



Exelon Business Services Company
Legal Department
2301 Market Street/S23-1
Philadelphia, PA 19103
215 568 3389 Fax
www.exeloncorp.com

Direct Dial: 215.841.6863

June 27, 2014

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

RE: PECO CAP Design Mediation Status Update, Docket No. M-2012-2290911

Dear Ms. Chiavetta:

On April 25, 2014, the Commission issued a Secretarial Letter directing the stakeholders in this proceeding to:

- Indicate, on or before June 30, 2014, in writing at Docket No. M-2012-2290911, if they have resolved some or all of their differences regarding PECO's CAP design as reflected in the record by comments and reply comments filed in response to PECO's September 30, 2013 *Report*. This may be a joint filing, with notice to the Office of Administrative Law Judge (OALJ), the Bureau of Consumer Services (BCS), and the Law Bureau.
- Consider enlisting the services of the Commission's mediation process in the interim between now and June 30, 2014, in an attempt to resolve their differences relative to PECO's CAP design.
- Indicate, by July 31, 2014, in writing, to BCS and OALJ, the elements of any partial or complete consensus resolutions. This may be a joint summary submission.

This letter provides the June 30, 2014 status update.

As recommended, key stakeholders – PECO, the Office of Consumer Advocate, Community Legal Services on behalf of TURN, et al, the Pennsylvania Utility Law Project on behalf of CAUSE-PA, and Direct Energy -- did enlist the service of the Commission's mediation process. During May and June 2014 the stakeholders held four extensive mediation sessions (each nearly a full day). A fifth mediation session is scheduled for July 11, 2014.

The stakeholders are optimistic that they will be able to reach settlement on a proposed new design for PECO's CAP program, and would like to continue to utilize the mediation process toward that end. While substantial progress has been made, the parties are currently negotiating key details and collectively believe that additional mediation sessions will be necessary to fully explore the remaining issues.

Consequently, the parties request that they be allowed a one-month extension – until Friday, August 29 – to fulfill the additional reporting requirement set forth in the April 25, 2014 Secretarial Letter – that is, to indicate, by August 29, 2014, in writing, to BCS and OALJ, the elements of any consensus resolutions.

This status update has been reviewed and approved by the above-named stakeholders.

Sincerely,



Ward Smith
Counsel for PECO Energy Company

cc: (Via First Class Mail and/or email)

Cynthia Lehman, Commission Mediator
Administrative Law Judge Cynthia Fordham
Kim Hafner, Office of Administrative Law Judge
Grace McGovern, Bureau of Consumer Services
Joseph Magee, Bureau of Consumer Services
Louise Fink Smith, Law Bureau

Christy Appleby, Amy Hirkis, Candis Tunilo, Office of Consumer Advocate
Thu Tran, Rob Ballenger, Josie Pickens, Maripat Pillegi, Community Legal Services
Patrick Cicero, Harry Geller, PULP
Ron Cerniglia, Ashley Ramer, Direct Energy

Lauren Feldhake, Patricia King, Rich Schlesinger, Mark Kehl, Scott Neumann, PECO