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WITNESS INDEX

<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
Scott Piersol	243	---	---	---
Robert Ray	247	---	---	---
Paula Titus	251	---	---	---
Sharon Lynn	259	---	---	---
Edward Meakim, Jr.	262	---	---	---
Jane Shields	263	---	---	---
Robert Powelson	269	---	---	---
Paula Titus	274	---	---	---

-- 0 --

EXHIBIT INDEX

<u>NUMBER</u>	<u>FOR IDENTIFICATION</u>	<u>IN EVIDENCE</u>
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(None.)

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## P R O C E E D I N G S

1  
2 JUDGE RAINEY: Good afternoon and welcome to this  
3 public input hearing on PECO Energy Company's application  
4 for approval of its proposed merger with Unicom  
5 Corporation. This proceeding is docketed at  
6 A-001100550F0147.

7 My name is Charles Rainey and I am the  
8 Administrative Law Judge presiding over this case.

9 This public input hearing is being held for the  
10 purpose of allowing interested persons an opportunity  
11 to provide testimony regarding PECO's application for  
12 approval of its proposed merger with Unicom Corporation.

13 I believe that a brief history of this case may be  
14 helpful.

15 On November 22, 1999, PECO filed with the  
16 Pennsylvania Public Utility Commission an application for  
17 the approval of its proposed merger with Unicom  
18 Corporation. I note that PECO is required by law to  
19 obtain the Commission's approval of this merger with  
20 Unicom Corporation. By law in order to obtain the  
21 Commission's approval PECO must demonstrate that the  
22 merger will affirmatively promote the service,  
23 accommodation, convenience or safety of the public in  
24 some substantial way. Additionally, the Electricity  
25 Generation, Customer Choice and Competition Act requires

1 the Commission to consider whether PECO's proposed merger  
2 with Unicom Corporation will adversely impact retail  
3 electric competition.

4 Numerous parties have formally intervened in this  
5 case including legislators, municipalities, government  
6 agencies, consumer groups, electric generation suppliers,  
7 environmental groups and individuals.

8 A prehearing conference was held in January of this  
9 year. At the prehearing conference a schedule for this  
10 proceeding was established. That schedule includes  
11 public input hearings which are being held in the  
12 Counties of Philadelphia, Bucks, Montgomery, Delaware and  
13 Chester this week. In addition, a public input hearing  
14 will be held in York next week on April 4.

15 Evidentiary hearings for the purpose of examining  
16 the expert witnesses of the parties were also scheduled.  
17 However, between the time of the prehearing conference  
18 and these public input hearings the parties engaged in  
19 settlement negotiations. Those negotiations resulted in  
20 a settlement agreement of all of the issues in this case.  
21 The settlement document was filed with the Commission on  
22 March 23rd, 2000.

23 Shortly I will give a representative of PECO an  
24 opportunity to explain the significant terms of the  
25 settlement. I will allow the other parties to comment as

1 well.

2 The settlement document the signatory parties  
3 requested a change in the procedural schedule in this  
4 case in light of the settlement. During the public input  
5 hearing held on Monday, March 27, I rejected the  
6 signatory parties' proposed revised schedule. I  
7 established another revised schedule instead.

8 The revised schedule which I established provides  
9 for the filing of objections or comments to the  
10 settlement by April 13, 2000. It also provides for the  
11 filing of replies to objections or comments by April 18,  
12 2000. My revised schedule further provides that  
13 evidentiary hearings may be scheduled if necessary.

14 So concludes my brief presentation of the  
15 substantive and procedural matters involved in this case.

16 You, the public may participate in today's hearing  
17 in one of three ways. The first way and the one that the  
18 Commission finds preferable is that you submit sworn  
19 testimony under oath. By giving sworn testimony the  
20 Commission may consider your testimony when it decides  
21 this case. Sworn testimony may be subject to questions  
22 from the parties and me.

23 The second way is to provide unsworn testimony.  
24 Unsworn testimony will not be considered by the  
25 Commission when it makes its decision.

1           The third way is to provide information at the  
2 break or at the conclusion of this hearing to either the  
3 Office of Trial Staff, the Office of Consumer Advocate or  
4 the Office of Small Business Advocate for issues at its  
5 discretion at an evidentiary hearing if one is held or  
6 during any additional negotiating sessions if any are  
7 held.

8           I would ask that you limit your testimony to PECO's  
9 proposed merger with Unicom Corporation. Representative  
10 from PECO are here and will help you at the break or at  
11 the conclusion of this hearing with other matters.

12           I now ask for Counsel for PECO to introduce himself  
13 and also explain the significant terms of the settlement  
14 agreement.

15           Mr. Smith.

16           MR. SMITH: Good afternoon. My name is Ward Smith  
17 and I am assistant general counsel at PECO Energy.

18           I am going to ask everyone's indulgence to allow me  
19 to sit. I have a little low blood pressure and if I try  
20 to stand and talk for very long then I just start to  
21 wander. So I would like to sit down while I talk to you.

22           The settlement proposal that PECO Energy has  
23 reached with the other intervenors in this case is one  
24 that is very broad and is intended to provide benefits to  
25 the public in a wide range of areas. What I am going to

1 do here briefly is describe to you some of the areas in  
2 which those benefits are designed to flow and then after  
3 giving that global overview I want to talk more  
4 specifically about some of the reliability issue that  
5 your township officials raised in their intervention in  
6 this case and which some of you spoke about in a public  
7 meeting in East Brandywine about a month ago.

8 This merger proceeding involves about 20 or 25  
9 parties representing a wide variety of interests from the  
10 consumer groups, from the environmental community, from  
11 the low income community, from PECO's competitors in the  
12 generation supply industry. And at this point the merger  
13 -- at this point we have developed a settlement agreement  
14 which includes the following benefits to be provided:

15 PECO is going to provide a total of about \$200  
16 million in rate reductions. We are going to extend our  
17 rate cap on transmission and distribution service out  
18 until the end of 2006, which means that we will have gone  
19 by the end of that some 17 years without asking for a  
20 rate increase for our transmission and distribution  
21 service.

22 There are enhanced reliability standards and  
23 quality of service standards that are included in this  
24 settlement, which I will talk about more in a minute.

25 We are expanding our low income service program

1 very substantially to include additional services and  
2 additional monies towards helping low income customers  
3 have electricity. We have made commitments to foster the  
4 development of environmentally sound programs, including  
5 the development of wind power in this area.

6 We have made numerous modifications to the rules  
7 for our competitors for their connections to and  
8 interactions with the systems so that they will be more  
9 able to enter the marketplace and provide alternative  
10 services to PECO Energy.

11 We have provided limitations on our ability to  
12 recover nuclear decommissioning costs. At one level we  
13 have made it clear that we will not be collecting from  
14 customers in Pennsylvania any costs for decommissioning  
15 nuclear plants that are part of the Unicom Corporation  
16 system which we are merging here. In addition, we have  
17 made commitments that to the extent our existing plants  
18 that the decommissioning costs are more than currently  
19 estimated, that PECO will absorbed a portion of those  
20 costs which it otherwise would have had the opportunity  
21 to seek recovery from the customers in the future.

