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April 23, 2001

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5894/01

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*ALSO ADMITTED TO THE FLORIDA BAR
**ALSO ADMITTED TO THE MARYLAND BAR

**In Re: PECO Energy Company Competitive)
Default Service Program Bidding:)
Joint Petition For Approval Of Competitive)
Default Service Coordination Agreement:)
Petition for Reconsideration Filed By)
Green Mountain Energy Company)**

A-110550 FO147
Docket No. A-11050-FO147
RECEIVED
01 APR 23 PM 3:08
H.A.P.U.C.
SECRETARY'S BUREAU

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, PA 17105-3265

Dear Mr. McNulty:

Enclosed for filing are an original and three copies of Green Mountain Energy Company's Petition for Leave to Withdraw Petition for Reconsideration in the above-captioned proceeding, together with a Certificate of Service.

Please call me if you have any questions about this filing.

Very truly yours,

RHOADS & SINON LLP

By: *James H. Cawley*
James H. Cawley

DOCUMENT
FOLDER

cc: Service List

99

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

In Re: PECO Energy Company Competitive)
Default Service Program Bidding:)
Joint Petition For Approval Of Competitive)
Default Service Coordination Agreement:)
Petition for Reconsideration Filed By)
Green Mountain Energy Company)

A-110550
Docket No. A-11050 F0147
A-110550 F 0147

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01 APR 23 PM 3:03
P.A.P.U.C.
SECRETARY'S BUREAU

PETITION OF GREEN MOUNTAIN ENERGY COMPANY
FOR LEAVE TO WITHDRAW
PETITION FOR RECONSIDERATION

Pursuant to Section 5.94(a) of the Commission's Rules of Administrative Practice and Procedure, 52 Pa. Code § 5.94(a), Green Mountain Energy Company ("Green Mountain") requests that the Commission grant Green Mountain leave to withdraw its Petition for Reconsideration of the Commission's November 29, 2000 Order (entered on November 30, 2000) approving the Competitive Default Service Coordination Agreement ("CDS Agreement") between PECO Energy Company ("PECO") and The New Power Company, Inc. ("New Power").

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1. By Order entered on November 30, 2000 (the "November 30 Order"), the Commission granted the Joint Petition of PECO Energy and New Power and approved the PECO-New Power CDS Agreement.

2. On December 15, 2000, Green Mountain filed a Petition for Reconsideration of the Commission's Order.

3. By Order entered December 20, 2000, the Commission granted Green Mountain's Petition for Reconsideration "for the limited purpose of maintaining our jurisdiction so that we may study [Green Mountain's allegation of deprivation of due

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process of law] further.” Order at 3. The Commission also extended by ten days the time allotted in 52 Pa. Code § 5.572(e) for answers to Green Mountain’s petition.

4. On January 2, 2001, New Power filed an answer to Green Mountain’s Petition for Reconsideration.

5. Meanwhile, on December 19, 2000, PECO and Green Mountain filed in the above-captioned docket a Joint Petition for Partial Settlement and Approval of Competitive Default Service Coordination Agreement, which was approved by Order entered February 22, 2001 (the “February 22 Order”).

6. Paragraph 12 of the Competitive Default Services Coordination Agreement approved by the February 22 Order provides:

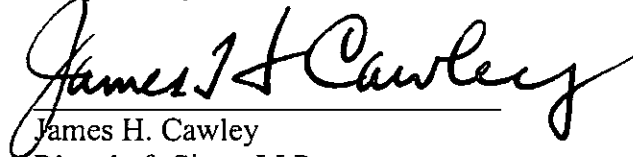
Until this Agreement is approved by the Commission in the manner set forth herein and thereafter until any applicable appeals or other proceedings challenging such order have been resolved, CDS Provider [Green Mountain] shall take no action that directly or indirectly challenges the Commission’s November 30, 2000 order, other than such filings as are reasonably necessary to preserve CDS Provider’s right to challenge such order in the event this Agreement is not approved by the Commission upon the resolution of any such appeals or challenges, *or upon the expiration of the period for appeal of such order if no such appeal or challenge is filed, CDS Provider agrees to permanently waive any challenge it may have to the November 30, 2000 order and to withdraw any filings it may have previously made challenging such order.*

(Emphasis added).

