



An Exelon Company

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May 23, 2017

MAY 23 2017

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

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**RE: Petition of PECO Energy Company for a Declaratory Order to Resolve a Controversy Regarding PECO's Point-of-Delivery and for a Determination that PECO does not have Responsibility for Customer Facilities Beyond the Point-of-Delivery**

**Docket No. P-**

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Dear Ms. Chiavetta:

Enclosed for filing with the Commission is the *Petition PECO Energy Company* with regard to the matter referenced above. As requested by your office, I have enclosed a new verification statement with an original signature, and a revised certificate of service evidencing service on the Office of Consumer Advocate, the Office of Small Business Advocate, and the Bureau of Investigation and Enforcement.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ward L. Smith".

Ward L. Smith  
Counsel for PECO Energy Company

WS/ab  
Enclosure

cc: Certificate of Service  
Robert Young, Commission Law Bureau



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May 18, 2017

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Enclosed for filing with the Commission is the *Petition PECO Energy Company* with regard to the matter referenced above.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ward L. Smith".

Ward L. Smith  
Counsel for PECO Energy Company

WS/ab  
Enclosure

cc: Certificate of Service  
Robert Young, Law Bureau

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PETITION OF PECO ENERGY :  
COMPANY FOR A DECLARATORY :  
ORDER TO RESOLVE A : DOCKET NO. P. \_\_\_\_\_  
CONTROVERSY REGARDING :  
PECO'S POINT-OF-DELIVERY :  
AND FOR A DETERMINATION :  
THAT PECO DOES NOT HAVE :  
RESPONSIBILITY FOR CUSTOMER :  
FACILITIES BEYOND THE :  
POINT-OF-DELIVERY :**

**NOTICE TO PLEAD**

Pursuant to 52 Pa. Code §§5.42 and 5.61(c), you are hereby notified that, if you do not file a written answer to the enclosed Petition within 20 days from service of this notice, the facts set forth by PECO Energy Company may be deemed to be true, thereby requiring no other proof. All pleadings, such as an Answer to Petition, must be filed with the Secretary of the Pennsylvania Public Utility Commission, with a copy served to counsel for PECO Energy Company, Ward Smith.

Failure to respond to this Petition could result in an Order being issued in this matter without further opportunity for you to respond.

File with:  
Rosemarie Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, Second Floor  
Harrisburg, PA 17120

With a copy to:  
Ward L. Smith  
PECO Energy Company  
2301 Market Street, S-23  
Philadelphia, PA 19103

Dated at Philadelphia, PA, May 18, 2017

*Ward CSL*

Ward L. Smith  
Counsel for PECO Energy Company  
2301 Market Street S-23  
Philadelphia, PA 19101-8699  
215-841-6863  
Ward.Smith@exeloncorp.com

RECEIVED

MAY <sup>23</sup>~~18~~ 2017

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PETITION OF PECO ENERGY :  
COMPANY FOR A DECLARATORY :  
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CONTROVERSY REGARDING :  
PECO'S POINT-OF-DELIVERY :  
AND FOR A DETERMINATION :  
THAT PECO DOES NOT HAVE :  
RESPONSIBILITY FOR CUSTOMER :  
FACILITIES BEYOND THE :  
POINT-OF-DELIVERY :**

**Introduction and Background**

PECO Energy Company ("PECO"), pursuant to 52 Pa. Code §5.42, hereby petitions the Pennsylvania Public Utility Commission (the "Commission") for a declaratory order. PECO requests that the Commission issue a declaratory order: (1) that PECO's point-of-delivery, for its aerial facilities at the location at issue<sup>1</sup>, is the first suitable support of the customer, nominally 100 feet inside the property line of the customer,<sup>2</sup> and (2) that PECO does not have responsibility for customer facilities beyond the point-of-delivery.

A Commission declaration on these two issues will assist in resolving an ongoing controversy between PECO and Stanley and Carol Fellerman. Mr. Fellerman sustained electrical injuries when he came into contact with power lines that were on the ground as a result of a pole

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<sup>1</sup> The location in question is 6858 Upper York Road, New Hope, Pennsylvania, 18938, which is the residence of Stanley and Carol Fellerman (the "Fellerman Property").

<sup>2</sup> The phrase "first suitable support of the customer, nominally 100 feet inside the property line of the customer," is taken from PECO's Electric Service Tariff Rule 6.1(b) (attached as Exhibit B), which is discussed in more detail below.

falling at their residence, located at 6858 Upper York Road, New Hope, Pennsylvania, 18938 (the "Fellerman Property"). Mr. and Mrs. Fellerman (the "Civil Plaintiffs") filed a civil action against PECO and other parties in the Philadelphia Court of Common Pleas.<sup>3</sup>

The line and pole in question are part of a privately-owned multi-pole line located on the Fellerman Property. The location of the incident is not in meaningful dispute – the incident occurred more than 100 feet inside the Fellerman Property line, and beyond the first pole located on the Fellerman Property. Thus, in the language of PECO's Tariff as discussed below, the incident occurred beyond "the first suitable support of the Customer, nominally 100 feet inside the property line of the Customer."

As to PECO, the Civil Plaintiffs claim that the line on which Mr. Fellerman sustained electrical contact injuries, and the pole supporting the line, are owned, operated and maintained by PECO. For its part, PECO contends that the pole that fell down, and the line that Mr. Fellerman contacted, are on the customer side of PECO's point-of-delivery and are owned by the Fellermands, and that PECO therefore is not responsible for the ownership, operation, or maintenance of either the pole or the line.

Resolution of this issue is a matter of public utility law and policy. The point-of-delivery is determined by provisions in PECO's Electric Service Tariff. The Commission has

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<sup>3</sup> Mr. and Mrs. Fellerman initiated the civil proceeding against PECO and Comcast Corporation ("Comcast"). They later amended their Complaint, adding Historic Home Inspection d/b/a WIN Home Inspection ("WIN"), Addison Wolfe Real Estate ("Addison"), and Lisa James Otto Country Properties ("LJO") as defendants to the action. A copy of the Second Amended Complaint is attached as Attachment A.

special expertise to review that Tariff and determine the point-of-delivery and whether PECO has responsibility to own, maintain and operate facilities beyond the point-of-delivery; indeed, the Commission has previously decided cases that determine precisely those legal points and which distinguish utility-owned facilities from customer-owned facilities.<sup>4</sup> In addition, in its *amicus curiae* brief before the Pennsylvania Supreme Court in the case of *Alderwoods, Inc. v. Duquesne Light Company*, No. 12 WAP 2013 (brief filed on July 24, 2013),<sup>5</sup> the Commission set forth at length its position that expanding a utility's operational responsibilities beyond the point-of-delivery is unduly burdensome and contrary to the public interest. PECO's Petition for Declaratory Order provides the Commission with the opportunity to make the initial determination, in the instant controversy, as to PECO's point-of-delivery and thus avoid having the civil courts create a burdensome expansion of utility responsibility to include responsibility for facilities on the customer side of the point-of-delivery.

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<sup>4</sup> Commission cases on this issue are discussed in Section 2.C.

<sup>5</sup> A copy of the Commission's *amicus* brief is attached as Attachment C.

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**1. Statements Required by 52 Pa. Code §5.42<sup>6</sup>**

**a. The Controversy or Uncertainty Which Is the Subject Matter of This Petition**

PECO has been sued in civil court by Stanley and Carol Fellerman. *See Ex. A, Stanley Fellerman [and] Carol Fellerman[,] Plaintiff[s] vs. PECO Energy Co., Comcast Corporation, Historic Home Inspection d/b/a WIN Home Inspection, Addison Wolfe Real Estate, and Lisa James Otto Country Properties Philadelphia Court of Common Pleas, July Term 2014, No. 2640.* The Fellermans allege in their civil action Complaint that Mr. Fellerman sustained electrical contact injuries on December 2, 2013, when he came into contact with power lines that were on the ground as a result of a pole falling at the Fellermans' residence, located at 6858 Upper York Road, New Hope, Pennsylvania, 18938 (the "Fellerman Property").

On the morning of the incident, Mr. Fellerman allegedly had discovered that the utility pole closest to the Fellerman house, along with the transformer and utility lines mounted to it, had fallen to the ground and started a fire.<sup>7</sup> (Ex. D, at April 6, 2016 testimony, page 12, lines 17 to 24). The Complaint alleges that while Mr. Fellerman attempted to extinguish the fire, he contacted the power line, and this contact resulted in electrical contact injuries. At Mr. Fellerman's deposition, he conceded that prior to the accident he was aware of the potential dangers posed by downed power lines. Specifically, he testified as follows:

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<sup>6</sup> 52 Pa. Code § 5.42(a) states that petitions for declaratory orders must:

- (1) State clearly and concisely the controversy or uncertainty which is the subject of the petition.
- (2) Cite the statutory provision or other authority involved.
- (3) Include a complete statement of the facts and grounds prompting the petition.
- (4) Include a full disclosure of the interest of the petitioner.

<sup>7</sup> Pertinent excerpts from Mr. Fellerman's deposition testimony are attached collectively as Attachment D.

Q: Why would you not touch wires on a down pole?  
...  
A: **It's dangerous.**  
Q: What's dangerous about it?  
A: High voltage.  
Q: What's dangerous about that?  
A: **It could kill you.**  
Q: When did you first learn that you should stay away from downed electrical wires?  
A: I was a kid.

(Ex. D, at May 4, 2016 testimony, page 38, lines 1 to 17) (Emphasis added). Mr. Fellerman contended at his deposition that he was using a rake to attempt to put out the fire when he sustained his injuries, and that the thought of whether using a rake to extinguish a fire was a safe thing to do “never entered my mind.” (Ex. D., page 38, line 22 to page 39, line 6).

The line in question is a multi-pole line located on the Fellerman Property. The location of the incident is not in meaningful dispute – the incident occurred in close proximity to the Fellermans’ home, more than 100 feet inside the Fellerman Property line, and beyond the first pole located on the Fellerman Property. Thus, in the language of PECO’s Tariff as discussed below, the incident occurred beyond “the first suitable support of the Customer, nominally 100 feet inside the property line of the Customer.”

The Fellermans nonetheless allege in the civil action that “Defendant PECO installed, owned, utilized, controlled, possessed and/or maintained the power lines located at 6858 York Road, New Hope, Pennsylvania that are the subject of this lawsuit.” (Ex. A, Second Am. Compl. ¶ 21). They further allege in the civil action that “Defendant PECO installed, owned, utilized, controlled, possessed and/or maintained the utility pole located at 6858 York Road, New Hope, Pennsylvania that are the subject of this lawsuit.” (Ex. A, Second Am. Compl. ¶ 23).

PECO contends that the overhead power line and utility pole in question are customer-owned facilities located on the Fellerman property beyond PECO's point-of-delivery, and that PECO consequently does not have responsibility for the ownership, operation, or maintenance of the line or pole.

The controversy or uncertainty which is the subject matter of this petition is two-fold: (1) what is the location of the point-of-delivery at which PECO's ownership of the line ends, and (2) whether PECO has responsibility to own, operate or maintain the line or any utility poles on the customer side of the point-of-delivery.

**b. The Statutory Provision or Other Authority Involved**

The Commission has authority to determine and regulate the character of PECO's facilities pursuant to Sections 501 and 1501 of the Public Utility Code, 66 Pa. C.S. §501,1501.

The point-of-delivery for PECO's aerial electric facilities is determined by reference to Commission regulation, by PECO's Electric Service Tariff which, as a Commission-approved tariff, has the force of law, *Brockway Glass Co. v. Pa. PUC*, 437 A. 2d 1067, 1070 (Pa. Cmwlth. 1981), and by the Company's Electric Service Requirements, which are specifically incorporated into its Tariff.

The relevant portion of the Commission's regulations is found at 52 Pa. Code §57.1 (Definitions), where "service terminal" is defined as: "The point at which the service lines of the public utility terminate and the customer's facilities for receiving the service begin."

The delineation between PECO-owned facilities and customer-owned facilities is described in PECO's Tariff as the "point of delivery," which is defined as: "The single service point at which the service-supply lines of the Company terminate and the customer's facilities for receiving service begin."<sup>8</sup>

Other relevant portions of the Tariff and Electric Service Requirements include the following Tariff Rules:

1.3 APPLICATION. The Tariff provisions apply to everyone lawfully receiving service from the Company, under the rates therein, and the

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<sup>8</sup> In PECO's 2015 electric base rate case, R-2015-2468981, PECO proposed, and the Commission approved, revisions to this definition and several other rules set forth below. PECO described the reason for these revisions as follows:

Rule 6.1 and 6.3 describe, respectively, PECO's service-supply lines and the customer's service extension, and sets forth the delineation between the facilities that PECO owns and operates and the facilities that the customer owns and operates. The recent Pennsylvania Supreme Court case of *Alderwoods v Duquesne*, 12 WAP 2013 (slip op. December 14, 2015), states that "under Pennsylvania law, maintenance and inspection responsibilities generally are divided at the service point, such that an electric service provider does not have a free-standing duty to inspect customer-owned electrical equipment and services on the premises side." PECO is adding language to Rule 6.1 and Rule 6.3, and an associated change to the definition of "point of delivery," to emphasize that the "point of delivery" as defined in PECO's tariff is the "service point" that distinguishes the respective responsibility of the Company and its customers. Because this is a restatement of existing law and practice, PECO does not expect any revenue impact from this change.

PECO Energy Company Statement No. 8, Direct Testimony of Richard A. Schlesinger, March 27, 2015, p. 4 (R-2015-2468981).

Because the revisions are not a substantive change, but rather emphasize "existing law and practice," the outcome of the requested Declaratory Order is the same regardless of whether the 2014 or current language is reviewed. For the sections listed above, PECO provides both versions of the language in this Petition. The current tariff language is provided in text, with the 2014 language in footnote.

The 2014 definition of "point of delivery" was: "The single point at which the service-supply lines of the Company terminate and the customer's facilities for receiving service begin."

recipient of service, whether service is based upon contract, agreement, accepted signed application, or otherwise, shall be subject to the terms of the Tariff. In addition, the rates therein shall apply to everyone receiving service unlawfully or otherwise, including unauthorized use as referred to in Rule 4.7 of this Tariff. A customer will receive service under the rates and riders of this tariff effective with their first scheduled billing cycle after the effective date of the tariff or as otherwise indicated in this tariff.

**1.5 RULES AND REGULATIONS.** The Rules and Regulations, filed as part of this Tariff, are a part of every contract for service made by the Company and govern all classes of service where applicable, unless specifically modified by a rate or rider provisions. The obligations imposed on customers in the Rules and Regulations apply as well to everyone receiving service unlawfully and to unauthorized use of service.

**3.3 POINT OF DELIVERY.** The company will designate in writing, upon request, a satisfactory point of delivery where the customer shall terminate the wiring and facilities for connection to the distribution lines of the Company. The failure to request and obtain such location may result in refusal of service pending rearrangement of customer's facilities, but the designation of a point of delivery does not constitute an agreement or obligation on the part of the Company to furnish service.

. . . The customer will have the option of extending its own facilities to the Company's point of service delivery.

**3.4 SERVICE ENTRANCE EQUIPMENT.** All equipment beyond the point of delivery, except the meter, shall be installed by the customer. Installation shall be in conformity with the National Electric Code and the Company's published "Electric Service Requirements" . . . .

**4.5 ACCEPTANCE.** Before the Company affirmatively accepts an application, the Company will consider the application to be "pending". When an application is accepted, it constitutes the contract between the customer and the Company, subject to the Rules and Regulations. A customer or other recipient of service also becomes contractually obliged to the Company when service is provided according to the application either with or without modification, or when the customer otherwise receives service.

**6.1 COMPANY SERVICE-SUPPLY LINES.** Where the Company has distribution facilities of adequate capacity on the highway or in other trunk line location adjacent to the premises to be served, it will provide, own and maintain standard service-supply lines as follows:

. . . (b) AERIAL.

A single span of aerial open wire or cable construction to the first suitable support of the customer, nominally 100 feet inside the property line of the customer. This customer support shall establish the point of delivery for the customer. The customer's support shall be so located that the service span will be free of obstruction and adequately supported as required by the size and weight of the conductors.<sup>9</sup>

6.3 CUSTOMER SERVICE EXTENSION. The customer shall provide, own and maintain the service extension from the Company's service-supply lines to the point of delivery and receiving equipment.<sup>10</sup>

6.4 METERS AND TRANSFORMERS. The Company will provide, own and maintain any meter or meters, and also the transformer or transformers . . . required in the supply of service of the current characteristics specified by the Base Rate or rider under which service is provided . . . .

