$ 5,617 | | |
| (20) Market Generation (21) | 39,681,000 kWh | \$ 0.0554 | \$ 2,198,616 | \$ 2,287,979 | | |
| (22) Total Revenue | | | \$ 4,533,000 | \$ 4,717,244 | | |

PECO ENERGY COMPANY
Compliance to 2/5/98 Order at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Rate EP

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.95072 |
|------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (21) Fixed Distribution Charge | 465 Deliv. points | \$ 1,243.85 | \$ 578,926 | \$ 602,457 | | |
| (22) | | | | | | |
| (23) Transmission Charge | | | | | | |
| (24) Capacity Charge | 1,770,350 kW | \$ 1.03 | \$ 1,821,164 | \$ 1,895,186 | | |
| (25) Energy Charge | 638,800,000 kWh | \$ 0.0008 | \$ 496,005 | \$ 516,165 | | |
| (26) | | | \$ 2,317,169 | \$ 2,411,351 | | |
| (27) Variable Distribution Charge | | | | | | |
| (28) Capacity Charge | 1,770,350 kW | \$ 2.98 | \$ 5,283,838 | \$ 5,498,600 | \$ 2.84 | \$ 5,227,646 |
| (29) Energy Charge | 638,800,000 kWh | \$ 0.0023 | \$ 1,439,085 | \$ 1,497,576 | \$ 0.0021 | \$ 1,423,780 |
| (30) | | | \$ 6,722,923 | \$ 6,996,177 | | \$ 6,651,426 |
| (31) Competitive Transition Charge | | | | | | |
| (32) Capacity Charge | 1,770,350 kW | \$ 5.32 | \$ 9,418,702 | \$ 9,801,526 | | |
| (33) Energy Charge | 638,800,000 kWh | \$ 0.0049 | \$ 3,185,334 | \$ 3,314,803 | | |
| (34) | | | \$ 12,604,036 | \$ 13,116,329 | | |
| (35) Electric Generation Charge | | | | | | |
| (36) Capacity Charge | 1,770,350 kW | \$ 7.13 | \$ 12,616,250 | \$ 13,129,039 | | |
| (37) Energy Charge | 638,800,000 kWh | \$ 0.0194 | \$ 12,382,696 | \$ 12,885,993 | | |
| (38) | | | \$ 24,998,946 | \$ 26,015,032 | | |
| (39) | | | | | | |
| (40) Total Revenue | | | \$ 47,222,000 | \$ 49,141,345 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Rate AL**

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.95463 |
|-----------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (10) Transmission Charge | 31,472 kWh | \$ 0.0007 | \$ 22 | \$ 23 | | |
| (11) | | | | | | |
| (12) Variable Distribution Charge | 31,472 kWh | \$ 0.1112 | \$ 3,499 | \$ 3,641 | \$ 0.1061 | \$ 3,476 |
| (13) | | | | | | |
| (14) CTC Charge | 31,472 kWh | \$ 0.0005 | \$ 18 | \$ 19 | | |
| (15) | | | | | | |
| (16) Market Generation | 31,472 kWh | \$ 0.0147 | \$ 461 | \$ 480 | | |
| (17) | | | | | | |
| (18) Total Revenues | | | \$ 4,000 | \$ 4,163 | | |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Auxiliary Service Rider**

| | Bundled | Trans. | Dist. | CTC | Energy | New Dist Pricing | |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|---------------------|-----|
| FIRM BACK-UP POWER | | | | | | | |
| Demand Charge (\$/kW) | | | | | | | |
| All Customers | \$3.00 | \$ 0.15 | \$ 0.33 | \$ 0.85 | \$ 1.67 | \$ 0.31 | (a) |
| Energy Charge (\$/kWh) | | | | | | | |
| High Tension Voltage | \$ 0.0783 | \$ 0.0040 | \$ 0.0086 | \$ 0.0221 | \$ 0.0436 | \$ 0.0082 | (a) |
| Primary Voltage | \$ 0.0988 | \$ 0.0048 | \$ 0.0186 | \$ 0.0262 | \$ 0.0492 | \$ 0.0177 | (a) |
| Secondary Voltage | \$ 0.1245 | \$ 0.0063 | \$ 0.0230 | \$ 0.0346 | \$ 0.0606 | \$ 0.0217 | (b) |
| INTERRUPTIBLE BACK-UP POWER | | | | | | | |
| Energy Charge (\$/kWh) | | | | | | | |
| High Tension Voltage | \$ 0.0274 | \$ 0.0008 | \$ 0.0016 | \$ 0.0055 | \$ 0.0195 | \$ 0.0015 | (a) |
| Primary Voltage | \$ 0.0314 | \$ 0.0009 | \$ 0.0030 | \$ 0.0060 | \$ 0.0215 | \$ 0.0029 | (a) |
| Secondary Voltage | \$ 0.0637 | \$ 0.0030 | \$ 0.0084 | \$ 0.0166 | \$ 0.0357 | \$ 0.0079 | (b) |

(a) refer to Rate HT multiplier
 (b) refer to Rate GS multiplier

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Employment and Economic Recovery Rider**

| | Bundled (¢/kWh) | Tran (¢/kWh) | Dist (¢/kWh) | CTC (¢/kWh) | Energy (¢/kWh) | New Dist Pricing @ 0.95102 |
|-----------------------------|----------------------------|-------------------------|-------------------------|------------------------|---------------------------|---|
| Existing Location | | | | | | |
| Years | | | | | | |
| 1-5 | 0.050 | 0.003 | 0.006 | 0.013 | 0.028 | 0.0057 |
| 6 | 0.040 | 0.002 | 0.004 | 0.012 | 0.022 | 0.0038 |
| 7 | 0.030 | 0.002 | 0.003 | 0.008 | 0.017 | 0.0029 |
| 8 | 0.020 | 0.001 | 0.002 | 0.006 | 0.011 | 0.0019 |
| 9 | 0.010 | 0.001 | 0.001 | 0.002 | 0.006 | 0.0010 |
| New Service Location | | | | | | |
| Years | | | | | | |
| 1-5 | 1.000 | 0.051 | 0.110 | 0.282 | 0.557 | 0.1046 |
| 6 | 0.800 | 0.041 | 0.088 | 0.226 | 0.445 | 0.0837 |
| 7 | 0.600 | 0.030 | 0.066 | 0.170 | 0.334 | 0.0628 |
| 8 | 0.400 | 0.020 | 0.044 | 0.113 | 0.223 | 0.0418 |
| 9 | 0.200 | 0.010 | 0.022 | 0.057 | 0.111 | 0.0209 |
| Accelerated | | | | | | |
| Years | | | | | | |
| 1-4 | 1.35 | 0.069 | 0.149 | 0.380 | 0.752 | 0.1417 |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
 Proof of Revenue - 12 Months Ending 12/31/04
 Seasonal Capacity Charge Service Rider**

| | <u>Summer</u> | <u>New Dist Pricing</u> | <u>Winter</u> | <u>New Dist Pricing</u> |
|---------------|----------------|-------------------------|---------------|-------------------------|
| Transmission | \$1.49 | | \$0.37 | |
| Distribution | \$3.14 | \$ 2.99 | \$0.79 | \$ 0.75 |
| CTC | \$8.48 | | \$2.12 | |
| Market Energy | <u>\$10.96</u> | | <u>\$2.74</u> | |
| Bundled | \$24.07 | | \$6.02 | |

Cooling Thermal Storage HT Rider

| | | <u>New Dist Pricing</u> |
|---|----------|-------------------------|
| Billing and Metering Charge | \$ 11.21 | |
| Off Peak Charge per kW of off-peak billing demand per month | \$ 0.91 | \$ 0.87 |

**Joint Petition for Approval of Full Settlement of PECO Energy's Restructuring Case at Docket No. R-00973953
Proof of Revenue - 12 Months Ending 12/31/04
Suburban Street Lighting Rider**

Electric PA PUC No. 3

| | <u>Billing Determinants</u> (4) | <u>Pricing</u> (5)=(6)/(4) | <u>Revenue</u> (6) | <u>Growth Ratio</u> (7)=(6)x1.041 | New Pricing for Distribution | New Distribution Revenue @ 0.95463 |
|---------------------------------------|------------------------------------|-------------------------------|-----------------------|--------------------------------------|---------------------------------|--|
| (23) Service Location Charge - Trans. | 831,508 Locations | \$ 0.09 | \$ 75,496 | \$ 78,564 | | |
| (24) Service Location Charge - Dist | 831,508 Locations | \$ 9.53 | \$ 7,922,340 | \$ 8,244,345 | \$ 9.10 | \$ 7,870,298 |
| (25) Service Location Charge - CTC | 831,508 Locations | \$ 0.29 | \$ 244,753 | \$ 254,701 | | |
| (26) | | | \$ 8,242,589 | \$ 8,577,610 | | |
| (27) Transmission Charge | | | | | | |
| (28) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (29) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (30) | | | \$ - | \$ - | | |
| (31) Variable Distribution Charge | | | | | | |
| (32) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (33) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (34) | | | \$ - | \$ - | | |
| (35) Competitive Transition Charge | | | | | | |
| (36) Capacity Charge | 136,607,992 Watt | \$ - | \$ - | \$ - | | |
| (37) Energy Charge | 47,017,000 kWh | \$ - | \$ - | \$ - | | |
| (38) | | | \$ - | \$ - | | |
| (39) Electric Generation Charge | | | | | | |
| (40) Capacity Charge | 136,607,992 Watt | \$ 0.00295 | \$ 402,521 | \$ 418,881 | | |
| (41) Energy Charge | 47,017,000 kWh | \$ 0.01859 | \$ 873,890 | \$ 909,410 | | |
| (42) | | | \$ 1,276,411 | \$ 1,328,291 | | |
| (43) | | | | | | |
| (44) Total Revenue | | | \$ 9,519,000 | \$ 9,905,901 | | |

RATE R RESIDENCE SERVICE

AVAILABILITY.

Single-phase service in the entire territory of the Company to the dwelling and appurtenances of a single private family (or to a multiple dwelling unit building consisting of two to five dwelling units, whether occupied or not), for the domestic requirements of its members when such service is supplied through one meter. Service is also available for related farm purposes when such service is supplied through one meter in conjunction with the farmhouse domestic requirements.

Each dwelling unit connected after May 10, 1980 except those dwelling units under construction or under written contract for construction as of that date must be individually metered for their basic service supply. Centrally supplied master metered heating, cooling or water heating service may be provided if such supply will result in energy conservation.

The term "residence service" includes service to: (a) the separate dwelling unit in an apartment house or condominium, but not the halls, basement, or other portions of such building common to more than one such unit; (b) the premises occupied as the living quarters of five persons or less who unite to establish a common dwelling place for their own personal comfort and convenience on a cost-sharing basis; the premises owned by a church, and primarily designated or set aside for, and actually occupied and used as, the dwelling place of a priest, rabbi, pastor, rector, nun or other functioning Church Divine, and the resident associates; (d) private dwellings in which a portion of the space is used for the conduct of business by a person residing therein; (e) farm purpose uses by an individual employing the natural processes of growth for the production of grain, stock, dairy, poultry, garden truck, or other agricultural products.

The term does NOT include service to: (a) Premises institutional in character including Clubs, Fraternities, Orphanages or Homes; (b) premises defined as a rooming house or boarding house in the Municipal Code for Cities of the First Class enacted by Act of General Assembly; a premises containing a residence unit but primarily devoted to a professional or other office, studio, or other gainful pursuit; (d) farms operated principally to sell, prepare, or process products produced by others, or farms using air conditioning for climatic control in conjunction with growth processes (except those customers receiving such service as of August 2, 1969); (e) electric furnaces or welding apparatus other than a transformer type "limited input" arc welder with an input not to exceed 37-1/2 amperes at 240 volts.

CURRENT CHARACTERISTICS. Standard single-phase secondary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE. \$5.10

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

SUMMER MONTHS. (June through September)
4.32¢ per kWh for the first 500 kWh per dwelling unit
5.02¢ per kWh for additional kWh.
WINTER MONTHS. (October through May)
4.32¢ per kWh

COMPETITIVE TRANSITION CHARGE:

SUMMER MONTHS. (June through September)
2.84¢ per kWh for the first 500 kWh per dwelling unit
3.29¢ per kWh for additional kWh.
WINTER MONTHS. (October through May)
2.84¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

SUMMER MONTHS. (June through September)
5.09¢ per kWh for the first 500 kWh per dwelling unit
5.68¢ per kWh for additional kWh.
WINTER MONTHS. (October through May)
5.09¢ per kWh

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

PAYMENT TERMS. Standard.

RATE RT RESIDENCE TIME-OF-USE SERVICE

AVAILABILITY.

Single-phase service in the territory of the Company to the dwelling and appurtenances of a single private family for the domestic requirements of its members when such service is provided through one meter. Service is also available for related farm purposes when such service is provided through one meter in conjunction with the farmhouse domestic requirements.

The term "residence service" includes service to: (a) the separate dwelling unit in an apartment house or condominium, but not the halls, basement, or other portions of such building common to more than one such unit; (b) the premises occupied as the living quarters of five persons or less who unite to establish a common dwelling place for their own personal comfort and convenience on a cost-sharing basis; the premises owned by a church, and primarily designated or set aside for, and actually occupied and used as, the dwelling place of a priest, rabbi, pastor, rector, nun or other functioning Church Divine, and the resident associates; (d) private dwellings in which a portion of the space is used for the conduct of business by a person residing therein; (e) farm purpose uses by an individual employing the natural processes of growth for the production of grain, stock, dairy, poultry, garden truck, or other agricultural products.

The term does NOT include service to: (a) Premises institutional in character including Clubs, Fraternities, Orphanages or Homes; (b) premises defined as a rooming house or boarding house in the Municipal Code for Cities of the First Class enacted by Act of General Assembly; a premises containing a residence unit but primarily devoted to a professional or other office, studio, or other gainful pursuit; (d) farms operated principally to sell, prepare, or process products produced by others, or farms using air conditioning for climatic control in conjunction with growth processes (except those customers receiving such service as of August 2, 1969); (e) electric furnaces or welding apparatus other than a transformer type "limited input" arc welder with an input not to exceed 37-1/2 amperes at 240 volts.

CURRENT CHARACTERISTICS. Standard single-phase secondary service.

DEFINITION OF PEAK-HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as on-peak hours.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$10.19

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

SUMMER MONTHS (June through September)

1.73¢ per off-peak kWh

7.06¢ per on-peak kWh

WINTER MONTHS (October through May)

1.73¢ per off-peak kWh

6.47¢ per on-peak kWh

COMPETITIVE TRANSITION CHARGE:

SUMMER MONTHS. (June through September)

1.59¢ per off-peak kWh

6.11¢ per on-peak kWh.

WINTER MONTHS. (October through May)

1.59¢ per off-peak kWh

5.62¢ per on-peak kWh.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

SUMMER MONTHS. (June through September)

3.34¢ per off-peak kWh

9.12¢ per on-peak kWh

WINTER MONTHS. (October through May)

3.34¢ per off-peak kWh

8.48¢ per on-peak kWh

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, P... Energy will provide transmission service, and will ... se charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

CONTRACT TERM. Not less than twelve months.

PAYMENT TERMS. Standard.

RATE R-H RESIDENTIAL HEATING SERVICE

AVAILABILITY.

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

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

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

CURRENT CHARACTERISTICS. Standard single-phase secondary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$5.10

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

SUMMER MONTHS. (June through September)

4.13¢ per kWh for the first 500 kWh per dwelling unit

4.81¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

4.13¢ for the first 600 kWh per dwelling unit

1.72¢ per kWh for additional kWh.

COMPETITIVE TRANSITION CHARGE:

SUMMER MONTHS. (June through September)

2.84¢ per kWh for the first 500 kWh per dwelling unit

3.28¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

2.84¢ per kWh for the first 600 kWh per dwelling unit

1.24¢ per kWh for additional kWh.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

SUMMER MONTHS. (June through September)

5.31¢ per kWh for the first 500 kWh per dwelling unit

5.93¢ per kWh for additional kWh.

WINTER MONTHS. (October through May)

5.31¢ per kWh for the first 600 kWh per dwelling unit

3.09¢ per kWh for additional kWh.

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

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

PAYMENT TERMS. Standard.

CAP RATE

AVAILABILITY.

To payment-troubled customers who are currently served under or otherwise qualify for Rate R or Rate RH (does not include multiple dwelling unit buildings consisting of two to five dwelling units). Customers must apply for this rate and must demonstrate annual household gross income below 150% of the Federal Poverty guidelines.

Customers with annual household gross incomes below 100% of the Federal poverty income guidelines will be eligible for Customer Assistance Program (CAP) Rate I which provides a 51.9% discount on the pricing of the first 500 kWh of usage.

Customers with annual household gross incomes between 100% and 150% of the Federal poverty income guidelines will be eligible for Customer Assistance Program (CAP) Rate II which provides a 26% discount on the pricing of the first 500 kWh of usage.

Certification by various State agencies that a customer is receiving certain government assistance payments may be used where possible to expedite the eligibility process. These payments include (but are not limited to) AFDC, SSI, Food Stamps, PACE and Medicaid. Information available from the Pa. Department of Revenue may also be used where appropriate to expedite the process.

A process will be established to provide verification of eligibility for customers who do not fit the above processes. Asset testing will also be used where necessary and appropriate.

Customers being considered for the CAP Rates will be required to:

- * Waive certain privacy rights to enable PECO Energy to effectively conduct the above certification process.
- * Apply for and assign to PECO Energy at least one energy assistance grant from the Commonwealth.
- * Participate in various energy education and conservation programs facilitated by PECO Energy.

MONTHLY RATE TABLE.

| | RATE R | | RATE RH | | | |
|---|------------|------------|------------|------------|------------|------------|
| | CAP I | CAP II | CAP I | | CAP II | |
| | | | Summer | Winter | Summer | Winter |
| Fixed Distribution Service Charge | \$5.10 | \$5.10 | \$5.10 | \$5.10 | \$5.10 | \$5.10 |
| Variable Distribution Service Charge | | | | | | |
| for the first 500 kWh | 2.09 ¢/kWh | 3.21 ¢/kWh | 1.99 ¢/kWh | 1.99 ¢/kWh | 3.06 ¢/kWh | 3.06 ¢/kWh |
| for additional kWh | 4.32 ¢/kWh | 4.32 ¢/kWh | 4.13 ¢/kWh | 1.99 ¢/kWh | 4.13 ¢/kWh | 1.99 ¢/kWh |
| Competitive Transition Charge | | | | | | |
| for the first 500 kWh | 1.37 ¢/kWh | 2.11 ¢/kWh | 1.37 ¢/kWh | 1.37 ¢/kWh | 2.12 ¢/kWh | 2.92 ¢/kWh |
| for additional kWh | 2.84 ¢/kWh | 2.84 ¢/kWh | 2.84 ¢/kWh | 1.37 ¢/kWh | 2.84 ¢/kWh | 1.37 ¢/kWh |
| Energy and Capacity Charge | | | | | | |
| for the first 500 kWh | 2.46 ¢/kWh | 3.77 ¢/kWh | 2.57 ¢/kWh | 2.57 ¢/kWh | 3.93 ¢/kWh | 3.95 ¢/kWh |
| for additional kWh | 5.09 ¢/kWh | 5.09 ¢/kWh | 5.31 ¢/kWh | 2.57 ¢/kWh | 5.31 ¢/kWh | 2.57 ¢/kWh |

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for Rate R or RH as applicable in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for Rate R or RH as applicable in Appendix B to the Joint Petition for Full Settlement.