22 And we have made commitments that we will continue  
23 to have a strong civic and charitable presence in the  
24 area by continuing to keep our contributions at a high  
25 level, by keeping employment in the city at a high level

1 and by keeping our headquarters for the distribution  
2 company in Philadelphia.

3 So those are the major elements of what PECO Energy  
4 has agreed to do as part of this merger proceeding.

5 Now, on the reliability issues, as you all know,  
6 your township officials in Wallace Township and East  
7 Brandywine Township intervened in the merger proceeding  
8 on your behalf and they raised primarily issues related  
9 to reliability in the service territory. And the message  
10 that they sent to us was that reliability is unacceptable  
11 in these areas.

12 We contacted the townships quickly after we  
13 received that intervention and asked for the opportunity  
14 to come out to the townships and meet with the residents  
15 and with the township officials. Your officials granted  
16 us that opportunity as many of you know who I recognize  
17 from the previous meeting and on February 23rd, I believe  
18 it was, there was a joint meeting of the two townships at  
19 the East Brandywine firehouse where about 75 of you  
20 appeared and many of you spoke to us about the concerns  
21 that you had with the level of reliability.

22 You may recall that Dave DeCampli, the  
23 vice-president of operations for PECO Energy  
24 distribution, appeared at that meeting and stood and  
25 agreed with you that reliability in these areas has been

1 unacceptable and told you that we had identified that  
2 problem ourselves late last fall and had developed a plan  
3 to enhance reliability in this area and had already begun  
4 work on it.

5 Also as part of that meeting we took many questions  
6 from a lot of you who had concerns and I hope that  
7 everyone who attended that meeting subsequently received  
8 our written explanation where we tried to take each of  
9 the questions that had been asked in that meeting,  
10 whether it had been answered at the time or not, and  
11 provided a written answer to it to follow up to the  
12 questions that had come out of that.

13 In addition, then, on about March 20 PECO Energy  
14 hosted an open house at the East Brandywine firehouse at  
15 which we gave more detail on our enhanced reliability  
16 plan and basically laid out the 23 technical elements of  
17 that plan, including issues like enhanced tree trimming  
18 and reconfiguration of the electric system, 23 specific  
19 technical elements telling you not only with precision  
20 what we were planning to do but the status of each of  
21 those efforts and when we anticipated that we would  
22 complete them if they had not yet been completed. I have  
23 additional copies of that plan for people who did not  
24 have the opportunity to come by the open house and look  
25 at it.

1 I am not going to introduce this into the record at  
2 this time, Your Honor, because I believe that the  
3 townships and PECO will be introducing this as an  
4 attachment to another document in the next day or two.  
5 And I will talk more about that at the end of this  
6 presentation.

7 JUDGE RAINEY: Very good. Thank you.

8 MR. SMITH: Now, as I said, PECO Energy has already  
9 begun work on this plan and it has implemented quite a  
10 number of these technical steps, either in part or in  
11 whole at this point in time. In addition, we have given  
12 this technical plan to the townships and they have hired  
13 an expert who is reviewing this plan to determine whether  
14 or not it will meet the needs to bring system reliability  
15 -- to bring reliability in these townships up to system  
16 standards or not. And PECO Energy has made commitments  
17 to the townships that it will continue to meet with and  
18 work with the expert hired by the townships to provide  
19 him with the information that he needs to make that  
20 evaluation.

21 We have further made the commitment that once that  
22 information is in the hands of your township officials we  
23 are going to continue to work with the township in  
24 several ways. We are going to work to jointly craft what  
25 the final enhanced reliability plan looks like, what the

1 technical fixes are that we are going to have for  
2 bringing reliability up to standard in your township.

3           Once we develop that -- and I will say aside, if we  
4 are unable to develop that jointly your officials have  
5 retained all rights to go back to the PUC and complain  
6 that we are not living up to our commitments and not  
7 living up to the standards. But we are operating now on  
8 the assumption that we are going to reach a common  
9 understanding of what needs to be done. Ultimately,  
10 then, once that has been crafted we are going to go  
11 together to the PUC, present that plan to the PUC and ask  
12 the PUC to be the mechanism to enforce it, to watch over  
13 in the event that PECO Energy doesn't live up to those  
14 commitments.

15           So that's the plan for dealing with reliability in  
16 this area. We anticipate in addition at the insistence  
17 of the township officials that we will submit that  
18 proposal which I just described in writing to the  
19 Administrative Law Judge in this proceeding in the next  
20 several days and ask that the Commission take recognition  
21 of that plan as parts of its resolution of the merger  
22 proceeding and that it note that one of the things that  
23 PECO Energy is committed to doing as part of the reason  
24 that it will be given approval ultimately for the merger  
25 is that it is committed to working on reliability issues

1 in these two townships.

2 Those are the things that we are going to do  
3 specifically for reliability in this area. In addition  
4 to that, for the system-wide basis we are going to do  
5 some things to deal with reliability. And that is,  
6 first, you have to understand that in the last year or so  
7 the Commission has developed a set of standards to  
8 measure whether utilities are providing reliable service.  
9 I won't go into a lot of detail but they basically have  
10 to do with how often customers are out and how long the  
11 duration is of those outages. And we are going to be  
12 measured on those on a system-wide basis.

13 More than that, the standards that were set last  
14 year after extensive hearings at the PUC, PECO Energy has  
15 agreed that it will voluntarily raise the standards. We  
16 will have to do better than what the PUC had already  
17 imposed upon us. We are taking on an additional layer of  
18 responsibility on a system-wide basis. And then beyond  
19 that we have voluntarily engaged in additional reporting  
20 obligations to the Office of Consumer Advocate in this  
21 area. If we fail to live up to any of those new  
22 standards we have to report back to the Office of  
23 Consumer Advocate about what caused the problems and what  
24 our proposal is for dealing with it. So that will also  
25 be an area where there is active oversight of what PECO

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1 Energy is going to be doing.

2 You will hear also in a few minutes from some of  
3 the other parties that participated in this settlement  
4 and why they decided to participate in this settlement  
5 and sign it. But as an overview, that is where we got to  
6 in these discussions both globally to deal with the  
7 question of what this merger was going to have for the  
8 public and then specifically how we were going to deal  
9 with the reliability issues that had been raised on your  
10 behalf by the township officials in their interventions.

11 There will be the opportunity later when you are  
12 speaking if you have additional questions that you want  
13 to pose to me about that plan or you can speak to myself  
14 or some of the other PECO people who are here afterwards  
15 if you think that would be a more effective way to get  
16 the information that you're interested in on this.

17 And that what is I have, Your Honor.

18 JUDGE RAINEY: Thank you, Mr. Smith.

19 We will now give those formal parties who are here  
20 today an opportunity to comment.

21 We will start with you, Ms. Jones.

22 MS. JONES: Thank you, Your Honor.

23 Good afternoon, everyone. My name is Angela Jones.  
24 I represent the Office of Small Business Advocate, which  
25 Mr. Smith alluded to is an intervening party in this

1 case.

2 Our office does support the settlement and the  
3 reason we are here is to hear from the public your  
4 concerns about PECO as well as the impending Unicom  
5 Corporation/PECO merger.

