



An Exelon Company

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June 16, 2016

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

**SUBJECT: PECO Energy Company (PECO) Generation Supply Adjustment (GSA) – Procurement Classes 3-4, PECO Tariff Electric No. 5, Supplement No. 15 Effective August 1, 2016, Docket No. P-2014-2409362**

Dear Secretary Chiavetta:

This letter transmits for filing with the Commission Supplement No. 15 to PECO's Electric Tariff No. 5 which is made in accordance with PECO's Third Default Service Program ("DSP-III") at Docket No. P-2014-2409362. This Supplement contains PECO's monthly adjustments to Procurement Class 3 – Hourly Pricing, Medium Commercial & Industrial and Procurement Class 4 – Hourly Pricing, Large Commercial & Industrial effective August 1, 2016 through August 31, 2016, respectively.

The proposed rate for Rate HT (High Tension Power) for August 2016 of 1.017 cents/kWh reflects an increase of 0.047 cents/kWh compared to the rate effective July 2016 for Procurement Class 3 - Hourly Pricing.

The proposed rate for Rate HT (High Tension Power) for August 2016 of 0.687 cents/kWh reflects an increase of 0.464 cents/kWh compared to the rate effective July 2016 for Procurement Class 4 - Hourly Pricing.

The following attachments are also included in support of this filing:

- Attachment 1 – GSA Calculation for Procurement Class 3 Hourly Pricing – Medium Commercial & Industrial (100KW < Demand <= 500KW);
- Attachment 2 – GSA Calculation for Procurement Class 4 Hourly Pricing – Large Commercial & Industrial over 500KW;
- Attachment 3 – Revised GSA Tariffs

Rosemary Chiavetta, Secretary  
June 16, 2016  
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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,

A handwritten signature in black ink, appearing to read 'RCh', followed by a long horizontal flourish.

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

Enclosures

# **ATTACHMENT 1**

## **PECO ENERGY COMPANY**

### **GSA CALCULATION FOR PROCUREMENT CLASS 3 HOURLY PRICING – MEDIUM COMMERCIAL & INDUSTRIAL (100KW < Demand < = 500KW)**

PECO Generation Supply Adjustment Rate-Procurement Class 3 Hourly (GSA 3 Hourly)

Application Period: August 1, 2016 through August 31, 2016

cents/kWh

	GSA Rate w/GRT	Rate GS w/GRT Incl. Line Loss Ratio	Rate PD w/GRT Incl. Line Loss Ratio	Rate HT w/GRT Incl. Line Loss Ratio
AS Ancillary Services and Alternative Energy Portfolio Standards Factor				
-Ancillary Service and AEPS (a)	0.346	0.375	0.347	0.333
-Additional AEPS Cost	0.000	0.000	0.000	0.000
Total Ancillary Service Cost and Alternative Energy Portfolio Standards Factor	0.346	0.375	0.347	0.333
AC Administrative Cost Factor				
-Administrative Cost	0.006	0.006	0.006	0.006
Total Administrative Service Cost	0.006	0.006	0.006	0.006
E Factor Including Interest (c)				
-Over/(Under) Collection Jan 2011 to Feb 2016	1.124	1.124	1.124	1.124
-Net Interest Jan 2011 to Feb 2016	0.040	0.043	0.040	0.040
-Over/(Under) Collection Mar 2016 to Apr 2016	-3.214	-3.214	-3.214	-3.214
-Net Interest Mar 2016 to Apr 2016	-0.042	-0.045	-0.042	-0.045
-Prior Period Over/(Under) Collection Revenue, Jul 2016	1.863	1.863	1.863	1.863
-Prior Period Interest Revenue, Jul 2016	0.025	0.025	0.025	0.025
-Prior Period Over/(Under) Collection Revenue, Mar 2016 to May 2016	-0.357	-0.379	-0.357	-0.379
-Prior Period Interest Revenue, Mar 2016 to May 2016	-0.025	-0.027	-0.025	-0.027
Total E Factor Including Interest	-0.586	-0.623	-0.586	-0.623
WC Working Capital Adjustment				
-Working Capital Adjustment (b)	0.032	0.034	0.032	0.032
Total Working Capital Adjustment	0.032	0.034	0.032	0.032
Total GSA Rate (AS + AC + E + WC)	0.970	0.977	0.971	0.957
S Sales for Application Period in kWh	21,415,988			
S1 Sales for Jun 2016 through Nov 2016 in kWh	142,963,437			
Gross Receipts Tax (GRT)	5.90%			

Amount

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6 month sales recovery  
6 month sales recovery  
1 month sales recovery  
1 month sales recovery  
1 month sales recovery  
1 month sales recovery  
6 month sales recovery  
6 month sales recovery

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(a) Adjusted for overall line loss factor ratio  
(b) Based on Settlement at Docket No. R-2015-2468981  
(c) Data reflects transition from Procurement Class 3 Quarterly to Monthly Pricing