ENERGY AND CAPACITY CHARGE: The preceding Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001. Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

If the customer obtains Competitive Energy Supply, the customer will receive a credit, on the first 500 kWh of usage on their PECO Energy bill, as follows:

Customer Credit when obtaining Competitive Energy Supply:

| | RATE R | | RATE RH | | | |
|--|------------|------------|------------|------------|------------|------------|
| | CAP I | CAP II | CAP I | | CAP II | |
| | | | Summer | Winter | Summer | Winter |
| | 2.63 ¢/kWh | 1.32 ¢/kWh | 2.74 ¢/kWh | 2.74 ¢/kWh | 0.72 ¢/kWh | 0.72 ¢/kWh |

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

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE. Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

ARREARAGE.

Customers who qualify and are placed on the CAP Rate will have their pre-program arrearage forgiven if they remain current on their CAP bill for six to twelve months. The development of any new arrearage during this period will delay forgiveness. Customers that develop any new arrearage will be offered a payment agreement.

RATE OP OFF-PEAK SERVICE

AVAILABILITY.

In conjunction with Rates R, RT, R-H and with residence service under Rate GS, for any customer receiving service at 120/240 volts, 3 wires, or 120/208 volts, 3 wires, for the operation of 240-volt or 208-volt domestic equipment of a type approved by the Company. Any load connected for service under Rate OP may not be connected for service under any other rate during the period that service under Rate OP is interrupted. Service will be interrupted during on-peak periods as established by the Company. This rate is not available when the source of supply is service purchased from a neighboring company under a borderline-purchase agreement.

SPECIAL RULES AND REGULATIONS.

The normal control device furnished by the Company has a limited capacity. The customer shall notify the Company before connecting any load in addition to an existing water heater. If necessary, the Company will install a control device with a rating of 100 amperes to accommodate the additional 240-volt controlled load. For controlled loads larger than 100 amperes the control device shall be furnished, installed and maintained by the customer.

Service may be interrupted for a total of not more than 6-1/2 hours per day during scheduled periods which may vary from customer to customer.

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

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$4.58 per month

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE: 3.42¢ per kWh

COMPETITIVE TRANSITION CHARGE: 0.07¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges, which are not applicable to the customer if it obtains Competitive Energy Supply, will apply to the customer if the customer receives Default PLR Service until the first billing month of the year 2001.

1.71¢ per kWh

Starting with the first billing month of the year 2001, the Company will charge customers that receive Default PLR Service a price determined in accordance with Section L, paragraph 38(e) of the Joint Petition for Full Settlement.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE APPLY TO THIS RATE.

PAYMENT TERMS.

Standard.

RATE-GS GENERAL SERVICE

AVAILABILITY.

Service through a single metering installation for offices, professional, commercial or industrial establishments, governmental agencies, and other applications outside the scope of the Residence Service rate schedules.

CURRENT CHARACTERISTICS.

Standard single-phase or polyphase secondary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE:

- \$ 6.63 for single-phase service without demand measurement, or
- \$ 8.67 for single-phase service with demand measurement, or
- \$23.45 for polyphase service.

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

- 3.37¢ per kWh for the first 80 hours' use of billing demand
- * 1.59¢ per kWh for the next 80 hours' use of the billing demand
- 1.00¢ per kWh for additional use; except
- 0.44¢ per kWh over both 400 hours' use of billing demand and 2,000 kWh

COMPETITIVE TRANSITION CHARGE:

- 6.84¢ per kWh for the first 80 hours' use of billing demand
- * 3.27¢ per kWh for the next 80 hours' use of billing demand
- 2.10¢ per kWh for additional use; except
- 0.98¢ per kWh over both 400 hours' use of billing demand and 2,000 kWh.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

- 10.45¢ per kWh for the first 80 hours' use of billing demand
- * 5.69¢ per kWh for the next 80 hours' use of billing demand
- 4.13¢ per kWh for additional use; except
- 2.64¢ per kWh over both 400 hours' use of billing demand and 2,000 kWh.
- * During October through May this block is eliminated.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF DEMAND.

The billing demand will be measured where consumption exceeds 1,100 kilowatt-hours per month for three consecutive months; or where load tests indicate a demand of five or more kilowatts; or where the customer requests demand measurement. Measured demands will be determined to the nearest 0.1 of a kilowatt but will not be less than 1.2 kilowatts, and will be adjusted for power factor in accordance with the Rules and Regulations.

For those customers with demand measurement, during October through May the billing demand will not be less than 40% of the highest billing demand in the preceding months of June through September, nor less than the minimum value stated in the contract for service. If a measured demand customer has less than 1,100 monthly kilowatt-hours of use, the monthly billing demand will be the measured demand or the metered monthly kilowatt-hours divided by 175 hours, whichever is less, but not less than 40% of the highest billing demand in the preceding months of June through September, nor less than 1.2 kilowatts.

For those customers without demand measurement, the monthly billing demand will be computed by dividing the metered monthly kilowatt-hours by 175 hours. The computed demand will be determined to the nearest 0.1 of a kilowatt, but will not be less than 1.2 kilowatts.

MINIMUM CHARGE.

The monthly minimum charge for customers without demand measurement will be the Fixed Distribution Service Charge. The monthly minimum charge for customers with demand measurement will be the Fixed Distribution Service Charge, plus a charge of \$6.12 per kW of billing demand, as follows: Variable Distribution - \$0.87 per kW; Competitive Transition Charge - \$1.85 per kW; Energy and Capacity - \$3.07 per kW (Energy and Capacity Charge applicable only if Customer receives Default PLR Service).

HEATING MODIFICATION.

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

METERING.

A. Single Meter.

Applicable where an area is heated solely by permanently connected electric space heating installations (1) acceptable to the Company, (2) sensitive to outdoor temperature and (3) not less than 5 kilowatts. Qualifying electric heating systems are (1) electric resistance coils, (2) electric resistance baseboards, (3) electric boilers and (4) heat pumps with electric back-up.

During October through May the monthly maximum measured demand shall be reduced by one-half of the difference between the peak winter measured demand and the base load demand over the two most recent winter seasons preceding the start of the current winter season (October 1st). The demand reduction will be subject to annual review and any revisions will be based on the two most recent winter seasons. The base load demand will be defined as the lowest measured demand during the period from October to May. For time-of-use metered customers, the demand reduction will be based upon the difference between the peak winter and base load demands regardless of whether they occur on or off peak. During this period, the billing demand shall never be less than 15 kilowatts; except for those customers in service as of February 18, 1971, the billing demand during October through May shall not be less than one-half of the monthly measured demand.

A customer whose demand reduction was calculated under the methods in effect on October 17, 1996, will continue to receive the same reduction until the date of full Direct Access unless the current method (described in the preceding paragraph) yields a smaller billed demand for the customer.

A customer who adds new electrical connected heating load will receive the same proportion of forgiven demand to total demand that they currently receive.

This demand modification will only be applicable within 30 days of the date that the customer requests billing under this provision. It shall be the responsibility of the customer to notify the Company of any subsequent changes to its heating equipment or requirements.

B. Separate Meters.

At the option of the customer, electricity supplying permanently connected space heating installations or heating equipment sensitive to outdoor temperature with a total capacity of not less than 5 kilowatts, which are acceptable to the Company, will be measured apart from the customer's other requirements for electric service at the premises. Air conditioning equipment of rated electrical capacity up to twice that of the heating equipment also may be supplied through this separate heating circuit.

During October through May the usage of this separate circuit shall be billed at the charges listed below in lieu of the pricing of the basic Monthly Rate Table.

VARIABLE DISTRIBUTION SERVICE CHARGE: 0.79¢ per kWh

COMPETITIVE TRANSITION CHARGE: 1.66¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply:

3.57¢ per kWh

During June through September the combined usage shall be billed under the price provisions of the basic Monthly Rate Table.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

OFF-PEAK THERMAL STORAGE PROVISION.

Off-peak energy may be provided exclusively for qualifying Thermal Storage applications only in conjunction with this rate schedule when the load supplied is separately metered. This service will be billed separately at the rate of \$11.21 per month, plus the charges listed below.

OFF-PEAK USAGE DURING THE WINTER AND SUMMER MONTHS:

VARIABLE DISTRIBUTION SERVICE CHARGE: 1.33¢ per kWh

COMPETITIVE TRANSITION CHARGE: 0.85¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply:

1.73¢ per kWh

ON-PEAK USAGE DURING WINTER MONTHS:

VARIABLE DISTRIBUTION SERVICE CHARGE: 2.04¢ per kWh

COMPETITIVE TRANSITION CHARGE: 1.30¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

2.65¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

During the summer months, any on-peak demand and energy will contribute to the pricing of the basic Monthly Rate Table. To qualify for this provision, the customer must submit an engineering study performed by a professional engineer registered in the Commonwealth of Pennsylvania to the Company for technical review and approval. On-peak hours are defined as the hours between 8:00 a.m. and 8:00 p.m., Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 p.m. on Fridays. Off-peak hours are defined as

the hours other than those specified as on-peak hours. For Cooling Thermal Storage applications, during the months of June through September, on-peak hours will commence at 10:00 a.m. instead of 8:00 a.m.

SPECIAL PROVISION.

In accordance with Section 1511, Title 66 Public Utilities, a volunteer fire company or a non-profit senior citizen center may, upon application, elect to have its electric service billed at the pricing of Rate R Residential Service, Rate RT Residential Time of Use, Rate R-H Residential Heating Service, or Rate OP Off-Peak Service as appropriate for the application. The execution of a contract for a minimum term of one year will be required.

For the purposes of this provision, the following words and terms shall have the following meanings, unless the context clearly indicates otherwise:

VOLUNTEER FIRE COMPANY - a separately metered service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this location shall be to support the activities of the volunteer fire company. Any fund raising activities at this service location must be used solely to support volunteer fire fighting operations.

The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of fire fighting services.

NON-PROFIT SENIOR CITIZEN CENTER - a separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.

The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Pennsylvania Department of Aging as an operator of a senior citizen center.

PAYMENT TERMS.

Standard.

TERM OF CONTRACT.

The initial contract term shall be for at least one year.

PAYMENT TERMS.

Standard.

RATE-PD PRIMARY-DISTRIBUTION POWER

AVAILABILITY.

Untransformed service from the primary supply lines of the Company's distribution system where the customer installs, owns, and maintains any transforming, switching and other receiving equipment required. However, standard primary service is not available in areas where the distribution voltage has been changed to either 13 kV or 33 kV unless the customer was served with standard primary service before the conversion of the area to either 13 kV or 33 kV. This rate is available only for service locations served on this rate on July 6, 1987 as long as the original primary service has not been removed. PECO Energy may refuse to increase the load supplied to a customer served under this rate when, in PECO Energy's sole judgment, any transmission or distribution capacity limitations exist. If a customer changes the billing rate of a location being served on this rate, PECO Energy may refuse to change that location back to Rate PD when, in PECO Energy's sole judgment, any transmission or distribution capacity limitations exist.

CURRENT CHARACTERISTICS.

Standard primary service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$275.28

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

\$1.69 per kW of billing demand
1.49¢ per kWh of the first 150 hours' use of billing demand
0.88¢ per kWh of the first next 150 hours' use of billing demand
0.28¢ per kWh for additional use.

COMPETITIVE TRANSITION CHARGE:

\$2.94 per kW of billing demand
2.70¢ per kWh of the first 150 hours' use of billing demand
1.64¢ per kWh for the next 150 hours' use of billing demand
0.60¢ per kWh for additional use.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

\$3.96 per kW of billing demand
4.99¢ per kWh of the first 150 hours' use of billing demand
3.56¢ per kWh for the next 150 hours' use of billing demand
2.15¢ per kWh for additional use.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF BILLING DEMAND.

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 25 kilowatts. Additionally, during the eight months of October through May the billing demand will not be less than 40% of the maximum demand specified in the contract nor less than 80% of the highest billing demand in the preceding months of June through September.

MINIMUM CHARGE.

The monthly minimum charge shall be the Fixed Distribution Service Charge, plus the charge per kW component of the Variable Distribution Service Charge, the CTC, and the Energy and Capacity Charge.

TERM OF CONTRACT.

The initial contract term shall be for at least three years.

PAYMENT TERMS.

Standard.

RATE-HT HIGH-TENSION POWER

AVAILABILITY.

Untransformed service from the Company's standard high-tension lines, where the customer installs, owns, and maintains, any transforming, switching and other receiving equipment required.

CURRENT CHARACTERISTICS.

Standard high-tension service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$286.86

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

- \$1.57 per kW of billing demand
- 0.84¢ per kWh of the first 150 hours' use of billing demand
- 0.50¢ per kWh of the first 150 hours' use of billing demand, but not more than 7,500,000 kwh
- 0.16¢ per kWh for additional use.

COMPETITIVE TRANSITION CHARGE:

- \$4.50 per kW of billing demand
- 2.51¢ per kWh for the first 150 hours' use of billing demand
- 1.52¢ per kWh for the next 150 hours' use of billing demand, but not more than 7,500,000 kwh
- 0.55¢ per kWh for additional use.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

- \$5.81 per kW of billing demand
- 4.48¢ per kWh for the first 150 hours' use of billing demand
- 3.21¢ per kWh for the next 150 hours' use of billing demand, but not more than 7,500,000 kwh
- 1.95¢ per kWh for additional use.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

TIME-OF-USE ADJUSTMENT:

Customers with measured demand of 2,000 kW or greater will be given a credit for energy use during off-peak hours and will be subject to an additional charge for energy use during on-peak hours. On-peak hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 pm on Fridays. Off-peak hours are defined as the hours other than those specified as on-peak hours. The credits and charges are as follows:

| | Summer Months (June through September) | Winter Months (October through May) |
|----------------------|---|--|
| Off-peak credit..... | 0.21¢ per kWh | 0.21¢ per kWh |
| On-peak charge..... | 0.57¢ per kWh | 0.22¢ per kWh |

HIGH VOLTAGE DISCOUNT:

- For customers supplied at 33,000 volts: 7¢ per kW of measured demand.
- For customers supplied at 69,000 volts: 29¢ per kW for first 10,000 kW of measured demand.
- For customers supplied over 69,000 volts: 29¢ per kW for first 100,000 kW of measured demand.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF BILLING DEMAND.

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 25 kilowatts. Additionally, during the eight months of October

through May the billing demand will not be less than 40% of the maximum demand specified in the contract nor less than 80% of the highest billing demand in the preceding months of June through September.

DELIVERY POINTS.

Where the load of a customer located on single or contiguous premises becomes greater than the capacity of the standard circuit or circuits established by the Company to supply the customer, an additional separate delivery point may be established for such premises upon the written request of the customer with billing continued as if the service were being delivered and metered at a single point, provided such multi-point delivery is not disadvantageous to the Company.

MINIMUM CHARGE.

The monthly minimum charge shall be the Fixed Distribution Service Charge, plus the charge per kW component of the Variable Distribution Service Charge, the CTC, and the Energy and Capacity Charge, less the high voltage discount where applicable.

TERM OF CONTRACT.

The initial contract term shall be for at least three years.

PAYMENT TERMS.

Standard.

RATE POL PRIVATE OUTDOOR LIGHTING

AVAILABILITY.

Outdoor lighting of sidewalks, driveways, yards, lots and similar places, outside the scope of service under Rate SL-P, SL-S and SL-E.

MONTHLY RATE TABLE.

PRICE PER LIGHTING UNIT

MERCURY-VAPOR LAMPS

| | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|--|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 100 Watts(nominally 4,000 Lumens) | \$0.01 | \$0.06 | \$1.47 | \$1.32 | \$10.26 | \$ 9.18 |
| 175 Watts(nominally 8,000 Lumens) | \$0.04 | \$0.08 | \$1.99 | \$1.85 | \$13.90 | \$12.87 |
| 250 Watts(nominally 12,000 Lumens) | \$0.06 | \$0.10 | \$2.46 | \$2.33 | \$17.13 | \$16.21 |
| 400 Watts(nominally 20,000 Lumens) | \$0.08 | \$0.13 | \$3.17 | \$3.00 | \$22.11 | \$20.90 |
| 400 Watts Floodlight (nominally 22,000 Lumens) | \$0.08 | \$0.13 | \$3.43 | \$3.26 | \$23.90 | \$22.70 |

SODIUM-VAPOR LAMPS

| | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|--|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 70 Watts (nominally 5,800 Lumens) | \$0.03 | \$0.08 | \$2.01 | \$1.86 | \$14.00 | \$12.95 |
| 250 Watts (nominally 25,000 Lumens) | \$0.08 | \$0.13 | \$3.19 | \$3.03 | \$22.28 | \$21.07 |
| 400 Watts (nominally 50,000 Lumens) | \$0.09 | \$0.14 | \$3.51 | \$3.34 | \$24.45 | \$23.25 |
| 400 Watts Floodlight (nominally 50,000 Lumens) | \$0.10 | \$0.15 | \$3.76 | \$3.60 | \$26.24 | \$25.04 |

STANDARD METAL HALIDE LAMPS

| | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|---------------------------------------|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 400 Watts (nominally 36,000 Lumens) | \$0.09 | \$0.14 | \$3.71 | \$3.55 | \$25.84 | \$24.67 |
| 1000 Watts (nominally 110,000 Lumens) | \$0.22 | \$0.27 | \$6.49 | \$6.33 | \$45.22 | \$44.05 |

STANDARD HIGH PRESSURE SODIUM LAMPS

| | <u>CTC</u> | | <u>Energy & Capacity</u> | | <u>Distribution</u> | |
|-------------------------------------|----------------|------------------|------------------------------|------------------|---------------------|------------------|
| | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> | <u>Co.Pole</u> | <u>Cust.Pole</u> |
| 70 Watts (nominally 5,800 Lumens) | \$0.04 | \$0.09 | \$2.25 | \$2.09 | \$15.74 | \$14.57 |
| 100 Watts (nominally 9,500 Lumens) | \$0.04 | \$0.09 | \$2.38 | \$2.22 | \$16.64 | \$15.47 |
| 150 Watts (nominally 16,000 Lumens) | \$0.05 | \$0.10 | \$2.60 | \$2.44 | \$18.18 | \$17.01 |
| 250 Watts (nominally 25,000 Lumens) | \$0.07 | \$0.12 | \$3.06 | \$2.90 | \$21.35 | \$20.16 |
| 400 Watts (nominally 50,000 Lumens) | \$0.10 | \$0.15 | \$3.71 | \$3.55 | \$25.89 | \$24.71 |

The Energy and Capacity Charges set forth above will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

GENERAL PROVISIONS.

