

CAPTION SHEET

FILE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00 :
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 3. SECTION(S) : 4. PUBLIC MEETING DATE:
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 DIRECTOR: :
 SUPERVISOR: :
 6. PERSON IN CHARGE: : 7. DATE FILED: 05/16/05
 8. DOCKET NO: R-00050610 : 9. EFFECTIVE DATE: 08/12/05

PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: PECO ENERGY COMPANY

COMP/APP COUNTY:

UTILITY CODE: 110550

ALLEGATION OR SUBJECT

PECO ENERGY COMPANY FILED SUPPLEMENT NUMBER 64 TO TARIFF ELECTRIC PA PUC NUMBER 3 ISSUED MAY 14, 2005 AND EFFECTIVE AUGUST 12, 2005, IMPLEMENTING THE ANNUAL ADJUSTMENT OF INTANGIBLE TRANSITION CHARGES (ITC) AND SECURITIZATION RATE REDUCTIONS (SRR).

DOCUMENT
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DOCKETED

MAY 31 2005

Brian D. Crowe
Director
Rates & Regulatory Affairs

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An Exelon Company

PECO Energy Company
2301 Market Street
Philadelphia, PA 19103

Mail To: PO Box 8699
Philadelphia, PA 19101

May 16, 2005

R-00050610

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MAY 16 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BY FEDERAL EXPRESS

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

Dear Secretary McNulty:

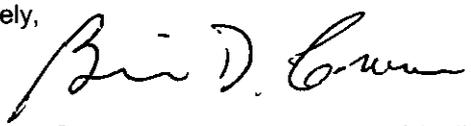
Re: Tariff Electric – Pa. P.U.C. No. 3 Supplement No. 64 – Issued May 14, 2005
Effective August 12, 2005 – Implementing the Annual Adjustment of Intangible
Transition Charges (ITC) and Securitization Rate Reductions (SRR)

PECO Energy Company encloses for filing with the Commission eight copies of Supplement No. 64 – Tariff Electric Pa. P.U.C. No. 3. This filing which is to become effective on August 12, 2005, is in accordance with the provisions of the Final Order concerning the Application of PECO Energy Company for Approval of its Restructuring Plan Under Section 2806 of the Public Utility Code, et al. at Docket Nos. R-00973953 and P-00971265 entered May 14, 1998 ("Final Order") and the Order concerning the Application of a Qualified Rate Order at Docket No. R-00005030. The Company is making this filing in accordance with paragraph 10 of the Final Order at Docket No. R-00973953 and Paragraph 7 of the Order at Docket No. R-00005030 which provide for an Annual Adjustment of rates and a 90 day period in which the Commission has to approve such rates. Additionally, in accordance with the Orders and as indicated on the attached tariff page (12th revised page no. 32) the net effect of the ITC and SRR on the customer bills will be zero.

Exhibit 1 contains a reconciliation of actual Intangible Transition Charges (ITC) billed and collected for the 12 month period ended April 2005. Exhibit 2 provides the ITC revenues necessary to amortize the transition bonds through August 2006.

Please acknowledge receipt of the foregoing on the enclosed extra copy of this letter.

Sincerely,



- cc: T. E. Sheets, Director, Bureau of Audits
- J. E. Simms, Director, Office of Trial Staff
- Office of Consumer Advocate
- Office of Small Business Advocate
- R. A. Rosenthal, Director, Fixed Utility Services
- R. Bennett, Manager, Fixed Utility Services
- R. Wilson, Manager, Fixed Utility Services

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Enclosures

RAS/amm

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R-00050610

PECO Energy Company

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street
Philadelphia, Pennsylvania 19101

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MAY 10 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

For List of Communities Served, See Page 4.

Issued: May 14, 2005

Effective: August 12, 2005

ISSUED BY: D. P. O'Brien - President
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19101

NOTICE.

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PECO Energy Company

LIST OF CHANGES MADE BY THIS SUPPLEMENT

Net Securitization Adjustment (NSA) (12th Revised Page No. 32)
Change ITC changes and SRR credits.

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MAY 16 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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PECO Energy Company

Net Securitization Adjustment (NSA)

In addition to the net charges provided for in this tariff, values as indicated in the table below will be applied to all service on their effective date.