**PECO GSA 3 (Hourly) Ancillary Services and AEPS (AS Factor)  
and Administrative Costs**

**For the Period August 1, 2016 through August 31, 2016**

Month	Default Supplier Hourly Pricing and PECO Provided Spot Ancillary Services, AEPS Compliance		Additional AEPS Costs (2)	Administrative Cost (3)
	(1)			
Aug-16	\$74,041		\$47	\$1,334

Month	Total kWh	Rate GS kWh	Rate PD kWh	Rate HT kWh
Aug-16	21,415,998	13,238,867	1,476,758	6,700,373
E factor Sales				
Jun-16 through Nov-16	142,963,437	86,997,549	10,097,010	45,868,878

**PECO GSA 3 Actual Monthly Over/(Under) Collections  
For the Period January 1, 2011 through February 29, 2016  
and March 2016, April 2016 and May 2016**

Month	(1) Default Supplier Spot, Full Requirements Cost for Energy, Capacity, Ancillary Service and AEPS	(2) Default Supplier Fixed, Full Requirements Cost for Energy, Capacity and Ancillary Services	(3) Additional AEPS Costs	(4) Administrative Cost	(5)=(1)+(2)+(3)+(4) Total Cost Including Administrative Cost	(6) Allocation Factor	(7)=(5) x (6) Total Allocated Cost Including Administrative Cost
Jun-13	\$1,377	\$5,181,412	\$67,727	\$23,032	\$5,273,548	0.99112195	\$5,226,729
Jul-13	\$1,421	\$4,540,257	\$65,587	\$25,335	\$4,632,600	0.99196794	\$4,595,391
Aug-13	\$0	\$4,142,906	\$75	\$22,712	\$4,165,693	0.99142235	\$4,129,961
Sep-13	\$0	\$3,989,741	\$188	\$29,674	\$4,019,603	0.99088587	\$3,982,968
Oct-13	\$0	\$3,908,572	\$210	\$27,123	\$3,935,905	0.98979968	\$3,895,757
Nov-13	\$0	\$4,216,782	\$62,080	\$24,906	\$4,303,768	0.98771159	\$4,250,882
Jan-14	\$0	\$4,542,507	\$66,011	\$25,798	\$4,634,316	0.98833361	\$4,580,250
Feb-14	\$0	\$3,919,432	\$58,823	\$24,650	\$4,002,905	0.99318057	\$3,975,608
Mar-14	\$0	\$4,121,192	\$61,008	\$26,467	\$4,208,667	0.99402610	\$4,183,525
Apr-14	\$0	\$3,541,030	\$1,323	\$30,605	\$3,572,958	0.99319481	\$3,548,644
May-14	\$0	\$3,940,042	\$101	\$32,609	\$3,972,752	1.00000000	\$3,972,752
Jun-14	\$0	\$3,970,905	\$76,417	\$39,006	\$4,086,328	1.00000000	\$4,086,328
Jul-14	\$0	\$4,332,565	\$83,635	\$26,889	\$4,443,089	1.00000000	\$4,443,089
Aug-14	\$0	\$4,029,398	\$97,983	\$26,597	\$4,153,978	1.00000000	\$4,153,978
Sep-14	\$0	\$3,684,151	\$66,330	\$28,255	\$3,778,736	1.00000000	\$3,778,736
Oct-14	\$0	\$3,543,155	\$7,826	\$35,100	\$3,586,081	1.00000000	\$3,586,081
Nov-14	\$0	\$3,531,604	\$704	\$34,765	\$3,567,073	1.00000000	\$3,567,073
Dec-14	\$0	\$4,252,483	\$69,538	\$32,212	\$4,354,233	1.00000000	\$4,354,233
Jan-15	\$0	\$4,629,283	\$72,445	\$32,397	\$4,734,125	1.00000000	\$4,734,125
Feb-15	\$0	\$4,132,503	\$66,274	\$31,607	\$4,230,384	1.00000000	\$4,230,384
Mar-15	\$0	\$4,049,406	\$64,050	\$33,194	\$4,146,650	1.00000000	\$4,146,650
Apr-15	\$0	\$3,667,806	\$60,740	\$41,472	\$3,770,018	1.00000000	\$3,770,018
May-15	\$0	\$4,103,493	\$55,894	\$50,942	\$4,210,329	1.00000000	\$4,210,329
Jun-15	\$0	\$3,391,912	\$35,350	\$13,874	\$3,441,136	1.00000000	\$3,441,136
Jul-15	\$0	\$3,726,985	\$39,364	\$14,107	\$3,780,456	0.99961061	\$3,778,984
Aug-15	\$0	\$3,776,351	\$97,591	\$11,893	\$3,885,835	0.99958313	\$3,884,215
Sep-15	\$0	\$3,542,748	\$36,336	\$25,463	\$3,604,547	0.99958594	\$3,603,055
Oct-15	\$0	\$3,098,511	\$13,216	\$28,675	\$3,140,403	0.99950747	\$3,138,856
Nov-15	\$0	\$2,895,772	\$252	\$31,728	\$2,927,752	0.99956317	\$2,926,473
Dec-15	\$0	\$3,568,293	\$54,498	(\$28,030)	\$3,594,761	0.99957792	\$3,593,244
Jan-16	\$0	\$3,757,695	\$31,953	\$14,299	\$3,803,947	0.99963938	\$3,802,575
Feb-16	\$0	\$3,633,047	\$31,227	\$3,835	\$3,668,109	0.99524681	\$3,650,674
Mar-16	\$0	\$3,922,634	\$5,194	\$3,471	\$3,931,299	0.99453402	\$3,909,810
Apr-16	\$0	\$3,414,183	(\$569)	\$4,775	\$3,418,389	0.99374740	\$3,397,015
May-16	\$0						

