



Lisa Crutchfield
Vice President
Regulatory & External Affairs

Telephone 215.841.4123
Fax 215.841.6331
www.exeloncorp.com
lcrutchfield@exeloncorp.com

An Exelon Company

PECO Energy Company
2301 Market Street, S26-2
Philadelphia, PA 19103

February 4, 2005

A-110350 F0160

DOCUMENT
FOLDER

BY FIRST CLASS MAIL

To: Interested Parties

Re: Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation

Today we filed with the Pennsylvania Public Utility Commission the Joint Application in the above referenced matter.

If you would like a copy of the filing (electronic or hard copy) please contact our Rates and Regulatory Affairs Department at 215-841-5765, or e mail amigliaccio@peco-energy.com.

Sincerely,

Lisa Crutchfield

cc: Service List

RECEIVED
2005 FEB -4 PM 1:59
SECRETARY'S BUREAU

43

ORIGINAL

A-110550 F0160

I hereby certify that I have this day served the foregoing document on the following in the matter of the Joint Application of PECO Energy Company and Public Service Electric and Gas Company Seeking PUC Approval of Public Service Enterprise Group's Merger Into Exelon Corporation; by hand delivery, first class or overnight mail:

Parties Receiving Paper Copy of the Filing:

J. Edward Simms, Director
Office of Trial Staff
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Inwin A. Popowsky, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place - 5th Floor
Harrisburg, PA 17101

William R. Lloyd, Jr., Esquire
Office of Small Business Advocate
Commerce Building- Suite 1102
300 N Second Street
Harrisburg, PA 17101

David M. Kleppinger, Esquire
Charis M. Burak, Esquire
McNees, Wallace & Nurick
100 Pine Street
Harrisburg, PA 17108
Counsel for Phila Area Industrial Energy Users Group

Parties Receiving Notice of the Filing:

Susan M. Shanaman, Esq.
212 North Third Street, Suite 203
Harrisburg, PA 17101
(Counsel for CEED)

Christopher B. Craig, Esq.
Senate Democratic Appropriations Committee
Room 545, Main Capitol Building
Harrisburg, PA 17120
email: ccraig@dem.pasen.gov
(Counsel for Senator Fumo)

Roger Clark, Esq.
NESIP 905 Denston Drive
Ambler, PA 19002-3901
(Attorney for Environmentalists)

Paul E. Russell, Esq.
PP&L Services Corporation
Two North Ninth Street
Allentown, PA 18101
email: perussell@pplweb.com
(Counsel for PP&L)

John Hanger
117 South 17th St., Suite 1801
Philadelphia, PA 19103
(Counsel for Citizens for Pennsylvania's Future)

Eric Epstein
4100 Hillsdale Road
Harrisburg, PA 17112
email: eepstein@igc.apc.org
(Pro Se)

John Halsted, Esq.
Gawthrop, Greenwood & Halsted
119 North High Street
West Chester, PA 19381
email: gghlaw@gawthrop.com
(Counsel for East Brandywine Township)

Lillian Smith Harris, Esq.
Hawke & McKeon LLP
Harrisburg Energy Center
100 North Tenth Street - P.O. Box 1778
Harrisburg, PA 17105
(Counsel for Municipal Group)

Pennsylvania Rural Electric Association
212 Locust Street
Harrisburg, PA 17108

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Joseph Otis Minott, Esq.
135 South 19th Street- Suite 300
Philadelphia, PA 19103
email: joe_minott@cleanair.org
(Counsel for Clean Air Counsel)

Thomas Schmidt, III, Esq./
Brian P. Downey, Esq.
Pepper Hamilton LLP
200 One Keystone Plaza
North Front and Market Streets
Harrisburg, PA 17108
email: downeyb@peppertlaw.com
(Counsel for Amtrak)

Kenneth M. Barna, Esq.
Wayne R. Frigard, Esq.
Rubin and Rudman LLP
50 Rowes Wharf
Boston, MA 02110
email: wfrigard@rubinrudman.com
(Counsel for Amtrak)

Phil Bertocci, Esq.
Community Legal Services, Inc.
1424 Chestnut Street, 4th Fl.
Philadelphia, PA 19102
email: pbertocci@clsphila.org
(Counsel for CEPA, et al.)

Joe Dworetzky, Esq./Matthew Hamermesh, Esq.
Hangley Aronchick Segal & Pudlin
One Logan Squire - 27th Fl.
Philadelphia, PA 19103
email: jad@hangley.com
mah@hangley.com
(Counsel for Mid-Atlantic Power Supply)

John L. Munsch, Esq.
Deborah J. Henry, Esq.
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689
email: jmunsch@alleghenyenergy.com
dhenry1@alleghenyenergy.com
(Counsel for Allegheny Power)

Gordon Smith, Esq.
John & Hengerer
1200 17th Street, N.W. - Suite 600
Washington, DC 20036-3006
(Counsel for Electric Clearinghouse, Vastar and Noram Energy)

Usher Fogel, Esq.
Roland, Fogel, Koblenz & Carr, LLP
1 Columbia Place
Albany, NY 12207
(Counsel for Pennsylvania Petroleum Association)

Honorable Allyson Schwartz
U. S. House of Representatives
423 Cannon Office Building
Washington DC, 20515

Patricia McNamara
6048 Ogontz Avenue
Philadelphia, PA 19141
email: cepa1966@aol.com

James H. Cawley
Rhoads & Sinon
1 South Market Square
P. O. Box 1146
Harrisburg, PA 17108-1146

David Desalle, Esq.
Ryan, Russell, Ogden & Seltzer
800 North Third Street, Suite 101
Harrisburg, PA 17102
(Counsel for GPU)

Vincent J. Walsh, Jr., Esq.
South Eastern Pennsylvania Transportation Authority
1234 Market Street - Fifth Floor
Philadelphia, PA 19107-378-0
(Counsel for SEPTA)

Kenneth Zielonis, Esq.
Stevens & Lee
208 N. 3rd Street - Suite 310
Harrisburg, PA 17108-2090
(Counsel for Pennsylvania Retailers Association)

Stephanie A. Sugrue, Esq./ Mary Ann Ralls, Esq.
Shelia Hollis, Esq.
Duane, Morris & Heckscher, LLP
1667 K Street, N.W. - Suite 700
Washington, DC 20006
(Counsel for QST)

Paul L. Zeigler, Esq.
Paul L. Zeigler PC
300 Bridge Street, Second Floor
P.O. Box B
New Cumberland, PA 17070
(Counsel for Delaware Valley Schools Energy/Utility Consortium)

Jay W. Dawson, Esquire
T. W. Phillips Gas & Oil Company
205 North Main Street
Butler, Pa 16001

Craig Goodman, Esquire
President
National Energy Marketers Association
3333 K Street, N.W. Suite 425
Washington, DC 20007
Counsel for National Energy Marketers Assoc.

Linda J. Casey, Esquire
Hagley, Aronchick, Segal & Pudlin
One Logan Square, 27th Floor
Philadelphia, PA 19103
(Counsel for PGW)

Keith Sappenfield, Esquire
Reliant Energy Retail, Inc.
1111 Louisiana, 42nd Floor
PO Box 1409
Houston, TX 77251-1409

William E. Glunt
CNG Retail Services Corporation
One Chatham Center, Suite 700
Pittsburgh, PA 15219

Mr. Brian Kalcic
Excel Consulting Suite 720-T
225 S. Meramec Avenue
St. Louis, MO 63015
(Consultant for OSBA)

David A. Glenn, Esquire
Transcontinental Gas Pipe Line Corporation
2800 Post Oak Boulevard
Houston, TX 77056

Timothy W. Merrill, Jr.
TXU Energy Services, Inc
Foster Plaza 10, Suite 200
680 Anderson Drive
Pittsburgh, PA 15220

Laureto A. Farinas, Esquire
Philadelphia Gas Works
800 W. Montgomery Avenue
Philadelphia, PA 19122

Michael G. Banta, Esq.
Indianapolis Power & Light Company
One Monument Circle
P.O. Box 1595
Indianapolis, IN 46206-1595
(Counsel for IP&L)

James P. Melia, Esquire
Kirkpatrick & Lockhart LLP
Payne-Shoemaker Building
240 North Third Street
Harrisburg, PA 17101-1507

Kevin J. McKeon, Esq.
Hawke McKeon Sniscak
& Kennard LLP
100 N. Tenth St.
P.O Box 1778
Harrisburg, PA 17105

Gary A. Jeffries, Esquire
Senior Counsel
CNG Retail Services Corporation
One Chatham Center, Suite 700
Pittsburgh, PA 15219

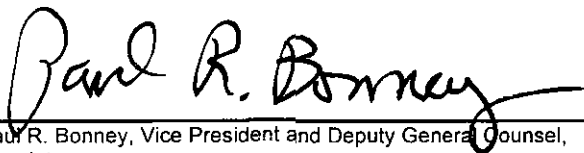
Mark C. Morrow, Esquire
UGI Utilities, inc
460 N Gulph Road
King of Prussia, PA 19406
Indianapolis Power & Light Company

David L. Cruthirds, Esquire
Senior Director & Regulatory Counsel
DYNEGY Marketing & Trade
1000 Louisiana, Suite 5800
Houston, TX 77002

Mike Cornwell
Dominion
120 Tredegar Street
Richmond, VA 23219

Martha A. Duggan
Statoil Energy, Inc.
2800 Eisenhower Avenue
Alexandria, VA 22314

Joseph L. Vullo, Esquire
1460 Wyoming Avenue
Forty Fort, PA 18704-4237



Paul R. Bonney, Vice President and Deputy General Counsel,
Regulatory
Exelon Business Services Company
2301 Market Street, S23-3
Philadelphia, PA 19103

Dated: February 4, 2005

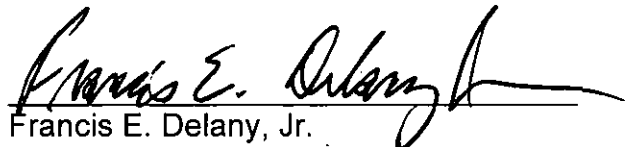
ORIGINAL

VERIFICATION

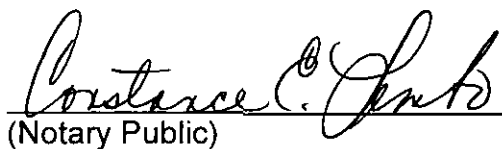
A-110550 FD160

I, Francis E. Delany, Jr., hereby declare that I am Vice President and Corporate Rate Counsel of Public Service Electric and Gas Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Application are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. §4904 pertaining to false statements to authorities.

DOCUMENT
FOLDER


Francis E. Delany, Jr.

Subscribed and sworn before me
This 3rd day of February 2005


(Notary Public)

CONSTANCE E. LEMBO
Notary Public of New Jersey
My Commission Expires Oct. 18, 2008

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2005 FEB -4 PM 1:59
PA PUC
SECRETARY'S BUREAU

A-110550FD160

DOCUMENT
FOLDER

VERIFICATION

I, Lisa Crutchfield, hereby declare that I am Vice President Regulatory and External Affairs of PECO Energy Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Application are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. §4904 pertaining to false statements to authorities.

Lisa Crutchfield

Lisa Crutchfield

Subscribed and sworn before me
This 4th day of February 2005

Margaret T. Gregory

(Notary Public)

My Commission Expires 6/10/2007

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2005 FEB -4 PM 1:59
PA. PUB.
SECRETARY'S BUREAU

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARGARET T. GREGORY, Notary Public
City of Philadelphia, Phila. County
My Commission Expires June 10, 2007

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE
Secretary
717-772-7777

February 8, 2005

A-110550F0160

THOMAS P GADSDEN ESQUIRE
ANTHONY C DECUSATIS ESQUIRE
MORGAN LEWIS AND BOCKIUS LLP
1701 MARKET STREET
PHILADELPHIA PA 19103-2921

DOCUMENT
FOLDER

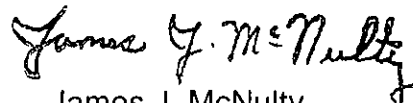
Dear Mr. Gadsden:

Receipt is acknowledged of the Joint Application of Peco Energy Company and Public Service Electric and Gas Company for approval of the merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation, which has been captioned and docketed to the above number.

You are directed upon receipt of this letter to publish the enclosed notice once in a newspaper having a general circulation in the area involved and file proof of publication with the Commission on or before March 7, 2005.

This matter will receive the attention of the Commission and you will be advised of any further necessary procedure.

Sincerely,



James J. McNulty
Secretary

JJM:ddt

Enclosure

Cc: Paul R. Bonney
Kent D. Murphy
Daniel Clearfield
Richard P. Bonnifield

DOCKETED

FEB 08 2005

DATE: February 8, 2005

SUBJECT: A-110550F0160

TO: Office of Administrative Law Judge

FROM: James J. McNulty, Secretary *ddt*

DOCUMENT
FOLDER

**JOINT APPLICATION OF PECO ENERGY COMPANY AND
PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

We attach hereto a copy of the Joint Application of Peco Energy Company and Public Service Electric and Gas Company for approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation, which has been captioned and docketed to the above number.

Applicant has been instructed to publish in a newspaper.

This matter is assigned to your Office for appropriate action.

Please note: The protest period for this Application will expire on March 7, 2005.

Attachment

cc: Law Bureau
Bureau of Fixed Utility Services

ddt

DOCKETED

FEB 08 2005

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

Joint Application of PECO Energy :
Company and Public Service Electric and :
Gas Company for Approval of the Merger :
of Public Service Enterprise Group :
Incorporated with and into Exelon :
Corporation :

Docket No. A-110550

SECRETARY'S BUREAU

2005 FEB -9 PM 2: 56

RECEIVED

NOTICE OF APPEARANCE

TO THE SECRETARY:

Please enter the appearance of the Office of Trial Staff of the Pennsylvania
Public Utility Commission in the above-captioned proceeding.

Prosecutor(s) for the Office of Trial Staff, in addition to the undersigned, will
be:

**KENNETH L. MICKENS, ESQUIRE
ROBERT V. ECKENROD, ESQUIRE**

All service on and communications to the Office of Trial Staff in this
proceeding should be addressed:

**Kenneth L. Mickens, Esquire
Robert V. Eckenrod, Esquire
Pa. Public Utility Commission Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
(717) 787-1976
kmickens@state.pa.us
roeckenrod@state.pa.us**

KJR

**DOCUMENT
FOLDER**

DOCKETED
MAY 09 2005



Johnnie E. Simms
Chief Prosecutor

Dated: February 9, 2005

63

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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2005 FEB -9 PM 2:56
PENNSYLVANIA
SECRETARY'S BUREAU

Joint Application of PECO Energy :
Company and Public Service Electric and :
Gas Company for Approval of the Merger : Docket No. A-110550
of Public Service Enterprise Group :
Incorporated with and into Exelon :
Corporation :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Notice of Appearance**, dated February 9, 2005, either personally, by first class mail, electronic mail, express mail and/or by fax upon the persons listed below:

Edward G. Bauer, Vice President
Amy E. Hamilton
Rudolph A. Chillemi, Assistant General Counsel
PECO Energy Company
2301 Market St.
Philadelphia, PA 19101

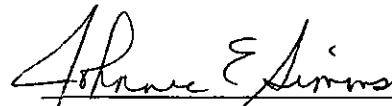
Michael Fiorentino Esquire
135 South 19th Street Suite 300
Philadelphia PA 19103

Ward L. Smith, Associate General Counsel
2301 Market Street S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699

Irwin A. Popowsky, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place - 5th Floor
Harrisburg, PA 17101-1923

William R. Lloyd Jr., Esquire
Office of Small Business Advocate
Commerce Building - Suite 1102
300 North 2nd Street
Harrisburg, PA 17101

Chief Administrative Law Judge Veronica Smith
Office of Administrative Law Judge
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265



Johnnie E. Simms
Chief Prosecutor

Dated: February 9, 2005
Docket No. A-110550

PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIPT

The addressee named here has paid the PA P.U.C. for the following bill:

DATE: 2/9/2005
RECEIPT NO: 250182

EXELON BUSINESS SERVICES
PO BOX 8699
PHILADELPHIA PA 19101

DOCUMENT
FOLDER

IN RE: Electrical Generation fees for EXELON BUSINESS SERVICES

Docket Number A-110550F0160..... \$350.00

REVENUE ACCOUNT: 001780-017601-107

CHECK NUMBER: 82002701
CHECK AMOUNT: \$350.00

Stephen Reed
(for Department of Revenue)

DOCKETED
MAR 01 2005

PENNSYLVANIA PUBLIC UTILITY COMMISSION
NOTICE TO BE PUBLISHED

Joint Application of Peco Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation. Docket Number: A-110550F0160

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Formal protests and petitions to intervene must be filed in accordance with Title 52 of the Pennsylvania Code. All filings must be made with the Secretary of the Pennsylvania Public Utility Commission, P. O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on the Applicant, on or before March 7, 2005. The documents filed in support of the Application are available for inspection and copying at the Office of the Secretary between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, and at the Applicant's business address.

Applicant:

Peco Energy Company
Public Service Electric and Gas Company

Through and By Counsel for Peco Energy Company:

Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

Paul R. Bonney, Deputy Gen. Counsel
Kent D. Murphy, Asst. Gen. Counsel
2301 Market Street
P. O. Box 8699
Philadelphia, PA 19101-8699

Through and By Counsel for Public Service Electric and Gas Company:

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen, LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield, Vice Pres-Law
80 Park Plaza, T5E
Newark, New Jersey 07102

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LEGISLATIVE REFERENCE
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DOCKETED

FEB 08 2005

BY THE COMMISSION

James J. McNulty
James J. McNulty
Secretary

Lisa Crutchfield
Vice President
Regulatory & External Affairs

Telephone 215.841.4123
Fax 215.841.6331
www.exeloncorp.com
lcrutchfield@exeloncorp.com

PECO Energy Company
2301 Market Street, S26-2
Philadelphia, PA 19103

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**DOCUMENT
FOLDER**

February 11, 2005

FEDERAL EXPRESS

FEB 11 2005

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

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Joint Application Of PECO Energy Company And Public Service Electric And Gas Company
For Approval Of The Merger Of Public Service Enterprise Group Incorporated With And Into
Exelon Corporation - Docket No. A-110550F0160 - Revised PECO Statement No. 3

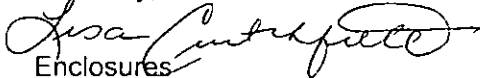
Dear Secretary McNulty:

Enclosed, for filing at the above-captioned docket, are an original plus nine copies each of revised page 1 to PECO Statement No. 3, the Direct Testimony of William H. Hieronymus, and a revised cover sheet and pages 1 and 2 to PECO Exhibit WHH-1, which comprises the direct testimony and exhibits submitted by Dr. Hieronymus in a contemporaneous filing at the Federal Energy Regulatory Commission.

The revised pages are being filed to make clear that Dr. Hieronymus was engaged by and is testifying on behalf of PECO Energy alone, and not Public Service Electric and Gas Company (PSE&G). The Joint Applicants believe that this clarification is necessary to avoid any appearance of a conflict because Dr. Hieronymus' firm - - Charles River Associates (but not Dr. Hieronymus) - - provides consulting services to the New Jersey Board of Public Utilities, which has jurisdiction over PSE&G.

If you have any questions regarding this matter, please feel free to contact me directly.

Sincerely,



Enclosures

cc: Wendell F. Holland, Chairman
Robert K. Bloom, Vice-Chairman
Glen R. Thomas, Commissioner
Kim Pizzingrilli, Commissioner
Irwin A. Popowsky, Office of Consumer Advocate
William R. Lloyd, Jr., Office of Small Business Advocate
Bohdan R. Pankiw, Chief Counsel, Law Bureau
Chief Administrative Law Judge Veronica A. Smith
Robert A. Rosenthal, Director, Fixed Utility Services
J. Edward Simms, Director, Office Of Trial Staff
Kevin Cadden, Manager, Bureau of CEEP
Joseph S. Betsko, Deputy Attorney General, Office of Attorney General
David M. Kleppinger, McNeese, Wallace & Nurick
Certificate of Service

I hereby certify that I have this day served the foregoing document on the following in the matter of the Joint Application of PECO Energy Company and Public Service Electric and Gas Company Seeking PUC Approval of Public Service Enterprise Group's Merger Into Exelon Corporation; by hand delivery, first class or overnight mail:

Parties Receiving Paper Copy of the Filing:

J. Edward Simms, Director
Office of Trial Staff
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Irwin A. Popowsky, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place – 5th Floor
Harrisburg, PA 17101

William R. Lloyd, Jr. Esquire
Office of Small Business Advocate
Commerce Building- Suite 1102
300 N Second Street
Harrisburg, PA 17101

David M. Kleppinger, Esquire
Charis M. Burak, Esquire
McNees, Wallace & Nurick
100 Pine Street
Harrisburg, PA 17108
Counsel for Phila Area Industrial Energy Users Group

Parties Receiving Notice of the Filing:

Susan M. Shanaman, Esq.
212 North Third Street, Suite 203
Harrisburg, PA 17101
(Counsel for CEED)

Christopher B. Craig, Esq.
Senate Democratic Appropriations Committee
Room 545, Main Capitol Building
Harrisburg, PA 17120
email: ccraig@dem.pasen.gov
(Counsel for Senator Fumo)

Roger Clark, Esq.
NESIP 905 Denston Drive
Ambler, PA 19002-3901
(Attorney for Environmentalists)

Paul E. Russell, Esq.
PP&L Services Corporation
Two North Ninth Street
Allentown, PA 18101
email: perussell@pplweb.com
(Counsel for PP&L)

John Hanger
1518 Walnut Street, Suite 1100
Philadelphia, PA 19102-3406
(Counsel for Citizens for Pennsylvania's Future)

Eric Epstein
4100 Hillsdale Road
Harrisburg, PA 17112
email: eepstein@lgc.apc.org
(Pro Se)

John Halsted, Esq.
Gawthrop, Greenwood & Halsted
119 North High Street
West Chester, PA 19381
email: gghlaw@gawthrop.com
(Counsel for East Brandywine Township)

Lillian Smith Harris, Esq.
Hawke & McKeon LLP
Harrisburg Energy Center
100 North Tenth Street - P.O. Box 1778
Harrisburg, PA 17105
(Counsel for Municipal Group)

Pennsylvania Rural Electric Association
212 Locust Street
Harrisburg, PA 17108

Joseph Otis Minott, Esq.
135 South 19th Street- Suite 300
Philadelphia, PA 19103
email: joe_minott@cleanair.org
(Counsel for Clean Air Counsel)

Thomas Schmidt, III, Esq./
Brian P. Downey, Esq.
Pepper Hamilton LLP
200 One Keystone Plaza
North Front and Market Streets
Harrisburg, PA 17108
email: downeyb@pepperlaw.com
(Counsel for Amtrak)

Kenneth M. Barna, Esq.
Wayne R. Frigard, Esq.
Rubin and Rudman LLP
50 Rowes Wharf
Boston, MA 02110
email: wfrigard@rubinrudman.com
(Counsel for Amtrak)

Phil Bertocci, Esq.
Community Legal Services, Inc.
1424 Chestnut Street, 4th Fl.
Philadelphia, PA 19102
email: pbertocci@clsphila.org
(Counsel for CEPA, et al.)

Joe Dworetzky, Esq./Matthew Hamermesh, Esq.
Hangley Aronchick Segal & Pudlin
One Logan Squire - 27th Fl.
Philadelphia, PA 19103
email: jad@hangley.com
mah@hangley.com
(Counsel for Mid-Atlantic Power Supply)

John L. Munsch, Esq.
Deborah J. Henry, Esq.
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689
email: jmunsch@alleghenyenergy.com
dhenry1@alleghenyenergy.com
(Counsel for Allegheny Power)

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Washington, DC 20036-3006
(Counsel for Electric Clearinghouse, Vastar and Noram Energy)

Usher Fogel, Esq.
Roland, Fogel, Koblenz & Carr, LLP
1 Columbia Place
Albany, NY 12207
(Counsel for Pennsylvania Petroleum Association)

Honorable Allyson Schwartz
U. S. House of Representatives
423 Cannon Office Building
Washington DC, 20515

Patricia McNamara
6048 Ogontz Avenue
Philadelphia, PA 19141
email: cepa1966@aol.com

James H. Cawley
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(Counsel for Pennsylvania Retailers Association)

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Stephanie A. Sugrue, Esq./ Mary Ann Ralls, Esq.
Shelia Hollis, Esq.
Duane, Morris & Heckscher, LLP
1667 K Street, N.W. - Suite 700
Washington, DC 20006
(Counsel for QST)

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Butler, Pa 16001

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Hagley, Aronchick, Segal & Pudlin
One Logan Square, 27th Floor
Philadelphia, PA 19103
(Counsel for PGW)

William E. Glunt
CNG Retail Services Corporation
One Chatham Center, Suite 700
Pittsburgh, PA 15219

David A. Glenn, Esquire
Transcontinental Gas Pipe Line Corporation
2800 Post Oak Boulevard
Houston, TX 77056

Laureto A. Farinas, Esquire
Philadelphia Gas Works
800 W. Montgomery Avenue
Philadelphia, PA 19122

James P. Melia, Esquire
Kirkpatrick & Lockhart LLP
Payne-Shoemaker Building
240 North Third Street
Harrisburg, PA 17101-1507

Paul L. Zeigler, Esq.
Paul L. Zeigler PC
300 Bridge Street, Second Floor
P.O. Box B
New Cumberland, PA 17070
(Counsel for Delaware Valley Schools Energy/Utility Consortium)

Craig Goodman, Esquire
President
National Energy Marketers Association
3333 K Street, N.W. Suite 425
Washington, DC 20007
Counsel for National Energy Marketers Assoc.

Keith Sappenfield, Esquire
Reliant Energy Retail, Inc.
1111 Louisiana, 42nd Floor
PO Box 1409
Houston, TX 77251-1409

Mr. Brian Kalcic
Excel Consulting Suite 720-T
225 S. Meramec Avenue
St. Louis, MO 63015
(Consultant for OSBA)

Timothy W. Merrill, Jr.
TXU Energy Services, Inc
Foster Plaza 10, Suite 200
680 Anderson Drive
Pittsburgh, PA 15220

Michael G. Banta, Esq.
Indianapolis Power & Light Company
One Monument Circle
P.O. Box 1595
Indianapolis, IN 46206-1595
(Counsel for IP&L)

Kevin J. McKeon, Esq.
Hawke McKeon Sniscak
& Kennard LLP
100 N. Tenth St.
P.O Box 1778
Harrisburg, PA 17105

Gary A. Jeffries, Esquire
Senior Counsel
CNG Retail Services Corporation
One Chatham Center, Suite 700
Pittsburgh, PA 15219


Mark C. Morrow, Esquire
UGI Utilities, Inc
460 N Gulph Road
King of Prussia, PA 19406
Indianapolis Power & Light Company

David L. Cruthirds, Esquire
Senior Director & Regulatory Counsel
DYNEGY Marketing & Trade
1000 Louisiana, Suite 5800
Houston, TX 77002

Mike Cornwell
Dominion
120 Tredegar Street
Richmond, VA 23219

Martha A. Duggan
Statoil Energy, Inc.
2800 Eisenhower Avenue
Alexandria, VA 22314

Joseph L. Vullo, Esquire
1460 Wyoming Avenue
Forty Fort, PA 18704-4237

A handwritten signature in black ink that reads "Paul R. Bonney" followed by a stylized monogram "KDM". The signature is written over a horizontal line.

Paul R. Bonney, Vice President and Deputy General Counsel,
Regulatory
Exelon Business Services Company
2301 Market Street, S23-3
Philadelphia, PA 19103

Dated: February 11, 2005

DIRECT TESTIMONY OF WILLIAM H. HIERONYMUS

1
2 Q. What is your name and business address?

3
4 A. My name is William H. Hieronymus. I am a Vice President of Charles River
5 Associates Incorporated. My office address is 200 Clarendon Street, T-33,
6 Boston, MA 02116.

7 Q. Please briefly outline your professional experience.

DOCKETED
JUL 26 2005

8 A. For the past 30 years I have specialized primarily in economic, business and
9 regulatory issues concerning the electricity and natural gas industries. For the
10 past 17 years the primary activities in which I have been involved relate to
11 restructuring the electricity industry into a more market-oriented paradigm.
12 Market power has been a key focus of my consulting. I have helped to draft
13 market power-related portions of Independent System Operator ("ISO") and
14 Regional Transmission Organization ("RTO") tariffs, commented upon proposed
15 tariff revisions and advised clients on the regulatory implications of mergers and
16 acquisitions. I have testified before the Federal Energy Regulatory Commission
17 ("FERC") and, in many instances, state regulatory commissions, with respect to
18 market power implications of approximately 20 mergers, including the merger of
19 PECO Energy Company ("PECO") and Unicom that resulted in the formation of
20 Exelon. My resume is contained in Exhibit J-2 of the attached FERC testimony.

21 Q. What is the purpose of your testimony?

22 A. I have been asked by PECO to address the potential competitive impact of the
23 proposed merger of Public Service Enterprise Group Incorporated with and into
24 Exelon on electric and natural gas markets. As I understand it, Section 2811 (e)
25 of the Public Utility Code (66 Pa. C.S. § 2811(e)) provides that the Pennsylvania
26 Public Utility Commission ("Commission") shall

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Exelon Corporation)

)

Docket No. EC05-___-000

Public Service Enterprise Group Incorporated)

)

JOINT APPLICATION
FOR APPROVAL OF MERGER

DOCKETED
JUL 26 2005

PREPARED DIRECT TESTIMONY AND EXHIBITS OF
WILLIAM H. HIERONYMUS
ON BEHALF OF EXELON CORPORATION

**DOCUMENT
FOLDER**

1 **I. PURPOSE, SUMMARY OF ANALYSIS AND CONCLUSIONS**

2 **Introduction**

3 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

4 A. My name is William H. Hieronymus. I am a Vice President of Charles River Associates
5 Incorporated. My business address is 200 Clarendon Street, T-33, Boston, MA 02116.

6 **Q. PLEASE SUMMARIZE YOUR RELEVANT PROFESSIONAL BACKGROUND.**

7 A. For the past 30 years, the primary focus of my consulting has been on the electricity sector.
8 For the past 17 years, I have worked primarily on the restructuring of the electricity
9 industry from a fully regulated to a more competitively oriented model, both in the U.S.
10 and abroad. Much of my time has been spent on market power issues. I have developed
11 and commented on market power-related regulatory rules and Regional Transmission
12 Organization (“RTO”) (or foreign equivalent), on market power mitigation as well as on
13 issues of market structure. I have testified before the Federal Energy Regulatory
14 Commission (“Commission”) and other regulatory bodies on market power on numerous
15 occasions. This includes a number of mergers and acquisitions over the past dozen years,
16 including approximately 20 mergers among electric utilities and “convergence” mergers of
17 electric utilities and natural gas pipelines. Among these, I was the market power witness in
18 Docket No. EC00-26-000, the merger of Unicom and PECO that formed Exelon
19 Corporation. My resume is attached as Exhibit J-2.

20 **Purpose**

21 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

22 A. I have been asked by Exelon Corporation (“Exelon”) and all its jurisdictional public
23 utilities¹ to evaluate the potential competitive impact of the merger of Exelon and and

¹ These include, among others, PECO Energy Company (“PECO”), Commonwealth Edison Company (“ComEd”), and Exelon Generation Company, LLC (“Exelon Generation”).

1 Public Service Enterprise Group Incorporated (“PSEG”) and all its jurisdictional public
2 utilities² (collectively, Exelon and PSEG are referred to as the “Applicants”) (creating
3 Exelon Electric & Gas, or “EEG”) on relevant electricity markets.³ I performed the
4 Competitive Analysis Screen described in Appendix A to the Commission’s Merger
5 Policy Statement (“Order No. 592”),⁴ as modified in the Revised Filing Requirements
6 Under Part 33 of the Commission’s Regulations.⁵ The Competitive Analysis Screen is
7 intended to comport with the Department of Justice and Federal Trade Commission
8 (“DOJ/FTC”) Horizontal Merger Guidelines (“Guidelines”). I also have analyzed other
9 electricity-related product markets (e.g., ancillary services and capacity). I further
10 provide analyses to show that the proposed mitigation cures all screen failures in all
11 relevant markets.