The NSA is comprised of two separate factors, the Securitization Rate Reduction (SRR) and the Intangible Transition Charge (ITC) which will always net to zero in accordance with the terms of the Joint Petition for Full Settlement. The factors as described below will initially become effective on 10 days notice to the Commission. The SRR and ITC will be recalculated as follows:

- (1) Whenever new Transition Bonds are issued as evidenced by the issuance date of the bonds.
- (2) Annually, to reconcile unamortized Qualified Transition Expense (QTE) principal balance.
- (3) Quarterly, or if necessary monthly, in order to insure full recovery of ITC during the final calendar year of ITC collection.

Securitization Rate Reduction (SRR)

The SRR is a credit to the Company's base rate charges, expressed as a percentage of such charges, reflecting a revenue requirement reduction arising from the Company's securitization of generation-related costs.

Intangible Transition Charge (ITC)

The ITC is a charge that is added to, and expressed as a percentage of, the Company's PaPUC jurisdictional base rate charges (i.e. distribution and CTC) reflecting the revenue requirement necessary to amortize the QTE principal balance. The ITC will be recalculated as follows:

Effective Rate Table

Rate Class	(a), (b)	(a), (b)	NSA
	<u>SRR</u>	<u>ITC</u>	
R	(30.66%)	30.66%	0
RT	(30.66%)	30.66%	0
R-H	(39.68%)	39.68%	0
OP	(4.76%)	4.76%	0
GS	(52.75%)	52.75%	0
PD	(62.24%)	62.24%	0
HT	(65.97%)(c)	65.97%(c)	0
POL	(3.38%)	3.38%	0
SL-P	(7.98%)	7.98%	0
SL-S	(7.98%)	7.98%	0
SL-E	(5.94%)	5.94%	0
TL	(63.92%)	63.92%	0
EP	(59.91%)	59.91%	0

- (a) Applied to Variable Distribution and Transition Charges
- (b) Rate is modified for special contract customers with discounted CTC rates and customers on KOZ Rider and CAP A Rider.
- (c) Not applicable to on peak LILR.

(C) Indicates Change

PECO ENERGY COMPANY
ITC Receipts
Reconciliation Statement Through April 2005

Exhibit 1
1 of 2

Month	Residential			Commercial & Industrial		
	Actual	Projected	Difference	Actual	Projected	Difference
May-04	\$ 13,951,434	\$ 14,656,889	\$ (705,455)	\$ 26,702,834	\$ 30,260,453	\$ (3,557,619)
Jun-04	\$ 16,248,189	\$ 13,664,969	\$ 2,583,221	\$ 34,221,893	\$ 31,493,005	\$ 2,728,888
Jul-04	\$ 18,811,286	\$ 15,140,566	\$ 3,670,720	\$ 33,477,183	\$ 33,885,454	\$ (408,271)
Aug-04	\$ 21,816,949	\$ 18,333,662	\$ 3,483,287	\$ 36,275,614	\$ 36,475,005	\$ (199,392)
Sep-04	\$ 25,485,909	\$ 20,152,117	\$ 5,333,792	\$ 39,702,920	\$ 38,326,664	\$ 1,376,256
Oct-04	\$ 21,706,912	\$ 18,981,607	\$ 2,725,304	\$ 39,132,199	\$ 37,972,365	\$ 1,159,834
Nov-04	\$ 16,336,227	\$ 16,562,106	\$ (225,880)	\$ 35,192,056	\$ 35,550,745	\$ (358,689)
Dec-04	\$ 16,326,459	\$ 16,280,911	\$ 45,548	\$ 34,698,480	\$ 34,496,171	\$ 202,309
Jan-05	\$ 18,207,073	\$ 18,687,680	\$ (480,607)	\$ 32,660,855	\$ 35,345,576	\$ (2,684,721)
Feb-05	\$ 19,381,124	\$ 20,683,885	\$ (1,302,761)	\$ 35,662,914	\$ 35,304,120	\$ 358,794
Mar-05	\$ 20,886,293	\$ 19,805,563	\$ 1,080,730	\$ 38,671,759	\$ 35,514,873	\$ 3,156,886
Apr-05	\$ 17,807,869	\$ 17,925,563	\$ (117,694)	\$ 34,699,357	\$ 34,760,594	\$ (61,237)
Total	\$ 226,965,724	\$ 210,875,518	\$ 16,090,206	\$ 421,098,062	\$ 419,385,025	\$ 1,713,038