6 As the Administrative Law Judge alluded to in his  
7 opening remarks, we would encourage you to testify under  
8 oath. That is the most effective way that we can address  
9 your concerns as well as the Commission addressing your  
10 concerns. However, I am here in case you do not want to  
11 proceed in that manner. I will talk to everyone  
12 individually if that is their preference on your concerns  
13 and take that back to our office so that we may  
14 investigate.

15 We are happy to be here and hope to hear from you.

16 JUDGE RAINEY: Thank you, Ms. Jones.

17 Ms. Melillo.

18 MS. MELILLO: Thank you, Your Honor.

19 Good afternoon, everybody. My name is Kandace  
20 Melillo. I am with the Commission's Office of Trial  
21 Staff in Harrisburg. We participate in proceedings and  
22 we represent the public interest. That is our statutory  
23 duty.

24 We are involved in this proceeding and we do  
25 support the settlement that Mr. Smith had spoken of. We

1 think that it does provide a wide array of benefit to the  
2 ratepayers and to the public and it does also provide  
3 certainty. If it approved it would then absolutely  
4 guarantee that PECO is going to do certain things to  
5 provide benefit from the merger to the ratepayers and the  
6 public and we would know what that is because they have  
7 agreed to it and it has been approved and it is  
8 enforceable.

9 We encourage you to speak out today and speak under  
10 oath because then the ALJ and the Commission can consider  
11 your concerns. You may also speak to me. I would be  
12 happy to talk to you.

13 And also in case you want some literature to take  
14 with you, I brought an array of brochures, some of which  
15 deal with electric competition, electric choice, which  
16 the Commission is very, very vigorously promoting.

17 We thank you very much and we want to hear what you  
18 have to say.

19 JUDGE RAINEY: Thank you, Ms. Melillo.

20 Mr. Keene.

21 MR. KEENE: Thank you, Your Honor.

22 Good afternoon, ladies and gentlemen. My name is  
23 Stephen Keene. I am an attorney with the Office of  
24 Consumer Advocate. Our office represents the interests  
25 of utility consumers and in particular residential

1 consumers in matters before the Public Utility  
2 Commission. As Judge Rainey indicated, we are here today  
3 to listen to your comments on the proposed PECO/Unicom  
4 Corporation merger.

5 Our office filed a protest in this proceeding. We  
6 have retained a team of expert utility consultants to  
7 help us investigate the merger and we have also  
8 participated in extensive settlement negotiations over  
9 the past several weeks with the company and the other  
10 parties in this case which has resulted in us entering  
11 into a settlement agreement with PECO and other active  
12 parties. We believe that the proposed settlement will  
13 bring substantial benefits to PECO's ratepayers as well  
14 as additional protections.

15 We are interested in hearing what you have to say  
16 today. I brought with me some literature on our office.  
17 It has a form that you can fill out if you would like to  
18 get on our mailing list and receive information about  
19 your local public utilities. I also brought some  
20 shopping guides, electric shopping guides, that are  
21 prepared by our office that contain some information on  
22 how to go about choosing an alternative supplier.

23 I look forward to hearing your comments. Thank  
24 you.

25 JUDGE RAINEY: Thank you, Mr. Keene.

1 Mr. Smith.

2 MR. SMITH: If I could also mention, we brought, if  
3 anyone is interested, copies of the settlement agreement.  
4 That is one copy of what we are committing to do over the  
5 next period of time. But I suspect that the summaries  
6 are probably of more interest because this gets to be  
7 pretty harsh reading, difficult to get through.

8 JUDGE RAINEY: Thank you, Mr. Smith.

9 We will now get ready to take testimony. Prior to  
10 giving your testimony I would ask that each witness  
11 provide his or her name. Also provide your address. I  
12 would ask that you spell your name also for the record.  
13 This is being transcribed. Also state whether or not you  
14 are a PECO customer and state whether or not you are  
15 appearing on behalf of an organization or some other  
16 individual.

17 Now, prior to taking testimony I did notice that a  
18 number of people came in after we got started. Do any of  
19 those persons want to present testimony who have not  
20 signed the sign-in sheet?

21 Why don't you come up, sir, and do that now.

22 (Pause.)

23 JUDGE RAINEY: Thank you.

24 We have a nice podium up here so I would ask that  
25 those persons providing testimony to come up and speak at

1 the podium.

2 I first call Mr. Scott Piersol.

3 Mr. Piersol, may I swear you in?

4 Whereupon,

5 SCOTT PIERSOL

6 having been duly sworn, testified as follows:

7 DIRECT TESTIMONY

8 JUDGE RAINEY: Please provide your full name,  
9 spelling both names. Also provide your address and  
10 please state who you are testifying on behalf of here  
11 today.

12 THE WITNESS: Scott, S-C-O-T-T, piersol,  
13 P-I-E-R-S-O-L. I represent East Brandywine Township.  
14 The address is 1214 Horseshoe Pike, Downingtown,  
15 Pennsylvania 19335.

16 JUDGE RAINEY: Thank you. Please proceed.

17 THE WITNESS: Judge Rainey, thank you very much.  
18 East Brandywine Township appreciates the opportunity to  
19 offer comments in this matter.

20 Again, my name is Scott Piersol and I am the  
21 township manager of East Brandywine Township. I  
22 represent the Board of Supervisors and the residents of  
23 our community in this matter.

24 I have responsibility for the day-to-day  
25 operations of the township. I am the emergency

1 management director and also an emergency service  
2 provider in our community and also a life-long resident  
3 of the township. My duties make me very intimately  
4 familiar with quality of life issues in our community.

5 My general comments address these issues of  
6 quality, consistency and level of electric service within  
7 our community and their impact upon the health, safety  
8 and welfare of the residents of our community.

9 The public obviously is very accustomed to a high  
10 level of reliability in electric service. Frequent  
11 and/or extended service interruptions translate into  
12 quality of life issues that can be detrimental to the  
13 public's enjoyment of life. This fact is readily  
14 acknowledged by PECO Energy representatives in our  
15 discussions, as Mr. Smith indicated.

16 I have observed the quality of service provided by  
17 PECO Energy decline over the past two or three years.  
18 The number and duration of service interruptions and  
19 power surges has increased dramatically as have the  
20 resident's complaints to our office and also to our local  
21 legislators regarding the reliability of energy service  
22 being provided. The number and durations of these  
23 interruptions has been unacceptable.

24 Being involved in emergency services I am often in  
25 the field assisting with storm damage cleanup and removal

1 and other storm-related issues such as medical  
2 emergencies due to the extended duration of some of the  
3 service interruptions. Extensive delays in response of  
4 trouble crews to circuit problems has often occurred. We  
5 perceive this problem to be due to staffing reductions  
6 and crews being dispatched from outside our immediate  
7 area. Communication regarding the status of trouble  
8 personnel response and subsequent securing of energy  
9 facilities has been inadequate. Township personnel  
10 cannot safely clear storm damage from our streets unless  
11 assurances are received from PECO representatives that  
12 their facilities are de-energized and secured.