12 The primary focus of my testimony is potential horizontal market power effects, *i.e.*,
13 those arising from the combination of the electric generating assets owned or controlled
14 by Exelon Generation and its affiliates and those owned or controlled by PSEG Power
15 and its affiliates that potentially could create or enhance the merged firm’s ability to
16 increase prices in the electricity market. I also address vertical effects concerning
17 barriers to entry that might undercut the presumption that long-run generation markets are
18 competitive and, more generally, the potential to use control over fuel supply, fuel
19 transportation facilities, or electric transmission to exert vertical market power by
20 increasing rivals’ costs.

² These include, among others, Public Service Electric and Gas Company (“PSE&G”) and PSEG Power LLC (“PSEG Power”).

³ The exhibits to the Application include a complete list of Applicants.

⁴ Order No. 592, *Inquiry Concerning the Commission’s Merger Policy Under the Federal Power Act: Policy Statement*, FERC Stats. & Regs. (Regulations Preambles) ¶ 31,044 (1996), *on reconsideration*, Order No. 592-A, 79 FERC ¶ 61,321 (1997).

⁵ Order No. 642, Final Rule in Docket No. RM98-4-000, 18 CFR Part 33, 93 FERC ¶ 61,164 (2000) (“Revised Filing Requirements”).



McNees Wallace & Nurick LLC
attorneys at law

ORIGINAL

CHARIS MINCAVAGE
DIRECT DIAL: (717) 237-5437
E-MAIL ADDRESS: CMINCAVAGE@MWN.COM

February 16, 2005

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

RE: Joint Application of PECO Energy Company and Public Service Electric & Gas Company for Approval of the Merger of Public Service Enterprise Group, Inc., with and into Exelon Corporation; Docket No. A-110550F0160


Dear Secretary McNulty:

Enclosed for filing with the Commission are the original and three (3) copies of Philadelphia Area Industrial Energy Users Group's ("PAIEUG") Petition to Intervene in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Please date stamp the extra copy of this transmittal letter and kindly return it for our filing purposes.

Very truly yours,

McNEES WALLACE & NURICK LLC

By 
David M. Kleppinger
Charis Mincavage

Counsel to Philadelphia Area Industrial
Energy Users Group

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2005 FEB 16 PM 3:55
P.U.C.
SECRETARY'S BUREAU

CM/lhe
Enclosures
c: Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST-CLASS MAIL

Irwin Popowsky, Esq.
Tanya McCloskey, Esq.
Office of Consumer Advocate
Forum Place, 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1923

Kent D. Murphy, Esq.
PECO Energy Company
2301 Market Street, S12-3
P.O. Box 8699
Philadelphia, PA 19101-8699

Anthony C. DeCusatis, Esq.
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103

Johnnie Simms, Esq.
Office of Trial Staff
Pennsylvania Public Utility Commission
The Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

William Lloyd, Esq.
Office of Small Business Advocate
Suite 1102, Commerce Bldg.
300 North Second Street
Harrisburg, PA 17101

Daniel Clearfield, Esq.
Wolf, Block, Schorr & Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

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SECRETARY'S BUREAU


Charis Mincavage

Dated this 16th day of February, 2005 in Harrisburg, Pennsylvania.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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JOINT APPLICATION OF PECO ENERGY :
COMPANY AND PUBLIC SERVICE :
ELECTRIC & GAS COMPANY FOR : DOCKET NO. A-110550F0160
APPROVAL OF THE MERGER OF :
PUBLIC SERVICE ENTERPRISE :
GROUP, INC., WITH AND INTO :
EXELON CORPORATION :

PETITION TO INTERVENE

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to the provisions of 52 Pa. Code §§ 5.71 - 5.74, the Philadelphia Area Industrial Energy Users Group ("PAIEUG") hereby files this Petition to Intervene in the above-captioned proceeding. In support thereof, PAIEUG states as follows:

1. Petitioner is the Philadelphia Area Industrial Energy Users Group ("PAIEUG").

The composition of PAIEUG at this point in time is attached hereto as Appendix "A." Appendix "A" will be updated as necessary.

2. The names and address of Petitioner's attorneys are:

David M. Kleppinger
Charis Mincavage
McNEES WALLACE & NURICK LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
Phone: (717) 232-8000
Fax: (717) 237-5300

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3. On February 4, 2005, PECO Energy Company ("PECO" or "Company") and Public Service Electric & Gas Company ("PSE&G") filed a Joint Application with the Pennsylvania Public Utility Commission ("PUC" or "Commission") requesting approval of the merger of Public Service Enterprise Group, Inc. ("PSEG"), PSE&G's parent company, into Exelon Corporation ("Exelon"), PECO's parent company (jointly, "Companies").¹ The proposed transaction contemplates PSEG merging with Exelon, resulting in Exelon becoming the ultimate corporate parent of PECO and PSE&G. PECO asserts that the merger will in no way diminish PECO's aggressive pursuit of service excellence, but rather, provide benefits to PECO customers through the creation of a premiere utility serving seven million electric and two million natural gas customers. Specifically, PECO claims that the merger will combine the resources of two outstanding utility companies permitting them to share "best practices," thereby making PECO "even better positioned to meet future customer demands and to ensure that high quality service will be maintained and enhanced."

4. PAIEUG is an ad hoc group of energy-intensive customers receiving electric and natural gas service from PECO. PAIEUG members receive electric service under PECO's Rates HT (High Tension Power) and PD (Primary Distribution Power) and natural gas transportation related services under Rate TS-I (Gas Transportation Service – Interruptible) and Rate TS-F (Gas Transportation Service – Firm). PAIEUG members use substantial volumes of electricity and natural gas in their manufacturing and operational processes, and these electric and natural gas costs are a significant element of their respective costs of operation.

¹ PECO submits that Commission approval is only required when the transfer affects control of the utility. Because the common stock of PECO will continue to be held by Exelon Energy Delivery, which, in turn, will continue to be a

5. A number of issues regarding the proposed merger concern and may directly impact the interests of PAIEUG members. PAIEUG provides the preliminary list of potential issues to be examined.

- a. The effect of the proposed merger on retail electric and natural gas competition and the retail electric and natural gas markets in the Commonwealth of Pennsylvania;
- b. The effect of the proposed merger on electric transmission and distribution service rates;
- c. The effect of the proposed merger on PECO's nuclear decommissioning cost adjustment surcharge;
- d. The potential effect of market power in the electricity markets resulting from the proposed merger;
- e. The calculation of the anticipated savings created by the synergy of the merger, and the manner in which the realized savings would be appropriated among customers; and
- f. The effect of the merger on the terms and conditions of PECO's electric restructuring and natural gas restructuring settlements, which were entered into pursuant to the *Electricity Generation Customer Choice and Competition Act* and the *Natural Gas Choice and Competition Act*.

PAIEUG reserves the right to raise further issues as necessary and appropriate during the course of the proceeding, and to respond to issues raised by other parties.

6. Accordingly, the Commission's resolution of the issues in this proceeding will impact the rates that PAIEUG members pay for electricity and natural gas, the services they receive, and the quality of retail competition in Pennsylvania. Consequently, PAIEUG has interests that will be directly affected by the outcome of this proceeding. Additionally, PAIEUG has an interest in this proceeding that is not represented by any other party of record.

wholly owned subsidiary of Exelon, PECO submits that approval by the Commission may not be required.

WHEREFORE, the Philadelphia Area Industrial Energy Users Group respectfully request that the Commission grant this Petition to Intervene and provide PAIEUG with full party status.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By Charis Mincavage

David M. Kleppinger

Charis Mincavage

100 Pine Street

P.O. Box 1166

Harrisburg, PA 17108-1166

Phone: (717)232-8000

Fax: (717)237-5300

Counsel to the Philadelphia Area Industrial
Energy Users Group

Dated: February 16, 2005

APPENDIX "A"

PHILADELPHIA AREA INDUSTRIAL ENERGY USERS GROUP

Air Liquide America L.P.

The Boeing Company

Buckeye Pipe Line Company, L.P.

Franklin Mills Associates Limited Partnership

GlaxoSmithKline

Jefferson Health System

Kimberly-Clark Corporation

Merck & Co., Inc.

Rohm and Haas Company

Temple University

Brian D. Crowe
Director
Rates & Regulatory Affairs

Telephone 215.841.5761
Fax 215.841.6333
www.exeloncorp.com
brian.crowe@peco-energy.com

PECO Energy Company
2301 Market Street
Philadelphia, PA 19103

Mail To: P.O. Box 8699
Philadelphia, PA 19101-8699

ORIGINAL

February 22, 2005

Mr. James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 171020

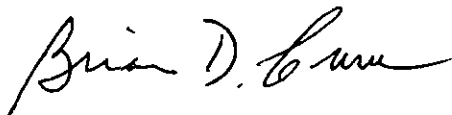
Re: Joint Application Of PECO Energy Company And Public Service Electric
And Gas Company For Approval Of The Merger Of Public Service
Enterprise Group Incorporated With And Into Exelon Corporation - Docket
No. A-110550F0160

Dear Secretary McNulty:

Enclosed herewith is a CD rom of the above mentioned Application reflecting the
changes filed with the Commission on February 11, 2005.

Please call me at 215-841-5316 if you need to discuss further.

Sincerely,



cc: Cyndi Page, Public Information Specialist (w/CD rom)

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SEP 30 2005

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FEB 22 2005
PA PUBLIC UTILITY COMMISSION

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Brian D. Crowe
Director
Rates & Regulatory Affairs

Telephone 215.841.5761
Fax 215.841.6333
www.exeloncorp.com
brian.crowe@peco-energy.com

PECO Energy Company
2301 Market Street
Philadelphia, PA 19103

Mail To: P.O. Box 8699
Philadelphia, PA 19101-8699

ORIGINAL*A-110550F0160*

February 22, 2005

Mr. James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

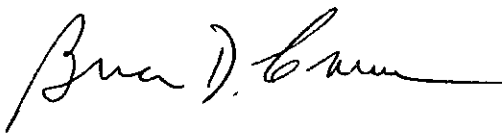
Re: Application for Authorization of Disposition of Jurisdictional Assets Under
Section 203 of the Federal Power Act made by Exelon Corporation and
Public Service Enterprise Group Incorporated

Dear Secretary McNulty:

Enclosed herewith is a CD rom of the above mentioned Application reflecting the
changes filed with the Commission on February 14, 2005.

Please call me at 215-841-5316 if you need to discuss further.

Sincerely,

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FEB 22 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

cc: Cyndi Page, Public Information Specialist (w/CD rom)

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~~SEP 18 2005~~**DOCKETED**
SEP 20 2005**DOCUMENT
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212 Locust Street, Suite 300, Harrisburg, Pennsylvania 17101
Tel: (717) 237-7160 ■ Fax: (717) 237-7161 ■ www.WolfBlock.com

Daniel Clearfield
Direct Dial: (717) 237-7173
Direct Fax: (717) 237-7161
E-mail: dclearfield@wolfblock.com

ORIGINAL

February 24, 2005

James McNulty, Secretary
PA Public Utility Commission
Commonwealth Keystone Bldg. 2nd Fl.
400 Commonwealth Street
P.O. Box 3265
Harrisburg, PA 17105-3265

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Re: Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and Into Exelon Corporation,
Docket No. A-110550F0160

Dear Secretary McNulty

On behalf of Public Service Electric and Gas Company enclosed for filing please find an original and three copies of its Motion for Admission for Pro Hac Vice with regard to the above referenced matter. A copy has been served on the parties of record listed on the attached Certificate of Service.

Very truly yours,

Daniel Clearfield
Daniel Clearfield

For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

DC/lww
Enclosure

cc: Attached Certificate of Service w/enc.

HAR:57337.1/pub017-225191

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF PECO :
ENERGY COMPANY AND PUBLIC :
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE :
MERGER OF PUBLIC SERVICE :
ENTERPRISE GROUP :
INCORPORATED WITH AND INTO :
EXELON CORPORATION :

DOCKET NO. A-110550F0160

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY'S MOTION
FOR ADMISSION FOR PRO HAC VICE

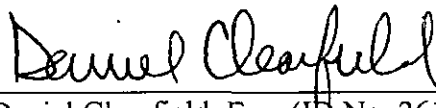
AND NOW COMES Daniel Clearfield, Wolf, Block, Schorr and Solis-Cohen, LLP pursuant to Pa PUC Rules of Procedure Rule 1.22 and 1.23, and move that Richard P. Bonnifield, Esq. be admitted to appear as attorney on behalf of Public Service Electric and Gas Company in the above-referenced proceeding. In support thereof, movant states as follows:

1. Mr. Clearfield is an active member of the Pennsylvania Bar (Attorney Id. No. 26183) with the law firm of Wolf, Block, Schorr and Solis-Cohen. His law offices are in Harrisburg, Pennsylvania. Clearfield is a resident of Pennsylvania.
2. Mr. Bonnifield has been a member in good standing of the New York Bar since 1990 and the District of Columbia Court of Appeals since 1984 and is in good standing with both Bars. He is Vice President-Law of PSEG Service Corporation, an affiliate of Public Service Electric and Gas Company, an electric and natural gas utility regulated by the New Jersey Board of Public Utilities, providing service to electric and gas customers in its service territory in New Jersey.

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WHEREFORE, the undersigned respectfully move that Richard P. Bonnifield be admitted to practice Pro Hac Vice in this proceeding.

Respectfully submitted,



Daniel Clearfield, Esq. (ID No. 26183)
Wolf, Block, Schorr and Solis-Cohen, LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101
(717) 237-7160

Dated: February 24, 2005

CERTIFICATE OF SERVICE

I hereby certify that I have on this day, served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA FIRST CLASS MAIL

Irwin Popowsky, Esq.
Tanya McCloskey, Esq.
Office of Consumer Advocate
Forum Place, 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1923

Kent D. Murphy, Esq.
PECO Energy Company
2301 Market Street, S12-3
PO Box 8699
Philadelphia, PA 19101-8699


Anthony C. DeCusatis, Esq.
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103

Johnnie Simms, Esq.
Office of Trial Staff
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Fl.
Harrisburg, PA 17120

William Lloyd, Esq.
Office of Small Business Advocate
Suite 1102, Commerce Bldg.
300 North Second Street
Harrisburg, PA 17101

Charis Mincavage, Esq.
McNees Wallace & Nurick
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166

Date: February 24, 2005


Daniel Clearfield, Esq.

SECRETARY'S BUREAU

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OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

William R. Lloyd, Jr.
Small Business Advocate

March 2, 2005

(717) 783-2525
(717) 783-2831 (FAX)

HAND DELIVERED

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

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SECRETARY'S BUREAU

**Re: Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation
Docket No. A-110550F0160**

Dear Secretary McNulty:

I am delivering for filing today the original plus three copies of the Notice of Intervention and Protest on behalf of the Office of Small Business Advocate in the above captioned matter.

Copies have been served today on all known parties in this proceeding. A Certificate of Service to that effect is enclosed.

Sincerely,

Karen S. Miller

Karen S. Miller
Assistant Small Business Advocate

Enclosures

cc: Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**JOINT APPLICATION OF PECO ENERGY :
COMPANY AND PUBLIC SERVICE :
ELECTRIC AND GAS COMPANY FOR :
APPROVAL OF THE MERGER OF PUBLIC : Docket No. A-110550F0160
SERVICE ENTERPRISE GROUP :
INCORPORATED WITH AND INTO :
EXELON CORPORATION :**

DOCKETED
MAR 09 2005

**NOTICE OF INTERVENTION AND PROTEST
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

The Office of Small Business Advocate (“OSBA”) files this Notice of Intervention and Protest with respect to the above-captioned Application (“Application”) pursuant to Sections 5.51(a) and 5.71(a)(1) of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission (“Commission”), 52 Pa. Code §§ 5.51(a) and 5.71(a)(1). In support of this Notice of Intervention and Protest, the OSBA avers as follows:

1. The OSBA is an agency of the Commonwealth of Pennsylvania authorized by the Small Business Advocate Act (Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50) to represent the interest of small business consumers as a party in proceedings before the Commission.

2. Representing the OSBA in this proceeding is:

Karen S. Miller, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101
(717) 783-2525
(717) 783-2831 (fax)
karenmil@state.pa.us

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3. The Application was filed by PECO Energy Company (“PECO”) and Public Service Electric and Gas Company (“PSE&G”) (collectively, “Joint Applicants”), with respect to

the proposed merger (“Proposed Merger”) of Public Service Enterprise Group (“PSEG”) with, and into, Exelon Corporation (“Exelon”). PSEG is currently the corporate parent of PSE&G. Exelon is currently PECO’s corporate parent and would be the ultimate corporate parent of both Joint Applicants after approval of the Proposed Merger. By their Application, the Joint Applicants request the Commission’s approval of the Proposed Merger, if such approval is required, under Chapters 11, 22, and 28 of the Public Utility Code, 66 Pa. C.S. Ch. 11, 22, and 28. In the alternative, if the Commission determines that approval of the Proposed Merger is not required, the Joint Applicants request that the Commission issue a declaratory order setting forth that determination.

4. Section 1102(a) of the Public Utility Code, 66 Pa. C.S. § 1102(a), permits a public utility to undertake certain actions only upon Commission approval evidenced by a certificate of public convenience. Among the activities that require Commission approval is the following:

(3) For any public utility or an affiliated interest of a public utility . . . to acquire from, or to transfer to, any person or corporation . . . by any method or device whatsoever, including the sale or transfer of stock and including a consolidation, merger, sale or lease, the title to, or the possession or use of, any tangible or intangible property used or useful in the public service.

66 Pa. C.S. § 1102(a)(3). Exelon is an “affiliated interest” of PECO under Section 2101 of the Public Utility Code, 66 Pa. C.S. § 2101, in that Exelon is a “corporation . . . owning or holding directly or indirectly 5% or more of the voting securities of such public utility [PECO].”

PSE&G’s natural gas and electric service territories border PECO’s natural gas and electric service territories. PSE&G is, has been, or could be using its property for the purpose of providing natural gas, electricity, or both to retail customers in the PECO service territories.

Therefore, because Exelon would acquire property of PSEG that is useful in the public service, the OSBA submits that Commission approval of the Proposed Merger is required under Section 1102(a)(3).

5. When a certificate of public convenience is required under Section 1102, Section 1103(a) of the Public Utility Code, 66 Pa. C.S. § 1103(a), allows the Commission to issue the certificate only upon a finding or determination that the granting of such certificate is “necessary or proper for the service, accommodation, convenience, or safety of the public.” According to the Pennsylvania Supreme Court, satisfying this standard requires the Commission to find that a proposed merger would “affirmatively promote the ‘service, accommodation, convenience, or safety of the public’ in some substantial way.” City of York v. Pennsylvania Public Utility Commission, 449 Pa. 136, 141, 295 A.2d 825, 828 (Pa. 1973). In addition, Section 1103(a) allows the Commission to impose upon its issuance of a certificate of public convenience “such conditions as it may deem to be just and reasonable.”

6. In addition to the Commission’s authority over the Proposed Merger pursuant to Chapter 11 of the Public Utility Code, the Commission also has authority over the Proposed Merger pursuant to Section 2811 of the Public Utility Code, 66 Pa. C.S. § 2811, which is a provision of the Electricity Generation Customer Choice and Competition Act. Specifically, Section 2811(a) requires the Commission to “monitor the market for the supply and distribution of electricity to retail customers and take steps . . . to prevent anticompetitive or discriminatory conduct and the unlawful exercise of market power.” With respect to a proposed merger, the Commission also is required by Section 2811(e)(1) to “consider whether the proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory

conduct, including the unlawful exercise of market power, which will prevent retail electricity customers in this Commonwealth from obtaining the benefits of a properly functioning and workable competitive retail electricity market.” Furthermore, Section 2811(e)(2) permits the Commission to impose on an approved merger “such terms and conditions as it finds necessary to preserve the benefits of a properly functioning and workable competitive retail electricity market.”

7. The Commission also has authority over the Proposed Merger under Section 2210 of the Public Utility Code, 66 Pa. C.S. § 2210, which is a provision of the Natural Gas Choice and Competition Act. Specifically, Section 2210(a) requires the Commission to consider “[w]hether the proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail gas customers from obtaining the benefits of a properly functioning and effectively competitive retail natural gas market.” Section 2210(a) also requires the Commission to consider the effect of a merger on the employees of the natural gas distribution company. Pursuant to Section 2210(b), the Commission is permitted to impose upon an approved merger “such terms and conditions as it finds necessary to preserve the benefits of a properly functioning and effectively competitive retail natural gas market.”

8. In accordance with Sections 1102(a)(3) and 1103(a) of the Public Utility Code, the Commission may not grant a certificate of public convenience with respect to the Proposed Merger unless the Commission determines that the Proposed Merger is “necessary or proper for the service, accommodation, convenience, or safety of the public.” As noted above, satisfying this standard requires the Commission to find that the Proposed Merger would “affirmatively

promote the ‘service, accommodation, convenience, or safety of the public’ in some substantial way.” York, 449 Pa. at 141, 295 A.2d at 828. However, the OSBA submits that the Application raises several issues of concern that may require the Commission to reject the Proposed Merger or to approve it only after imposing conditions. These issues include:

- a. Whether the Proposed Merger, if approved, would impede the development of the electric and natural gas retail markets, thereby negatively impacting the price ratepayers must pay for energy;
- b. Whether the Proposed Merger, if approved, would impede competition in the wholesale market for electricity, thereby negatively impacting the price ratepayers must pay for electricity acquired by the Provider of Last Resort (“POLR”) pursuant to Section 2807(e)(3) of the Public Utility Code, 66 Pa. C.S. § 2807(e)(3);
- c. Whether the Proposed Merger, if approved, would lack an affirmative public benefit, especially given that the Joint Applicants fail to provide for an appropriate sharing of merger savings with ratepayers; and
- d. Such additional issues as may arise throughout the proceeding.

The OSBA’s concerns are discussed in more detail below.

9. As acknowledged by the Joint Applicants through the testimony of William H. Hieronymus, “the merger of two large generators in the Eastern portion of PJM [PJM Interconnection, L.L.C.] would, absent mitigation, raise serious market power issues.” PECO Statement (“St.”) No. 3 at 3. Following the Proposed Merger, the merged company would have over 50,000 MW of generation, which would be located principally within PJM. PECO St. No. 1

at 4. The Joint Applicants propose to mitigate the potential market power effects of the Proposed Merger by divesting control of 5,500 MW of generation, at least 5,300 MW of which would be located in PJM East. PECO St. No. 3 at 3. However, the Commission has a statutory obligation to examine the Joint Applicants' proposed mitigation plan thoroughly to determine whether the mitigation plan would be sufficient to alleviate market power concerns.

10. The Joint Applicants allege that the Proposed Merger "does not eliminate a retail competitor" to PECO because "PSEG has exited the competitive retail electricity business for reasons that are independent of this merger." *Id.* at 8. Although the Proposed Merger might, or might not, eliminate a currently active competitor in the retail electricity market, the Proposed Merger would eliminate a potential competitor.¹ Further, the Application provides no details concerning PSEG's departure from the retail electricity market. The Commission must fully investigate PSEG's exit from this market and its potential effect on retail market development.

11. The Application asserts that any impact of the Proposed Merger on retail electric prices in Pennsylvania would be "beneficial." *Id.* However, the Proposed Merger would eliminate PSEG as a competitor in the retail market and as a wholesale competitor in the process for acquiring electricity for POLR customers. The Proposed Merger would also give Exelon control over a significant percentage of the generating capacity in PJM which would otherwise be likely to be bid into the competitive procurement process contemplated by the Commission's proposed POLR regulations. The Proposed Merger's potential negative impact on electric rates is of particular consequence to PECO's small business customers, who are already overpaying their cost of service. Specifically, in PECO's electric restructuring proceeding at Docket No.

¹ In the past, PSEG was a licensed Electric Generation Supplier in Pennsylvania.

R-00973953, PECO filed a cost of service study indicating the rate of return for each class on a bundled basis (i.e., the rate of return for each rate class based on the cost of providing transmission, distribution, and generation service). According to that cost of service study, PECO's small business class (Rate GS-General Service) was providing a rate of return of 11.18% in comparison to a system rate of return of only 9.44%. Therefore, the Commission must fully investigate whether the Proposed Merger would actually have a net negative impact on retail electric rates rather than the "beneficial" effect alleged by the Joint Applicants.

12. The Joint Applicants allege that the Proposed Merger would have no adverse effects on natural gas competition. Id. at 9-10. Admittedly, the natural gas franchise areas of PECO and PSE&G are "separate and distinct, with PSE&G's in New Jersey and PECO's in Pennsylvania." Id. at 9. However, the Commission must examine whether the Proposed Merger and the elimination of a potential (if not current) competitor to PECO in the Pennsylvania retail natural gas market would impede the development of this competitive market.

13. The Application, as filed, does not demonstrate that the Proposed Merger would result in an affirmative public benefit, as required under Section 1103(a) of the Public Utility Code, 66 Pa. C.S. § 1103(a), and under York, 449 Pa. at 141, 295 A.2d at 828. Specifically, the Joint Applicants do not propose to flow merger savings through to ratepayers in any meaningful way. The Joint Applicants estimate only a meager \$155 million of net merger savings for their regulated businesses over the four-year period of 2006-2009, and allocate only \$46 million of these savings to Pennsylvania operations. PECO St. No. 2 at 4 and WDA Exhibit 6. Moreover, the Joint Applicants do not propose to flow any of these merger savings directly through to their ratepayers. Rather, the Joint Applicants offer only the vague assertion that economies of scale

resulting from the Proposed Merger “may give rise, over time, to lower rates than would otherwise be the case.” PECO St. No. 1 at 10. As part of its investigation of the Proposed Merger, the Commission must determine whether the Joint Applicants’ estimate of \$155 million of net merger savings to the Joint Applicants’ regulated businesses is reasonable and whether the methodology by which the Joint Applicants allocated merger savings among their regulated and unregulated businesses and among the various states in which the Joint Applicants do business is reasonable. Furthermore, the Commission must require the Joint Applicants to share net merger savings directly with their ratepayers.

14. Based upon the content of the Application, the OSBA submits that the Joint Applicants have failed to demonstrate that the Proposed Merger would result in an affirmative public benefit, as required under Section 1103(a) of the Public Utility Code and under York, 449 Pa. at 141, 295 A.2d at 828. The Joint Applicants’ claim that the Proposed Merger might result in lower rates several years in the future is simply insufficient to offset the substantial risk that the Proposed Merger would result in Exelon’s gaining impermissible market power, thereby harming the competitive retail electric and natural gas markets and the wholesale electric market. Unless the Commission imposes conditions on the Proposed Merger that would be sufficient to alleviate market power concerns and that would ensure that ratepayers share in merger savings, the OSBA submits that the Proposed Merger should not be approved.

WHEREFORE, the Office of Small Business Advocate respectfully requests that the Commission conduct a full investigation, including evidentiary hearings, regarding the Application. Upon completion of that investigation, the OSBA further requests that the Commission reject the Application unless the Commission finds that the Proposed Merger is in the public interest; provides substantial, affirmative benefits to PECO's customers; does not adversely affect retail electric or natural gas competition or wholesale electric competition in Pennsylvania; and complies with the Public Utility Code. Finally, the OSBA requests, in the alternative, that, if the Commission approves the Proposed Merger, the Commission impose such terms and conditions upon its approval as are necessary to ensure that the Proposed Merger is in the public interest; provides substantial, affirmative benefits to PECO's customers; does not adversely affect retail electric or natural gas competition or wholesale electric competition in Pennsylvania; and complies with the Public Utility Code.

Respectfully submitted,



Karen S. Miller
Assistant Small Business Advocate

For:

William R. Lloyd, Jr.
Small Business Advocate

Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
(717) 783-2525
(717) 783-2831 (fax)

Date: March 2, 2005

**PUBLIC STATEMENT OF
SMALL BUSINESS ADVOCATE
CONCERNING THE INTEREST
OF SMALL BUSINESS CONSUMERS
' TO BE PROTECTED BY THE FILING OF A
NOTICE OF INTERVENTION AND PROTEST
AT DOCKET NO. A-110550F0160**

RECEIVED
2005 MAR -2 PM 2:44
P.U.C. BUREAU
SECRETARY'S BUREAU

The Small Business Advocate is authorized and directed to represent the interest of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 ("Act"). The Act further provides that the Small Business Advocate is to issue publicly a written statement setting forth the specific interest of small business consumers to be protected by the intervention in any proceeding involving those interests before the Public Utility Commission. This public statement relates to the filing today by the Small Business Advocate of a Notice of Intervention and Protest in the proceeding involving the Joint Application of PECO Energy Company ("PECO") and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated ("PSEG") with and into Exelon Corporation ("Exelon") at Docket No. A-110550F0160.

The proposed merger of PSEG into Exelon, the parent company of PECO, may affect the rates, terms, and conditions under which PECO's small business customers receive electricity and natural gas services. Moreover, the Office of Small Business Advocate ("OSBA") is concerned that approval of the proposed merger may impede the development of the electric and natural gas retail markets and the wholesale electric markets, thereby increasing the price of energy. In addition, the OSBA believes that the proposed merger, if approved, would not result in an affirmative public benefit, especially in the absence of an appropriate sharing of merger savings with ratepayers. Other issues may arise during this proceeding as well. Therefore, the OSBA has filed a Notice of

Intervention and Protest in this proceeding to assure that the interests of the small business customers served by PECO are adequately represented and protected. The OSBA will participate in this proceeding to the extent necessary to identify and advance any issues that are important to small business consumers who would be affected by the proposed merger.

Date: March 2, 2005

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF PECO ENERGY :
COMPANY AND PUBLIC SERVICE :
ELECTRIC & GAS COMPANY FOR : DOCKET NO. A-110550F0160
APPROVAL OF THE MERGER OF PUBLIC :
SERVICE ENTERPRISE GROUP, INC., :
WITH AND INTO EXELON CORPORATION :

CERTIFICATE OF SERVICE

I certify that I am serving two copies of the Notice of Intervention and Public Statement on behalf of the Office of Small Business Advocate, by first class mail upon the persons addressed below:

Hon. Veronica A. Smith
Chief Administrative Law Judge
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
(717) 783-3265
(717) 787-0481 (fax)
verosmith@state.pa.us

Irwin A. Popowsky, Esquire
Tanya McCloskey, Esquire
Office of Consumer Advocate
555 Walnut Street 5th FL Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
(717) 783-7152 (fax)
spopowsky@paoca.org
tmccloskey@paoca.org

Kent D. Murphy, Esquire
Legal Department
Exelon Business Services Company
2301 Market Street/23-1
P.O. Box 8699
Philadelphia, PA 19101-8699
(215) 841-4941
(215) 568-3389 (fax)
kent.murphy@exeloncorp.com

Kenneth L. Mickens, Esquire
Robert V. Eckenrod, Esquire
Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105
(717) 787-1976
(717) 772-2677 (fax)
kmickens@state.pa.us
roeckenrod@state.pa.us

Anthony C. DeCusatis, Esquire
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
(215) 963-5448
(215) 963-5001 (fax)
adecusatis@morganlewis.com

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17036
(717) 237-7160
(717) 237-2767 (fax)
dclearfield@wolfblock.com

SECRETARY'S BUREAU

2005 MAR -2 PM 2:44

RECEIVED

David M. Kleppinger, Esquire
Charis Mincavage, Esquire
McNees Wallace & Nurick LLC
100 Pine Street, P.O. Box 1166
Harrisburg, PA 17108-1166
(717) 232-8000
(717) 236-2665 (fax)
dkleppinger@mwn.com
cmincavage@mwn.com

Richard P. Bonnifield, Esquire
Vice President - Law
PSEG Services Corporation
80 Park Plaza, T5E
Newark, NJ 07102
(973) 430-6441

Karen S. Miller

Karen S. Miller
Assistant Small Business Advocate

Date: March 2, 2005

ORIGINAL

GRAIG A. DOLL

ATTORNEY AT LAW
25 WEST SECOND STREET
P.O. Box 403
HUMMELSTOWN, PENNSYLVANIA 17036-0403

HARRISBURG
717/230-9555
FAX 717/566-9901

HUMMELSTOWN
717/566-9000
FAX 717/566-9901
E-MAIL CDOLL76342@AOL.COM

March 2, 2005

Mr. James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Bldg., 3rd Fl. West
400 North Street
P.O. Box 3265
Harrisburg, PA 17105 - 3265

DOCUMENT
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RECEIVED
2005 MAR -2 PM 3:14
SECRETARY'S BUREAU

Re: Peco Energy Company and Public Service Electric and Gas Company
Commission Docket No. A-110550F0160

Dear Secretary McNulty:

Enclosed for filing in the above captioned proceeding, is an original and three (3) copies of the Petition to Intervene of Pepco Holdings, Inc. and Certain of Its Subsidiaries. Copies of this document have been served upon all parties named in the Pennsylvania Bulletin of February 19, 2005, as well as the Office of Consumer Advocate and the Office of Small Business Advocate.