PECO's Electric Service Requirements, which are incorporated into its Tariff by Rule 3.4, provide further information for customers and electrical contractors on the technical requirements for different types of electrical services. Several sections of those Requirements pertain to privately owned, customer-installed power supply lines, as follows:

#### **4.3 CUSTOMER'S INSTALLATION**

<sup>9</sup>The 2014 Tariff stated:

6.1 COMPANY SERVICE-SUPPLY LINES. Where the Company has distribution facilities of adequate capacity on the highway or in other trunk line location adjacent to the premises to be served, it will provide, own and maintain standard service-supply lines as follows:

. . . (b) AERIAL.

A single span of aerial open wire or cable construction to the first suitable support of the Customer, nominally 100 feet inside the property line of the Customer. The Customer's support shall be so located that the service span will be free of obstruction and adequately supported as required by the size and weight of the conductors.

<sup>10</sup>The 2014 Tariff stated:

6.3 CUSTOMER SERVICE EXTENSION. The customer shall provide, own and maintain the service extension from the Company's service-supply lines to the receiving equipment.

#### **4.3.1 Point of Delivery**

The Company will designate in writing, upon request, a satisfactory point of delivery where the Customer shall terminate wiring and facilities for connection to the supply lines of the Company. . . .

#### **4.3.2 Service Entrance Equipment**

The Customer shall install all equipment beyond the point of delivery, except the meter. Installation shall conform with the National Electrical Code as well as with all applicable ordinances of authorities having jurisdiction and to these Electric Service Requirements. Where necessary, the Customer shall provide an acceptable sealable/lockable device for mounting a meter, which will be furnished and owned by the customer, and sealed by the Company.

### **4.4 PRIVATE PROPERTY CONSTRUCTION**

#### **4.4.1 Company's Service Supply Lines**

Where the Company has supply facilities of adequate capacity adjacent to the premises to be served, it will provide, own and maintain standard service supply lines for a new service or for a change in load, or for a change in rate as follows:

##### **4.4.1.1 Overhead Service – All Customers**

Where existing Company supply facilities are overhead, the Company will install a single span of aerial wire or cable to the first suitable support of the Customer, nominally 100 feet inside the property line of the Customer. The Customer's support shall be so located that the service span will be free of obstruction, and adequately supported as required by the size and weight of the conductors. The span shall meet all clearance specifications as required by the National Electrical Code, the National Electric Safety Code, and any legal codes having jurisdiction.

### **c. The Facts and Grounds Prompting This Petition**

The facts and grounds prompting this Petition are set forth above in the Introduction and Background. In sum, however, Mr. Fellerman was injured through electric contact with aerial electric facilities that are more than 100 feet from the property line and which are on the premise side of the "first suitable support of the Customer." The Fellermans have sued PECO in civil court, claiming that the facility in question is PECO's responsibility. PECO is seeking a

determination of Commission law and policy as to the limits of its legal responsibility for facilities on the premise side of the point of delivery.

In addition, in the civil proceeding, PECO filed Preliminary Objections to the trial court's jurisdiction over this matter, requesting the trial court to send these tariff questions to the Commission and suspend activity in the civil court for sufficient time to allow the Commission to make a determination of the tariff issues now posed in this Petition. The trial court denied that request. PECO therefore is taking this step to place independently place the jurisdictional tariff issues before the Commission.<sup>11</sup>

In its brief in *Alderwoods*, the Commission indicated that it considers point-of-delivery determinations to be important policy issues that require the Commission's subject matter expertise. Consistent with that stated intention, this Petition provides the Commission with the opportunity to resolve the question of PECO's point-of-delivery and whether PECO has responsibility for facilities on the customer side of the point-of-delivery.

#### **d. The Interest of Petitioner PECO**

As noted above, PECO has been sued in civil court by Stanley and Carol Fellerman. PECO's primary interest in obtaining this declaratory order is to make certain that the determination of the point-of-delivery, and the determination of whether PECO has

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<sup>11</sup> The civil proceeding has been in deferred status in the Court of Common Pleas, as a result of a co-defendant's interlocutory appeal. Accordingly, discovery in the case has proceeded and is ongoing, and PECO was granted leave to join an additional defendant; however, no deadlines have been set, and the appeal remains pending.

responsibility for facilities on the customer side of the point-of-delivery, is in accord with its tariff and Commission policy. Such a Commission determination will of course be useful in resolving the civil litigation, as well as any future similar litigation in the courts or at the Commission.

## **2. Argument**

### **a. The Commission Has Jurisdiction to Issue the Requested Declarations**

PECO requests that the Commission issue two declarations: (1) PECO's point-of-delivery, for its aerial facilities at the location at issue, is the first suitable support of the customer, nominally 100 feet inside the property line of the customer, and (2) PECO does not have responsibility for customer facilities beyond the point-of-delivery.

There can be no doubt that the Commission has jurisdiction to issue rulings on these subject matters, because the Commission has in fact issued rulings on both of these issues in recent years. See *Norbeck v. Pennsylvania Public Utility Com'n*, 2011 WL 10857826 (Pa. Commw. 2011); *Jeremy Kashuba v. PECO Energy Company*, C-2012-2333019 (Opinion and Order Entered Dec. 5, 2013). Moreover, in the Commission's *amicus curiae* brief in the *Alderwoods* proceeding, the Commission extensively presented the case that it is the subject matter expert agency with responsibility to comprehensively regulate utilities on determination of the point-of-delivery because the determination of the point-of-delivery – and whether the utility has responsibility on the customer side of the point-of-delivery – has important implications for utility safety, reliability, and cost issues that are within the Commission's scope of responsibility. (Ex. C).

The dispute posed by the Fellerman/PECO controversy raises many of the same policy questions raised in the *Alderwoods* proceeding. If it is determined that PECO has responsibility for the facilities on the customer side of the point-of-delivery in *Fellerman*, then arguably there would be precedent that places responsibility on PECO to operate and maintain all private pole lines and private facilities in its service territory, and which could make PECO responsible for incidents that occur on the customer side of the point-of-delivery. That is precisely the outcome against which the Commission argued in *Alderwoods*. PECO therefore urges the Commission to issue the requested declarations so that the court has its guidance when proceeding with this matter.<sup>12</sup>

PECO contends that the Commission can issue the requested rulings because it has exclusive jurisdiction over matters involving the reasonableness, adequacy and sufficiency of services rendered by a utility. Specifically, the question of whether PECO has any duty to inspect and/or maintain a customer-owned utility pole and/or aerial power line involve complex issues within the primary jurisdiction of the Commission, including interpretation of PECO's Tariff and the Public Utility Code (the "Code"). The Commission has decided nearly identical issues in prior decisions, and PECO requests that the Commission exercise its subject matter jurisdiction and decide the issues involved here.

The Commission has long been recognized as the appropriate forum for the adjudication of issues involving the reasonableness, adequacy and sufficiency of public utility services. *Elkin*

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<sup>12</sup> Once the Commission issues the requested declarations, the civil matter would proceed, but with the Commission's guidance on point-of-delivery issues.

*v. Bell Telephone Company of Pennsylvania*, 420 A.2d 371, 374 (Pa. 1980); *Behrend v. Bell Telephone Co. of Pennsylvania*, 243 A.2d 346 (Pa. 1968); *Bell Telephone Company of Pennsylvania v. Sanner*, 375 A.2d 93 (Pa. Super. 1977). In Pennsylvania, the powers of the Commission are outlined in the Public Utility Code (the "Code"). See generally 66 Pa. C.S. §§ 101-3316 (2006). The Commission has extensive statutory responsibility to regulate and supervise all matters of service and facilities provided by public utilities.<sup>13</sup> See 66 Pa. C.S. § 501. For example, Section 1501 of the Code requires every utility to "furnish and maintain adequate, efficient, safe, and reasonable service and facilities" and to make any repairs or changes as necessary for the safety of the public. *Id.* § 1501. Additionally, Section 1504 of the Code enables the Commission to prescribe "just and reasonable standards, classifications, regulations and practices to be furnished, imposed, observed and followed by any or all public utilities." See 66 Pa. C.S. § 1504(1).

While the courts of common pleas have original jurisdiction over lawsuits seeking money damages, even against public utilities,<sup>14</sup> the Pennsylvania Supreme Court has recognized that, in such instances, both the courts and administrative agencies must play a role in the adjudication of certain matters. *Elkin v. Bell Telephone Company of Pennsylvania*, 420 A.2d 371, 375 (Pa.

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<sup>13</sup> The utilities regulated by the Commission include electric utilities. See 66 Pa. C.S. §§ 101-3316 (2006).

<sup>14</sup> Section 103(c) of the Code provides that "nothing in this part shall abridge or alter the existing rights of action or remedies in equity or under common or statutory law of this Commonwealth, and the provisions of this part shall be cumulative and in addition to such rights of action and remedies." 66 Pa. C.S. § 103(c). See also *DeFrancesco v. Western Pa. Water Company*, 453 A.2d 595 (Pa. 1982); *Feingold v. Bell of Pa.*, 383 A.2d 791 (Pa. 1978); *Poorbaugh v. Pa. Public Utility Commission*, 666 A.2d 744 (Pa. Commw. 1995), *petition for allowance of appeal denied*, 678 A.2d 367 (Pa. 1996); *Mattes v. Commonwealth*, 503 A.2d 78 (Pa. Commw. 1985).

1980). To accommodate the role of the court with that of the agency, the doctrine of primary jurisdiction requires that the administrative agency charged with regulating the subject matter of a controversy—in this case, the Commission—must be provided the first opportunity to adjudicate the issues within its jurisdiction and expertise, thus requiring abstention by the courts of common pleas. *Elkin*, 420 A.2d at 376. *See also Poorbaugh v. Pa. Public Utility Commission*, 666 A.2d 744 (Pa. Commw. 1995), *petition for allowance of appeal denied*, 678 A.2d 367 (Pa. 1996); *Optimum Image, Inc. v. Philadelphia Electric Co.*, 600 A.2d 553 (Pa. Super. 1991).

Moreover, the Public Utility Code, the Commission's regulations, and PECO's Tariff created pursuant to the Code, determine the scope of PECO's responsibilities as a public utility. Accordingly, the Tariff controls over common law theories that might hold otherwise. *See State Farm Fire & Cas. Co. v. PECO Energy Company*, No. 0904-1860, 6 (C.P. Phila. July 20, 2013) ("the Public Utility Code, and by extension the tariffs made pursuant to it, are 'intended to be the supreme law of the Commonwealth in the regulation and supervision of public utilities'" (quoting *PECO Energy Co. v. Township of Upper Dublin*, 922 A.2d 996, 1001 (Pa. Commw. 2007)). For instance, in *State Farm*, the Court of Common Pleas enforced PECO's tariff, holding it "should not usurp the rulemaking authority of the [Commission] by applying other law . . . ." *State Farm*, No. 0904-1860, at 6 (observing that "[t]ariffs lawfully established, including limitations of liability, have the effect of law and are binding on both utility and subscriber") (citing *Behrend v. Bell Telephone Co.*, 363 A.2d 1152, 1164 (Pa. Super. 1976)).

The doctrine of primary jurisdiction was first espoused by this Commonwealth in *Weston v. Reading Co.*, 282 A.2d 714 (Pa. 1977). The Pennsylvania Supreme Court defined “primary jurisdiction” as follows:

The doctrine “. . . requires judicial abstention in cases where protection of the integrity of a regulatory scheme dictates preliminary resort to the agency which administers the scheme.” *United States v. Philadelphia National Bank*, 374 U.S. 321, 353, 83 S. Ct. 1715, 1736, 10 L. Ed. 2d 915 (1963). Such abstention is necessary to promote “. . . proper relationships between the courts and administrative agencies charged with particular regulatory duties . . . .” *United States V. Western Pacific Railroad Co.*, 352 U.S. 59, 63, 77 S. Ct. 161, 165, 1 L. Ed. 2d 126, 135 Ct. Cl. 997 (1956).

*Weston*, 282 A.2d at 723. See also *Drafto Corp. v. Nat’l Fuel Gas Distribution Corp.*, 806 A.2d 9, 12 (Pa. Super. 2002). Essentially, the doctrine creates a workable relationship between the courts and the administrative agencies wherein, in appropriate circumstances, the courts can have the benefit of the agency’s views on issues within the agency’s competence. *Elkin*, 420 A.2d at 376. See also *Bean v. Dep’t of State, State Bd. of Funeral Dirs. Ass’n*, 855 A.2d 148, 154 (Pa. Commw. 2004).

The Public Utility Code, 66 Pa. C. S. § 1501, clearly indicates that “every public utility may have reasonable rules and regulations governing the conditions under which it shall be required to render service.” *Id.* A utility compiles its policies, rules and regulations into its tariff, which it submits to the Commission for review. *Brockway Glass Co. v. Public Utility Commission*, 437 A.2d 1067, 1070 (Pa. Commw. 1981); 66 Pa. C.S. § 1302. Once approved, the tariff provisions are legally binding on both the utility and its customers. *Id.* Accordingly, PECO is required to adhere with those tariffs. See 66 Pa. C.S. § 1303. ***Pennsylvania courts have already determined that matters relating to tariff, necessity of equipment, deposits and***

*use of various types of services are within the particular expertise of the Pennsylvania Utility Commission.* See *DeFrancesco*, 453 A.2d at 596; *Optimum Image*, 600 A.2d at 557; *Poorbaugh*, 666 A.2d at 751; *Morrow v. Bell Telephone Co. of Pennsylvania*, 479 A.2d 548 (Pa. Super. 1984); *Norbeck v. Pennsylvania Public Utility Com'n*, 2011 WL 10857826 (Pa. Commw. 2011). Whether PECO has any duty with regard to a customer's privately owned utility pole or aerial power line is derived solely from the policies, rules and regulations contained in PECO Energy Company's Electric Service Tariff, which is in the exclusive jurisdiction and expertise of the Commission.<sup>15</sup> Accordingly, PECO requests the expertise of the Commission in interpreting the Tariff to determine what, if any, duty PECO owed with regard to the maintenance of privately installed and owned utility poles and aerial power lines.

Clearly, the remedial and enforcement powers vested in the Commission by the Public Utility Code were designed to allow the Commission to enforce its orders and regulations. *Feingold v. Bell of Pennsylvania*, 383 A.2d 791, 795 (Pa. 1977). The competence of the Commission in this area is substantially greater than the competence of a court, and the need for uniformity of policy is apparent. Since resolution of the Fellersmans' civil lawsuit depends wholly on the interpretation of PECO Energy Company's Electric Service Tariff and the Public Utility Code, the technical expertise of the Commission is required to resolve the present dispute. The issues involving PECO's alleged duty to maintain a customer's privately installed and owned utility pole and aerial power line must be reviewed and analyzed within the regulatory scheme to maintain uniformity and consistency in the Commission's policy. Neither uniform

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<sup>15</sup> As set forth in Part C, PECO does not have a duty to maintain customer-owned facilities, and it is not permitted to do so, by the Tariff, the Regulations, and the Code. See *Kossman v. PUC*, 894 A. 2d 1147, 1997 Pa. Commw. LEXIS 223 (1997).

regulatory policy nor the legislative objective can be achieved if courts and lay factfinders throughout the Commonwealth are permitted to impose differing service standards in individual cases. *See Elkin*, 420 A.2d at 378 (J. Roberts concurring).

As previously stated herein, the Public Utility Law of Pennsylvania provides that the Commission prescribes, as to service and facilities, just and reasonable standards, classifications, regulations and practices to be furnished, imposed, observed and followed by any and all public utilities. *Optimum Image*, 600 A.2d at 557. Further, the law provides that the Commission may prescribe adequate and reasonable standards for the measurement of quantity, quality, pressure, initial voltage or other condition pertaining to the supply of service. *Id.* In addition, the statute provides that the Commission may prescribe reasonable regulations, specifications and standards to secure the accuracy of all meters and appliances for measurement. 66 Pa. C.S. § 1504.

Indeed, in a case raising the strikingly similar question of PECO's ownership of and responsibility for an underground line, the Commission and its Administrative Law Judge evaluated PECO's tariff provisions and the Commission's regulations at great length to determine that the facility in question was privately owned, not owned by PECO, and that PECO therefore did not have responsibility to maintain the line in question. Importantly, in that case, the Commission based its decision in part upon its view of proper public utility policy with respect to forcing other PECO customers to bear the burden of maintaining private facilities, stating that:

We are not inclined to expose PECO's ratepayers to the costs of installing, maintaining or replacing customer-owned service lines

that exceed the provisions of our regulations or commission-approved tariffs.<sup>16</sup>

The Commission's determination was later upheld on appeal to the Commonwealth Court. *Norbeck*, 2011 WL 10857826 (interpreting and applying PECO's Tariff and determining that the "point of delivery" of an underground electric line for purposes of establishing ownership, was 18 inches within the property line, as set forth in the tariff).