1. Standard Lighting Unit. A Standard Lighting Unit shall be a Cobra Head or Floodlight comprised of a bracket, the lead wires and a luminaire, including lamp, reactor and control.

2. Standard Installations. In connection with the standard service provided herein, the Company will install, own and maintain all facilities within highway limits, and all standard service-supply lines and all Lighting Units. The customer will install, own and maintain all poles on the customer's property and all service extensions on the customer's property from the Company's standard service-supply lines.

Investment by the Company under standard conditions of supply will be limited to that warranted by three times the prospective revenue recovered through the Company's tariffed Variable Distribution Service Charge. Any additional investment will be assumed by the customer.

Standard supply to lighting installations will be from aerial wires, except that, at the option of the Company, in areas where its other distribution facilities are underground, supply may be underground.

For underground supply furnished at the request of the customer where aerial supply would be normal, the Company will assume the cost up to the amount it would normally have invested and the additional cost shall be assumed by the customer.

3. Non-Standard installations. The Company may offer non-standard lighting units and installations in addition to those listed above in the Monthly Rate Table. For customers requesting such service, there will be an additional charge, as specified in the customer's contract based on the incremental cost over that listed in the Monthly Rate Table.

4. Location and Authorization. Lighting Units shall be installed at locations and upon structures approved by the Company and in positions permitting servicing from a ladder truck. Customer construction shall meet the Company's standards which are based upon the National Electrical Code.

The customer shall obtain and submit any permits or other authority requisite to the installation and operation of the Lighting Units served hereunder.

5. Service. Each lamp shall be individually controlled by a photoelectric cell which shall operate to energize the lamp during periods of darkness and to de-energize it during other periods. The service shall include the supply of lamps and their renewal when burned out. Renewal of lamps will be made only during regular daytime working hours after notification by the customer of the necessity therefor.

6. Outage Allowances. Written notice to the Company prior to 4:00 pm of the failure of any light to burn on the previous night shall entitle the customer to a pro rata reduction in the charges under this rate for the hours of failure if such failure continues for a period in excess of 24 hours after the notice is received. Allowances will not be made for outages resulting from riot, fire, storm, flood, interference by civil or military authorities, or any other cause beyond the Company's control.

7. Equipment Removal. If the customer requests that the Company remove or replace any existing street lighting installation, except incandescent lights, the Company will charge for removal or replacement of the street lighting installations and the associated poles and conductors used exclusively for the street lighting installation. The Company's charge will include the cost of removal or replacement plus the estimated remaining book value of the removed or replaced equipment less salvage.

8. Location, Authorization and Protection. The location of lamps to be supplied is to be approved by the properly designated authorized representative of the customer and the customer shall furnish any requisite authority for the erection and maintenance of poles, wires, luminaries and other equipment necessary to operate the lamps at the approved locations. The customer shall protect the Company from damage to the lighting system to the extent of their ability. At the expense of the customer, the Company will relocate a lamp to a new location after receiving a written request from the customer.

TERM OF CONTRACT.

The initial contract term for each Lighting Unit shall be for at least three years.

PAYMENT TERMS.

Standard

RATE SL-P STREET LIGHTING IN CITY OF PHILADELPHIA

AVAILABILITY.

For the safety and convenience of the public, only to a governmental agency, municipal, state or federal, for outdoor lighting of streets, highways, bridges, parks or similar places located within the City of Philadelphia, including directional highway signs at locations where other outdoor lighting service is provided hereunder, and by incandescent filament, mercury-vapor, fluorescent or sodium-vapor lamps of standard sizes and types approved by the Company, only if the customer installs, owns and maintains all Utilization Facilities as hereinafter defined. Service will be provided under this rate for street Lighting Units supported in a conventional manner such as on poles, posts, brackets or hangers, and under conditions of installation and supply acceptable to the Company.

CHARACTERISTICS OF SUPPLY.

Service under this rate will be from series 6.6 ampere circuits or from standard single-phase secondary circuits, as specified by the Company, except that, where conditions require, or where existing standard secondary circuits are not available, the Company at its option may supply service from nonstandard secondary circuits, providing nominally 240 volts.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE:

For Lighting Units in service as of the fifteenth day of the month.

\$ 8.25 per Lighting Unit supplied from standard secondary (aerial or underground) circuits where the customer owns the individual control for such Lighting Unit.

\$ 9.24 per Lighting Unit supplied from aerial (series or secondary) circuits where the Company provides group controls.

\$12.89 per Lighting Unit supplied from underground (series or secondary) circuits where the Company provides group controls.

VARIABLE DISTRIBUTION SERVICE CHARGE:

0.14¢ per watt.

0.75¢ per kWh of energy billed.

COMPETITIVE TRANSITION CHARGE:

0.08¢ per watt.

0.51¢ per kWh of energy billed.

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply:

0.12¢ per watt.

2.43¢ per kWh.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

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

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

LIGHTING UNIT.

A Lighting Unit shall comprise each lighting installation which is separately connected to a delivery point on the Company's series or secondary circuit.

DETERMINATION OF BILLING DEMAND.

The wattage, expressed to the nearest tenth of a watt, of a Lighting Unit shall be composed of manufacturer's rating of its lamps, ballasts, transformers, individual controls and other load components required for its operation. The aggregate of wattages of all Lighting Units in service as of the fifteenth day of a month shall constitute the billing demand for the month.

DETERMINATION OF ENERGY USED.

The energy use for a month of a Lighting Unit shall be computed to the nearest kilowatt-hour as the product of one-thousandth of its wattage and the effective hours of use of such wattage during the calendar month under the established operation schedules approved by the authorized representatives of the customer and the Company. The aggregate of the kilowatt-hours thus computed for all Lighting Units in service as of the fifteenth day of a month shall constitute the energy billed for the month.

TERMS AND CONDITIONS.

1. Ownership and Type of Control Facilities.

a. Lighting Units Supplied from Standard Secondary Circuits: customer shall provide, own and maintain for each of such Lighting Units, the individual control of a type approved by the Company except that, at the option of the customer, the Company will continue to provide group control facilities presently in service.

b. Lighting Units Supplied from Series and from Nonstandard Secondary Circuits: Company will provide, own and maintain group control facilities.

2. Ownership of Utilization Facilities.

a. Lighting Units Supplied from Aerial Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the brackets, hangers, luminaries, lamps, ballasts, transformers, individual controls (where used) and other components required for the operation of such Lighting Units, conductors, molding and supporting insulators between the meter receptacles and line wires of the Company's distribution facilities.

Company shall provide the supporting pole or post for such aerially supplied Lighting Unit and will issue authorization to permit the customer to install thereon the said Utilization Facilities.

b. Lighting Units Supplied from Underground Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the supporting pole or post, foundation with 90-degree pipe bend, brackets or hangers, luminaries, lamps, ballasts, transformers, individual controls (where used) and other components required for the operation of such Lighting Units, conductors and conduits from the lamp receptacles to sidewalk level, or in special cases, such as Federally and State financed limited access highways, to a delivery point designated by the Company on its secondary voltage circuit, and shall assume all costs of installing such Utilization Facilities.

Where vertical extensions are required on foreign-owned posts for the support of such underground supplied Lighting Units, the extension shall be provided and owned by the customer. Rentals incurred on such foreign-owned posts shall be the responsibility of the customer.

Except as provided in 5 hereof, the Company shall own conduit from the distribution circuit to the 90-degree pipe bend, shall own conductors from its distribution system to the designated delivery point or the sidewalk level as specified in 2b, and shall provide sufficient length of conductors for splicing at the designated delivery point or in the post base where sidewalk level access is provided. Where a splicing chamber is provided in the post base, the customer shall provide space for any relays or similar devices required for the operation on the street lighting circuit.

3. Standards of Construction for Utilization Facilities. Customer construction shall meet the Company's standards which are based upon the National Electrical Safety Code. Designs of proposed construction deviating from such standards shall be submitted to the Company for approval before proceeding with any work.

4. Power Factor. The Utilization Facilities provided by the customer shall be of such a nature as to maintain the power factor of each Lighting Unit at not less than 85%.

5. Supply Facilities. Lighting service shall be provided from distribution facilities and equipment, including group control facilities where required, installed at the cost and expense of the Company and owned and controlled by it, except that in locations (such as bridges, overpasses, underpasses and limited access highways) where Company ownership of conduit, manholes or vaults may not be practical for reasons beyond its control, the customer shall make available at no expense to the Company, space for the Company's distribution facilities required in rendering service under this rate.

6. Connection of Lighting Units. For new Lighting Units, relocated Lighting Units and for any modernization or maintenance work involving connections to the Company's distribution circuits. In accordance with the provisions of 2, the customer shall provide sufficient length of conductors to permit the Company to make taps at the top of the pole for aerial circuits, or for splices to underground circuits at the designated delivery point on the Company's secondary voltage circuit, or at the splicing chamber in the post base (where provided), or at the nearest available manhole, handhole or splice box (where such splicing chamber is not provided). In the latter case, the customer will bill the Company for the cost of the conductors from the sidewalk level to the manhole, handhole or splice box. All work done by the customer that may involve Company street lighting, control, and other distribution circuits shall be performed under Company permit and blocking procedures.

7. Location and Type of Installation. The prices of the rate apply to street lighting service under conditions named herein at locations designated by the properly authorized representatives of the customer.

8. Service. Lighting service will be operated on all-night, every-night lighting schedules, to be approved by the authorized representatives of the customer and the Company, under which lights normally are turned on after sunset and off before sunrise. Extended lighting service during all daylight hours will be provided for lamps specified by the customer.

9. Change in Size of Type of Lighting Units. Written notice of any planned change in size or type of any components of Lighting Units by locations shall be furnished by the customer to the Company or less than 10 days prior to the effective date of such change. The customer shall be responsible for notification to the Company of any changes made in manufacturer's wattage ratings of Lighting Units used.

10. Service Maintenance. Upon receipt of report of Lighting Unit or Units not burning, the Company will determine the cause of failure and will restore service on street lighting or distribution circuit and control equipment, disconnecting if necessary any faulty Lighting Units from the circuit. Customer will make necessary repairs between the lamp receptacle of the faulty Lighting Unit or Units and the point of connection to the Company's street lighting or distribution circuit. In the event the fault is located in the Company owned facilities, the customer will bill the Company for this portion of the replace facilities.

11. Authorization and Protection. The customer shall, to the extent of ability, furnish any requisite authority for the erection and maintenance of poles wires, fixtures and other equipment necessary to operate the lights at the locations and under the conditions designated, and shall protect the Company from malicious damage to the light system.

12. Additional Lighting. Lighting service for additional lamps installed by the customer will be provided by the Company upon written notice from the customer specifying the locations of the installations unless the proposed additional lighting makes the investment or cost of providing distribution equipment excessive. In which case a portion of the investment or cost shall be borne by the customer subject to agreement between the customer and the Company.

13. Relocation of Lighting Units. Where a pole is replaced by the Company at its own option, it shall be the customer's responsibility to have the Utilization Facilities transferred from the old to the new pole.

14. Outage Allowance. The Company will use reasonable diligence to provide a continuous, regular and uninterrupted supply of service and the customer will use reasonable diligence to protect the lighting system. In lieu of determination of the actual hours of Lighting Unit outages resulting from a failure of any light to burn for any reason, a deduction of 0.20% of the sum of the Company's monthly Fixed and Variable Distribution Service Charges, CTCs and Energy and Capacity Charges (unless the Customer is receiving Default PLR Service) will be made on the monthly bill. The Company shall not be liable for service interruptions as a result of the customer's failure to protect the lighting system, or as a result of riot, fire, storm, flood, interference by civil or military authorities or any other cause beyond its control.

TERM OF CONTRACT.

The initial contract term for each lighting unit shall be for at least one year.

PAYMENT TERMS.

Bills will be rendered monthly.

RATE SL-S STREET LIGHTING-SUBURBAN COUNTIES

AVAILABILITY.

Outdoor lighting of streets, highways, bridges, parks and similar places located in Suburban Counties.

ANNUAL RATE TABLE - MANUFACTURER'S RATING OF LAMP SIZES.

Incandescent Filament Lamps:

| <u>Size of Lamp</u> | <u>Billing Watts</u> | <u>Distribution</u> | <u>CTC</u> | <u>Energy & Capacity</u> |
|---------------------|----------------------|---------------------|------------|------------------------------|
| 320 Lumens | 32 | \$ 68.13 | \$6.93 | \$16.49 |
| 600 Lumens | 58 | \$ 94.94 | \$9.66 | \$22.97 |
| 1,000 Lumens | 103 | \$133.16 | \$13.56 | \$32.22 |
| 2,500 Lumens | 202 | \$183.25 | \$18.64 | \$44.34 |
| 6,000 Lumens | 448 | \$209.07 | \$21.27 | \$50.59 |
| 10,000 Lumens | 690 | \$260.47 | \$25.46 | \$60.57 |

Mercury Vapor Lamps

| <u>Size of Lamp</u> | <u>Billing Watts</u> | <u>Distribution</u> | <u>CTC</u> | <u>Energy & Capacity</u> |
|---------------------|----------------------|---------------------|------------|------------------------------|
| 4,000 Lumens | 115 | \$156.70 | \$15.95 | \$37.92 |
| 8,000 Lumens | 191 | \$165.50 | \$16.83 | \$40.05 |
| 12,000 Lumens | 275 | \$176.46 | \$17.96 | \$42.70 |
| 20,000 Lumens | 429 | \$207.29 | \$21.09 | \$50.16 |
| 42,000 Lumens | 768 | \$295.28 | \$30.05 | \$71.45 |
| 59,000 Lumens | 1,090 | \$332.84 | \$33.87 | \$80.54 |

Sodium-Vapor Lamps

| <u>Size of Lamp</u> | <u>Billing Watts</u> | <u>Distribution</u> | <u>CTC</u> | <u>Energy & Capacity</u> |
|---------------------|----------------------|---------------------|------------|------------------------------|
| 5,800 Lumens | 94 | \$155.53 | \$15.82 | \$37.64 |
| 9,500 Lumens | 131 | \$169.10 | \$17.20 | \$40.92 |
| 16,000 Lumens | 192 | \$189.93 | \$19.32 | \$45.96 |
| 25,000 Lumens | 294 | \$215.78 | \$21.96 | \$52.21 |
| 50,000 Lumens | 450 | \$267.54 | \$26.16 | \$62.21 |

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

The Energy and Capacity Charges set forth above will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

GENERAL PROVISIONS.

1. Service. The lighting service will be operated on an all-night, every-night lighting schedule of approximately 4,100 hours annual burning time (average monthly burning hours = 341.11 hours), under which lights are turned on after sunset and off before sunrise. It includes the supply of lamps and their removal when burned out or broken.

2. Outage Allowances. Written notice to the Company prior to 4:00 pm of the failure of any light to burn on the previous night shall entitle the customer to a pro rata reduction to the Company's monthly Fixed and Variable Distribution Service Charges, CTCs and Energy and Capacity Charges (unless the Customer is receiving Default PLR Service) will be made on the monthly bill for the hours of failure if such failure continues for a period in excess of 12 hours after the notice is received. Allowances will not be made for outages resulting from the customer's failure to protect the lighting system or from riot, fire, storm, flood, interference by civil or military authorities, or any other cause beyond the Company's control.

3. Lighting Installations. The prices in the Rate Table apply to all Company-approved installations for (a) federal, state, county and municipal authorities and community associations entering into a contract for lighting service; and (b) building operation developers for lighting, during the development period, of streets that are to be dedicated, where the municipality has approved the lighting and agreed to subsequently assume the charges for it under a standard contract.

Standard lighting installations under standard conditions of supply will be made on the public highways at the expense of the Company to the extent warranted by the revenue in prospect, any additional investment to be assumed by the customer.

Standard supply to lighting installations will be from aerial wires, except that, at the option of the Company, in areas where its other electric distribution facilities are underground, supply may be underground.

For underground supply furnished at the request of the Company where aerial supply would be normal, or for other than standard installations made at the request of the customer and of a type approved by the Company, the Company will assume the cost up to the amount it would normally have invested and the additional cost shall be assumed by the customer.

The installation cost of lighting on private property, or for contracts of less than standard term, shall be paid by the customer.

Title to all lighting installations of a type approved by the Company shall be vested in the Company and all necessary maintenance, repair and replacement of equipment in such installations will be made by the Company. Maintenance, repair and replacement of nonstandard equipment shall be at the expense of the customer.

4. Excess Costs. In cases where the remote location of the proposed new or additional lighting, or the number or spacing of the lamps, or the lack of necessary supply lines or any other reason makes the cost of installation excessive, such excess costs shall be assumed by the customer as mutually agreed.

5. Location, Authorization and Protection. The location of lamps to be supplied is to be approved by the properly designated authorized representative of the customer and the customer shall furnish any requisite authority for the erection and maintenance of poles, wires, luminaries and other equipment necessary to operate the lamps at the approved locations. The customer shall protect the Company from damage to the lighting system to the extent of one's ability. At the expense of the customer, the Company will relocate a lamp to a new location after receiving a written request from the customer.

6. Equipment Removal. If the customer requests that the Company remove or replace any existing street lighting installation, except incandescent lights, the Company will charge for removal or replacement of the street lighting installations and the associated poles and conducts used exclusively for the street lighting installation. The Company's charge will include the cost of removal or replacement plus the estimated remaining life value of the removed or replaced equipment less salvage.

PAYMENT TERMS.

Bills will be rendered monthly. Each month, for the purpose of prorating the price, shall be considered 1/12 of a year.

TERM OF CONTRACT.

The initial contract term for each lighting installation shall be for at least three years.

3. Power Factor. The Utilization Facilities provided by the customer shall be of such a nature as to maintain the power factor of each Lighting Unit at not less than 85%.

4. Supply Facilities. Lighting service shall be supplied from distribution facilities and equipment installed, owned and maintained by the Company. A customer contribution for new, additional or relocated lighting service may be required as described in Paragraph 10.