If you have any questions, please feel free to contact me.

Very truly yours,

Craig A. Doll
Craig A. Doll

cc: Per Certificate of Service
I. David Rosenstein, Associate General Counsel

50

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SECRETARY'S BUREAU

2005 MAR -2 PM 3:15

RECEIVED

JOINT APPLICATION OF PECO :
ENERGY COMPANY AND PUBLIC :
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE : DOCKET NO. A-110550F0160
MERGER OF PUBLIC SERVICE :
GROUP INCORPORATED WITH AND :
INTO EXELON CORPORATION :

DOCUMENT
FOLDER

PETITION TO INTERVENE OF PEPSCO HOLDINGS, INC.
AND CERTAIN OF ITS SUBSIDIARIES

NOW COMES, Pepco Holdings, Inc. ("PHI"), by and through its undersigned counsel, pursuant to the provisions of 52 Pa. Code § 5.71, and respectfully requests that this Petition be granted and that PHI be permitted to participate in this proceeding on its own behalf and on behalf of its subsidiaries Conectiv Energy Supply, Inc. ("CESI"), Pepco Energy Services, Inc. ("PES"), Potomac Electric Power Company ("Pepco"), Delmarva Power & Light Company ("DPL") and Atlantic City Electric Company ("ACE"). In support of this Petition, PHI states as follows:

1. On or about February 5, 2005, PECO Energy Company and Public Service Electric and Gas Company ("Joint Petitioners") filed a Joint Petition ("Application") seeking approval of the merger of Public Service PSEG Group Incorporated with Exelon Corporation from this Commission.
2. PHI is a registered holding company under the Public Utilities Holding Company Act. PHI was organized and exists under the laws of the state of Delaware and was formed in 2002 via the merger of Pepco and Conectiv which is now an intermediate holding company

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within the PHI corporate family. PHI's corporate offices are located at 701 Ninth Street, N.W., Washington, D.C. 20068.

3. CESI, an indirect wholly-owned subsidiary of PHI, is a corporation organized and existing under the laws of the State of Delaware. CESI conducts power marketing and trading operations and currently owns no generation, transmission or distribution facilities. Subject to Federal Energy Regulation Commission and PJM oversight, CESI exercises control over approximately 3500 MW of generation that is located within the PJM region and that is owned by CESI affiliates. Among the facilities over which CESI exercises control is the 1100 MW generating facility located in Bethlehem, Pennsylvania. CESI has authority to sell power and energy at market-based rates and has contracts to provide full requirements service for certain retail loads in the mid-Atlantic region.

4. PES, a direct wholly owned subsidiary of PHI, was organized and exists under the laws of the State of Delaware. PES and its subsidiaries provide energy efficiency contracting, central plant and other equipment construction, operation and maintenance, as well as conducting gas and electric marketing. PES has authority to sell power and energy under wholesale market-based rates and sells retail electricity and natural gas to residential, commercial, industrial and governmental customers in various jurisdictions including the Commonwealth of Pennsylvania.

5. Pepco, Delmarva and ACE are all state-regulated power delivery companies (referred to collectively as the "PHI Power Delivery Companies"). The PHI Power Delivery Companies provide transmission and distribution services to over 1.8 million retail customers in the Mid-Atlantic region. They also provide retail electric service as the provider of last resort to most of those customers. Pepco, a corporation organized and existing under the laws of the District of Columbia and the state of Virginia, is a direct wholly owned subsidiary of PHI that

provides retail electric power services to customers in the District of Columbia and Maryland. Delmarva, a corporation organized and existing under the laws of the states of Delaware and Virginia, is an indirect wholly owned subsidiary of PHI that provides retail electric power services to customers in Delaware and the eastern shore of Maryland and Virginia. ACE, a corporation organized and existing under the laws of the state of New Jersey, is also an indirect wholly-owned subsidiary of PHI that provides retail electric power services to customers in southern New Jersey.

6. Delmarva is physically interconnected with facilities owned by PECO Energy Company, a subsidiary of Exelon Corporation, which is one of the Joint Applicants in this proceeding. ACE is physically interconnected with facilities owned by Public Service Electric and Gas Company which is a subsidiary of Public Service Enterprises Group, another of the Joint Applicants in this proceeding.

7. CESI participates in PJM wholesale power markets (the "PJM Markets") as both a seller of the 3500 MW of generating capacity over which it has control, and as a purchaser of energy and capacity that it must acquire to meet its obligations under bilateral sales agreements. The competitiveness of the PJM Markets has an impact on the price at which CESI will be able to sell capacity and energy and the price at which CESI will be able to purchase capacity and energy.

8. PES is a licensed competitive supplier of electricity and natural gas in a number of jurisdictions, including the Commonwealth of Pennsylvania. PES' ability to continue to participate as a seller of competitive electric services in Pennsylvania will depend upon the continued competitiveness of the retail market in Pennsylvania and upon the competitiveness of the PJM Markets from which it purchases power to meet its sales obligations.

9. The PHI Power Delivery Companies are the default service suppliers for retail customers in their service territories that do not opt to purchase power from non-regulated third party suppliers (referred to as “Default Service Supply”)¹. The PHI Power Delivery Companies obtain the Default Service Supply through purchases from wholesale power suppliers operating in the PJM Markets. The competitiveness of the PJM Markets, therefore, has a direct impact on the price that the PHI Power Delivery Companies pay for the Default Service Supply.

10. At page 17 of the Application, the Joint Petitioners state that the “combined company will, before planned divestitures, have 52,000 megawatts of domestic capacity in multiple states, including approximately 20,000 megawatts of low-cost nuclear generation.” Some or all of this generation will be located and sold in the PJM Markets. Joint Petitioners claim, at page 19 of the Application, that “the robust mitigation plan that the companies are proposing will fully ameliorate the generation market concentration that combining the generation portfolios of the companies creates.” The market concentration created by the combination of the two companies and the success of the proposed mitigation plan in reducing that market concentration will affect all entities that participate as either purchasers or sellers in the PJM Markets.

11. As indicated by Joint Petitioners on page 14 of the Application, both Pennsylvania’s Natural Gas Choice and Competition Act (Chapter 22) and Pennsylvania’s Electricity Generation Customer Choice and Competition Act (Chapter 28) “require the Commission to consider the potential anti-competitive effects of a merger or combination ‘in the exercise of *authority the commission otherwise may have* to approve mergers or consolidations”

¹ Under New Jersey’s default service procedure, referred to as “Basic Generation Service” or “BGS”, ACE technically serves as the agent for retail customers in its service territory that do not opt to purchase power from non-regulated third party suppliers. However, ACE obtains the power for such BGS on behalf of its retail customers in a manner that is very similar to the acquisition of Default Service Supply by Pepco and Delmarva.

(emphasis in original). Therefore, in the event that the Commission determines that it has authority to review and approve the proposed merger, it must consider the impact of that merger upon competition.

12. As indicated above, PHI and each of its named subsidiaries are directly and substantially impacted by the operation of the PJM Markets. All, therefore, have an interest in whether the proposed merger, and the proposed mitigation of market concentration described therein, will adversely affect competition in those Markets. PES, in particular, has an interest in the question of whether the proposed merger will have an affect on competition in Pennsylvania's retail energy market.

13. Like the Joint Applicants, all of PHI's named subsidiaries are members of PJM. In addition, as indicated above, Delmarva and ACE each own facilities that are interconnected to facilities owned by the Joint Applicants, the operation of which is controlled by PJM. All of PHI's named subsidiaries have an interest in whether and how the proposed merger might affect the operation of PJM.

14. CESI's predecessor in interest, Conectiv Energy² was a signatory to the PECO Restructuring Settlement Agreement³. It is unclear from the Application whether any portion of that Agreement will be altered as a result of the proposed merger or the positions taken by any other party to this proceeding. However, as a signatory to that Agreement, CESI has an interest in the outcome to the Application.

² At the time of execution of the Restructuring Settlement Agreement Conectiv Energy was operating in deregulated wholesale and retail markets as a division of DPL. In July, 2000 Conectiv Energy was separated from DPL and commenced operation as part of CESI.

³ *Joint Petition for Full Settlement of PECO Energy Company's Restructuring Plan*, R-000973953 (1998).

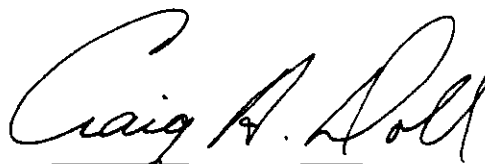
15. In order to prevent a duplication of effort on the part of its various business units who possess a direct interest in this proceeding, PHI, is seeking to intervene in this matter on its own behalf and on behalf of all of the PHI entities that have an interest in this matter.

16. The interests of PHI and the various entities on whose behalf it is seeking to intervene cannot be adequately represented by any other party to this proceeding.

17. As PHI has not yet had an adequate opportunity to review the entire Application in this matter, PHI is unable to delineate any specific issues that it may raise.

WHEREFORE, Pepco Holdings, Inc. respectfully requests that this Honorable commission grant its Petition to Intervene, and permit it to participate in any proceeding initiated by the Commission.

Respectfully submitted,



Craig A. Doll, Esquire
25 West Second Street
P.O. Box 403
Hummelstown, PA 17036-0403

(717) 566-9000
(717) 566-9901 (fax)
Cdoll76342@aol.com

Attorney I.D. # 22814
Attorney for Pepco Holdings, Inc.

Of Counsel:

I. David Rosenstein, Associate General Counsel
Pepco Holdings, Inc.
P.O. Box 6066
Newark, DE 19714-6066

(302) 451-5441
(302) 451-5262 (fax)
David.Rosenstein@conectiv.com

Dated: **March 2, 2005**

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the persons and in the manner listed below which service satisfies the requirements of 52 Pa. Code 1.54:

VIA FIRST CLASS MAIL

Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

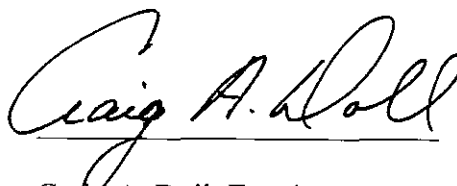
Paul R. Bonney, Deputy General Counsel
Kent D. Murphy, Assistant General Counsel
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen, LLP
212 Locust Street
Harrisburg, PA 17101

Richard P. Bonnifield
Vice President -- Law
80 Park Plaza, TSE
Newark, NJ 07102

William Lloyd, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Irwin A. Popowsky, Consumer Advocate
Office of Consumer Advocate
555 Walnut Street, Forum Place, 5th Floor
Harrisburg, PA 17101



Craig A. Doll, Esquire
25 West Second Street
P.O. Box 403
Hummelstown, PA 17036-0403

(717) 566-9000
(717) 566-9901 (fax)
Cdoll76342@aol.com

Attorney I.D. # 22814
Attorney for Pepco Holdings, Inc.

Dated: March 2, 2005

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March 4, 2005

Reply to Philadelphia Office

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

DOCUMENT FOLDER

Re: In the Matter of the Joint Application of PECO Energy Company and
Public Service Electric and Gas Company for Approval of the Merger of
Public Service Enterprise Group with and into Exelon Corporation
Docket No. A-110550F0160

Dear Mr. McNulty:

Enclosed please find an original and three copies of the Protest and Petition to
Intervene on behalf of Citizens for Pennsylvania's Future, et al., in the above-captioned
proceeding. Copies have been served upon the applicant as instructed in the notice
appearing at 35 Pa. B. 1401 (February 19, 2005).

Sincerely,

Charles McPhedran
Senior Attorney

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2005 MAR -4 PM 3:11
SECRETARY'S BUREAU

Citizens for Pennsylvania's Future
610 N. Third Street
Harrisburg, PA 17101-1113
Tele: 717-214-7920
Fax: 717-214-7927
e-mail: info@pennfuture.org

Citizens for Pennsylvania's Future
425 Sixth Ave., Ste. 2770
Pittsburgh, PA 15219
Tele: 412-258-6680
Fax: 412-258-6685
e-mail: info@pennfuture.org

Citizens for Pennsylvania's Future
1518 Walnut Street, Suite 1100
Philadelphia, PA 19102
Tele: 215-545-9691
Fax: 215-545-9637
e-mail: info@pennfuture.org

111

service, accommodation, convenience or safety of the public. The commission, in granting such certificate, may impose such conditions as it may deem to be just and reasonable.” Under Section 1103(b) of the Code, the Commission may hold public hearings as part of its consideration of the Application.

Petitioners provide the following in support of their Petition to Intervene:

1. Petitioners are:

a. Citizens for Pennsylvania’s Future (PennFuture), a Pennsylvania nonprofit corporation with offices in Philadelphia, Harrisburg, and Pittsburgh, Pennsylvania (www.pennfuture.org). PennFuture's principal business location is 610 North Third Street, Harrisburg, PA 17101, tel. (717) 214-7920. PennFuture has members who live in the Applicants’ service territories, are customers of Applicants, and/or receive service from Applicants. PennFuture engages in policy development, public education, litigation and other strategies to achieve its goals, including promoting clean sources of energy and protecting Pennsylvania’s environment.

b. Joy Bergey resides at 1632 Chattin Road, Laverock, PA 19038, where she is a customer receiving distribution service from PECO.

c. Lisa Z. Leighton resides at 1321 Grant Avenue, Woodlyn, PA 19094, where she is a customer receiving distribution service from PECO.

2. The name and address of counsel for Petitioners is:

Charles McPhedran, Senior Attorney
PennFuture
1518 Walnut Street, Suite 1100
Philadelphia, PA 19102
Phone: 215-545-9693
Fax: 215-545-9637
mcphebran@pennfuture.org

3. Each individual Petitioner is directly and personally affected by the proposed merger because it reasonably may be expected to affect the safety, reliability, cleanliness and affordability of the public utility service received from PECO. Each individual Petitioner depends on electric distribution service from Applicants to meet basic necessities of life and risks severe health and financial consequences if service is not provided in a safe, reliable, clean, and affordable manner.

4. As ratepayers and members of the public affected by the proposed merger, each Petitioner has a right and interest in assuring that the Application is not approved unless the Application, and these proceedings, demonstrate that the proposed merger is necessary or proper for the service, accommodation, convenience or safety of the public of which they are a part. Each Petitioner has a right and interest in safe, reliable, clean and affordable service from Applicant, both before and after any merger, and participation in these proceedings is a necessary and proper way to determine whether the proposed merger is necessary and proper for the service, accommodation, convenience or safety of the public.

5. As ratepayers and members of the public affected by the proposed merger, participation in these proceedings as Intervenors is an efficient and effective way to implement the intent of the statute requiring notice and the opportunity to participate in Commission consideration of the Application through public hearings. Petitioners may intervene in this proceeding pursuant to 52 Pa. Code §§ 5.51-54, 5.71-75.

6. Petitioners have interests in and perspectives on issues in this proceeding that are not adequately represented by other parties of record.

7. Petitioners seek intervention in these proceedings because the Application must demonstrate that the proposed merger is necessary or proper for the service, accommodation, convenience or safety of the public. The Application must provide Petitioners with the assurance of safe, reliable, clean and affordable service from the Applicants.

8. Specifically, Petitioners intend to review, analyze, present testimony, and propose rejection or modification of the Application, as necessary to assure that the Application is rejected unless:

a. The Application supports a finding or determination by the Commission that granting the Application is necessary or proper for the service, accommodation, convenience or safety of the public;

b. The Application provides affirmative, substantial rate reductions or other benefits for ratepayers; and

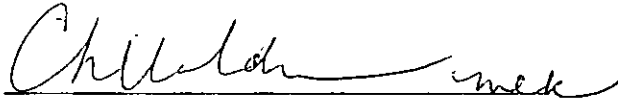
c. The Application assures the safety and reliability of the electric distribution supply in areas now served by PECO.

9. Petitioners reserve the right to raise other and more specific issues, as necessary and appropriate during the course of the proceeding and to respond to issues raised by other parties.

10. Under 52 Pa. Code § 5.74, petitions to intervene may be filed no later than the date fixed for filing protests as published in the Pennsylvania Bulletin. In accordance with the notice appearing at 35 Pa. B. 1401 (February 19, 2005), which sets a deadline of March 7, 2005 for filing petitions to intervene, this petition is timely under 52 Pa. Code § 5.74.

For the foregoing reasons, Petitioners request that the Commission to grant this
Petition and confer status as Intervenors in the proceedings to consider the Application.

Respectfully submitted,



Charles McPhedran, Senior Attorney

Pa. Bar Id. No. 60123

1518 Walnut Street, Suite 1100

Philadelphia, PA 19102

Phone: 215-545-9693

Fax: 215-545-9637

mcphebran@pennfuture.org

Counsel for Petitioners PennFuture,
Lisa Z. Leighton, and Joy Bergey

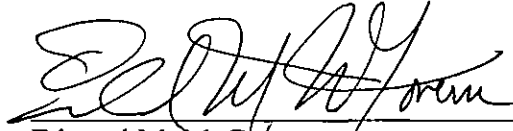
DATED:

March 4, 2005

VERIFICATION

I, Edward M. McGovern hereby state and verify that I am authorized to execute this Verification on behalf of Petitioners and that the facts set forth herein are true and correct to the best of my knowledge, information and belief. I understand that the statements made herein are subject to the penalties of 18 Pa.C.S. Section 4907 concerning unsworn falsification to authorities.

DATE: 3-4-05



Edward M. McGovern
Director of Administration
and Member Services
Citizens for Pennsylvania's Future
610 North Third St.
Harrisburg, PA 17101
(717) 214-7920
Petitioner

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**JOINT APPLICATION OF PECO :
ENERGY COMPANY AND PUBLIC : DOCKET NO. A-110550F0160
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE :
MERGER OF PUBLIC SERVICE :
ENTERPRISE GROUP WITH AND :
INTO EXELON CORPORATION :**

SUBSCRIPTION TO PROTEST AND PETITION TO INTERVENE

In accordance with 52 Pa. Code § 1.35(b)(1), the undersigned hereby subscribes to the Protest and Petition to Intervene filed in this proceeding on March 4, 2005 on behalf of Citizens for Pennsylvania's Future (PennFuture), Joy Bergey, and Lisa Z. Leighton.

Respectfully submitted,



Charles McPhedran, Senior Attorney
Pa. Bar Id. No. 60123
1518 Walnut Street, Suite 1100
Philadelphia, PA 19102
Phone: 215-545-9693
Fax: 215-545-9637
mcphedran@pennfuture.org

Counsel for Petitioners PennFuture,
Lisa Z. Leighton, and Joy Bergey

DATE: March 4, 2005

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document, Protest and Petition to Intervene, upon the participants, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 and instructions appearing at 35 Pa. B. 1401 (February 19, 2005):

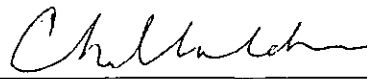
Thomas P. Gadsden, Esq.
Anthony C. DeCusatis, Esq.
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

Paul R. Bonney, Deputy General Counsel
Kent D. Murphy, Assistant General Counsel
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699

Daniel Clearfield, Esq.
Wolf, Block, Schorr & Solis-Cohen, LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield
Vice President--Law
80 Park Plaza, TSE
Newark, NJ 07102

Dated this 4th day of March, 2005.

 mek

Charles McPhedran, Senior Attorney
Pennsylvania Bar Id. No. 60123
PennFuture
1518 Walnut Street, Suite 1100
Philadelphia, PA 19102
(215) 545-9693
mcphedran@pennfuture.org

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2005 MAR -4 PM 3:11
SECRETARY'S BUREAU

Brian D. Crowe
Director
Rates & Regulatory Affairs

Telephone 215.841.5761
Fax 215.841.6333
www.exeloncorp.com
brian.crowe@peco-energy.com



PECO Energy Company
2301 Market Street
Philadelphia, PA 19103

Mail To: P.O. Box 8699
Philadelphia, PA 19101-8699

March 4, 2005

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MAR 07 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Mr. James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Docket No. A-110550F0160 - Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation

Dear Secretary McNulty:

In response to your letter of February 8, 2005, attached please find the proof of publication of the aforementioned notice in the following newspapers of general circulation in PECO Energy's Service Territory:

Philadelphia Inquirer
Philadelphia Daily News
Bucks County Courier Times
Doylestown Intelligencer
Lansdale Reporter
Pottstown Mercury
West Chester Daily Local News
Delaware County Daily Times
Phoenixville Phoenix
York Record
Philadelphia Tribune
Times Herald

DOCUMENT
FOLDER

Sincerely,

RJP

enclosures

126

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation: Docket Number: A-110550F0160

Formal protests and petitions to intervene must be filed in accordance with Title 52 of the Pennsylvania Code. All filings must be made with the Secretary of the Pennsylvania Public Utility Commission, P. O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on the Applicant, on or before March 7, 2005. The documents filed in support of the Application are available for inspection and copying at the Office of the Secretary between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, and at the Applicant's business address.

Applicant:

**PECO Energy Company
Public Service Electric and Gas Company**

Through and By Counsel for PECO Energy Company:

Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

Through and By Counsel for Public Service Electric and Gas Company:

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen, LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Paul R. Bonney, Deputy Gen. Counsel
Kent D. Murphy, Asst. Gen. Counsel
2301 Market Street
P. O. Box 8699
Philadelphia, PA 19101-8699

Richard P. Bonifield, Vice Pres-Law
80 Park Plaza, T5E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

Gentlemen. If your life
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prefer an all natural a

Men of all ages have
Now you can too. It
never been easier. Ju
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If you're ready to hav
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you waiting for? Call

Call now a
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community the thugs and murderers
who are bereft of any form of sane life
philosophy, and who live each day for
the opportunity to kill us and anyone
else who would interfere with their
need to spread mindless terror.
All one has to do is to look into the

ter to do one thing and do it well

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RECEIVED

MAR 07 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

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180 Park Plaza, 15E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

want more options

ances than she was when he first introduced it a couple of years ago. Back then, it didn't have the active backing of the County Commissioners Association of Pennsylvania. Now it does.

Also at that time, lawmakers were more concerned with reducing the much more expensive school property taxes, which they laid the groundwork for when they passed legalized slots last year.

Still, when the bill goes before the House Finance Committee, it will be met by

lawmakers such as Rep. Dave Steil, R-31 (Bucks), who said he has never been a fan of giving anyone a menu of taxes to choose from.

"I feel that every government unit needs a stable revenue source," he said. "But I'm more aligned with identifying the needs of a county and then identifying a tax to fund those needs."

For example, if a county runs a recreation program, it should be allowed to impose a tax to pay for it. But while he said he's inclined to keep funding county services

through property taxes, Steil said counties should be able to increase the number of mills they're allowed to charge.

As for Rubley's bill making it through the House Finance Committee, Steil is not nearly as optimistic as his colleague.

"There is an uphill discussion that has to take place to convince members of the need to increase taxes in a broad way," he said.

Rick Martinez can be reached at 717-705-6330 or rmartinez@calkins-media.com.

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

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Richard P. Bonnifield, Vice Pres-Law
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Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

UNITY

Like tax collector fees

To say there is no pay increase ignores some of those facts. It's more complex."

**Linda Gaito,
Board Member**

compensation rate has to be raised by today, despite the fact that the rate is not taking effect until July. Tax collectors must announce their intention to raise rates by next month, and begin to collect the new rates in November, and begin a new four-year term in January. The current rate will expire in June.

Board member Linda Gaito was the only dissenter, saying she did not support either the school district's recommendation or the tax collectors' proposal.

Board member Karen Sterling said the issue of a no pay increase for the last eight years is misleading. New technology, she argues, has made the job more

efficient over the years and the board should consider the amount of hours it takes to perform the work. Also, the growth in the district means more bills to be collected.

"To say there is no pay increase ignores some of those facts. It's more complex," said Sterling.

But Snyder said despite new technology, collectors — some of whom work from home — still face cost-of-living increases, heating and electric bills, hikes, and higher gasoline prices to deliver the bills to the district's bank.

Hilary Bentman can be reached at (215) 538-6380 or hbentman@phillyburbs.com

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

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80 Park Plaza, T5E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

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Kurdish support for their prime ministerial choice.

Survey: Flu shots don't save lives

CHICAGO — A new study based on more than three decades of U.S. data suggests that giving flu shots to the elderly has not saved any lives.

Led by National Institutes of Health researchers, the study challenges standard government dogma and is bound to confuse senior citizens. During last fall's flu vaccine shortage, thousands of older Americans, heeding the government's public health message, stood in long lines to get their shots.

"There is a sense that we're all going to die if we don't get the flu shot," said the study's lead author, Lone Simonsen, a senior epidemiologist at the National Institute of Allergy and Infectious Diseases in Bethesda, Md. "Maybe that's a little much."

The study should influence the nation's flu prevention strategy, Simonsen said, perhaps by expanding vaccination to schoolchildren, the biggest spreaders of the virus.

However, the U.S. Centers for Disease Control and Prevention in Atlanta plans no change in its advice on who should get flu shots, saying the NIH research isn't enough to shift gears.

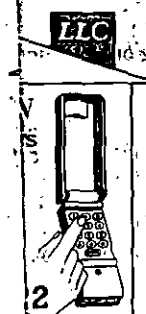
'Baby 81' has name at last

KALMUNAI, Sri Lanka — The 4-month-old boy dubbed "Baby 81" now has a name — Abilass — and a birth date — Oct. 19 — and two loving parents who can't wait to get him back.

A Sri Lankan court, relying on DNA tests, ruled Monday that the baby recovered from tsunami debris belongs to the couple who launched an agonizing court battle to claim him.

"I am so happy, and I only have to thank God for giving my child back," the boy's joyous father, Murugupillai Jeyarajah, said after the ruling.

Center for Budgetary Studies
Bush submitted \$2.5 trillion budget for 2006. That would be a wide restraint across a wide government program popular farm poor people's Spending on biggest part



10% OFF any service
or
5 OFF a massage or facial
combined with other offers expires 3/31/05

5 OFF a haircut*
or
5 OFF a Color
*we colorists only combined with other offers expires 3/31/05

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PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

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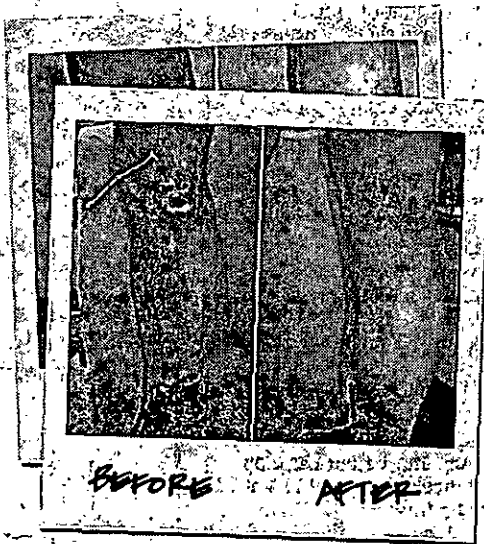
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Richard P. Bonfield, Vice Pres-Law
80 Park Plaza, T5E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty,
Secretary

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PECO
Mid-Atlantic Newspaper Services
3899 North Front Street
Harrisburg, PA 17110-1536

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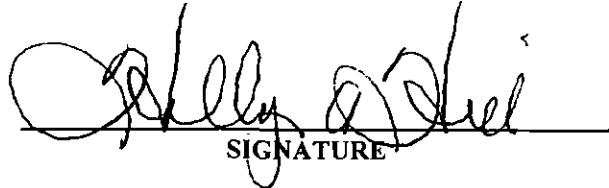
BEFORE ME, A NOTARY PUBLIC, PERSONALLY APPEARED

Holly A. Hill, WHO BEING DULY SWORN

DEPOSES AND SAYS THAT YOUR ADVERTISEMENT DID APPEAR IN

THE REPORTER
307 DERSTINE AVENUE
LANSDALE, PA 19446

ON February 15, 2005
DATE(S)


SIGNATURE

STATE OF Pennsylvania
COUNTY OF Montgomery

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 21st DAY OF February

NOTARY PUBLIC SEAL

NOTARIAL SEAL
VANESSA WILSBACH, Notary Public
Lansdale, Montgomery County
My Commission Expires January 13, 2009


NOTARY PUBLIC SIGNATURE

y selection begins

PTION CASE from A1)

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undreds of phone calls
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Philadelphia corruption trial at a glance

By The Associated Press

Some key players in the Philadelphia corruption investigation:

- **Corey Kemp:** Philadelphia's former treasurer. He is charged with corrupting his office by accepting lavish gifts, payments and favorable loans from people seeking city contracts. His attorney said Kemp did nothing in return for the gifts.

- **Mayor John F. Street:** Federal agents have been investigating his administration's handling of city contracts for several years. The probe became public when police discovered an FBI bug in Street's office. He has

not been charged, but could testify as a witness.

- **Ronald A. White:** A private lawyer, political fund-raiser for Democrats and longtime friend of Street's. He died in November while awaiting trial. Prosecutors said he gave money and gifts to Kemp in an attempt to influence which financial services companies the city hired.

- **Glenn K. Holck:** The president of Commerce Bank, Pennsylvania. He has pleaded innocent to charges that he tried to curry Kemp's favor by arranging for him to receive several loans, despite Kemp's bad credit.

- **Stephen M. Umbrell:** A regional vice president of

Commerce Bank. He faces the same charges as Holck.

Commerce is paying for the legal defense of both executives, but has suspended both of them, pending the trial's outcome.

- **La-Van Hawkins:** Born into urban poverty, Hawkins became a millionaire owner of a Detroit-based empire of fast food franchises. He is accused of helping White funnel a \$10,000 payment to Kemp.

- **Janice Renee Knight:** Prosecutors say she was White's mistress. She owned a printing company that investigators said received a series of contracts at White's direction. She is charged with conspiracy.

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

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80 Park Plaza, T5E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

**"I'm thankful
every day
that I moved**

**1 BR ASSISTED LIVING
APARTMENT AVAILABLE**



PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group, incorporated with and into Exelon Corporation. Docket Number: A-110550F0160

Formal protests and petitions to intervene must be filed in accordance with Title 52 of the Pennsylvania Code. All filings must be made with the Secretary of the Pennsylvania Public Utility Commission, P. O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on the Applicant on or before March 7, 2005. The documents filed in support of the Application are available for inspection and copying at the Office of the Secretary between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, and at the Applicant's business address.

Applicant:

PECO Energy Company
Public Service Electric and Gas Company

Through and By Counsel for PECO Energy Company:

Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

Paul R. Bonney, Deputy Gen. Counsel
Kent D. Murphy, Asst. Gen. Counsel
2301 Market Street
P. O. Box 8699
Philadelphia, PA 19101-8699

Through and By Counsel for Public Service Electric and Gas Company:

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen, LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield, Vice Pres. Law
80 Park Plaza, T5E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

Proof of Publication of Notice in Delaware County Daily Times

Under Newspaper Advertising Act. No. 587, Approved May 16, 1929

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation. Docket Number: A-110550F0160

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212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield, Vice Pres. Law
80 Park Plaza, TSE
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

State of Pennsylvania, }
County of Delaware, } ss.

Carol Sandone

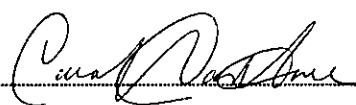
designated agent of CENTRAL STATES PUBLISHING, INC., being duly sworn, deposes and says that the DELAWARE COUNTY DAILY TIMES, a daily newspaper of general circulation as defined in the above-mentioned Act, published at Primos, Delaware County, Pennsylvania, was established September 7, 1876, and issued and published continuously thereafter for a period of 100 years and for a period of more than six months immediately prior hereto, (under the name Chester Times prior to November 2, 1959) in the City of Chester, County of Delaware and further says that the printed notice or publication attached hereto is an exact copy of a notice or publication printed and published in the regular edition and issues of the DELAWARE COUNTY DAILY TIMES on the following dates, viz:

February 15, 2005

A.D. 20

and that said advertising was inserted in all respects as ordered.