13 Due to the observations of a decline in an  
14 acceptable level of service being provided by PECO Energy  
15 Company in our area, the supervisors of East Brandywine  
16 Township decided to join with Wallace Township as  
17 intervenors in this matter. The basis for our action was  
18 to have PECO Energy Company attend to and correct the  
19 service and reliability issues and ensure the merger  
20 would not further degrade reliable electric service to  
21 our residents.

22 This action prompted PECO Energy officials to  
23 respond to our concerns. A joint meeting with the  
24 Wallace Township supervisors was held at the East  
25 Brandywine fire company on February 23, 2000. PECO

1 Energy representatives listened to our residents'  
2 concerns, they answered certain questions at that meeting  
3 and provided additional written answers to specific  
4 questions and concerns in subsequent correspondence to  
5 the townships and the residents who attended or otherwise  
6 registered their concerns. A basing outline of PECO's  
7 plan of action was provided that evening.

8 PECO Energy also hosted an open house at the East  
9 Brandywine fire company on March 20. PECO provided  
10 additional information to resident questions and  
11 concerns, details on electric delivery to our communities  
12 and improved plans of action to be implemented designed  
13 to improve service reliability to the townships.

14 The township are currently working very diligently  
15 with PECO Energy representatives to reach an agreement on  
16 service reliability upgrades and assurance issues. PECO  
17 Energy has made a good faith effort to prepare a proposal  
18 for increased vegetation management, technology hardware  
19 enhancements and enforcement procedures to East  
20 Brandywine and Wallace Townships. This proposal, as  
21 Mr. Smith indicated, is currently being reviewed.

22 Again, I thank the Commission for allowing us the  
23 opportunity to provide this testimony and I trust that  
24 you will give these concerns and background information  
25 full consideration in your decision. Thank you very much

1 on behalf of East Brandywine Township.

2 JUDGE RAINEY: Thank you, Mr. Piersol.

3 Are there any questions from any of the formal  
4 parties for Mr. Piersol?

5 (No audible response.)

6 JUDGE RAINEY: If not, Mr. Piersol, you may stand  
7 down.

8 THE WITNESS: Judge Rainey, would you like a copy  
9 of my correspondence?

10 JUDGE RAINEY: Yes, please. Thank you very much.  
11 I will also see that the other parties to this proceeding  
12 who are here get copies of your presentation as well:

13 THE WITNESS: I do have additional copies. If you  
14 would so choose I would be happy to provide those.

15 JUDGE RAINEY: Thank you, Mr. Piersol. That would  
16 be appreciated.

17 (Witness excused.)

18 JUDGE RAINEY: Mr. Robert Ray.

19 Mr. Ray, may I swear you in?

20 Whereupon,

21 ROBERT RAY

22 having been duly sworn, testified as follows:

23 DIRECT TESTIMONY

24 JUDGE RAINEY: Please provide your full name,  
25 spelling your last name. Also provide your address and

1 state whether or not you are a PECO customer.

2 THE WITNESS: My name is Robert E. Ray, R-A-Y. I  
3 am a resident in Wallace Township. My address is 351  
4 Highspire Road 19343, Glenmoore, Pennsylvania. I am a  
5 PECO customer.

6 JUDGE RAINEY: Thank you. You may proceed with  
7 your testimony.

8 THE WITNESS: Okay.

9 I was quite concerned since I am on a fixed income  
10 with the concern about the rates going up. I have been  
11 told that they will not go up. But there are some other  
12 concerns.

13 One is are you equipped to supply the additional  
14 development with power in this area? Since it is  
15 developing very rapidly are you equipped to maintain the  
16 necessary equipment that you have to continue to provide  
17 electricity to these additional people?

18 I have been a resident of Wallace Township since  
19 1939. I am one of the longest residents probably still  
20 living. And over the last few years, as Mr. Piersol  
21 said, we have seen very poor reliability as far as PECO  
22 is concerned. We used to depend on PECO, we had no  
23 problems with it. But the last few years it has been  
24 very, very poor. This was particularly of concern to me  
25 when I was running a diary farm and needed the electric

1 to milk my cows.

2 Now, the meeting we went to at the East Brandywine  
3 firehouse was February 23rd. I have a clipping here that  
4 came from the Daily Local News, February 24. Now, this  
5 is not in this area, it is the Pocopson area. 96 PECO  
6 Energy customers lost power for 20 minutes and five were  
7 without power for nine hours and ten minutes. Nine hours  
8 and ten minutes.

9 Now, they say a car hit a pole, broke the pole off.  
10 Does it take nine hours and ten minutes to replace a  
11 pole? Did you have to wait until the pole grew?

12 And according to PECO they say that the five  
13 customers were between two transformers which prevented  
14 PECO from rerouting the power to those five homes.  
15 Couldn't you have strung a temporary line?

16 I believe it was -- well, a friend of mine is  
17 retired from PECO and he said what time was it. After  
18 4:30 the men get time-and-a-half or overtime or something  
19 for working after particular hours. Is this the reason?  
20 I don't know.

21 I believe it was March 8, a beautiful day like  
22 today, our power was out for about an hour. Now, I did  
23 get a letter from PECO explaining in technical terms --  
24 which I am not a technician, I do not completely  
25 understand -- why the power was out for that long.

1           Okay. They said they didn't expect it to happen  
2 again. But will it happen again? This is my main  
3 concern, about the reliability of PECO even though I  
4 don't the electric to milk the cows necessarily anymore,  
5 I do need my electric.

6           I think is about all I really need to say.

7           JUDGE RAINEY: Thank you, Mr. Ray.

8           Mr. Ray, before you depart you referred to a nine  
9 hour outage which occurred.

10          THE WITNESS: Yes.

11          JUDGE RAINEY: What was the date that outage  
12 occurred on?

13          THE WITNESS: I can give you this. This was  
14 Tuesday. That was apparently the day before that last  
15 meeting. You can have that.

16          JUDGE RAINEY: Thank you. So it would have been on  
17 February 22 that that outage occurred?

18          THE WITNESS: I presume from what they said there.  
19 Because the paper was the 24th and they said Tuesday. So  
20 I would presume it was the 22nd.

21          JUDGE RAINEY: Also, Mr. Ray, you posed a number of  
22 questions. I don't know if you wanted PECO to attempt to  
23 answer those questions here today or whether or not you  
24 just wanted to pose them rhetorically.

25          THE WITNESS: Mainly I just wanted to pose them to

1 them. They should be answered. But I will accept the  
2 reliability rather than a verbal answer right now.

3 JUDGE RAINEY: Thank you, Mr. Ray.

4 Were there any questions from any of the formal  
5 parties for Mr. Ray?

6 (No audible response.)

7 JUDGE RAINEY: Thank you, again, Mr. Ray.

8 (Witness excused.)

9 JUDGE RAINEY: Ms. Paula Titus.

10 Ms. Titus, may I swear you in?

11 Whereupon,

12 PAULA TITUS

13 having been duly sworn, testified as follows:

14 DIRECT TESTIMONY

15 JUDGE RAINEY: Please provide your full name,  
16 spelling your last name.

17 THE WITNESS: Paula J. Titus, T-I-T-U-S. The  
18 address is 881 Fairview Road, Glenmoore, Pennsylvania.

19 JUDGE RAINEY: Are you a PECO customer?

20 THE WITNESS: I am.

21 JUDGE RAINEY: Please proceed with your testimony.

22 THE WITNESS: I would like to follow on Mr. Ray's  
23 discussion with reliability. I wasn't able and my  
24 husband wasn't able to make your February 23rd meeting  
25 and so if you feel that my questions on reliability

1 should be placed at a different time than that meeting I  
2 would do so.

