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PECO
2301 Market Street, 515
Philadelphia, PA 19103

November 14, 2014

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

**SUBJECT: Transmission Service Charge (TSC) Semiannual Adjustment,
PECO Energy Electric Tariff No. 4, Supplement No. 112,
Effective December 1, 2014, Docket No. R-2010-2161575**

Dear Secretary Chiavetta:

This filing contains PECO's semiannual adjustment to the Transmission Service Charge (TSC), effective December 1, 2014. This filing is being made in accordance with PECO's Tariff approved in Docket No. R-2010-2161575.

The following attachments are included in support of this filing:

- Attachment 1 Revised tariff pages for TSC
- Attachment 2 TSC Calculation for Residential Rates R & RH;
- Attachment 3 TSC Calculation for Small C&I Rate GS;
- Attachment 4 TSC Calculation for Large C&I Rates HT, PD, EP;
- Attachment 5 TSC Calculation for Street Lighting Rates SLE, SLS, POL, AL, TLCL.

Thank you for your assistance in this matter and please direct any questions regarding the above to Richard Schlesinger, Manager, Retail Rates at (215) 841-5771.

Sincerely,



Copies to: C. Walker-Davis, Director, Office of Special Assistants
P. T. Diskin, Director, Bureau of Technical Utility Services
D. P. Hosler, Director, Bureau of Audits
J. E. Simms, Director, Bureau of Investigation & Enforcement
Office of Consumer Advocate
Office of Small Business Advocate
McNees, Wallace & Nurick

PECO Energy Company

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street

Philadelphia, Pennsylvania 19101

For List of Communities Served, See Page 4.

Issued November 14, 2014

Effective December 1, 2014

**ISSUED BY: C. L. Adams – President & CEO
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19101**

NOTICE

LIST OF CHANGES MADE BY THIS SUPPLEMENT

Transmission Service Charge – 9th Revised Page 40A

Reflects semiannual adjustment for Transmission Service Charge pursuant to Order No. R-2010-2161575.

PECO Energy Company

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TRANSMISSION SERVICE CHARGE

Purpose: The purpose of this surcharge is to provide for full and current cost recovery of all transmission service related costs incurred under the PJM open access transmission tariff on behalf of the Company's default service load.

Applicability: The surcharge shall be assessed to all default service customers. The cost shall be allocated to each rate class based upon the coincident peak used by PJM to establish the network service obligation.

Billing Provisions: The surcharge shall be calculated on an annual basis using the formula below:

$TSC(n) = (C+E+I)/S(n)$ where;

TSC(n) = transmission service cost for customer class n including over or under recovery and associated interest.

C – the transmission service charges incurred by PECO under the PJM open access transmission tariff. These costs shall include the following:

Charges assessed by PJM for network service within the PECO zone. Included in such charges are costs assigned to the load serving entities in the PECO zone under the Regional Transmission Expansion Plan as well as the base network service charge for the zone as well as any load serving entity charges assessed to PECO under the PJM OATT that are listed in PECO's Supply Master Agreement Exhibit D as the responsibility of the Buyer. Included in the cost to be recovered is a working capital (WC) component as defined below.

WC – cost for working capital associated with the purchase of transmission service from PJM at a rate of \$356 per mW. WC is a component of the 'C' factor

E – The estimated over or under recovery from the applicable reconciliation period.

I – Interest on any over or under recovery balance. Interest shall be computed monthly at a 6% annual simple interest rate from the month that the overcollection or undercollection occurs to the mid-point of the recovery period.

n – rate class where: 1 = residential, 1a = RH, 2 = small C&I, 3 = large C&I, 4 = street lighting

Residential – Rates R, RH, (reconciled as a group)
Small C&I – Rate GS,
Large C&I – Rates HT, PD, EP (reconciled as a group)
Street Lighting – SLE, SLS, POL, AL, TLCL (reconciled as a group)

S – Estimated default service sales for residential class and the street lighting class in the applicable application period. For the commercial and industrial class it shall be the estimated billed demand for the applicable application period. The application period will be the period when rates will be in effect.

Filings and Reconciliations: The surcharge shall be filed August 1, 2012 effective October 1, 2012. If it is apparent that such methodology would result in a significant over or under recovery before May 31, 2013 for an individual customer class, the Company may propose a rate adjustment prior to May 31, 2013.

For subsequent surcharges the Company shall submit filings 15 days prior to the start of the application period beginning June 1, 2013. There will be an eight month reconciliation made for the June 1, 2013 filing. Thereafter, the Company will file a surcharge adjustment 15 days prior to June 1 and December 1 of each year. If it is apparent that such methodology would result in a significant over or under recovery before the next 6 month filing for an individual customer class, the Company may propose a rate adjustment 15 days prior to the next effective GSA rate adjustment date (Effective date of March 1, September 1). The annual reconciliation statement will be made by December 31 each year.