Affiant further deposes that he is the proper person duly authorized by CENTRAL STATES PUBLISHING, INC. publisher of said DELAWARE COUNTY DAILY TIMES, a newspaper of general circulation, to verify the foregoing statement under oath and that affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statements as to time, place and character of publication are true.



Sworn to and subscribed before me this

15th

February

2005

day of

20



Notary Public

Notarial Seal
Thomas Abbott, Notary Public
Upper Darby Twp., Delaware County
My Commission Expires Aug. 23, 2005
Member, Pennsylvania Association of Notaries

can care companies and the om also would limit <http://tomastoc.gov>

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation. Docket Number: A-110550F0160

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Through and By Counsel for PECO Energy Company:

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Through and By Counsel for Public Service Electric and Gas Company:

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Wolf Block, Schorr, & Solis-Cohen, LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield, Vice Pres-Law
80 Park Plaza, T5E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty,
Secretary

...the nurses also allowed Karin Dobry to come back...
...gray...
...in kind...
...the clothes drier, which over the last few weeks has begun screaming...

Sheet
Reg. \$24.99

Available within
3 Business Days

W & Save

Kraft Faced
R11 - 15" Width Covers
8,812 Sq. Ft.
HOT BUY!
\$23.99 per roll

6' or 8'
Lengths



White Pine Boards

Lin. Ft.	Sales Price
1 x 4	\$3.79
1 x 6	\$5.79
1 x 8	\$7.79
1 x 10	\$9.79
1 x 12	\$11.88

Insulated
Stems
SALE PRICE
00



Brick Moulding
Stock on Hand

R WHITE PINE
MOULDING

Ranch or Colonial

F.J. Clear

1/4" Casing	59c/Ft.	89c/Ft.
1/4" Base	77c/Ft.	\$1.19/Ft.

Exit 10 Off I-83
Loganville, PA

717-428-1963

All Prices Are Subject To Stock On Hand.
Not Responsible For Typographical Errors.

Saturday 8:30



PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group, Incorporated with and into Exelon Corporation. Docket Number: A-110550F0160.

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Harrisburg, PA 17101

Richard P. Bonnifield, Vice Pres. Law
80 Park Plaza, 75E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

Alaska
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At least ten
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ASSOCIATED PRESS

thousands of troops
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Stars and fans join in farewell to Davis

Crowd waits out in cold to pay tribute

By Deepti Hajela

NEW YORK — Actor and activist Ossie Davis was remembered Friday as a man of strength and integrity, as mourners including Oprah Winfrey and Danny Glover paid respects during a visitation and viewing at a Harlem church.

"I think that he ... stood for such integrity and for such grace and power. I think his life and the life of (wife) Ruby Dee are lives that have been bridges to my own, so I felt like I needed to honor that in some way," said Winfrey as she left the Abyssinian Baptist Church. Davis died Feb. 4 in his hotel



Spike Lee departs from the wake of actor Ossie Davis at Abyssinian Baptist Church in New York. Davis, the actor distinguished for roles dealing with racial justice on stage, screen and in real life, died Friday, Feb. 4 in Miami.

said of Davis and Dee. "Always standing for people, always inspiring."

Davis' career stretched back for decades, as did his commit-

ment to civil rights, and both were shared by Dee, an actress whom he married in December 1948. Dee was in New Zealand at the time of Davis' death. — (AP)

PENNSYLVANIA PUBLIC UTILITY COMMISSION NOTICE

Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation. Docket Number: A-110550F0160

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BY THE COMMISSION

James J. McNulty
Secretary

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Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation. Docket Number: A-110550F0160

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80 Park Plaza, T5E
Newark, New Jersey 07102

BY THE COMMISSION

James J. McNulty
Secretary

es cats from pet own-
veterinary hospital
never reason, cannot
more, it prefers to
tion, it makes you wonder how he can
to, said Babe
We could have a house a hundred
times this large and still not be able
be so trusting and loving, Babe said.



Sustainable
Development Fund

ORIGINAL

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2005 MAR -4 PM 12: 50

SECRETARY'S BUREAU

March 4, 2005

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

Subject: Joint Application of PECO Energy Company and Public Service Electric
and Gas Company for Approval of the Merger of Public Service
Enterprise Group Incorporated with and into Exelon Corporation

Docket No. A-110550 F0160

Dear Secretary McNulty:

Enclosed please find the original and seven copies of the Petition to Intervene of the
The Reinvestment Fund through its Sustainable Development Fund to be filed in
the above-captioned matter. Also enclosed is the Certificate of Service.

Any questions related to this Petition to Intervene may be directed to me at
215.574.5814 or roger.clark@trfund.com.

Sincerely,

Roger E. Clark, Esq.

DOCUMENT
FOLDER

BTL

Enclosures

Copies: See attached Certificate of Service

718 Arch Street
Suite 300 North
Philadelphia, PA 19106
t: 215.574.5814
f: 215.574.5914
roger.clark@trfund.com
www.trfund.com/sdf

96

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

JOINT APPLICATION OF PECO ENERGY :
COMPANY AND PUBLIC SERVICE ELECTRIC :
AND GAS COMPANY FOR APPROVAL OF THE : Docket No. A-110550 F0160
MERGER OF PUBLIC SERVICE ENTERPRISE :
GROUP INCORPORATED WITH AND INTO :
EXELON CORPORATION :

**PETITION TO INTERVENE OF
THE REINVESTMENT FUND, THROUGH ITS
SUSTAINABLE DEVELOPMENT FUND**

2005 MAR -4 PM 12: 20
SECRETARY'S BUREAU

RECEIVED

The Reinvestment Fund, through its Sustainable Development Fund ("TRF/SDF") respectfully submits this petition to intervene seeking to participate in the above-captioned matter. In specific support of this petition, TRF/SDF states as follows:

Background

1. On February 4, 2005, PECO Energy Company and Public Service Electric and Gas Company filed a Joint Application for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation. If this merger is approved, it will create the nation's largest utility company with three urban-based utility franchises with over seven million retail electric customers and two million retail gas customers. The combined company will, before the proposed divestitures, have 52,000 megawatts of domestic generation capacity in multiple states.

**DOCUMENT
FOLDER**

DOCKETED

MAY 27 2005

2. The Joint Application filed by PECO Energy make clear that renewable energy, energy efficiency and demand management will be amongst the key issues of this proceeding.

Paragraph 27(d) of the Joint Application, entitled *Sharing of Best Practices*, states:

The Merger will combine companies with complementary areas of expertise, namely, Exelon's expertise in generation operations and PSEG's expertise in transmission and distribution operations...

3. Among PSEG's expertise in distribution operations includes significant support for renewable energy, energy efficiency and demand management. In 2003, Public Service Electric and Gas Company, PSEG's regulated company, collected over \$100 million under its System Benefit Charge for energy efficiency and renewable energy.

The Petitioner

4. The Petitioner is the The Reinvestment Fund (TRF), through its Sustainable Development Fund (SDF).

5. TRF is a nonprofit community development financial institution with headquarters in Philadelphia. Since its inception in 1985, TRF has:

- created, renovated, or preserved over 10,200 housing units;
- created or retained over 25,500 jobs;
- created, renovated, or preserved over 3.9 million square feet of commercial space;
- created or preserved over 12,000 charter school slots;
- created or preserved over 10,800 child care slots; and,
- financed 188 businesses, including 21 woman- and 44 minority-owned businesses.

TRF was the entity selected by the parties in the PECO Energy restructuring proceeding (Docket No. R-00973953) in 1998 to create and manage SDF. More information about TRF can be found at its website at www.trfund.com.

6. SDF is a fund operated by TRF pursuant to the Orders of the Commission. SDF's mission, as stated in its Commission-approved bylaws (see Order of December 16, 2004 at Docket M-00031715 F0002) has three elements:

- a) To promote the use of renewable energy and clean energy among commercial, industrial, institutional and residential customers in the PECO Energy service territory. Renewable energy includes energy produced from solar, wind, low-impact hydro, sustainable biomass, ocean power and geothermal. Clean energy refers to advanced technologies (such as fuel cells) which use fossil fuels but which have significantly lower emissions and wastes than currently-commercialized technologies.
- b) To promote energy conservation and energy efficiency among commercial, industrial, institutional and residential customers in the PECO Energy service territory.
- c) To promote the start-up, attraction, expansion and retention of sustainable energy businesses in the PECO Energy service territory. Job creation and other local economic development impacts are an important component of this element of the mission. A sustainable energy business is a business which designs, develops, manufactures, sells, installs or otherwise derives income from energy conservation, energy efficiency, renewable energy or clean energy.

7. SDF serves as a major vehicle for PECO Energy's support for renewable energy, energy efficiency and demand management. SDF has received funding from PECO Energy, first in the 1998 settlement of the PECO Energy restructuring proceeding (Docket No. R-00973953) and second in the 2000 settlement of the PECO Energy/Unicom merger proceeding (Docket No. A-110550F0147).

8. Since its formal beginning of operations in December, 1999, SDF has:

- Approved 23 loans and investments in companies for renewable energy and energy conservation projects for a total of \$12,444,368. The total project value leveraged by these loans and investments is approximately \$66,981,000.
- Approved \$12 million in wind energy production incentives for six new wind projects in Pennsylvania, making Pennsylvania the largest producer of wind energy east of the Mississippi River. The total value of these wind projects is approximately \$220,320,000.

- Approved 49 core grants for green building design work, business planning, demonstration of clean energy technologies and other related purposes for a total of \$1,198,192. The total project value leveraged by these grants is approximately \$49,412,500.
- Approved 21 grants for renewable energy public education, including television and radio spots, workshops, conferences, written materials, etc. for a total of \$1,509,700. The total value leveraged by these educational grants is approximately \$2,423,400.
- Approved 23 solar photovoltaic grants for a total of \$1,621,158. The total value of the PV systems leveraged by these PV grants is \$3,620,500.

9. More information about SDF can be found at its website at www.trfund.com/sdf.

Request to Intervene

10. Under 52 Pa. Code §5.72(a), a person is eligible for intervention if that person has “an interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bounded by the action of the Commission in the proceeding.”

11. TRF/SDF has a direct interest in the outcome of this proceeding based on its role as the PECO Energy’s vehicle for supporting renewable energy, energy efficiency and demand management projects, technologies and companies. TRF/SDF is directly interested in how the proposed merger will affect PECO Energy’s support for renewable energy, energy efficiency and demand management in the future.

12. No other participant can adequately represent the interest of TRF/SDF in this proceeding.

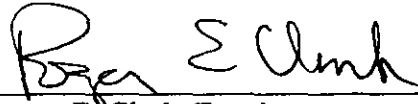
13. TRF/SDF will be represented in this proceeding by the following counsel:

Roger E. Clark, Esq.
 The Reinvestment Fund
 718 Arch Street, Suite 300 North
 Philadelphia, PA 19106-1591

phone: 215.574.5814
 fax: 215.574.5914
 email: roger.clark@trfund.com

WHEREFORE, for all of the foregoing reasons, TRF/SDF respectfully requests that the Commissions grant this Petition to Intervene in the above proceeding.

Respectfully submitted,



Roger E. Clark, Esquire

The Reinvestment Fund
718 Arch Street, Suite 300 North
Philadelphia, PA 19106-1591

phone: 215.574.5814

fax: 215.574.5914

email: roger.clark@trfund.com

Counsel for TRF/SDF

Date: March 4, 2005

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

JOINT APPLICATION OF PECO ENERGY
COMPANY AND PUBLIC SERVICE ELECTRIC
AND GAS COMPANY FOR APPROVAL OF THE
MERGER OF PUBLIC SERVICE ENTERPRISE
GROUP INCORPORATED WITH AND INTO
EXELON CORPORATION

:
:
: Docket No. A-110550 F0160
:
:
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2005 MAR -4 PM 12:50
SECRETARY'S BUREAU

RECEIVED

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the Petition to Intervene of The Reinvestment Fund, through its Sustainable Development Fund, in the above matter upon the following interested parties by mailing a copy thereof by U.S. First Class mail, properly addressed and postage prepaid to:

Paul R. Bonney, Esq.
Kent D. Murphy, Esq.
PECO Energy Company
2301 Market Street
P. O. Box 8699
Philadelphia, PA 19101-8699

Thomas P. Gadsden, Esq.
Anthony C. DeCusatis, Esq.
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

Richard P. Bonnifield,
Vice President--Law
PGEG
80 Park Plaza, TSE
Newark, NJ 07102

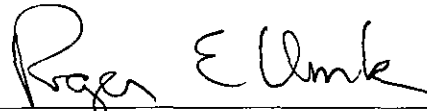
Daniel Clearfield, Esq.
Wolf, Block, Schorr &
Solis-Cohen, LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Irwin Popowsky, Esq.
Tanya McClosky, Esq.
Office of Consumer Advocate
Forum Place - Fifth Floor
555 Walnut Street
Harrisburg, PA 17101-1923

William Lloyd Jr., Esq.
Office of Small Business Advocate
Commerce Building - Suite 1102
300 North Second Street
Harrisburg, PA 17101

Dave Kleppinger, Esq.
McNees, Wallace & Nurick
P.O. Box 1166
100 Pine Street
Harrisburg, PA 17108-1166

March 4, 2005.

A handwritten signature in black ink that reads "Roger E. Clark". The signature is written in a cursive style and is positioned above a horizontal line.

Roger E. Clark, Esq.

The Reinvestment Fund
718 Arch Street, Suite 300 North
Philadelphia, PA 19106-1591

phone: 215.574.5814

fax: 215.574.5914

email: roger.clark@trfund.com



ORIGINAL
CITY OF PHILADELPHIA

LAW DEPARTMENT
One Parkway
1515 Arch Street
Philadelphia, PA 19102-1595

Pedro A. Ramos
City Solicitor

(215) 683-5170(t)
(215) 683-5175(f)

March 4, 2005

James McNulty, Secretary
Public Utility Commission
Commonwealth of PA
Keystone Building
400 North Street, 2nd Floor
P. O. Box 3265
Harrisburg, PA 17120

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MAR 4 2005

PA PUBLIC UTILITY COMMISSION
HARRISBURG, PA

RE: Docket No. A-110550 F0160

**DOCUMENT
FOLDER**

Dear Mr. McNulty:

Enclosed please find an original and four copies of the City of Philadelphia's Petition to Intervene in the above-captioned matter. Please return one time-stamped copy to the City in the enclosed, self-addressed, stamped envelope. Thank you.

Very truly yours,

Darlene Heep
Senior Attorney

DDH/mh

Enclosures

RECEIVED

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

MAR 4 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

In Re: JOINT APPLICATION OF :
PECO ENERGY COMPANY AND :
PUBLIC SERVICE ELECTRIC AND :
GAS COMPANY FOR APPROVAL :
OF THE MERGER OF PUBLIC SERVICE :
ENTERPRISE GROUP INCORPORATED :
WITH AND INTO EXELON CORPORATION, :
THE PARENT OF PECO ENERGY COMPANY :

DOCKET NO.
A-110550 F0160

DOCKETED
MAR 18 2005

PETITION OF THE CITY OF PHILADELPHIA TO INTERVENE

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

The petition of The City of Philadelphia ("City") respectfully represents:

1. The name and address of petitioner is The City of Philadelphia, City Hall, Philadelphia, Pennsylvania 19107.
2. Petitioner's attorneys are Daniel W. Cantú-Hertzler, Chief Deputy City Solicitor, and Darlene Heep, Senior Attorney, Law Department, City of Philadelphia, 1515 Arch Street, 16th Floor, Philadelphia, Pennsylvania 19102-1595.
3. Petitioner is a corporation and body politic, organized and existing as a city of the first class under the laws of the Commonwealth of Pennsylvania and the Philadelphia Home Rule Charter, and is engaged in the government and administration of the City of Philadelphia.
4. The granting of this petition is necessary and appropriate to the administration of the statute under which the proceeding is brought, 52 Pa. Code § 5.72.
5. The City of Philadelphia has interests that may be directly affected and that are not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding.
6. The City is among the largest electricity customers of PECO Energy Company and is the site of PECO's headquarters, where PECO and many employees pay taxes to the City. The City, both as a customer and as a political entity, relies on PECO's infrastructure in Center City and

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throughout Philadelphia. As a city, Philadelphia represents the public interest of all who live, work, and do business within the City. Any decision on the instant application will directly affect the City, its operations and its citizens, e.g., reduction of work force issues, impacts upon large industrial customers, specific contract matters and urban service programs and reliability.

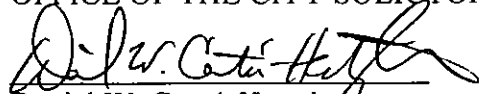
7. This interest is of such nature that participation of the petitioner is in the public interest, and particularly, in the interest of the citizens of the City of Philadelphia.

8. The above supports the City of Philadelphia's Petition to Intervene.

Respectfully submitted,

THE CITY OF PHILADELPHIA
OFFICE OF THE CITY SOLICITOR

By:



Daniel W. Cantú-Hertzler
Chief Deputy City Solicitor

Pa. Bar No. 47968

Darlene D. Heep, Senior Attorney

Pa. Bar No. 88947

City of Philadelphia Law Department

One Parkway Building, 16th Floor

1515 Arch Street

Philadelphia, PA 19102-1595

215-683-5061 (telephone)

215-683-5175 (fax)

Date: March 4, 2005

RECEIVED

MAR 4 2005

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

In Re: JOINT APPLICATION OF :
PECO ENERGY COMPANY AND : DOCKET NO.
PUBLIC SERVICE ELECTRIC AND : A-110550 F0160
GAS COMPANY FOR APPROVAL :
ENTERPRISE GROUP INCORPORATED :
WITH AND INTO EXELON CORPORATION, :
THE PARENT OF PECO ENERGY COMPANY :

ORDER

IT IS ORDERED:

The City of Philadelphia's Petition to Intervene is granted.

Administrative Law Judge

Date: March _____, 2005

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MAR 4 2005

CERTIFICATE OF SERVICE

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

I, Darlene Heep, on the date set forth below did serve copies of the above Petition to Intervene by first class United States Mail to the persons and parties identified below, as required by PUC Regulations.

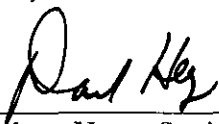
Daniel Clearfield, Esq.
Wolf, Block, Schorr & Solis-Cohen
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield
Vice President-Law
PSEG Services Corporation
80 Park Plaza, T5E
Newark, NJ 07102

Paul R. Bonney
Vice President & Deputy General Counsel
Kent D. Murphy
Assistant General Counsel
PECO Energy Company
2301 Market Street, P. O. Box 8699
Philadelphia, PA 19101-8699

Thomas P. Gadsden, Esq.
Anthony C. DeCusatis, Esq.
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

Date: March 4, 2005



Darlene Heep, Senior Attorney

1424 Chestnut Street, Philadelphia, PA 19102-2505
Phone: 215.981.3700, Fax: 215.981.0434
Web Address: www.clsphila.org

RECEIVED

March 4, 2005

MAR 4 2005

PA. PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, 7 North
400 North Street
Harrisburg, PA 17120

Filed by Federal Express

DOCUMENT
FOLDER

**Re: Joint Application of PECO Energy Company and Public Service Electric
and Gas Company, Docket No. A-110550F0160**

Dear Mr. McNulty:

Enclosed please find an original and three (3) copies of the Protest of Action Alliance of Senior Citizens of Greater Philadelphia, Association of Community Organizations for Reform Now (ACORN), and Tenants' Action Group (TAG) (collectively "Action Alliance et al.") in the above-captioned matter.

Copies of this filing have been sent this date to the parties listed on the Certificate of Service by First Class U.S. Mail, postage prepaid.

Very truly yours,

Philip C Bertocci

Jonathan M. Stein, Esquire
Philip A. Bertocci, Esquire
Thu B. Tran, Esquire

cc: Certificate of Service

Enclosures

154

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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MAR 4 2005

PA. PUBLIC UTILITY COMMISSION
SECRETARIES BUREAU

Joint Application of PECO Energy :
Company and Public Service Electric and :
Gas Company for Approval of the Merger :
of Public Service Enterprise Group :
Incorporated with and into Exelon :
Corporation :

Docket No. A-110550F0160

DOCKETED
MAR 18 2005

DOCUMENT
FOLDER

**Protest of Action Alliance of Senior Citizens of Greater Philadelphia,
Association of Community Organizations for Reform Now, and
Tenants' Action Group**

Action Alliance of Senior Citizens of Greater Philadelphia, Association of
Community Organizations for Reform Now, and the Tenants' Action Group (collectively
"Action Alliance et al."), through counsel Community Legal Services, Inc., hereby file
this Protest to the above-captioned Application pursuant to the provisions of the Rules of
Practice and Procedure of the Pennsylvania Public Utility Commission ("PUC" or
"Commission"), 52 Pa.Code §§ 5.71 and 5.51, and Section 1102 of the Public Utility
Code, 66 Pa.C.S. § 1102. In support of this Protest, Action Alliance et al. aver as
follows:

1. On February 4, 2005, PECO Energy Company ("PECO") and Public Service
Electric and Gas Company ("PSE&G") (hereinafter "Joint Applicants") filed a joint
application regarding the proposed merger of PSE&G's corporate parent Public Service

Enterprise Group (“PSEG”) with and into PECO’s corporate parent Exelon Corporation (“Exelon”).

In their Application, the Joint Applicants have requested that the Commission issue a declaratory judgment determining that under Pennsylvania law, Commission approval of this merger is not required.

In the alternative, the Joint Applicants have requested that the Commission grant all approvals that are required in connection with the merger under Chapters 11, 22, and 28 of the Public Utility Code. The Joint Applicants allege that the merger will “affirmatively promote” the service, accommodation, convenience, and safety of the public in a substantial way and is otherwise in the public interest. Application, ¶ 21. As benefits resulting from the merger, they assert that there will be economies that “may give rise to lower rates over time than otherwise would be the case.” Application, ¶¶ 24, 27(e). They also assert that the proposed merger will result in better service (¶¶23, 27, 27(a), 28) and that it will not have a negative effect on competition, but rather will “likely promote increased retail competition” in Pennsylvania’s retail energy markets (¶18, 27(f)).

2. The Joint Applicants must obtain PUC approval of this merger because each is a “public utility” under the Commission’s jurisdiction and the merger involves a transfer of tangible and intangible property used or useful in the public service, within the

meaning of 66 Pa.C.S. §1102(a)(3).

3. The Commission should not approve the Application because the proposed merger does not affirmatively promote the interests of PECO's residential customers or of the citizens of southeastern Pennsylvania. York v. Pa. P.U.C., 449 Pa. 136, 295 A.2d 825, 828 (1972); Northern Pennsylvania Power Co. v. Pa. PUC, 333 Pa. 265, 5 A.2d 133 (1939).

4. PECO's residential customers pay electricity rates which are substantially above the national average. Despite the fact that PECO envisages significant savings resulting from the merger over the next five years, the Application does not provide for any quantifiable reduction in rates for electric service for PECO's residential customers, and does not provide for any measures which will ensure that the needs of low income customers for affordable service will be met.

5. The proposed merger will result in a concentration of the generation assets of Exelon and PSEG and does not provide adequate safeguards against anti-competitive or discriminatory conduct, including the unlawful exercise of market power in the sale of electric generation to southeastern Pennsylvania residential customers.

6. The proposed merger will not benefit the economy of southeastern Pennsylvania, and will lead to the loss of jobs in the City of Philadelphia.

7. The proposed merger will lead to the loss of tax revenues from PECO employees in the City of Philadelphia, thereby diminishing the tax base needed to support essential local government services.

8. The protestant Action Alliance of Senior Citizens of Greater Philadelphia (“Action Alliance”) is a non-profit membership organization of senior citizens, many of whom are Philadelphia taxpayers, residents and customers of PECO, on which they rely for their electricity needs, including heating and cooling. In those capacities, they have a direct, immediate, substantial and distinct interest in the proposed merger, which will affect the quality and cost of their utility service and the economic well-being of their City and region. Action Alliance is located at 1201 Chestnut Street, 5th Floor, Philadelphia, PA 19107.

9. The protestant Association of Community Organizations for Reform Now (“ACORN”) is a non-profit membership organization many of whose members are Philadelphia residents, taxpayers, and customers of PECO, on which they rely for their electricity, including heating and cooling needs. In those capacities, they have a direct,

immediate, substantial and distinct interest in the proposed merger, which will affect the quality and cost of their utility service and the economic well being of their City and region. ACORN is located at 846 N. Broad Street, Philadelphia, PA 19130.

10. The protestant Tenants' Action Group ("TAG") is a non-profit advocacy organization composed of moderate and low income tenants, all either PECO customers or dependent on PECO electricity service, and all residing in Philadelphia, PA. In those capacities, they have a direct, immediate, substantial and distinct interest in the proposed merger, which will affect the quality and cost of their utility service and the economic well being of their City and region. TAG is located at 21 S. 12th Street, 12th Floor, Philadelphia, PA 19107.

11. Protestants Action Alliance of Senior Citizens, ACORN, and TAG are represented by:

Jonathan M. Stein, Esquire
Philip A. Bertocci, Esquire
Thu B. Tran, Esquire
COMMUNITY LEGAL SERVICES, INC.
1424 Chestnut Street
Philadelphia, PA 19102
Tel.: 215-981-3742

12. In the event that the Commission does not deny the Application, the Commission must condition approval on PECO's agreement to perform such actions as

are necessary to assure compliance with applicable public interest standards.

13. Section 1103 of the Public Utility Code explicitly allows the Commission to impose conditions upon the issuance of a Certificate of Public Convenience. Section 1103 provides: “The Commission, in granting such a certificate, may impose such conditions as it may deem to be just and reasonable.” 66 Pa.C.S. §1103(a). The Commission should not grant the Joint Application without imposing such conditions as are necessary to ensure that the public interest standard is met and that the interests of consumers are protected.

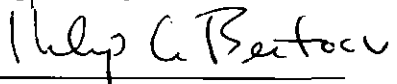
14. Section 2811(e)(2) of the Electricity Generation Customer Choice and Competition Act and Section 2210(b) of the Natural Gas Customer Choice and Competition Act specifically authorize the Commission to impose such conditions upon approval of a merger application involving electric and/or gas utilities as are necessary to “preserve the benefits of a properly functioning and effectively competitive retail” market for electricity generation and natural gas respectively. 66 Pa.C.S. §§ 2811(e)(2), 2210(b). The Commission should not grant the Joint Application without imposing such conditions as are necessary to ensure against anti-competitive and discriminatory practices.

15. Due to the breadth of this proceeding, its early stage, and the lack of

availability at this time of full information on all aspects of the proposed merger, Action Alliance et al. reserve the right to raise other issues as additional information becomes available in the course of this proceeding.

WHEREFORE, Action Alliance et al. respectfully request that the Pennsylvania Public Utility Commission after appropriate investigation and hearing, deny the Application, based upon the failure to demonstrate affirmative benefits to customers and/or the failure to show that the merger will not have an anti-competitive effect on the electricity generation and/or natural gas market in Southeastern Pennsylvania. Alternatively, the Commission should impose such just and reasonable conditions upon the merger as are necessary to ensure that all public interest standards and applicable consumer protections will be satisfied.

Respectfully submitted,



Jonathan M. Stein, Esquire
Philip A. Bertocci, Esquire
Thu B. Tran, Esquire
COMMUNITY LEGAL SERVICES, INC.
1424 Chestnut Street, 4th Floor
Philadelphia, PA 19102
(215) 981-3742

March 4, 2005

VERIFICATION

I, Pedro A. Rodriguez on behalf of Action Alliance of Senior Citizens of Greater Philadelphia, hereby state that the facts contained in the foregoing pleading are true and correct to the best of my knowledge, information and belief, that I am duly authorized to make this Verification, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities)

Date: 3/1/2005


Title: Executive Director

RECEIVED

MAR 4 2005

CERTIFICATE OF SERVICE

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

I hereby certify that I have this day served a copy of this Protest upon the following parties in the manner described below:

Dated: March 4, 2005

FIRST CLASS U.S. MAIL, POSTAGE PREPAID.

Paul R. Bonney, Esquire
Kent D. Murphy, Esquire
PECO Energy Company
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699

Johnnie Simms, Esquire
Office of Trial Staff
PA Public Utility Commission
P.O. Box 3265
North Office Bldg.
Harrisburg, PA 17105-3265

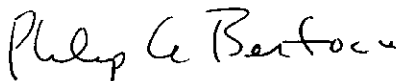
Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921

William R. Lloyd, Jr.
Office of Small Business Advocate
Suite 1102, Commerce Bldg.
300 North Second Street
Harrisburg, PA 17101

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Irwin A. Popowsky
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923

Richard P. Bonnifield, Esquire
PSEG Services Corporation
80 Park Plaza, T5E
Newark, NJ 07102



PHILIP A. BERTOCCI

ORIGINAL

Hawke

McKeon

Sniscak &

Kennard LLP

ATTORNEYS AT LAW

William T. Hawke
Kevin J. McKeon
Thomas J. Sniscak
Norman James Kennard
Lillian Smith Harris
Scott T. Wyland
Todd S. Stewart

Craig R. Burgraff
Steven D. Snyder
Janet L. Miller
Steven K. Haas
William E. Lehman
Rikardo J. Hull
Katherine E. Lovette

100 North Tenth Street, Harrisburg, PA 17101 Phone: 717.236.1300 Fax: 717.236.4841 www.hmsk-law.com
March 7, 2005

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
North Office Building
Filing Room - B20
Post Office Box 3265
Harrisburg, PA 17105-3265

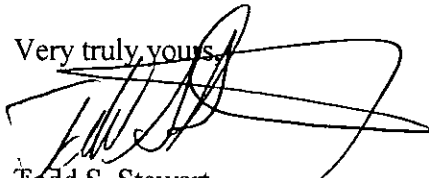
Re: Joint Application of PECO Energy Company And Public Service Electric and Gas Company For Approval of the Merger of Public Service Enterprise Group Incorporated With and Into Exelon Corporation; Docket No. A-110550 F0160; **MOTION TO INTERVENE OF DIRECT ENERGY, LLC**

Dear Mr. McNulty:

Enclosed, for filing with the Commission are the original and three (3) copies of the Motion to Intervene of Direct Energy, LLC in the above-captioned proceeding. A copy of this document has been served upon all the parties in accordance with the attached Certificate of Service.

If you have any questions with regard to this filing, please direct them to me. Thank you for your attention to this matter.

Very truly yours,



Todd S. Stewart
Counsel for Direct Energy, LLC

DOCUMENT FOLDER

TSS:tap
Enclosures

2005 MAR -7 PM 4: 13
SECRETARY'S BUREAU

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of PECO Energy Company :
And Public Service Electric and Gas Company :
For Approval of the Merger of Public Service : Docket No. A-110550 F0160
Enterprise Group Incorporated With and :
Into Exelon Corporation :

**MOTION TO INTERVENE
OF DIRECT ENERGY, LLC**

NOW COMES, Direct Energy, LLC ("Direct Energy") by and through its counsel in the above-captioned matter, Hawke McKeon Sniscak & Kennard LLP, and hereby moves to intervene in the above-captioned matter pursuant to 52 Pa. Code § 5.72 *et seq.* In support of its Petition to Intervene, Direct Energy states and avers as follows:

1. On or about February 4, 2005, PECO Energy Company ("PECO") and Public Service Electric and Gas Company ("PSEG") filed a Joint Application seeking the approval of the Pennsylvania Public Utility Commission for the merger of Public Service Enterprise Group Incorporated into Exelon Corporation. That merger will affect both gas and electric operations of both companies.

2. Direct Energy is a licensed natural gas supplier, serving about 30,000 residential and small commercial natural gas customers in Western Pennsylvania under the name of Energy America, and expects to obtain a license as an electric generation supplier in April 2005. Direct Energy is a subsidiary of Centrica, a leading provider of energy and other essential services to over 20 million households worldwide, with annual revenues of \$31 billion and \$17 billion in marketing capitalization and with over 38,000

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employees. Direct Energy operates in North America with over 2 million gas and electricity customers in Canada and 375,000 gas customers in various states, including Pennsylvania. Direct Energy also has over 800,000 electricity customers in Texas.