Where Company ownership of conduit, manholes or vaults may not be practical for reasons beyond its control (such as bridges, overpasses, underpasses and limited access highways), the customer shall make available at no expense to the Company, space for the Company's distribution facilities required in rendering service under this rate.

5. Connection of Service Location. For new, additional or relocated Service Locations and for any modernization or maintenance work involving connections to the Company's distribution circuits, the customer will provide sufficient length of conductors to permit the Company to make taps at the top of the pole for aerial circuits, or for splices to underground circuits at the designated delivery point on the Company's secondary voltage circuit. All work done by the customer that may involve Company street lighting, control, and other distribution circuits shall be performed under Company permit and blocking procedures.

6. Service. Lighting service will be operated on all-night, every-night lighting schedules, under which lights normally are turned on after sunset and off before sunrise with approximately 4,100 annual operating hours. Extended lighting service during all daylight hours will be supplied for lamps specified by the customer.

7. Change in Size and Type of Service Locations. Written notice of any planned change in size or type of any components of Service Locations shall be furnished by the customer to the Company not less than 10 days prior to the effective date of such change. The customer shall be responsible for notification to the Company of any changes made in manufacturer's wattage ratings at any Service Location.

8. Service Maintenance. Upon receipt of report of a Service Location not receiving power, the Company will determine the cause of power failure and will restore service to the distribution circuit and control equipment, disconnecting, if necessary, any faulty Service Location from the circuit. Customer will make necessary repairs between the lamp receptacle of the faulty utilization facilities and the point of connection to the Company's distribution circuit. In the event the fault is located in the Company owned facilities, the customer will bill the Company for this portion of the replaced facilities.

9. Authorization and Protection. The customer shall, to the extent of one's ability, furnish any requisite authority for the erection and maintenance of poles, wires, fixtures and other equipment necessary to operate the lights at the locations and under the conditions designated, and shall protect the Company from malicious damage to the lighting system.

10. New, Additional or Relocated Lighting. The total costs to provide lighting service for new, additional or relocated lamps installed by the customer shall be subject to a revenue test. If the costs exceed the estimated revenue recovered through the Company's tarified Variable Distribution Service Charges for four years, a customer contribution for all excess costs will be required.

11. Relocation of Service Locations. Where a pole is replaced by the Company at its own option, it shall be the customer's responsibility to have the Utilization Facilities transferred from the old to the new pole.

TERM OF CONTRACT.

The initial contract term for each Service Location shall be for at least one year.

PAYMENT TERMS.

Bills will be rendered monthly.

RATE TL TRAFFIC LIGHTING SERVICE

AVAILABILITY.

To any municipality using the Company's standard service for electric traffic signal lights installed, owned and maintained by the municipality.

CURRENT CHARACTERISTICS.

Standard single-phase secondary service.

RATE TABLE.

VARIABLE DISTRIBUTION SERVICE CHARGE: 2.01¢ per kWh

COMPETITIVE TRANSITION CHARGE: 3.18¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

5.54¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

SPECIAL RULES AND REGULATIONS.

The use of energy will be estimated by the Company on the basis of the size of lamps and controlling apparatus and the burning-hours. The customer shall immediately notify the Company whenever any change is made in the equipment or the burning-hours, so that the Company may forthwith revise its estimate of the energy used.

The Company shall not be liable for damage to person or property arising, accruing or resulting from the attachment of the signal equipment to its poles, wires, or fixtures.

MINIMUM CHARGE.

\$3.56 per month per signal light.

TERM OF CONTRACT.

The initial contract term for each signal light installation shall be for at least one year.

PAYMENT TERMS.

Standard.

RATE EP ELECTRIC PROPULSION

AVAILABILITY.

This rate is available only to the National Rail Passenger Corporation (AMTRAK) and to the Southeastern Pennsylvania Transportation Authority (SEPTA) for untransformed service from the Company's standard high-tension lines, where the customer installs, owns, and maintains any transforming, switching and other receiving equipment required and where the service is provided for the operation of electrified transit and railroad systems and appurtenances.

CURRENT CHARACTERISTICS.

Standard sixty hertz (60 Hz) high-tension service.

MONTHLY RATE TABLE.

FIXED DISTRIBUTION SERVICE CHARGE: \$1,243.85 per delivery point

METERING AND BILLING CREDITS A customer receiving Advanced Meter Services from a MSP other than the Company will receive a credit on the Fixed Distribution Service Charge equal to the Total Metering Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement. A customer receiving Consolidated EGS Billing will receive a credit on the Fixed Distribution Service Charge equal to the Billing and Collection Credit set forth for this Base Rate in Appendix B to the Joint Petition for Full Settlement.

VARIABLE DISTRIBUTION SERVICE CHARGE:

\$2.84 per kW of billing demand
0.21¢ per kWh

COMPETITIVE TRANSITION CHARGE:

\$5.32 per kW of billing demand
0.49¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

\$7.13 per kW of billing demand
1.94¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

TIME-OF-USE ADJUSTMENT:

There will be a credit for energy use during off-peak hours and an additional charge for energy use during on-peak hours. On-peak hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the on-peak hours will end at 4:00 pm on Fridays. Off-peak hours are defined as the hours other than those specified as on-peak hours. The credits and charges are as follows:

| | Summer Months (June through September) | Winter Months (October through May) |
|-----------------|---|--|
| Off-peak credit | 0.21¢ per kWh | 0.21¢ per kWh |
| On-peak charge | 0.57¢ per kWh | 0.22¢ per kWh |

HIGH VOLTAGE DISCOUNT:

For delivery points supplied at 33,000 volts: 7¢ per kW
For delivery points supplied at 69,000 volts: 30¢ per kW for first 10,000 kW of measured demand.
For delivery points supplied over 69,000 volts: 30¢ per kW for first 100,000 kW of measured demand.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

DETERMINATION OF BILLING DEMAND.

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 5,000 kilowatts. Additionally, during the eight months of October through May the billing demand will not be less than 40% of the maximum demand specified in the contract nor less than 80% of the highest billing demand in the preceding months of June through September.

CONJUNCTIVE BILLING OF MULTIPLE DELIVERY POINTS.

If the load of a customer located at a delivery point becomes greater than the capacity of the circuits established by the Company to supply the customer at that delivery point, upon the written request of the customer, the Company will establish a new delivery point and bill the customer as if it were delivering and metering the two services at a single point, as long as installation of the new service is, in the Company's opinion, less costly for the Company than upgrading the service to the first delivery point.

RATE AL - ALLEY LIGHTING IN CITY OF PHILADELPHIA

APPLICABILITY. To multiple, unmetered lighting service supplied the City of Philadelphia to operate incandescent lamps and appurtenances installed, owned and maintained by the City, which assumes the cost involved in making the connections to the Company's facilities.

LIGHTING DISTRIBUTION SERVICE DEFINED. All-night outdoor lighting of alleys and courts by incandescent lights installed on poles or supports supplied by the City.

NOTICE TO COMPANY. The City shall give advance notice to the Company of all proposed new installations or of the replacement or reconstruction of existing installations. The City shall advise the Company as to each new installation or change in the equipment or connected load of an existing installation, including any change in burning hours and the date on which such new or changed operation took effect.

MONTHLY RATE TABLE.

VARIABLE DISTRIBUTION SERVICE CHARGE: 10.61¢ per kWh

COMPETITIVE TRANSITION CHARGE: 0.05¢ per kWh

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

1.47¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT CLAUSE APPLY TO THIS RATE

PLAN OF MONTHLY BILLING. Bills may be rendered in equal monthly installments, computed from the calculated annual use of energy, adjusted each month to give effect to any new or changed rate of annual use, by reason of changes in the City's installation, with charge or credit for fractional parts of the month during which a change occurred.

LIABILITY PROVISION. The Company shall not be liable for damage, or for claims for damage, to persons or property, arising, accruing or resulting from, installation, location or use of lamps, wires, fixtures and appurtenances; or resulting from failure of any light, or lights, to burn for any cause whatsoever.

TERM OF CONTRACT. The initial contract term for each lighting unit shall be for at least one year.

AUXILIARY SERVICE RIDER

APPLICABILITY. To customers, including but not limited to, Qualifying Facilities or Small Power Producers and cogenerators as defined in the Public Utility Regulatory Policies Act, whose electrical requirements are partially or wholly provided by facilities not owned by the Company and when such facilities operate in parallel with the Company, will be supplied under the provisions of this rider and the customer's other applicable Base Rate and riders.

EXTENT OF SUPPLY. The maximum firm supply available from the Company will be defined by contract except for customers served on Rates R, R-H and GS-without demand measurement.

PARALLEL OPERATION. The customer shall not commence initial operation of any other source of supply in parallel with the Company's distribution or transmission lines until written permission is given by the Company for such parallel operation. Written permission is not necessary for reestablishing parallel operation, but the customer shall notify the Company when resuming any parallel operation after an outage. The Company shall have the right to inspect the customer's installation in accordance with Tariff Rule 9.3.

TYPE OF SUPPLY. The following types of power supply are available:

Supplementary Power supply is available to add to alternative generating capacity whether or not owned by the customer. All power provided pursuant to this Rider shall be Supplementary Power unless it is provided within the definition of Back-up Power or Maintenance Power.

Back-Up Power supply is available to replace customer's alternative generating capacity ("AGC") whether or not owned by the customer during a forced outage of all or part of such generating capacity. Back-Up Power (firm and interruptible) shall be limited to 15% of the hours in any twelve-month period after which any additional power utilized shall be billed at Supplementary Power. The customer must orally notify the Company immediately when Back-Up Power is used, and within one business day after the forced outage giving rise to the need for Back-Up Power, shall furnish the Company with a letter verifying the outage, specifying the time at which the outage commenced, the reason for the outage, and providing the best estimate possible of its duration. Oral and written notice shall also be provided to the Company within one business day following the conclusion of the forced outage. The Company may require verification of the cause of such forced outage. The foregoing 15% limitation on the number of hours in which Back-Up Power may be received shall not apply during the following periods, nor shall such periods be taken into account in determining whether Back-Up Power use in any subsequent period has exceeded such limitation: (a) in the case of an AGC facility with rated capacity of 1 MW or less, the three-month period commencing on the date such facility is first operated in parallel with the Company's service; and (b) in the case of an AGC facility with rated capacity in excess of 1 MW; the six-month period commencing on the date such facility is first operated in parallel with the Company's service.

Maintenance Power is available to replace AGC during periods of scheduled maintenance. Maintenance Power will be supplied on a scheduled basis in one of the following manners:

- (a) Upon mutual agreement, at any time.
- (b) Upon at least 60 days written notice and not more than 180 days written notice by the customer, the Company will advise the customer, within 30 days of the receipt of the request, of the availability of the requested Maintenance Power, for power required for a period of more than 48 hours duration. If the power is unavailable during the requested period, the Company will provide Maintenance Power within 30 days prior or subsequent to the beginning of the requested period and will so inform the customer.
- (c) Upon 360 days written notice by the customer, the Company will provide Maintenance Power during the requested period, unless the cumulative total of all such power requested during such time period will exceed 5% of the Company's operable generating capacity, in which case the provisions of (b) above will apply.
- (d) For Maintenance Power required for a period of 48 hours or less duration, at a demand of 50 MW or less, the Company will supply such power on a least 30 days written notice.
- (e) The Company in its sole discretion may refuse to schedule firm Maintenance Power during the months of June through September except that Maintenance Power as defined in (d) above will be made available during June through September as long as it can be scheduled during Off-Peak Hours.

Maintenance Power will be limited to no more than 120 days in any twelve-month period, and no more than 60 consecutive days, after which any additional power utilized shall be billed as Supplementary Power. The foregoing limitations on the number of days in which Maintenance Power may be received shall not apply during the following periods, nor shall such periods be taken into account in determining whether Maintenance Power use in any subsequent period has exceeded such limitations: (a) in the case of an AGC facility with rated capacity of 1 MW or less, the three-month period commencing on the date such facility is first operated in parallel with the Company's service; and (b) in the case of an AGC facility with rated capacity in excess of 1 MW, the six-month period commencing on the date such facility is first operated in parallel with the Company's service. The supply of Maintenance Power will be terminated when generating capacity from which the customer

is supplied is returned to operation as indicated by the recorded demands on the Company's metering equipment, or upon notification to the Company by the customer, or upon the expiration of the maximum maintenance period, whichever occurs first.

INTERRUPTIBLE POWER FOR BACK-UP OR MAINTENANCE. Customers with a minimum of 1,000 kW of interruptible Back-Up or Maintenance Power and who purchase their interruptible back-up or maintenance energy from PECO Energy may contract for interruptible supply. When a customer contracts for interruptible supply, such supply shall be interrupted when, in the sole judgment of the Company, any production, transmission or distribution capacity limitations exist. The customer shall interrupt such load after a minimum of sixty minutes prior notice by the Company. When a customer is notified by the Company to interrupt service and the customer fails to interrupt, a penalty of \$24 per kilowatt shall be applicable to each kilowatt of demand that has not been interrupted.

RATE AND BILLING.

All monthly bills for service on this rider shall include one application of the Fixed Distribution Service Charge of the applicable rate. All other capacity and energy charges of the applicable rate shall be modified as set forth below.

SUPPLEMENTARY POWER. Billing shall be under the provisions of the applicable rate and riders.

FIRM BACK-UP POWER. Charges are per kilowatt of demand specified in the contract for back-up supply. This charge shall include energy use equal in cost to the total monthly demand charge.

For all customers:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | \$0.31 per kW |
| Competitive Transition Charge: | \$0.85 per kW |
| Energy and Capacity Charge: | \$1.67 per kW |

For service billed at:

High Tension Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.82¢ per kWh |
| Competitive Transition Charge: | 2.21¢ per kWh |
| Energy and Capacity Charge: | 4.36¢ per kWh |

Primary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 1.77¢ per kWh |
| Competitive Transition Charge: | 2.62¢ per kWh |
| Energy and Capacity Charge: | 4.92¢ per kWh |

Secondary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 2.17¢ per kWh |
| Competitive Transition Charge: | 3.46¢ per kWh |
| Energy and Capacity Charge: | 6.06¢ per kWh |

The preceding "Energy and Capacity Charges" will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

INTERRUPTIBLE BACK-UP POWER. (Interruptible Back-up Power is available only to customers who are served under the Energy Services Rider.)

For service billed at:

High Tension Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.15¢ per kWh |
| Competitive Transition Charge: | 0.55¢ per kWh |
| Energy and Capacity Charge: | 1.95¢ per kWh |

Primary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.29¢ per kWh |
| Competitive Transition Charge: | 0.60¢ per kWh |
| Energy and Capacity Charge: | 2.15¢ per kWh |

Secondary Voltage:

| | |
|---------------------------------------|---------------|
| Variable Distribution Service Charge: | 0.79¢ per kWh |
| Competitive Transition Charge: | 1.66¢ per kWh |
| Energy and Capacity Charge: | 3.57¢ per kWh |

The preceding Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer who obtains Competitive Energy Supply from an EGS.

FIRM MAINTENANCE POWER.

June through September: Same as Supplementary Power.
October through May: Same as Interruptible Back-Up Power.

INTERRUPTIBLE MAINTENANCE POWER. (Interruptible Maintenance Power is available only to customers who are served under the Energy Services Rider).

Same as Interruptible Back-Up Power.

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

BILLING. Bills rendered to the customer shall distinguish between the customer's use of Supplementary Power, Back-Up Power and Maintenance Power. In the event that the customer receives two or more types of supply during the billing period, the billing characteristics shall be determined as follows:

- (a) the billing demand will be the maximum measured demand, adjusted for power factor in accordance with the Rules and Regulations, occurring during any unscheduled outage period of the month less the Supplementary Power billing demand; less the Scheduled Maintenance Power Capacity for the month if one or both of these additional services are provided at the time of maximum measured demand.
- (b) the energy use billed as Back-Up and/or Maintenance Power shall be one-half of the sum of the Back-Up and/or Maintenance half-hour demands;
- (c) the total energy use, less the energy use determined in (b) shall be the energy use for Supplementary Power;
- (d) if only one type of power is used, billing shall be in accordance with the total recorded demand and energy use.

DISTRIBUTION FACILITIES. Any investment in additions or changes to the Company's distribution facilities required to provide auxiliary service (in excess of such investments normally made by the Company to provide equivalent service to the customer) will be paid by the customer before the interconnection of Company and customer facilities. In addition, when necessary, the cost of communications equipment, such as telemetering or telephone, will be paid by the customer.

POINTS OF SERVICE. The Company shall not be required to serve customers receiving electric power from AGS facilities at multiple points of service that were used prior to the parallel operation of the AGS facilities if after the introduction of these AGS facilities the multiple points of service are disadvantageous to the Company or pose unacceptable risks.

DATA. The customer shall furnish such detailed load data and data on forced outage rates as the Company shall, from time to time, require, together with such supporting documentation as the Company shall request, in order for the Company to collect data and prepare such reports as may be required by the Commission.

TERM. Annual, except where otherwise specified by the firm rate.

COOLING THERMAL STORAGE HT RIDER

AVAILABILITY/APPLICABILITY. To customers displacing at least 50% of their conventional cooling capacity by utilizing a qualifying Cooling Thermal Storage application. To qualify, the customer must submit to the Company for technical review and approval an engineering study performed by a professional engineer registered in the Commonwealth of Pennsylvania.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 a.m. and 8:00 p.m., Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 p.m. on Fridays and during the months of June through September, On-Peak Hours will commence at 10:00 a.m. instead of 8:00 a.m. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rate HT, including all its terms and guarantees, is applicable to service provided during On-Peak Hours. The capacity charges and blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) in Rate HT shall be based on the billing demand for On-Peak Hours except that, when the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the demand specified for Off-Peak Hours, the amount of such excess shall be added to the billing demand for On-Peak Hours and the resultant sum shall then constitute the basis for said capacity charges and blocking of energy charges. During the eight months of October through May, the billing demand will not be less than 80% of the average billing demand in the preceding months of June through September. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Cooling Thermal Storage Service Billing and Metering Charge: \$11.21
Off-peak charge per kW of Off-Peak billing demand per month: \$0.87

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand, except that, when said greatest demand during Off-Peak Hours exceeds the demand specified for Off-Peak Hours, said greatest Off-Peak demand shall be reduced by the amount of the excess in determining the Off-Peak billing demand.

AVAILABILITY/APPLICABILITY. This rider is available to customers taking service under Rate HT or PD, and to those customers taking service under Rate GS at Service Locations in an Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code, for service provided to Qualifying Service Locations, as defined below. The Company will not begin to apply the rider until at least 30 days after the customer provides to the Company written notice of its desire to be placed on the rider.