As the Commission itself argued in similar circumstances in the *Alderwoods* case, the expertise, specialized knowledge and competence of the Commission is required to protect the integrity of the regulatory scheme. Accordingly, PECO respectfully requests that the Commission issue the requested declaratory orders based on the Tariff, regarding the point-of-delivery and PECO's duties with regard to a customer's privately installed and owned aerial power line.

**b. Determination of the Point-of-Delivery**

In recent years, the Commission has had several opportunities to determine the point-of-delivery of utility facilities – that is, the point at which a utility's facilities and responsibility ends, and the customer's facilities and responsibility begins.

Several of the Commission's recent cases involve direct examinations of the PECO Tariff. For example, in *Norbeck*, 2011 WL 10857826, the Commission determined that, under the provisions of PECO's Tariff, the point-of-delivery for PECO's underground facilities is 18"

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<sup>16</sup> *Norbeck v. PECO Energy Company*, Docket No. C-2008-2051267, Opinion and Order entered August 23, 2010, at 14.

over the property line of the customer. In *Norbeck*, the Administrative Law Judge and the Commission were called upon to interpret the provision of the tariff regarding underground lines—the corollary to the provision at issue in this case regarding overhead lines. Both the ALJ and the Commission determined that the “point of delivery” as defined in the tariff was 18 inches within the property line. *Id.* at \*3. The Commission and the Commonwealth Court, therefore, determined that “since PECO did not own the underground cable, it had no obligation or responsibility under Section 1501, 66 Pa. C.S. § 1501 to maintain it.” *Id.* at \*4. Thus, under the facts presented here, where the only difference is that an aerial line and the utility pole supporting it, as opposed to an underground line, are at issue, it follows that PECO similarly had no obligation or responsibility to maintain it. *See also DeHaven v. PECO Energy Co.*, No. 0602-0510 (C.P. Phila. Oct. 19, 2006) (“on the issue of whether Defendant PECO has a duty to maintain or inspect a customer owned utility pole, the Court finds that PECO had no such duty as to the privately owned pole . . .”).

In the recent case *Jeremy Kashuba v. PECO Energy Company*, C-2012-2333019 (Opinion and Order Entered Dec. 5, 2013), the Commission reviewed the portions of PECO’s tariff dealing with the point-of-delivery for aerial power lines such as the line involved in the instant proceeding. In that case, the Commission stressed that the determination of the point-of-delivery is to be made by reviewing the utility tariff, stating (p. 9, emphasis added) that:

*In deciding the question of who is responsible for repairing the poles and sagging wires at issue in this case, we will rely upon the applicable provisions of PECO’s tariff. In doing so, we note that Commission-approved tariff provisions have the force of law and are binding on both the public utility and its customers. Brockway Glass Co. v. Pa. PUC, 437 A. 2d 1067, 1070 (Pa. Cmwlth. 1981).*

PECO's Tariff<sup>17</sup> makes it quite clear that, for aerial lines, the point-of-delivery – which is the point when responsibility for the line transfers from PECO to the customer is – the first suitable support of the Customer, nominally 100 feet inside the property line of the Customer.

The definition of “point of delivery” -- “The single service point at which the service-supply lines of the Company terminate and the customer's facilities for receiving service

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<sup>17</sup> The Tariff provisions comprehensively apply to PECO's facilities and customer facilities. See the following Tariff rules:

**1.3 APPLICATION.** The Tariff provisions apply to everyone lawfully receiving service from the Company, under the rates therein, and the recipient of service, whether service is based upon contract, agreement, accepted signed application, or otherwise, shall be subject to the terms of the Tariff. In addition, the rates therein shall apply to everyone receiving service unlawfully or otherwise, including unauthorized use as referred to in Rule 4.7 of this Tariff. A customer will receive service under the rates and riders of this tariff effective with their first scheduled billing cycle after the effective date of the tariff or as otherwise indicated in this tariff.

**1.5 RULES AND REGULATIONS.** The Rules and Regulations, filed as part of this Tariff, are a part of every contract for service made by the Company and govern all classes of service where applicable, unless specifically modified by a rate or rider provisions. The obligations imposed on customers in the Rules and Regulations apply as well to everyone receiving service unlawfully and to unauthorized use of service.

**4.5 ACCEPTANCE.** Before the Company affirmatively accepts an application, the Company will consider the application to be “pending”. When an application is accepted, it constitutes the contract between the customer and the Company, subject to the Rules and Regulations. A customer or other recipient of service also becomes contractually obliged to the Company when service is provided according to the application either with or without modification, or when the customer otherwise receives service.

begin”<sup>18</sup> -- makes clear that there is a delineation between PECO-owned and customer-owned facilities.

Tariff Rules 6.1 and 6.3 establish the precise point at which ownership and responsibility changes from PECO to the customer (all emphases added):

6.1 COMPANY SERVICE-SUPPLY LINES. Where *the Company* has supply facilities of adequate capacity on the highway or in other trunk line location adjacent to the premises to be served, it *will provide, own and maintain standard service-supply lines as follows:*

. . . (b) AERIAL.

*A single span of aerial open wire or cable construction to the first suitable support of the customer, nominally 100 feet inside the property line of the customer. This customer support shall establish the point of delivery for the customer. The customer's support shall be so located that the service span will be free of obstruction and adequately supported as required by the size and weight of the conductors.*

6.3 CUSTOMER SERVICE EXTENSION. *The customer shall provide, own and maintain the service extension from the Company's service-supply lines to the point of delivery and receiving equipment.*

Other rules also make clear that all equipment beyond the point of delivery are owned and operated by the customer (emphases added):

3.3 POINT OF DELIVERY. The company will designate in writing, upon request, a satisfactory point of delivery where the customer shall terminate the wiring and facilities for connection to the distribution lines of the Company. The failure to request and obtain such location may result in refusal of service pending rearrangement of customer's facilities, but the designation of a point of delivery does not constitute an agreement or obligation on the part of the Company to furnish service.

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<sup>18</sup> As noted in Section 1B, this definition is consistent with the Commission's regulation defining "service terminal" as: "The point at which the service lines of the public utility terminate and the customer's facilities for receiving the service begin." 52 Pa. Code §57.1.

. . . *The customer will have the option of extending its own facilities to the Company's point of service delivery.*

3.4 SERVICE ENTRANCE EQUIPMENT. *All equipment beyond the point of delivery, except the meter, shall be installed by the customer. Installation shall be in conformity with the National Electric Code and the Company's published "Electric Service Requirements" . . . .*

In turn, PECO's Electric Service Requirements provide further information for customers and electrical contractors on the technical requirements for different types of electrical services. The Electric Service Requirements mirror the Tariff as it pertains to privately owned, customer-installed power supply lines, as follows (emphases added):

#### **4.3 CUSTOMER'S INSTALLATION**

##### **4.3.1 Point of Delivery**

The Company will designate in writing, upon request, a satisfactory point of delivery where the Customer shall terminate wiring and facilities for connection to the supply lines of the Company. . . .

##### **4.3.2 Service Entrance Equipment**

*The Customer shall install all equipment beyond the point of delivery, except the meter. Installation shall conform with the National Electrical Code as well as with all applicable ordinances of authorities having jurisdiction and to these Electric Service Requirements. Where necessary, the Customer shall provide an acceptable sealable/lockable device for mounting a meter, which will be furnished and owned by the customer, and sealed by the Company.*

#### **4.4 PRIVATE PROPERTY CONSTRUCTION**

##### **4.4.1 Company's Service Supply Lines**

Where the Company has supply facilities of adequate capacity adjacent to the premises to be served, it will provide, own and maintain standard service supply lines for a new service or for a change in load, or for a change in rate as follows:

##### **4.4.1.1 Overhead Service – All Customers**

*Where existing Company supply facilities are overhead, the Company will install a single span of aerial wire or cable to the first suitable support of the Customer, nominally 100 feet inside the property line of the Customer.*

The Customer's support shall be so located that the service span will be free of obstruction, and adequately supported as required by the size and weight of the conductors. The span shall meet all clearance specifications as required by the National Electrical Code, the National Electric Safety Code, and any legal codes having jurisdiction.

PECO respectfully submits that these cases, regulations, Tariff provisions, and Electric Service Requirements inevitably lead to a single conclusion – that PECO's facilities end at the point-of-delivery, which for aerial electric facilities is the first suitable support of the Customer, nominally 100 feet inside the Fellerman Property line. PECO requests that the Commission issue a declaratory order so stating.<sup>19</sup>

**c. Responsibility on the Customer Side of the Point-of-Delivery**

The Commission and courts have long recognized that the ownership and maintenance responsibility of an electric utility ends at the point of delivery to the customer. *Hineline v. Metro. Edison Co.*, *Norris v. Phila. Elec. Co.*; *DeHaven*, No. 0602-0510; *Jeremy Kashuba v. PECO Energy Company*, C-2012-2333019 (Opinion and Order Entered Dec. 5, 2013).<sup>20</sup> The

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<sup>19</sup> As previously noted, there is no dispute that Mr. Fellerman's contact with the power line occurred more than 100 feet over the property line, and beyond the first suitable support of the customer. However, PECO is not seeking a declaratory order from the Commission to establish this factual averment. Rather, PECO simply seeks the declaration noted in text. The Commission's declaration can then be utilized in the civil court proceeding. If in fact there is a factual dispute (about which PECO is unaware) as to whether the incident occurred more than 100 feet over the property line, or beyond the first support of the customer, then that factual determination can be resolved by the civil court *within the declaratory legal framework established by the Commission*.

<sup>20</sup> The Commission's Opinion and Order is available on the Commission's website.

Commission's recent *Kashuba* order makes this abundantly clear, stating succinctly that facilities beyond the point-of-delivery are "not PECO's responsibility."

These Commission rulings are consistent with the Pennsylvania Supreme Court's holding in *Alderwoods*. *Alderwoods* was a duty to warn case, but in the Discussion section of the Opinion, the Court reviewed the existing state of law on whether a utility has a duty to inspect facilities on the premise side of the point of delivery. The Court clearly recognized the importance of the point of delivery delineation in determining this type of operational role, stating that:

[W]e agree with the legal position of Duquesne Light and its *amici* that, under Pennsylvania law, maintenance and inspection responsibilities generally are divided at the service point, such that an electric service provider does not have a freestanding duty to inspect customer-owned electrical equipment and services on the premises' side.

*Alderwoods*, 630 Pa. 45 at 62 (2014).<sup>21</sup>

PECO's Tariff provides that where PECO "has supply facilities of adequate capacity on the highway or in other trunk line location adjacent to the premises to be served, it will provide, own and maintain standard service-supply lines [for] . . . [a] single span of aerial open wire or cable construction to the first suitable support of the Customer, nominally 100 feet inside the

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<sup>21</sup> *Alderwoods* also evaluated the question of whether a utility that has knowledge of a dangerous condition on the customer's premises has a duty to warn the customer about that dangerous condition prior to restoring service to the customer premises. The instant case does not present that fact pattern, and PECO is not requesting a declaratory order on duty to warn, only on whether it owns the aerial facilities on the premise side of the point of delivery and whether it has an obligation to operate and maintain those facilities.

property line of the customer.” (Ex. B, at 6.1).<sup>22</sup> It is undisputed that the location of the subject accident was more than 100 feet inside the Fellermans’ property line and beyond the first suitable support of the customer. Accordingly, PECO had no duty, pursuant to the express language of the Tariff and prior Commission and Court rulings, to own or in any way maintain the subject lines. PECO requests that the Commission issue a declaration stating that PECO is not responsible for facilities on the customer side of the point-of-delivery.<sup>23</sup>

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<sup>22</sup> Other aspects of PECO’s Tariff support this conclusion. For example, Tariff Rule 3.4 provides that all equipment beyond the point of delivery, except the meter, shall be installed by the customer. Tariff Rule 6.3 states the customer shall provide, own, and maintain their service extension. (*See* Ex. B).

<sup>23</sup> PECO’s Tariff Rule 6.4 provides two exceptions to this general rule. First, PECO owns, operates, and is responsible for its meter, which will always be located beyond the point-of-delivery. Second, PECO may install, own, and operate a transformer on the customer side of the point-of-delivery. These two exceptions do not undercut the general principle that PECO is not responsible for equipment on the customer side of the point-of-delivery. To the contrary, they make clear that, if and when PECO has responsibility for equipment on the customer side of the point-of-delivery, the Tariff will explicitly so state. The absence of such a statement with respect to the private pole line contacted by Mr. Fellerman is thus a further demonstration that PECO does not have responsibility for that facility.

**3. Relief Requested**

For the foregoing reasons, PECO respectfully requests that the Pennsylvania Public Utility Commission exercise its jurisdiction over the subject matter at issue in this dispute, and issue a declaratory order: (1) that PECO's point-of-delivery, for its aerial facilities at the location at issue, is the first suitable support of the Customer, nominally 100 feet inside the property line of the Customer, and (2) that PECO does not have responsibility to operate, maintain, or inspect the customer facilities beyond the point-of-delivery.



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*Counsel for PECO Energy Company*

Date: May 18, 2017

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Attachment A**

**Second Amended Civil Complaint**

*Stanley Fellerman [and] Carol Fellerman[,] Plaintiff[s] vs. PECO Energy Co., Comcast Corporation, Historic Home Inspection d/b/a WIN Home Inspection, Addison Wolfe Real Estate, and Lisa James Otto Country Properties*

**Philadelphia Court of Common Pleas, July Term 2014, No. 2640**

**RECEIVED**

**MAY 23 2017**

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SECRETARY'S BUREAU**

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MAY <sup>23</sup>~~18~~ 2017

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

EXHIBIT A

HILL & ASSOCIATES, P.C.  
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MAJOR JURY



Attorney for Plaintiffs

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Stanley Fellerman	:	COURT OF COMMON PLEAS
Carol Fellerman	:	
	:	
Plaintiff	:	PHILADELPHIA COUNTY
	:	CIVIL TRIAL DIVISION
	:	
vs.	:	
	:	July Term, 2014
	:	No. 2640
	:	
PECO Energy Co.,	:	
Comcast of Southeast Pennsylvania, LLC,	:	
Historic Home Inspection, LP, d/b/a	:	
WIN Home Inspection,	:	
Addison Wolfe Real Estate, and	:	
Lisa James Otto Country Properties	:	
Defendants	:	

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**NOTICE**

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.**

Philadelphia Bar Association  
Lawyer Referral and Information  
One Reading Center  
Philadelphia, PA 19107  
(215) 238-1701

**ADVISO**

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas expuestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suya sin previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

**LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SINO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.**

Asociacion De Licenciado De Filadelfia  
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MAJOR JURY

Attorney for Plaintiffs

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Stanley Fellerman  
6858 Upper York Road  
New Hope, PA 18938

Carol Fellerman  
6858 Upper York Road  
New Hope, PA 18938

Plaintiffs

vs.

PECO Energy Co.  
2301 Market St.  
Philadelphia, PA 19101

Comcast of Southeast Pennsylvania, LLC  
Comcast Center  
1701 JFK Boulevard  
Philadelphia, PA 19103

Historic Home Inspection LP d/b/a  
WIN Home Inspection  
2865 S. Eagle Road #334  
Newtown, PA 18940

Addison Wolfe Real Estate  
550 Union Square  
New Hope, PA 18938

Lisa James Otto Country Properties  
1 South Sугan Road  
New Hope, PA 18938

Defendants

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COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY  
CIVIL TRIAL DIVISION

July Term, 2014  
No. 2640

## **SECOND AMENDED COMPLAINT**

### **PARTIES**

1. Plaintiff, Stanley Fellerman, is an individual citizen and resident of the Commonwealth of Pennsylvania, residing therein at the address shown in the caption.
2. Plaintiff, Carol Fellerman, is an individual citizen and resident of the Commonwealth of Pennsylvania, residing therein at the address shown in the caption.
3. At all times relevant hereto, and through the present, Plaintiff Carol Fellerman and Plaintiff Stanley Fellerman were/are husband and wife.
4. At all times material hereto, Plaintiffs' residence was a single family home situated on a heavily wooded lot.
5. Plaintiffs' purchased the subject residence on or about March 11, 2013.
6. Defendant Addison Wolfe Real Estate ("Defendant Addison) is a for-profit company licensed to do business in the state of Pennsylvania, with a principal place of business at the address shown in the caption.
7. At all times material hereto, Defendant Addison was the broker/agent for Plaintiffs as the buyers of the subject property.
8. Defendant Lisa James Otto Country Properties ("Defendant Country Properties") is a for-profit Real Estate entity licensed to do business in the state of Pennsylvania, with a principal place of business at the address shown in the caption.
9. At all times material hereto, Defendant Country Properties was the broker/agent for Scott and Gabrielle Hoffman, as the sellers of the subject property.
10. Defendant PECO Energy Co. (hereinafter "Defendant PECO") is a for-profit

Exelon utility company servicing the Greater Philadelphia area, with a principal place of business at the address shown in the caption.