Current Transmission Service Rate:

Residential
R= \$0.0089 per kilowatthour
RH= \$0.0089 per kilowatthour
Small C&I = \$2.57 per billed kW
Large C&I = \$2.04 per billed kW
Street Lighting = \$0.0009 per kilowatt hour

(I)
(I)
(I)
(I)
(D)

(D) Denotes Decrease
(I) Denotes Increase

**PECO - Electric
December 1, 2014 Transmission Service Charge (TSC)
Semiannual Adjustment**

TSC 1: Rates R, RH

	Amount	\$/kWh	
(1) C = Projected Recoverable Transmission Costs	\$ 32,995,383	\$0.0079	p. 2 of 8
(2) E = Experienced & Estimated Net Over/(Under)			
a. Over/(Under)	\$ (1,873,246)	-\$0.0004	pp. 3, 5, 7 of 8
b. Interest	\$ <u>(119,459)</u>	\$0.0000	pp. 4, 6, 8 of 8
	\$ (1,992,704)	-\$0.0005	
(3) Net Recoverable (C - E)	\$ 34,988,088	\$0.0084	
(4) S = Projected Sales (kWh) for Computation Period	4,164,262,238		
(5) T = Pennsylvania gross receipts tax rate	5.90%		
(6) TSC = [(C+E-I)/S]/(1-T)	\$0.0089		

PECO - December 1, 2014 TSC C-Factor Calculation

TSC 1: Rates R, RH

C-Factor Month	Projected Transmission Costs (1)	Projected Default Sales (kWh) (2)
Dec-14 (est)	\$ 5,592,575	753,132,627
Jan-15 (est)	\$ 5,592,575	900,735,642
Feb-15 (est)	\$ 5,172,526	780,563,338
Mar-14 (est)	\$ 5,592,575	672,240,375
Apr-15 (est)	\$ 5,452,559	572,484,600
May-15 (est)	\$ 5,592,575	485,105,656
Total	\$ 32,995,383	4,164,262,238

Estimated Recovery C-Factor \$0.0079 per kWh

PECO - December 1, 2014
TSC Reconciliation Statement
E-Factor Calculation

TSC 1: Rates R, RH

E-Factor Period	Actual TSC Costs (1)	Actual Default Sales (kWh) (2)	C-Factor Rate (3)	C-Factor Revenue (b) (4)	NSPL AVE MW (5)	Working Capital (a) \$27.92 per MW/mo (6) = (5) * \$27.92	Adjusted C-Factor Revenue (7) = (4) - (6)	C-Factor Over/(Under) Recovery (8) = (7) - (1)	E-Factor Rate (9)	E-Factor Revenue (b) (10)	Total Collected Revenue (11) = (10) + (7)	Over/(Under) Recovery (12) = (11) - (1)	Cumulative Over/(Under) Recovery (13)
Balance													\$ 1,552,336
Dec-13	\$ 5,144,754	807,635,144	0.0079	\$ 6,317,258	2,456	\$ 68,567	\$ 6,248,691	\$ 1,103,937	\$ (0.0003)	\$ (247,368)	\$ 6,001,323	\$ 856,569	\$ 2,408,905
Jan-14	\$ 5,428,732	988,748,341	0.0079	\$ 7,581,945	2,475	\$ 69,091	\$ 7,512,855	\$ 2,084,123	\$ (0.0003)	\$ (296,890)	\$ 7,215,965	\$ 1,787,233	\$ 4,196,138
Feb-14	\$ 4,991,481	882,514,486	0.0079	\$ 6,898,244	2,463	\$ 68,760	\$ 6,829,484	\$ 1,838,003	\$ (0.0003)	\$ (270,118)	\$ 6,559,366	\$ 1,567,885	\$ 5,764,023
Mar-14	\$ 5,404,928	769,730,755	0.0079	\$ 6,018,454	2,461	\$ 68,699	\$ 5,949,756	\$ 544,828	\$ (0.0003)	\$ (235,667)	\$ 5,714,088	\$ 309,160	\$ 6,073,184
Apr-14	\$ 5,282,782	601,000,558	0.0079	\$ 4,697,958	2,467	\$ 68,873	\$ 4,629,086	\$ (653,697)	\$ (0.0003)	\$ (183,960)	\$ 4,445,126	\$ (837,657)	\$ 5,235,527
May-14	\$ 5,442,310	507,274,565	0.0079	\$ 3,945,241	2,474	\$ 69,067	\$ 3,876,174	\$ (1,566,136)	\$ (0.0003)	\$ (154,486)	\$ 3,721,688	\$ (1,720,622)	\$ 3,514,905
Jun-14	\$ 5,403,255	599,687,579	0.0078	\$ 4,645,463	2,477	\$ 69,150	\$ 4,576,313	\$ (826,942)	\$ (0.0009)	\$ (536,015)	\$ 4,040,298	\$ (1,362,957)	\$ 2,151,948
Jul-14	\$ 5,551,358	857,170,923	0.0078	\$ 6,649,684	2,481	\$ 69,261	\$ 6,580,423	\$ 1,029,065	\$ (0.0009)	\$ (767,271)	\$ 5,813,152	\$ 261,794	\$ 2,413,742
Aug-14	\$ 5,579,326	780,197,849	0.0078	\$ 6,053,013	2,488	\$ 69,467	\$ 5,983,546	\$ 404,219	\$ (0.0009)	\$ (698,425)	\$ 5,285,121	\$ (294,205)	\$ 2,119,537
Sep-14	\$ 5,433,460	740,674,306	0.0078	\$ 5,743,751	2,489	\$ 69,496	\$ 5,674,255	\$ 240,795	\$ (0.0009)	\$ (662,741)	\$ 5,011,515	\$ (421,945)	\$ 1,697,592
Oct-14	\$ 5,675,593	535,792,116	0.0078	\$ 4,152,932	2,486	\$ 69,418	\$ 4,083,514	\$ (1,592,079)	\$ (0.0009)	\$ (479,184)	\$ 3,604,329	\$ (2,071,263)	\$ (373,672)
Nov-14 (est)	\$ 5,238,030	551,865,879	0.0078	\$ 4,304,554	2,486	\$ 69,418	\$ 4,235,136	\$ (1,002,895)	\$ (0.0009)	\$ (496,679)	\$ 3,738,456	\$ (1,499,574)	\$ (1,873,246)
													Total Recovery E-Factor \$ (1,873,246)