I. QUALIFYING SERVICE LOCATIONS.

A. QUALIFYING EXISTING SERVICE LOCATION. A Service location will be considered a Qualifying Existing Service Location if the customer can satisfy all of the following conditions:

1. The customer files with the Company, before the effective date of the rider for the Service Location, a Manufacturing Sales Tax Exemption Certificate, as defined below, for the Service Location. This condition is waived for Stevedoring Operations located within a Port Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
2. The customer files with the Company copies of the Base Period Employment Reports as defined below, for the Service Location.
3. The customer does not have an unpaid balance that includes a late fee for service previously provided to the Service Location before the effective date of the rider for the Service Location.
4. The arithmetic mean of the sum of the number of employees as determined from the Current Employment Report and the total Investment Units on record, as defined below, must be greater than the Base Period Employees, as defined below, by at least six (6).

B. QUALIFYING NEW SERVICE LOCATION. A Service Location will be considered a Qualifying New Service Location if the customer can satisfy all of the following conditions:

1. The customer files with the Company before the effective date of the rider for the Service Location a Manufacturing Sales Tax Exemption Certificate, as defined below, for the Service Location. This condition is waived for Stevedoring Operations located within a Port Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
2. The customer does not have an unpaid balance that includes a late fee for service provided to the Service Location before the effective date of the rider for the Service Location.
3. The Company has not previously provided service to the Service Location, or the service previously provided by the Company to the Service Location was not used for substantially the same type of operation or that was terminated at least twelve (12) months before the customer's contractually specified effective date for service under this rider. This condition is waived for existing service locations where an entity has assumed operation of a service location from a customer which has ceased operations as a result of dissolution, so long as the formation of the entity did not occur as a result of merger, joint venture, acquisition and/or any other variation of combined business structures with the former customer at the service location.

II. DEFINITIONS.

1. **SERVICE LOCATION.** A single or contiguous premises having one or more delivery points for distribution service billed by the Company under a single account.
2. **MANUFACTURING SALES TAX EXEMPTION CERTIFICATE.** Pennsylvania Sales Tax Blanket Exemption Certificate filed by the customer with the Company showing the address of the Service Location and certifying that more than fifty (50) percent (on an annual basis) of the service purchased by the customer for the Service Location is exempt from sales tax because it is used in manufacturing operations, shipbuilding operations, or shipcleaning operations.
3. **EMPLOYMENT REPORT.** The "Employer's Report for Unemployment Compensation" (PA Form UC-2) as filed by the customer with the Office of Employment Security, Department of Labor and Industry, Commonwealth of Pennsylvania.
4. **BASE PERIOD.** The twelve (12) month period immediately preceding the billing month in which the customer provides the Company written notice of its desire to be placed on the rider. If the customer does not then qualify for the rider within 60 days of the written notice, then the base period will be the twelve month period immediately preceding the billing month to which this rider is first applied to the customer's bills.
5. **BASE PERIOD EMPLOYMENT REPORTS.** The Employment Reports for all quarterly reporting periods, as defined by 43 P.S. 753 [d], in the Base Period.

6. **BASE PERIOD EMPLOYEES.** The arithmetic mean of the number of employees each month as reported on the applicable Base Period Employment Report. An adjustment will be made to normalize Base Period Employees in quarters during which either the Casualty or Construction Rider was in effect for the Service Location.
7. **BASE PERIOD ENERGY.** The number of kilowatt-hours used by the customer for service to the Qualifying Service Location during each month of the Base Period. An adjustment will be made to normalize usage in months during which the Construction or Casualty rider was in effect.
8. **CURRENT EMPLOYMENT REPORT.** The Employment Report covering the calendar month immediately following the Base Period as defined by 43 P.S. 753 [d]. The customer may submit an updated Employment Report at any time to reflect increases in Current Period Employees replacing and superseding the original report. The Company reserves the right to request an updated Employment Report at any time which may reflect increases or decreases in Current Period Employees replacing and superseding the original report.
9. **CURRENT PERIOD EMPLOYEES.** The arithmetic mean of the number of employees each month as reported on the Current Employment Report.
10. **INVESTMENT UNIT.** Each \$15,000 of new investment in physical plant, machinery or equipment, excluding land, placed in service at a Service Location on or after the beginning of the Base Period, as certified in writing by a Certified Public Accountant on a form supplied by the Company.

III. **RATE REDUCTION.** The rate reduction will be applicable to the customer's base bill for the Qualifying Service Location before the application of the State Tax Adjustment and Nuclear Decommissioning Cost Adjustment. For the purpose of calculating this reduction an Investment Unit shall be considered the equivalent of one additional employee.

A. **QUALIFYING EXISTING SERVICE LOCATION.**

1. **Monthly Eligibility -** The customer is not eligible for the rate reduction in any month in which one or more of the following conditions is true:
 - a. The customer's electric energy usage is less than its usage in the corresponding month of the Base Period.
 - b. The customer does not have on file with PECO Energy a Manufacturing Sales Tax Exemption Certificate for at least 50% of its electric use, this condition is waived for Stevedoring Operations located within a Port Enterprise Development Area.
 - c. The customer has an unpaid balance which includes a late fee.
 - d. The customer has transferred to Rate GS and the Service Location is not in an Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
 - e. The arithmetic mean of the sum of: (1) the number of employees as determined from the Current Employment Report and, (2) the Total Investment Units on record, does not exceed the Base Period Employees by at least six (6).
2. **Calculation of Reduction -** The rate reduction shall apply to the number of kilowatt-hours that constitute the difference between, (1) the number of kilowatt-hours used in the month and, (2) the Base Period Energy for the corresponding month of the Base Period.

The Revenue Reduction applied to each qualifying kilowatt-hour shall be calculated using the following formula:

$$R = F \times N$$

Where:

R = Revenue Reduction, cents per kWh

N = (C+I-B)/B x 100

If the result of this calculation of N is a value greater than 20, N shall be equal to 20

C = Current Period Employees

I = Investment Units Added

B = Base Period Employees, and

F= the values set forth in the following table:

| <u>Year(s)</u> | <u>Variable Distribution Service</u> | | <u>CTC</u> | | <u>Energy and Capacity*</u> |
|--------------------------|--------------------------------------|---|-------------|---|-----------------------------|
| one (1) through five (5) | 0.0057 cents | + | 0.013 cents | + | 0.028 cents |
| six (6) | 0.0038 cents | + | 0.012 cents | + | 0.022 cents |
| seven (7) | 0.0029 cents | + | 0.008 cents | + | 0.017 cents |
| eight (8) | 0.0019 cents | + | 0.006 cents | + | 0.011 cents |
| nine (9) | 0.0010 cents | + | 0.002 cents | + | 0.006 cents |

*If the customer receives Default PLR Service, these rate reductions shall apply. They shall not apply if the customer obtains Competitive Energy Supply.

B. QUALIFYING NEW SERVICE LOCATION

1. Monthly Eligibility - The customer is not eligible for the rate reduction in any month in which one or more of the following conditions is true:
 - a. The customer does not have on file with PECO Energy a Manufacturing Sales Tax Exemption Certificate for at least 50% of its use.
 - b. The customer has an unpaid balance which includes a late fee.
 - c. The customer has transferred to Rate GS and the Service Location is not in an Enterprise Development Area as defined in Title 16, Chapter 23 of the Pennsylvania Code.
2. The following rate reduction shall apply to all kilowatt-hours:

| <u>Year(s)</u> | <u>Variable Distribution Service</u> | <u>CTC</u> | <u>Energy and Capacity*</u> |
|--------------------------|--------------------------------------|-------------|-----------------------------|
| one (1) through five (5) | 0.1046 cents | 0.282 cents | 0.557 cents |
| six (6) | 0.0837 cents | 0.226 cents | 0.445 cents |
| seven (7) | 0.0628 cents | 0.170 cents | 0.334 cents |
| eight (8) | 0.0418 cents | 0.113 cents | 0.223 cents |
| nine (9) | 0.0209 cents | 0.057 cents | 0.111 cents |

*If the customer receives Default PLR Service, these rate reductions shall apply. They shall not apply if the customer obtains Competitive Energy Supply.

3. Accelerated Rate Reduction - The customer may select an accelerated rate reduction over a shorter time period. The rate reduction shall apply to all kilowatt-hours as follows:

| <u>Year(s)</u> | <u>Variable Distribution Service</u> | <u>CTC</u> | <u>Energy and Capacity*</u> |
|--------------------------|--------------------------------------|-------------|-----------------------------|
| one (1) through four (4) | 0.1422 cents | 0.380 cents | 0.752 cents |

*If the customer receives Default PLR Service, these rate reductions shall apply. They shall not apply if the customer obtains Competitive Energy Supply.

- IV. **TERM OF CONTRACT.** This rider shall be in effect for either a period of nine years, for customers choosing the standard rate reduction, or for a period of four years for Qualifying New Service Locations selecting the accelerated rate reduction, which period of time shall be continuous and shall begin on the date on which the Company first applies the rider to the customer's bill for the Service Location. This term cannot be modified except as provided below under the heading RENEWAL.
- V. **RENEWAL.** A customer may renew the rider at any time in accordance with the terms and provisions of the rider as it applies to Qualifying Existing Service Locations. For renewal customers, the Base Period Energy for any month of the new Base Period shall not be less than the Base Period Energy of the corresponding month of the customer's previous Base Period. The Term of Contract for the renewal shall begin on the date on which the renewal of the rider is first applied based on the new Base Period.
- VI. **TRANSFER OF OWNERSHIP.** The Company will only apply the rider to the customer's bills for the term of contract. If, during the term of contract, the ownership of the service location changes, the Company may continue to apply the rider to the new owner's bills for the Service Location. If the Company continues to apply the rider in such circumstances, the Company shall apply the rider to the new owner's bills for the Service Location as if the new owner had been on the rider for the Service Location for the same period of time as was the previous owner.

LARGE INTERRUPTIBLE LOAD RIDER

AVAILABILITY.

This rider is restricted to Rate HT and EP customers under contract, pursuant to this rider, on December 1, 1995. Customers must satisfy the load requirement defined below.

FIRM DEMAND.

The firm demand is the demand to which the customer must reduce its load when called upon to interrupt pursuant to the "Interruptions" section below.

LOAD REQUIREMENT.

The average of the customer's maximum daily On-Peak demands on the 60 days with the customer's highest on peak maximum measured demands during the most recent summer billing period (June through September in the same calendar year) must be 10,000 kW or greater than the customer's firm demand as originally specified in the contract between the customer and the Company. The Company will not begin to bill a customer pursuant to the "Energy and On-Peak Billing Demand" section of this rider until the customer has satisfied this load requirement. If a customer fails to satisfy its load requirement in a summer billing period, the Company will no longer bill the customer in accordance with the provisions of the "Energy and On-Peak Billing Demand" section of this rider until the customer again satisfies its load requirement. A customer under agreement to be served under the former Supplemental Energy provision of the Night Service HT Rider on or before June 1, 1993 is exempt from the above load requirement and may continue to qualify for this rider based on the load requirement in effect at the time that such customer executed its contract or agreement.

For a customer that operates standby generation or that uses cogeneration to serve any portion of its load during an interruption, the Company, at any time, has the right to inspect the customer's equipment or operating records to obtain reasonable assurance that the customer will be able to comply with an interruption request. If the Company in good faith believes that the customer is not capable of complying completely with an interruption request, and the customer is not able to remedy the condition that the Company believes would render the customer unable to comply completely, the Company will then, (1) require the customer to amend its contract to reflect a higher firm demand to which the Company in good faith believes that the customer would be able to reduce load, or, (2) terminate the customer's contract if the required increase in firm demand would render the customer unable to satisfy the load requirement as described in the preceding paragraph.

INTERRUPTIONS.

When, in the sole judgment of the Company and at any time of day and for any duration, there exists any potential or actual production, transmission, or distribution capacity limitation, the customer must reduce load for the duration of the interruption to its firm demand within one hour of notification by the Company during the On-Peak interruption hours (as defined in the "Penalty for Failure to Interrupt" section below) in the months of June through September. The customer will be required to reduce load to its firm demand within two hours of notification by the Company during all other hours. (The Company will make its best efforts to notify the customer as far in advance as possible).

PENALTY FOR FAILURE TO INTERRUPT.

Definition of Peak Interruption Hours: On-peak interruption hours are the hours between 8:00 am and 8:00 pm Eastern Standard Time or Daylight Savings Time, whichever is in common use, Monday through Friday except Saturdays, Sundays and holidays (as defined in the "Definitions Of Terms And Explanation of Abbreviations" Section of the Company's Tariff). Off-peak interruption hours are all hours other than On-Peak interruption hours.

Each time the customer fails to comply with the "Interruptions" section above, the following will occur:

- A. June through September Exclusively On-Peak:
 1. Firm Demand Adjustment - The Company will increase the customer's firm demand to the third highest On-Peak half-hour demand measured during the interruption for the balance of the customer's term of contract. This adjustment will become effective in the month of the failure to interrupt; and
 2. Penalty per kW of Uninterrupted Demand - The Company will apply a penalty of \$24 per kW to the difference between the firm demand in effect immediately preceding the interruption and the maximum demand measured during the interruption period. The penalty will be applied to the customer's bill in the month in which the failure to interrupt occurs.
- B. October through May Exclusively On-Peak:
 1. Same as A.1. above.
- C. Exclusively Off-Peak:
 1. Same as A.2. above.

If an interruption spans On-Peak and Off-Peak Hours, the "Firm Demand Adjustment" shall be based on the customer's third highest half-hour demand during On-Peak Hours of interruption. The "Penalty per kW Uninterrupted Demand" will be based on the customer's highest half-hour demand measured during the entire interruption period, except that in the interruption period, except that in the months of October through May, such penalty shall be based on the highest half-hour measured demand during the Off-Peak Hours of the interruption.

Request for Test: Twelve months or thereafter following the month in which a customer fails to interrupt to its firm demand, the customer may request a test interruption to be conducted during On-Peak Hours to establish a new firm demand. The Company, in its sole judgment, will schedule the time and establish the length and acceptance criteria for the test interruption and will determine if the customer has met the acceptance criteria. A test interruption will establish a customer's new firm demand.

UNBUNDLED RATE AND BILLING.

Definition of Peak Billing Hours: On-peak billing hours are the hours between 8:00 am and 8:00 pm Eastern Standard Time or Daylight Savings Time, whichever is in common use, Monday through Friday except Saturdays, Sundays and holidays (as defined in the "Definitions Of Terms And Explanation of Abbreviations" Section of the Company's Tariff); except that On-Peak billing hours will end at 4:00 pm on Fridays. Off-peak billing hours are all hours other than On-Peak billing hours.

On-Peak Billing Demand: The On-Peak billing demand shall be the firm demand as originally specified in the contract or the adjusted firm demand (as determined in accordance with the "Penalty For Failure To Interrupt" section), if applicable, between the customer and the Company, adjusted for power factor and excess Off-Peak demand, if any. The On-Peak billing demand for the winter billing months of October through May shall not be less than 80% of the highest billing demand during the summer billing period before execution of the contract. In no case shall the On-Peak billing demand be less than the minimum billing demand calculated in accordance with the customer's applicable firm Rate (Rate HT or Rate EP). If the Company, pursuant to Rule 11.3 of the Company's Tariff, permits a customer to reduce its firm demand during a winter billing month, the customer's On-Peak billing demand for the remaining winter months shall not be less than 80% of the highest billing demand in the most recent preceding summer billing period.

Off-Peak Billing Demand: The Off-Peak billing demand shall be the amount by which the maximum measured demand during Off-Peak Hours exceeds the On-Peak billing demand, whether the latter is a minimum or an actual measured demand adjusted for power factor, except that, when said maximum measured demand during Off-Peak Hours exceeds the demand specified in the contract for Off-Peak Hours, said maximum registered measured demand shall be reduced by the amount of such excess. In addition, when the highest measured demand during the Off-Peak Hours exceeds the demand specified in the contract for Off-Peak Hours, the amount of such excess Off-Peak demand shall be added to the On-Peak Billing Demand.

Distribution Charges:

Fixed Distribution Service Charge: Rate HT Fixed Distribution Charge using On-Peak Billing Demand

Variable Distribution Service Charges for On-Peak kWh associated with interruptible load (adjusted for power factor pursuant to Rule 15.3(d)): \$0.0049 per kWh

Variable Distribution Service Charges for all other kWh: Rate HT Variable Distribution Charges using On-Peak Billing Demand

Off-peak Charge per kW of Off-Peak billing demand per month: \$0.87

Night Service Billing and Metering Charge: \$11.21

Competitive Transition Charges:

Competitive Transition Charges for On-Peak kWh associated with interruptible load (adjusted for power factor pursuant to Rule 15.3(d)): \$0.00 per kWh

Competitive Transition Charges for all other kWh: Rate HT Competitive Transition Charges using On-Peak Billing Demand

Energy and Capacity Charges:

Energy and Capacity Charge for On-Peak kWh associated with the customer's interruptible load (adjusted for power factor pursuant to Rule 15.3(d)): PECO Energy hourly PJM billing rate or its replacement (adjusted for Pennsylvania Gross Receipts Tax). The energy usage billed at this rate shall not exceed the energy usage during the Off-Peak Hours during the current billing month.

Energy and Capacity Charges for all other kWh: Rate HT Energy Charges using On-Peak Billing Demand.

THE STATE TAX ADJUSTMENT CLAUSE AND RATE HT TIME-OF-USE ADJUSTMENT CLAUSES ARE NOT APPLICABLE TO THE ON-PEAK ENERGY AND CAPACITY CHARGES ASSOCIATED WITH THE CUSTOMER'S INTERRUPTIBLE LOAD. THE NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLIES TO THIS RIDER.

FACILITIES.

Additional expenses required by the Company to implement this rider including, but not limited to, the cost of communication, telemetering or telephone equipment, shall be paid by the customer.

OTHER RIDERS.

The Curtailment HT Rider is not available in conjunction with this rider. The rate reductions specified in the Employment and Economic Recovery Rider are not applicable to the energy usage associated with the interruptible load, in both On-Peak and Off-Peak Hours, even if all of that energy usage, or any portion of it, is being billed in accordance with the applicable Rate (Rate HT or Rate EP) due to the application of the provisions in the "Penalty For Failure To Interrupt" section or because the customer has failed to satisfy its load requirement. In addition, the On-Peak energy usage charge for energy usage associated with interruptible load is not applicable to back-up or maintenance power as defined in the Auxiliary Service Rider (ASR), except when such power would otherwise be billed as supplementary power under the ASR. Firm back-up or maintenance power may not be used to serve interruptible load during periods of interruption.