11. Defendant Comcast of Southeast Pennsylvania, LLC (hereinafter "Defendant Comcast") is a for-profit Pennsylvania company servicing the greater Philadelphia area, with a principal place of business at the address shown in the caption.

12. Defendant Historic Home Inspection LP d/b/a WIN Home Inspection (hereinafter "WIN Home Inspection") is a for-profit company licensed to do business in Pennsylvania with a principal place of business at the address shown in the caption.

13. At all relevant times hereto, Defendant WIN Home Inspection was the entity responsible for performing the inspection of the property prior to the Plaintiffs' purchase of the subject property.

**FACTUAL ALLEGATIONS AS TO PECO AND COMCAST**

14. At all times relevant hereto, Defendant Comcast provided cable service for a fee, through cables mounted on poles to residential customers, including Plaintiffs herein.

15. Defendant Comcast knew or should have known that it shared this utility pole with a PECO transformer and uninsulated PECO power lines.

16. Defendant Comcast installed, owned, possessed and/or maintained the cable lines located at 6858 York Road, New Hope, Pennsylvania that are the subject of this lawsuit.

17. Defendant Comcast installed, utilized, controlled, possessed and/or maintained the pole located at 6858 Upper York Road, New Hope, Pennsylvania that is the subject of this lawsuit.

18. At all times material hereto, Defendant Comcast acted on its own behalf and

through its agents, servants, and employees, including actual and apparent agents.

19. At all relevant times hereto, Defendant PECO distributed high voltage electric current to residential customers for a fee, including Plaintiffs herein, through its distribution system, which is made up of components including, but not limited to, power lines, poles, transformers, and circuit breakers.

20. Neither the rates nor the calculations of the rates charged by Defendant PECO to the Plaintiffs are at issue in this litigation.

21. Defendant PECO installed, owned, utilized, controlled, possessed and/or maintained the power lines located at 6858 York Road, New Hope, Pennsylvania that are the subject of this lawsuit.

22. Defendant PECO installed, owned, utilized, controlled, possessed and/or maintained the transformer located at 6858 York Road, New Hope, Pennsylvania that is the subject of this lawsuit.

23. Defendant PECO installed, owned, utilized, controlled, possessed and/or maintained the utility pole located at 6858 Upper York Road, New Hope, Pennsylvania that is the subject of this lawsuit.

24. At all times material hereto, Defendant PECO acted on its own behalf and through its agents, servants, and employees, including actual and apparent agents.

25. This action pertains to the Defendants' actions and omissions with regard to the Plaintiffs, specifically, and not to the provision of these Defendants' services to the general public or to a large geographic area.

26. At all times material hereto, there were four utility poles located on Plaintiff's

property along which, among other components, power and cable lines were affixed so that Defendants PECO and Comcast could service Plaintiffs' property in exchange for fees.

27. Among the lines affixed to the four utility poles on the Plaintiffs' Property, was an uninsulated primary power line leading to Plaintiff's home.

28. At all times material hereto, on the last of the four utility poles, closest to the Plaintiffs' home, a PECO transformer was mounted.

29. Defendant PECO designed and knew about the manner in which the poles, lines, and transformer were situated on Plaintiffs' property, the amount of electricity flowing through those components, and the potential hazards and risks associated with same; the Plaintiffs did not.

30. On or about December 1, 2013, the Comcast cable service at Plaintiffs' residence stopped working.

31. On or about December 1, 2013, Plaintiffs called Defendant Comcast multiple times to report a problem with the cable service.

32. Defendant Comcast knew or should have known that the problem with its cable service could have been the result of a problem with the utility pole and/or electric service components on that pole that it shared with Defendant PECO.

33. Defendant Comcast did not contact the Plaintiffs or Defendant PECO or any first responders, such as police or fire departments, in response to the Plaintiffs' reports of a problem at the property.

34. On the morning of December 2, 2013, Plaintiffs discovered that the utility pole

closest to their home, the one with the transformer mounted to it, had fallen to the ground in front of and in close proximity to their residence. See attached photograph of the fallen pole marked Exhibit "A".

35. On December 2, 2013, prior to the Plaintiff's electrical injuries, Plaintiffs called Defendant PECO to report a problem with the power pole, advising PECO that the power was still working, but that the pole, lines, and transformer attached thereto were down.

36. Defendant PECO did not shut off the power to the property prior to the incident that forms the basis of this litigation despite the fact that they knew or should have known that the pole was down, the transformer was down, and that the uninsulated primary wire carrying high voltage electricity was down and live in the heavily wooded, residential area just feet from the occupied residence.

37. Defendant PECO did not contact any first responders, such as police or fire departments, in response to the Plaintiffs' report despite the fact that they knew or should have known that the pole was down, and that the uninsulated primary wire carrying high voltage electricity, as well as the transformer, was down and live in the heavily wooded, residential area just feet from the occupied residence.

38. Upon information and belief, the aforementioned pole fell as a result of severe rot, decay, and deterioration, which Defendants knew or should have known was present, and which Defendants knew or should have known would cause the pole to fall creating a substantial risk of serious and possibly deadly harm to people, in particular to the homeowners, such as Plaintiffs.

39. On December 2, 2013, after notifying Defendants of the fallen pole, Plaintiff

Stanley Fellerman discovered that the fallen pole, transformer, and power and cable lines had started a fire in the Plaintiffs' heavily wooded and leaf-covered front yard in close proximity to Plaintiffs' home and other nearby wooded residences.

40. While trying to extinguish the fire, Plaintiff Stanley Fellerman was shocked and burned and severely and permanently injured by the PECO power line.

41. Specifically, Plaintiff Stanley Fellerman suffered injuries which include, but are not limited to, third and fourth degree electrical burns on both hands, requiring multiple surgeries including amputations, as well as a traumatic brain injury, depression, and anxiety. See attached photographs of the injuries taken on May 25, 2014, and September 5, 2014, attached as Exhibit "B".

42. As discussed below, since the date of the injury, Plaintiff Carol Fellerman has been solely and primarily responsible for the day to day care of her husband, and the running of their household.

43. Upon information and belief, the power line that Plaintiff Stanley Fellerman came into contact with was the uninsulated primary.

44. Defendants knew or should have known that the pole was rotted, decayed, or otherwise deteriorated, and in danger of falling, as it supported their equipment, which they were responsible for installing, repairing, and maintaining in a safe condition.

45. Defendants knew or should have known that falling poles, such as the one at issue in this lawsuit, present a great risk of serious (and possibly deadly) danger to persons and property given the nature of the equipment and components mounted thereto.

46. Defendants knew or should have known that power and cable lines, as well as

transformers, could cause a utility pole to fall if said pole is deteriorated, decayed, or rotted and thereby expose persons such as Plaintiffs to dangers from the exposed and downed utility lines.

47. Defendants should have installed and maintained their equipment so that it would not cause the utility pole to fall and cause injury to persons such as Plaintiffs.

48. Defendants should have advised and warned their customers, such as Plaintiffs, about the nature and condition of the power and cable equipment, including the pole, and the associated risks.

49. Defendant PECO should have provided standard 120/240V secondary service to the Plaintiffs instead of the high-voltage primary service, and if not practical from an engineering standpoint, then Defendant PECO should have at least provided the primary cable with tree covering or full-rated insulation.

#### **FACTUAL ALLEGATIONS AS TO DEFENDANT ADDISON**

50. Defendant Addison had a contract with Plaintiffs, a copy of which is currently unavailable to Plaintiffs but is expected to be produced during the course of discovery, in 2013.

51. In exchange for the services Defendant Addison provided in connection with the sale of this real property, which culminated on or about March 11, 2013, Defendant Addison received monetary payment.

52. Pursuant to that contract, Defendant Addison agreed to provide certain services and perform certain duties in connection with the sale of the subject real estate.

53. As set forth below, which averments are incorporated by reference, Defendant Addison failed to provide those services and perform those duties and, as such, breached the subject contract.

54. Plaintiffs did not discover the rotted condition of the power pole, or the asserted claim that Plaintiffs owned or were responsible for same, until after the incident of December 2, 2013.

55. Defendant Addison knew, or had reason to know but recklessly disregarded the information, that the subject power pole on the property was rotted and in need of inspection and testing.

56. Defendant Addison knew, or had reason to know but recklessly disregarded the information, that the subject power pole on the property was rotted and in need of replacement.

57. Defendant Addison knew, or had reason to know but recklessly disregarded the information, who owned the rotted power pole on the property.

58. Defendant Addison knew or had reason to know but recklessly disregarded the fact that the Plaintiffs did not believe/know that they owned the pole.

59. Defendant Addison knew or had reason to know but recklessly disregarded the fact that the PECO/Comcast would not inform the Plaintiffs who owned the pole.

60. Defendant Addison knew or had reason to know but recklessly disregarded the fact that the PECO/Comcast would not inform the Plaintiffs who was responsible for the maintenance of the pole.

61. Defendant Addison knew, or had reason to know but recklessly disregarded the information, who was responsible for the maintenance of the rotted power pole on the property.

62. Defendant Addison failed to disclose to or inform Plaintiffs that there was a dangerous condition on the property.

63. Defendant Addison failed to disclose to or inform Plaintiffs about the ownership of the rotted power pole.

64. Defendant Addison failed to disclose to or inform Plaintiffs whether Plaintiffs had any responsibilities regarding the structural condition of the rotted power pole.

65. Defendant Addison failed to disclose to or inform Plaintiffs about the condition of the rotted power pole.

66. Defendant Addison failed to disclose to or inform Plaintiffs about the need to inspect or test the condition of the rotted power pole.

67. Defendant Addison failed to disclose to or inform Plaintiffs' real estate agent about the ownership of the rotted power pole.

68. Defendant Addison failed to disclose to or inform Plaintiffs' real estate agent whether Plaintiffs had any responsibilities regarding the structural condition of the rotted power pole.

69. Defendant Addison failed to disclose to or inform Plaintiffs' real estate agent about the condition of the rotted power pole.

70. Defendant Addison failed to disclose to or inform Plaintiffs' real estate agent about the need to inspect or test the condition of the rotted power pole.

71. Defendant Addison knowingly failed to provide the foregoing information, despite having same, with the intention of Plaintiffs relying on the absence of such information and going forward with the sale of the real estate.

72. Plaintiffs relied upon all information provided (and the absence of any information that would change their decision) by the professional real estate agents/brokers in making their decision to go forward with the purchase of the real estate.

73. Had Plaintiffs been informed of the foregoing, the real estate transaction would not have gone forward without changes having been made.

74. During Plaintiffs' brief ownership prior to the occurrence, neither Plaintiffs nor any other party inspected, tested, or replaced the rotted power pole.

75. As a result of the foregoing, as set forth above, all preceding paragraphs being incorporated by reference, Plaintiffs were seriously and permanently injured.

**FACTUAL ALLEGATIONS AS TO DEFENDANT COUNTRY PROPERTIES**

76. Defendant Country Properties knew, or had reason to know but recklessly disregarded the information, that the subject power pole on the property was rotted and in need of inspection and testing.

77. Defendant Country Properties knew, or had reason to know but recklessly disregarded the information, that the subject power pole on the property was rotted and in need of replacement.

78. Defendant Country Properties knew, or had reason to know but recklessly disregarded the information, who owned the rotted power pole on the property.

79. Defendant Country Properties knew, or had reason to know but recklessly disregarded the information, who was responsible for the maintenance of the rotted power pole on the property.

80. Defendant Country Properties failed to disclose to or inform Plaintiffs or Plaintiffs' broker/agent that there was a dangerous condition on the property.

81. Defendant Country Properties failed to disclose to or inform Plaintiffs or Plaintiffs' broker/agent about the ownership of the rotted power pole.

82. Defendant Country Properties knew or had reason to know but recklessly disregarded the fact that the Plaintiffs did not believe/know that they owned the pole.

83. Defendant Country Properties knew or had reason to know but recklessly disregarded the fact that the PECO/Comcast would not inform the Plaintiffs who owned the pole.

84. Defendant Country Properties knew or had reason to know but recklessly disregarded the fact that the PECO/Comcast would not inform the Plaintiffs who was responsible for the maintenance of the pole.

85. Defendant Country Properties failed to disclose to or inform Plaintiffs or Plaintiffs' broker/agent whether Plaintiffs had any responsibilities regarding the structural condition of the rotted power pole.

86. Defendant Country Properties failed to disclose to or inform Plaintiffs or Plaintiffs' broker/agent about the condition of the rotted power pole.

87. Defendant Country Properties failed to disclose to or inform Plaintiffs or Plaintiffs' broker/agent about the need to inspect or test the condition of the rotted power pole.

88. Defendant Country Properties knowingly failed to provide the foregoing information, despite having same, with the intention of Plaintiffs and/or Plaintiffs' broker/agent relying on the absence of such information and going forward with the sale of the real estate.

89. Plaintiffs relied upon all information provided (and the absence of any information that would change their decision) by the professional real estate agents/brokers in making their decision to go forward with the purchase of the real estate.

90. Had Plaintiffs been informed of the foregoing, the real estate transaction would not have gone forward without changes having been made.

91. During Plaintiffs' brief ownership prior to the occurrence, neither Plaintiffs nor any other party inspected, tested, or replaced the rotted power pole.

92. As a result of the foregoing, as set forth above, all preceding paragraph being incorporated by reference, Plaintiffs were seriously and permanently injured.

**FACTUAL ALLEGATIONS AS TO DEFENDANT WIN HOME INSPECTION**

93. Defendant WIN Home Inspection had a contract with Plaintiffs, a copy of which is currently unavailable to Plaintiffs but is expected to be produced during the course of discovery, in 2013.

94. In exchange for the services Defendant WIN Home Inspection provided in connection with the sale of this real property, Defendant WIN Home Inspection received monetary payment.

95. Pursuant to that contract, Defendant WIN Home Inspection agreed to provide certain services and performed certain duties in connection with the inspection of the real property prior to the sale of same on or about March 11, 2013.

96. As set forth below, which averments are incorporated by reference, Defendant WIN Home Inspection failed to properly provide those services and duties and, as such, breached the subject contract.

97. Plaintiffs did not discover the rotted condition of the power pole, or the asserted claim that Plaintiffs owned or were responsible for same, until after the incident of December 2, 2013.

98. Defendant WIN Home Inspection knew, or had reason to know but recklessly disregarded the information, that the subject power pole on the property was rotted and in need of inspection and testing.

99. Defendant WIN Home Inspection knew, or had reason to know but recklessly disregarded the information, that the subject power pole on the property was rotted and in need of replacement.

100. Defendant WIN Home Inspection knew, or had reason to know but recklessly disregarded the information, who owned the rotted power pole on the property.

101. Defendant WIN Home Inspection knew or had reason to know but recklessly disregarded the fact that the Plaintiffs did not believe/know that they owned the pole.

102. Defendant WIN Home Inspection knew or had reason to know but recklessly disregarded the fact that the PECO/Comcast would not inform the Plaintiffs who owned the pole.

103. Defendant WIN Home Inspection knew or had reason to know but recklessly disregarded the fact that the PECO/Comcast would not inform the Plaintiffs who was responsible for the maintenance of the pole.

104. Defendant WIN Home Inspection knew, or had reason to know but recklessly disregarded the information, who was responsible for the maintenance of the rotted power pole on the property.

105. Defendant WIN Home Inspection failed to disclose to or inform Plaintiffs that there was a dangerous condition on the property.

106. Defendant WIN Home Inspection failed to disclose to or inform Plaintiffs about the ownership of the rotted power pole.

107. Defendant WIN Home Inspection failed to disclose to or inform Plaintiffs whether Plaintiffs had any responsibilities regarding the structural condition of the rotted power pole.

108. Defendant WIN Home Inspection failed to disclose to or inform Plaintiffs about the condition of the rotted power pole.

109. Defendant WIN Home Inspection failed to disclose to or inform Plaintiffs about the need to inspect or test the condition of the rotted power pole.