(a) Working Capital / mo = \$356/MW * (1-GRT) * 1/12

(b) C Factor and E Factor Revenues are allocated on a percentage basis.

PECO - December 1, 2014 TSC Reconciliation Statement Interest Calculation

TSC 1: Rates R, RH

E-Factor Period	Actual Sales (kWh) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)	Interest Factor Rate (6)	Interest Factor Revenues (a) (7)	Total Interest Owed/ (Interest Recouped) (8) = (5) + (7)	Cumulative Interest Owed/ (Interest Recouped) (9)
Balance									\$ 153,507
Dec-13	807,635,144	\$ 1,103,937	6%	9/12	\$ 49,677	\$ -	\$ -	\$ 49,677	\$ 203,184
Jan-14	968,748,341	\$ 2,084,123	6%	8/12	\$ 83,365	\$ -	\$ -	\$ 83,365	\$ 286,549
Feb-14	882,514,486	\$ 1,838,003	6%	7/12	\$ 64,330	\$ -	\$ -	\$ 64,330	\$ 350,879
Mar-14	769,730,755	\$ 544,828	6%	6/12	\$ 16,345	\$ -	\$ -	\$ 16,345	\$ 367,224
Apr-14	601,000,558	\$ (653,697)	6%	5/12	\$ (16,342)	\$ -	\$ -	\$ (16,342)	\$ 350,882
May-14	507,274,565	\$ (1,566,136)	6%	4/12	\$ (31,323)	\$ -	\$ -	\$ (31,323)	\$ 319,559
Jun-14	599,687,579	\$ (826,942)	6%	9/12	\$ (37,212)	\$ (0.0001)	\$ (59,557)	\$ (96,770)	\$ 222,789
Jul-14	857,170,923	\$ 1,029,065	6%	8/12	\$ 41,163	\$ (0.0001)	\$ (85,252)	\$ (44,090)	\$ 178,700
Aug-14	780,197,849	\$ 404,219	6%	7/12	\$ 14,148	\$ (0.0001)	\$ (77,603)	\$ (63,455)	\$ 115,245
Sep-14	740,674,306	\$ 240,795	6%	6/12	\$ 7,224	\$ (0.0001)	\$ (73,638)	\$ (66,414)	\$ 48,831
Oct-14	535,792,116	\$ (1,592,079)	6%	5/12	\$ (39,802)	\$ (0.0001)	\$ (53,243)	\$ (93,045)	\$ (44,214)
Nov-14 (est)	551,865,879	\$ (1,002,895)	6%	4/12	\$ (20,058)	\$ (0.0001)	\$ (55,187)	\$ (75,244)	\$ (119,459)
									Net Interest \$ (119,459)

(a) Interest Revenues are allocated on a percentage basis.

