



An Exelon Company

Richard G. Webster, Jr.
Vice President

PECO
Regulatory Policy and Strategy
2301 Market Street
S15
Philadelphia, PA 19103

Telephone 215.841.4000
Fax 215.841.6208
www.peco.com
dick.webster@peco-energy.com

August 3, 2015

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 18105-3265

Subject: PECO Energy Company Reconciliation of Smart Meter Cost
Recovery (SMCRS) for the 12 Month Period ended June 30, 2015
Docket No. M-2009-2123944

Dear Secretary Chiavetta:

As required by Commission Order at Docket No. M-2009-2123944, PECO Energy Company ("PECO") transmits for filing with the Pennsylvania Public Utility Commission the annual SMCRS reconciliation statement consisting of the following:

- Computation sheets showing the reconciliation of revenues, costs and interest for the 12 month period July 1, 2014 through June 30, 2015 for the Residential, Small Commercial and Large Commercial/Industrial customer classes.

Note that the reconciliation of the SMCRS, as shown in the computation sheets, includes the impact of a credit related to a contract dispute with PECO's AMR and data management services vendor Landis + Gyr ("L+G"). The credit was the result of a favorable final arbitration award issued on June 30, 2015. The impact of the credit reduced the total recoverable costs by approximately \$6.0 million for the period of October 2014 through April 2015.

Please direct any questions regarding the above to Richard A. Schlesinger at 215-841-5771.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard A. Schlesinger".

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 - 2015
Smart meter Project Reconciliation Statement
Calculation for the Period 7/1/14 through 6/30/15
Rates R, RH**

Period	Recoverable Costs (Net of Stimulus Funding) (1) (b)	Actual R, RH, OP Usage (kWh) (2)	C-Factor Rate (3)	C-Factor Revenue (a) (4)	C-Factor Over/(Under) Recovery (5) = (4) - (1)	Interest Rate (6)	Interest Time Factor (7)	Interest Owed/ (Interest Recouped) (8) = (6) * (6) * (7)
Jul-14	\$ 4,452,233	1,329,422,330	0.0039	\$ 5,190,167	\$ 737,934	6%	24/12	\$ 88,552
Aug-14	\$ 4,108,277	1,212,644,413	0.0039	\$ 4,733,842	\$ 625,565	6%	23/12	\$ 71,940
Sep-14	\$ 4,036,328	1,153,288,621	0.0039	\$ 4,501,429	\$ 465,100	6%	22/12	\$ 51,161
Oct-14	\$ 4,542,156	831,105,319	0.0039	\$ 3,243,368	\$ (1,298,788)	6%	21/12	\$ (136,373)
Nov-14	\$ 3,858,331	850,269,278	0.0039	\$ 3,318,150	\$ (540,181)	6%	20/12	\$ (54,018)
Dec-14	\$ 4,425,144	1,201,001,934	0.0039	\$ 4,694,975	\$ 269,831	6%	19/12	\$ 25,634
Jan-15	\$ 3,550,087	1,401,586,642	0.0035	\$ 4,805,379	\$ 1,255,292	6%	18/12	\$ 112,976
Feb-15	\$ 3,716,652	1,385,537,647	0.0035	\$ 4,749,644	\$ 1,032,992	6%	17/12	\$ 87,804
Mar-15	\$ 4,252,770	1,286,428,435	0.0035	\$ 4,408,844	\$ 156,073	6%	16/12	\$ 12,486
Apr-15	\$ 4,810,198	935,053,019	0.0035	\$ 3,203,191	\$ (1,607,007)	6%	15/12	\$ (120,526)
May-15	\$ 3,275,663	820,390,938	0.0035	\$ 2,809,874	\$ (465,789)	6%	14/12	\$ (32,605)
Jun-15	\$ 3,545,209	1,091,025,073	0.0035	\$ 3,738,931	\$ 193,722	6%	13/12	\$ 12,592
	\$ 48,673,048	13,497,763,649		\$ 49,397,792	\$ 824,744			\$ 119,624

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

(b) The period of October 2014 through April 2015 includes approximately \$5.6 million credit related to the L&G contract dispute.