110. Defendant WIN Home Inspection knowingly failed to provide the foregoing information, despite having same, with the intention of Plaintiffs relying on the absence of such information and going forward with the sale of the real estate.

111. Plaintiffs relied upon all information provided (and the absence of any information that would change their decision) by the home inspector in making their decision to go forward with the purchase of the real estate.

112. Had Plaintiffs been informed of the foregoing, the real estate transaction would not have gone forward without changes having been made.

113. During Plaintiffs' brief ownership prior to the occurrence, neither Plaintiffs nor any other party inspected, tested, or replaced the rotted power pole.

114. As a result of the foregoing, as set forth above, all preceding paragraphs being incorporated by reference, Plaintiffs were seriously and permanently injured.

**COUNT I**

**Plaintiff Stanley Fellerman v. Defendant PECO Energy Co.**  
**NEGLIGENCE, GROSS NEGLIGENCE AND RECKLESSNESS**

115. Plaintiff hereby incorporates all of the above paragraphs by reference hereto, inclusively, as if the same were fully set forth herein at length.

116. The aforementioned incident was caused solely by the negligence, gross negligence, and recklessness of the Defendant PECO in the design, installation, inspection, and maintenance of its power lines, transformer, and pole in that this Defendant:

- (a) failed to use reasonable care in the design, installation and maintenance of the subject power lines, transformer, and pole so as to avoid the risk of them falling to the ground and causing serious bodily injury;
- (b) failed to use reasonable care in insuring its power lines and transformers were secured safely so as to avoid the risk of them falling and causing seriously bodily injury;
- (c) failed to perform adequate testing, inspection, and maintenance measures as to ensure the safety of the power lines, transformers, and pole to all those in the area of same;
- (d) failed to properly alert the public, including Plaintiffs, to the dangerous propensities of the power lines, transformers, and

poles and the possibility of them falling after Defendant PECO knew or should have known about the unsafe condition;

- (e) failed to properly inform, educate, or otherwise advise residential customers, such as Plaintiffs, of their duties responsibilities, if any, to inspect, repair, and/or replace utility poles on their property;
- (f) failed to properly alert Defendant Comcast to the dangerous and unsafe condition of the cable lines and pole, and the possibility of them falling after Defendant PECO knew or should have known about the unsafe condition that existed;
- (g) failed to use the highest degree of care practicable in the provision and supply of high voltage electricity;
- (h) failed to use reasonable care designing, installing, maintaining, utilizing, and inspecting the power lines, transformers, and poles to ensure that they were safe for their intended use;
- (i) failed to timely respond to a problem at Plaintiffs residence so as to prevent harm suffered by Plaintiffs.
- (j) failed to properly train employees, servants, and agents in installation, maintenance, inspection, and usage of power lines, transformers, and poles;

- (k) failed to ensure employees, servants, and agents were following internal procedures, regulations, and specifications with regard to the installation, maintenance, inspection, and usage of power lines, transformers, and poles;
- (l) failed to perform necessary inspection and testing on the pole that was supporting the power lines and transformer at the subject property; and
- (m) failed to alert and warn the customer and Defendant Comcast of the condition of the pole that was supporting the power lines and transformer at the subject property.

117. As a result of the reckless and negligent conduct of Defendant PECO, as set forth herein, Plaintiff Stanley Fellerman suffered severe, disfiguring, and permanent injuries causing excruciating pain and suffering, emotional injury, embarrassment, humiliation, inconvenience, and loss of life's pleasures.

118. As a result of the reckless and negligent conduct of Defendant PECO, as set forth herein, Plaintiff Stanley Fellerman has been caused to expend various sums of money for medicine and medical attention for treatment and/or treatment of these injuries and to have essential services performed during the duration of the physical impairment, all to great financial detriment and loss and expects to pay additional sums of money for medicine and medical attention in the future all to Plaintiff's great financial detriment and loss.

119. As a result of the reckless and negligent conduct of Defendant PECO, as set

forth herein, Plaintiff Stanley Fellerman has been caused to suffer a loss of earnings, loss of future earning capacity, and the ability to engage in his professional activities and earn a livelihood all to his great financial detriment and loss.

Wherefore, Plaintiff Stanley Fellerman hereby demands judgment against all Defendants, jointly and severally, in an amount in excess of Fifty Thousand (\$50,000) Dollars, including compensatory and punitive damages.

**COUNT II**  
**Plaintiff Stanley Fellerman v. Defendant Comcast**  
**NEGLIGENCE, GROSS NEGLIGENCE AND RECKLESSNESS**

120. Plaintiff hereby incorporates all of the above paragraphs by reference hereto, inclusively, as if the same were fully set forth herein at length.

121. The aforementioned incident was caused solely by the negligence, gross negligence, and recklessness of the Defendant Comcast in the design, installation, inspection, and maintenance of its cable lines in that this Defendant:

- (a) failed to use reasonable care in the design, installation and maintenance of the cable lines and pole so as to avoid the risk of them falling to the ground and causing serious bodily injury;
- (b) failed to use reasonable care in insuring its cable lines were secured safely;
- (c) failed to perform adequate inspection, testing, and maintenance measures as to ensure the safety of the cable lines and pole to all those in the area of same;
- (d) failed to properly alert the public, including Plaintiffs, to the dangerous propensities of the cable lines and pole and the possibility of them

falling after Defendant Comcast knew or should have known about the unsafe condition that existed;

- (e) failed to properly inform, educate, or otherwise advise residential customers, such as Plaintiffs, of their duties and responsibilities, if any, to inspect, repair, and/or replace utility poles on their property;
- (f) failed to properly alert Defendant PECO to the dangerous and unsafe condition of the cable lines and pole, and the possibility of them falling after Defendant Comcast knew or should have known about the unsafe condition that existed;
- (g) failed to use the highest degree of care practicable in the provision and supply of cable services;
- (h) failed to use reasonable care designing, installing, maintaining, utilizing, and inspecting the cable lines and pole to ensure that they were safe for their intended use;
- (i) failed to timely respond to a problem at Plaintiffs residence so as to prevent harm suffered by Plaintiffs.
- (j) failed to properly train employees, servants, and agents in installation, inspection, maintenance, and usage of cable lines and poles;
- (k) failed to ensure employees, servants, and agents were following internal procedures, regulations, and specifications with regard to the installation, inspection, maintenance, and usage of cable lines and poles;
- (l) failed to perform necessary inspection and testing on the pole that was supporting the cable lines at the subject property; and

(m)failed to alert and warn the customer and Defendant PECO of the condition of the pole that was supporting the cable lines at the subject property.

122. As a result of the reckless and negligent conduct of Defendant Comcast as set forth herein, Plaintiff Stanley Fellerman suffered severe, disfiguring, and permanent injuries causing excruciating pain and suffering, emotional injury, embarrassment, humiliation, inconvenience, and loss of life's pleasures.

123. As a result of the reckless and negligent conduct of Defendant Comcast, as set forth herein, Plaintiff Stanley Fellerman has been caused to expend various sums of money for medicine and medical attention for treatment and/or cure of these injuries and to have essential services performed during the duration of the physical impairment, all to great financial detriment and loss and expects to pay additional sums of money for medicine and medical attention in the future all to Plaintiff's great financial detriment and loss.

124. As a result of the reckless and negligent conduct of Defendant Comcast, as set forth herein, Plaintiff Stanley Fellerman has been caused to suffer a loss of earnings, loss of future earning capacity, and the ability to engage in his professional activities and earn a livelihood all to his great financial detriment and loss.

**Wherefore**, Plaintiff Stanley Fellerman hereby demands judgment against all Defendants, jointly and severally, in an amount in excess of Fifty Thousand (\$50,000) Dollars, including compensatory and punitive damages.

**COUNT III**  
**Plaintiffs v. Defendants Addison, Country Properties, and WIN Home Inspection**  
**NEGLIGENT MISREPRESENTATION**

125. Plaintiffs hereby incorporate all of the above paragraphs by reference, inclusively, as if the same were fully set forth herein at length.

126. As set forth above, Defendants Addison, Country Properties, and WIN Home Inspection made misrepresentation, or failed to make representations were same were required, to Plaintiffs with regard to the rotted power pole on the subject property.

127. As set forth above, Plaintiffs reasonably relied on the misrepresentations of Defendants Addison, Country Properties, and WIN Home Inspection.

128. As set forth above, had those misrepresentations not been made, Plaintiffs would not have closed on the property under the same terms as were ultimately negotiated.

129. As set forth above, Plaintiffs were injured as a consequence of those misrepresentations.

**Wherefore,** Plaintiff Stanley Fellerman hereby demands judgment against Defendants Addison, Country Properties, and WIN Home Inspection, jointly and severally, in an amount in excess of Fifty Thousand (\$50,000) Dollars.

**COUNT IV**  
**Plaintiffs v. Defendants Addison, Country Properties, and WIN Home Inspection**  
**FRAUD**

130. Plaintiffs hereby incorporate all of the above paragraphs by reference, inclusively, as if the same were fully set forth herein at length.

131. As set forth above, Defendants Addison, Country Properties, and WIN Home Inspection made intentional misrepresentations, or purposefully failed to make representations were same were required, to Plaintiffs with regard to the rotted power pole

on the subject property so that Plaintiffs would go forward with the sale of the subject property.

132. As set forth above, Plaintiffs reasonably relied on the intentional misrepresentations of Defendants Addison, Country Properties, and WIN Home Inspection.

133. As set forth above, had those intentional misrepresentations not been made, Plaintiffs would not have closed on the property under the same terms as were ultimately negotiated.

134. As set forth above, Plaintiffs were injured as a consequence of those intentional misrepresentations.

Wherefore, Plaintiffs hereby demand judgment against Defendants Addison, Country Properties, and WIN Home Inspection, jointly and severally, in an amount in excess of Fifty Thousand (\$50,000) Dollars, including compensatory and punitive damages.

**COUNT V**  
**Plaintiffs v. Defendants Addison, Country Properties, and WIN Home Inspection**  
**VIOLATION OF THE UNFAIR TRADE PRACTICES AND CONSUMER**  
**PROTECTION LAW SECTION 201-2 (4)(XXI)**

135. Plaintiffs hereby incorporate all of the above paragraphs by reference, inclusively, as if the same were fully set forth herein at length.

136. As set forth above, Defendants Addison, Country Properties, and WIN Home Inspection were engaged in providing service to the Plaintiffs in connection with the sale of property and inspection services.

137. As set forth above, Defendants Addison, Country Properties, and WIN Home Inspection engaged in unfair and/or deceptive acts or practices which were likely to, and did in fact, result in confusion and/or misunderstanding.

138. As a consequence of Defendants Addison, Country Properties, and WIN Home Inspection unfair and/or deceptive acts or practices, Plaintiffs were injured.

**Wherefore,** Plaintiffs demand judgment against Defendants Addison, Country Properties, and WIN Home Inspection, jointly and severally, in an amount in excess of Fifty Thousand (\$50,000) Dollars, including compensatory damages, attorney's fees, treble damages, and punitive damages.

**COUNT VI**  
**Plaintiffs v. Defendant Country Properties,**  
**VIOLATION OF THE REAL ESTATE SELLER DISCLOURE LAW**

139. Plaintiffs hereby incorporate all of the above paragraphs by reference, inclusively, as if the same were fully set forth herein at length.

140. As set forth above, Defendant Country Properties was engaged in providing service to the Plaintiffs in connection with the sale of property, as the agent of the seller.

141. As set forth above, Defendant Country Properties failed to make disclosures, relative to a structural problem with the rotted power pole, to Plaintiffs with regard to the property, which they were required to make under the Real Estate Sellers Disclosure Law. 68 Pa.C.S.A. Section 7304, et seq.

142. As a consequence of Defendant Country Properties' violations of the REDSL, Plaintiffs were injured.

**Wherefore,** Plaintiffs hereby demand judgment against Defendant Country Properties in an amount in excess of Fifty Thousand (\$50,000) Dollars.

**COUNT VII**  
**Plaintiffs v. Defendants Addison and WIN Home Inspection**  
**BREACH OF CONTRACT**

143. Plaintiffs hereby incorporate all of the above paragraphs by reference, inclusively, as if the same were fully set forth herein at length.

144. As set forth above, Defendants Addison and WIN Home Inspection had contracts with Plaintiffs for their services in connection with the sale and inspection of the subject property.

145. As set forth above, Defendants Addison and WIN Home Inspection failed to make disclosures, relative to a structural problem with the rotted power pole, to Plaintiffs with regard to the property, in breach of the contracts that they had with Plaintiffs.

146. As a consequence of Defendants Addison and WIN Home Inspection breaches of their respective contracts, Plaintiffs were injured.

**Wherefore**, Plaintiffs hereby demand judgment against Defendants Addison and WIN Home Inspection in an amount in excess of Fifty Thousand (\$50,000) Dollars.

**COUNT VIII**  
**Carol Fellerman v. All Defendants**  
**LOSS OF CONSORTIUM**

147. Plaintiff Carol Fellerman hereby incorporates all of the above paragraphs by reference hereto, inclusively, as if the same were fully set forth herein at length.

148. The aforementioned incident was caused solely by the negligence and reckless of the Defendants as set forth in the preceding Counts of the Complaint, which are incorporated herein by reference.

149. As a result of the aforementioned incident, Plaintiff Carol Fellerman, was

caused to sustain injuries including but not limited to emotional, mental, and physical distress over her husband's electrocution and resulting injuries.

150. As a result of the aforementioned incident, Plaintiff Carol Fellerman, was caused to sustain injuries including but not limited to emotional, mental, and physical distress over having to assume the personal care of her husband, who was previously independent with respect to his own needs.

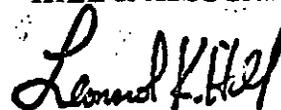
151. As a result of the aforementioned incident, Plaintiff Carol Fellerman, was caused to sustain injuries including but not limited to emotional, mental, and physical distress over having to take over the management of the household, with which her husband was previously able to assist.

152. As a result of the aforementioned incident, Plaintiff Carol Fellerman, was caused to sustain injuries including but not limited to emotional, mental, and physical distress over her husband's prognosis for this injury and their future.

153. As a result of the aforementioned incident, Plaintiff Carol Fellerman, was caused to sustain injuries including but not limited to emotional, mental, and physical distress over the shift in her relationship with her husband from daily companion to daily caregiver, as well as her loss of society and affection, all to the detriment of their marital relationship.

**Wherefore**, Plaintiff Carol Fellerman, hereby demands judgment against all Defendants, jointly and severally, in an amount in excess of Fifty Thousand (\$50,000) Dollars, including punitive and compensatory damages.

HILL & ASSOCIATES, P.C.



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LEONARD K. HILL, ESQUIRE  
Attorney for Plaintiff

Date: 5/22/15

**VERIFICATION**

The undersigned state that they are the Plaintiffs herein and verify that the statements made in the foregoing Complaint-Civil Action is true and correct to the best of their knowledge, information and belief; and the this statement is made subject to the penalties if 18 Pa. C.S. 4904 relating to unsworn falsification to authorities.