3 My husband and I have lived at this address since  
4 1992. Prior to that I came from the Lehigh Valley. I  
5 lived in Bethlehem, Pennsylvania, where we had PP&L and  
6 so we never experienced anything like this. But I have  
7 to say in all fairness, I have never lived in a rural  
8 setting. We have lived in the suburbs.

9 I guess I have just gotten to the point where I am  
10 totally frustrated and it is amazing after a while what  
11 we as residents we feel like maybe our voice has no say.

12 My power goes off and on in the summer months.  
13 When the wind blows our power goes out. And it may be  
14 out for a couple of seconds, it may be out for 15 minutes  
15 and all of a sudden nobody -- I mean, people here can  
16 attest to this -- you don't realize how much you use  
17 electricity, how it impacts on your life. Pretty soon  
18 when you are living here, you get to know this. You get  
19 to know the whole routine. Get the water, don't flush  
20 the toilet, don't brush your teeth, don't take a shower,  
21 you can't cook, you can't watch television. You may as  
22 well stop living for that time.

23 And I don't see PECO saying, well -- or other  
24 companies, if they gave you that service, you know, you  
25 would just take your service elsewhere. We can't. I

1 have gone as far as changing my generation. I wanted to  
2 get as far away from PECO as I could.

3 I have called as well as my neighbors calling, my  
4 friends calling. I know everybody has called. When this  
5 happens you can't get through. Your lines are all tied  
6 up. They say call this number. You could stay on there  
7 from now until the cows come home and you cannot get  
8 anybody on that line.

9 Everything came home to me maybe about two years  
10 ago -- maybe not this past winter but a year ago -- when  
11 my 85 year old mother was visiting, who has a heart  
12 condition. And as the aged, she had a lot of extra  
13 things that she needed to be taken care of. We woke up  
14 in the morning and of course the first sign is we here  
15 zing through our security system so we know right away  
16 the whole thing, the power is off. Thank goodness we got  
17 up with that zing because we know that the alarm clocks  
18 would not work.

19 Mother got up. She wanted to take her shower. I  
20 said, mom, don't take a shower. She said how long will  
21 this last. I said only God knows. It could last 15  
22 minutes, it could last 18 hours.

23 So mother goes downstairs, she can't brush her  
24 teeth. She can't do anything. None of us can. She goes  
25 to the refrigerator. I said don't open the refrigerator,

1 mom. For God's sake, everything is going to spoil in  
2 there. If the power is off or any length of time  
3 everything will spoil and we have a \$250 deductible for  
4 spoilage.

5 We goes for, again, as we all have gone -- you go  
6 to the water faucet. No water mom. Get the bottled  
7 water.

8 She said, honey, I am going upstairs. She said I  
9 am going to, you know, take a shower and I have to use  
10 the facilities. I said, mom, don't flush the toilet.  
11 She said what. I said don't flush the toilet. We have a  
12 well. Everything is run off of power. I said don't use  
13 anything to do with water. She said, honey, this is like  
14 a prison, you are a prisoner. I said we are.

15 Now, what are we going to eat? How about Cheerios,  
16 mom, out of a box. Or we could go to a restaurant. I  
17 don't see PECO paying for that. That is coming out of  
18 our pocket. We are still we are still paying PECO's bill  
19 for sevice we are not getting. We are paying as much as  
20 other people for service that we are not getting.

21 I mean, I don't think you have to be a rocket  
22 scientist. If anybody else would do this to me I would  
23 take my business elsewhere. But it is sort of a monopoly  
24 here. You can't take your business elsewhere. I would  
25 get so far away from PECO today, I would never look back.

1           My concern is if we didn't get this service from  
2 you to date and you are going to be entering into a  
3 merger I fear that if -- I feel that you let us down  
4 before. You are going to be even larger with this  
5 merger. And why did it take so long for you to address  
6 our concerns when residents have been calling you right  
7 along?

8           About several years ago we had work done in our  
9 yard, a patio put in. I called PECO and Bell Tel. We  
10 had to notify you ahead of time because of the lines. We  
11 do not want anybody excavating into the lines. One of  
12 your representatives came out. And I addressed that. I  
13 said please help me. Please. This power goes off and  
14 on, off and on. Sometimes it will go off and on so this  
15 can't be trees falling over. It can't be that. Power  
16 could go off one minute, come back two minutes, come back  
17 three minutes. You have reset all your clocks, you have  
18 done everything, and it will go down again, and again and  
19 again, three minutes later, three minutes later. It's  
20 like this is a riot. So I don't see how trees can be  
21 doing this.

22           The gentleman from PECO that came out that day  
23 said to me, you know what -- he looked at everything. He  
24 said you are at the end of the line. You know what, we  
25 are at the end of the line and we may be the little mouse

1 where PECO is concerned but we are going to increase in  
2 numbers and you won't hear the end of us.

3 And PECO is falling and hard times and they deserve  
4 it. And you say we have not raised our rates. You have  
5 the highest rates -- at least this is what I heard -- one  
6 of the highest rates in the nation. So I guess, you  
7 know, it is about time you don't increase your rates. As  
8 a matter of fact, I think you should reduce them.

9 I look around. I talk to other people in other  
10 communities. They are not having the problem. They live  
11 in areas where there are a lot of trees. I think you  
12 should listen to the little mouse that roared because we  
13 are increasing in numbers and we don't want to take this  
14 anymore. If you had to get up in the morning and wonder  
15 if you were having company coming over could you complete  
16 a meal. Or would you have to then go out and put your  
17 filet mignon or pasta on a grill and try to entertain  
18 that way? It is no way to live.

19 I suggest PECO has to do a lot of improvement, and  
20 I mean a lot of improvement, and not just kind of  
21 glossing over everything. We have enough of glossing.  
22 The fat is on the fire. It is time to do something.

23 I think if this were happening to you or your  
24 family or the CEO of PECO and they had to worry about not  
25 being -- I would like to see your CEO come to work

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1 without bathing, without brushing his teeth, without  
2 going to the facilities. He could always do that, I  
3 guess, in the company suite. We can't.

4 It is time to address our concerns and listen to  
5 the little mouse that roared because we are the little  
6 mouse that we are going out and telling our neighbors if  
7 you can get away from PECO and you can get your  
8 generation somewhere else, your power somewhere else, go  
9 for it. And they are. You don't want people like me or  
10 a lot of us out there talking against you.

11 Please see what you could do to help us. And I  
12 appreciate you being here and listening to my comments.  
13 And I thank you, Judge.

14 Thank you, Ms. Titus.

15 Are there any questions for Ms. Titus?

16 MR. SMITH: Your Honor, if I could briefly ask.

17 JUDGE RAINEY: Go right ahead, Mr. Smith.

18 MR. SMITH: Ms. Titus, did you attend the township  
19 meeting back in February?

20 THE WITNESS: No. I wasn't able.

21 MR. SMITH: Let me repeat for you what our  
22 vice-president of operations, Mr. Dave DeCampli said at  
23 that meeting.