3. Direct Energy is represented in the above-captioned matter by:

Todd S. Stewart
tsstewart@hmsk-law.com
Hawke McKeon Sniscak & Kennard, LLP,
100 North Tenth Street
Harrisburg, PA
717-236-1300

4. As an NGS and soon-to-be EGS, Direct has a direct and substantial interest in the competitiveness of electricity and natural gas markets in Pennsylvania and in PECO's service territory in particular. Chapters 22 and 28 of the Public Utility Code (*Natural Gas Choice and Competition Act* and *Electricity Generation Customer Choice and Competition Act*, respectively) contain provisions which require the Commission to consider the potential anti-competitive effects of any merger or combination involving natural gas distribution companies ("NGDC") and electric distribution companies ("EDC").¹

5. In their joint filing, Joint Petitioners make the affirmative statement that the proposed merger will have "no adverse competitive effects on either the wholesale market within PJM or Pennsylvania's retail energy markets and, indeed, will likely promote increased retail competition." (Joint Petition at page 14).

6. Direct is concerned that the merger of PSEG and PECO does not produce any anti-competitive effects either in the wholesale or retail markets for electricity and gas in the Commonwealth of Pennsylvania, because as a competitive supplier of those

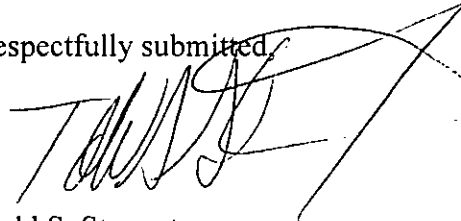
¹ 66 Pa. C.S. §§ 2210(a) and 2811(e)(1).

services, it will be affected by the outcome of this merger proceeding. Direct's interest is substantial and direct because Direct is a competitive suppliers of both electric and gas, and its interest are unique as well, since no other supplier can adequately represent its interests.

7. While Direct Energy does not have any more specific concerns with regard to the merger at this time, it intends to participate in the process to ensure that the merger does provide positive benefits to Pennsylvania's competitive electricity and gas markets.

WHEREFORE, Direct Energy, LLC requests the Honorable Pennsylvania Public Utility Commission to grant its Petition to Intervene and allow it party status in the above-captioned proceeding.

Respectfully submitted,

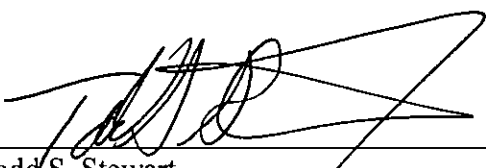
A handwritten signature in black ink, appearing to read 'T. Stewart', written over a horizontal line.

Todd S. Stewart
Counsel for Direct Energy, LLC

Dated: March 7, 2005

AFFIDAVIT

I, Todd S. Stewart, certify that I am counsel for Direct Energy LLC, and that, in this capacity, I am authorized to and do make this Affidavit for them, that the facts set forth in the foregoing document are true and correct to the best of my knowledge, information and belief, and that I expect Direct Energy LLC to be able to prove the same at any hearing hereof. I understand that false statements made therein are made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsifications to authorities.



Todd S. Stewart
Hawke McKeon Sniscak & Kennard LLP
Harrisburg Energy Center
100 North Tenth Street
PO Box 1778
Harrisburg, PA 17105
717-236-1300

Counsel for Direct Energy LLC

Dated: March 7, 2005

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the person and in the manner indicated below.

Service By First Class Mail

Daniel Clearfield
Wolf, Block, Schorr
& Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield
Vice President-Law
PSEG Services Corporation
80 Park Plaza, T5E
Newark, NJ 07102

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Kent D. Murphy
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2301 Market Street
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William R. Lloyd Jr.
Office of Small Business Advocate
Commerce Building - Suite 1102
300 North Second Street
Harrisburg, PA 17101

Irwin A. Popowsky, Esq.
Office of Consumer Advocate
Forum Place, 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1921

SECRETARY'S BUREAU

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Todd S. Stewart

Dated: March 7, 2005

ORIGINAL

Jesse A. Dillon
Senior Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5013 Fax 610.774.6726
jadillon@pplweb.com



VIA HAND DELIVERY

March 7, 2005

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

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2005 MAR -7 PM 2:17
SECRETARY'S BUREAU

**Re: Joint Application of PECO Energy Company and
Public Service Electric and Gas Company for
Approval of the Merger of Public Service Enterprise
Group Incorporated With and Into Exelon Corporation;
Docket No. A-110550F0160**

Dear Secretary McNulty:

Enclosed for filing please find an original and three (3) copies of the
Petition to Intervene of the PPL Companies, in the above-referenced matter.

I also have enclosed an extra copy of the Petition. Please time-stamp
and return in the enclosed envelope.

I have served a copy of this document on all parties to this proceeding,
as shown on the attached Certificate of Service.

If you have any questions concerning this Petition, please contact me.

Respectfully submitted,

Jesse A. Dillon

Enclosures

cc: Certificate of Service

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2005 MAR - 7 PM 2: 17

SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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JOINT APPLICATION OF PECO
ENERGY COMPANY AND PUBLIC
SERVICE ELECTRIC AND GAS
COMPANY FOR APPROVAL OF THE
MERGER OF PUBLIC SERVICE
ENTERPRISE GROUP
INCORPORATED WITH AND INTO
EXELON CORPORATION

DOCKET NO. A-110550F0160

DOCKETED
MAR 21 2005

PETITION TO INTERVENE OF THE PPL COMPANIES

Pursuant to 52 Pa. Code §§ 5.71-5.75, PPL Electric Utilities Corporation ("PPL Electric"); PPL EnergyPlus, LLC ("PPL EnergyPlus"); PPL Brunner Island, LLC; PPL Holtwood, LLC; PPL Martins Creek, LLC; PPL Montour, LLC; PPL University Park, LLC; Lower Mount Bethel Energy, LLC and PPL Susquehanna, LLC (collectively, the "PPL Companies"), by their attorney, hereby file this Petition to Intervene in the above-captioned proceeding involving the Joint Application of PECO Energy Company ("PECO") and Public Service Electric and Gas Company ("PSE&G") (collectively, the "Joint Applicants") for approval of the merger of Public Service Enterprise Group Incorporated ("PSEG"), the corporate parent of PSE&G, with and into Exelon Corporation. In support of their petition, the PPL Companies state as follows:

1. The PPL Companies include each marketing, generation, transmission, and distribution affiliate or subsidiary of PPL Corporation that is a member of and physically located in the PJM Interconnection, L.L.C. ("PJM"). The PPL Companies provide electric services in central eastern Pennsylvania and own generating facilities in various locations in PJM, including Pennsylvania. The principal place of business for the PPL Companies is:

PPL Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101

2. PPL Electric is a Pennsylvania corporation and a wholly-owned subsidiary of PPL Corporation. PPL Electric is a provider of last resort under Pennsylvania's Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. § 2801, *et seq.* within its service territory in central eastern Pennsylvania. PPL Electric also is a load serving entity ("LSE") in PJM and a signatory to the PJM Transmission Owners Agreement.

3. PPL EnergyPlus is a Pennsylvania limited liability corporation and a power marketer authorized by the Federal Energy Regulatory Commission to sell wholesale electricity at market-based rates.¹ PPL EnergyPlus is a licensed electric generation supplier in Pennsylvania.² PPL EnergyPlus markets all of the output from generation facilities owned by the PPL Companies in PJM.

¹ *PP&L EnergyPlus, Co.*, 85 FERC ¶ 61,377 (1998) (market-based rate authority); *PP&L EnergyPlus, Co., LLC*, Docket No. ER99-3779-000 (Letter Order issued Aug. 30, 1999) (sale of ancillary services).

² PPL EnergyPlus received its Electric Supplier License from the Commission on September 15, 1998 in Docket No. A-110098.

4. PPL Brunner Island, LLC; PPL Holtwood, LLC; PPL Martins Creek, LLC; PPL Montour, LLC; PPL University Park, LLC; Lower Mount Bethel Energy, LLC and PPL Susquehanna, LLC (“PPL Generators”) are each Exempt Wholesale Generators³ authorized to sell electricity at wholesale at market-based rates.⁴ These entities own generating facilities located within the PJM control area and produce power that is marketed by PPL EnergyPlus to wholesale and retail customers in Pennsylvania.

5. The PPL Companies will be represented in this proceeding by the following counsel, who should be placed on the Commission’s service list and receive copies of all correspondence and other documents:

Jesse A. Dillon, Esq.
Senior Counsel
PPL Services Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101
Phone: (610) 774-5013
Fax: (610) 774-6726
Email: jadillon@pplweb.com

³ *PPL Brunner Island, LLC, et al.*, 91 FERC ¶ 61,228 (2000) (letter order granting EWG status to PPL Brunner Island, LLC, PPL Holtwood, LLC, PPL Martins Creek, LLC, PPL Montour, LLC and PPL Susquehanna, LLC). *PPL Brunner Island, LLC*, 97 FERC ¶ 62,141 (2001) (letter order granting request for Redetermination of EWG status). *PPL Martins Creek, LLC*, 105 FERC ¶ 61,177 (2003) (letter order granting request for redetermination of EWG status). *PPL Montour, LLC*, 93 FERC ¶ 62,240 (2000) (letter order granting request for New Determination of EWG status). *PPL Montour, LLC*, 95 FERC ¶ 61,405 (2001) (order granting request for Redetermination of EWG status). *PPL Univ. Park, LLC*, 99 FERC ¶ 62,066 (2002). *Lower Mount Bethel Energy, LLC*, 100 FERC ¶ 62,176 (2002).

⁴ *Southaven Power, LLC, et al.*, 90 FERC ¶ 61,063 (2000) (letter order granting market-based rate authority to PPL Brunner Island, LLC, PPL Holtwood, LLC, PPL Martins Creek, LLC, PPL Montour, LLC and PPL Susquehanna, LLC). *PPL Univ. Park, LLC*, Docket No. ER02-1327-000 (Letter Order issued May 9, 2002). *Lower Mount Bethel Energy, LLC*, Docket No. ER02-2408-000 (Letter Order issued Sept. 18, 2002).

Donald A. Kaplan, Esq.
James R. Weiss, Esq.
Melanie J. Sabo, Esq.
Preston Gates Ellis & Rouvelas Meeds LLP
Suite 500
1735 New York Avenue, NW
Washington, DC 20006-4759
Phone: (202) 628-1700
Fax: (202) 331-1024
Email: donk@prestongates.com
jimwe@prestongates.com
melanies@prestongates.com

Richard L. Rosen, Esq.
Arnold & Porter LLP
555 12th Street N.W.
Washington, DC 20004-1206
Phone: (202) 942-5499
Fax: (202) 942-5999
Email: richard.rosen@aporter.com

Motions for Admissions Pro Hac Vice of Donald A. Kaplan, James R. Weiss, Melanie J. Sabo and Richard L. Rosen are being prepared and will be filed shortly.

6. Sections 1102 and 1103 of the Pennsylvania Public Utility Code, 66 Pa.C.S. §§ 1102 and 1103, require Commission approval of a merger involving a public utility. In the exercise of authority that the Commission otherwise may have to approve mergers or consolidations, Section 2210 of Pennsylvania's Natural Gas Choice and Competition Act ("Natural Gas Competition Act"), 66 Pa.C.S. § 2210, and Section 2811(e) of Pennsylvania's Electricity Generation Customer Choice and Competition Act ("Electric Competition Act"), 66 Pa.C.S. § 2811(e), would require the Commission to consider whether a proposed merger is likely to result in anticompetitive or discriminatory conduct which will prevent retail gas or electricity customers, respectively, in Pennsylvania from obtaining the benefits of properly functioning and workable competitive retail markets. Both the

Natural Gas Competition Act and the Electric Competition Act give the Commission authority to impose terms and conditions on a proposed merger over which the Commission has jurisdiction as it finds necessary to preserve the benefits of a properly functioning and workable competitive retail market. 66 Pa.C.S. §§ 2210(b) (Natural Gas Competition Act), 2811(e) (Electric Competition Act). Finally, Section 2811(b) of the Electric Competition Act, 66 Pa.C.S. § 2811(b), authorizes the Commission to “conduct an investigation of the impact on the proper functioning of a fully competitive retail electricity market, including the effect of mergers, consolidation, consolidations, acquisition or disposition of assets or securities of electricity suppliers . . .” and to make referrals or interventions if finds as a result of an investigation under Section 2811(b) that “anticompetitive or discriminatory conduct, including the unlawful exercise of market power, is preventing the retail electricity customers in this Commonwealth from obtaining the benefits of a properly functioning and workable competitive retail electricity market.” 66 Pa.C.S. § 2811(d).

7. The Joint Applicants claim, however, that the proposed merger of PSEG and Exelon may not require approval from the Commission and ask the Commission to issue a declaratory order to that effect. In the alternative, Joint Applicants request that the Commission grant such approvals as are necessary to permit the proposed merger to be consummated.

8. The PPL Companies take no position at this time on whether the Commission must approve the merger under Chapters 11, 22 and 28 of the Public Utility Code.

9. Nonetheless, if this proceeding moves forward on the basis that approval under Chapters 11, 22 and 28 of the Public Utility Code is required, the PPL Companies have direct and substantial interests in this proceeding that cannot adequately be represented by any other party. PPL Electric purchases electricity at wholesale for resale to its POLR customers. Although it currently is served under a full requirements contract, that contract expires in 2009, and the proposed merger may have an impact on the price and terms PPL Electric pays for electricity to serve POLR customers when that contract expires. PPL EnergyPlus is a competitive retail supplier in Pennsylvania and markets the output of generation facilities owned by the PPL Companies to retail customers in Pennsylvania and other states. The proposed merger may have an impact on the state of competition in PECO's service territory and elsewhere in the Commonwealth. Accordingly, the PPL Companies have a direct and substantial interest in ensuring that the proposed merger will not adversely affect competition in the supply of energy to serve retail customers and competition in Pennsylvania's retail electricity market. The PPL Companies' participation as active parties in this proceeding is, therefore, required to protect their substantial individual interests.

10. The PPL Companies' participation as active parties also is in the public interest because, as a group, the PPL Companies can provide input for the record from the perspective of one of the only Pennsylvania-based companies active in the generation, transmission and distribution of electricity in PJM. This unique perspective can assist in the development of a full and complete record for review by the Administrative Law Judges and the Commission.

11. Due to the breadth of this proceeding and its early stage, the PPL Companies, at this time, are not able to identify the issues they may pursue, their position on those issues, or how those positions may align with those of other parties to this proceeding.

12. Each of the parties participating in this case will take positions on the issues that support its specific interests, and those positions may be inconsistent with the position that the PPL Companies would take. For this reason, no other party in this proceeding can adequately represent the PPL Companies or protect their interests.

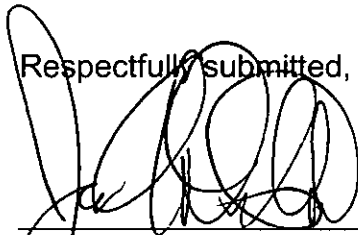
13. Active party status will permit the PPL Companies to receive and review all of the documents filed in the case. In addition, as active parties, the PPL Companies will have an opportunity to attend and participate fully in all evidentiary hearings and settlement discussions.

14. At this time, the PPL Companies are not presenting any testimony in this proceeding. However, the PPL Companies expressly reserve the right to submit both direct and rebuttal testimony should they determine that it is necessary to do so to protect and advance their position. Whether the PPL Companies file rebuttal testimony and the nature of that testimony will depend upon the positions developed by the PPL Companies and positions taken by the other parties on the major issues raised by this proceeding. Accordingly, the PPL Companies cannot identify, at this time, the issues that may be raised in any testimony they might submit, or the witness(es) that they will present. As soon as

the PPL Companies identify these issues and witnesses, they will notify the Administrative Law Judges and all parties.

WHEREFORE, for all of the foregoing reasons, the PPL Companies respectfully request that the Commission grant this petition and approve their intervention as active parties of record in this proceeding.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jesse A. Dillon', is written over a horizontal line. The signature is stylized and somewhat cursive.

Jesse A. Dillon, Esq.
Senior Counsel
PPL Services Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101

Dated: March 7, 2005

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

JOINT APPLICATION OF PECO : DOCKET NO. A-110550F0160
ENERGY COMPANY AND PUBLIC :
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE :
MERGER OF PUBLIC SERVICE
ENTERPRISE GROUP
INCORPORATED WITH AND INTO
EXELON CORPORATION

CERTIFICATE OF SERVICE

I hereby certify that on March 7, 2005, I served a copy of the foregoing document upon the active participants listed below, in accordance with the requirements of § 1.54 (relating to service by a participant):



Jesse A. Dillon, Esq.

Dated: March 7, 2005

PECO Energy Company: Thomas P. Gadsden, Esq. Anthony C. DeCusatis, Esq. Morgan Lewis & Bockius, LLP 1701 Market Street Philadelphia, PA 19103-2921	 Paul R. Bonney Deputy Gen. Counsel Kent D. Murphy, Asst. Gen. Counsel 2301 Market Street P.O. Box 8699 Philadelphia, PA 19101-8699
--	--

Public Service Electric and Gas
Company:

Daniel Clearfield, Esq.
Wolf, Block, Schorr & Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield,
Vice President – Law
80 Park Plaza, TSE
Newark, NJ 07102

March 7, 2005

Re: Joint Application of Peco Energy Company & Public Service Electric Gas Company for Approval of Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation; Docket No. A-110550F0160

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

Dear Mr. McNulty:

Enclosed herewith for filing please find an original and three (3) copies of the Petition to Intervene in connection with the above-referenced matter. Copies have been served upon Thomas P. Gadsden, Esquire, Anthony C. DeCusatis, Esquire, counsel for Peco Energy Company, and Daniel Clearfield, Esquire, counsel for Public Service Electric and Gas Company.

Very truly yours,

RHOADS & SINON LLP

By

David W. Francis



**DOCUMENT
FOLDER**

Enclosures

cc: Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Daniel Clearfield, Esquire

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proceeding by filing on February 8, 2005 an Application for Approval of the Merger of Public Service Enterprise Group, Inc. with and into Exelon Corporation ("Exelon").

4. Both Applicants are regulated by the Pennsylvania Public Utility Commission.

5. AHC is a leading energy retail provider in the Commonwealth of Pennsylvania. AHC is licensed as a natural gas supplier ("NGS"), and is approved to provide retail service in all natural gas distribution company ("NGDC") territories, and is active in all but one, serving commercial, industrial and governmental customers.

6. AHC is a licensed electric generation supplier ("EGS") in the Commonwealth of Pennsylvania. As such, AHC is a broker/marketer engaged in the business of supplying electricity to commercial, industrial and governmental customers.

7. As an energy retail provider in Pennsylvania, AHC has actively contributed to Pennsylvania Public Utility Commission proceedings examining the development of Pennsylvania's competitive electric and natural gas markets.

8. Section 2811(e) of Pennsylvania's Public Utility Code, 66 Pa.C.S. § 2811(e) provides,

(e) APPROVAL OF PROPOSED MERGERS,
CONSOLIDATIONS, ACQUISITIONS OR DISPOSITIONS.--

(1) In the exercise of authority the commission otherwise may have to approve the mergers or consolidations by electric utilities or electricity suppliers, or the acquisition or disposition of assets or securities of other public utilities or electricity suppliers, the commission shall consider whether the proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail electricity customers in this Commonwealth from obtaining the benefits of a properly functioning and workable competitive retail electricity market.

(2) Upon request for approval, the commission shall provide notice and an opportunity for open, public evidentiary hearings. If the commission finds, after hearing, that a proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail electricity customers in this Commonwealth from obtaining the benefits of a properly functioning and workable competitive retail electricity market, the commission shall not approve such proposed merger, consolidation, acquisition or disposition, except upon such terms and conditions as it finds necessary to preserve the benefits of a properly functioning and workable competitive retail electricity market.

9. Section 2210(a) of the Public Utility Code, 66 Pa.C.S. § 2210(a)

provides:

In the exercise of authority the commission otherwise may have to approve mergers or consolidations involving natural gas

distribution companies or natural gas suppliers or the acquisition or disposition of assets or securities of natural gas distribution companies or natural gas suppliers, the commission shall consider:

(1) Whether the proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail gas customers from obtaining the benefits of a properly functioning and effectively competitive retail natural gas market.

10. The proposed merger, if approved, will result in the presence of a substantial combined electric and gas company in the highly concentrated Pennsylvania retail electric and natural gas competitive markets (“Retail Markets”).

11. AHC’s interest in this proceeding is to ensure the proposed merger does not deprive Pennsylvania consumers the benefit of robust competitive Retail Markets and to ensure that it does not result in any unlawful exercise of market power.

12. A proceeding on this merger application which sufficiently addresses issues, including but not limited to:

a. concerns regarding the presence or establishment of any unregulated affiliates of the merged company, and

b. opportunities presented by this merger to commit to improvements in generation, transmission and distribution of electric service and/or gas distribution systems, will help ensure the outcome of this proceeding protects the consumers' rights to robust, properly functioning and workable Retail Markets.

13. As such AHC has an interest in the outcome of these proceedings.

14. AHC's interest in this proceeding is substantial, direct and immediate, and therefore it has standing to participate.

15. Denying it a meaningful opportunity to participate will deprive it of its due process rights.

16. AHC's interests will not be adequately represented by any other party in this matter.

WHEREFORE, for the reasons stated above and for such other reasons as may ultimately be adduced from review of the application, discovery proceedings and hearings Amerada Hess Corporation requests this Commission:

a. Grant Amerada Hess Corporation the right to intervene in the above-captioned Application proceeding and permit it to participate fully therein as a party.

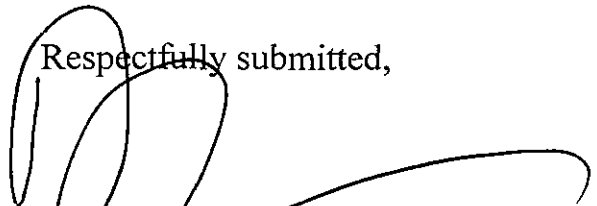
b. Assign the matter to an Administrative Law Judge for the purposes of:

i) establishing a procedural schedule for prehearing conferences, discovery, hearings and other matters appropriately under consideration; and

ii) holding hearings on the question of whether, in fact and in law, the proposed merger is necessary, convenient, and proper for the service, accommodation, convenience, or safety of the public, or is otherwise contrary to the public interest; and

c. Grant such other relief as the evidence and law make appropriate.

Respectfully submitted,

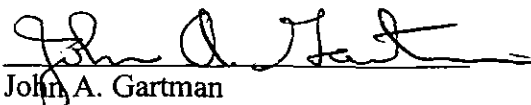


Jan P. Paden, Esq.
Pa. No. 15623
David W. Francis, Esq.
Pa. No. 53718
Rhoads & Sinon LLP
One South Market Square
P. O. Box 1146
Harrisburg, PA 17108-1146
(717) 233-5731
Counsel for Amerada Hess Corporation

Date: March 4, 2005

VERIFICATION

I, John A. Gartman, hereby state that the facts above set forth are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



John A. Gartman
Senior Vice President, Energy Marketing
Amerada Hess Corporation

Dated: March 4, 2005

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CERTIFICATE OF SERVICE

Joint Application of Peco Energy
Company and Public Service
Electric Gas Company for Approval
of Merger of Public Service
Enterprise Group Incorporated with
and into Exelon Corporation

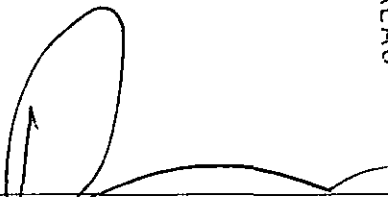
Docket No. A-110550F0160

I hereby certify this 7th day of March, 2005, I served a copy of the Petition to Intervene on behalf of Amerada Hess Corporation in the above-referenced proceeding, by First Class Mail, postage prepaid, to the following:

Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921

Daniel Clearfield, Esquire
Wolf Block Schorr & Solis-Cohen, LLP
212 Locust Street, Ste. 300
Harrisburg, PA 17101

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David W. Francis

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Joint Application of Peco Energy :
Company and Public Service :
Electric and Gas Company for : Docket No.
Approval of the Merger of Public : A-110550F0160
Service Enterprise Group :
Incorporated with and into :
Exelon Corporation. :**

**PETITION to INTERVENE
of ERIC JOSEPH EPSTEIN, *Pro se***

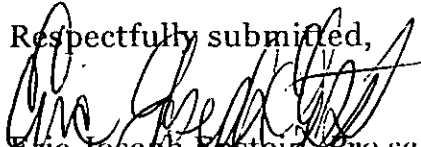
James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
P.O. Box 3265
Harrisburg, PA 17105-3265

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SECRETARY'S BUREAU

Dear Secretary McNulty:

Enclosed please find for filing an original and three (3) copies of Eric Joseph Epstein's, *Pro se*, Petition to Intervention in the Joint Application of Peco Energy Company and Public Service Electric, and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation.

Eric Joseph Epstein hereby moves pursuant to 52 Pa. Code S 5.71, to intervene. Copies have been served upon all parties of record as shown on the attached Certificate of Service.

Respectfully submitted,

Eric Joseph Epstein, *Pro se*
4100 Hillsdale Road
Harrisburg, PA 17112

DOCKETED
MAR 18 2005

DATED: March 7, 2005

**DOCUMENT
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1) Eric Joseph Epstein (“The Petitioner”, “Mr. Epstein” or “Epstein” is a Philadelphia Electric Company/PECO Energy Company shareholder in good standing since September 24, 1987;

2) Mr. Epstein is the Chairman of Three Mile Island Alert, Inc., a safe-energy organization based in Harrisburg, Pennsylvania and founded in 1977. TMIA monitors Peach Bottom, Susquehanna, and Three Mile Island nuclear generating stations;

3) Epstein is also the Coordinator of the EFMR Monitoring group, a nonpartisan community based organization established in 1992. EFMR monitors radiation levels at Peach Bottom and Three Mile Island nuclear generating stations, invests in community development, and sponsors remote robotics research;

4) Eric Joseph Epstein was an active Participant and a Signatory to the Joint Petition for Settlement (1): Application of PECO Energy Company, Pursuant to Chapters 11, 19, 21, 22, & 28 of the Public Utility Code, for Approval of A Plan of Corporate Restructuring, Including the Creation of A Holding Company and The Merger of the Newly Formed Holding Company and Unicom Corporation: Docket No: A-110550F0147;

5) Mr. Epstein actively participated in Settlement Negotiations related to the Unicom Merger, and helped to facilitate the resolution of the following issues: Nuclear Decommissioning; Planned Operating Life of PECO’s Nuclear Generating Stations; Spent Fuel Isolation; “Low-Level” Radioactive Waste Isolation; Rate Payer Equity; and, Community Investment in South Central Pennsylvania;

¹ Please refer to Eric Joseph Epstein’s Petition in Support of the Negotiated Settlement, and Eric Joseph Epstein’s Testimony Statement No. 1, Regarding Nuclear Decommissioning, Planned Operating Life of PECO’s Nuclear Generating Stations, Spent Fuel Isolation, Low-Level Radioactive Waste Isolation and Rate Payer Equity & Community Investment. Both documents were entered into Evidence at the Evidentiary Hearing held on May 10, 2000.

6) Eric Joseph Epstein and PECO Energy entered into an Agreement known as Appendix B: Nuclear Decommissioning and Waste Monitoring Agreement BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION Application of PECO Energy Company, Pursuant to Chapters 11, 19, 21, 22, & 28 of the Public Utility Code, for Approval of A Plan of Corporate Restructuring, Including the Creation of A Holding Company and The Merger of the Newly Formed Holding Company and Unicom Corporation Application Docket No. A-110550F0147;

7) Eric Joseph Epstein filed Comments with the Pennsylvania Public Utility Commission in support of PECO Energy Company's Supplement No. 34, (Tariff Electric No. 3), on February 6, 2002;

8) In 2002, along with PECO Legal, the Office of Consumer Advocate, the Office of Trial Staff, and PIEUG, Mr. Epstein successfully litigated in support of PECO ENERGY COMPANY's Supplement No. 34., Tariff Electric No. 3, "Wind Tariff";

9) In 2004, Mr. Epstein was a principal negotiator along with the Office of Consumer Advocate, the Office of Trial Staff, and PIEUG, in PECO Energy Company's Supplement No. 44 request to its Nuclear Decommissioning Tariff for Limerick 1 & 2, Peach Bottom 2 & 3; Hope Creek and Salem 1 & 2;

10) Mr. Epstein has over twenty-years of experience in publishing, researching and actively intervening before the Pennsylvania Public Utility Commission and the Nuclear Regulatory Commission on nuclear decommissioning, nuclear waste isolation, nuclear economics, nuclear safety, universal service, and community investment;

11) Consistent with the Petitioner's established interests and expertise, Eric Joseph Epstein's participation in the proceeding will focus on issues related to nuclear power production, community investment, economic development, and universal service; and,

12) Mr. Epstein's participation will include, but not be limited to, Direct and Rebuttal testimony and the Cross Examination of witnesses presented by PECO Energy Company and Public Service Electric and Gas Company and other parties.

WHEREFORE, Eric Joseph Epstein requests the right to intervene as an active party in this proceeding.

Respectfully submitted,



Eric Joseph Epstein, *Pro se*
4100 Hillsdale Road
Harrisburg, PA 17112
(717)-541-1101 Voice Mail
(717)-541-5487 FAX
ericpstein@comcast.net

DATED: March 7, 2005

Enclosure: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of Peco Energy :
Company and Public Service :
Electric and Gas Company for : **Docket No.**
Approval of the Merger of Public : **A-110550F0160**
Service Enterprise Group :
Incorporated with and into :
Exelon Corporation. :

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**PROTEST of
ERIC JOSEPH EPSTEIN, *Pro se***

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
P.O. Box 3265
Harrisburg, PA 17105-3265

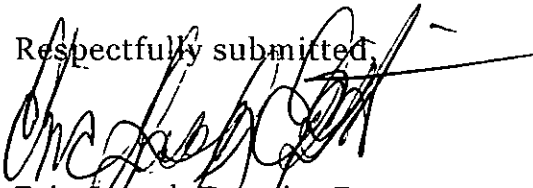
DOCKETED
MAR 18 2005

Dear Secretary McNulty:

Enclosed please find for filing an original and three (3) copies of Eric Joseph Epstein's, *Pro se*, Protest to the Joint Application of Peco Energy Company and Public Service Electric, and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation pursuant to 52 Pa. Code S 5.71, to intervene.

Copies have been served upon all parties of record as shown on the attached Certificate of Service.

Respectfully submitted,


Eric Joseph Epstein, *Pro se*
4100 Hillsdale Road
Harrisburg, PA 17112

DATED: March 7, 2005

Eric Joseph Epstein, (“Epstein” or “Mr. Epstein”), Protests the Joint Application of Peco Energy Company (PECO”) and Public Service Electric and Gas (“PSE&G”) Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation.