**PECO - 2015
Smart meter Project Reconciliation Statement
Calculation for the Period 7/1/14 through 6/30/15
Rate GS**

Period	Recoverable Costs (Net of Stimulus Funding) (1) (b)(c)	Actual GS Customers (2)	C-Factor Rate (3)	C-Factor Revenue (a) (4)	C-Factor Over/(Under) Recovery (5) = (4) - (1)	Interest Rate (6)	Interest Time Factor (7)	Interest Owed/ (Interest Recouped) (8) = (5) * (6) * (7)
Jul-14	\$ 474,041	150,772	3.07	\$ 456,902	\$ (17,139)	6%	24/12	\$ (2,057)
Aug-14	\$ 449,654	150,635	3.07	\$ 455,920	\$ 6,266	6%	23/12	\$ 721
Sep-14	\$ 416,947	152,198	3.07	\$ 462,555	\$ 45,609	6%	22/12	\$ 5,017
Oct-14	\$ 497,299	151,582	3.07	\$ 459,222	\$ (38,077)	6%	21/12	\$ (3,998)
Nov-14	\$ 428,027	153,037	3.07	\$ 460,884	\$ 32,858	6%	20/12	\$ 3,286
Dec-14	\$ 458,126	151,734	3.07	\$ 457,846	\$ (280)	6%	19/12	\$ (27)
Jan-15	\$ 401,887	154,707	2.69	\$ 405,165	\$ 3,278	6%	18/12	\$ 295
Feb-15	\$ 429,835	152,887	2.69	\$ 400,361	\$ (29,474)	6%	17/12	\$ (2,505)
Mar-15	\$ 323,263	154,231	2.69	\$ 401,212	\$ 77,948	6%	16/12	\$ 6,236
Apr-15	\$ 471,758	156,466	2.69	\$ 402,758	\$ (69,000)	6%	15/12	\$ (5,175)
May-15	\$ 152,250	154,523	2.69	\$ 402,016	\$ 249,766	6%	14/12	\$ 17,484
Jun-15	\$ 178,715	152,987	2.69	\$ 398,854	\$ 220,139	6%	13/12	\$ 14,309
	\$ 4,681,801			\$ 5,163,696	\$ 481,894			\$ 33,686

(a) C Factor Revenues are allocated on a percentage basis

(b) The period of October 2014 through April 2015 includes approximately \$394,000 credit related to the L&G contract dispute.

(c) Reflects an increase of approximately \$290,000 in costs reclassified from Large Commercial reflecting latest deployment status.

PECO - 2015
Smart meter Project Reconciliation Statement
Calculation for the Period 7/1/14 through 6/30/15
Rates HT, PD, EP

Period	Recoverable Costs (Net of Stimulus Funding) (1) (b)(c)	Actual HT, PD, EP Customers (2)	C-Factor Rate (3)	C-Factor Revenue (a) (4)	C-Factor Over/(Under) Recovery (5) = (4) - (1)	Interest Rate (6)	Interest Time Factor (7)	Interest Owed/ (Interest Recouped) (8) = (5) * (6) * (7)
Jul-14	\$ 38,404	3,165	3.07	\$ 9,479	\$ (28,925)	6%	24/12	\$ (3,471)
Aug-14	\$ 40,501	3,214	3.07	\$ 9,619	\$ (30,883)	6%	23/12	\$ (3,552)
Sep-14	\$ 41,659	3,289	3.07	\$ 9,870	\$ (31,788)	6%	22/12	\$ (3,497)
Oct-14	\$ 49,215	3,243	3.07	\$ 9,636	\$ (39,578)	6%	21/12	\$ (4,156)
Nov-14	\$ 50,226	3,557	3.07	\$ 9,681	\$ (40,544)	6%	20/12	\$ (4,054)
Dec-14	\$ 53,194	3,281	3.07	\$ 10,071	\$ (43,123)	6%	19/12	\$ (4,097)
Jan-15	\$ 59,835	3,270	2.69	\$ 8,171	\$ (51,663)	6%	18/12	\$ (4,650)
Feb-15	\$ 61,810	3,292	2.69	\$ 8,297	\$ (53,513)	6%	17/12	\$ (4,549)
Mar-15	\$ (52,946)	3,315	2.69	\$ 8,443	\$ 61,389	6%	16/12	\$ 4,911
Apr-15	\$ 48,003	3,424	2.69	\$ 8,717	\$ (39,286)	6%	15/12	\$ (2,946)
May-15	\$ 44,644	3,316	2.69	\$ 8,513	\$ (36,132)	6%	14/12	\$ (2,529)
Jun-15	\$ 45,274	3,287	2.69	\$ 8,448	\$ (36,826)	6%	13/12	\$ (2,394)
	\$ 479,818			\$ 108,945	\$ (370,873)			\$ (34,983)

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

(b) The period of October 2014 through April 2015 includes \$1,800 credit related to the L&G contract dispute.

(c) Reflects an decrease of approximately \$290,000 in costs reclassified to Small Commercial reflecting latest deployment status.