24 PECO agrees that we have not been providing  
25 adequate reliable electric service to these townships for

1 at least the last 18 months. We can have discussions at  
2 times about how far back that extends.

3 THE WITNESS: Since 1992, but it is getting worse.

4 MR. SMITH: We have heard those concerns. We heard  
5 them very strongly at that meeting. It is our intention  
6 and our commitment to be addressing them now and the  
7 issues that I talked about earlier are intended to be no  
8 gloss, a real commitment. And your township officials  
9 have made sure that they are looking over our shoulders  
10 and have reserved the right to continue to look over our  
11 shoulders in a very careful way as we bring this up to  
12 speed. So we hope that we are addressing your issues in  
13 the way that you have asked us to.

14 THE WITNESS: I appreciate that. As I said, I  
15 could not make that meeting. I think, you know, I think  
16 that PECO can do one of three things for us. The other  
17 two I don't really consider an option. I really say you  
18 have to fix the problem. If you don't fix the problem, I  
19 think you could at least give us a reduced rate or you  
20 could also put us up when this happens at a hotel where  
21 we will have water, we will have food and we won't have  
22 to worry about all the other.

23 JUDGE RAINEY: Thank you, Ms. Titus.

24 MR. SMITH: Would it be of any benefit to us since  
25 you were not able to attend those meetings if we

1 scheduled a time for one of our operations people to meet  
2 with you and your husband and go through some of the ways  
3 in which PECO Energy plans to enhance reliability in this  
4 area?

5 THE WITNESS: I think not. I think it has been  
6 addressed. I think other people have addressed this.  
7 But I would like to be apprised of what is going to come  
8 of all of this.

9 MR. SMITH: Thank you.

10 THE WITNESS: And I would like to be an active  
11 voice in taking part in all of that.

12 JUDGE RAINEY: Thank you, Ms. Titus. You may stand  
13 down.

14 (Witness excused.)

15 JUDGE RAINEY: Ms. Sharon Lynn.

16 Ms. Lynn, let me swear you in, please.

17 Whereupon,

18 SHARON LYNN

19 having been duly sworn, testified as follows:

20 DIRECT TESTIMONY

21 JUDGE RAINEY: Please provide your full name,  
22 spelling your last name. Also provide your address and  
23 state whether or not you are a PECO customer.

24 THE WITNESS: Sharon Lynn, L-Y-N-N, 1336 Green Hill  
25 Avenue, West Chester, Pennsylvania 19380. I am a PECO

1 customer and I am also here on behalf of the elected  
2 officials and supervisors of West Goshen Township. I am  
3 a township manager in West Goshen Township and represent  
4 the township here today.

5 Thank you for affording me the opportunity to speak  
6 here on behalf of this merger.

7 JUDGE RAINEY: Thank you.

8 THE WITNESS: I would have to say in listening to  
9 some of the consumers and residents, as I am a 25 year  
10 resident of West Goshen Township and also as the manager  
11 of a business in municipal government, I would have to  
12 say that no business is without problem areas or without  
13 room for improvement. PECO has certainly shown some, as  
14 I think as I have seen in my 25 years in local  
15 government, and also as an involved member in the police  
16 department in West Goshen Township for 21 years, PECO has  
17 shown signs of improvement and signs of communication  
18 with local government officials in the past.

19 I believe their response time as an active  
20 participant being out there for downed wires and storm  
21 damage, their response time has shown improvement when  
22 that communication, those lines of communication, have  
23 been opened with municipal government and with officials  
24 of PECO in our area.

25 Speaking from personal experience, we recently in

1 West Goshen have undergone a major expansion and have  
2 constructed a new municipal complex. The first three  
3 weeks of this construction project were fraught with  
4 many, many problem areas and fortunately they worked  
5 themselves out after that three week period. But the  
6 first three weeks there was a time where I was sending  
7 employees home because we were without electricity, but  
8 not due to the fault of PECO. Some damage was done by  
9 some construction workers. In an attempt to fix that  
10 PECO responded very quickly. They were there in a  
11 professional manner and we were up and running in a  
12 matter of a couple of hours. I think that not only  
13 showed signs of good faith but also of a commitment to  
14 increase productivity and increase that consistency to  
15 keep those lines of communication open.

16 I think as a business in West Goshen Township this  
17 merger will represent decreased pricing not only for  
18 residents of West Goshen Township but for all business  
19 owners and users of township facilities as well as those  
20 of us who work in the township and pay for the services  
21 provided by PECO as well. So I believe that the benefits  
22 with this merger would certainly increase awareness and  
23 be a positive aspect for residents in West Goshen  
24 Township and business owners.

25 Thank you.

1 JUDGE RAINEY: Thank you, Ms. Lynn.

2 Are there any questions for Ms. Lynn from any of  
3 the formal parties?

4 (No audible response.)

5 JUDGE RAINEY: If not, Ms. Lynn, you may stand  
6 down.

7 THE WITNESS: Thank you.

8 JUDGE RAINEY: Thank you.

9 (Witness excused.)

10 JUDGE RAINEY: Mr. Edward Meakim.

11 Whereupon,

12 EDWARD MEAKIM, JR.

13 having been duly sworn, testified as follows:

14 DIRECT TESTIMONY

15 JUDGE RAINEY: Please provide your full name,  
16 spelling your last name.

17 THE WITNESS: Edward G. Meakim, M-E-A-K-I-M,  
18 Junior.

19 JUDGE RAINEY: Are you appearing on behalf of an  
20 organization here today?

21 THE WITNESS: Yes. West Goshen Township.

22 JUDGE RAINEY: Please proceed with your testimony.

23 THE WITNESS: I have been a PECO customer for 35  
24 years. Have lived in West Goshen for that same amount.  
25 Presently vice-chairman of the West Goshen board of

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1 supervisors.

2 The previous testimony with our township manager,  
3 Sharon Lynn, brought in a lot of the good features.  
4 PECO, far as we are concerned in the township, has been a  
5 very good company to deal with. The response time in the  
6 past wasn't as good but a good relationship and I am  
7 hoping now that East Brandywine Township and Wallace will  
8 get as good a situation as we have had in West Goshen.

9 At that point I would favor the merger with Unicom  
10 Corporation.

11 JUDGE RAINEY: Thank you, Mr. Meakim.

12 Are there any questions for Mr. Meakim?

13 (No audible response.)

14 JUDGE RAINEY: If not, you may stand down, sir.

15 THE WITNESS: Thank you.

16 (Witness excused.)