The Pennsylvania Public Utility Commission (PUC) should not approve the Above-Mentioned Application for Restructuring and Merger until PECO Energy complies with, or, addresses the following outstanding issues:

1) The Nuclear Regulatory Commission (NRC) defines “electric utilities” as “any entity that generates or distributes electricity and which recovers the cost of electricity, either directly or indirectly, through rates established by the entity itself or by a separate regulatory authority (10 CFR § 50.2)”;

PECO Energy and PSE&G should provide legally binding assurances to the Pennsylvania Public Utility Commission (“Pa PUC” or “PUC” or “the Commission”) that the Proposed Merger will *not* prompt the NRC to revoke PECO Energy or PSE&G’s status as an “electric utility” and undermine the ability of the licensees to pre-fund the entire cost of decommissioning their share of Limerick 1 & 2, Peach Bottom 2 & 3, and Hope Creek and Salem 1 & 2;

2) PECO Energy and PSE&G should prepare and submit reliable, revised estimates for radioactive nuclear decommissioning at the following nuclear generating stations: Limerick 1 & 2, Peach Bottom 2 & 3, Three Mile Island-1; and, Hope Creek and Salem 1 & 2;

These site-specific estimates should include, but not be limited to:

- a) Cost projections based on 25 years, 30 years, and 35 years of “used and useful” operation;
- b) Cost projections based on 25 years, 30 years, and 35 years of “used and useful” operation must necessarily include three different funding scenarios linked to the following Nuclear Regulatory Commission (NRC) approved modes of nuclear decommissioning: DECOM, ENTOMB and SAFSTOR;
- c) Nuclear decommissioning cost projections based on two scenarios: 1) Availability of a permanent waste repository; and, 2) Storage of spent fuel for an indefinite period during and after decommissioning;
- d) Factor into the decommissioning formula the following:
 - 1) Cost projections for temporary, spent fuel isolation; and
 - 2) Cost projections for permanent, spent fuel isolation in decommissioning cost projections;

3) PECO Energy and PSE&G should prepare and submit legally binding assurances and documentation that dedicated decommissioning funds are in excess of funding “targets” and are prudently being accumulated in externally, segregated sinking funds;

4) PECO Energy and PSE&G should prepare and submit documentation of the amount of taxes Pennsylvania loses annually by Exelon’s decision to move its external, segregated sinking dedicated decommissioning funds to the State of Nevada;

5) PECO Energy should prepare and submit documentation of the amount of taxes paid under the Public Utility Real Estate Tax Assessment in 1995 versus the amount of taxes paid under the Revenue Neutral Reconciliation for: Limerick 1 & 2; Peach Bottom 2 & 3; and Three Mile Island-1;

6) PECO Energy and PSE&G should submit documentation that confirms, and quantifies, that the Companies carry property insurance commensurate with the real market value of the Limerick Nuclear Generation Station, the Peach Bottom Atomic Power Station, and the Three Mile Island Nuclear Generating Station;

7) PECO Energy and PSE&G should prepare and submit reliable estimates for decommissioning of the *non* radioactive components at Limerick 1 & 2, Peach Bottom 2 & 3, Hope Creek and Salem 1& 2;

8) PECO Energy and PSE&G should prepare and submit engineering and funding plans to return the following sites to Greenfield: Limerick 1 & 2, Peach Bottom 2 & 3, and Hope Creek and Salem 1 & 2;

9) PECO Energy and PSE&G should prepare and submit legally binding assurances, and guarantees, that any decommissioned and decontaminated portions of Limerick 1 & 2, Peach Bottom 2 & 3, Hope Creek and Salem 1& 2 sold, recycled, or depreciated, will flow back to rate payers;

10) PECO Energy and PSE&G should prepare and submit a report on the amount of spent fuel stored on site at Limerick 1 & 2, Peach Bottom 2 & 3, Three Mile Island-1, Hope Creek and Salem 1 & 2;

11) PECO Energy and PSE&G should prepare and submit a report on the the amount of spent capacity (1) available at Limerick 1 & 2, Peach Bottom 2 & 3, Three Mile Island-1, Hope Creek and Salem 1 & 2;

1 " It could be 2012 to 2017 before the DOE waste program has a repository ready to begin disposing of utility spent fuel, according to a projection by a high-ranking program official this week... ("Nucleonics Week " /Volume 46/Issue 9/ March 3, 2005.)

The waste office's deputy director, John Arthur, told a nuclear waste management conference in Tucson, Arizona on February 28, 2005, that it could be roughly 30 to 35 years from the start of the DOE waste program before the U.S. has an operating repository. He made the comment while highlighting a similar pace at which several other countries were moving with their disposal programs .

12) PECO Energy and PSE&G should prepare and submit a report for onsite storage (2) of low-level radioactive waste for Limerick 1 & 2, Peach Bottom 2 & 3, Three Mile Island-1, Hope Creek and Salem 1 & 2;

13) PECO Energy and PSE&G should prepare and submit a timeline for loss of full-core off-load at Limerick 1 & 2, Peach Bottom 2 & 3, Three Mile Island-1; Hope Creek and Salem 1 & 2;

14) PECO Energy and PSE&G should prepare and submit a timeline for license extension plans for Limerick 1 & 2, Three Mile Island-1, Hope Creek, and Salem 1& 2;

15) PECO Energy and PSE&G should prepare and submit legally binding assurances and guarantees that work force levels at Limerick 1 & 2, Peach Bottom 2 & 3 and Three Mile Island-1 remain (3) at, or exceed, present levels (4);

2 On July 1, 2008, the low-level (LLW) radioactive waste site in Barnwell, South Carolina will be closed. Waste will only be accepted from states in the Atlantic Compact.

The private Envirocare site in Utah will be the only site available to LLRW generators in 36 states. However, the Envirocare site is only licensed for biological waste, biomedical research waste or the two highest classes of LLRW. Most low-level radioactive waste generated at nuclear power plants can not be shipped to the Envirocare site. On February 25, 2005, Utah Governor Jon Huntsman Jr. (R) signed legislation to keep more radioactive classes of low-level waste out of the state. ("Nucleonics Week" /Volume 46/Issue 9/ March 3, 2005.)

3 On August 6, 2003, Exelon announced it would eliminate about 1,900 positions--10% of its workforce--by 2006 as part of its restructuring. Exelon cut 1,200 positions by 2004, and another 700 layoffs are planned in 2006. Exelon currently staffs at the lower-level of acceptable standards and assumes supplemental forces in the event of another security breach. On April 30, 2003, Governor Ed Rendell removed the National Guard and Pennsylvania State Police from their posts at all five of Pennsylvania's nuclear generating stations.

4 10 CFR § 73.55 (h) (3) mandates, "The total number of guards, and armed trained personnel immediately available at the facility to fulfill these response requirements shall nominally be ten (10), unless specially required otherwise on a case by case basis by the Commission; however this number may not be reduced to less than five (5) guards".

16) PECO Energy and PSE&G should prepare and submit reliable estimates of the impact on the “virtual market place” (5) from the relicensing of Limerick 1 & 2, Three Mile Island-1; Hope Creek and Salem 1 & 2;

17) PECO Energy and PSE&G should prepare and submit legally binding assurances and guarantees that market manipulation convictions (6) will result in selling off the generating assets of Power Purchase Agreement assets to the current purchase recipient;

18) PECO Energy and PSE&G should prepare and submit legally binding assurances that PECO or PSE&G will not undermine Pennsylvania's security by utilizing mixed uranium oxide fuel sold, leased, or transferred from the United States Department of Energy at any of its operating nuclear generating stations;

19) PECO Energy and PSE&G should prepare and maintain a health and cancer registry for all Company, contractor and subcontractor employees working at one or more of AmerGen, ComEd, Exelon, PECO Energy or PSE&G's nuclear generating stations;

20) AmerGen, Exelon, PECO Energy should prepare and submit legally binding assurances and guarantees that investments in local Pennsylvania communities, remain at, or exceed, current levels;

⁵ Volume IV, PECO Statement, No-3, The Direct Testimony of William H. Hieronymous. The Witness failed to discuss the impact of license extensions or power uprates on the “the virtual divestiture of nuclear base load”.

Mr. Hieronymous' Testimony does not cover the impact of refueling outages, extended refueling outages, or the cost of generic rule making on Exelon's nuclear fleet.

⁶ The issue of market manipulation is linked to “vertical issues”, and was raised in The Direct Testimony of William H. Hieronymous, pp. 29-31.

21) The Pennsylvania Public Utility Commission should hold a final decision for approval of the merger in abeyance until such time that Exelon, Peco Energy and AmerGen, can demonstrate and verify they are complying with emergency preparedness measures at Limerick 1 & 2, Peach Bottom 2 & 3, and Three Mile Island-1 under the Radiological Emergency Protective Measures outlined in 10 CFR § 50.47 (Condition of Licenses) (7);

22) The Pennsylvania Public Utility Commission should hold a final decision for approval of the merger in abeyance until Exelon, Peco Energy, and AmerGen can document that the NRC has found Limerick 1 & 2, Peach Bottom 2 & 3, and Three Mile Island-1 to be in compliance (and current) with security enhancements mandated in 10 CFR § 73.55 (8);

7 Peach Bottom, Limerick and Three Mile island have failed to include child care facilities in their Radiological Emergency Plans for the past 18 years. As such, all three facilities are in violation of Federal Laws put into place due to Presidential Executive Order 12148 to provide "reasonable assurance" that the public, including preschool children, could be protected in the event of a Radiological Emergency as a condition to own and operate a nuclear power license.

Exelon is in violation of the following Federal Regulations: 10 CFR § 50.47; 10 CFR § 50.54; 10 CFR § Part 50 Appendix E; and 44 CFR § 350.

Representative Todd Platts (R-York) has requested a Congressional Investigation into this matter.

8 Exelon has regularly requested (and been granted) delays in meeting NRC security requirements mandated after 9/11. In addition, Exelon's security contractor, Wackenhut has been accused by the Department of Energy of cheating during force on force exercises.

Refer to GAO, Nuclear Regulatory Commission: preliminary Observations of Efforts to Improve Security at Nuclear Power Plants. Statement of Jim Wells, Director, House Committee on Government Reform, September 14, 2004, p. 14.

23) The Pennsylvania Public Utility Commission should hold a final decision for approval of the merger in abeyance until the Nuclear Regulatory Commission rules on a Petition filed by the Attorney's General of Arizona, Arkansas, California, Connecticut, Illinois, New York and Wisconsin requiring an upgrade on nuclear power plant security for 2005 (8);

24) The Pennsylvania Public Utility Commission should hold a final decision for approval of the merger in abeyance until Peach Bottom-2 is removed from the NRC's increased oversight program (9); and,

25) The Pennsylvania Public Utility Commission should hold a final decision for approval in abeyance until Three Mile Island's training program is removed from probation (10).

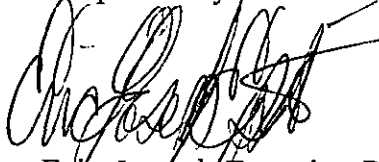
8 The Petition was filed on January 24, 2005.

9 On April 10, 2004, the Nuclear Regulatory Commission decided to maintain increased oversight at Peach Bottom-2, as a result of deficient performance and the number of unplanned shutdowns. The commission will follow a normal inspection schedule for the power station's third unit through September 30, 2005.

On November 15, 2003, the NRC announced it was increasing its inspections at peach Bottom after four unplanned shutdowns of the nuclear plant's Unit 2 reactor.

10 The training program was placed on probation in January, 2005, by the National Nuclear Accrediting Board, which reviews training programs every four years at commercial nuclear plants. The action could prevent the board from reaccrediting Three Mile Island's program. The exact result is unclear, however, because no nuclear station has lost its accreditation since the program started 20 years ago.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Eric Joseph Epstein". The signature is written in a cursive, somewhat stylized font with some overlapping strokes.

Eric Joseph Epstein, *Pro se*
4100 Hillside Road
Harrisburg, PA 17112
ericpstein@comcast.net

DATED: March 7, 2005

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Joint Application of Peco Energy :
Company and Public Service :
Electric. and Gas Company for : Docket No.
Approval of the Merger of Public : A-110550F0160
Service Enterprise Group :
Incorporated with and into :
Exelon Corporation. :**

SECRETARY'S
BUREAU

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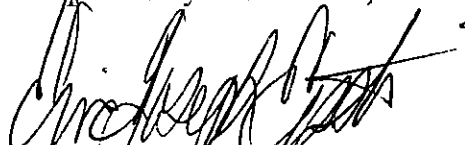
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**ERIC JOSEPH EPSTEIN'S, *Pro se*
SERVICE LIST**

CERTIFICATION OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the active participants named below by US mail or hand delivery in accordance with the requirements of 52 Pa. Code § Section 1.54.

Respectfully submitted,



Eric Joseph Epstein, *Pro se*
4100 Hillsdale Road
Harrisburg, PA 17112
(717)-541-1101 Phone
(717)-541-5487 Fax
ericepstein@comcast.net

DATE: MARCH 7, 2005

PECO Energy Company
Paul Bonney, Esquire
Kent D. Murphy, Esquire
2301 Market Street
Philadelphia, PA 19101-8699

PSE&G
Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen
212 Locust Street
Harrisburg, PA 17101

PAIEUG c/o
David M. Kleppinger, Esquire
McNees, Wallace & Nurick
100 Pine Street, PO Box 1166
Harrisburg, PA 17108-1166

Tanya J. McCloskey,
Senior Assistant, Esquire
James A. Mullins, Esquire
Assistant c/o
Office of Consumer Advocate
Forum Place - 5th Floor
555 Walnut Street
Harrisburg, PA 17120

Office of Trial Staff
Johnnie E. Simms, Esquire
Director
Kenneth Mickens, Esquire
Senior Prosecutor
Pennsylvania PUC
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
Commonwealth Avenue and North Street
Harrisburg, PA 17120

William Lloyd, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Vincent J. Walsh, Esquire
c/o SEPTA
1234 Market Street
Fifth Floor
Philadelphia, PA 19107

Hon. Allyson Schwartz
U.S. House of Representatives
423 Cannon Office bldg.
Washington, D.C. 20515

Kenneth Barna & Wayne Frigad, Esq.
c/o Rubin & Rudman
Amtrak
50 Rows Wharf
Boston, Mass 02110

Thomas Schmidt & Brian Downey
c/o Pepper, Hamilton
Amtrak
200 One Keystone Bldg.
North Front & Market Streets
Harrisburg, PA 17108

PRA c/o
Kenneth Zielonis, Esquire
Stevens & Lee
208 North 3rd Street - Suite 310
Harrisburg, PA 17108-2090

James Melia, Esquire
Kirkpatrick & Lockhart
Payne-Shoemaker Bldg.
Harrisburg, PA 17101-1507

Stephanie Sugrue, Mary Ann Ralls,
Sheila Hollis, Esquire c/o QST
Duane, Morris & Hecksher
1667 K Street, N.W. - Suite 700
Washington, D.C. 20006

Joseph S. Betsko, Esquire
Deputy Attorney General
Office of Attorney General
Commonwealth of Pennsylvania
14th Floor, Strawberry Square
Harrisburg, PA 17120

John Hanger, CEO
c/o Penn Future
610 North 3rd Street
Harrisburg, PA 17101

Ed Lynch, Esquire
Utility Emergency Services Fund
125 S. 9th Street, Suite 501
Philadelphia, PA 19107

Community Legal Services
CEPA, ACORN, TAG & Action Alliance
c/o Ed McCool, Esquire
Phil Bertocci, Esquire
1424 Chestnut Street, 4th Floor
Philadelphia, PA 19102

James H. Cawley, Esquire
Rhoades & Sinon - 12th Floor
P. O. Box 1146
One South Market Street
Harrisburg, PA 17108-1146

David M. Desalle, Esq.
Ryan, Russell, Ogden & Seltzer, LLP.
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025

Senator Vincent Fumo
c/o Christopher Craig, Esquire
Senate Democratic Appropriations
Main Capitol Building, Room 545
Harrisburg, PA 17120

Paul Zeigler, Esquire c/o
Utility Consortium
300 Bridge Street
P.O. Box B
New Cumberland, PA 17070

Lillian Smith Harris, Esquire
c/o Municipal Group
Hawke & McKeon, LLP
Harrisburg Energy Center
100 N. 10th Street - P.O. Box 1778
Harrisburg, PA 17105

Jay Dawson, Esquire
Phillips Gas & Oil Company
205 North Main Street
Butler, PA 16001

Laureto A. Farinas, Esquire
c/o PGW
800 W. Montgomery Avenue
Philadelphia, PA 19122

William Glunt c/o CNG
One Chatham Center,
Suite 700
Pittsburgh, PA 15219

Craig Goodman, Esquire
c/o NEMA
3333 K Street, N.W.
Suite 425
Washington, D.C. 20007

David A. Glenn, Esquire c/o
Transcontinental Gas Pipe
Line Corporation
2800 Post Oak Blvd.
Houston, Texas 77056

Joseph Vullo, Esquire
c/o CEO
1460 Wyoming Avenue
Forty Fort, PA 18704

John Halstead, Esquire
c/o East Brandywine Township
Gawthrop, Greenwood, et al
119 North High Street
West Chester, PA 19381

Joseph A. Dworetzky, Esquire
c/o MAPSA
Hangley, Aronchik, Segal, Pudlin
One Logan Square
Philadelphia, PA, 19103

David L. Cruthrids, Esquire
c/o Dynegy Marketing & Trade
1000 Louisiana, Suite 5800
Houston, Texas 77002

Paul Russell, Esquire
c/o PPL
Two North Ninth Street
Allentown, PA 18101

Andrew Altman & Joseph O. Minott, Esq.
c/o Clean Air Council
135 S. 19th Street, Suite 300
Philadelphia, PA 19103

David A. McCormick, Esquire
General Attorney
Office of the Judge Advocate General
901 North Stuart Street
Arlington, VA 22203-1837

Kevin McKeon, Esquire
100 N. Tenth Street
P.O. Box 1778
Harrisburg, PA 17105

Keith Sappenfield, Esquire
c/o Reliant Energy Retail
1111 Louisiana, 42nd Floor
P.O. Box 1409
Houston, Texas 77521-1409

Michael G. Banta, Esquire
c/o IP&L
P.O. Box 1595
Indianapolis, IN 46206-1595

Timothy W., Merrill, Jr., Esq.
c/o TXU Energy Services
Foster Plaza 10, Suite 200
680 Anderson Drive
Pittsburgh, PA 15220

Mike Cornwell
c/o Dominion
120 Tredegar Street
Richmond, VA 23219

Chief Counsel
PREA
212 Locust Street,
P.O. Box 1266
Harrisburg, PA 17108

Roger E. Clark, Esquire
Attorney of Record
Environmental Energy Project
905 Denston Drive
Ambler, PA 19002

Patricia Clark, Esquire
Norbert J. Smith, Esquire
Allegheny Energy Supply Co.
RR 12, Box 1000
Greensburg, PA 15601

Usher Fogel, Esquire
Roland, Fogel, Kobelnz, Carr, LLP
PA Petroleum Association
1 Columbus Place
Albany, NY 12207

GPU Energy
Ryan, Russell, Ogden & Seltzer, LLP
800 N. Third Street, Suite 101
Harrisburg, PA 17102-2025

Janet L. Miller & Todd S. Stuart, Esq.
Malatesta, Hawke & McKeon, LLP
Harrisburg Energy Center
P. O. Box 1778
Harrisburg, PA 17120

Joan A. Brandies, Esquire
Schander, Harrison, Segal & Lewis
Suite 3600, 1600 Market St.
Philadelphia, PA 19103-4252

John Munsch, Esquire
Allegheny Power
800 Log Cabin Drive
Greensburg, PA 15601

Susan M. Shanaman, Esquire
212 N. 3rd Street
Suite 203
Harrisburg, PA 17101-1505

ORIGINAL

Theodore H. Jobs
Direct Dial: (215) 299-2786
Internet Address: tjobs@foxrothschild.com

March 7, 2005

VIA FEDERAL EXPRESS

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

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MAR 07 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

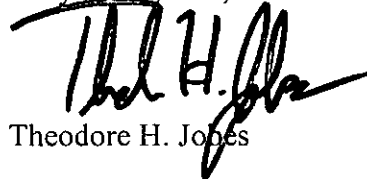
Re: Joint Application of PECO Energy Company and Public
Service Electric and Gas Company, A-110550F0160

Dear Secretary McNulty:

Enclosed for filing are an original and four (4) copies of this transmittal letter and the Petition to Intervene of the New Jersey Large Energy Users Coalition in the above matter. Copies of the enclosed Petition to Intervene are being served upon counsel for the Joint Applicants and the parties or their counsel set forth on the service list attached to the Joint Application.

Should you have any questions regarding the above, please call me at (215) 299-2786. Please date-stamp and return to me in the self-addressed envelope I have enclosed the extra copy of this letter and the Petition to Intervene. Thank you for your cooperation.

Very truly yours,


Theodore H. Jobs

THJ/bs
Enclosures

James J. McNulty, Secretary

March 7, 2005

Page 2

cc: Paul R. Bonney, Esq. (w/encl.)
Kent D. Murphy, Esq. (w/encl.)
Daniel Clearfield, Esq. (w/encl.)
Richard P. Bonnifield, Esq. (w/encl.)
Thomas P. Gadsden, Esq. (w/encl.)
Anthony C. DeCusatis, Esq. (w/encl.)
Barnett Satinsky, Esq. (w/encl.)
Steven S. Goldenberg, Esq. (w/encl.)
Paul F. Forshay, Esq. (w/encl.)

All parties of record as set forth on the service list attached to the Joint Application

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF PECO ENERGY :
COMPANY AND PUBLIC SERVICE :
ELECTRIC AND GAS COMPANY :
FOR APPROVAL OF THE MERGER : Docket NO. A-110550F0160
OF PUBLIC SERVICE ENTERPRISE :
GROUP INCORPORATED WITH AND :
INTO EXELON CORPORATION :

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MAR 07 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PETITION TO INTERVENE

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to the provisions of 52 Pa. Code §§ 5.71 through 5.74, the New Jersey Large Energy Users Coalition, whose members include large volume customers serviced by Public Service Electric and Gas Company ("PSE&G"), hereby files this Petition to Intervene in the above-captioned proceeding. In support thereof, Petitioner states as follows:

1. Petitioner is the New Jersey Large Energy Users Coalition ("NJLEUC"), a coalition whose members include large volume customers serviced by PSE&G and who are located in the State of New Jersey.

2. The names and addresses of Petitioner's attorneys are:

Barnett Satinsky
Theodore H. Jobes
FOX ROTHSCHILD LLP
2000 Market Street – 10th Floor
Philadelphia, PA 19103-3291
Phone: 215-299-2088
Fax: 215-299-2150

Steven S. Goldenberg, Esq.
FOX ROTHSCHILD LLP
Princeton Pike Corporate Center
997 Lenox Drive
Building 3
Lawrenceville, NJ 08648-2311
Phone: 609-896-4586
Fax: 609-896-1469

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MAR 21 2005

Paul F. Forshay, Esq.
SUTHERLAND, ASBILL & BRENNAN, LLP
1275 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Phone: 202-383-0100
Fax: 202-637-3593

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SECRETARY'S BUREAU

3. By Joint Application dated February 4, 2005, PECO Energy Company ("PECO") and PSE&G (collectively, "Joint Applicants") seek approval by the Pennsylvania Public Utility Commission (the "Commission") of the merger of Public Service Enterprise Group Incorporated ("PSEG") (PSEG is the corporate parent of PSE&G) with and into Exelon Corporation ("Exelon") (PECO is a wholly owned subsidiary of Exelon).

4. By Joint Petition filed with the New Jersey Board of Public Utilities (the "New Jersey Board") dated February 4, 2005, PSE&G and Exelon (collectively, "Joint Petitioners") in a proceeding captioned: *In the Matter of the Joint Petition of Public Service Electric and Gas Company and Exelon Corporation for Approval of a Change in Control of Public Service Electric and Gas Company, and Related Authorizations*, BPU Docket No. _____; OAL Docket No. _____ (the "New Jersey Proceeding"), seek approval by the New Jersey Board of a change of control of PSE&G through the merger of PSE&G into Exelon, as effected by the Joint Petitioners' Agreement and Plan of Merger.

5. NJLEUC filed a Motion to Intervene in the New Jersey Proceeding on March 2, 2005.

6. NJLEUC formed, in part, to monitor regulatory proceedings involving New Jersey's electric and natural gas utilities, including PSE&G, and intervene in regulatory and rate proceedings to the extent necessary to represent its members' common interests. Members of NJLEUC purchase electricity and natural gas service from PSE&G, were intervenors with full

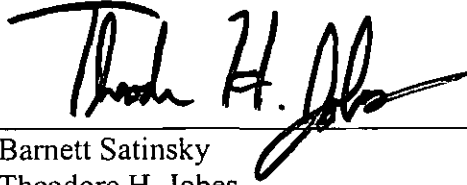
party status in PSE&G's last base rate case and, therefore, will be substantially and specifically affected by the outcome of the New Jersey Proceeding.

7. In light of the multi-state impact of Joint Applicants' proposed merger and the fact that this proceeding and the New Jersey Proceeding will involve a substantial overlap of factual and legal issues, there is the potential that decisions issued in this proceeding may impact or influence the decisions of the New Jersey Board. Therefore, the Commission's disposition of Joint Applicant's Application could impact NJLEUC and directly affect its interests. As a result, NJLEUC has a significant interest in this proceeding that is not adequately represented by any other party of record, and as to which NJLEUC may be bound by the action of the Commission in this proceeding.

8. NJLEUC's interest in this proceeding is also of such a nature that the participation of NJLEUC may be in the public interest.

WHEREFORE, the New Jersey Large Energy Users Coalition respectfully requests that the Pennsylvania Public Utility Commission grant this Petition to Intervene and provide NJLEUC with full party status in this proceeding.

Respectfully submitted,



Barnett Satinsky
Theodore H. Jobs
FOX ROTHSCHILD LLP
2000 Market Street – 10th Floor
Philadelphia, PA 19103-3291
Phone: 215-299-2088
Fax: 215-299-2150

And

Steven S. Goldenberg, Esq.
FOX ROTHSCHILD LLP
Princeton Corporate Center
997 Lenox Drive
Building 3
Lawrenceville, NJ 08648-2311
Phone: 609-896-4586

Attorneys for New Jersey Large Energy Users
Coalition

Dated: March 7, 2005

AFFIDAVIT

STATE OF NEW JERSEY

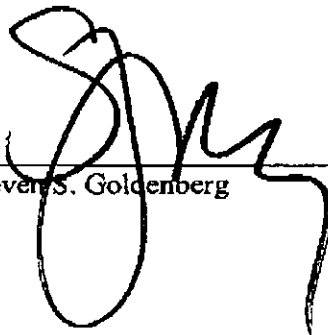
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SS

COUNTY OF MERCER

:

Steven S. Goldenberg, being duly sworn according to law, deposes and says that he is counsel to the New Jersey Large Energy Users Coalition, and that in this capacity he is authorized to and does make this affidavit for them, and that the facts set forth in the foregoing Petition to Intervene are true and correct to the best of his knowledge, information and belief.



Steven S. Goldenberg

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 7th DAY
OF MARCH, 2005.



NOTARY PUBLIC

MY COMMISSION EXPIRES:
ANNA M. CASSIDY
A Notary Public Of New Jersey
My Commission Expires August 6, 2006

CERTIFICATE OF SERVICE

I hereby certify that I have this 7th day of March, 2005, served a copy of Petitioner New Jersey Large Energy Users Coalition's Petition to Intervene, by first class United States mail, postage pre-paid, in accordance with the requirements of 52 Pa. Code § 1.54, *et seq.* (relating to service by a participant) upon the following:

PARTIES RECEIVING PAPER COPY OF THE FILING:	
Daniel Clearfield, Esquire Wolf, Block, Schorr & Solis-Cohen LLP 212 Locust Street, Suite 300 Harrisburg, PA 17101 (Counsel for Public Service Electric and Gas Company)	Paul R. Bonney, Esquire Kent D. Murphy, Esquire PECO Energy Company 2301 Market Street P.O. Box 8699 Philadelphia, PA 19101-8699
Richard P. Bonnifield, Esquire Vice President-Law PSEG Services Corporation 80 Park Plaza, T5E Newark, NY 07102	Thomas P. Gadsden, Esquire Anthony C. DeCusatis, Esquire Morgan Lewis & Bockius LLP 1701 Market Street Philadelphia, PA 19103 (Counsel for PECO Energy Company)
J. Edward Simms, Director Office of Trial Staff Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265	William R. Lloyd, Jr., Esquire Office of Small Business Advocate Commerce Building – Suite 1102 300 N. Second Street Harrisburg, PA 17101
Irwin A. Popowsky, Esquire Office of Consumer Advocate 555 Walnut Street Forum Place – 5 th Floor Harrisburg, PA 17101	David M. Kleppinger, Esquire Charis M. Burak, Esquire McNees, Wallace & Nurick 100 Pine Street Harrisburg, PA 17108 (Counsel for Philadelphia Area Industrial Energy Users Group)
Joseph S. Betsko Deputy Attorney General Antitrust Section Office of Attorney General Commonwealth of Pennsylvania 14 th Floor, Strawberry Square Harrisburg, PA 17120	

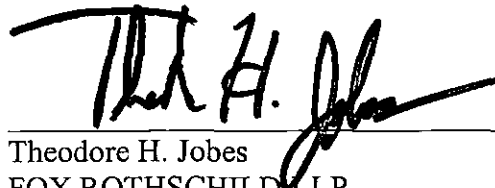
PARTIES RECEIVING NOTICE OF THE FILING:

<p>Susan M. Shanaman, Esquire 212 North Third Street, Suite 203 Harrisburg, PA 17101</p> <p>(Counsel for CEED)</p>	<p>John Hanger, Esquire 117 South 17th Street, Suite 1801 Philadelphia, PA 19103</p> <p>(Counsel for Citizens for Pennsylvania's Future)</p>
<p>Christopher B. Craig, Esquire Senate Democratic Appropriations Committee Room 545, Main Capitol Building Harrisburg, PA 17120</p> <p>(Counsel for Senator Fumo)</p>	<p>Eric Epstein 4100 Hillsdale Road Harrisburg, PA 17112</p> <p>(Pro Se)</p>
<p>Roger Clark, Esquire NESIP 905 Denston Drive Ambler, PA 19002-3901</p> <p>(Attorney for Environmentalists)</p>	<p>John Halstead, Esquire Gawthrop, Greenwood & Halstead 119 North High Street West Chester, PA 19381</p> <p>(Counsel for East Brandywine Township)</p>
<p>Paul E. Russell, Esquire PP&L Services Corporation Two North Ninth Street Allentown, PA 18101</p> <p>(Counsel for PP&L)</p>	<p>Lillian Smith Harris, Esquire Hawke & McKeon LLP Harrisburg Energy Center 100 North Tenth Street – P.O. Box 1778 Harrisburg, PA 17105</p> <p>(Counsel for Municipal Group)</p>
<p>Pennsylvania Rural Electric Association 212 Locust Street Harrisburg, PA 17108</p>	<p>Usher Fogel, Esquire Roland, Fogel, Koblenz & Carr, LLP 1 Columbia Place Albany, NY 12007</p> <p>(Counsel for Pennsylvania Petroleum Association)</p>
<p>Joseph Otis Minoit, Esquire 135 South 19th Street, Suite 300 Philadelphia, PA 19103</p> <p>(Counsel for Clean Air Counsel)</p>	<p>Honorable Allyson Schwartz U.S. House of Representatives 423 Cannon Office Building Washington, DC 20515</p>

<p>Thomas Schmidt, III, Esquire Brian P. Downey, Esquire Pepper Hamilton LLP 200 One Keystone Plaza North Front & Market Streets Harrisburg, PA 17108</p> <p>(Counsel for Amtrak)</p>	<p>Patricia McNamara 6048 Ogontz Avenue Philadelphia, PA 19141</p>
<p>Kenneth M. Barna, Esquire Wayne R. Figard, Esquire Rubin and Rudman LLP 50 Rowes Wharf Boston, MA 02110</p> <p>(Counsel for Amtrak)</p>	<p>James H. Cawley Rhoads & Sinon 1 South Market Square P.O. Box 1146 Harrisburg, PA 17108-1146</p>
<p>Phil Bertocci, Esquire Community Legal Services, Inc. 1424 Chestnut Street, 4th Floor Philadelphia, PA 19102</p> <p>(Counsel for CEPA, et al.)</p>	<p>David Desalle, Esquire Ryan, Russell, Ogden & Seltzer 800 North Third Street, Suite 101 Harrisburg, PA 17102</p> <p>(Counsel for GPU)</p>
<p>Joe Dworetzky, Esquire Matthew Hamermesh, Esquire Hangley Aronchick Segal & Pudlin One Logan Square – 27th Floor Philadelphia, PA 19103</p> <p>(Counsel for Mid-Atlantic Power Supply)</p>	<p>Vincent J. Walsh, Jr., Esquire Southeastern Pennsylvania Transportation Authority 1234 Market Street – Fifth Floor Philadelphia, PA 19107-3780</p> <p>(Counsel for SEPTA)</p>
<p>John L. Munsch, Esquire Deborah J. Henry, Esquire Allegheny Power 800 Cabin Hill Drive Greensburg, PA 15601-1689</p> <p>(Counsel for Allegheny Power)</p>	<p>Kenneth Zielonis, Esquire Stevens & Lee 208 N. 3rd Street – Suite 310 Harrisburg, PA 17108-2090</p> <p>(Counsel for Pennsylvania Retailers Association)</p>
<p>Gordon Smith, Esquire John & Hengerer 1200 17th Street, N.W. – Suite 600 Washington, DC 20036-3006</p> <p>(Counsel for Electric Clearinghouse, Vastar and Noram Energy)</p>	<p>Paul L. Zeigler, Esquire Paul L. Zeigler PC 300 Bridge Street, Second Floor P.O. Box B New Cumberland, PA 17070</p> <p>(Counsel for Delaware Valley Schools Energy/Utility Consortium)</p>