Signature: 

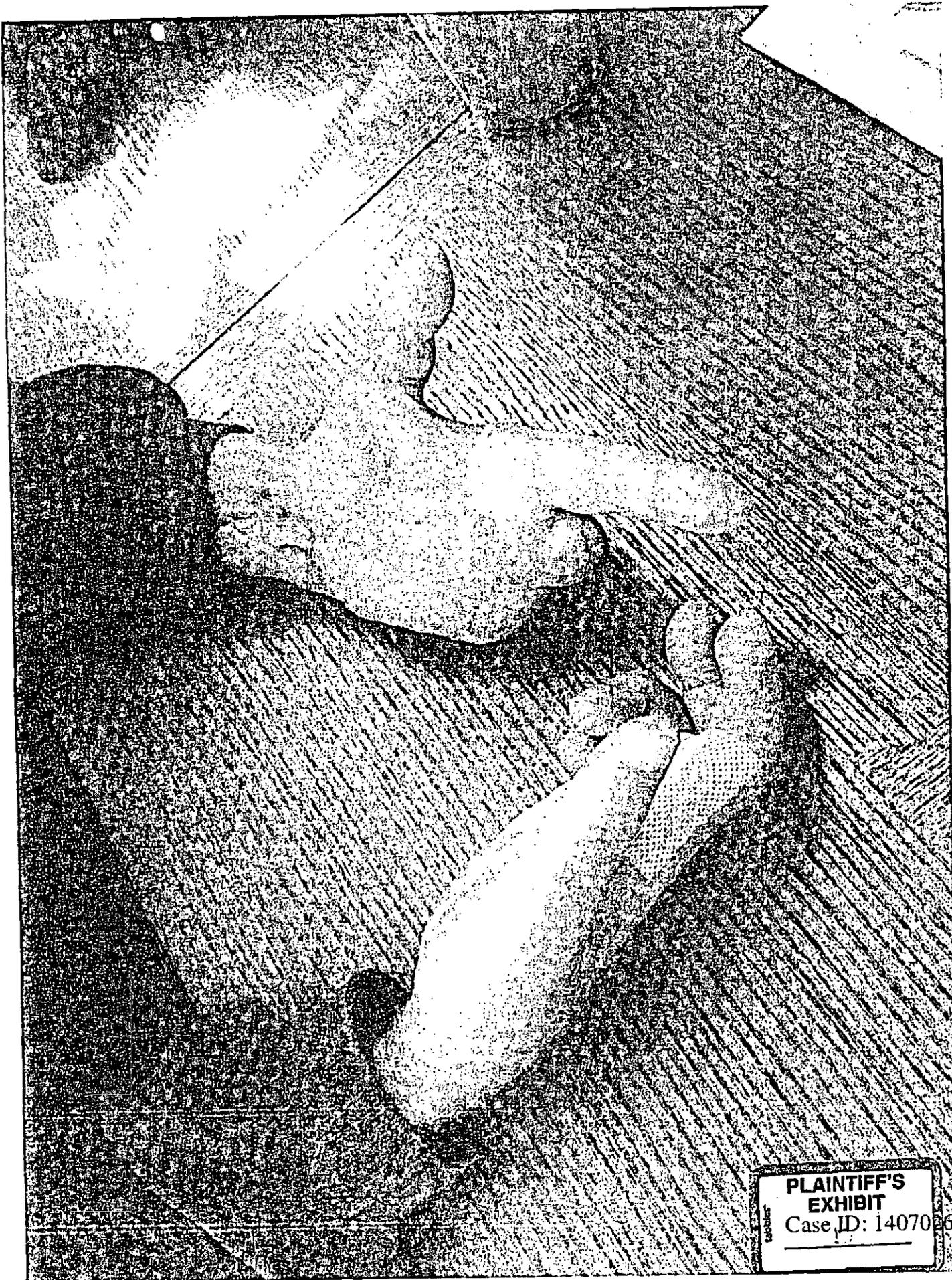
Printed Name: Stanley Fellerman

Signature: 

Printed Name: Carol M Fellerman

Filed and Accepted by  
PROTHONOTARY  
MAY 10 1975 10:31 am  
ASTROWSKI

**PLAINTIFF'S  
EXHIBIT**  
Case ID A140702640



**PLAINTIFF'S  
EXHIBIT**  
Case ID: 140702640

RECEIVED

MAY <sup>23</sup>~~18~~ 2017

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

EXHIBIT B

**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 17, 2016**

**Effective July 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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PECO Energy Company

**LIST OF CHANGES MADE BY THIS SUPPLEMENT**

**CAP Rider – Customer Assistance Program – 3<sup>rd</sup> Revised Page No. 71 & 3<sup>rd</sup> Revised Page No. 72**

Reflects changes to CAP discount as a result of the changes in the quarterly adjustments for the Procurement Class 1.

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LIST OF COMMUNITIES SERVED

PHILADELPHIA:

CITY AND COUNTY OF Philadelphia.

DELAWARE COUNTY:

CITY: Chester.

BOROUGHS: Aldan, Brookhaven, Chester Heights, Clifton Heights, Collingdale, Colwyn, Darby, East Lansdowne, Eddystone, Folcroft, Glenolden, Lansdowne, Marcus Hook, Media, Millbourne, Morton, Narberth, Norwood, Parkside, Prospect Park, Ridley Park, Rose Valley, Rutledge, Sharon Hill, Swarthmore, Trainer, Upland, Yeadon.

FIRST-CLASS TOWNSHIPS: Aston, Darby, Haverford, Lower Chichester, Lower Merion, Marple, Nether Providence, Radnor, Ridley, Springfield, Tinicum, Upper Chichester, Upper Darby.

SECOND-CLASS TOWNSHIPS: Bethel, Birmingham, Chester, Concord, Edgmont, Middletown, Newtown, Thornbury, Upper Providence.

BUCKS COUNTY:

BOROUGHS: Bristol, Chalfont, Doylestown, Dublin, Hulmeville, Ivyland, Langhorne, Langhorne Manor, Morrisville, New Britain, New Hope, Newtown, Pennel, Telford, Tullytown, Yardley.

FIRST-CLASS TOWNSHIPS: Bristol.

SECOND-CLASS TOWNSHIPS: Bedminster, Bensalem, Buckingham, Doylestown, Falls, Hilltown, Lower Makefield, Lower Southampton, Middletown, New Britain, Newtown, Northampton, Plumstead, Solebury, Upper Makefield, Upper Southampton, Warminster, Warrington, Warwick, Wrightstown.

MONTGOMERY COUNTY:

BOROUGHS: Ambler, Bridgeport, Bryn Athyn, Collegeville, Conshohocken, East Greenville, Green Lane, Hatboro, Jenkintown, Lansdale, Norristown, North Wales, Pennsburg, Pottstown, Red Hill, Rockledge, Royersford, Schwenksville, Souderton, Telford, Trappe, West Conshohocken.

FIRST-CLASS TOWNSHIPS: Abington, Cheltenham, Hatfield, Lower Moreland, Lower Pottsgrove, Plymouth, Springfield, Upper Dublin, Upper Gwynedd, Upper Moreland, Upper Pottsgrove, West Norriton, West Pottsgrove, Whitmarsh.

SECOND-CLASS TOWNSHIPS: East Norriton, Franconia, Horsham, Limerick, Lower Frederick, Lower Gwynedd, Lower Providence, Lower Salford, Marlborough, Montgomery, Perkiomen, Salford, Skippack, Towamencin, Upper Frederick, Upper Merion, Upper Providence, Upper Salford, West Vincent, Whippany, Worcester.

CHESTER COUNTY:

CITY: Coatesville.

BOROUGHS: Avondale, Downingtown, Kennett Square, Malvern, Modena, Oxford, Parkesburg, Phoenixville, South Coatesville, Spring City, West Chester, West Grove.

FIRST-CLASS TOWNSHIP: Cain.

SECOND-CLASS TOWNSHIPS: Birmingham, Charlestown, East Bradford, East Brandywine, East Cain, East Coventry, East Fallowfield, East Goshen, East Marlborough, East Nantmeal, East Nottingham, East Pikeland, East Vincent, East Whiteland, Easttown, Elk, Franklin, Highland, Kennett, London Britain, Londonderry, London Grove, Lower Oxford, New Garden, Newlin, New London, North Coventry, Penn, Pennsbury, Pocopson, Sadsbury, Schuylkill, South Coventry, Thornbury, Tredyffrin, Upper Oxford, Upper Uwchland, Uwchland, Valley, Wallace, Warwick, West Bradford, West Brandywine, West Cain, West Fallowfield, West Goshen, West Marlborough, West Nantmeal, West Nottingham, West Pikeland, West Sadsbury, Westtown, West Vincent, West Whiteland, Willistown.

YORK COUNTY:

BOROUGH: Delta.

SECOND CLASS TOWNSHIPS: Chanceford, Fawn, Lower Chanceford, Peach Bottom.

HOW TO USE LOOSE-LEAF TARIFF

1. This Tariff is issued on the loose-leaf plan. Each page will be issued as "original page," consecutively numbered, commencing with the title page, which in all cases will be considered as Page No. 1. For example: "Original Page No. 2", "Original Page No. 3," etc.
2. All changes in, additions to, or eliminations from, original pages, will be made by the issue of consecutively numbered supplements to this Tariff and by reprinting the page or pages affected by such change, addition, or elimination. Such supplements will indicate the changes which they effect and will carry a statement of the make-up of the Tariff, as revised. The Table of Contents will be reissued with each supplement.
3. When a page is reprinted the first time, it will be designated under the P.U.C. number as "First Revised Page No. ....," the second time as "Second Revised Page No. ....," etc. First revised pages will supersede original pages; second revised pages will supersede first revised pages, etc.
4. When changes or additions to be made require more space than is available, one or more pages will be added to the Tariff, to which the same number will be given with letter affix. For example, if changes were to be made in Original Page No. 2 and, to show the changed matter, more than one page should be required, the new page would be issued as "First Revised Page No. 2, superseding Original Page No. 2"; and the added page would be issued as "Original Page No. 2A." If a second added page should be required, it would be issued as "Original Page No. 2B." Subsequent reprints will be consecutively designated as "First Revised....," "Second Revised....," etc.
5. On receipt of a revised page it will be placed in the Tariff immediately following the page which it supersedes, and the page which is to be superseded thereby plainly marked "See following page for pending revision." On the date when such revised page becomes Effective the page superseded should be removed from the Tariff.

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS**

a.c. - alternating current

Advanced Meter - Advanced Meter shall have the meaning set forth in the Electric Generation Supplier Coordination Tariff.

Advanced Meter Services - Advanced Meter Services shall have the meaning set forth in the Electric Generation Supplier Coordination Tariff.

Advanced Meter Service Provider or AMSP - The Company or an EGS that provides Advanced Meter Services.

AEPS - Alternative Energy Portfolio Standard - statute that requires electric distribution companies and electric generation suppliers to acquire a certain percentage of their energy from alternative energy sources.

Available rate - A rate which may be obtained by a customer if the use of service conforms to the character of service contemplated in the rate, and the location is such that this service can be supplied from existing facilities of the Company.

Bad credit - A customer shall be deemed by the Company to have bad credit if the customer has been delinquent on payment of two consecutive bills or three or more bills in the last twelve billing cycles or tendered two or more checks that are subsequently dishonored by a payee according to 13 Pa.C.S. §3502, within the last twelve billing cycles. Industrial and commercial customers also shall be deemed by the Company to have bad credit if the customer is insolvent, (as evidenced by a credit report prepared by a reputable credit bureau or credit reporting agency or public financial data, liabilities exceeding assets or generally failing to pay debts as they become due) or has a class of publicly-traded debt outstanding that is rated to be below investment grade, or tendered two or more checks that are subsequently dishonored by a payee according to 13 Pa.C.S. §3502, within the last twelve billing cycles.

Base Rate (or rate) - The Base Rates are Rates R, R-H, RS-2, GS, PD, HT, POL, SL-S, SL-E, TLCL, EP, and AL.

Billing demand - The calculated or measured demand after correction, if any, for power factor; except that the billing demand may be limited to a minimum figure.

Btu - British thermal unit.

Capacity charge - A charge based upon demand, either with or without power factor correction.

Competition Act - The Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §2801, et seq.

Competitive Energy Supply - unbundled energy and capacity provided by an Electric Generation Supplier.

Consolidated EDC Billing - Billing provided by the Company as provided for in the Electric Generation Supplier Coordination Tariff.

Consolidated EGS Billing - Billing provided by an EGS as provided for in Electric Generation Supplier Coordination Tariff.

Continuous service - Service which the Company endeavors to keep available at all times.

Creditworthy - A creditworthy customer pays the Company's charges as and when due and otherwise complies with the Rules and Regulations of this Tariff or the PaPUC. To determine whether a customer is creditworthy with respect to a particular account, the Company will evaluate the customer's record of paying Company charges for all of the customer's other Company accounts, and may also take into consideration the customer's general credit.

Customer - Any person, partnership, association, or corporation, lawfully receiving service at a single meter location from the Company. For purposes of billing for an Electric Generation Supplier (as defined below), the term customer may include all meter locations for which a summary bill is provided. In addition, unless explicitly prohibited by the Public Utility Code or the Commission's Rules and Regulations, an EGS may act as agent for an end use customer upon written authorization to PECO Energy which may be part of the notice of EGS selection.

Customer's service extension - The facilities extending from the customer's service-receiving equipment to the Company's service supply lines.

Default Service (DS) - The provision of energy or energy and capacity by PECO Energy as Default Service Provider to customers that are: (1) not eligible to obtain Competitive Energy Supply, (2) choose not to obtain Competitive Energy Supply, (3) return to default service after having obtained Competitive Energy Supply or Competitive Default Service, or (4) who contract for Competitive Energy Supply from an EGS (as defined below) that fails to deliver such energy or energy and capacity.

Default Service Provider (DSP) - The incumbent EDC within a certificated service territory or a Commission approved alternative supplier of electric generation.

Demand - The maximum rate-of-use of energy during a specified time interval, expressed in kilowatts.

PECO Energy Company

DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS (continued)

**Direct Access** - Direct Access shall have the meaning set forth in the Competition Act.

**Electric Distribution Company (EDC)** - Electric Distribution Company (EDC) shall have the meaning set forth in the Competition Act.

**Electric Generation Supplier (EGS)** - Electric Generation Supplier (EGS) shall have the meaning set forth in the Competition Act.

**Electric Generation Supplier Coordination Tariff (or Supplier Tariff)**- PECO Energy's Electric Generation Supplier Coordination Tariff, provides procedures for EGS & PECO EDC interaction to make arrangements necessary to implement Direct Access for retail customers.

**Energy Supply Charge** - PECO Energy's charge for energy or energy and capacity to customers that receive Default Service.

**Energy charge** - a charge based upon kilowatt-hours of use.

**FERC** - the Federal Energy Regulatory Commission.

**Fixed Distribution Service Charge** - A charge to recover costs caused by the presence of the customer on the system other than the costs associated with the customer's demand or energy consumption.

**Holidays** - New Year's Day, Martin Luther King, Jr.'s Birthday, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Day and Sundays.

**Hp, horsepower** - As used herein, horsepower shall be computed as the equivalent of 750 watts.

**Initial Contract Term** - An initial contract term for a service location shall be 1) the customer's first Term of Contract for service to the location or 2) the first Term of Contract after the customer changes service for a location to a different Rate.

**KV, kilovolts** - 1000 volts.

**KVa, kilovoltampere** - Unit of measurement of rate-of-use, which determines electrical capacity, required; it is obtained By multiplying the voltage of a circuit by its amperage.

**KW, kilowatt** - Unit of measurement of useful power.

**KWh, kilowatt-hour** - Unit of measurement of energy; an amount equivalent to the use of one kilowatt for one hour.

**Lumen** - Unit of measurement of quantity of light.

**Measured Demand** - A customer's highest demand during a 30-minute time interval in a billing period.

**Month** - A month under this Tariff means 1/12 of a year, or the period of approximately 30 days between two regular consecutive readings of the Company's meter or meters installed on the customer's premises.

**PaPUC or Commission** - The Pennsylvania Public Utility Commission.

**PECO Energy or the Company** - PECO Energy Company.

**Point of Delivery** - The single service point at which the service-supply lines of the Company terminate and the customer's facilities for receiving the service begin.

**PJM** - PJM shall mean the PJM Interconnection, L.L.C.

**PJM System** - PJM System shall mean the transmission facilities located in the Mid-Atlantic Region that are controlled by PJM.

**Power Factor** - As used herein, power factor is, in a single-phase circuit, the ratio of the watts to the voltamperes, and in a polyphase circuit, is the ratio of the total watts to the vector sum of the volt-amperes in the several phases.

**Principal Office** - The Company's Main Office Building is located at 2301 Market Street, Philadelphia, Pa. 19103.

**Property Line** - The division line between land held in or for private use, and land in which the public or the Company has a right of use; or, the division line between separately owned or occupied land.

DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS (continued)

Separate EDC Billing - Billing provided by the Company as provided for in the Electric Generation Supplier Coordination Tariff.

Separate EGS Billing - Billing provided by an EGS as provided for in the Electric Generation Supplier Coordination Tariff.

Service - The distribution of energy for use by the customer, including all things done by the Company in connection with such distribution.