TERM OF CONTRACT/RIGHTS AND CONSEQUENCES ASSOCIATED WITH DIRECT ACCESS.

Customers served under this rider may remain on this rider throughout the Statutory Transition Period, and may terminate their service under this rider on thirty (30) days notice. Throughout the Statutory Transition Period or any rate cap period contained in the Joint Petition for Full Settlement, whichever is longer, customers may remain on the rider while also obtaining Competitive Energy Supply. If a customer wishing to remain on this rider obtains Competitive Energy Supply, the customer will continue to pay the unbundled Distribution Charges and Competitive Transition Charges set forth in the Unbundled Rate And Billing section of this rider, and will be entitled to the unbundled Energy and Capacity Charges set forth in that section should the customer wish to return to Default PLR Service.

NIGHT SERVICE GS RIDER

(The number of customers served under this rider may be limited by the availability of the required demand meters.)

AVAILABILITY/APPLICABILITY. To service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours may be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rate GS (with demand measurement), including all its terms and guarantees, is applicable. The blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) shall be based on the billing demand for On-Peak Hours. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Night Service billing and metering charge: \$8.97

The meter charge will be \$5.00 for those customers served before November 23, 1983 whose metering does not provide for the extended Off-Peak Hours beginning at 4:00 pm on Fridays.

Charge per kW of Off-Peak billing demand per month: \$0.44 per kW.

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand.

OTHER RIDERS. This rider will not be applied in conjunction with the Temporary Service Rider.

TERM OF CONTRACT. The initial contract term shall be for at least one year.

NIGHT SERVICE HT RIDER

AVAILABILITY/APPLICABILITY. To service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours shall be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rates HT or EP, including all terms and guarantees, are applicable during On-Peak Hours. The capacity charges and blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) shall be based on the billing demand for On-Peak Hours except that, when the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the demand specified for Off-Peak Hours, the amount of such excess shall be added to the billing demand for On-Peak Hours and the resultant sum shall then constitute the basis for said capacity charges and blocking of energy charges. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Night Service billing and metering charge: \$11.21
Charge per kW of Off-Peak billing demand per month: \$0.87

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand, except that, when said greatest demand during Off-Peak Hours exceeds the demand specified for Off-Peak Hours, said greatest Off-Peak demand shall be reduced by the amount of the excess in determining the Off-Peak billing demand.

OTHER RIDERS. Where the Off-Peak Rider and this rider are applied to the same contract, the Off-Peak Rider will be applied only to the provisions of the contract, and this rider will then be applied to the contract as modified. This rider will not be applied in conjunction with the Temporary Service Rider.

TERM OF CONTRACT. The initial contract term shall be for at least one year.

NIGHT SERVICE PD RIDER

AVAILABILITY/APPLICABILITY. To service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours shall be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

DEFINITION OF PEAK HOURS. On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Saving Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

RATE IMPACT. Rate PD, including all terms and guarantees, is applicable during On-Peak Hours. The capacity charges and blocking of the energy charges contained in the Variable Distribution Service Charges, CTCs, and Energy and Capacity Charges (if applicable) shall be based on the billing demand for On-Peak Hours except that, when the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the demand specified for Off-Peak Hours, the amount of such excess shall be added to the billing demand for On-Peak Hours and the resultant sum shall then constitute the basis for said capacity charges and blocking of energy charges. If the customer receives Default PLR Service, the terms of this rider shall also apply to the Energy and Capacity Charge.

MONTHLY RATE TABLE.

Night Service billing and metering charge: \$11.21
Charge per kW of Off-Peak billing demand per month: \$0.81

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

DETERMINATION OF OFF-PEAK BILLING DEMAND. The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand, except that, when said greatest demand during Off-Peak Hours exceeds the demand specified for Off-Peak Hours, said greatest Off-Peak demand shall be reduced by the amount of the excess in determining the Off-Peak billing demand.

OTHER RIDERS. Where the Off-Peak Rider and this rider are applied to the same contract, the Off-Peak Rider will be applied only to the provisions of the contract, and this rider will then be applied to the contract as modified. This rider will not be applied in conjunction with the Temporary Service Rider.

TERM OF CONTRACT. The initial contract term shall be for at least one year.

SEASONAL CAPACITY CHARGE SERVICE RIDER

AVAILABILITY. For service to Rate HT customers that satisfy both of the following eligibility requirements:4

1. The average of the customer's billing demands during the most recent December-February billing period (the most recent consecutive December, January and February billing months) must be at least 2,000 kW greater than the customer's highest billing demand during the summer billing period (consecutive billing months of June through September) preceding the most recent December-February billing period.
2. The customer may not have installed generation equipment the sole function of which is peak shaving.

The rider shall be available on a first-come-first-served basis. The Company will continue to place qualifying customers on this rider until the placement of an additional customer would increase the total monthly non-coincident peak load supplied under this rider to 40 MW or more.

RATE AND BILLING. Rate HT: High Tension Power, including all of its terms and conditions, except that the On-Peak capacity charges shall be as follows:

| <u>Summer Months</u> (June through September) | | <u>Winter Months</u> (October through May) | |
|--|---------------|---|---------------|
| Distribution Charge | \$2.99 per kW | Distribution Charge | \$0.75 per kW |
| CTC | \$8.48 per kW | CTC | \$2.12 per kW |

Energy and Capacity Charge Prices: The following energy charges will apply to customers that receive Default PLR Service and are not applicable to customers who purchase Competitive Energy Supply.

| <u>Summer Months</u> | <u>Winter Months</u> |
|----------------------------|----------------------------|
| Energy and Capacity Charge | Energy and Capacity Charge |
| \$10.96 per kW | \$2.74 per kW |

The preceding modifications to the "Energy and Capacity Charges" will apply to the customer if the customer receives Default PLR Service. These modifications to the "Energy and Capacity Charges" will not apply to the customer if it obtains Competitive Energy Supply.

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

OTHER RIDERS. A customer served under this rider may not receive service under the Employment and Economic Recovery Rider, the Large Interruptible Load Rider, or the Curtailment HT Rider.

TERM OF CONTRACT. Service under this rider shall be for a period of at least three years.

SUBURBAN STREET LIGHTING RIDER

AVAILABILITY.

Limited to qualified governmental agencies and community associations that were served under base Rate SL-E as of July 8, 1999. If, however, any qualified customer that utilizes this rider chooses at any point to switch to base Rate SL-E said customer may not thereafter return to this rider.

This rate is not available to commercial or industrial customers. All facilities and their installation shall be approved by the Company.

MONTHLY RATE TABLE.

SERVICE LOCATION DISTRIBUTION CHARGE: \$9.10 per Service Location (as defined below)

ENERGY AND CAPACITY CHARGE: The following Energy and Capacity Charges will apply to the customer if the customer receives Default PLR Service. These charges are not applicable to the customer if it obtains Competitive Energy Supply.

0.295¢ per Watt
3.248¢ per kWh

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT PLR SERVICE: Unless such a customer is able to obtain transmission service on its own, PECO Energy will provide transmission service, and will impose charges on such a customer for such transmission service.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

SERVICE LOCATION.

A Service Location shall comprise each lighting installation and must be separately connected to a delivery point on the Company's secondary circuit.

DETERMINATION OF BILLING DEMAND.

The wattage, expressed to the nearest tenth of a watt, of a Service Location shall be composed of manufacturer's rating of its lamps, ballasts, transformers, individual controls and other load components required for its operation. The aggregate of wattages of all Service Locations in service shall constitute the billing demand for the month.

DETERMINATION OF ENERGY BILLED.

The energy use for a month of a Service Location shall be computed to the nearest kilowatt-hour as the product of one-thousandth of its wattage and the effective hours of use of such wattage during the calendar month under the established operation schedules as set forth under Terms and Conditions, Paragraph 6 Service. The aggregate of the kilowatt-hours thus computed for all Active Service Locations shall constitute the energy billed for the month.

TERMS AND CONDITIONS.

Per Rate SL-E.

APPENDIX B

NUCLEAR DECOMMISSIONING AND WASTE STORAGE AGREEMENT

APPENDIX B

NUCLEAR MONITORING AND WASTE STORAGE AGREEMENT

This Settlement Agreement (the "Agreement") is made between Eric J. Epstein ("Mr. Epstein"), and PECO Energy Company, its successors and assigns ("PECO"), and is based on the following recitals, all of which are hereby agreed to be true:

RECITALS

A. PECO Energy Company has ownership interests in Peach Bottom Nuclear Station Units 1, 2, and 3; Limerick Nuclear Station Units 1 and 2, and Salem Nuclear Station Units 1 and 2 ("PECO Nuclear Plants").

B. PECO has made a filing at the Pennsylvania Public Utility Commission, in Docket No. A-110550F0147, in which it has requested authorization to transact a corporate restructuring and a merger with Unicom Corporation ("PECO Merger Proceeding"). As a result of that filing, PECO intends to create a parent holding company ("Exelon"), as contemplated by the Amended and Restated Agreement and Plan of Exchange and Merger, dated as of January 7, 2000 Among PECO Energy Company, NewHoldco Corporation and Unicom Corporation, or any successor agreement thereto. In that connection, PECO intends to transfer its ownership interest in the PECO Nuclear Plants to an affiliated electric generation company ("Exelon GENCO"); file one or more applications to extend or renew one or more of the operating licenses of the various nuclear generating units included in the PECO Nuclear Plants; and file one or more applications to enlarge or otherwise expand the radioactive waste storage capacity located at any one or more of the PECO Nuclear Plants nuclear station sites (the proceedings initiated to address license extensions and storage capacity expansion shall be referred to herein as "Other Nuclear Application Proceedings").

C. Mr. Epstein has an interest in the continued safe operation of PECO Nuclear Plants, is an intervenor to the PECO Merger Proceeding and is prepared to file, and to encourage

others to file a petition for leave to intervene and opposition in any one or more of the License Transfer Proceedings and the Other Nuclear Application Proceedings.

D. Through this Agreement, PECO and Mr. Epstein wish to resolve Mr. Epstein's concerns about the License Transfer Proceedings and the Other Nuclear Application Proceedings, and settle all possible claims and disputes of any nature between Mr. Epstein, on the one hand, and PECO, on the other hand, relating in any way to the the proposed corporate restructuring and merger with Unicom; all License Transfer Proceedings initiated in connection with the corporate restructuring or merger; and any of the Other Nuclear Application Proceedings filed within the five-year term of this Agreement

E. This Agreement is also intended in order to, among other things, provide for the payment by PECO of costs associated with certain Authorized Activities, as defined herein, related to the PECO Nuclear Plants which will be undertaken by or on behalf of Mr. Epstein in accordance with any statutory or regulatory requirements which are or may hereafter become applicable to this Agreement.

NOW, THEREFORE, recognizing that it is in the public interest to provide for the timely dissemination and availability of information regarding the operation of the PECO Nuclear Plants and the ability of the community living or working in the vicinity of those plants to monitor their environment, and in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby represent, warrant and agree as follows:

1. Term of Agreement. Except as otherwise provided in this Agreement, the term of this Agreement, and the parties' rights and obligations under this Agreement, shall be for a period of five (5) years, commencing on the Exelon Merger Effective Date, and ending on the fifth anniversary thereof, unless otherwise extended by mutual agreement of the parties hereto. The Exelon Merger Effective Date shall be the calendar date on which the corporate restructuring and merger involving PECO Energy Company and Unicom Corporation, as contemplated by the

Exelon Merger Agreement, becomes effective. PECO agrees to provide Mr. Epstein with notice identifying the Exelon Merger Effective Date.

2. Status of Petition for Leave to Intervene. Upon the execution of this Agreement, Mr. Epstein represents and warrants that he will neither 1) file, nor encourage others to file, a petition for leave to intervene or express opposition in any License Transfer Proceeding or any Other Nuclear Application Proceeding(s), nor 2) file, nor encourage others to file, a complaint, petition for leave to intervene in any proceeding, or express opposition before any agency or court related to any License Transfer Proceeding or Other Nuclear Application Proceeding(s), either on his own behalf or on behalf of any group with which he is affiliated.

3. Absence of Contested Proceeding. This Agreement and all of PECO's performance obligations under this Agreement are absolutely conditioned upon the absence of any contested proceeding, before the NRC or before any reviewing court, challenging any aspect of any proposed license transfer made in connection with the corporate restructuring or merger with Unicom. Notwithstanding this Agreement, in the event that a hearing is otherwise ordered by the NRC or a complaint or petition for review initiating a lawsuit is filed in any court which seeks to challenge any aspect of the proposed license transfer, this Agreement will become voidable at the option of PECO.

4. Recognition of EFMR Monitoring Group

(1) PECO recognizes that Mr. Epstein and the EFMR Monitoring Group at Peach Bottom, hereinafter referred to as the "Group," have a special interest in the continued safe operation of the Peach Bottom Atomic Power Station ("Peach Bottom"). For the purposes of maintaining continuity and enhancing community awareness of Peach Bottom during the term of this Agreement, PECO will recognize the Group.

(2) The Group shall report to a Board consisting of three (3) persons, and Mr. Epstein or his designee will be the Coordinator of the Group and the Board.

(3) Excluding Mr. Epstein, all Group members must live or work in the geographic vicinity of Peach Bottom (i.e., within a twenty-five (25) mile radius of Peach Bottom). Board members will be proposed by Mr. Epstein, PECO or other members of the community living or working in the geographic vicinity of Peach Bottom. All Board members must be approved by PECO and Mr. Epstein, but approval of proposed Board members will not be unreasonably withheld by either party.

(4) The Group will not be recognized or discussed in the Peach Bottom Technical Specifications or FSAR or in any other NRC-authorized or NRC-licensed program.

(5) At the end of the initial five year term of this Agreement, the Board may recommend that PECO continue its recognition of the Group. Based on any such recommendation, PECO may choose, in its absolute, unreviewable discretion, to continue recognition of the Group beyond the initial five year term of this Agreement.

5. Benefits to Which the Group is Entitled

(1) General Status. The Group is not generally entitled to any special benefits or privileges not available to the general public. The only benefits and privileges available to the Group are those specified in this Agreement.

(2) Reports, Etc.

(a) The Group will be entitled to receive from PECO copies of its Annual Radiation Environmental Operating Report(s) and its Annual Environmental Report within ten days of their issuance by PECO, or receipt by PECO, as applicable. PECO will also forward copies of the Exelon Annual Report to Shareholders and the Mason Dixon Report on a timely basis.

(b) The Group will also be placed on a mailing list for receipt of copies of all PECO press releases related to Peach Bottom and other information provided to the media relating to Peach Bottom in a timely manner.

(3) Annual Briefing. PECO will provide the Group with an annual briefing related to Peach Bottom. For the purposes of this Agreement, the annual briefing shall be scheduled to take place at the same time and location as the annual briefing to EFMR at Three Mile Island under the

certain "Settlement Agreement" dated January 9, 1999, between Mr. Epstein and AmerGen Energy Company, L.L.C., relating to Three Mile Island Unit 1 (TMI-1). Within thirty days prior to the scheduled date of such briefing, the Group will provide PECO with a list of the specific topics which it wants PECO to cover at the briefing. PECO will provide a general overview of Peach Bottom operations during the past year at the briefing and make a good faith effort to cover all of the designated topics, respond to specific questions at the briefing, and provide appropriate follow-up information to the Group.

(4) Certain NRC Meetings. Subject to applicable NRC restrictions and requirements, PECO will provide the Group with at least seventy-two hours advance notice of, and an opportunity to attend, any public meeting with the NRC with respect to Peach Bottom regarding the following subject areas: (a) core-shroud or core cooling system issues; (b) radioactive waste issues, including but not limited to, low level waste, high level waste, and spent fuel issues; (c) security issues; and (d) radiation monitoring.

(5) Other Information in the Event of NRC Shutdown Order. In the event that the NRC issues an Order requiring the shutdown of Peach Bottom, other than a generic Order affecting all plants or all plants of a specific class or type, PECO agrees to provide the Group with access to the following information, subject to the terms and conditions set forth below:

(a) Within a reasonable time after receipt of a written request from the Group, PECO shall make available for review by authorized Group representatives copies of any INPO Final Site Evaluation Reports relating to Peach Bottom or INPO Final Corporate Support Evaluation Reports relating to Peach Bottom which were given to PECO during the prior twelve (12) month period. The Group may review such reports once during the calendar year. PECO will excise from INPO Final Corporate Support Evaluation Reports any references to plants other than Peach Bottom. Authorized Group representatives shall include Mr. Epstein and other Group representative(s) specifically authorized by PECO. PECO's authorization may not be unreasonably withheld.

(b) Any review of INPO reports conducted by Group representatives pursuant to this Agreement shall be subject to the following conditions:

(i) Any review of INPO reports shall be made at PECO's offices in the presence of PECO representatives. The Group's representative(s) will not request or otherwise obtain copies of any or all of a report, but they may take notes while reviewing a report.

(ii) Any notes taken by the Group's representatives during a review of an INPO report may be viewed solely by Group personnel, and shall at all times remain in the physical custody, protection and control of the Group.

(iii) Neither the Group, nor the Group representative(s) who reviewed any INPO report, may disclose to any persons (other than members of the Group), or otherwise publicize any information obtained from any review of an INPO report. The Group, however, may make comments to the NRC which include factual information obtained from the review of an INPO report, may disseminate copies of any official written comments made to the NRC, and may publicly provide information necessary to explain those official written comments. The Group shall not, however, make statements stating or paraphrasing conclusions or observations in any INPO report, nor otherwise reveal confidential information contained in any INPO report.

(iv) Notwithstanding any provisions in Paragraph 5.(5)(b)(iii) immediately above, neither the Group nor its representative(s) may disclose to any persons, other than the members of the Group or the NRC, the names of any persons contained in any INPO report or any information from which identification of such persons could reasonably be made. In the event any comments made to the NRC pursuant to Paragraph 5.(5)(b)(iii) immediately above include the names of any persons contained in any INPO report, or any information from which identification of such persons could reasonably be made, the Group shall (x) request in advance that the NRC keep such names or information confidential pursuant to 10 CFR §§ 2.790, 9.17, and (y) not release any copies of its official written comments without excising those names or such information from the comments.

(v) Before any representative of the Group may review any INPO report pursuant to this Agreement or view any notes taken in connection with such a review by any Group representative(s), such person shall first advise PECO in writing that he or she has read and understands Paragraph 5.(5) of this Agreement and all subparts thereof and agrees to be bound thereby.

(6) Certain Equipment and Services. The Group will be entitled to the benefits discussed in Section 8 of this Agreement regarding certain equipment and services to be provided by PECO. Costs allocated to PECO under Section 8 will not be charged to the Group's budget.

(7) Budget.