**December 1, 2014 Transmission Service Charge (TSC)
Semiannual Adjustment**

TSC 2: Rate GS

	Amount	\$/kWh	
(1) C = Projected Recoverable Transmission Costs	\$ 9,447,308	\$2.27	p. 2 of 4
(2) E = Experienced & Estimated Net Over/(Under)			
a. Over/(Under)	\$ (615,030)	-\$0.15	p. 3 of 4
b. Interest	\$ (10,698)	\$0.00	p. 4 of 4
	\$ (625,728)	-\$0.15	
(3) Net Recoverable (C - E)	\$ 10,073,036	\$2.42	
(4) S = Projected Sales (kW) for Computation Period	4,170,000		
(5) T = Pennsylvania gross receipts tax rate	5.90%		
(6) TSC = [(C+E-I)/S]/(1-T)	\$2.57		

**PECO - December 1, 2014 TSC
C-Factor Calculation**

TSC 2: Rate GS

C-Factor Month	Projected Transmission Costs (1)	Projected Default Sales (kW) (2)
Dec-14 (est) \$	1,601,278	695,000
Jan-15 (est) \$	1,601,278	695,000
Feb-15 (est) \$	1,481,009	695,000
Mar-14 (est) \$	1,601,278	695,000
Apr-15 (est) \$	1,561,188	695,000
May-15 (est) \$	1,601,278	695,000
Total \$	9,447,308	4,170,000

Estimated Recovery C-Factor \$2.27 per kW

**PECO - December 1, 2014
TSC Reconciliation Statement
E-Factor Calculation**

TSC 2: Rate GS

E-Factor Period	Actual TSC Costs (1)	Actual Default Sales (kW) (2)	C-Factor Rate (3)	C-Factor Revenue (b) (4)	NSPL AVE MW (5)	Working Capital (a) \$27.92 per MW/mo (6) = (5) * \$27.92	Adjusted C-Factor Revenue (7) = (4) - (6)	C-Factor Over/(Under) Recovery (8) = (7) - (1)	E-Factor Rate (9)	E-Factor Revenue (b) (10)	Total Collected Revenue (11) = (10) + (7)	Over/(Under) Recovery (12) = (11) - (1)	Cumulative Over/(Under) Recovery (13)
Balance													\$ 617,722
13-Dec	\$ 1,531,933	689,562	\$ 2.34	\$ 1,613,026	731	\$ 20,417	\$ 1,592,609	\$ 60,676	\$ (0.07)	\$ (49,231)	\$ 1,543,378	\$ 11,445	\$ 629,167
14-Jan	\$ 1,535,711	742,665	\$ 2.34	\$ 1,737,245	700	\$ 19,545	\$ 1,717,700	\$ 181,989	\$ (0.07)	\$ (53,022)	\$ 1,664,678	\$ 128,967	\$ 758,134
14-Feb	\$ 1,411,622	724,537	\$ 2.34	\$ 1,694,841	696	\$ 19,446	\$ 1,675,395	\$ 263,773	\$ (0.07)	\$ (51,728)	\$ 1,623,667	\$ 212,045	\$ 970,178
14-Mar	\$ 1,539,355	699,249	\$ 2.34	\$ 1,635,685	701	\$ 19,566	\$ 1,616,119	\$ 76,765	\$ (0.07)	\$ (49,922)	\$ 1,566,197	\$ 26,842	\$ 997,021
14-Apr	\$ 1,497,134	671,466	\$ 2.34	\$ 1,570,696	699	\$ 19,518	\$ 1,551,177	\$ 54,043	\$ (0.07)	\$ (47,939)	\$ 1,503,238	\$ 6,104	\$ 1,003,125
14-May	\$ 1,536,707	651,200	\$ 2.34	\$ 1,523,289	698	\$ 19,502	\$ 1,503,787	\$ (32,919)	\$ (0.07)	\$ (46,492)	\$ 1,457,295	\$ (79,411)	\$ 923,714
14-Jun	\$ 1,531,339	642,111	\$ 2.17	\$ 1,393,120	702	\$ 19,598	\$ 1,373,522	\$ (157,817)	\$ (0.24)	\$ (154,078)	\$ 1,219,444	\$ (311,895)	\$ 611,819
14-Jul	\$ 1,573,174	739,075	\$ 2.17	\$ 1,603,491	703	\$ 19,627	\$ 1,583,864	\$ 10,690	\$ (0.24)	\$ (177,345)	\$ 1,406,519	\$ (166,655)	\$ 445,164
14-Aug	\$ 1,574,851	708,167	\$ 2.17	\$ 1,536,435	702	\$ 19,608	\$ 1,516,827	\$ (58,024)	\$ (0.24)	\$ (169,928)	\$ 1,346,899	\$ (227,952)	\$ 217,212
14-Sep	\$ 1,529,569	709,017	\$ 2.17	\$ 1,538,278	701	\$ 19,564	\$ 1,518,714	\$ (10,855)	\$ (0.24)	\$ (170,132)	\$ 1,348,582	\$ (180,987)	\$ 36,225
14-Oct	\$ 1,599,633	658,804	\$ 2.17	\$ 1,429,398	701	\$ 19,565	\$ 1,409,773	\$ (189,860)	\$ (0.24)	\$ (158,083)	\$ 1,251,689	\$ (347,943)	\$ (311,718)
Nov-14 (est)	\$ 1,600,000	682,000	\$ 2.17	\$ 1,479,940	701	\$ 19,572	\$ 1,460,368	\$ (139,632)	\$ (0.24)	\$ (163,680)	\$ 1,296,688	\$ (303,312)	\$ (615,030)
Total Recovery E-Factor											\$	(615,030)	