<p>Stephanie A. Sugrue, Esquire Mary Ann Ralls, Esquire Shelia Hollis, Esquire Duane, Morris & Heckscher, LLP 1667 K Street, N.W. – Suite 700 Washington, DC 20006</p> <p>(Counsel for QST)</p>	<p>Craig Goodman, Esquire President National Energy Marketers Association 3333 K Street, N.W. Suite 425 Washington, DC 20007</p> <p>(Counsel for National Energy Marketers Assoc.)</p>
<p>Jay W. Dawson, Esquire T.W. Phillips Gas & Oil Company 205 North Main Street Butler, PA 16001</p>	<p>Keith Sappenfield, Esquire Reliant Energy Retail, Inc. 1111 Louisiana, 42nd Floor P.O. Box 1409 Houston, TX 77251-1409</p>
<p>Linda J. Casey, Esquire Hangley, Aronchick, Segal & Pudlin One Logan Square, 27th Floor Philadelphia, PA 19103</p> <p>(Counsel for PGW)</p>	<p>Mr. Brian Kalcic Excel Consulting Suite 720-T 225 S. Meramec Avenue St. Louis, PO 63015</p> <p>(Consultant for OSBA)</p>
<p>William E. Glunt CNG Retail Services Corporation One Chatham Center, Suite 700 Pittsburg, PA 15219</p>	<p>Timothy W. Merrill, Jr. TXU Energy Services, Inc. Foster Plaza 10, Suite 200 680 Anderson Drive Pittsburgh, PA 15220</p>
<p>David A. Glenn, Esquire Transcontinental Gas Pipe Line Corporation 2800 Post Oak Boulevard Houston, TX 77056</p>	<p>Michael G. Banta, Esquire Indianapolis Power & Light Company One Monument Circle P.O. Box 1595 Indianapolis, IN 46206-1595</p> <p>(Counsel for IP&L)</p>
<p>Laureto A. Farinas, Esquire Philadelphia Gas Works 800 W. Montgomery Avenue Philadelphia, PA 19122</p>	<p>Kevin J. McKeon, Esquire Hawke McKeon Sniscak & Kennard LLP 100 N. Tenth Street P.O. Box 1778 Harrisburg, PA 17105</p>
<p>James P. Melia, Esquire Kirkpatrick & Lockhart LLP Payne-Shoemaker Building 240 North Third Street Harrisburg, PA 17101-1507</p>	<p>Mark C. Morrow, Esquire UGI Utilities, Inc. 460 N. Gulph Road King of Prussia, PA 19406</p>

David L. Cruthirds, Esquire Senior Director & Regulatory Counsel DYNEGY Marketing & Trade 1000 Louisiana, Suite 5800 Houston, TX 77002	Mike Cornwell Dominion 120 Tredegar Street Richmond, VA 23219
Martha A. Duggan Statoil Energy, Inc. 2800 Eisenhower Avenue Alexandria, VA 22314	Joseph L. Vullo, Esquire 1460 Wyoming Avenue Forty Fort, PA 18704-4237
Gary A. Jeffries, Esquire Senior Counsel CNG Retail Services Corporation One Chatham Center, Suite 700 Pittsburgh, PA 15219	



Theodore H. Jobs
FOX ROTHSCHILD LLP
2000 Market Street – 10th Floor
Philadelphia, PA 19103-3291
(215) 299-2088

Scott J. Rubin
Attorney ♦ Consultant

ORIGINAL

3 Lost Creek Drive ♦ Selinsgrove, PA 17870 ♦ (570)743-2233 ♦ Fax: (570)743-8145 ♦ scott@publicutilityhome.com

March 7, 2005

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

DOCUMENT FOLDER

Re: Joint Petition of PECO Energy Company and
Public Service Electric and Gas Company for
Approval of the Merger of Public Service
Enterprise Group Incorporated with and into
Exelon Corporation
Docket No. A-110550F0160

Dear Secretary McNulty:

Enclosed for filing please find an original and three copies of the Petition to Intervene of Exelon Utility Coordinated Council, Locals 614 and 777 of the International Brotherhood of Electrical Workers, and Frank Kuders (collectively "Labor Parties") in the above-referenced matter.

I have served a copy of this document on all parties of record, as shown on the attached Certificate of Service, as well as on the Chief Administrative Law Judge.

Sincerely,


Scott J. Rubin

Enclosures

cc: Veronica Smith, Chief Administrative Law Judge
All parties

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2005 MAR -7 PM 12:57
SECRETARY'S BUREAU

102

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Joint Application of PECO Energy :
Company and Public Service Electric :
and Gas Company for Approval of the :
Merger of Public Service Enterprise :
Group Incorporated with and into :
Exelon Corporation :

Docket No. A-110550F0160

DOCKETED
MAR 18 2005

PETITION TO INTERVENE
OF EXELON UTILITY COORDINATED COUNCIL,
LOCALS 614 AND 777 OF THE
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
AND FRANK KUDERS

DOCUMENT
FOLDER

Pursuant to 52 Pa. Code §§ 5.71, *et seq.*, the Exelon Utility Coordinated Council (EUCC), International Brotherhood of Electrical Workers (IBEW) Locals 614 and 777, and Frank Kuders, an individual customer of PECO Energy Co., hereby petition to intervene in the above-captioned proceeding. In support of this Petition, EUCC, IBEW Locals 614 and 777 and Mr. Kuders (collectively referred to as Labor Parties) state as follows:

1. EUCC is an ad hoc association of local labor unions that are the authorized collective bargaining representatives for various groups of Exelon employees in Illinois (IBEW Locals 15, 51, and 1306), New Jersey (IBEW Local 1289), and Pennsylvania (IBEW Locals 614 and 777).

2. IBEW Local 614 is the authorized collective bargaining representative for various employees of PECO Energy Company in Pennsylvania.

3. IBEW Locals 614 and 777 are the authorized collective bargaining representatives for various employees of certain generating stations owned by Exelon Generation LLC in Pennsylvania.

4. Frank Kuders is the President of IBEW Local 614 and a residential customer of PECO Energy Co. at 5 Ruby Road, Chadds Ford, Pennsylvania.

5. This proceeding concerns the proposed merger of Public Service Enterprise Group with and into Exelon Corporation, the parent company of PECO Energy Co.

6. Labor Parties desire to participate in this proceeding to ensure that the interests of their members who are employees of PECO Energy Co. are fully protected and represented in this matter. In addition, Labor Parties desire to participate in this proceeding to ensure that the interests of their members who are employees of other subsidiaries of Exelon, including Exelon Generation LLC, are fully protected and represented in this matter, particularly to the extent that those employees do now, or may in the future, provide various services (either directly or indirectly) to consumers who reside in PECO's service territory.

7. Mr. Kuders desires to participate in this proceeding in his capacities as an officer of IBEW Local 614 and a customer of PECO Energy Co.

8. No other party to this proceeding represents the interests of Labor Parties and their members.

9. The Public Utility Code and Commission precedent specifically recognize the interest of organized labor when a utility proposes a merger, acquisition, or other corporate reorganization that requires the issuance of a certificate of public convenience. For example, the Natural Gas Choice and Competition Act states that in the context of

such a proceeding, “the commission shall consider ... [t]he effect of the proposed merger, consolidation, acquisition or disposition on the employees of the natural gas distribution company and on any authorized collective bargaining agent representing those employees.” 66 Pa. C.S. § 2210(a)(2) (emphasis added).

10. PECO’s Application (¶ 27(g)), pre-filed testimony (PECO St. 1 at 9 and 12-13), and the merger agreement (PECO Exh. C, § 7.1) all discuss potential impacts of the proposed transaction on PECO employees, including those represented by Labor Parties.

11. Labor Parties intend to actively participate in this proceeding on such matters that affect their interests. Such participation may include conducting discovery, presenting testimony, cross-examining witnesses, and filing briefs and other pleadings.

12. Labor Parties will be represented in this case by, and all documents should be served upon their attorney:

Scott J. Rubin
3 Lost Creek Drive
Selinsgrove, PA 17870-9357

Phone: (570) 743-2233
Fax: (570) 743-8145
e-mail: scott@publicutilityhome.com

WHEREFORE, EUCC, IBEW Local 614, IBEW Local 777, and Frank Kuders respectfully request the right to intervene as active parties in this proceeding.

Respectfully submitted,



Scott J. Rubin, Esq.
Pa. Supreme Court ID: 34536
3 Lost Creek Drive
Selinsgrove, PA 17870

Counsel for:
Labor Parties

Dated: March 7, 2005

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2005 MAR - 7 PM 12: 57
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing upon the following parties to this proceeding by first class mail.

Daniel Clearfield
Wolf, Block, Schorr & Solis-Cohen
212 Locust Street, Suite 300
Harrisburg, PA 17101

Paul R. Bonney / Kent D. Murphy
PECO Energy Company
P.O. Box 8699
Philadelphia, PA 19101-8699

Richard P. Bonnifield, VP - Law
PSEG Services Corporation
80 Park Plaza, T5E
Newark, NJ 07102


Thomas Gadsden / Anthony DeCusatis
Morgan Lewis & Bockius LLP
1701 Market Street
Philadelphia, Pennsylvania 19103-2921

William R. Lloyd, Jr.
Office of Small Business Advocate
300 North Second Street, Suite 1102
Harrisburg, PA 17101

Tanya McCloskey
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923

Johnnie E. Simms, Director OTS
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

David M. Kleppinger
McNees Wallace & Nurick
P.O. Box 1166
Harrisburg, PA 17108-1166


Scott J. Rubin
Counsel for Labor Parties

Dated: March 7, 2005



OFFICE OF CHIEF COUNSEL
Rachel Carson State Office Building
P. O. Box 8464
Harrisburg, PA 17105-8464
March 7, 2005

Bureau of Regulatory Counsel

Telephone 717-787-7060
Telecopier 717-783-7911

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

DOCUMENT
FOLDER

RE: Joint application of PECO Energy Company and Public Service Electric and Gas Company for approval of the merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation.
PUC Docket No. A-110550F0160.

Dear Secretary McNulty:

In accordance with the Public Utility Commission's Rules of Practice and Procedure at 52 Pa. Code § 1.59, please find for filing an original and three copies of the Commonwealth of Pennsylvania, Department of Environmental Protection's Petition to Intervene in the above referenced matter. Thank you for your assistance.

Sincerely,

Scott Perry
Assistant Counsel

cc: Certificate of Service
Honorable Marlane Chestnut, PUC ALJ
Irwin Popowsky, Esquire
William Lloyd, Esquire

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enclosure



112

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF PECO :
ENERGY COMPANY AND PUBLIC :
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE : Docket No. A-110550F0160
MERGER OF PUBLIC SERVICE :
ENTERPRISE GROUP :
INCORPORATED WITH AND INTO :
EXELON CORPORATION :

PETITION TO INTERVENE OF THE DEPARTMENT
OF ENVIRONMENTAL PROTECTION

The Commonwealth of Pennsylvania, Department of Environmental Protection (the "Department") files this Petition to Intervene in the above referenced matter, pursuant to 52 Pa. Code §§ 5.71 and 5.72, and requests that the Public Utility Commission (the "Commission") grant its Petition to Intervene in the Joint Application of PECO Energy Company ("PECO") and Public Services Electric and Gas Company ("PSE&G") (collectively the "Utility Applicants") for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation. In support of its Petition, the Department avers as follows:

1. On or about February 4, 2005, the Utility Applicants filed their Joint Application of PECO Energy Company and Public Service Electric and Gas Company with the Commission.

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2. The Utility Applicants filed their Joint Application to obtain the approval of the Commission, if such approvals are required,¹ under Chapters 11, 22 and 28 of the Public Utility Code for the merger of Public Service Enterprise Group Incorporated ("PSEG"), the corporate parent of PSE&G, with and into Exelon Corporation ("Exelon"), the corporate parent of PECO and the ultimate corporate parent of the Joint Applicants.

3. The Commission published public notice of the Joint Application in the *Pennsylvania Bulletin* on February 19, 2005, 35 Pa.B. 1401. The Notice states that formal protests and petitions to intervene must be filed with the Commission on or before March 7, 2005.

4. The Department is an agency of the Commonwealth, and it is entitled to intervene as of right under 52 Pa. Code § 5.72(b).

5. The Department administers several environmental protection and energy related programs established by state law that provide the Department with interests that may be directly affected and are not adequately represented by existing participants, and as to which the Department may be bound by the action of the Commission in the proceeding. 52 Pa, Code § 5.72(a)(2).

6. The Department administers several environmental protection and energy related program, established by state law that provide the Department with interests of such nature that participation of the Department is in the public interest.

52 P.S. § 52.72(a)(3).

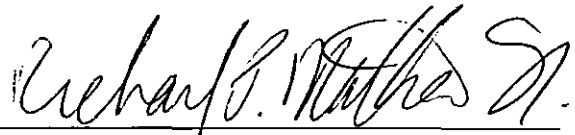
¹ Although the Joint Applicants request Commission approval of the merger, they request, in the alternative, that the Commission issue a final declaratory order setting forth a finding that Commission approval of the merger is not required.

7. The Department has the powers and duties of the Pennsylvania Energy Office and the Department performs and administers the functions of the Pennsylvania Energy Office. 71 P.S. § 1340.508(d). The Department has the powers and duties previously vested in the Governor's Energy Council by the Building Energy Conservation Act, 35 P.S. §§ 7201.101 *et seq.*, and the Energy Conservation and Assistance Act, 62 P.S. §§ 3011 *et seq.* 72 P.S. § 1340.508(a)-(b).

8. The Department's interests are of such nature that intervention by the Department is necessary and appropriate under the Public Utility Code.

For the foregoing reasons, the Department requests that the Commission grant its
Petition to Intervene in the above referenced Joint Application of Utility Applicants.

Respectfully submitted,



Richard P. Mather, Sr.
Deputy Chief Counsel
rmather@state.pa.us

Pamela G. Bishop
Assistant Counsel
pbishop@state.pa.us

Scott Perry
Assistant Counsel
scperry@state.pa.us

Commonwealth of Pennsylvania
Department of environmental Protection
RCSOB, 9th Floor
400 Market Street
Harrisburg, PA 17101-2301
717-787-7060
717-783-7911 (Fax)

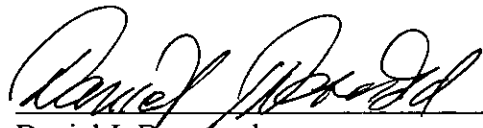
Dated: March 7, 2005

**COMMONWEALTH OF PENNSYLVANIA
BEFORE THE PUBLIC UTILITY COMMISSION**

**JOINT APPLICATION OF PECO :
ENERGY COMPANY AND PUBLIC :
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE : Docket No. A-110550F0160
MERGER OF PUBLIC SERVICE :
ENTERPRISE GROUP :
INCORPORATED WITH AND INTO :
EXELON CORPORATION :**

VERIFICATION

I, Daniel J. Desmond, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Daniel J. Desmond
Deputy Secretary for Energy and
Technology Development
Department of Environmental Protection

Dated: March 7, 2005

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF PECO :
ENERGY COMPANY AND PUBLIC :
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE : Docket No. A-110550F0160
MERGER OF PUBLIC SERVICE :
ENTERPRISE GROUP :
INCORPORATED WITH AND INTO :
EXELON CORPORATION :

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Department's Petition to Intervene in the above-captioned matter, was served by pre-paid, First Class United States mail, upon the following:

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101
717-237-7173

Paul R. Bonney
Deputy General Counsel
Kent D. Murphy
Assistant General Counsel
PECO Energy Company
2301 Market Street
P. O. Box 8699
Philadelphia, PA 19101-8699
215-841-4252

Richard P. Bonnifield
Vice President-Law
PSEG Services Corporation
80 Park Plaza, T5E
Newark NJ 07102
973-430-6441

Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
215-963-5234

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Kenneth Mickens, Esquire
Office of Trial Staff
2nd Floor West, Commonwealth Keystone
Bldg.
Harrisburg, PA 17105-3265

David Kleppinger, Esquire
McNees, Wallace & Nurick
100 Pine Street
Harrisburg, PA 17101



Scott Perry
Assistant Counsel
scperry@state.pa.us

Commonwealth of Pennsylvania
Department of environmental Protection
RCSOB, 9th Floor
400 Market Street
Harrisburg, PA 17101-2301
717-787-7060
717-783-7911 (Fax)

Dated: March 7, 2005

COMMONS & COMMONS LLP

Attorneys at Law
The Cambridge at Alden Park, Suite 1210
2967 West School House Lane
Philadelphia, PA 19144

R. Philip Steinberg
Carolyn D. Commons
Harold T. Commons, Jr.*
Daniel R. Ross
Melvin C. Breaux**

Telephone: (215) 849-4400
Facsimile: (215) 849-5555
e-mail: lawyers@commonsllp.com

* Admitted in PA and NY
** Of Counsel

March 7, 2005

ORIGINAL

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

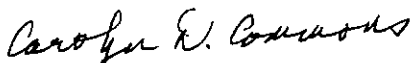
RE: Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group, Inc., with and into Exelon Corporation; Docket No. A-110550F0160

Dear Secretary McNulty:

Enclosed for filing with the commission are the original and three (3) copies of the Energy Coordinating Agency's (ECA) Petition to Intervene in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served.

Sincerely,



Carolyn D. Commons

enclosures

c: Liz Robinson, Executive Director
Energy Coordinating Agency
of Philadelphia, Inc.

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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SECRETARY'S BUREAU

JOINT APPLICATION OF PECO ENERGY :
COMPANY AND PUBLIC SERVICE :
ELECTRIC AND GAS COMPANY FOR :
APPROVAL OF THE MERGER OF : DOCKET NO. A-110550F0160
PUBLIC SERVICE ENTERPRISE :
GROUP, INC., WITH AND INTO :
EXELON CORPORATION :

PETITION TO INTERVENE

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to the provisions of 52 Pa. Code Section 5.74, the Energy Coordinating Agency (ECA) hereby files this Petition to Intervene in the above-captioned proceeding. In support thereof, ECA states as follows:

1. Petitioner is the Energy Coordinating Agency of Philadelphia, Inc. (ECA), 1924 Arch Street, Philadelphia, PA 19103, 215-988-0929.
2. On February 4, 2005, PECO Energy Company ("PECO" or "Company") and Public Service Electric & Gas Company ("PSE&G") filed a Joint Application with the Pennsylvania Public Utility Commission ("PUC"), requesting approval of the merger of Public Service Enterprise Group, Inc. ("PSEG"), PSE&G's parent company, into Exelon Corporation ("Exelon"), PECO's parent company (jointly, "Companies"). The proposed transaction contemplates PSE&G merging with Exelon, resulting in Exelon becoming the ultimate corporate parent of PECO

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and PSE&G. PECO asserts that the merger will in no way diminish PECO's aggressive pursuit of service excellence, but rather, provide benefits to PECO customers through the creation of a premiere utility serving seven million electric and two million natural gas customers. Specifically, PECO claims that the merger will combine the resources of two outstanding utility companies permitting them to share "best practices", thereby making PECO "even better positioned to meet future customer demands and to ensure that high quality service will be maintained and enhanced".

3. ECA is a non-profit corporation under its GS rate receiving electric service from PECO.

ECA's mission is to insure that low and moderate-income households have access to affordable and reliable sources of energy and water.

4. A number of issues regarding the proposed merger concern and may directly impact ECA and the interests of low-income customers. These issues include:
 - a. The effect of the proposed merger on electric transmission and distribution service rates;
 - b. The effect of the proposed merger on Universal Services programs.
 - c. The effect of the proposed merger on PECO's nuclear decommissioning cost adjustment surcharge;
 - d. The potential effect of market power in the electricity markets resulting from the proposed merger;
 - e. The calculation of the anticipated savings created by the synergy of the merger, and the manner in which the realized savings would be appropriated among customers; and

- f. The effect of the merger on the terms and conditions of PECO's electric restructuring and natural gas restructuring settlements, which were entered into pursuant to the Electricity Generation Customer Choice and Competition Act and the Natural Gas Choice and Competition Act.

ECA reserves the right to raise further issues as necessary and appropriate during the course of The proceeding, and to respond to issues raised by other parties.

5. Accordingly, the Commission's resolution of the issues in this proceeding will impact the rates that low-income customers pay for electricity and natural gas, and the services they receive. Consequently, ECA has interests that will be directly affected by the outcome of this proceeding.

WHEREFORE, the Energy Coordinating Agency respectfully requests that the Commission Grant this Petition to Intervene and provide ECA with full party status.

Respectfully submitted,

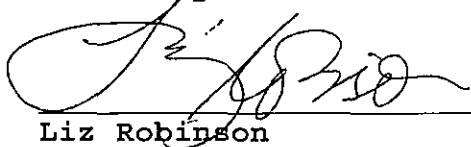
Commons & Commons, LLP

By Carolyn D. Commons
Carolyn D. Commons
Attorney for Energy Coordinating Agency
of Philadelphia, Inc.
2967 W. School House Lane #1210
Philadelphia, PA 19144
Phone: 215-849-4400
Fax: 215-849-5555

Dated: March 7, 2005

VERIFICATION

I, Liz Robinson, Executive Director of the Energy Coordinating Agency of Philadelphia, Inc., hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



Liz Robinson
Executive Director
Energy Coordinating Agency
Of Philadelphia, Inc.

Date: 3-7-05

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

VIA FIRST-CLASS MAIL

Irwin Popowsky, Esq.
Tanya McCloskey, Esq.
Office of Consumer Advocate
Forum Place, 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1923

Johnnie Simms, Esq.
Office of Trial Staff
Pennsylvania Public Utility Commission
The Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Kent D. Murphy, Esq.
PECO Energy Company
2301 Market Street, S12-3
P.O. Box 8699
Philadelphia, PA 19101-8699

William Lloyd, Esq.
Office of Small Business Advocate
Suite 1102, Commerce Bldg.
300 North Second Street
Harrisburg, PA 17101

Anthony C. DeCusatis, Esq.
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103

Daniel Clearfield, Esq.
Wolf, Block, Schorr & Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

SECRETARY'S BUREAU

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Date:

March 7, 2005

Carolyn D. Commons
Carolyn D. Commons



ORIGINAL

OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
800-684-6560 (in PA only)

IRWINA. POPOWSKY
Consumer Advocate

FAX (717) 783-7152
consumer@paoca.org

March 7, 2005

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

DOCUMENT
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2005 MAR -7 PM 3:48
SECRETARY'S BUREAU

RE: Joint Application of PECO Energy
Company and Public Service Electric and
Gas Company for Approval of the Merger of
Public Service Enterprise Group
Incorporated with and into Exelon
Corporation
A-110550F.0160

Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of the Notice of Intervention and Protest of the Office of Consumer Advocate, in the above-referenced proceeding.

Copies have been served on the parties of record as indicated on the enclosed Certificate of Service.

Sincerely,

Tanya J. McCloskey
Tanya J. McCloskey
Assistant Consumer Advocate

Enclosure

cc: Certificate of Service
Honorable Marlane Chestnut

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of PECO Energy Company and :
Public Service Electric & Gas Company For :
Approval of the Merger of Public Service :
Enterprise Group, Incorporated, with and into :
Exelon Corporation :

Docket No. A-110550FC160

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SECRETARY'S BUREAU

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NOTICE OF INTERVENTION AND PROTEST OF
THE OFFICE OF CONSUMER ADVOCATE

The Office of Consumer Advocate ("OCA") files this Notice of Intervention and Protest in the above-captioned Joint Application pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission ("PUC" or "Commission"), 52 Pa. Code §§5.51-5.53, and Chapters 11, 21, 22, and 28 of the Public Utility Code. Through this Joint Application, PECO Energy Company ("PECO") and Public Service Electric and Gas Company ("PSE&G") ("Joint Applicants") are seeking to obtain the approval of the Pennsylvania Public Utility Commission ("PUC" or the "Commission") under Chapters 11, 21, 22 and 28 of the Public Utility Code, for the merger of Public Service Enterprise Group Incorporated ("PSEG"), the corporate parent of PSE&G, with and into Exelon Corporation ("Exelon"), the corporate parent of PECO and the ultimate corporate parent of the Joint Applicants. The Joint Applicants request that the Commission issue Certificates of Public Convenience for PSE&G and PECO evidencing its approval.

PECO is a "public utility," a "natural gas distribution company" ("NGDC") and an "electric distribution company" ("EDC") as those terms are defined, respectively, in Sections 102,

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2202 and 2803 of the Public Utility Code (66 Pa. C.S. §§102, 2202 and 2803) and, therefore, is subject to regulation by the Commission. Due to its fractional ownership interest in an electric transmission line that runs from the Conemaugh Generating Station to the Maryland border, PSE&G holds a certificate of public convenience issued by this Commission. Should the Commission approve of this merger, certificates of public convenience would need to be issued with respect to both PECO and PSE&G. Alternatively, if the Commission determines that such approvals are not required, PECO has requested that the Commission issue a final declaratory order setting forth that finding.

Pursuant to the terms of an Agreement and Plan of Merger, PSEG will merge with and into Exelon, thereby ending the separate corporate existence of PSEG. Each PSEG shareholder will be entitled to receive 1.225 shares of Exelon common stock for each PSEG share held and will be paid cash in lieu of any fractional share of Exelon stock the PSEG shareholder would otherwise be entitled to receive. Following the Merger, the existing shareholders of Exelon will represent approximately 68%, and the former shareholders of PSEG will represent approximately 32%, of the shareholders of the post-Merger Exelon.

Exelon will be the surviving company and, as such, will remain the corporate parent of PECO and all other current Exelon subsidiaries, and will become the ultimate corporate parent of PSE&G and all other PSEG subsidiaries. Following the Merger, Exelon will change its name to Exelon Electric & Gas Corporation ("EEG"). EEG will continue to be a registered public utility holding company under the Public Utility Holding Company Act ("PUHCA").

The Joint Applicants aver that the Merger, by combining the resources of two utility companies and permitting them to share "best practices," will make PECO better positioned to meet future customer demands and to ensure that high quality service will be maintained and enhanced. PECO

further states that its rates, rules and regulations, and the terms and conditions of service in effect prior to the Merger will not change as a result of the Merger. Furthermore, going forward (and after costs-to-achieve are incurred), the Joint Applicants state that the Merger will generate economies, some of which will accrue to the Pennsylvania jurisdictional regulated businesses of PECO.

The OCA files this Notice of Intervention and Protest in order to ensure that the merger is approved only if (1) it is found to be in the public interest; (2) it provides substantial, affirmative benefits to PECO's ratepayers; (3) it does not adversely affect retail electric or natural gas competition in Pennsylvania; and (4) it is in accordance with the Public Utility Code.

Specifically, the OCA avers as follows:

1. The Protestant is Irwin A. Popowsky, Consumer Advocate, 555 Walnut Street, 5th Floor, Forum Place, Harrisburg, PA 17101-1923. Protestant's attorneys for the purpose of receiving service of all documents in this proceeding are Tanya J. McCloskey, Senior Assistant Consumer Advocate and James A. Mullins, Assistant Consumer Advocate.

2. The OCA is authorized by law to represent the interests of utility ratepayers in all proceedings before the Commission. 71 P.S. §§ 309-1, *et seq.* This Intervention and Protest are filed by the OCA to ensure that the interests of PECO's ratepayers are protected in the proposed transactions.

3. The Joint Application must be examined pursuant to Chapters 11, 21, 22, and 28 of the Public Utility Code.

4. Section 1102 of the Public Utility Code requires that the Commission issue a Certificate of Public Convenience as a legal prerequisite to offering service, abandoning service and certain property transfers by public utilities or their affiliated interests. 66 Pa.C.S. §1102(a)(1)-(3). It is the position of the OCA that this Commission has jurisdiction over this transaction under Section 1102 of the Public Utility Code and that this transaction must be examined by the Commission. As set forth below, the

Commission also must examine this transaction under the provisions of Chapter 22 and Chapter 28 of the Code.

5. The Code requires that a certificate shall only be granted upon findings that the granting of such certificate is “necessary or proper for the service, accommodation, convenience or safety of the public.” 66 Pa.C.S. §1103(a). The Supreme Court has construed this section of the Code as requiring a finding that a proposed merger will affirmatively benefit the public and specifically will “affirmatively promote the ‘service, accommodation, convenience or safety of the public’ in some substantial way.” *City of York v. Pennsylvania Public Utility Commission*, 449 Pa. 136, 141, 295 A.2d 825, 828 (1973).

6. Additionally, Section 1103 explicitly allows the Commission to impose conditions upon the issuance of a Certificate of Public Convenience. 66 Pa.C.S. §1103(a). Section 1103(a) of the Code provides: “The Commission, in granting such a certificate, may impose such conditions as it may deem to be just and reasonable.” The OCA submits that the Commission may wish to consider the imposition of conditions in order to ensure that the public interest standard is met.

7. Section 2102 of the Public Utility Code states that prior to any arrangement providing for the furnishing of certain services, e.g., management, supervisory, legal, etc., between a public utility and any affiliated interest, Commission approval must be obtained.

8. Pursuant to Section 2210 of the Public Utility Code, enacted as a provision of the Natural Gas Choice and Competition Act, the Commission, in exercising its authority to consider mergers, acquisitions, consolidations or dispositions, must consider (1) whether the proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail gas customers from obtaining the benefits of a properly functioning and effectively competitive retail natural gas market; and (2) the effect on the employees of the natural gas distribution company. 66 Pa.C.S. §2210(a). Section 2210(b)

requires notice and an opportunity for open, public evidentiary hearings. Section 2210(b) also requires that the Commission only approve such transaction upon terms and conditions it finds necessary to preserve the benefits of a properly functioning and effectively competitive retail natural gas market.

9. Pursuant to Section 2811 of the Public Utility Code, enacted as a provision of the Electricity Generation Customer Choice and Competition Act, the Commission has responsibility for “monitor[ing] the market for the supply and distribution of electricity to retail customers and to . . . prevent anticompetitive or discriminatory conduct, including the unlawful exercise of market power.” 66 Pa.C.S. §2811(a). In furtherance of this obligation, Section 2811(b) states: “Upon complaint or upon its own motion for good cause shown, the commission shall conduct an investigation of the impact on the proper functioning of a fully competitive retail electricity market, including the effect of mergers, consolidations, acquisition or disposition of assets or securities of electricity suppliers, transmission congestion and anticompetitive or discriminatory conduct affecting the retail distribution of electricity.” As to approval of mergers, consolidations, acquisitions or dispositions, the Commission “shall consider whether the proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail electricity customers in this Commonwealth from obtaining the benefits of a properly functioning and workable competitive retail electricity market.” 66 Pa.C.S. §2811(e)(1). Section 2811(e)(2) requires that upon request for approval of a merger or acquisition, notice and an opportunity for open, public evidentiary hearing shall be afforded. Section 2811(e)(2) also requires that the Commission only approve such transaction upon terms and conditions it finds necessary to preserve the benefits of a properly functioning and workable competitive retail electricity market.

10. Based upon the OCA’s preliminary review of the Joint Application, the Joint Application raises a number of important issues that must be resolved by the Commission before granting approval

of this merger and issuing Certificates of Public Convenience to PSE&G and PECO. The OCA submits that the Joint Application and proposals of the Joint Applicants as filed do not support a conclusion that the merger will provide substantial, affirmative benefits to the public and will affirmatively promote the service, accommodation, convenience or safety of the public in some substantial way or that it will not adversely affect retail electric and natural gas competition in Pennsylvania.