**PECO GSA 3 (Hourly) Actual Monthly Over/(Under) Collections  
For the Period June 1, 2016 through June 30, 2016  
and July 2016**

Month	Default Supplier Hourly Pricing and PECO Provided Spot Energy and Capacity	Default Supplier Hourly Pricing and PECO Provided Spot Ancillary Services, AEPS Compliance	Additional AEPS Costs	Administrative Cost	Total Cost Including Administrative Cost	Allocation Factor	Total Allocated Cost Including Administrative Cost
	(1)	(2)	(3)	(4)	(5)=(1)+(2)+(3)+(4)	(6)	(7)=(5) x (6)

May-16  
Jun-16  
Jul-16



Current Revenue for Over/(Under) Excluding GRT      Prior Period Revenue for Over/(Under) Excluding GRT

Month	Default Supplier and PECO Provided Current Revenue for Energy, Services and AEPS Excl Capacity Excl GRT	Default Supplier and PECO Provided Current Revenue for Ancillary Services and AEPS Excl GRT	Current Revenue for Administrative Cost Excl GRT	Total Current Period Revenue Excl GRT	E Factor Excl Interest and GRT for 1 month recovery	E Factor Excl Interest and GRT for 6 month recovery	E Factor Excl Interest Total Prior Period Revenue Excl GRT	Total Current and Prior Period Revenue Excl GRT
	(8)	(9)	(10)	(11)=(8)+(9)+(10)	(12)	(13)	(14)=(12)+(13)	(15)=(11)+(14)

May-16  
 Jun-16  
 Jul-16

	\$0	(\$300,687)	(\$300,687)	(\$300,687)
	\$398,991	(\$240,159)	(\$240,159)	\$158,832

PECO GSA 3 Actual Interest Calculation  
 For the Period January 1, 2011 through February 29, 2016  
 and March 2016, April 2016 and May 2016