(a) PECO will provide the Group with an annual budget to be used to defray the reasonable administrative expenses of the Group directly related to its expressed intent to monitor Peach Bottom activities through the appropriate use of Rad Alerts and Low-Volume Air Samplers. The annual operating budget will consist of thirteen thousand dollars (\$13,000.00) per year, indexed to inflation as described in Paragraph 5.(7)(d). Reasonable administrative expenses would include, for example, reasonable expenses for payments for statistician and/or newsletter editorial services, the purchase of computers, computer upgrades, printers, software, computer supplies, photocopying machine, facsimile machine, a dedicated telephone line and answering machine, file cabinets, batteries, and other office equipment and supplies (*e.g.*, pencils, pens, paper clips, envelopes, letterhead postage), service contracts for maintenance of such equipment, and reimbursement for reasonable expenses incurred in traveling related to the Group's monitoring activities. Any use of the budget for reimbursement for fuel expenses must be supported by a written log including, at a minimum, the date of trip, the points of origination and destination, and odometer readings before and after the trip. This listing of examples of expenses that are or are not covered by the Group's budget is not intended to be exhaustive. However, no part of the budget shall be used for the payment of salaries, benefits, or any other form of direct or indirect compensation for any member or agent of the Group or for the payment of legal fees or expenses, consultant fees or expenses, or expert fees or expenses, except that the Group may use part of the supplemental payment pursuant to Paragraph 5.(7)(b) for the purpose of compensating Mr. Epstein for his time and reasonable expenses in negotiating this Agreement. PECO reserves the right to determine whether specified expenses not listed above are reasonable administrative expenses. The Group will resolve any reasonable doubts regarding the allowance of any expense by seeking PECO's approval of the expense in advance. The Group will use all funds paid to the Group under this Section and all earnings accumulated or to be accumulated thereon (the "Funds") for the purposes described in this paragraph (the "Authorized Activities").

(b) Within thirty (30) days after the Exelon Merger Closing Date, PECO will pay Mr. Epstein on behalf of the Group, in the form of a check made out to Mr. Epstein the amount of twelve thousand eight hundred twelve dollars and ninety-seven cents (\$12,812.97), as a supplemental payment for purposes of funding the Group's continuation of activities pursuant to the Settlement Agreement dated September 14, 1992 between Mr. Epstein and GPU, subject to the terms of this Agreement.

(c) Within thirty (30) days of the commencement of the initial term of this Agreement, PECO will pay, in the form of a check made out to the Group, the amount of thirteen thousand dollars (\$13,000.00). In each succeeding year on the anniversary date thereof, PECO will pay, in the form of a check made out to the Group, the amount of thirteen thousand dollars (\$13,000.00), increased for inflation as provided Paragraph 5.(7)(d) below, subject to receipt of a certificate, satisfactory in form and substance to PECO as described in Section 5.(7)(e) below, and subject to any credit recognized pursuant to Section 5.(7)(g) below.

(d) Following the first payment made after the commencement of the initial term of this Agreement, the annual budget in each year shall be increased from the budget in the prior year, to adjust for inflation, at the rate of 5% per annum,.

(e) The Group will provide to PECO, not later than thirty (30) days prior to the completion of each fiscal year, a certificate, signed by a duly authorized representative of the Group, which shall include the following:

(i) A statement that all Funds provided by PECO were used for reimbursement of costs of Authorized Activities as described in the Agreement;

(ii) An identification (in sufficient detail to permit audit thereof in accordance with this Agreement) of the work services, materials and equipment and related costs performed, rendered or acquired in connection with the Authorized Activities which gave rise to the costs for which the Funds were used; and

(iii) A cumulative year-by-year summary of the Funds, identifying original funds provided by PECO and interest or other earnings.

(f) The Group shall maintain reasonable accounting and other records of the Funds and the expenditures made by the Group for the Authorized Activities which shall be made available for examination by PECO or its duly authorized representative upon request.

(g) The Group's first fiscal year will commence on the date the funds are received from PECO and will conclude on the last day of the same month plus one year. Subsequent fiscal years will be on a succeeding twelve (12) month basis. Expenses incurred but not yet paid for can be reported in the year incurred or actually paid, provided the reporting of the expense is consistently applied across fiscal years. With the exception of reimbursement for expenses reported in the year incurred, any funds not spent in one fiscal year will be counted as a credit against the next year's payment of the Group's budget.

(h) At the end of the last fiscal year for which PECO has agreed to recognize the Group, the Group will provide to PECO the certificate described in Section 5.(7)(e) above. The Group will reimburse PECO for any funds expended during the last fiscal year which are found not to relate to the Authorized Activities. All funds not spent by the Group will be returned to PECO within forty-five (45) days following the end of such last fiscal year.

(i) PECO shall have the option to extend the term of this Agreement by a term of at least one year after the end of its initial five year term. If PECO chooses not to exercise such option, PECO shall pay, in the form of a check made out to the Group, the amount of five thousand dollars (\$5,000.00) for purposes of winding up the affairs of the Group. This amount is not subject to adjustment for inflation as provided in Paragraph 5.(7)(d) relating to the Group's annual budget.

6. Robotics Research. PECO agrees that it shall expend at least \$500,000 during the term of this Agreement for the purpose of targeted research into the use of robotics in the topical areas of nuclear generation plant radiation exposure management and nuclear plant decommissioning technology. PECO will provide the Group a report into such activities at the annual briefing provided in connection with Section 5(3) above but shall have complete discretion into how such funds will be expended.

7. Use of Mixed Uranium (MOX) Fuel. During the term of this Agreement, PECO shall refrain from the use of MOx fuel in any nuclear reactor included in the PECO Nuclear Plants.

8. Equipment, Installation, and Access.

(1) PECO will supply the Group with thirty (30) new Rad Alerts at a cost not to exceed \$230 per Rad Alert, plus postage, and reimburse the Group for the cost of one Low-Volume Air Sampler (\$7,900).

(2) PECO will reimburse the Group for the cost (not to exceed \$250) of installing the Low-Volume Air Sampler at a site at Peach Bottom that is chosen by the Company.

(3) PECO will provide access to the Low-Volume Air Sampler during the weekday hours of 9AM-5PM for the purposes of ensuring that the Low-Volume Air Sampler is properly calibrated and otherwise operating properly.

9. Community Responsibility and Corporate Culture.

(1) PECO is committed to corporate involvement and investment in the local community proximate to Peach Bottom and will increase the current level of community spending by at least five (5) percent per annum commensurate with the existing practices of PECO in connection with the safe operation of Peach Bottom. PECO will provide an accounting of such spending at the annual briefing described in section 5.(3) above.

(2) PECO will continue to participate in industry groups such as INPO and the BWR Vessel Group, to the extent such participation is consistent with good utility practices.

(3) PECO also recognizes that the safe and reliable operation of Peach Bottom requires the maintenance of a highly skilled and technically qualified workforce, and it is therefore committed to maintain a highly skilled and technically qualified workforce of sufficient number to be consistent with good utility practices.

10. Storage of Spent Fuel/Radioactive Waste. PECO agrees that, during the term of this Agreement, PECO will not store spent fuel or radioactive waste from any nuclear reactor other than those located at the Peach Bottom site.

11. Acknowledgment By NRC Staff. Although PECO and Mr. Epstein agree that the NRC Staff will have no obligations or duties of any kind whatsoever arising under the provisions of this Agreement, the parties have agreed to jointly recommend to the NRC Staff that the NRC Staff acknowledge receipt of this Agreement upon the approval of the proposed license transfer by the NRC. Mr. Epstein and the Group further agree that the NRC will have no obligation to implement, enforce, or supervise any of the terms, conditions, or duties created by this Agreement as a result of such acknowledgment.

12. Entire Agreement. This Agreement constitutes the entire agreement between the parties and no other agreement with regard to the matters herein shall be binding on the parties except by written amendment to this Agreement. Except for the terms and conditions enumerated in this Agreement, the parties hereby acknowledge and agree that none of the parties has made any other promises, warranties or representations to any other party hereto regarding any aspect of the settlement of the matters referred to in this Agreement, and that any such promises, warranties, or representations that may be alleged to have been made are hereby merged herein.

13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed one and the same instrument.

14. No Presumption Against the Drafters. This Agreement shall be deemed to have been drafted jointly by PECO and Mr. Epstein and shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

15. No Admissions. Neither the drafting or execution of this Agreement nor anything contained herein is intended to be, or shall be deemed to be, an admission of fact by any party with respect to any matter relating to the proposed license transfer.

16. Further Assurances. Mr. Epstein and PECO will execute, after the execution of this Agreement, all documents reasonably necessary to effectuate the intent of this Agreement.

17. Successors, Assigns, Etc. This Agreement is binding upon and for the benefit of Mr. Epstein and PECO and their respective heirs, executors, administrators, successors, and assigns, wherever the context requires or admits.

18. Sole Benefit. Subject to the provisions of Section 16 of this Agreement, it is the intention of the parties that this Agreement and all of its conditions and provisions are for the sole benefit of Mr. Epstein and PECO, and for the benefits of no other person. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than Mr. Epstein or PECO any legal or equitable right, remedy, or claim under, or in respect to, this Agreement or any of its provisions.

19. Reservation of Rights. Notwithstanding any provision in this Agreement, nothing herein shall abridge the right or ability of any party to this Agreement, or any employee, member, consultant or contractor of any party, or any group or member of the public to appear before the NRC, and nothing herein shall abridge the right or ability of such party, person or group to communicate or to deal with the NRC or with the Staff or any other part of the NRC. The NRC Staff, in acknowledging this Agreement, does so solely to acknowledge the existence of this Agreement and the settlement between PECO and Mr. Epstein. The NRC Staff neither agrees or disagrees with its other terms or provisions as they are agreements between PECO and Mr. Epstein. Further, nothing in this Agreement shall be interpreted to in any way limit any right, duty, discretion, authority or regulatory responsibility of the NRC, its staff, contractors, or consultants.

20. Binding Effect, Severability. This Agreement shall be binding upon Mr. Epstein and PECO in accordance with its terms even if the NRC Staff does not formally acknowledge this

Agreement. If any provision of this Agreement is held to be invalid or unenforceable, all of the remaining provisions of this Agreement shall nevertheless remain in full force and effect and shall be binding upon the parties.

21. Authorizations. Each person signing this Agreement represents and warrants that he or she is duly authorized and empowered to act on behalf of and sign for the party for whom he or she has signed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of this __th day of March, 2000.

Eric Joseph Epstein

Date: _____

By: _____

PECO Energy Company

Date: _____

By: _____

RECEIPT OF THIS AGREEMENT ACKNOWLEDGED by the Staff of the United States Nuclear Regulatory Commission on the _____ day of _____, 2000.

United States Nuclear Regulatory
Commission

Date: _____

By: _____

APPENDIX C

ACCESS TO INSTALLED CAPACITY ("ICAP")

APPENDIX C

Access to Installed Capacity ("ICAP")

- A. At a price of \$52.00 per MW-day, the GenCo (or other PECO entity) will make available 600 MW per day of Unforced Capacity Credits ("UCCs"), as defined in the Reliability Assurance Agreement of the PJM Interconnection, L.L.C., each year for three (3) years beginning January 1, 2001 or, if PJM eliminates the Installed Capacity ("ICAP") obligation for load serving entities, until such date of elimination, if earlier. The UCCs will be made available only to PaPUC licensed Electric Generation Suppliers ("EGS") serving competitive load in the PECO service territory. Except as provided in Paragraph F below, the UCCs will be limited to one-year contract terms on a calendar year basis only. This UCC offer will exclude PECO's affiliated EGS.
- B. Except as provided in Paragraph F below, in the following periods of each respective year, the GenCo shall make available to any eligible EGS the following amounts of UCCs on the following terms:
- (1) For the period October 1 through October 31, the lesser of 50 MW of UCCs, or the EGS' PECO Zone peak load obligation adjusted up to the EGS' UCC obligation, provided, however, that in the event of an oversubscription of the 600 MW on the first business day immediately following September 30, the EGSs' requests will be reduced pro rata so as to total 600 MW. If not fully subscribed on that day, the UCCs shall be made available thereafter on a first-come, first-served basis.
 - (2) For the period November 1 through November 30, on a first-come, first-served basis, the EGS' PECO Zone peak load obligation, adjusted up to the EGS' UCC obligation, subject to a reduction for any UCC purchases made pursuant to subsection B(1) above in the immediately preceding October period.

The UCC obligation shall be as determined by PJM and identified in eCapacity, or the successor thereto, effective September 20 of each respective year.

The minimum UCC purchase amount for any EGS shall be 5 MW per transaction.

- C. The maximum of 50 MW per EGS transaction and the minimum of 5 MW per EGS transaction will be subject to reexamination beginning September 2001 with any change by consensus of PECO and MAPSA to take effect prospectively.
- D. On or before September 1, 2000, the GenCo shall notify all PaPUC licensed EGSs serving competitive load in the PECO service territory as to the requirements for requesting UCCs under this Appendix.
- E. All UCC transactions shall be pursuant to, and comply with, PECO's FERC Electric Tariff, Original Volume No. 1, effective April 12, 1999 or the GenCo successor thereto. Coincident with filing any changes to the above-referenced Tariff, PECO shall serve notice on MAPSA.

F. In the event the Merger has not closed by October 1, 2000, the one-calendar year UCC contract term limitation as provided in Paragraph A above and the period for making UCCs available to EGSs as described in B(1) and B(2) above will be modified as follows:

For the sixty (60) day period commencing seven (7) days after the Merger closes, and on the following two anniversaries of that date, the GenCo shall make available, on a "Contract Year" basis, to any eligible EGSs, the following amounts of UCCs on the following terms:

- (1) For the first thirty (30) days of said sixty (60) day period, the lesser of 50 MW of UCCs, or the EGS' PECO Zone peak load obligation adjusted up to the EGS' UCC obligation, provided, however, that in the event of an oversubscription of the 600 MW on the first business day of said thirty day period, the EGSs' requests will be reduced pro rata so as to total 600 MW. If not fully subscribed on that day, the UCCs shall be made available thereafter on a first-come, first-served basis.
- (2) For the remaining thirty day period, on a first-come, first-served basis, the EGS' PECO Zone peak load obligation, adjusted up to the EGS' UCC obligation, subject to a reduction for any UCC purchases made pursuant to subsection F(1) above in the immediately preceding thirty day period.

The UCC obligation shall be as determined by PJM and identified in eCapacity, or the successor thereto, effective September 20 of the immediately preceding calendar year.

The Contract Year shall mean the annual period commencing upon expiration of the above-described sixty day period.

APPENDIX D

SUPPLIER COORDINATION TARIFFS

Electric Generation Supplier Coordination Tariff

5. DIRECT ACCESS PROCEDURES**5.1 Customer Enrollment**

5.1.1 Generally. The selection of Customers eligible to obtain Competitive Energy Supply shall occur in accordance with the Commission's May 21, 1998, Enrollment Order. ~~(Enrollment Procedures applicable to Electric Distribution Companies and Electric Generation Suppliers during the Phase-In Implementation of Direct Access, Docket No. M-00960890f.0014),...~~ applicable Orders and Regulations.

5.1.2 Provision of Customer Lists. ~~Concurrent with the Company notifying Customers of their eligibility to select an EGS, t~~The Company shall provide to all EGSs a complete list of ~~eligible-enrolled~~ all Customer information in electronic format. ~~Said list via the Success website or the successor thereto.~~ ~~shall include Pilot Customers.~~ Said list shall be provided electronically, without charge, to licensed EGSs electronically until January 1, 2004, unless the Commission shall make a generic determination (whether by Secretarial Letter, Order, Rule or Regulation) that such program shall continue and, if so, under what terms. and be made available on the same date Customers are notified that they have been enrolled. Said list shall include all of the information outlined in Rule 5.1.3(a), below, for Customers that ~~consent to do not restrict~~ the release of Customer information pursuant to applicable Commission Secretarial Letters, Orders, Rules or Regulations. The list shall be updated quarterly and shall include individual monthly electric usage and billing demand data at the customer account level for the most recent (12) twelve month period preceding the respective quarter, for which data is available. The lag time for this data shall not exceed (2) two billing cycles. ~~and only the information identified in Rule 5.1.3(b), below, for Customers that do not so consent. If, after the final date for the enrollment period, less than 66% of the non-coincident peak load for residential and commercial rate classes (all rate classes except for Rates HT, PD, and EP) has been enrolled, the Company shall provide all licensed EGSs with a list of enrolled Customers in such rate classes to date. The Company will continue to enroll Customers and the list of enrolled Customers will be updated weekly until the loads of the enrolled Customers comprise at least 66% of the non-coincident peak load of each residential and commercial rate class or full Direct Access begins.~~

5.1.3 Data Exchange.

(a) The list of enrolled Customers that the Company provides to all EGSs pursuant to Rule 5.1.2, above, shall be posted on the SUCCESS website and shall include, but is not limited to, the following information about customers that have ~~consented to not restricted~~ the release of Customer information.

- (i) PECO Energy Account Number
- (ii) Billing Route
- (iii) Customer Name
- (iv) Service Address
- (v) Service City
- (vi) Service State Zip
- (vii) Mailing Address
- (viii) Mailing City
- (ix) Mailing State Zip
- (x) Contact Name (applicable to industrial and large commercial Customers only)
- (xi) Contact Address (applicable to industrial and large commercial Customers only)
- (xii) Contact City, State, Zip (applicable to industrial and large commercial Customers only)
- (xiii) Unlisted Phone Number Code
- (xiv) Phone Number
- (xv) Rate Class 1
- (xvi) Rate Code 1
- (xvii) Strata 1
- (xviii) Rate Class 2
- (xix) Rate Code 2
- (xx) Strata 2
- (xxi) Rate Class 3
- (xxii) Rate Code 3
- (xxiii) Strata 3
- (xxiv) Total Rate 1 kWh
- (xxv) Registered Peak Demand
- (xxvi) Load Factor
- (xxvii) Rate 1 Average Monthly kWh
- (xxviii) Meter Use Code
- (xxix) Delivery Date
- (xxx) 12 Individual Months of billing demand (kW)
- (xxxi) 12 Individual Months of Usage (kWh)

(b) The list of enrolled Customers that the Company provides to all EGSS pursuant to Rule 5.1.2, above, shall contain the following information about Customers that have restricted not consented to the release of Customer information load data:

- (i) PECO Energy Account Number
- (ii) Rate Class
- (iii) Customer Name
- (iv) Service Address

(c) Customers who restrict the release of all of their account information shall not be included in the above described customer list.