11. Preliminarily, the OCA has identified the following areas that require further consideration by the Commission and must be resolved prior to Commission approval of this merger.

a. Affirmative Ratepayer Benefits: The Joint Application and its proposals do not demonstrate that this merger will provide substantial, affirmative ratepayer benefits in accordance with Pennsylvania law. The OCA's preliminary review of the Joint Application and accompanying Testimony has found that PECO and PSEG have not proposed to provide tangible and affirmative benefits from the merger to Pennsylvania consumers. The request for merger approval should not be approved unless and until PECO demonstrates and provides affirmative, substantial ratepayer benefits from this merger such as through rate reductions, rate stability and enhanced quality of service.

b. Merger Savings/Synergies: The calculation of anticipated merger savings must be thoroughly examined to determine if the Joint Applicants have fully identified all relevant savings and synergies. Additionally, the Joint Applicants' use of the synergies and savings must be reviewed to determine if substantial, affirmative benefit is being provided to ratepayers.

c. Costs To Achieve: Additional information regarding the costs to achieve the merger is necessary before the Commission can determine that these costs are reasonable. In addition, the allocation of costs to achieve between ratepayers and shareholders, and between corporate functions and subsidiaries, must be examined to determine whether ratepayers are receiving an appropriate share of the net benefits anticipated from this merger.

d. Quality of Service: The Joint Application, although stating that the Company will improve the quality of service in its service territory, provides no proposal to assure that this commitment is implemented. This is particularly important given the proposals to reduce staffing, merge call centers, and merge billing systems. Therefore, the OCA submits that the Commission must, at a minimum, ensure that PECO's quality of service, including reliability, customer service, and billing service, is enhanced as a result of the merger.

e. Market Power and Effects On Competitive Markets: Under both Section 2811 and 2210, the Commission must examine the effect of this merger on the competitive retail electric market and the competitive retail natural gas market. As to the electric market, the Joint Applicants' own analysis shows market concentration in certain wholesale markets that could have an impact upon the competitiveness of the wholesale markets. The Pennsylvania retail markets are, in turn, dependent upon these wholesale markets for their proper functioning. The Joint Applicants have proposed a mitigation plan to address the potential for market power. The OCA submits that this mitigation plan must be thoroughly reviewed to determine if it appropriately mitigates any market power or market concentration that would affect the wholesale markets.

As to the retail natural gas market, the impact on the market should be further explored to assure that the merger does not negatively impact the retail market.

f. Additional Nuclear Risks to PECO's Ratepayers: This merger will bring PSEG's nuclear plants under one corporate control with PECO's nuclear plants. This presents additional risks, such as the costs and uncertainties of unforeseen nuclear decommissioning and waste management costs, the costs and uncertainties of major outages, the potential significant liabilities that could result from increased safety requirements, and the significant costs of future capital additions. The OCA will examine the risks to ratepayers posed by the combination of nuclear plants under one corporate structure. In addition, the

OCA will examine conditions that may be necessary to protect PECO ratepayers from these additional risks.

g. Natural Gas Purchasing:

As a natural gas distribution company, PECO is required to obtain natural gas--on behalf of its customers--under a least-cost procurement policy. 66 Pa. C.S. § 1307(f)(3)(v). Therefore, such purchases must be just and reasonable. The OCA submits that the PUC should determine if this merger will affect PECO's purchasing practices and must ensure that the proposed merger does not inhibit PECO's future abilities to comply with Section 1307(f).

h. Diversion of Capital: The Joint Application provides that "all of PSEG's outstanding indebtedness will become the indebtedness of Exelon, as the surviving company." However, the risks of such indebtedness must be clearly isolated from Pennsylvania ratepayers. In fact, it may be difficult under the proposed corporate structure to isolate such risks if financial and credit quality analysis examines the activities of the entire holding company. In addition, dividend policy, capital structure, and corporate financial integrity must not harm the regulated PECO subsidiaries or impair the regulated subsidiaries' access to capital to meet their regulated functions at reasonable cost. The OCA submits that PECO must provide assurance that the regulated operations will not be harmed by the merger.

i. Corporate Structure: The proposed corporate structure raises several issues that should be explored and resolved prior to approval of the merger. For example, appropriate accounting protocols to prevent cross subsidization must be in place. In addition, appropriate Codes of Conduct must be in place to govern the relationships between the operating companies. The proposed corporate structure also must be reviewed to assure that there are no adverse tax effects.

j. Universal Service: The Joint Application and Testimony do not thoroughly discuss the continuation and improvement of PECO's universal service programs. The OCA will examine PECO's

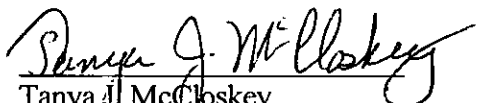
universal service programs to assure that these programs receive appropriate funding and local management attention in the merged entity and to assure that PECO's programs continue to improve to meet the need in PECO's service territory.

k. Continuation of PUC Jurisdiction: Post corporate restructuring, the Commission must ensure that it retains sufficient jurisdiction, as well as access to appropriate books and records of all subsidiaries, to ensure the continued provision of safe, adequate and reliable service in Pennsylvania, to ensure against inappropriate cross subsidies at the expense of Pennsylvania consumers, and to assure workable and viable competitive markets for retail electric and retail natural gas supply. Of particular concern, the merged entity will be subject to SEC jurisdiction and may argue that an SEC determination preempts the Pennsylvania Commission's jurisdiction. The OCA submits that a waiver of this preemption argument should be obtained from the Company prior to approval of the corporate structure.

11. The OCA reserves the right to raise additional issues as the case proceeds and further information is obtained from the Company.

WHEREFORE, the Office of Consumer Advocate respectfully requests that the Pennsylvania Public Utility Commission investigate and hold full hearings, including public input hearings in PECO's service territory, regarding the Application of PECO Energy Company. The OCA further requests that the Commission determine that it has jurisdiction to approve or disapprove this transaction and that the Commission **not** approve this Application **unless** it finds that (1) the Application is in the public interest; (2) it provides substantial, affirmative benefits to PECO's ratepayers; (3) it does not adversely affect retail competition in Pennsylvania; and (4) it is in accordance with the Public Utility Code. Additionally, the OCA requests that the Commission impose such terms and conditions upon the Application as are necessary to ensure that the Application meets the requirements set forth above.

Respectfully submitted,


Tanya J. McCloskey
Senior Assistant Consumer Advocate

James A. Mullins
Assistant Consumer Advocate

Counsel for:
Irwin A. Popowsky
Consumer Advocate

Office of Consumer Advocate
555 Walnut Street 5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048

Dated: March 7, 2005
00083195

PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(E)

Act 161 of the Pennsylvania General Assembly, 71 P.S. § 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate (“OCA”) to represent the interests of consumers before the Pennsylvania Public Utility Commission (“PUC” or “Commission”). In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to file a Notice of Intervention and Protest and participate in proceedings before the Commission involving PECO Energy Company (“PECO”) and Public Service Electric and Gas Company (“PSE&G”).

On February 4, 2005, PECO and PSEG, as Joint Applicants, filed an Application with the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) seeking to obtain the approval of the Commission under Chapters 11, 22 and 28 of the Public Utility Code, for the merger of Public Service Enterprise Group Incorporated (“PSEG”), the corporate parent of PSE&G, with and into Exelon Corporation (“Exelon”), the corporate parent of PECO and the ultimate corporate parent of the Joint Applicants. The Joint Applicants request that the Commission issue Certificates of Public Convenience for PSE&G and PECO evidencing its approval or that the Commission determine that such approval is not necessary.

The Consumer Advocate has filed this Notice of Intervention and Protest with the Commission to ensure that the merger is approved only if (1) it is found to be in the public interest; (2) it provides substantial, affirmative benefits to PECO’s ratepayers; (3) it does not adversely affect retail electric or natural gas competition in Pennsylvania; and (4) it is in accordance with the Public Utility Code. Among the areas to be addressed by the OCA are: affirmative ratepayer benefits, merger savings/synergies, costs to achieve, quality of service, market power and effects on competitive markets, impact on universal service programs, and necessary ratepayer protections. The OCA will seek to ensure

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that affirmative benefits from the merger are provided to Pennsylvania ratepayers and that Pennsylvania ratepayers are properly protected.

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SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

RE: Joint Application of PECO Energy :
 Company and Public Service :
 Electric and Gas Company for : Docket No. A-110550F0160
 Approval of the Merger of Public :
 Service Enterprise Group Incorporated :
 with and into Exelon Corporation :

I hereby certify that I have this day served a true copy of the foregoing document, Notice of Intervention and Protest of the Office of Consumer Advocate, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 7th day of March 2005.

SERVICE BY INTEROFFICE MAIL

Kenneth L. Mickens, Esquire	Honorable Veronica Smith
Robert V. Eckenrod, Esquire	Chief Administrative Law Judge
Office of Trial Staff	Pennsylvania Public Utility Commission
Pennsylvania Public Utility Commission	Commonwealth Keystone Building
Commonwealth Keystone Building	400 North Street, P.O. Box 3265
400 North Street, P.O. Box 3265	Harrisburg, PA 17105-3265
Harrisburg, PA 17105-3265	

SERVICE BY OVERNIGHT DELIVERY

Paul R. Bonney	Honorable Marlane R. Chestnut
Deputy General Counsel	Administrative Law Judge
Kent Murphy	Pennsylvania Public Utility Commission
Assistant General Counsel	1302 State Office Building
2301 Market Street	Broad & Spring Garden Streets
P.O. Box 8699	Philadelphia, PA 19130
Philadelphia, PA 19101-8699	

Richard P. Bonnifield
Vice President – Law
80 Park Plaza, TSE
Newark, NJ 07102

Thomas P. Gadsden, Esquire
Anthony C. DeCusatis, Esquire
Morgan, Lewis, & Bockuis, LLP
1701 Market Street
Philadelphia, PA 19103

SERVICE BY HAND DELIVERY

Daniel Clearfield, Esquire
Wolf, Block, Schorr & Solis-Cohen LLP
Suite 300
212 Locust Street
Harrisburg, PA 17101

SECRETARY'S BUREAU

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SERVICE BY FIRST CLASS MAIL

William R. Lloyd
Small Business Advocate
Office of Small Business Advocate
Commerce Building – Suite 1102
300 North Second Street
Harrisburg, PA 17101

David Kleppinger, Esquire
Charis Mincavage, Esquire
McNEES WALLACE & NURICK, LLC
100 Pine Street
P.O Box 1166
Harrisburg, PA 17108-1166

Christopher B. Craig, Esquire
Senate Democratic Appropriations Committee
Room 545, Main Capital Building
Harrisburg, PA 17120

Eric Epstein
4100 Hillsdale Road
Harrisburg, PA 17112

Roger Clark, Esquire
NESIP
905 Denston Drive
Ambler, PA 19002-3901

John Halsted, Esquire
Gawthrop, Greenwood & Halsted
119 North High Street
West Chester, PA 19381

Paul E. Russell, Esquire
PP&L Electric Utilities Corporation
Two North Ninth Street
Allentown, PA 18101

Lillian Smith Harris, Esquire
Hawke & McKeon, LLP
Harrisburg Energy Center
100 North Tenth Street
P.O. box 1778
Harrisburg, PA 17105

John Hanger
Citizens for Pennsylvania's Future
610 North Third Street
Harrisburg, PA 17101

Philip Bertocci, Esquire
Community Legal Services, Inc.
1424 Chestnut Street, 4th Fl.
Philadelphia, PA 19102

Joe Dworetzky, Esquire
Matthew Hamermesh, Esquire
Hangley Aronchick Segal & Pudlin
One Logan Square – 27th Floor
Philadelphia, PA 19103

John L. Munsch, Esquire
Allegheny Power
800 Cabin Hill Drive
Greensburg, PA 15601-1689

Usher Fogel, Esquire
Roland, Fogel, Koblenz & Carr, LLP
1 Columbia Place
Albany, NY 12207

James P. Melia, Esquire
Kirpatrick & Lockhart LLP
Payne-Shoemaker Building
240 North Third Street
Harrisburg, PA 17101-1507

Mike Cornwell
Dominion
120 Tredegar Street
Richmond, VA 23219

Steve Brame
Pennsylvania Rural Electric Association
212 Locust Street
Harrisburg, PA 17108

Joseph Otis Minott, Esquire
Suite 300
135 South 19th Street
Philadelphia, PA 19103

Thomas Schmidt, III Esquire
Brian P. Downey, Esquire
Pepper Hamilton LLP
200 One Keystone Plaza
North Front and Market Streets
Harrisburg, PA 17108

James H. Cawley, Esquire
Rhoads & Sinon
1 South Market Square
P.O. Box 1146
Harrisburg, PA 17108-1146

John Povilaitis, Esquire
Ryan, Russell, Ogden & Seltzer
800 North Third Street, Suite 101
Harrisburg, PA 17102

Vincent J. Walsh, Jr. Esquire
South Eastern Pennsylvania Transportation
Authority
1234 Market Street – Fifth Floor
Philadelphia, PA 19109-3780

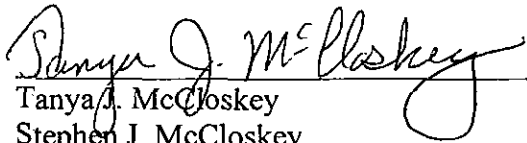
Kenneth Zielonis, Esquire
Stevens & Lee P.C.
4750 Lindle Road
Harrisburg, PA 17111

Jay W. Dawson, Esquire
T.W. Phillips Gas & Oil Company
205 North Main Street
Butler, PA 16001

Mark C. Morrow, Esquire
UGI Utilities , Inc
460 N. Gulph Road
King of Prussia, PA 19406

Pamela Bishop
Department of Environmental Resources
P O Box 8464
9th Floor, MSSOB
Harrisburg, PA 17105-8464

Joseph L. Vullo, Esquire
1460 Wyoming Avenue
Forty Fort , PA 18704-4237



Tanya J. McCloskey
Stephen J. McCloskey
Senior Assistant Consumer Advocates
James A. Mullins
Aron J. Beatty
Assistant Consumer Advocates

Counsel for
Office of Consumer Advocate
555 Walnut Street 5th Floor, Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
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LAW OFFICES
RYAN, RUSSELL, OGDEN & SELTZER LLP

SUITE 330
1105 BERKSHIRE BOULEVARD
WYOMISSING, PENNSYLVANIA 19610-1222
TELEPHONE: (610) 372-4761
FACSIMILE: (610) 372-4177
WWW.RYANRUSSELL.COM

HARRISBURG OFFICE
SUITE 101
800 NORTH THIRD STREET
HARRISBURG, PENNSYLVANIA
17102-2025
TELEPHONE: (717) 236-7714
FACSIMILE: (717) 236-7816

March 11, 2005

Via UPS Overnight

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MAR 11 2005

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

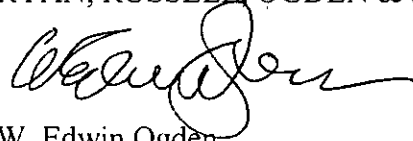
Re: PECO/PSE&G Merger Application (A-110550F0160)

Dear Secretary McNulty:

Enclosed herewith for filing in the above matter are an original and three (3) copies of a Petition to Intervene of FirstEnergy Companies. Copies are also being served in accordance with the attached Certificate of Service.

Very truly yours,

RYAN, RUSSELL, OGDEN & SELTZER LLP



W. Edwin Ogden

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Enclosures

c: See attached Certificate of Service

104

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of PECO Energy :
Company and Public Service Electric :
and Gas Company for Approval of :
the Merger of Public Service Enterprise :
Group Incorporated with and into :
Exelon Corporation :

Docket No. A-110550F0160

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CERTIFICATE OF SERVICE

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I hereby certify that I have this day served a copy of the foregoing document in accordance with the requirements of 52 Pa. Code 1.54 et seq. (relating to service by a participant).

VIA FIRST CLASS MAIL AND E-MAIL

Paul R. Bonney, Deputy General Counsel
Kent D. Murphy, Assistant General Counsel
PECO Energy Company
2301 Market Street
Philadelphia, PA 19101-8699
paul.bonney@exeloncorp.com

Thomas P. Gadsden, Esq.
Anthony C. DeCusatis, Esq.
Morgan, Lewis & Bockius, LLP
1701 Market Street
Philadelphia, PA 19103-2921
tgadsden@morganlewis.com

Richard P. Bonnifield, Vice President Law
Public Service Electric and Gas Company
80 Park Plaza, TSE
Newark, NJ 07102
richard.bonnifield@pseg.com

Daniel Clearfield, Esq.
Wolf, Block, Schorr & Solis-Cohen
212 Locust Street, Suite 300
Harrisburg, PA 17101
dclearfield@wolfblock.com

March 11, 2005



W. Edwin Ogden

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of PECO Energy :
Company and Public Service Electric :
and Gas Company for Approval of :
the Merger of Public Service Enterprise :
Group Incorporated with and into :
Exelon Corporation :

Docket No. A-110550F0160

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PETITION TO INTERVENE OF FIRSTENERGY COMPANIES

Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec"), Pennsylvania Power Company ("Penn Power") and FirstEnergy Solutions, Corp. ("FES"), collectively, "FirstEnergy Companies", hereby petition to intervene in the above-captioned matter pursuant to 52 Pa. Code §§ 5.71-5.75 and in connection therewith represent as follows:

1. The FirstEnergy Companies are all affiliates of FirstEnergy Corp., a diversified energy services holding company headquartered in Akron, Ohio. Its seven electric utility operating companies comprise the nation's fourth largest investor-owned electric system, serving 4.3 million customers within 36,100 square miles of Ohio, Pennsylvania and New Jersey.

2. Met-Ed, based in Reading, Pennsylvania, provides retail electric service to 517,400 residential, commercial and industrial customers within a 3,300 square mile area of southern and southeastern Pennsylvania.

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3. Penelec, based in Erie, Pennsylvania, provides retail electric service to 585,790 residential, commercial and industrial customers within a 17,600 square mile area of northern and central Pennsylvania.

4. Penn Power, based in New Castle, Pennsylvania, provides retail electric service to 155,930 residential, commercial and industrial customers within a 1,100 square mile area of western Pennsylvania.

5. Penn Power, Met-Ed and Penelec are all Electric Distribution Companies (“EDCs”) in Pennsylvania that currently provide provider of last resort (“POLR”) service to their retail customers pursuant to the Electricity Generation Customer Choice and Competition Act, 66 Pa. C. S. §§ 2801-2812 (“Electric Competition Act”). Moreover, Met-Ed and Penelec have completed a divestiture to non-affiliated entities of substantially all of their electric generation facilities pursuant to their approved Electric Competition Act restructuring plan and, therefore, procure the power to serve their POLR load from the competitive electric generation market.

6. FES is a licensed electric supplier in Ohio, Pennsylvania, New Jersey, Delaware, Maryland, Michigan and Washington, D.C. It currently offers price quotes on natural gas to larger business and manufacturing customers located in Ohio, Pennsylvania, New Jersey, Kentucky and West Virginia. FES currently provides wholesale and retail energy to customers in Pennsylvania and in the PJM market generally.

7. Legal counsel for the FirstEnergy Companies are:

W. Edwin Ogden
Ryan, Russell, Ogden & Seltzer LLP
Suite 330

1105 Berkshire Boulevard
Wyomissing, Pennsylvania 19610-1222
(610) 372-4761
eogden@ryanrussell.com

Stephen L. Feld, Esquire
FirstEnergy Corp.
76 South Main Street
Akron, Ohio 44308
(330) 384-4573
felds@firstenergycorp.com

8. The Joint Applicants in the above matter claim that their proposed merger may not require Commission approval and seek, in the alternative, either a declaratory order that Commission approval is not required or a Commission order approving the merger under Chapters 11, 22 and 28 of the Public Utility Code, as applicable. Chapter 11 governs the issuance of certificates of public convenience, Chapter 22 is the Natural Gas Choice and Competition Act and Chapter 28 is the Electric Competition Act. See 66 e.g., Pa.C.S. §§ 1102, 1103, 2210 and 2811. Under these provisions, the Commission may consider whether a proposed merger over which it has jurisdiction might disrupt or reduce the benefits to retail gas or electric customers of a properly functioning and workable competitive retail market.

9. The FirstEnergy Companies take no position at this time on whether the Commission must approve the merger under the forgoing provisions of the Public Utility Code. However, if this case proceeds on the basis that such Commission approval is required, the FirstEnergy Companies' participation as parties to the case is necessary and appropriate, and would serve the public interest.

10. Eligibility to intervene in Commission proceedings is governed by the Commission's rule at 52 Pa. Code § 5.72, providing that a "right or interest"

sufficient to warrant intervention includes an interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding; or, another interest of such nature that participation of the petitioner may be in the public interest.

11. The FirstEnergy Companies have direct and substantial interests in this proceeding that cannot be adequately represented by any other party. Penn Power, Met-Ed and Penelec are all Pennsylvania EDCs that are currently providing POLR service to their customers and will continue to confront issues relating to the procurement of POLR supply. Any final determination by the Commission in this proceeding could impact the price and terms of future POLR supply. The proposed merger may have an impact on the state of competition in Pennsylvania. As indicated above, Met-Ed and Penelec are particularly exposed to such market conditions in view of their generation divestiture, the proceeds from which have been credited to customers. FES is an active provider of wholesale and retail energy and related products through PJM, including Pennsylvania. As a party that expects to be a long-term supplier of energy and capacity in Pennsylvania's POLR market, FES should be afforded an opportunity to participate in this proceeding and be heard on any issues that may directly affect its interests prospectively. Therefore, the FirstEnergy Companies have a direct interest in assuring that the proposed merger does not adversely affect competition in the supply of power to serve retail customers in Pennsylvania.

12. The Companies are prepared to participate in this proceeding in a manner that does not unduly interfere with the prompt adjudication of the case.

13. The FirstEnergy Companies acknowledge that the published deadline for intervention was March 7, 2005, four days ago. However, intervention may be granted in contested cases, even if late-filed, for good cause shown. The Commission has been liberal in interpreting this 'good cause' requirement, particularly where the grant of intervention will not delay the orderly progress of the case, significantly broaden the issues or shift the burden of proof. See *Application of Penn Access Corporation*, 1992 Pa.P.U.C. LEXIS 56; *Re Milton Transportation, Inc.* 56 Pa.P.U.C. 623 (1982); *STS Motor Freight, Inc.* 54 Pa.P.U.C. 343 (1980).

14. The FirstEnergy Companies' request for intervention in this case meets the above requirements. No party will be prejudiced by granting this intervention, since the proceeding has just begun, no hearings have been conducted and a litigation schedule has yet to be established. Furthermore, the FirstEnergy Companies' decision to seek intervention after the deadline was based on their review of requested interventions by others that intend to take positions on the issues that may be different from or inconsistent with the positions the FirstEnergy Companies would take. Due to the possible breadth of this proceeding, and the requested participation by a variety of others, the FirstEnergy Companies have concluded that their intervention is required to protect their interests.

WHEREFORE, for all the foregoing reasons, Pennsylvania Power Company, Metropolitan Edison Company, Pennsylvania Electric Company and FirstEnergy Solutions, Corp. respectfully request that their Petition to Intervene be

granted and that the Commission grant them such other relief as is just and reasonable under the circumstances.

Dated: March 11, 2005



W. Edwin Ogden

RYAN, RUSSELL, OGDEN & SELTZER LLP
1105 Berkshire Boulevard, Suite 330
Wyomissing, Pennsylvania 19610-12221
(610) 372-4761

Attorneys for Pennsylvania Power Company,
Metropolitan Edison Company, Pennsylvania
Electric Company and FirstEnergy Solutions,
Corp.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of Peco Energy
Company and Public Service Electric
Gas Company for Approval of
Merger of Public Service Enterprise
Group Incorporated with and into
Exelon Corporation

Docket No. A-110550F0160

PETITION TO INTERVENE

Amerada Hess Corporation, by and through its counsel, hereby files this
Petition to Intervene in the above-captioned Application, and in support
thereof, state as follows:

1. The name, address, and telephone number of the Intevenor is:

Amerada Hess Corporation ("AHC")
One Hess Plaza
Woodbridge, New Jersey 07095
(732) 750-7048

2. The names, address, and telephone number of AHC's counsel is:

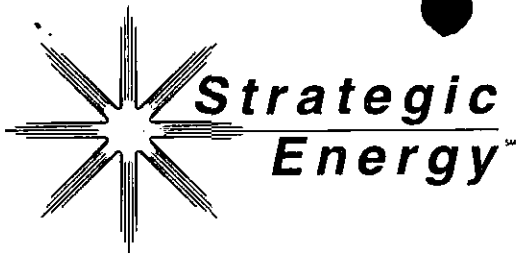
Jan P. Paden, Esq.
David W. Francis, Esq.
Rhoads & Sinon LLP
One South Market Square
P. O. Box 1146
Harrisburg, PA 17108-1146
(717) 233-5731

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3. Peco Energy Company ("Peco") and Public Service Electric Gas

Company ("PSEG") (collectively "Applicants") initiated the above-captioned



Strategic Energy LLC
Two Gateway Center, Pittsburgh, PA 15222
412-394-5600 Fax 412-258-4866 www.sel.com

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MAR 17 2005

PLEASE DOOR

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Julie A. Coletti
Assistant General Counsel
412-394-4356
jcoletti@sel.com

March 11, 2005
KJR

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
North Office Building
Filing Room – B20
Post Office Box 3265
Harrisburg, PA 17105-3265

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PA.P.U.C.
SECRETARY'S BUREAU

Re: Joint Application of PECO Energy Company And Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated With and Into Exelon Corporation; Docket No. A-110550 F0160; PROTEST AND PETITION TO INTERVENE OF STRATEGIC ENERGY, LLC

Dear Mr. McNulty:

Enclosed for filing with the Commission are the original and three (3) copies of the Protest and Petition to Intervene of Strategic Energy, LLC in the above-captioned proceeding. A copy of this document has been served upon all the parties in accordance with the attached Certificate of Service.

If you have any questions with regard this filing, please direct them to me. Thank you for your attention to this matter.

Sincerely,

Julie A. Coletti
Assistant General Counsel

JAC/cab
Enclosures

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF PECO
ENERGY COMPANY AND PUBLIC
SERVICE ELECTRIC AND GAS
COMPANY FOR APPROVAL OF THE
MERGER OF PUBLIC SERVICE
ENTERPRISE GROUP
INCORPORATED WITH AND INTO
EXELON CORPORATION

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DOCKET NO. A-110550 F0161

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PROTEST AND PETITION TO INTERVENE OF
STRATEGIC ENERGY, L.L.C.

Strategic Energy L.L.C. ("Strategic"), respectfully submits this Protest and Petition to Intervene in the above-captioned Application for Approval of Merger. The outcome of the Application will significantly impact the electric energy market in Pennsylvania. In specific support of this Protest and Petition, Strategic states as follows:

Background

1. On February 4, 2005, Peco Energy Company and Public Service Electric and Gas Company filed a Joint Application for Approval of the Merger of Public Service Enterprise Group Incorporated with and Into Exelon Corporation with the Pennsylvania Public Utility Commission ("Commission" or "PUC"). The Joint Applicants ask the Commission to determine that approval of the proposed merger is not required under Chapters 11, 22 or 28 of the Public Utility Code or, alternatively, that the Commission grant such approval and other approvals as it may determine are necessary in order for the Merger to be lawfully completed.

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Strategic's Interest Justifying Formal Protest and Intervention

2. Under 52 Pa. Code § 5.51, “a person objecting to the approval of an application under consideration by the Commission may file a protest to the application.”

3. Under 52 Pa. Code § 5.72(a), a person is eligible for intervention who has “an interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding.”

4. For the reasons set forth herein, Strategic has an interest which may be directly affected by the outcome of this proceeding and which is not adequately represented by existing participants and has standing to protest and intervene.

5. Strategic currently is a Pennsylvania licensed Electric Generation Supplier (EGS) and one of the largest suppliers in Pennsylvania, serving almost 300MW of Duquesne control area load alone. The proposed merger and generation mitigation plan could have a significant effect on the level of competition that will be experienced in Pennsylvania and on Strategic's ability to operate successfully and to offer attractive and valuable services to customers. Given these facts, no other party can adequately represent Strategic's interests and Strategic has standing to protest and intervene.

6. Among other things, the proposed merger would result in increased market power and will reduce retail competition in PECO. Because PECO customers are still in the process of paying stranded costs and are beholden to PECO, those customers are at a much greater risk of being harmed by affiliate abuse. With a captive, monopoly customer base and large generation portfolio, PECO could be in a position to develop a retail customer base to the exclusion of competitors.

7. In addition, Exelon Energy Company is a competitive retail sales business owned by the acquiring company, Exelon Corporation.¹ See Joint Application, paragraph 6.b. The Joint Application makes no mention of what the proposed activities of this retail arm would be in Pennsylvania, if any.

8. Exelon Corporation owns or controls significant generating capacity in Pennsylvania alone, including, upon information and belief, facilities in Phoenixville, Limerick, Delaware County and Lancaster County. The proposed Merger could result in concerns about generation market share and market power, especially in off-peak periods of time considering the capacity of Exelon's fleet of nuclear plants. The situation could also present significant risks with respect to affiliate abuse.

9. As an active Pennsylvania EGS, Strategic has a vested interest in the potential anti-competitive effects of the proposed merger and generation mitigation plan on both the wholesale energy market with in PJM and Pennsylvania's retail energy markets. Accordingly, Strategic's interest is clearly sufficient to satisfy the requirements for intervention.

10. Strategic has not determined all its positions on the various aspects of the proposed Merger, but intends to do so once it has had an opportunity to further study and evaluate the proposal, conduct discovery and obtain additional information. Strategic intends to participate in the process to ensure that, if consummated, the merger does provide positive benefits to Pennsylvania's competitive electricity markets.

11. Strategic will be represented in this proceeding by the following counsel:

Julie Coletti, Esq.
Assistant General Counsel
Strategic Energy, LLC
Two Gateway Center
Pittsburgh, PA 15222

¹ This retail arm is not licensed as an EGS in Pennsylvania.

jcoletti@sel.com
412.394.4356 (work)
412.394.6681 (facsimile)

WHEREFORE, for the reasons set forth above, Strategic Energy, L.L.C. hereby formally protests the merger of PECO Energy Services Co. and Public Service Electric and Gas Company and requests that the Commission permit Strategic Energy, L.L.C. to intervene in this proceeding, and that the Commission grant such relief as it deems appropriate.

Respectfully submitted,



Julie Coletti, Esq.
Assistant General Counsel
Strategic Energy, LLC
Two Gateway Center
Pittsburgh, PA 15222
jcoletti@sel.com
412.394.4356 (work)
412.394.6681 (facsimile)
PA Attorney ID 69287

Date: March 11, 2005

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

JOINT APPLICATION OF PECO :
ENERGY COMPANY AND PUBLIC :
SERVICE ELECTRIC AND GAS :
COMPANY FOR APPROVAL OF THE : DOCKET NO. A-110550F0161
MERGER OF PUBLIC SERVICE :
ENTERPRISE GROUP :
INCORPORATED WITH AND INTO :
EXELON CORPORATION :

AFFIDAVIT

Julie A. Coletti, deposes and says that she is Assistant General Counsel for Strategic Energy, L.L.C.; that she is duly authorized to and does make this Affidavit on its behalf; that the facts set forth in the foregoing document are true and correct to the best of her knowledge, information and belief, and that this Affidavit is made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).



Julie A. Coletti

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the person and in the manner indicated below.

Service By First Class Mail

Daniel Clearfield
Wolf, Block, Schorr
& Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101

Richard P. Bonnifield
Vice President-Law
PSEG Services Corporation
80 Park Plaza, T5E
Newark, NJ 07102

Paul R. Bonney
Kent D. Murphy
PECO Energy Company
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699

Thomas P. Gadsden
Anthony C. DeCusatis
Morgan Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921

William R. Lloyd Jr.
Office of Small Business Advocate
Commerce Building - Suite 1102
300 North Second Street
Harrisburg, PA 17101

Irwin A. Popowsky, Esq.
Office of Consumer Advocate
Forum Place, 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1921



Julie A. Coletti

Dated: March 11, 2005