Month	Current Period Portion of Revenue	Total Cost	Current Over/(Under) Collection for Interest	Interest Rate	Interest Time Factor	Interest Time Factor Denominator	Total Interest to be Returned to / (Recovered from) Customers	Interest Revenue Factored Recovered from Customers for 3 month recovery	Interest Revenue Factored Recovered from Customers for 12 month recovery	Cumulative Interest to be Returned to / (Recovered from) Customers	Monthly Portion of Cumulative Portion of Interest Revenue for 6 Month Recovery	Monthly Portion of Cumulative Portion of Interest Revenue for 12 Month Recovery	Monthly Portion of Cumulative Portion of Interest Revenue for 18 Month Recovery
	(1) = (11) from Attachment 1, page 6	(2) = (7) from Attachment 1, page 4	(3) = (1) - (2)	(4)	(5)	(6)	(7) = (3) x (4) x (5) / (6)	(8)	(9)	(10) = (7) + (9)	(11) = (10) / 6	(12) = (10) / 12	(13) = (10) / 18
Jun-13	\$6,101,368	\$5,226,729	(\$125,361)	6.00%	6.5	12	(\$4,074)	\$0	\$0	(\$52,638)			
Jul-13	\$4,796,546	\$4,595,391	\$161,155	8.00%	5.5	12	\$5,909	\$0	\$0	(\$56,712)			
Aug-13	\$4,498,029	\$4,128,961	\$369,068	8.00%	7.5	12	\$18,403	\$0	\$0	(\$50,803)			
Sep-13	\$4,007,616	\$3,982,968	\$24,648	8.00%	6.5	12	\$1,077	\$15,669	\$0	(\$14,589)			
Oct-13	\$3,767,020	\$3,895,757	(\$128,137)	8.00%	5.5	12	(\$3,524)	\$0	\$0	\$2,357			
Nov-13	\$4,351,004	\$4,250,892	\$100,122	8.00%	7.5	12	\$5,006	\$0	\$0	\$13,744			
Dec-13	\$4,784,648	\$4,580,250	\$204,398	8.00%	6.5	12	\$8,857	\$0	\$0	\$16,750			
Jan-14	\$4,105,867	\$3,975,608	\$106,762	8.00%	5.5	12	\$1,591	\$0	\$0	\$27,607			
Feb-14	\$3,735,144	\$4,183,925	(\$77,669)	8.00%	7.5	12	(\$2,912)	\$0	\$0	\$46,188			
Mar-14	\$3,439,998	\$3,548,644	(\$108,646)	8.00%	6.5	12	(\$3,082)	(\$5,648)	\$0	\$37,628			
Apr-14	\$3,915,316	\$3,972,752	(\$57,436)	8.00%	5.5	12	(\$1,461)	(\$5,137)	\$0	\$40,573			
May-14	\$4,307,546	\$4,086,328	\$221,218	8.00%	7.5	12	\$8,413	(\$4,729)	\$0	\$21,183			
Jun-14	\$4,148,186	\$4,443,089	(\$294,903)	8.00%	6.5	12	(\$4,405)	(\$10,922)	\$0	\$3,858			
Jul-14	\$4,125,871	\$4,153,878	(\$27,997)	8.00%	5.5	12	(\$1,559)	(\$12,012)	\$0	(\$12,559)			
Aug-14	\$3,556,282	\$3,778,736	(\$222,454)	8.00%	7.5	12	(\$7,357)	(\$11,570)	\$0	(\$24,288)			
Sep-14	\$3,555,982	\$3,567,073	(\$11,091)	8.00%	6.5	12	(\$966)	\$4,986	\$0	(\$1,149)			
Oct-14	\$4,488,185	\$4,354,253	\$133,932	8.00%	5.5	12	(\$321)	\$4,983	\$0	\$2,869			
Nov-14	\$4,605,585	\$4,734,125	(\$128,540)	8.00%	7.5	12	(\$6,748)	\$5,970	\$0	\$7,531			
Dec-14	\$4,170,413	\$4,290,394	(\$119,981)	8.00%	11	12	\$8,171	\$6,445	\$0	\$20,249			
Jan-15	\$3,654,607	\$3,770,018	(\$115,411)	8.00%	10	12	\$25,013	\$6,124	\$0	\$66,002			
Feb-15	\$3,477,121	\$3,441,136	\$35,985	8.00%	9	12	\$1,426	(\$11,089)	\$0	\$56,339			
Mar-15	\$3,741,513	\$3,778,884	(\$37,371)	8.00%	8	12	(\$4,616)	(\$9,712)	\$0	\$42,011			
Apr-15	\$3,812,162	\$3,884,215	(\$72,053)	8.00%	7	12	(\$23,094)	(\$8,443)	\$0	\$9,474			
May-15	\$3,728,607	\$3,603,055	\$125,552	8.00%	6	12	\$2,061	\$0	\$0	\$19,913			
Jun-15	\$3,278,021	\$3,138,656	\$139,365	8.00%	11	12	(\$2,061)	\$0	\$0	\$8,852			
Jul-15	\$2,895,841	\$2,928,473	(\$32,632)	8.00%	10	12	(\$3,603)	\$0	\$0	\$5,249			
Aug-15	\$3,001,797	\$3,583,244	(\$581,447)	8.00%	9	12	\$7,533	\$0	\$0	\$12,782			
Sep-15	\$4,445,512	\$3,802,575	\$642,937	8.00%	8	12	\$7,475	\$0	\$0	\$20,257			
Oct-15	\$3,507,937	\$3,690,810	(\$182,873)	8.00%	7	12	(\$1,072)	\$0	\$0	\$19,185			
Nov-15	\$3,110,719	\$3,397,015	(\$286,296)	8.00%	6	12	\$12,342	\$0	\$0	\$31,527			
Dec-15	\$3,507,937	\$3,909,810	(\$401,873)	3.50%	8	12	\$15,002	\$0	\$0	\$46,529			
Jan-16	\$3,507,937	\$3,909,810	(\$401,873)	3.50%	7	12	\$10,663	\$0	\$0	\$57,192			
Feb-16	\$3,507,937	\$3,909,810	(\$401,873)	3.50%	4.5	12	(\$5,276)	(\$12,902)	\$0	(\$12,902)			
Mar-16	\$3,507,937	\$3,909,810	(\$401,873)	3.50%	4.5	12	(\$5,276)	(\$11,441)	\$0	(\$11,441)			
Apr-16	\$3,507,937	\$3,909,810	(\$401,873)	3.50%	4.5	12	(\$5,276)	(\$11,441)	\$0	(\$11,441)			
May-16	\$3,507,937	\$3,909,810	(\$401,873)	3.50%	4.5	12	(\$5,276)	(\$11,441)	\$0	(\$11,441)			

(\$12,902)  
 (\$11,441)  
 (\$11,441)

(\$5,276)  
 (\$3,758)  
 (\$9,034)

PECO GSA 3 (Hourly) Actual Interest Calculation  
 For the Period June 1, 2016 through June 30, 2016  
 and July 2016