17 JUDGE RAINEY: Ms. Jane Shields.

18 Ms. Shields, may I swear you in?

19 MS. SHIELDS: Yes, you may.

20 Whereupon,

21 JANE SHIELDS

22 having been duly sworn, testified as follows:

23 JUDGE RAINEY: Please provide your full name for  
24 the record, spelling your last name.

25 THE WITNESS: Jane Shields, S-H-I-E-L-D-S.

1 JUDGE RAINEY: Are you appearing on behalf of an  
2 organization today?

3 THE WITNESS: Yes. I am appearing on behalf of the  
4 Wallace Township board of supervisors.

5 JUDGE RAINEY: Please proceed.

6 THE WITNESS: I am a township resident. I have  
7 lived here since 1989. That is roughly a little more  
8 than 11 years. In the first two years that we lived here  
9 we had frequent power outages and surges, worse yet. We  
10 lost a refrigerator, a microwave oven and a television  
11 set -- a rather expensive one, I might add -- all of  
12 which had to be replaced. And to protect ourselves from  
13 further such loss of expense equipment we invested a fair  
14 amount of money in electrical equipment that would  
15 protect our household. Since then we have lost no more  
16 appliances.

17 We, however, like other township residents -- when  
18 I say we, my family and I live at 70 Waterview Drive here  
19 in Glenmoore -- have had so many outages we can't  
20 remember them. We don't even keep tack of them. We have  
21 not even tried. It has been awful.

22 I would echo what Mrs. Titus said about coping with  
23 electrical outages in a rural setting where everyone one  
24 is dependent upon wells. It means you have no water. It  
25 often means you have no hot water. It often means you

1 have no way of cooking. It is awful, just awful.

2 While we no longer get the surges at our household  
3 that we did, what we find is that many evenings we can  
4 see the lights dimming, going on and off. This happens,  
5 again, so frequently, we don't even bother to track it.  
6 We have never attempted to. But it is, to say the least,  
7 annoying. It makes you feel very odd to be standing in a  
8 room as the lights go in and out and in and out.

9 I have with me today what is titled Intervenor  
10 Direct Testimony which was prepared by me and other  
11 supervisors and our township secretary to distill the  
12 complaints that we have received and what we have  
13 observed over the years and I will kind of bore you all  
14 by reading it if I may, Judge Rainey.

15 JUDGE RAINEY: Yes, you may.

16 THE WITNESS: The quality of service provided by  
17 PECO Energy to Wallace Township and its neighboring  
18 municipalities in northern Chester County has been  
19 steadily declining over the past few years while the  
20 number of complaints from township residents has steadily  
21 increased. Township residents have called the municipal  
22 office and the supervisors at home to voice their outrage  
23 at the frequent and extended power outages and power  
24 surges, not to mention the loss of expensive electronic  
25 equipment and appliances.

1           Many residents have succumbed to purchasing  
2 generators because they have come to expect the power to  
3 go out just about every time the wind blows. One  
4 resident recently informed us that he installed a voltage  
5 meter in his home and has observed spikes of up to 300  
6 volts. These spikes are responsible for the premature  
7 replacement of light bulbs in homes and in the municipal  
8 office and the fire hall.

9           PECo has claimed tree damage as the major cause of  
10 damage to its facilities and has cited problems in  
11 getting homeowners to allow crews to remove trees, limbs  
12 and other vegetation which pose a threat to the  
13 powerlines and equipment. However, we believe that the  
14 power outages are directly related to outdated,  
15 unreliable equipment as well a significant cutback in the  
16 number of maintenance personnel as a result of energy  
17 deregulation and the relocation of the local maintenance  
18 center from Coatesville, Chester County, to Plymouth  
19 Meeting, Montgomery County.

20           In addition, in March of 1999 the board of  
21 supervisors complained to PECO about the overly  
22 aggressive tree trimming performed by its subcontractor,  
23 Asplund. The Asplund crews exceeded what was truly  
24 necessary to achieve the goal of protective trimming for  
25 safety and uninterrupted electrical service and were

1 insensitive to the needs of property owners. There was  
2 also a concern that Asplund was not following PennDOT  
3 standards for flagging within the work areas to safely  
4 direct traffic around the caravan of bucket trucks and  
5 chippers.

6           During Hurricane Floyd in November, 1999, a fallen  
7 limb on Park Lane in Wallace Township sheared off an  
8 electric pole, which hung precariously over the roadway  
9 for a full week before it was finally removed. The pole  
10 blocked access to our wastewater treatment facility and  
11 one single family dwelling and delayed the schedule  
12 paving of our tennis court and parking lots.

13           This dangerous situation was reported on four  
14 separate occasions to the PECO repair service. Due to  
15 the aforementioned blocked access to the wastewater  
16 treatment plant, the operator and septage hauler had no  
17 other alternative except to drive across the spray fields  
18 of the system to access the pump station. The Wallace  
19 Township Municipal Authority now has areas of erosion to  
20 repair.

21           The frequency and duration of power outages has  
22 also prompted the Glenmoore fire company to request a  
23 budget allocation from the board of supervisors for the  
24 expressed purpose of purchasing an emergency generator.  
25 The fire company is designated as the local emergency

1 site here in Wallace Township.

2 If I may add, after we intervened in this action  
3 PECO responded promptly and we have been in negotiations  
4 with them to try to improve the service here in Wallace  
5 Township. And they have dealt with us I think very  
6 fairly, very openly and they have attempted to address  
7 our needs. As a result, we are about to enter into a  
8 joint petition with them to be entered on this docket  
9 which will continue the process of entering into what we  
10 believe will be some resolution of some of these issues.

11 If necessary or appropriate, there will be a separate  
12 docket set up for this purposes because in many ways  
13 these issues are unrelated to the merger issues or are  
14 ancillary to it.

15 We appreciate PECO's efforts to address these  
16 issues, and they certainly have some way to go, and their  
17 frank recognition of that.

18 Thank you.

19 JUDGE RAINEY: Are there any questions for  
20 Ms. Shields?

21 (No audible response.)

22 JUDGE RAINEY: If not, you may stand down.

23 THE WITNESS: Thank you. I have the direct  
24 testimony.

25 JUDGE RAINEY: Thank you.

1 (Witness excused.)

2 JUDGE RAINEY: Mr. Robert Powelson.

3 Mr. Powelson, may I swear you in?

4 Whereupon,

5 ROBERT POWELSON

6 having been duly sworn, testified as follows:

7 DIRECT TESTIMONY

8 JUDGE RAINEY: Please give your full name, spelling  
9 your last name.

10 THE WITNESS: Robert F. Powelson, P-O-W-E-L-S-O-N,  
11 17 East Gay Street, West Chester, Pennsylvania.

12 JUDGE RAINEY: Mr. Powelson, are you appearing on  
13 behalf of an organization here today?

14 THE WITNESS: I am.

15 JUDGE RAINEY: And that organization is...?

16 THE WITNESS: Chester County Chamber of Business  
17 and Industry.

18 JUDGE RAINEY: Thank you. Please proceed with your  
19 testimony.

20 THE WITNESS: Thank you.

21 My the Rob Powelson. I am president of the Chester  
22 County Chamber of Business and Industry. We are located  
23 in downtown West Chester. We are a 1,250 member business  
24 organization representing 62,400 employees from across  
25 Chester County.

1           The chamber is intensely interested in the PECO  
2 Energy/Unicom merger as it relates to the economic  
3 development of this region. I think that it is fair to  
4 say that from an economic development standpoint PECO  
5 Energy has taken a lead role in the development of many  
6 of our downtown centers here in the Chester County area.  
7 And I think it is the responsibility of all of us in this  
8 room to ensure that there is enough energy that can be  
9 produced to keep us from such things as brownouts and  
10 blackouts as we have heard here earlier.

