

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

**Petition of PECO Energy Company for
Approval of its Default Service Plan**

Public Meeting – March 6, 2014
2283641-OSA
Docket No. P-2012-2283641

STATEMENT OF COMMISSIONER GLADYS M. BROWN

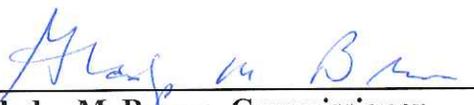
Before the Pennsylvania Public Utility Commission (Commission) for consideration is the Petition for Reconsideration and Clarification filed by PECO Energy Company (PECO), the Petition for Reconsideration and Clarification filed by the Office of Consumer Advocate (OCA), and the Joint Petition for Reconsideration and/or Clarification filed by the Tenant Union Representative Network, Action Alliance of Senior Citizens of Greater Philadelphia, and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania. These Petitions seek reconsideration and/or clarification of the Opinion and Order entered on January 24, 2014 relative to the PECO's Petition for Approval of its Default Service Plan.

As I stated at the January 9, 2014 Public Meeting, I am supportive of availing CAP customers the opportunity to enroll with an electric generation supplier (EGS). In conjunction with this platform is my belief that affordability is of paramount concern for CAP customers. I continue to believe that the proposal by PECO to place a ceiling on EGS offers to CAP customers appropriately provides measures to maintain, at a minimum, the current level of affordability experienced by CAP customers. I note that Section 2802(10) of the Competition Act provides that "The Commonwealth must, at a minimum, continue the protections, policies and services that now assist customers who are low-income to afford electricity." 66 Pa. C.S. § 2802(10). This protection appears to be even more prudent at this time given the recent price increases realized by some customers enrolled in variable rate products with EGSs.

PECO has a significantly larger CAP customer base and consequently more expensive gross CAP costs than all other electric distribution companies in the Commonwealth.¹ A potential result of not placing a ceiling on these CAP shopping rates is that the overall cost of PECO's CAP program will rise. Those increased costs will be borne by the residential class as a whole.

I continue to believe that the price ceiling proposed by PECO justly maintains affordability for CAP participants. Further, I submit that the price ceiling originally proposed by PECO and supported by OCA represents a prudent policy to assure that PECO's CAP program costs do not significantly increase. As such, I will dissent, in part.

March 6, 2014
Date


Gladys M. Brown, Commissioner

¹ In 2011 and 2012, PECO's CAP program was the most expensive in Pennsylvania, with gross costs of \$100 million and \$94 million respectively. The second most expensive CAP program in the Commonwealth for 2011 and 2012 was PPL's, totaling \$53 million and \$47 million respectively. See the Commission's 2012 Report on Universal Service Programs and Collections Performance.