Month	Current Period Portion of Revenue	Total Cost	Current Over/(Under) Collection for interest	Interest Rate	Interest Time Factor	Interest Time Factor Denominator	Total Interest to be Returned to / (Recovered from) Customers	Interest Revenue Excl GRT in E Factor Recovered from / (Returned to) Customers for 1 month recovery	Interest Revenue Excl GRT in E Factor Recovered from / (Returned to) Customers for 6 month recovery	Cumulative Interest to be Returned to / (Recovered from) Customers
	(1) = (11) from Attachment 1, Page 7	(2) = (7) from Attachment 1, Page 5	(3) = (1) - (2)	(4)	(5)	(6)	(7) = (3) x (4) x (5) / (6)	(8)	(9)	(10) = (7) + (8) + (9)
May-16										
Jun-16								\$0	(\$6,435)	
Jul-16								\$5,285	(\$4,991)	

May-16  
 Jun-16  
 Jul-16

## **ATTACHMENT 2**

**PECO ENERGY COMPANY**

**GSA CALCULATION  
FOR PROCUREMENT CLASS 4 HOURLY PRICING –  
LARGE COMMERCIAL & INDUSTRIAL OVER 500KW**

PECO Generation Supply Adjustment Rate-Procurement Class 4 Hourly (GSA 4 Hourly)

Application Period: August 1, 2016 through August 31, 2016

cents/kWh

	GSA Rate w/o GRT	Rate GS		Rate PD		Rate HT		Rate EP	
		w/o GRT Incl. Line Loss Ratio	w/GRT Incl. Line Loss Ratio	w/o GRT Incl. Line Loss Ratio	w/GRT Incl. Line Loss Ratio	w/o GRT Incl. Line Loss Ratio	w/GRT Incl. Line Loss Ratio		
<b>AS Ancillary Services and Alternative Energy Portfolio Standards Factor</b>									
-Ancillary Service and AEPS (a)	\$ 88,336	0.353	0.375	0.347	0.369	0.353	0.354	0.333	0.354
-Additional AEPS Cost	\$ 9	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Ancillary Service Cost and Alternative Energy Portfolio Standards Factor</b>	\$ 88,346	0.353	0.375	0.347	0.369	0.353	0.354	0.333	0.354
<b>AC Administrative Cost Factor</b>									
-Administrative Cost	\$ 1,650	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
<b>Total Administrative Service Cost</b>	\$ 1,650	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
<b>E Factor Including Interest</b>									
-Over/(Under) Collection Jan 2011 to Apr 2016	\$ 85,341	0.322	0.342	0.322	0.342	0.322	0.342	0.322	0.342
-Net Interest Jan 2011 to Apr 2016	\$ 1,205	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
-Prior Period Over/Under Collection Revenue, May 2016 to Jul 2016	\$ (157,153)	-0.593	-0.630	-0.593	-0.630	-0.593	-0.630	-0.593	-0.630
-Prior Period Interest Revenue, May 2016 to Jul 2016	\$ (2,296)	-0.008	-0.010	-0.008	-0.010	-0.008	-0.010	-0.008	-0.010
<b>Total E Factor Including Interest</b>	\$ (72,803)	-0.275	-0.269	-0.275	-0.269	-0.275	-0.269	-0.275	-0.269
<b>WC Working Capital Adjustment</b>									
-Working Capital Adjustment (b)		0.032	0.034	0.032	0.034	0.032	0.034	0.032	0.034
<b>Total Working Capital Adjustment</b>		0.032	0.034	0.032	0.034	0.032	0.034	0.032	0.034
<b>Total GSA Rate (AS + AC - E + WC)</b>	0.647	0.666	0.706	0.660	0.702	0.646	0.687	0.646	0.687
<b>S Sales for Application Period in kWh</b>	26,486,890								
<b>Gross Receipts Tax (GRT)</b>	5.90%								

(a) Adjusted for overall line loss factor ratio  
(b) Based on Settlement at Docket No. R-2015-2468881

**PECO GSA 4 (Hourly) Ancillary Services and AEPS (AS Factor)  
and Administrative Costs  
For the Period August 1, 2016 through August 31, 2016**

Month	Default Supplier Hourly Pricing and PECO Provided Spot Ancillary Services, AEPS Compliance (1)	Additional AEPS Costs (2)	Administrative Cost (3)
Aug-16	\$88,336	\$9	\$1,650

**PECO GSA 4 (Hourly) Default kWh Sales  
For the Period August 1, 2016 through August 31, 2016**

Month	Total kWh	Rate GS kWh	Rate PD kWh	Rate HT kWh	Rate EP kWh
Aug-16	26,486,890	1,514,322	246,173	24,726,395	-





PECO GSA 4 (Hourly) Actual Interest Calculation  
 For the Period January 1, 2011 through April 30, 2016  
 and May 2016, June 2016 and July 2016