- standard single-phase secondary; alternating current, 60 hertz:
  - (a) nominally 120/240 volts, 3 wires;
  - (b) nominally 120 volts, 2 wires to installations consisting of not more than two 15-ampere branch circuits;
  - (c) nominally 120/208 volts, 3 wires, for residential service, where available in conjunction with standard polyphase secondary 120/208 volts, 3-phase, 4 wires.
- standard polyphase secondary; alternating current, 60 hertz. Only one service is available to a building. For purposes of determining service capacity limits, a building is defined as a structure, separated from other structures, or a portion of a contiguous structure separated from the remainder of the structure by approved firewalls. When demand or service voltage requires the installation of transformation equipment on the owner's premises, the transformation shall consist of a pad mounted transformer installed at a location provided by the owner and approved by the Company outside the building or a transformer bank installed inside the building in a vault located on the ground floor or one story below grade, meeting National Electrical Code requirements. The Company will not install, own or maintain any conductors inside or beneath a building nor install indoor transformation in areas supplied by or designated to be supplied at 33,000 volts or greater.
  - (a) nominally 120/240 volts, 2-phase, 5 wires; only available in areas supplied by 2-phase distribution facilities located along public highways or private rights-of-way and limited to service capacities of 100 kVa or less;
  - (b) nominally 240 volts, 3-phase, 3 wires; a fourth wire neutral will be extended for the supply of 120/240 volt single-phase equipment in combination with the service where the service capacity required does not exceed 15 kVa on any one of the phases. Where the demand to a single premises exceeds 100 kVa, transformers will be installed on the premises at a suitable location provided by the owner. The service capacity is limited to 300 kVa for transformers located inside the building and 500 kVa for transformers located outside the building.
  - (c) nominally 120/208 volts, 3-phase, 4 wires, (where 3-phase distribution is available) for the exclusive supply of secondary service to a building or group of contiguous buildings occupied by one or more than one customer, with transformers and secondaries installed on the premises at suitable locations provided by the owner. The service capacity is limited to 750 kVa for transformers located either inside or outside the building. When the service capacity exceeds 750 kVa for transformers located either inside or outside of the building the only rate option available to the customer will be Rate HT. When a suitable transformer location is not reasonably available on the premises and the demand does not exceed 100 kVa, service may be supplied at the Company's discretion from aerial distribution facilities located along public highways.
  - (d) nominally 277/480 volts, 3-phase, 4 wires (where 3-phase distribution is available) for the exclusive supply of secondary service to a building occupied by one or more than one customer with transformers and secondaries installed on the premises at suitable locations provided by the owner. The service capacity is limited to 750 kVa for transformers located inside the building and 1,500 kVa for transformers located outside the building. If the service capacity exceeds 750 kVa for transformers located inside the building or 1,500 kVa for transformers located outside the building the only rate option available to the customer will be Rate HT.
- standard primary - unregulated alternating current, 60 hertz, nominally 2,400 volts, 2-phase, 3 wires, or nominally 4,160 volts, 3-phase, 3 or 4 wires. Availability of these voltages is limited to those locations served at these voltages as of July 6, 1987.
- standard high tension - unregulated alternating current, 60 hertz, 3-phase, 3 wires (4-wire, 13 kV service is available in areas that have been converted to 13 kV distribution):

Where two or more such standard voltages are present in a given area, the Company will select the service voltage at which the required service can be supplied most economically. Nominally 13,200, 33,000, 69,000, 138,000 or 230,000 volts as available in the various sections of the Company's service territory for loads of such character as to require supply at one of such voltages in order not to impose unsatisfactory service conditions on the Company's supply system, or for loads of such character that supply at one of such voltages is desired both by the Company and the customer. For service at 13,200 or 33,000 volts, where the customer's demand exceeds 7,000 kW, the owner may be required to provide a suitable location on the premises for the installation of Company's transformation equipment.

The Company's charges for service, which are comprised of the Fixed Distribution Service Charge and Variable Distribution Service Charge, are nonbyassable and must be paid by any customer regardless of the voltage level at which the customer is served.

Service-supply lines - The facilities (conductors, cables, conduits, etc.) extending from the Company's facilities in the highway or other trunk line location to the facilities owned and maintained by the customer.

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS (continued)**

**Summary Billing Account** - An aggregate bill prepared for two or more meter locations owned or legally controlled by the same partnership, association, corporation, or governmental agency etc. for: (1) the Company's charges for service; and/or (2) an EGS's charges for Competitive Energy Supply, as permitted by Rule 2.2.

**Tariff** - this Electric Service Tariff comprising the Base Rates, rules and regulations which in conjunction with Pennsylvania Public Utility Law and Pennsylvania Public Utility Commission Regulations govern the distribution of electric energy including all things done by the Company in connection with such distribution, and/or the supply of electric energy under Default Service, and other PaPUC jurisdictional services.

**Variable Distribution Service Charge** - the variable energy supply charges for the provision of unbundled distribution service, including all things done by the Company in connection with such distribution service.

**RULES AND REGULATIONS****1. THE TARIFF**

**1.1 FILING AND POSTING.** A copy of this Tariff, which comprises the Rates, Rules and Regulations under which service and Default Service will be provided to its customers by PECO Energy, is on file with the Commission and is posted and open to inspection at the Principal Office of the Company. A copy of this tariff is also available on the Company's website at <http://www.peco.com>.

**1.2 REVISIONS.** This Tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Pennsylvania "Public Utility Law", and such changes, when effective, shall have the same force as the present Tariff.

**1.3 APPLICATION.** The Tariff provisions apply to everyone lawfully receiving service from the Company, under the rates therein, and the recipient of service, whether service is based upon contract, agreement, accepted signed application, or otherwise, shall be subject to the terms of the Tariff. In addition, the rates therein shall apply to everyone receiving service unlawfully or otherwise, including unauthorized use as referred to in Rule 4.7 of this Tariff. A customer will receive service under the rates and riders of this tariff effective with their first scheduled billing cycle after the effective date of the tariff or as otherwise indicated in this tariff.

**1.4 BASIS OF CHARGE.** Time elapsed is a factor in the supply of service and the rates and minimum charges named in this Tariff, while predicated on periods of supply of not less than one year, are stated in values for direct application only to monthly periods of service supply and will be adjusted for application to service supplied during other time intervals.

**1.5 RULES AND REGULATIONS.** The Rules and Regulations, filed as part of this Tariff, are a part of every contract for service made by the Company and govern all classes of service where applicable, unless specifically modified by a rate or rider provisions. The obligations imposed on customers in the Rules and Regulations apply as well to everyone receiving service unlawfully and to unauthorized use of service.

**1.6 USE OF RIDERS.** The terms governing the supply of service under a particular Base Rate may be modified or amended only by the application of those standard riders, filed as part of this Tariff, which are specifically mentioned as applicable to that rate in the Applicability Index of Riders.

**1.7 STATEMENT BY AGENTS.** No representative has authority to modify a Tariff rule or provision, or to bind the Company by any promise or representation contrary thereto.

**2. SERVICE LIMITATIONS**

**2.1 CHARACTER.** This Tariff applies only to the distribution and/or supply of electric energy of the standard characteristics available in the locality in which the premises to be served are situated. The Company does not offer to distribute and/or supply electric energy of nonstandard characteristics.

**2.2 SINGLE-POINT DELIVERY.** Unless otherwise stated therein, the Base Rates in this Tariff for each class of service are based upon the Company's distribution and/or supply through a single delivery and metering point for the total requirements at each separate premises of any person, partnership, association, or corporation, lawfully receiving service. Separate distribution and/or supply for the same customer at other points of consumption shall be separately metered and billed, except that: (1) when the Company is providing Consolidated EDC Billing, the Company will provide summary billing of its charges for and/or an EGS' charges (if requested by the EGS) for Competitive Energy Supply; and (2) when the Company is providing Separate EDC Billing, the Company will provide summary billing of its charges.

**2.3 SINGLE-POINT AVAILABILITY.** Service delivered at a single point is available to one or more buildings or units devoted essentially to a single purpose, provided and so long as:

- (a) Such buildings or units are:
- (1) held, possessed, and either utilized or operated as a single establishment by a single responsible entity, and
  - (2) unified on the basis of family, business, industry, enterprise, or governmental agency or through conveniences and services, such as heat, elevator, janitor, care of halls, walks and lawns, etc., furnished by such entity, and
  - (3) situated on a single or on contiguous land parcels except where such buildings or units constitute interdependent parts of a single industrial enterprise. In determining "contiguity" hereunder of parcels abutting opposite sides of public or private ways, the boundaries of such parcels shall be considered as extending to the center of such ways.
- (b) There is granted and maintained to the Company easement or other rights, adequate in the Company's reasonable judgment to supply service direct to any such buildings or units if, as and when a cessation of any one or more of the conditions stated in paragraph lettered "a" above should occur, or there should arise in any manner a Company duty of such direct supply.

**RULES AND REGULATIONS (continued)**

- (c) The transforming, receiving and distribution facilities on the customer's side of the delivery point are:
  - (1) furnished, installed and maintained at the expense of the customer, and
  - (2) owned or leased by the customer, and
  - (3) operated and controlled by or at the expense of the customer.
- (d) The Company is under no legal obligation of direct supply to any portion of said building or units or their appurtenances.
- (e) A guarantee by deposit or otherwise is given and maintained to the Company sufficient in its reasonable judgment to insure it against loss in primary, secondary and/or distribution investment in the event of change in the nature of holding and possession of such buildings or units, or in the occupancy thereof, or in the type of service delivered thereto.
- (f) All utilization equipment on the customer's side of the Company delivery point is furnished, installed, operated and maintained by the operator of the building or units supplied or by the tenants of such operator whose use of electricity is dependent upon the single-point delivery and metering of service.
- (g) Any use of public highways by such operator for the latter's distribution facilities does not conflict or interfere with the franchise rights of the company.

**2.4 COMPLIANCE WITH AVAILABILITY.** The use of the Company's service shall not be for any purpose other than that covered by the availability provisions of the applicable Base Rate and/or riders.

**2.5 SINGLE-PHASE UP TO 150 KVA.** Single-phase secondary service is available for loads up to 150 kVA. Loads in excess of this amount will be supplied polyphase service.

**2.6 POLYPHASE LOADS AGGREGATING LESS THAN 7-1/2 HP.** Polyphase service is not available for installations aggregating less than 7-1/2 horsepower, unless the excess cost of supplying polyphase rather a single-phase service is borne by the customer.

**2.7 MOTORS.** Service is not available to motors which do not meet the Company's standard requirements.

**2.8 COMPLIANCE WITH BUILDING ENERGY CONSERVATION ACT STANDARDS.** Before receiving any electric service to or for new or renovated residential buildings or additions thereto, as defined by Pennsylvania Building Energy Conservation Act (BECA) as amended by Act 98 of 1985, applicants for service must provide the Company with the compliance certification copy of the Pennsylvania Department of Community Affairs (DCA) "Notice of Intent to Construct" form as processed by DCA. A compliance certification copy of "Notice of Intent to Construct" will not be required by the Company if the new or renovated residential building is located in a municipality which has elected to administer the BECA and requires that a notice of intent to construct be filed with the municipality before or at the time that application is made for a building permit and the notice has, in fact, been filed.

**3. CUSTOMER INSTALLATION**

**3.1 INFORMATION FROM THE CUSTOMER.** The Company should be advised by the customer or applicant for service, in writing, preferably on a form supplied by the Company, of premises to be equipped for service, giving exact location, and details of all current consuming devices to be installed.

The customer shall supply the Company any and all information in its possession regarding potential or actual contamination, waste or hazardous materials or other adverse environmental conditions on the customers' premises on or near where the Company facilities are to be located. The customer has a continuing obligation to provide the Company with such information relating to the premises as the customer receives it. The Company also has a continuing right to inspect the customers' premises for the purposes of performing an environmental assessment.

**3.2 METER LOCATION.** There shall be provided, free of expenses to the Company, at a location outdoors, unless otherwise designated by the Company or another AMSP, which the Company or another AMSP will designate in writing upon request, a suitable place for the meter or meters and any other supply, protective or control equipment of the Company or another AMSP which may be required in the provision of service. The customer shall provide access and space, in an amount deemed necessary by the Company, to install and maintain its meter(s) and equipment. This location shall be convenient, unimpeded and easily accessible to the Company's employees, contactors and agents. The Customer shall also minimize any risk for damage and/or harm to the Company's employees, contractors, agents and equipment at the meter location. There also must not be any impediment or obstruction of the Company's ability to receive, an adequate communication signal from its meter(s) for remote reading purposes. The meter(s) location shall also be situated so that the meter(s) are not concealed, but shall be situated in a fashion acceptable to the Company.

**3.3 POINT OF DELIVERY.** The Company will designate in writing, upon request, a satisfactory point of delivery where the customer shall terminate the wiring and facilities for connection to the distribution lines of the Company. The failure to request and obtain such location may result in refusal of service pending reorganization of customer's facilities, but the designation of a point of delivery does not constitute an agreement or obligation on the part of the Company to furnish service.

In establishing a point of delivery, the Company has the right to avoid areas known or suspected to contain contamination, waste or hazardous materials or other adverse environmental conditions. The customer will have the option of extending its own facilities to the

Company's point of service delivery.

The Company may waive this right of avoidance upon agreement by the customer or applicant to indemnify, defend, and hold harmless the Company (its successors, assigns, trustees, officers, employees and agents) from and against all actions, causes of action, claims and demands whatsoever, and from all costs, damages, expenses, losses, charges, debts and liabilities whatsoever

**RULES AND REGULATIONS (continued)**

(including attorney's fees), whether known or unknown, present or future, that arise from such conditions. This indemnification provision shall survive the termination or expiration of said agreement and the termination of the business relationship of the parties thereto.

**3.4 SERVICE ENTRANCE EQUIPMENT.** All equipment beyond the point of delivery, except the meter, shall be installed by the customer. Installation shall be in conformity with the National Electrical Code and the Company's published "Electric Service Requirements", and shall include, where necessary, an approved sealable device for mounting a meter. The meter will be supplied, owned and sealed by the Company or another AMSP.

**3.5 SECONDARY SERVICE CONNECTION.** (a) Wiring of any premises for connection to overhead lines must be brought outside of the building wall to a location designated or approved by the Company, at which point the house wiring must extend at least 3 feet for attachment to the Company's service-supply lines. (b) Service connections to the Company's underground facilities shall terminate on the customer's premises in an approved connection box from which customer's wiring shall extend to the other service entrance equipment.

**3.6 UNDERGROUND SERVICE.** Customers desiring an underground service from overhead wires must bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by the Company on request.

**3.7 NONSTANDARD SERVICE.** The customer or applicant for service shall pay the cost of any special installation necessary to meet the unusual requirements of the customer or applicant for service, including but not limited to: (1) service at other than standard voltages, (2) service for loads that will be intermittent and which, in the Company's sole judgment, would not generate sufficient revenue to recover the installation costs of the required facilities, (3) service for loads that will be continuous but that will generate minimal usage, and which, in the Company's sole judgment, would not generate sufficient revenue to recover the installation costs of the required facilities, and (4) service for loads that will require provision of closer voltage regulation than required by standard service.

The customer or applicant shall pay all costs to the Company of performing environmental assessments, including, but not limited to, the cost of consultants utilized by the Company, the cost of removal and disposal of contamination, waste or hazardous materials or dealing with other adverse environmental conditions associated with either the initial installation, modification, repair, maintenance or removal of service facilities.

**3.8 RELAY PROTECTION.** The customer must install at the customer's own expense a reverse-phase relay of approved type on all alternating current motors for passenger and freight elevators, hoists, and cranes, and a reverse-power relay for parallel operation.

**4. APPLICATION FOR SERVICE**

**4.1 PLACE OF APPLICATION.** Customers may apply for service at the Company's Principle Office or, in some cases, over the telephone.

**4.2 SERVICE CONTRACT.** Every applicant for service may be required to sign a contract, agreement, or other form then in use by the Company, covering the special circumstances of the use of service, and shall abide by these Rules and Regulations and the standard requirements of the Company.

**4.3 CONTRACT DATA.** The application shall contain a statement of the premises to be served, the rate under which service is desired, and such conditions or riders as are applicable to the special circumstances of the case.

**4.4 RIGHT TO REJECT.** The Company may place limitations on the amount and character of service it will supply or may reject applications for service: not available under a standard rate; which might affect service to other customers; which is to be delivered at a location or at a standard voltage that involves excessive cost; for bad credit; for the applicant's failure to provide identifying documentation; when an applicant's self-identification cannot be verified; or for other good and sufficient reasons. Customers cannot be denied Default Service or new service for failure to pay an EGS's charges.

The Company has the right to restrict service to only those locations which will not expose the Company to liability for known or suspected contamination, waste or hazardous materials or other adverse environmental conditions.

**4.5 ACCEPTANCE.** Before the Company affirmatively accepts an application, the Company will consider the application to be "pending". When an application is accepted, it constitutes the contract between the customer and the Company, subject to the Rules and Regulations. A customer or other recipient of service also becomes contractually obliged to the Company when service is provided according to the application either with or without modification, or when the customer otherwise receives service.

**4.6 SPECIAL CONTRACTS.** Standard contracts shall be for terms as specified in the statement of the rate, but where large or special investment is necessary for the supply of service, or where service is to be used for an emergency or temporary replacement of another method of operation, contracts of longer term than specified in the rate, or with special guarantees of revenue, or both, may be required.