7. No timely petitions for reconsideration or appeal were taken from the Commission’s February 22 Order, and it is now final and unappealable.

WHEREFORE, in accordance with its obligation under ¶ 12 of the February 22 Order, Green Mountain (1) requests the Commission to grant it leave to withdraw its Petition for Reconsideration, and (2) permanently waives any challenge it may have to the November 30, 2000 order.

Respectfully submitted,



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(215) 851-8421

Dated: April 23, 2001

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants, listed below, in accordance with the requirements of 52 Pa. Code § 1.54:

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Dated: April 23, 2001

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James H. Cawley
RHOADS & SINON LLP

DATE: May 2, 2001

SUBJECT: P-00011889

TO: Law Bureau

FROM: James J. McNulty, Secretary

LAF

DOCKETED
MAY 02 2001

**DOCUMENT
FOLDER**

Joint Petition of PECO Energy Company, Wallace Township and East Brandywine Township for Commission Approval of an Enhanced Reliability Plan for Wallace Township and East Brandywine Township, Regarding Resolution of Service Reliability Issues Originally Raised in the PECO Energy/Unicom Merger Proceeding at Docket Number A-110550F0147

Attached is a copy of a Joint Petition of PECO Energy Company, Wallace Township and East Brandywine Township, filed in connection with the above docketed proceeding.

This matter is assigned to your Bureau for appropriate action.

Attachment

cc: FUS
CEEP
OTS

laf

Exelon Business Services Group
Legal Department
2301 Market St., 523-1
P.O. Box 8699
Philadelphia, PA 19101-8699

Telephone 215.841.5544
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Business Services
Group

ORIGINAL

Direct Dial: 215 841 6863

July 5, 2001

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

**DOCUMENT
FOLDER
DOCKETED
JUL 12 2001**

PA P.U.C.
SECRETARY'S BUREAU

2001 JUL -9 AM 9:40

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Re: Letter Petition of PECO Energy Company To Grant Additional Rights and Options to the City of Philadelphia Under the City's Special Contract Pursuant to Rule 4.6 of PECO Energy's Electric Service Tariff

Dear Secretary McNulty:

The City of Philadelphia takes a portion of its electric service from PECO Energy under a Rule 4.6 special contract. In PECO Energy's merger proceeding at Docket No. A-110550F0147, PECO granted the City additional rights and options under its Rule 4.6 contract. Those additional rights and options were described in Appendix G to the settlement in that proceeding (the "Merger Settlement") (Appendix G of the Merger Settlement is attached as an exhibit to this letter). The Commission approved those new rights and options in its June 22, 2000 Order and Opinion approving the Merger Settlement (ordering paragraph 10).

In the Merger Settlement, PECO generally agreed to provide the City with an immediate 14.55% discount on its Rule 4.6 service, with the exception of its Rule 4.6 Streetlight Service. As to Streetlight Service, PECO agreed in relevant part that:

"For Rule 4.6 Streetlight Service, the City will be provided service as follows:

- From close of merger until June 30, 2001 – The City will take Rule 4.6 Streetlight Service pursuant to tariff Rate SL-P, with an 11.2% discount applied to the total charges for Streetlight Service each month.

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- On or before July 1, 2001, PECO will make a filing with the PaPUC to eliminate tariff Rate SL-P.
- On July 1, 2001, the City's Rule 4.6 Streetlight Service will be switched to tariff Rate SL-E, with no discount applied to the total charges for Rule 4.6 Streetlight Service each month."