Month	Current Period Portion of Revenue	Total Cost	Current Over/(Under) Collection for Interest	Interest Rate	Interest Time Factor	Interest Time Factor Denominator	Total Interest to be Returned to Customers	Interest Revenue Excl GRT in E Factor Recovered from Customers for 1 month recovery	Interest Revenue Excl GRT in E Factor Recovered from Customers for 12 month recovery	Cumulative Interest to be Returned to Customers
	(1) = (11) from Attachment 2, Page 5	(2) = (7) from Attachment 2, Page 4	(3) = (1) - (2)	(4)	(5)	(6)	(7) = (3) x (4) x (5) / (6)	(8)	(9)	(10) = (7) + (9) + (9)
Jun-13										
Jul-13	\$3,228,001	\$3,258,730	(\$30,729)	6.00%	4.5	12	(\$691)	\$7,724	\$0	\$317,805
Aug-13	\$2,954,621	\$2,612,407	\$342,214	8.00%	4.5	12	\$10,266	(\$338,270)	\$0	\$324,838
Sep-13	\$2,550,227	\$2,685,290	(\$145,063)	6.00%	4.5	12	(\$3,264)	\$18,989	\$0	(\$3,166)
Oct-13	\$2,295,624	\$2,551,571	(\$255,947)	6.00%	4.5	12	(\$5,759)	\$3,570	\$0	\$11,969
Nov-13	\$2,493,364	\$2,441,420	\$51,944	8.00%	4.5	12	\$1,558	(\$10,977)	\$0	\$9,780
Dec-13	\$2,801,221	\$2,768,609	\$32,612	8.00%	4.5	12	\$978	(\$12,234)	\$0	\$361
Jan-14	\$5,859,857	\$10,594,352	(\$4,734,495)	6.00%	4.5	12	(\$115,513)	\$8,824	\$0	(\$10,895)
Feb-14	\$9,487,769	\$4,537,216	\$4,950,553	8.00%	3.5	12	\$368	\$10,351	\$0	(\$108,597)
Mar-14	\$4,607,291	\$4,623,668	(\$16,377)	6.00%	4.5	12	(\$368)	\$0	\$0	\$17,267
Apr-14	\$2,684,818	\$2,236,495	\$448,323	8.00%	4.5	12	\$13,450	(\$3,273)	\$0	\$16,899
May-14	\$2,159,344	\$1,903,496	\$255,858	8.00%	4.5	12	\$7,676	(\$14,350)	\$0	\$27,076
Jun-14	\$1,704,050	\$1,809,784	(\$105,734)	6.00%	4.5	12	(\$2,378)	\$3,170	\$0	\$20,402
Jul-14	\$1,933,152	\$1,992,861	(\$59,709)	6.00%	4.5	12	(\$1,343)	\$5,090	\$0	\$21,193
Aug-14	\$1,744,273	\$1,664,273	\$80,000	8.00%	4.5	12	\$2,400	(\$15,753)	\$0	\$24,940
Sep-14	\$1,563,239	\$1,488,320	\$74,919	8.00%	4.5	12	\$2,248	(\$14,962)	\$0	\$11,587
Oct-14	\$1,306,704	\$1,449,623	(\$142,919)	6.00%	4.5	12	(\$3,216)	\$2,468	\$0	(\$1,147)
Nov-14	\$1,562,893	\$1,665,148	(\$102,255)	6.00%	4.5	12	(\$2,301)	\$4,643	\$0	(\$1,895)
Dec-14	\$1,457,119	\$1,600,205	(\$143,086)	6.00%	4.5	12	(\$3,218)	\$2,468	\$0	\$447
Jan-15	\$1,890,784	\$1,587,741	\$303,043	8.00%	4.5	12	\$9,091	(\$3,063)	\$0	(\$5,835)
Feb-15	\$2,904,017	\$3,996,461	(\$1,092,444)	6.00%	4.5	12	(\$24,580)	\$10,626	\$0	(\$1,609)
Mar-15	\$3,531,566	\$2,700,740	\$830,846	8.00%	4.5	12	\$24,925	\$3,365	\$0	(\$15,563)
Apr-15	\$1,896,409	\$1,476,749	\$419,660	8.00%	4.5	12	\$12,590	\$0	\$0	\$25,317
May-15	\$1,378,493	\$1,454,075	(\$75,582)	6.00%	4.5	12	(\$1,701)	(\$8,920)	\$0	\$14,696
Jun-15	\$1,282,313	\$1,249,297	\$33,016	8.00%	4.5	12	\$990	\$13,733	\$0	\$29,419
Jul-15	\$1,669,185	\$1,571,208	\$97,977	8.00%	4.5	12	\$2,939	(\$14,239)	\$0	\$18,119
Aug-15	\$1,765,710	\$1,597,952	\$167,758	8.00%	4.5	12	\$5,033	(\$15,515)	\$0	\$7,637
Sep-15	\$1,261,738	\$1,585,930	(\$324,192)	6.00%	4.5	12	(\$7,294)	\$2,775	\$0	\$3,118
Oct-15	\$1,652,723	\$1,399,444	\$253,279	8.00%	4.5	12	\$7,598	\$0	\$0	\$10,716
Nov-15	\$1,125,320	\$1,196,130	(\$70,810)	6.00%	4.5	12	(\$1,593)	(\$4,969)	\$0	\$4,154
Dec-15	\$1,258,419	\$1,078,565	\$179,854	8.00%	4.5	12	\$5,396	(\$3,547)	\$0	\$6,003
Jan-16	\$1,521,812	\$1,522,684	(\$872)	3.50%	4.5	12	(\$11)	\$8,020	\$0	\$14,012
Feb-16	\$1,433,630	\$1,257,166	\$176,464	3.50%	4.5	12	\$2,316	(\$8,598)	\$0	\$7,730
Mar-16	\$1,006,731	\$1,029,716	(\$22,985)	3.50%	4.5	12	(\$302)	(\$1,542)	\$0	\$5,886
Apr-16	\$876,286	\$947,223	(\$70,937)	3.50%	4.5	12	(\$931)	(\$3,750)	\$0	\$1,205
May-16								\$284	\$0	\$0
Jun-16								(\$1,257)	\$0	\$0
Jul-16								(\$1,323)	\$0	\$0