(a) Working Capital / mo = \$356/MW * (1-GRT) * 1/12
(b) C Factor and E Factor Revenues are allocated on a percentage basis.

**PECO - December 1, 2014
TSC Reconciliation Statement
Interest Calculation**

TSC 2: Rate GS

E-Factor Period	Actual Sales (kW) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)	Interest Factor Rate (6)	Interest Revenues (a) (7)	Total Interest Owed/ (Interest Recouped) (8) = (5) + (7)	Cummulative Interest Owed/ (Interest Recouped) (9)
Balance									\$ 25,019
Dec-13	689,562	\$ 60,676	6%	9/12	\$ 2,730	\$ -	\$ -	\$ 2,730	\$ 27,749
Jan-14	742,665	\$ 181,989	6%	8/12	\$ 7,280	\$ -	\$ -	\$ 7,280	\$ 35,029
Feb-14	724,537	\$ 263,773	6%	7/12	\$ 9,232	\$ -	\$ -	\$ 9,232	\$ 44,261
Mar-14	699,249	\$ 76,765	6%	6/12	\$ 2,303	\$ -	\$ -	\$ 2,303	\$ 46,564
Apr-14	671,466	\$ 54,043	6%	5/12	\$ 1,351	\$ -	\$ -	\$ 1,351	\$ 47,915
May-14	651,200	\$ (32,919)	6%	4/12	\$ (658)	\$ -	\$ -	\$ (658)	\$ 47,257
Jun-14	642,111	\$ (157,817)	6%	9/12	\$ (7,102)	\$ (0.01)	\$ (6,420)	\$ (13,522)	\$ 33,735
Jul-14	739,075	\$ 10,690	6%	8/12	\$ 428	\$ (0.01)	\$ (7,389)	\$ (6,962)	\$ 26,773
Aug-14	708,167	\$ (58,024)	6%	7/12	\$ (2,031)	\$ (0.01)	\$ (7,080)	\$ (9,111)	\$ 17,662
Sep-14	709,017	\$ (10,855)	6%	6/12	\$ (326)	\$ (0.01)	\$ (7,089)	\$ (7,414)	\$ 10,247
Oct-14	658,804	\$ (189,860)	6%	5/12	\$ (4,746)	\$ (0.01)	\$ (6,587)	\$ (11,333)	\$ (1,086)
Nov-14 (est)	682,000	\$ (139,632)	6%	4/12	\$ (2,793)	\$ (0.01)	\$ (6,820)	\$ (9,613)	\$ (10,698)
								Net Interest \$	(10,698)

(a) Interest Revenues are allocated on a percentage basis.

PECO - Electric
December 1, 2014 Transmission Service Charge (TSC)
Semiannual Adjustment

TSC 3: Rates HT, PD, EP

	Amount	\$/kWh	
(1) C = Projected Recoverable Transmission Costs	\$ 1,484,699	\$2.01	p. 2 of 4
(2) E = Experienced & Estimated Net Over/(Under)			
a. Over/(Under)	\$ 64,760	\$0.09	p. 3 of 4
b. Interest	\$ 1,250	\$0.00	p. 4 of 4
	\$ 66,011	\$0.09	
(3) Net Recoverable (C - E)	\$ 1,418,688	\$1.92	
(4) S = Projected Sales (kW) for Computation Period	738,000		
(5) T = Pennsylvania gross receipts tax rate	5.90%		
(6) TSC = [(C+E-I)/S]/(1-T)	\$2.04		

**PECO - December 1, 2014 TSC
C-Factor Calculation**

TSC 3: Rates HT, PD, EP

C-Factor Month	Projected Transmission Costs (1)	Projected Default Sales (kW) (2)
Dec-14 (est) \$	251,650	123,000
Jan-15 (est) \$	251,650	123,000
Feb-15 (est) \$	232,749	123,000
Mar-14 (est) \$	245,350	123,000
Apr-15 (est) \$	251,650	123,000
May-15 (est) \$	251,650	123,000
Total \$	1,484,699	738,000