11           From the chamber's perspective, we believe that  
12 PECO has done a remarkable job in providing save and  
13 efficient energy sources for all of us in the region, and  
14 I think with competition now upon us they have done an  
15 even better job in working not only with business  
16 customers but residential customers in providing an  
17 affordable electric source.

18           In addition, PECO Energy has continued to put forth  
19 programs to aid those who are disadvantaged. They have  
20 also done a remarkable job in expanding their corporate  
21 presence here and in many of the suburban communities.  
22 In one in particular, Kennett Square, where PECO's  
23 generation company will be opening a state of the art  
24 corporate center in a community that is experiencing just  
25 a remarkable turnaround. It is this type of commitment

1 that we should all take pride in recognizing that PECO  
2 Energy is committed to downtown areas like Kennett.

3 It is our understanding that under the terms of the  
4 definitive merger agreement PECO Energy has pledged to  
5 keep its corporate headquarters and related jobs here in  
6 the region for the next several years. This commitment  
7 is good for the City of Philadelphia, it is good for the  
8 County of Chester.

9 In conclusion, we strongly support this  
10 pro-competitive merger as it will help create a world  
11 class energy provider here in our backyard. With its  
12 deep technological and financial resources, the new  
13 company will be able to develop exciting new products and  
14 invest in a number of new technologies that as consumers  
15 we all benefit from.

16 Your Honor, the Chester County Chamber appreciates  
17 the opportunity of sharing these thoughts with each of  
18 you and we look forward to entertaining any questions  
19 that you may have. I will also submit copies of my  
20 testimony for the record.

21 JUDGE RAINEY: Thank you, Mr. Powelson.

22 Are there any questions from the formal parties for  
23 Mr. Powelson?

24 Sir, did you have a question? Why don't you  
25 identify yourself again for the record?

1 MR. RAY: I am Robert Ray.

2 How can we take pride in what PECO has done when we  
3 don't have any electric?

4 JUDGE RAINEY: Well, it is up to you, Mr. Powelson,  
5 or to respond or not. Normally, Mr. Ray, we don't allow  
6 the kind of cross-examination that you have engaged in.

7 MR. RAY: I don't need an answer. That was a kind  
8 of a question that was a statement.

9 JUDGE RAINEY: A rhetorical question. Okay.

10 Are there any other questions for Mr. Powelson from  
11 the formal parties?

12 (No audible response.)

13 JUDGE RAINEY: If not, Mr. Powelson, you may stand  
14 down.

15 (Witness excused.)

16 JUDGE RAINEY: That concludes the names that I have  
17 on the sign-in sheet. Are there any other persons here  
18 today who wish to present testimony or who have any  
19 questions that they would like to pose to PECO's counsel  
20 or representatives?

21 Yes, Ma'am. Do you want to come forward, please?  
22 Do you want to present testimony, Ma'am?

23 MS. RAY: Not really.

24 JUDGE RAINEY: You have questions?

25 MS. RAY: I have questions.

1 JUDGE RAINEY: Why don't you identify yourself.

2 MS. RAY: I am Margaret Ray, 351 Highspire Road,  
3 Glenmoore, Pennsylvania 19343.

4 My question is how is it fair that PECO enter into  
5 or even think of entering into a merger when they have  
6 such problems? That's all I ask. I know that nobody  
7 here is -- it is up to the CEO and the shareholders. I  
8 know that. But I am just wondering how can they possibly  
9 think it is fair when they have been presented with all  
10 this negative stuff.

11 JUDGE RAINEY: Do you want PECO to attempt that  
12 answer that question, Ms. Ray?

13 MR. RAY: If they can.

14 JUDGE RAINEY: Mr. Smith, do you want to take a  
15 crack at that?

16 MS. RAY: He doesn't have to. But I am just  
17 wondering.

18 JUDGE RAINEY: Okay, if you don't want to, that is  
19 fine. I think the question is out there.

20 Was there anything else, Ms. Ray?

21 MS. RAY: No. That is what I wanted to ask.

22 JUDGE RAINEY: Are there any others?

23 Do you want to come back up, Mrs. Titus?

24 MS. TITUS: This is off the record.

25 JUDGE RAINEY: Do you want this off the record?

1 MS. TITUS: Oh, it can be on the record. That's  
2 fine.

3 JUDGE RAINEY: You can sit there if you want. You  
4 were previously sworn.

5 Whereupon,

6 PAULA TITUS

7 having previously been duly sworn, testified further as  
8 follows:

9 DIRECT TESTIMONY

10 THE WITNESS: My question -- and I heard  
11 Mr. Powelson come up here and he told us everything that,  
12 you know, the good neighbor and everything that PECO is  
13 doing for the community and they are building this and  
14 they take an active part in that. That is wonderful.  
15 You know, that is commendable. But what are you going to  
16 do for -- yes, you can get your name in the paper for  
17 doing all these wonderful things and building these  
18 things and being on the right side of the people who are  
19 going to make a name for you. You have a bad image so it  
20 has to be brought up by any means. But what will you do  
21 for people -- for Glenmoorons such as myself, people that  
22 live in the community that may not make a big name for  
23 PECO by providing us with better service.

24 That is my concern. We are not going to make the  
25 headlines. It's not going to say PECO provided no power

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1 outages in Wallace. I won't see that in the Inquirer. I  
2 won't see that in the Daily Local or the Tri-County. But  
3 we pay as much as anyone else for service that we are not  
4 getting and in my estimation that a ripoff and it has to  
5 change.

6 That is all I have to say.

7 JUDGE RAINEY: Did you want an answer for that  
8 question or was that a rhetorical question as well?

9 THE WITNESS: It is a rhetorical question.

10 JUDGE RAINEY: Thank you very much for your  
11 additional testimony.

12 (Witness excused.)

13 JUDGE RAINEY: Anyone else want to provide new or  
14 additional testimony at this point?

15 (No audible response.)

16 JUDGE RAINEY: If not, I would like to thank  
17 everyone for their appearance here this afternoon. There  
18 will be another public input session at seven o'clock  
19 today.

20 Thank you very much. This public input hearing is  
21 adjourned.

22 (Whereupon, at 2:15 p.m., the public input hearing  
23 was adjourned, to be reconvened at 7:00 p.m. on Thursday,  
24 March 30, 2000, in Glenmoore, Pennsylvania.)

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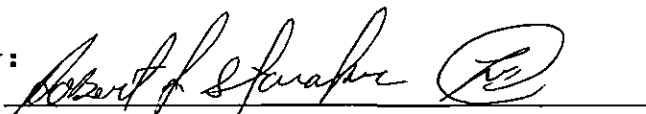
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## C E R T I F I C A T E

I hereby certify, as the stenographic reporter,  
that the foregoing proceedings were taken  
stenographically by me and thereafter reduced to  
typewriting by me or under my direction; and that this  
transcript is a true and accurate record to the best of  
my ability.

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By:

A handwritten signature in cursive script, appearing to read "Robert J. Stonaker", is written over a horizontal line. To the right of the signature is a circular stamp or mark.

Robert J. Stonaker