In recent discussions between the City and PECO, it has become evident that switching to Rate SL-E, at this time, may not provide the City with the benefits that the parties had in mind when they negotiated the Merger Settlement. PECO therefore has agreed to grant additional rights and options to the City of Philadelphia under its Rule 4.6 contract, conditioned on Commission approval, as follows:

Additional Rights and Options

- Beginning July 1, 2001, the City will take Rule 4.6 Streetlight Service pursuant to tariff Rate SL-P, with a 14.55% discount applied to the total charges for Streetlight Service each month. The 14.55% discount for Rule 4.6 Streetlight Service will be consistent with the 14.55% discount for "Other Rule 4.6 Service," as that term is used in the Merger Settlement. The City will continue taking service at this rate until its Rule 4.6 contract expires or it chooses to move to Rate SL-E pursuant to the further terms of these new rights and options.
- PECO Energy will not make a filing with the PaPUC to eliminate Rate SL-P, at this time.
- The City is granted a one-time option to switch its Rule 4.6 Streetlight Service to tariff Rate SL-E, with no discount applied to the total charges for Rule 4.6 Streetlight Service each month (the "Rate SL-E Option"). The City may exercise the Rate SL-E Option at any time during the term of its existing Rule 4.6 Contract. If the Rate SL-E Option has not been exercised by the end of term of the City's Rule 4.6 Contract, the Rate SL-E Option will terminate at that time.
- If the City exercises the Rate SL-E option, PECO will at that time make a filing with the PaPUC to eliminate tariff Rate SL-P, or to revise tariff Rate SL-P to terminate the City's eligibility for Rate SL-P service, whichever may be appropriate at the time.

The City has agreed to these new rights and options and will provide a separate letter requesting approval of this Letter Petition.

July 5, 2001
Page 3

PECO Energy therefore respectfully requests that the Commission authorize these new rights and options under the City's existing Rule 4.6 special contract. Pursuant to these new terms and conditions, PECO Energy will not make a filing to withdraw Rate SL-P.

Sincerely,



Ward L. Smith
Associate General Counsel
Exelon Business Services Company
Counsel for PECO Energy Company

cc: Kent R. Miller, Director, City of Philadelphia Municipal Energy Office
David M. Kleppinger, McNees, Wallace & Nurick, Counsel for the City
Stephen R. Xander, Manager, Tariff Administration, PECO Energy
Scott Neuman, Supervisor, Institutional and Governmental Group, Major Accounts,
PECO Energy

City of Philadelphia Term Sheet

1. **Rate Discounts** -- The City will receive its allocable share of rate discounts as set forth in the global settlement document.
2. **Reliability** -- Reliability is addressed in the global settlement document.
3. **Headquarters and Employment** -- Commitments regarding corporate headquarters and employment are addressed in the global settlement document and the letter attached to this Term Sheet.
4. **Amendments to the City's Existing Rule 4.6 Contract**

A. General

Upon close of merger (nominally October, 2000), the service under the City's existing Rule 4.6 contract (currently in effect through June 30, 2001 with automatic one-year renewals through June 30, 2004, absent timely notice of non-renewal) will be divided into "Rule 4.6 Streetlight Service" and "Other Rule 4.6 Service."

B. Streetlight Service

For Rule 4.6 Streetlight Service, the City will be provided service as follows:

- From close of merger until June 30, 2001 – The City will take Rule 4.6 Streetlight Service pursuant to tariff Rate SL-P, with an 11.2% discount applied to the total charges for Streetlight Service each month.
- On or before July 1, 2001, PECO will make a filing with the PaPUC to eliminate tariff Rate SL-P.
- On July 1, 2001, the City's Rule 4.6 Streetlight Service will be switched to tariff Rate SL-E, with no discount applied to the total charges for Rule 4.6 Streetlight Service each month.
- Until June 30, 2010, the City agrees that it may not seek to implement any initiative to reduce its streetlight usage, including rewiring of streetlights that would result in a reduction of customer charges or connection charges. The City is permitted to install new lamp technology, as such technology may become available from time to time, without violating this provision.

G

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C. Other Rule 4.6 Service

For Other Rule 4.6 Service (limited to those accounts defined as Underlying City Accounts in the City's existing Rule 4.6 contract), the City will be provided service as follows:

- At close of merger, PECO will increase the discount on the City's Other Rule 4.6 Service (service taken pursuant to Rates HT, PD, and GS), to a 14.55% discount applied to the total charges for Other Rule 4.6 Service each month. (The applicable rate class designations for the City accounts for purposes of this agreement are the rate classes in effect for each account as of March 30, 2000.)