PECO ENERGY COMPANY
ITC Billed
Reconciliation Statement Through April 2005

Exhibit 1
2 of 2

Month	Residential			Commercial & Industrial		
	Actual	Projected	Difference	Actual	Projected	Difference
May-04	\$ 13,372,460	\$ 13,116,471	\$ 255,988	\$ 29,172,611	\$ 28,731,780	\$ 440,831
Jun-04	\$ 19,596,608	\$ 14,924,104	\$ 4,672,504	\$ 36,065,796	\$ 33,952,723	\$ 2,113,073
Jul-04	\$ 22,630,083	\$ 20,445,339	\$ 2,184,743	\$ 36,077,779	\$ 35,718,023	\$ 359,756
Aug-04	\$ 24,967,960	\$ 22,674,317	\$ 2,293,643	\$ 38,085,179	\$ 38,770,669	\$ (685,489)
Sep-04	\$ 25,132,159	\$ 20,831,249	\$ 4,300,910	\$ 41,675,115	\$ 39,135,412	\$ 2,539,703
Oct-04	\$ 16,656,809	\$ 15,806,888	\$ 849,921	\$ 35,654,494	\$ 36,554,466	\$ (899,972)
Nov-04	\$ 14,814,758	\$ 15,841,635	\$ (1,026,877)	\$ 34,303,903	\$ 33,319,214	\$ 984,689
Dec-04	\$ 17,250,972	\$ 19,578,235	\$ (2,327,263)	\$ 33,979,886	\$ 35,848,185	\$ (1,868,299)
Jan-05	\$ 21,286,072	\$ 24,118,815	\$ (2,832,743)	\$ 35,728,989	\$ 36,077,327	\$ (348,338)
Feb-05	\$ 20,156,678	\$ 20,848,251	\$ (691,573)	\$ 36,218,726	\$ 35,250,531	\$ 968,195
Mar-05	\$ 19,300,235	\$ 18,156,115	\$ 1,144,120	\$ 35,889,762	\$ 35,542,083	\$ 347,678
Apr-05	\$ 16,991,721	\$ 16,951,833	\$ 39,888	\$ 34,370,161	\$ 33,716,456	\$ 653,705
Total	\$ 232,156,513	\$ 223,293,252	\$ 8,863,261	\$ 427,222,401	\$ 422,616,869	\$ 4,605,532

PECO ENERGY COMPANY
 ITC Amortization Statement
 9/01/04 - 8/31/05

Rate Class	(1) Allocated Bond Balance at Beginning of Period	(2) Fees/Expenses	(3) Interest	(4) Principal	(5) Reserve Account	(6) = (2)+(3)+(4)+(5) Total	7 = (1) - (4) Target Balance at End of Period 8/31/05
Residential	1,327,606,012	\$ 3,298,558	\$ 84,163,650	\$ 140,180,675	\$ (3,193,903)	\$ 224,448,980	1,187,425,337
Comm & Ind	<u>2,397,389,301</u>	<u>\$ 5,947,586</u>	<u>\$ 151,630,999</u>	<u>\$ 293,733,399</u>	<u>\$ (9,924,852)</u>	<u>\$ 441,387,132</u>	<u>2,103,655,902</u>
Total	3,724,995,313	\$ 9,246,144	\$ 235,794,649	\$ 433,914,074	\$ (13,118,755)	\$ 665,836,112	3,291,081,280

PECO ENERGY COMPANY
 ITC Amortization Statement
 9/01/05 - 8/31/06

Rate Class	(1) Allocated Bond Balance at Beginning of Period	(2) Fees/Expenses	(3) Interest	(4) Principal	(5) Reserve Account	(6) = (2)+(3)+(4)+(5) Total	7 = (1) - (4) Target Balance at End of Period 8/31/06
Residential	1,187,425,337	\$ 2,927,609	\$ 75,203,410	\$ 174,918,136	\$ (7,479,008)	\$ 245,570,147	1,012,507,201
<u>Comm & Ind</u>	<u>2,103,655,902</u>	<u>\$ 5,183,867</u>	<u>\$ 132,977,687</u>	<u>\$ 340,278,287</u>	<u>\$ (13,847,284)</u>	<u>\$ 464,592,557</u>	<u>1,763,377,615</u>
Total	3,291,081,239	\$ 8,111,476	\$ 208,181,097	\$ 515,196,423	\$ (21,326,292)	\$ 710,162,704	2,775,884,816