APPENDIX D

Gas Choice Supplier Coordination Tariff

[Upon consummation of the Merger, the Company will make the revisions indicated below to the Gas Choice Supplier Coordination Tariff filed by PECO in its Gas Restructuring Proceeding at Docket No. R-00994787:]

6.0 CUSTOMER RELEASE OF INFORMATION AND SWITCHING

6.1 Provision of Customer Release of Information List. On or before May 1, 2000, the Company will send Customer Choice Release of Information packets to all LVT Customers. Customers will be given the opportunity to authorize the release of their confidential account information in accordance with the Interim Customer Information Disclosure Order (Docket No. M-00991249F005). On or before June 1, 2000, the Company shall provide to all licensed NGSs a complete list, in electronic format via the Success website, or the Successor thereto, of Customers, who as of that date, have authorized the release of information. Said list shall be provided at the customer account level and shall include all of the information outlined in Rule 6.2(a), below, for Customers that consent to do not restrict the release of Customer information pursuant to applicable Commission Secretarial Letters, Orders, Rules or Regulations, and, and only the information identified in Rule 6.2(b), below, for Customers that have restricted the release of their usage data. The list shall be updated quarterly and shall include individual monthly gas billing data for the most recent twelve (12) month period preceding the respective quarter, for which do not so consent. 154413

Customers who restrict the release of all of their confidential account information shall not be included in the above described Customer list. The Company will ~~also provide~~, electronically, updated lists without charge, to licensed NGSs until January 1, 2004, unless the Commission shall make a generic determination (whether by Secretarial Letter, Order, Rule or Regulation) that such program shall continue and, if so, under what terms. on or before August 1, 2000, November 1, 2000, and February 1, 2001, unless the Commission directs otherwise

1 6.2 **Data Exchange.** The list of Customers that the Company provides to all NGSs pursuant to Rule
2 6.1 above, shall be posted on the SUCCESS website, or its successor, and shall include the
3 following:

4
5 a. As to Customers who have not restricted ~~authorized~~ the release of all of their Customer
6 information:

- 7
8 (i) PECO Energy Account Number (including Billing Route)
9 (ii) Customer Name
10 (iii) Service Address
11 (iv) Mailing Address
12 (v) Rate Class
13 (vi) Rate Sub-Class
14 (vii) Customer usage data (i.e., strata, ~~aggregate of twelve (12)~~ individual -months of
15 historical usage)

16
17 b. As to Customers who have restricted ~~not authorized~~ the release of their usage data:

- 18
19 (i) PECO Energy Account Number (including Billing Route)
20 (ii) Customer Name
21 (iii) Service Address
22 (iv) Mailing Address
23 (v) Rate Class
24 (vi) Rate Sub-Class

APPENDIX E

ABBREVIATED DISPUTE RESOLUTION PROCESS

APPENDIX "E"

ABBREVIATED DISPUTE RESOLUTION PROCESS

The Joint Petitioners agree to implement the Abbreviated Dispute Resolution Process as set forth below:

1. The Abbreviated Dispute Resolution Process will apply to disputes involving alleged violations of the Retail Access or GenCo Codes of Conduct, alleged violations of PECO's Electric Generation Supplier Tariff or a dispute allegedly affecting or threatening the ability of an entity to provide electric generation or related services to a customer or customers. Before filing a petition with the Pennsylvania Public Utility Commission ("PUC" or the "Commission"), as more fully described in Paragraph No. 2, below, a party seeking to invoke the arbitration process ("Petitioner") must, for at least thirty (30) days, engage in good faith negotiations with the answering party ("Respondent") with respect to the matters in dispute.

2. A party directly involved in a dispute within the scope of the Abbreviated Dispute Resolution Process, as defined in Paragraph No. 1, that is unable to resolve such dispute through good faith negotiations may file with the Commission a Petition for Resolution of Disputed Issues ("Dispute Resolution Petition"). The Petitioner and Respondent should make a good faith effort to submit a joint petition that sets forth a mutually agreed statement of the facts and issues. However, if the parties cannot agree to file a joint petition, the Petitioner may file a Dispute Resolution Petition setting forth a concise statement of the facts, issues, relevant authorities, the relief requested and, except as provided in Paragraph No. 5, below, a statement that the parties engaged in the required 30-days of good faith negotiations and a detailed explanation of the nature of such negotiations. The Petitioner must serve a copy of the Dispute Resolution Petition upon the Respondent by facsimile with telephonic confirmation or by overnight delivery service. Upon the request of either the Petitioner or Respondent, the Dispute Resolution Petition may be served upon the Office of Consumer Advocate ("OCA"), the Office of Small Business Advocate ("OSBA") and the Commission's Office of Trial Staff ("OTS") (collectively referred to as the "Public Advocates").

3. Each Dispute Resolution Petition will be assigned a separate docket number by the Commission and will be assigned to a principal Arbitrator(s) by the Commission from a mutually agreeable pool of arbitrators with expertise in the subject matter of the dispute.

4. The Parties will be the primary participants in the Abbreviated Dispute Resolution Process. The Public Advocates may participate in the proceeding, but may not conduct formal discovery and are precluded from opposing the voluntary withdrawal of a Dispute Resolution Petition pursuant to a settlement between the Parties.

5. Any Petitioner filing a Dispute Resolution Petition may also request an interim

ruling that the Petitioner is entitled to relief pending the resolution of the merits of the dispute. The purpose of this procedure is to provide an interim remedy when the alleged action or failure to take action that is the basis for the dispute compromises the ability of a party to provide uninterrupted service or unreasonably precludes a party from providing scheduled service.

a. Any requests for an interim ruling shall be filed at the same time, and in the same document as, the Dispute Resolution Petition. The Petitioner shall give the Respondent twenty-four (24) hours prior written notice of its intention to file a request for interim relief. A Dispute Resolution Petition that includes a request for interim relief need not indicate that the parties have engaged in good faith negotiations for at least thirty (30) days; provided, however, that Dispute Resolution Petitions that omit evidence of thirty (30) days of good faith negotiations pursuant to this subparagraph shall be dismissed without prejudice if the request for interim relief is denied.

b. A Dispute Resolution Petition that includes a request for interim relief shall include the phrase "Request for Interim Ruling" in the heading and shall clearly identify and set forth the specific grounds supporting the request for interim relief, including a statement of the actual harm that will result if interim relief is not provided and proof that the standard for granting interim relief set forth in Paragraph No. 5, above, has been met. In addition to the advance written notice required above, a Dispute Resolution Petition that includes a request for interim relief shall be verified by affidavit and served on the Respondent by hand-delivery or by facsimile with telephonic confirmation of receipt on the same day the pleading is filed with the Commission. The certificate of service filed with the Dispute Resolution Petition shall state how the Petitioner has complied with this service requirement.

c. Within three (3) business days of the filing and service of a Dispute Resolution Petition that includes a request for interim ruling, the Arbitrator assigned to the dispute by the Commission shall conduct a hearing to determine whether interim relief should be granted during the Abbreviated Dispute Resolution Process. The Arbitrator will notify the Parties of the date and time of the hearing by facsimile within twenty four (24) hours of the filing of a Dispute Resolution Petition and Request For Interim Ruling. The Parties should be prepared to present their positions and evidence on factors including, but not limited to, the details of the dispute and the other elements necessary to establish a right to interim relief as set forth in Paragraph No. 5, above. Based on the evidence provided at the hearing, the Arbitrator will issue a ruling on the request for Interim Relief within twenty-four (24) hours of the close of the hearing and will notify the Parties by facsimile of the ruling. In reaching a decision on interim relief, the Arbitrator may base his or her decision on whether the Petitioner has provided ample information to allow a full evaluation of the merits of the case. The Petitioner shall have the burden of persuasion and the burden of going forward with the evidence. The interim ruling will be effective throughout the dispute resolution proceeding until a final decision is issued pursuant to the Abbreviated Dispute Resolution Process. If the request for interim ruling is denied and the Dispute Resolution Petition contains the required detailed evidence of thirty (30) days of good faith negotiations as described in Paragraph No. 1, above, the dispute resolution proceeding shall proceed pursuant to the procedures set forth herein. If the request for interim ruling is denied and the Dispute Resolution Petition does not contain evidence of such negotiations, the Petition shall

be dismissed without prejudice and may be refiled only after expiration of a thirty (30) day negotiation period.

6. Within five (5) business days of the filing of a Dispute Resolution Petition which does not contain a Request for Interim Ruling or within seven (7) business days of the filing of a Dispute Resolution Petition containing a Request for Interim Relief that either (1) results in the interim relief being granted, or (2) contains the required evidence of thirty (30) days of good faith negotiation (whether or not the interim relief is granted), the Petitioner and Respondent, either jointly, if mutually agreeable, or separately, shall file "Dispute Documentation," which clearly and concisely describes the dispute and includes all documentation and other material the parties believe is relevant to the resolution of the dispute. If the Dispute Documentation is filed separately, the parties shall serve copies thereof by hand delivery or overnight delivery service on each other and on any public advocates participating in the proceeding.

7. Within fourteen (14) calendar days of the filing of a Dispute Resolution Petition in the form described in Paragraph No. 6, above, a conference will be scheduled and held among the Parties, the participating Public Advocates and the Arbitrator.

8. At the conference, which will not be conducted as an evidentiary hearing, the Parties shall, and any participating Public Advocates may, informally present their positions to the Arbitrator and, with the assistance of the Arbitrator, shall attempt to resolve their differences. The conference shall be transcribed and shall be subject to the traditional proprietary safeguards including the entry of one or more protective orders to maintain the confidentiality of proprietary or competitively sensitive information or documents.

9. If, at the close of the conference, matters remain in dispute, the Arbitrator may issue an informal decision from the bench which resolves the dispute. If the Arbitrator determines not to issue an informal bench decision, the Arbitrator will issue an informal decision resolving the dispute within five (5) business days of the conference. In either case, the Arbitrator's informal decision will be filed in the Commission's document file for the matter.

10. Within five (5) business days after the issuance of the Arbitrator's decision, either Party may appeal to the Commission by filing a Notice of Appeal with the Secretary of the Commission. For purposes of this provision, the date of filing shall be the date such Notice is actually received by the Secretary. If no Party files a Notice of Appeal within the prescribed time, the informal decision will become a final Commission Order, which shall be evidenced by a Secretarial Letter. The informal process is ended when an informal decision is issued that either becomes a final Commission Order by operation of law, in the manner described above, or is appealed and formal Commission proceedings are initiated as provided in Paragraph No. 13, below.

11. If a matter is settled by the Parties at any point in the informal proceedings described above, including during the five business day appeal period, the Parties will have the choice of filing the settlement with the Commission for approval or withdrawing the Dispute Resolution Petition. This provision shall supersede the provisions of 52 Pa. Code §§5.94 and

1.82.

12. If the Parties choose to seek Commission approval of a settlement agreement, the parties will file a joint petition for adoption of the settlement agreement with the Commission. The Public Advocates may file a response to the joint petition within ten (10) calendar days. Within fifteen (15) calendar days of the filing of joint petition for settlement, an Administrative Law Judge ("ALJ") to whom the matter is assigned will then issue an Initial Decision addressing the settlement petition.

13. The filing of a Notice of Appeal to an informal decision pursuant to Paragraph No. 10, above, will commence *de novo* review of a Dispute Resolution Petition.

14. The filing of a Notice of Appeal pursuant to Paragraph No. 10 shall not automatically stay the Arbitrator's informal decision. Any party to the proceeding may file a motion for stay of the informal decision or a motion to continue or rescind the granting of interim relief pursuant to Paragraph No. 5, with the Commission's Secretary, copies of which shall be served on all parties and the Office of Administrative Law Judge. Only if the motion is approved will the informal decision be stayed during the pendency of the appeal. The motion for stay will be considered in light of the standard for the granting of a stay as set forth in PA PUC v. Process Gas Consumers Group, 502 Pa 545, 467 A.2d 805 (1983).

15. Upon the filing of a Notice of Appeal to an informal decision pursuant to Paragraph No. 10, the Public Advocate may intervene in the Commission proceeding and other interested parties may petition for leave to intervene.

16. *De novo* review shall consist of the conduct of an evidentiary hearing on the dispute. The presiding ALJ will conduct a hearing and issue an Initial Decision resolving the dispute within thirty (30) calendar days of the filing of the appeal unless the ALJ extends the time frame for good cause shown giving due recognition to the fact that an expeditious resolution is in the public interest.

17. Parties to the proceeding may file exceptions to an ALJ's Initial Decision that addresses a settlement petition or results from *de novo* review of a Dispute Resolution Petition within seven (7) business days of its issuance. Reply exceptions must be filed within five (5) business days after the exceptions are filed. If no timely exceptions are filed and if two Commissioners do not "call up" the matter within fifteen (15) days of issuance, the Initial Decision will become a final order by operation of law. If timely exceptions are filed, the matter will be assigned to the Office of Special Assistants for preparation of a recommendation for Commission consideration at the earliest possible Public Meeting.

18. With the exception of 52 Pa. Code §§ 5.94 and 1.82, this dispute resolution process is not intended to replace or preclude any other remedies or procedures otherwise available to any of the parties, and a party's participation in this dispute resolution process shall not be considered a waiver of any available substantive or procedural rights.



APPENDIX F

AMTRAK OPTIONS FOR TRANSITION CHARGE BUYOUT

Appendix F

Amtrak Options for CTC/ITC Buyout

Upon closing of the Merger, the National Railroad Passenger Corporation ("Amtrak"), a PECO customer and an intervenor in this proceeding, shall have the option to execute a lump sum Transition Charge buyout pursuant to Paragraph 25 of the 1998 Electric Restructuring Settlement. Amtrak, if it chooses, may exercise the lump sum option on any of the eight dates specified on Schedule Amtrak-1 for the fixed dollar amount designated on that schedule.

Schedule Amtrak-1

| <u>Date</u> | <u>Buyout Amount</u> |
|-----------------|----------------------|
| October 1, 2000 | \$46,561,000 |
| January 1, 2001 | \$46,185,000 |
| April 1, 2001 | \$45,467,000 |
| July 1, 2001 | \$44,733,000 |
| October 1, 2001 | \$43,983,000 |
| January 1, 2002 | \$43,217,000 |
| April 1, 2002 | \$42,427,000 |
| July 1, 2002 | \$41,619,000 |

Amtrak is under no obligation to exercise any of the options allowing Transition Charge buyout.

If and when Amtrak exercises its buyout option, the PECO generation rate applicable for Amtrak service under Rate EP shall be the fixed shopping credit as set forth in the Rate EP schedules of PECO's 1998 Electric Restructuring Settlement. From the time of any buyout forward, Amtrak's shopping credit shall no longer be subject to yearly adjustment through the Transition Charge reconciliation process.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

| | | |
|-------------------------------------|---|------------------------|
| APPLICATION OF PECO ENERGY | : | |
| COMPANY, PURSUANT TO CHAPTERS | : | |
| 11, 19, 21, 22 AND 28 OF THE PUBLIC | : | |
| UTILITY CODE, FOR APPROVAL OF | : | |
| (1) A PLAN OF CORPORATE | : | Application Docket No. |
| RESTRUCTURING, INCLUDING THE | : | A-110550F0147 |
| CREATION OF A HOLDING COMPANY | : | |
| AND (2) THE MERGER OF THE NEWLY | : | |
| FORMED HOLDING COMPANY AND | : | |
| UNICOM CORPORATION | : | |

OFFICE OF TRIAL STAFF
STATEMENT IN SUPPORT
OF JOINT PETITION FOR SETTLEMENT

TO ADMINISTRATIVE LAW JUDGE CHARLES E. RAINEY:

The Office of Trial Staff (OTS) of the Pennsylvania Public Utility Commission ("Commission") respectfully requests that the terms and conditions of the foregoing Joint Petition For Settlement ("Settlement") be approved by Administrative Law Judge (ALJ) Rainey and the Commission. This request is based upon OTS' conclusion that the proposed Settlement is in the public interest, as stated in the Settlement and as highlighted herein:

1. The Settlement contains many benefits to ratepayers and the public in general. These benefits include rate reductions, an extension of the rate cap,

protection for PECO's ratepayers from expenses of decommissioning Unicom's nuclear units, the sharing of any future increases in nuclear decommissioning costs between shareholders and customers, reliability and customer service enhancements, promotion of competition, provision of environmental benefits, protection for customers from unregulated risks, and the maintenance by PECO of a strong corporate presence in Southeastern Pennsylvania. Further detail concerning some of these numerous benefits are set forth herein.

3. In OTS' view, one of the primary benefits of this Settlement is the \$200 million distribution rate reduction, which is to be provided over a four-year period commencing January 1, 2002. In addition, the Settlement extends the cap on PECO's transmission and distribution charges, which would otherwise expire on June 30, 2005, until December 31, 2006. The Settlement also provides protections to appropriately insulate ratepayers from the risks and cross-subsidization of unregulated ventures.

4. Another very important benefit of the Settlement is the protection provided to PECO ratepayers from responsibility for nuclear decommissioning expense obligations related to Unicom's nuclear plants. Also, if and when PECO seeks to increase its annual nuclear decommissioning expense allowance above its base annual accrual level of \$29.162 million, PECO agrees to forego recovery of \$50 million of the total, plus 5% of any additional increases above the base level.

This provides for an appropriate sharing of increases in nuclear decommissioning costs between shareholders and customers.

5. Also, the Settlement provides for the development of enhanced reliability and customer service standards, and holds management and supervisory personnel accountable if these standards are not met.

6. The Settlement promotes competition and provides considerable environmental benefit.

7. Furthermore, the Settlement provides public benefit in that PECO's charitable and civic giving is to be maintained at no less than current levels through 2003. In addition, the Settlement requires PECO to maintain corporate headquarters for its distribution business in Philadelphia through at least 2005, and to maintain employment at 2301 Market Street at no less than 1250 employees through 2003.

8. Moreover, in OTS' view, this Settlement provides value to the various litigants herein which might not have been attainable through full litigation.

9. Approval of this Settlement will avoid the substantial time and expense involved in litigating these matters in all the various forums, and will provide certainty to the parties as to the ultimate resolution of these issues. This Settlement resolves this proceeding in a manner that is consistent with the public

interest. The parties acknowledge that this Settlement will not prejudice future positions on any issue, except as expressly set forth herein.

WHEREFORE, for the reasons set forth above and embodied in the Joint Petition for Settlement, the Office of Trial Staff respectfully requests that the Administrative Law Judge and the Commission approve this Joint Petition for Settlement At Docket No. A-110550F0147, because its terms and conditions are in the best interests of the Company, its ratepayers, and the public.

Respectfully submitted,


Kenneth L. Mickens, Esquire
Kandace F. Melillo, Esquire
Office of Trial Staff

Dated: March 23, 2000

Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Dated: March 23, 2000