Estimated Recovery C-Factor \$2.01 per kW

**PECO - December 1, 2014
TSC Reconciliation Statement
E-Factor Calculation**

TSC 3: Rates PD, HT, EP

E-Factor Period	Actual TSC Costs (1)	Actual Default Sales (kW) (2)	C-Factor Rate (3)	C-Factor Revenue (b) (4)	NSPL AVE MW (5)	Working Capital (a) \$27.92 per MW/mo (6) = (5) * \$27.92	Adjusted C-Factor Revenue (7) = (4) - (6)	C-Factor Over/(Under) Recovery (8) = (7) - (1)	E-Factor Rate (9)	E-Factor Revenue (b) (10)	Total Collected Revenue (11) = (10) + (7)	Over/(Under) Recovery (12) = (11) - (1)	Cumulative Over/(Under) Recovery (13)
Balance													\$ 77,252
Dec-13	\$ 249,352	148,442	\$ 2.20	\$ 326,541	119	\$ 3,323	\$ 323,218	\$ 73,866	0.01	\$ 1,415	\$ 324,633	\$ 75,281	\$ 152,533
Jan-14	\$ 246,468	143,484	\$ 2.20	\$ 315,634	112	\$ 3,137	\$ 312,497	\$ 66,028	0.01	\$ 1,368	\$ 313,865	\$ 67,396	\$ 219,929
Feb-14	\$ 231,829	124,879	\$ 2.20	\$ 274,707	114	\$ 3,194	\$ 271,514	\$ 39,685	0.01	\$ 1,190	\$ 272,704	\$ 40,875	\$ 260,804
Mar-14	\$ 230,092	141,891	\$ 2.20	\$ 312,129	105	\$ 2,925	\$ 309,204	\$ 79,113	0.01	\$ 1,353	\$ 310,557	\$ 80,465	\$ 341,269
Apr-14	\$ 222,472	88,828	\$ 2.20	\$ 195,402	104	\$ 2,900	\$ 192,501	\$ (29,971)	0.01	\$ 847	\$ 193,348	\$ (29,124)	\$ 312,145
May-14	\$ 227,115	120,003	\$ 2.20	\$ 263,981	103	\$ 2,882	\$ 261,098	\$ 33,983	0.01	\$ 1,144	\$ 262,242	\$ 35,127	\$ 347,272
Jun-14	\$ 220,509	107,858	\$ 1.97	\$ 212,887	101	\$ 2,822	\$ 210,065	\$ (10,444)	(0.35)	\$ (37,938)	\$ 172,127	\$ (48,382)	\$ 298,890
Jul-14	\$ 223,045	122,159	\$ 1.97	\$ 241,115	100	\$ 2,783	\$ 238,333	\$ 15,288	(0.35)	\$ (42,968)	\$ 195,364	\$ (27,680)	\$ 271,210
Aug-14	\$ 217,705	100,070	\$ 1.97	\$ 197,515	97	\$ 2,711	\$ 194,804	\$ (22,900)	(0.35)	\$ (35,198)	\$ 159,606	\$ (58,099)	\$ 213,111
Sep-14	\$ 205,342	104,376	\$ 1.97	\$ 206,015	94	\$ 2,626	\$ 203,389	\$ (1,953)	(0.35)	\$ (36,713)	\$ 166,675	\$ (38,666)	\$ 174,445
Oct-14	\$ 215,358	98,376	\$ 1.97	\$ 194,172	94	\$ 2,634	\$ 191,538	\$ (23,820)	(0.35)	\$ (34,603)	\$ 156,935	\$ (58,422)	\$ 116,023
Nov-14 (est)	\$ 212,000	101,000	\$ 1.97	\$ 198,821	95	\$ 2,652	\$ 196,169	\$ (15,831)	(0.35)	\$ (35,431)	\$ 160,738	\$ (51,262)	\$ 64,760
													Total Recovery E-Factor \$ 64,760

(a) Working Capital / mo = \$356/MW * (1-GRT) * 1/12

(b) C Factor and E Factor Revenues are allocated on a percentage basis.