**ATTACHMENT 3**

**PECO ENERGY COMPANY**

**REVISED GSA TARIFFS**

**PECO Energy Company**

**Electric Service Tariff**

**COMPANY OFFICE LOCATION**

**2301 Market Street**

**Philadelphia, Pennsylvania 19101**

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**For List of Communities Served, See Page 4.**

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**Issued June 16, 2016**

**Effective August 1, 2016**

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

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**NOTICE**

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**LIST OF CHANGES MADE BY THIS SUPPLEMENT**

**Generation Supply Adjustment for Procurement Class 3 Loads Greater than 100 KW Up to 500 KW – 2<sup>nd</sup> Revised Page No. 33A**

Reflects monthly adjustment for Procurement Class 3 - Hourly Pricing pursuant to Order at Docket No. P-2014-2409362.

**Generation Supply Adjustment for Procurement Class 4 Loads Greater than 500 KW – 7<sup>th</sup> Revised Page No. 34**

Reflects monthly adjustment for Procurement Class 4 - Hourly Pricing pursuant to Order at Docket No. P-2014-2409362.

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PECO Energy Company

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASS 3  
 LOADS GREATER THAN 100 KW UP TO 500 KW**

**Applicability:** June 1, 2016 this adjustment shall apply to all customers taking default service from the Company with demands greater than 100 kw up to 500 kw.

**Hourly Pricing Service**

**Pricing:** The rates below shall include the cost of procuring power to serve the default service customers plus associated administrative expenses incurred in acquiring power and gaining regulatory approval of any procurement strategy and plan. The rates for the GSA 3 Hourly Pricing Adder\* shall be effective the first of each month. If the balance of over/(under) recovery gets too large due to billing lag, the Company can file a reconciliation that will mitigate the subsequent impact. The cost for this hourly service rate shall be as follows:

**Generation Supply Cost (GSC) = (C+R+AS+AC-E)/(1-T)+WCA** where;

**C** = The PJM day ahead hourly price multiplied by the customers usage in the hour summed up for all hours in the month

$$\Sigma \text{PJM}_{DA} \times \text{usage} / (1-LL)$$

**PJM<sub>DA</sub>** – PJM on day ahead hourly price.

**Usage** - Electricity used by an end use customer.

**R** = The PJM reliability pricing model (RPM) charge for month for the customer. The RPM charge shall be the customers peak load contribution as established for PJM purposes multiplied by the current RPM monthly charge and the PJM established reserve margin adjustment.

**PLC x (1+ RM) x P<sub>RPM</sub> x Bill Days**

**PLC** = Peak load contribution

**RM** = Reserve margin adjustment per PJM

**P<sub>RPM</sub>** = Capacity price per MW-day

**AC** = Administrative Cost - This includes an allocation of the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement strategy, legal fees incurred gaining approval of the plan, and any other costs associated with designing and implementing a procurement plan divided by the total default service sales and then multiplied by the customers usage for the month.

Administrative Costs also includes any other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. I-2011-2237952 or any other applicable docket that are not recovered from EGSS or through another rate.

**A / S x Usage**

**A** = Administrative cost

**S** = Default service sales

**AS** = The cost, on a \$/MWH basis, of acquiring ancillary services from PJM and of complying with the Alternative Energy Portfolio Standard, multiplied by the customers usage for the month and divided by (1-LL). Congestion charges including the proceeds and costs from the exercise of

Auction Revenue Rights shall be included in this component. Ancillary services shall be those included in the Supply Master Agreement as being the responsibility of the supplier.

$$((\text{PJM}_{AS} \times \text{Usage} * 1 / (1-LL)) + \text{AEPS} / \text{S}_{AEPS} \times \text{Usage})$$

**PJM<sub>AS</sub>** = \$/MWH charged by PJM for ancillary services

**AEPS** = Cost of complying with the alternative energy portfolio standard

**S<sub>AEPS</sub>** = Sales for which AEPS cost is incurred

If the supplier provides the ancillary services and AEPS cost then the customer shall be charged the supplier's rate for these services times usage and divided by (1-LL).