D. City Option to Accept Service

- Each year, by January 10, the City will inform PECO of whether it will exercise its option to take its full generation service for its Rule 4.6 Streetlight Service and its Other Rule 4.6 Service under the terms described above, subject to the appropriation of funds by City Council. The Rule 4.6 Streetlight Service under Rate SL-E, and the discounted Other Rule 4.6 Service, will be available on an annual option basis each July 1 for successive or intermittent one-year terms until December 31, 2010 (a 6-month term for the period ending on December 31, 2010).
- If, during the period from close of merger until June 30, 2004, the City does not take its full generation services for Rule 4.6 Streetlight Service and Other Rule 4.6 Service from PECO, then (a) the City's prospective discount for Other Rule 4.6 Service will be changed to 8.65% for all parts of its service (transmission, distribution, CTC, ITC, energy, capacity, customer charges, and any other charges) until December 31, 2006, and (b) PECO need not offer the City any discount on its energy and capacity for the period January 1, 2007 until December 31, 2010, but the City will receive a 14.55% discount on all other charges for Other Rule 4.6 Service for that period.
- If, during the period from July 1, 2004 until December 31, 2006, the City does not take its full generation services for Rule 4.6 Streetlight Service and Other Rule 4.6 Service from PECO, then (a) the City's prospective discount for Other Rule 4.6 Service will be changed to 11.6% for all parts of its service (transmission, distribution, CTC, ITC, energy, capacity, customer charges, and any other charges) until December 31,

2006, and (b) PECO need not offer the City any discount on its energy and capacity for the period January 1, 2007 until December 31, 2010, but the City will receive a 14.55% discount on all other charges for Other Rule 4.6 Service for that period.

- If the City receives its full generation service from PECO on a continuous basis until December 31, 2006, then the City will receive a discount of 14.55% on its Other Rule 4.6 Service energy and capacity from PECO from January 1, 2007 through December 31, 2010.
- If, during the period from January 1, 2007 until December 31, 2010, the City chooses not to take its full generation services for Rule 4.6 Streetlight Service and Other Rule 4.6 Service from PECO, then (a) the City's discount for Other Rule 4.6 Service will remain at 14.55% for all parts of its service that it will continue to receive from PECO (transmission, distribution, CTC, ITC, customer charges, and any other charges) until December 31, 2010, and (b) the City may choose to return to PECO for energy and capacity services for its next option year and receive those services at a 14.55% discount for Other Rule 4.6 Service.

E. Expiration of Discounts

- All discounts available pursuant to this settlement expire as of December 31, 2010.

F. Chillers

- The City may, without penalty or reduction in the discounts stated above or pursuant to Section G below, install combined natural gas/electric chillers at any City site or combination of sites, with an aggregate nameplate cooling load of no more than 4000 tons, provided that at least ½ of the installed capacity chilling load at each such site shall be provided by using electric power from the hybrid chiller.
- Until June 30, 2006, the City may not install or purchase from a a natural gas steam absorption chiller or a hybrid steam absorption chiller in excess of the amounts listed above.

G. Other Energy Competitive Alternatives

The City will not implement any Energy Competitive Alternative, other than those described above, prior to December 31, 2006. If the City implements an Energy Competitive Alternative (ECA) after January 1, 2007, the City will forego the dollar amount of its discount applicable at that time in an amount equivalent to the dollar amount by which the implemented ECA reduces PECO's revenues. For purposes of calculating the dollar amount of the foregone discount, PECO will utilize the most recent 12-month billings by PECO to the facility at which the ECA is being installed and calculate the dollar amount by which implementation of the ECA will reduce the 12-month PECO revenue from that facility. PECO will then calculate the most recent 12-month billing history for the total City of Philadelphia accounts covered by the 4.6 Contract, apply the discount applicable at that time, and produce the dollar amount of the total discount. The total dollar amount of the discount would then be reduced by the dollar amount of PECO's lost revenue as calculated for implementation of the ECA. This revised dollar amount discount will then be divided by the 12-month billing revenue on all City accounts covered by the Other Rule 4.6 Service in order to calculate the percentage discount going forward. An example of the application of this methodology for the 14.55% discount that will be in effect after close of the merger is as follows:

1. 12 mo. PECO revenue at facility implementing ECA	\$4 million
2. PECO revenue reduction due to ECA	\$2 million
3. 12 mo. PECO revenue under Other Rule 4.6 Service	\$50 million
4. Dollar Value of Other Rule 4.6 Service (Line 3 x 14.55%) million	\$7.275
5. Reduced Dollar Value of Other Rule 4.6 Service Discount (Line 4 - Line 2) million	\$5.275
6. New Percentage Discount for Other Rule 4.6 Service (Line 3 - Line 2)/Line 5	10.99%

5. CNG commitment

For a period of 5 years after closing the merger, PECO commits to maintain a marketing position in CNG at no less than its current level, as long as it remains profitable for PECO to maintain such a position. In addition, for a period of 5 years after closing the merger, PECO will maintain its existing CNG stations through one of the following options: (1) continued ownership and operation, (2) continued lease and operation, or (2) sale or lease to an individual or entity that has demonstrated to PECO's satisfaction that it intends to and has the capability to continue to operate the station(s). Continued operation of the stations is subject to PECO's ability to acquire appropriate licenses, permits and approvals from local government authorities, as those licenses, permits, and approvals may be required from time to time.

6. **Clean Cities Conference**

PECO will provide a \$40,000 cash/in-kind contribution to support the Clean Cities Conference in 2001 if the City obtains that conference. In return for the contribution, the City will provide PECO with maximum sponsorship package available for its contribution level, as established by the Department of Energy's sponsorship guidelines.

7. **City Commitments**

The City commits to provide the following:

- It will support the merger by a letter from the Mayor to the Pennsylvania Public Utility Commission
- It will provide a statement or testimony, to be attached to the merger settlement document, supporting the merger as in the public interest.
- ~~The Director of the Municipal Energy Office will appear at one or more public input sessions for the merger and provide on-the-record testimony supporting the merger as in the public interest.~~

KRM

APPROVED AS TO FORM
KENNETH I. TRUJILLO, CITY SOLICITOR
Per Wendy W. Castiglione
Chief Deputy City Solicitor

Kent R. Miller
For the City of Philadelphia

4/12/00
Date

Wendy W. Castiglione
For PECO Energy Company

4-12-00
Date

DATE: July 11, 2001

DOCKETED

JUL 12 2001

SUBJECT: A-110550F0147

TO: Law Bureau

FROM: James J. McNulty, Secretary

**DOCUMENT
FOLDER**

LAF

KJH

Letter Petition of PECO Energy Company to Grant
Additional Rights and Options to the City of
Philadelphia Under the City's Special Contract Pursuant
to Rule 4.6 of PECO Energy's Electric Service Tariff

Attached is a copy of a Letter-Petition of PECO
Electric Company, filed in connection with the above
docketed proceeding.

This matter is assigned to your Bureau for
appropriate action.

Attachment

cc: FUS
OTS

laf



CITY OF PHILADELPHIA

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ORIGINAL

077958

07 JUL 16 AM 9:30

KJR

July 12, 2001

James McNulty, Secretary
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The Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

DOCKETED
JUL 20 2001

RECEIVED
SECRETARY'S BUREAU

DOCUMENT
FOLDER

Re: Letter Petition of PECO Energy Company to Grant Additional Rights and Options to the City of Philadelphia Under the City's Special Contract Pursuant to Rule 4.6 of PECO Energy's Electric Service Tariff, Docket No. A-110550F0147

Dear Secretary McNulty:

On behalf of the City of Philadelphia, this letter requests Pennsylvania Public Utility Commission approval of the above-captioned Letter Petition submitted by PECO Energy Company on July 5, 2001. Based upon previous negotiations with PECO Energy, the City of Philadelphia agrees to the new rights and options set forth in that Letter Petition, which constitute modifications to Appendix G of the PECO Energy Merger Settlement document at Docket No. A-110550F0147.

Please contact the undersigned if any further information is required.

Sincerely,

Kent R. Miller

Kent R. Miller
Executive Director

- c: Daniel W. Cantu-Hertzler, Chair Corporate and Tax Group, City of Philadelphia
- David M. Kleppinger, McNees, Wallace & Nurick, Counsel for City
- Ward L. Smith, Counsel for PECO Energy
- Stephen R. Xander, Manager, Tariff Administration, PECO Energy