PECO - December 1, 2014 TSC Reconciliation Statement Interest Calculation

TSC 3: Rates HT, PD, EP

E-Factor Period	Actual Sales (kW) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)	Interest Factor Rate (6)	Interest Factor Revenues (a) (7)	Total Interest Owed/ (Interest Recouped) (8) = (5) + (7)	Cumulative Interest Owed/ (Interest Recouped) (9)
Balance									7,076
Dec-13	148,442	\$ 73,866	6%	9/12	\$ 3,324	\$ (0.01)	\$ (1,095)	\$ 2,229	\$ 9,305
Jan-14	143,484	\$ 66,028	6%	8/12	\$ 2,641	\$ (0.01)	\$ (1,059)	\$ 1,583	\$ 10,887
Feb-14	124,879	\$ 39,685	6%	7/12	\$ 1,389	\$ (0.01)	\$ (921)	\$ 468	\$ 11,355
Mar-14	141,891	\$ 79,113	6%	6/12	\$ 2,373	\$ (0.01)	\$ (1,047)	\$ 1,327	\$ 12,681
Apr-14	88,828	\$ (29,971)	6%	5/12	\$ (749)	\$ (0.01)	\$ (655)	\$ (1,405)	\$ 11,277
May-14	120,003	\$ 33,983	6%	4/12	\$ 680	\$ (0.01)	\$ (885)	\$ (206)	\$ 11,071
Jun-14	107,858	\$ (10,444)	6%	9/12	\$ (470)	\$ (0.01)	\$ (1,394)	\$ (1,864)	\$ 9,207
Jul-14	122,159	\$ 15,288	6%	8/12	\$ 612	\$ (0.01)	\$ (1,579)	\$ (968)	\$ 8,239
Aug-14	100,070	\$ (22,900)	6%	7/12	\$ (802)	\$ (0.01)	\$ (1,294)	\$ (2,095)	\$ 6,144
Sep-14	104,376	\$ (1,953)	6%	6/12	\$ (59)	\$ (0.01)	\$ (1,349)	\$ (1,408)	\$ 4,736
Oct-14	98,376	\$ (23,820)	6%	5/12	\$ (595)	\$ (0.01)	\$ (1,272)	\$ (1,867)	\$ 2,869
Nov-14 (est)	101,000	\$ (15,831)	6%	4/12	\$ (317)	\$ (0.01)	\$ (1,302)	\$ (1,619)	\$ 1,250

(a) Interest Revenues are allocated on a percentage basis.

Net Interest \$ 1,250

**December 1, 2014 Transmission Service Charge (TSC)
Semiannual Adjustment**

TSC 4: Rates SLE, SLS, POL, AL, TLCL

	Amount	\$/kWh	
(1) C = Projected Recoverable Transmission Costs	\$ 15,002	\$0.0010	p. 2 of 4
(2) E = Experienced & Estimated Net Over/(Under)			
a. Over/(Under)	\$ 1,583	\$0.0001	p. 3 of 4
b. Interest	\$ <u>224</u>	\$0.0000	p. 4 of 4
	\$ 1,806	\$0.0001	
(3) Net Recoverable (C - E)	\$ 13,196	\$0.0009	
(4) S = Projected Sales (kWh) for Computation Period	15,427,324		
(5) T = Pennsylvania gross receipts tax rate	5.90%		
(6) TSC = [(C+E-I)/S]/(1-T)	\$0.0009		

**PECO - December 1, 2014 TSC
C-Factor Calculation**

TSC 4: Rates SLE, SLS, POL, AL, TLCL

C-Factor Month	Projected Transmission Costs (1)	Projected Default Sales (kWh) (2)
Dec-14 (est) \$	2,543	2,571,221
Jan-15 (est) \$	2,543	2,571,221
Feb-15 (est) \$	2,352	2,571,221
Mar-14 (est) \$	2,543	2,571,221
Apr-15 (est) \$	2,479	2,571,221
May-15 (est) \$	2,543	2,571,221
Total \$	15,002	15,427,324