**Auction Revenue Rights (ARR)** = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges

**LL** = Line loss factor as provided in the Company's Electric Generation Supplier Coordination Tariff Rule 6.6 based upon the customers distribution rate class adjusted to remove losses included in the PJM LMP

**T** = The currently effective gross receipts tax rate

**E** =  $\Sigma O/(U)/S_3 \times \text{usage}$  where

**E** = Over/under recovery as calculated in the reconciliation

**S<sub>3</sub>** = Procurement class three sales

**WC** = \$0.00034 kWh for working capital associated with power purchases

**WCA** = Individual customer sales x WC

Procedure: The "E" factor shall be updated monthly in conjunction with the Reconciliation. Monthly reconciliations shall be recovered over a one month period after the occurrence of a quarter.

Tariff Rate	GS	PD	HT
Hourly Pricing Adder* (dollars/kWh)	\$0.01038	\$0.01032	\$0.01017

(I)

\* Includes administrative cost (AC), ancillary service charge (AS), E factor (E) and working capital (WC).

(I) Denotes Increase

PECO Energy Company

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASS 4**  
**LOADS GREATER THAN 500KW**

**Applicability:** June 1, 2015 this adjustment shall apply to all customers taking default service from the Company with demands greater than 500 kw.

**Hourly Pricing Service**

**Pricing:** The rates below shall include the cost of procuring power to serve the default service customers plus associated administrative expenses incurred in acquiring power and gaining regulatory approval of any procurement strategy and plan. The rates for the GSA 4 Hourly Pricing Adder\* shall be effective the first of each month. If the balance of over/(under) recovery gets too large due to billing lag, the Company can file a reconciliation that will mitigate the subsequent impact. The cost for this hourly service rate shall be as follows:

**Generation Supply Cost (GSC) = (C+R+AS+AC-E)/(1-T)+WCA** where;

**C** = The PJM day ahead hourly price multiplied by the customers usage in the hour summed up for all hours in the month

$$\sum PJM_{DA} \times \text{usage} / (1-LL)$$

**PJM<sub>DA</sub>** – PJM on day ahead hourly price.

**Usage** - Electricity used by an end use customer.

**R** = The PJM reliability pricing model (RPM) charge for month for the customer. The RPM charge shall be the customers peak load contribution as established for PJM purposes multiplied by the current RPM monthly charge and the PJM established reserve margin adjustment.

**PLC x (1+ RM) x P<sub>RPM</sub> x Bill Days**

**PLC** = Peak load contribution

**RM** = Reserve margin adjustment per PJM

**P<sub>RPM</sub>** = Capacity price per MW-day

**AC** = Administrative Cost - This includes an allocation of the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement strategy, legal fees incurred gaining approval of the plan, and any other costs associated with designing and implementing a procurement plan divided by the total default service sales and then multiplied by the customers usage for the month.

Administrative Costs also includes any other costs incurred to implement retail market enhancements directed by the Commission in its Retail Market Investigation at Docket No. I-2011-2237952 or any other applicable docket that are not recovered from EGSs or through another rate.

**A / S x Usage**

**A** = Administrative cost

**S** = Default service sales

**AS** = The cost, on a \$/MWH basis, of acquiring ancillary services from PJM and of complying with the Alternative Energy Portfolio Standard, multiplied by the customers usage for the month and divided by (1-LL). Congestion charges including the proceeds and costs from the exercise of

Auction Revenue Rights shall be included in this component. Ancillary services shall be those included in the Supply Master Agreement as being the responsibility of the supplier.

$$((PJM_{AS} \times \text{Usage} * 1 / (1-LL) + AEPS / S_{AEPS} \times \text{Usage})$$

**PJM<sub>AS</sub>** = \$/MWH charged by PJM for ancillary services

**AEPS** = Cost of complying with the alternative energy portfolio standard

**S<sub>AEPS</sub>** = Sales for which AEPS cost is incurred

If the supplier provides the ancillary services and AEPS cost then the customer shall be charged the supplier's rate for these services times usage and divided by (1-LL).

**Auction Revenue Rights (ARR)** = Allocated annually by PJM to Firm transmission customers, the ARR's allow a Company to select rights to specific transmission paths in order to avoid congestion charges

**LL** = Line loss factor as provided in the Company's Electric Generation Supplier Coordination Tariff Rule 6.6 based upon the customers distribution rate class adjusted to remove losses included in the PJM LMP

**T** = The currently effective gross receipts tax rate

**E** =  $\sum O/(U)/S_4 \times \text{usage}$  where

**E** = Over/under recovery as calculated in the reconciliation

**S<sub>4</sub>** = Procurement class four sales

**WC** = \$0.00034 kWh for working capital associated with power purchases

**WCA** = Individual customer sales x WC

Procedure: The "E" factor shall be updated monthly in conjunction with the Reconciliation. Monthly reconciliations shall be recovered over a one month period after the occurrence of a quarter.

<b>Tariff Rate</b>	<b>GS</b>	<b>PD</b>	<b>HT</b>	<b>EP</b>
Hourly Pricing Adder* (dollars/kWh)	\$0.00708	\$0.00702	\$0.00687	\$0.00687

(I)

\* Includes administrative cost (AC), ancillary service charge (AS), E factor (E) and working capital (WC).

(I) Denotes Increase