Estimated Recovery C-Factor \$0.0010 per kWh

PECO - December 1, 2014
TSC Reconciliation Statement
E-Factor Calculation

TSC 4: Rates SLE, SLS, POL, AL, TLCL

E-Factor Period	Actual TSC Costs (1)	Actual Default Sales (kWh) (2)	C-Factor Rate (3)	C-Factor Revenue (b) (4)	NSPL AVE MW (5)	Working Capital (a) \$27.92 per MW/mo (6) = (5) * \$27.92	Adjusted C-Factor Revenue (7) = (4) - (6)	C-Factor Over/(Under) Recovery (8) = (7) - (1)	E-Factor Rate (9)	E-Factor Revenue (b) (10)	Total Collected Revenue (11) = (10) + (7)	Over/(Under) Recovery (12) = (11) - (1)	Cumulative Over/(Under) Recovery (13)
Balance													
Dec-13	\$ 2,355	2,795,928	\$ 0.0008	\$ 2,857	1	\$ 31	\$ 2,826	\$ 470	-	\$ -	\$ 2,826	\$ 470	\$ 1,096
Jan-14	\$ 2,464	2,823,004	\$ 0.0008	\$ 2,391	1	\$ 31	\$ 2,359	\$ (105)	-	\$ -	\$ 2,359	\$ (105)	\$ 1,567
Feb-14	\$ 2,291	2,765,945	\$ 0.0008	\$ 2,341	1	\$ 32	\$ 2,309	\$ 18	-	\$ -	\$ 2,309	\$ 18	\$ 1,462
Mar-14	\$ 2,460	2,765,543	\$ 0.0008	\$ 2,340	1	\$ 31	\$ 2,309	\$ (151)	-	\$ -	\$ 2,309	\$ (151)	\$ 1,480
Apr-14	\$ 2,365	2,753,570	\$ 0.0008	\$ 2,330	1	\$ 31	\$ 2,299	\$ (65)	-	\$ -	\$ 2,299	\$ (65)	\$ 1,330
May-14	\$ 2,437	2,704,294	\$ 0.0008	\$ 2,252	1	\$ 31	\$ 2,221	\$ (215)	-	\$ -	\$ 2,221	\$ (215)	\$ 1,264
Jun-14	\$ 2,436	2,569,668	\$ 0.0011	\$ 2,838	1	\$ 31	\$ 2,807	\$ 371	\$(0.0001)	\$ (258)	\$ 2,549	\$ 113	\$ 1,162
Jul-14	\$ 2,517	2,572,908	\$ 0.0011	\$ 2,929	1	\$ 31	\$ 2,898	\$ 380	\$(0.0001)	\$ (266)	\$ 2,632	\$ 114	\$ 1,276
Aug-14	\$ 2,541	2,578,399	\$ 0.0011	\$ 2,935	1	\$ 32	\$ 2,904	\$ 362	\$(0.0001)	\$ (267)	\$ 2,637	\$ 95	\$ 1,371
Sep-14	\$ 2,476	2,574,839	\$ 0.0011	\$ 2,931	1	\$ 32	\$ 2,899	\$ 423	\$(0.0001)	\$ (266)	\$ 2,633	\$ 157	\$ 1,528
Oct-14	\$ 2,589	2,560,289	\$ 0.0011	\$ 2,912	1	\$ 32	\$ 2,880	\$ 291	\$(0.0001)	\$ (265)	\$ 2,615	\$ 27	\$ 1,555
Nov-14 (est)	\$ 2,512	2,571,221	\$ 0.0011	\$ 2,828	1	\$ 32	\$ 2,797	\$ 285	\$(0.0001)	\$ (257)	\$ 2,540	\$ 28	\$ 1,583
Total Recovery E-Factor											\$ 1,583		

(a) Working Capital / mo = \$356/MW * (1-GRT) * 1/12
(b) C-Factor and E-Factor Revenues are allocated on a percentage basis.

PECO - December 1, 2014
TSC Reconciliation Statement
Interest Calculation

TSC 4: Rates SLE, SLS, POL, AL, TLCL

E-Factor Period	Actual Sales (kWh) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)	Interest Factor Rate (6)	Interest Factor Revenues (a) (7)	Total Interest Owed/ (Interest Recouped) (8) = (5) + (7)	Cummulative Interest Owed/ (Interest Recouped) (9)
Balance									\$ 51
Dec-13	2,795,928	\$ 470	6%	9/12	\$ 21	-	\$ -	21	\$ 72
Jan-14	2,823,004	\$ (105)	6%	8/12	\$ (4)	-	\$ -	(4)	\$ 68
Feb-14	2,765,945	\$ 18	6%	7/12	\$ 1	-	\$ -	1	\$ 69
Mar-14	2,765,543	\$ (151)	6%	6/12	\$ (5)	-	\$ -	(5)	\$ 64
Apr-14	2,753,570	\$ (65)	6%	5/12	\$ (2)	-	\$ -	(2)	\$ 63
May-14	2,704,294	\$ (215)	6%	4/12	\$ (4)	-	\$ -	(4)	\$ 58
Jun-14	2,569,668	\$ 371	6%	9/12	\$ 17	-	\$ -	17	\$ 75
Jul-14	2,572,908	\$ 380	6%	8/12	\$ 15	-	\$ -	15	\$ 90
Aug-14	2,578,399	\$ 362	6%	7/12	\$ 13	-	\$ -	13	\$ 103
Sep-14	2,574,839	\$ 423	6%	6/12	\$ 13	-	\$ -	13	\$ 116
Oct-14	2,560,289	\$ 291	6%	5/12	\$ 7	-	\$ -	7	\$ 123
Nov-14 (est)	2,571,221	\$ 285	106%	4/12	\$ 101	-	\$ -	101	\$ 224
									Net Interest \$ 224

(a) Interest Revenues are allocated on a percentage basis.