**RULES AND REGULATIONS (continued)**

**4.7 UNAUTHORIZED USE.** Unauthorized connection to the Company's facilities, and/or the use of service obtained from the Company without authority, or by any false pretense, may be terminated by the Company. The use of service without notifying the Company or the AMSP and enabling them to read its meter will render the user liable for any amount due for service provided to the premises from the time of the last reading of the meter, immediately preceding the customer's occupancy, as shown by the Company's books.

**4.8 WITHDRAWAL OF APPLICATION.** In the event the customer (or potential customer) withdraws an application for either new or modified service, the customer will reimburse the Company for all reasonable costs incurred by the Company in anticipation of providing the new or modified service.

**5. CREDIT**

**5.1 PAYMENT OBLIGATION.** For customers for whom the Company provides Consolidated EDC Billing or Separate EDC Billing, the provision of service for any purpose, at any location, is contingent upon payment of all charges provided for in this Tariff (and, for the same class of service (residential or non-residential) under the Company's Gas Service Tariff, if the customer also receives gas service at the same premises) as applicable to the location and the character of service.

The Company may, at its discretion, determine liability for a past due balance by:

- 1) Use of Company records that contain information previously provided to the Company;
- 2) Information contained on a valid mortgage, lease, deed or renter's license;
- 3) Use of commercially available public records databases;
- 4) Government and property ownership records.

**5.2 PRIOR DEBTS.** Service will not be furnished to former customers until any indebtedness to the Company for previous service of the same or similar classification has been satisfied or a payment arrangement has been made on the debt. This rule does not apply to the disputed portion of disputed bills under investigation. The Company will apply this rule to the disputed portion of disputed bills, if, and only if: (1) the Company has made diligent and reasonable efforts to investigate and resolve the dispute; (2) the result of the investigation is that the Company determines that the customer's claims are unwarranted or invalid; (3) the Commission and/or the Bureau of Consumer Services has decided a formal or informal complaint in the Company's favor and no timely appeal is filed; and (4) the customer nevertheless continues to dispute the same matter in bad faith.

**5.3 GUARANTEE OF PAYMENTS.** The Company may charge a security deposit before it will render service to an applicant or before the Company will continue to render service to a customer for whom the Company provides Consolidated EDC Billing or Separate EDC Billing. The Company may charge deposits to applicants and customers if they have bad credit, lack creditworthiness or as otherwise permitted by Commission statutes, rules, regulations, and as required by Federal Bankruptcy Law. The applicant or customer may be required to provide a cash deposit, letter of credit, surety bond, or other guarantee, satisfactory to the Company. The Company will hold the deposit as security for the payment of final bills and in compliance with the Company's Rules and Regulations. In addition, the Company may require industrial and commercial customers for which it may provide Consolidated EDC Billing or Separate EDC Billing to post a deposit at any time if the Company determines that the customer is no longer creditworthy or has bad credit or as otherwise permitted by Commission statutes, rules, regulations and as required by Federal Bankruptcy Law. The Company retains the right to charge customers additional deposits based upon continued bad credit or lack of creditworthiness and increased usage.

**5.4 AMOUNT OF DEPOSIT.** For residential customers the deposit will be equal to one-sixth of the applicant's or customer's estimated annual bill for Company charges, based on applicable rates. A deposit from a residential customer shall conform to the requirements of 66 Pa. C.S. 1404(c) and applicable Pennsylvania Public Utility Commission regulations. For industrial and commercial accounts, the amount of the deposit shall be the Company's projection of the sum of the Company charges in the customer's two highest monthly bills in the 12 months following the deposit. The provisions of 11 U.S.C. §366(b) of the Federal Bankruptcy Code, or any successor statute or provision, shall, if inconsistent, supersede the provisions of this rule.

**PECO Energy Company**

**RULES AND REGULATIONS (continued)**

**5.5 RETURN OF DEPOSIT.** Deposits secured from a residential customer shall either be applied with interest to the customer's account or returned to the customer with interest in accordance with 66 Pa. C.S. §1404(C) and applicable Pennsylvania Public Utility Commission regulations. In cases of discontinuance or termination of service, deposits will be returned with accrued interest upon payment of all service charges and guarantees or with deduction of unpaid accounts. Deposits secured from a residential customer, plus accrued interest, which may be held (C) until a timely payment history is established, are refunded when a ratepayer is not currently delinquent and has made on time and in full payments for service provided by the Company for 12 consecutive months. Deposits secured from a non-residential customer, plus accrued interest, which may be held until a timely payment history is established, are refunded when a ratepayer is not currently delinquent and has made on time and in full payments for service provided by the Company for 24 consecutive months. Any residential or commercial customer having secured the return of the deposit may be required to make another deposit in accordance with Commission statutes, regulations or Federal Bankruptcy Law if the Customer demonstrates bad credit or lacks creditworthiness subsequent to the return of the initial deposit.

**5.6 INTEREST ON DEPOSIT.** The Company will allow simple interest on cash deposits calculated as follows:

- (A) with respect to residential accounts, interest, will be computed at the simple annual rate determined by the Secretary of Revenue for interest on the underpayment of tax under Section 806 of the Act of April 19, 1929 (P.L. 343, No. 176), known as the Fiscal Code (C)
- (B) with respect to commercial and industrial accounts, at the lower of the Interest Index or six percent;

Deposits shall cease to bear interest upon discontinuance of service (or, if earlier, when the Company closes the account).

**5.7 CREDIT INFORMATION.**

**CUSTOMERS:** In addition to information required otherwise hereunder, customers for whom the Company provides Consolidated EDC Billing or Separate EDC Billing shall be required to provide to the Company with such credit information, as the Company requires. The Company may report to a national credit bureau on credit history associated with past due amounts.

**APPLICANTS:** The Company's credit and application procedures for applicants are as follows: (1) positive identification of applicant obtained from previous customer record or through one of the major credit reporting bureaus or through in-person identification; (2) determination of liability for a past due balance; (3) determination if a deposit is required based upon applicant's previous account history if available or through third party credit scoring of applicant.

The Company's credit scoring methodology and standards are as follows: The Company uses a commercially recognized credit scoring methodology that is within the range of generally accepted industry practice. The applicant's or customer's utility payment history determines the credit score. The Company uses this customer-specific credit score to either request or waive a security deposit.

**5.8 APPLICABILITY TO CUSTOMERS RESIDING AT PLACE OF BUSINESS.** For purposes of all of the provisions of this Rule 5, when a customer resides at a place of business or commercial establishment, legitimately served pursuant to a commercial or industrial rate schedule, that is not a residential dwelling unit attached thereto, the customer is not thereby entitled to any of the protections in the Pennsylvania Public Utility Code or the Commission's regulations implementing the Pennsylvania Public Utility Code, or to any of the provisions of these rules or this Tariff, that apply exclusively to deposits for residential customers.

**6. PRIVATE PROPERTY CONSTRUCTION**

**6.1 COMPANY'S SERVICE LINES.** Where the Company has distribution facilities of adequate capacity on the highway or in other trunk line location adjacent to the premises to be served, it will provide, own and maintain standard service-supply lines as follows:

**(a) UNDERGROUND:**

Underground cable construction to a point of delivery approximately 18 inches inside the property line of the customer, except:

(1) For secondary service to new residences or new apartment buildings, underground cable construction will be extended to a meter location or connection box located at the building or buildings, as designated by the Company and in accordance with Rule 7.3.

(2) The Company will make necessary repairs to customer-owned extensions of secondary service-supply lines for residential customers at no charge. If such customer-owned extension requires replacement, the Company will make the replacement and assume ownership of the service-supply line with the Company bearing the cost up to 200 feet in length and the customer bearing the cost for all additional length.

**(b) AERIAL:**

A single span of aerial open wire or cable construction to the first suitable support of the customer, nominally 100 feet inside the property line of the customer. This customer support shall establish the point of delivery for the customer. The customer's support shall be so located that the service span will be free of obstruction and adequately supported as required by the size and weight of the conductors.

**6.2 SERVICE - SUPPLY ALTERATIONS.** Changes related to a service-supply line or a meter owned by the Company, including the installation of protective devices or visual markers to denote safe operating distance from the Company's facilities, for the accommodation of the customer, shall be at the expense of the customer. If the alteration to the Company's facilities is temporary in nature and the materials used in that alteration can later be re-used by the Company, as for example the installation of protective "hard cover" to allow a customer, developer, or contractor to work safely in close proximity to the Company's facilities, then at the Company's discretion it may charge a refundable deposit in lieu of charging the customer for the cost of the re-usable materials.

**6.3 CUSTOMER'S SERVICE EXTENSION.** The customer shall provide, own and maintain the service extension from the Company's service-supply lines to the point of delivery and receiving equipment.

**6.4 METERS AND TRANSFORMERS.** The Company will provide, own and maintain any meter or meters, and also the transformer or transformers (both potential and current type transformers), required in the supply of service of the current characteristics specified by the Base Rate or rider under which the service is provided, unless the customer receives Advanced Meter Services from an AMSP in that case such AMSP will install, provide, own, and/or maintain the Customer's meter or meters while the Company will continue to own the potential and current type transformers. The supply of transformers by the Company shall be limited to those required for a single standard transformation.

(C) Denotes Change

RULES AND REGULATIONS (continued)

**6.5 TRAILER PARKS.** Where it is established by plans, development, use or other facts that the operation of a trailer park is predominantly to provide rental locations for non-transient trailers, with not less than two nor more than four such locations, the Company, upon written application of the trailer park operator and upon the receipt of an enabling agreement and of adequate rights-of-way, will construct, own and operate within the trailer park specified aerial electric energy, the trailer park operator being liable for payment of service to trailer park tenants not contracting in writing for service in their own names. The Company's obligation to install or extend such distribution facilities within the trailer park is limited to the investment warranted by the anticipated revenue. Alterations of such distribution facilities at the request of the park operator when not for the purpose of serving additional trailer rental locations will be at the cost of the trailer park operator. A trailer park operator desiring underground distribution facilities within a trailer park consisting of less than five locations must bear the excess cost incident thereto. Specifications and terms for such underground construction will be furnished by the Company on request. In new trailer parks consisting of five or more locations, underground distribution facilities will be extended in accordance with Rule 7.3.

**RULES AND REGULATIONS (continued)****7. EXTENSIONS**

**7.1 TRUNK LINE CONSTRUCTION.** The Company will construct, own and maintain overhead or underground distribution facilities, either secondary, primary, or high tension, located on the highway or on rights-of-way acquired by the Company and used or usable as part of the Company's general distribution system.

**7.2 LINE EXTENSIONS FOR STANDARD SERVICE.**

**A. DEFINITIONS.** For the purposes of this rule, when capitalized herein, the below terms shall have the following meanings:

- (1) **Line Extension** – A single-phase or polyphase addition to the public utility electric supply line for the purpose of supplying standard service (as described under Rule 2 above, but not including Line Extensions for nonstandard service as described in Rule 3.7 above) to and connected with the customer's point of delivery which addition is so located that it cannot be supplied by means of a service line from the existing electric supply line.
- (2) **Contractor Cost** – The amount paid by the Company to a contractor for work performed on a Line Extension.
- (3) **Customer** – End use customer of the Company, or a developer.
- (4) **Direct Labor Cost** – The pay and expenses of the Company employees directly attributable to work performed on Line Extensions, but not including construction overheads or payroll taxes, workmen's compensation expenses or similar indirect expenses.
- (5) **Direct Material Cost** – The purchase price of materials used for a Line Extension, but not including related storage expenses. In computing Direct Material Costs, proper allowance shall be made for unused materials, materials recovered from temporary structures, and discounts allowed and realized in the purchase of materials.
- (6) **Total Construction Cost** – For single-phase Line Extensions, the estimated total cost to the Company for the construction of the Line Extension, which cost shall include: Contractor Cost, Direct Labor Cost, and Direct Material Cost. For polyphase Line Extensions, the estimated total cost to the Company for the construction of the Line Extension, which cost shall include: Contractor Cost, Direct Labor Cost, Direct Material Cost and allocated overheads.
- (7) **Capacity Adjusted Cost** – For polyphase Line Extensions, the Total Construction Cost of a Line Extension multiplied by the percentage of that Line Extension's capacity installed to serve the Customer's capacity needs.
- (8) **Revenue Guarantee Contribution** – The estimated Variable Distribution Service Charges, as defined in the "Definitions of Terms and Explanation of Abbreviations" Section of this tariff, to be received by the Company from the Customer for a twelve (12) month period commencing with the first month after the Line Extension is completed.

**B. SINGLE-PHASE LINE EXTENSIONS FOR STANDARD SERVICE.** For a Customer whose use of the Line Extension is not speculative, the Company will construct a single-phase Line Extension as follows. The Company will construct a Line Extension up to 2,500 feet without a charge to the Customer. For Line Extensions over 2,500 feet, a Customer shall pay the Company a contribution in aid of construction ("CIAC") equal to the amount by which the Total Construction Cost of the Line Extension beyond 2,500 feet exceeds the Customer's Revenue Guarantee Contribution for the first three (3) year period after the Line Extension is completed. A Customer who is not a developer must pay the CIAC in full prior to the construction of the single-phase Line Extension.

**C. POLYPHASE LINE EXTENSIONS FOR STANDARD SERVICE.** For a Customer whose use of the Line Extension is not speculative, the Company will construct a polyphase Line Extension, as follows. A Customer must pay the Company a CIAC equal to the amount by which the Capacity Adjusted Cost of the Line Extension exceeds the Customer's Revenue Guarantee Contribution for the first five (5) year period after the Line Extension is completed. A Customer who is not a developer must pay the CIAC in full prior to the construction of the polyphase Line Extension.

**D. DEVELOPERS.** Prior to the construction of any Line Extension, a developer may, in lieu of paying the full CIAC, pay a minimum of 35 percent (35%) of the CIAC and, for the remaining amount, post a surety bond in a form reasonably acceptable to the Company. The unpaid portion of the CIAC is subject to interest at the then applicable prime rate and is payable no later than twelve (12) months from the date of the initial payment.

**RULES AND REGULATIONS (continued)**

**E. SPECULATIVE LINE EXTENSIONS.** A Line Extension is speculative when, in the Company's reasonable opinion there is doubt: (1) as to the continued use, or the level of use, of the new Line Extension by the Customer; or (2) as to the Company's recovery of the Total Construction Cost for a polyphase Line Extension if a Capacity Adjusted Cost is applied.

Under the first scenario of a speculative Line Extension, the Company will construct the Line Extension for a Customer, as follows: pursuant to an individual contract between the Customer and the Company, in addition to any CIAC, the Customer may be required to provide the Company a customer advance in the form of an up-front payment, or, if mutually agreed to by the Customer and the Company, a surety bond in the amount of the Customer's Revenue Guarantee Contribution used in the CIAC calculation as set forth in Part B or C above, as applicable ("Customer Advance"). If, after three (3) years for a single-phase Line Extension, or five (5) years for a polyphase Line Extension, the Customer's Variable Distribution Service Charges have met or exceeded the Customer Advance, the Company will either: (1) return the Customer Advance to the Customer if an up-front payment has been made; or (2) terminate the Customer's obligation to maintain the surety bond.

Under the second scenario of a speculative Line Extension, the Company will construct a polyphase Line Extension for a Customer, as follows: the Customer must pay the Company a CIAC equal to the amount by which the Total Construction Cost of the polyphase Line Extension exceeds the Customer's Revenue Guarantee Contribution for the first five (5) year period after the Line Extension is completed. The Customer may receive a refund of all or part of the CIAC paid if, during that five (5) year period, additional Customers have connected to the Line Extension for which the Customer paid the CIAC. The refund, if any, will be calculated based on the load of the connecting Customers.

**7.3 UNDERGROUND SERVICE IN NEW RESIDENTIAL DEVELOPMENTS.**

A. For the purposes of this rule, the following words and terms shall have the following meanings, unless the context clearly indicates otherwise:

1. Applicant For Electric Service - The developer of a recorded plot plan consisting of five or more lots; or one or more five-unit apartment houses.
2. Developer - The party responsible for construction and providing improvements in a development; that is, streets, sidewalks, and utility-ready lots.
3. Development - A planned project which is developed by a developer/applicant for electric service set out in a recorded plot plan of five or more adjoining unoccupied lots for the construction of single-family residences, detached or otherwise, mobile homes, or apartment houses, all of which are intended for year-around occupancy, if electric service to such lots necessitates extending the Company's existing distribution lines.
4. Distribution Line - An electric supply line of untransformed voltage from which energy is delivered to one or more service lines.
5. Service Line - An electric supply line of transformed voltage from which service is delivered to the residence.
6. Subdivision - A tract of land divided by a subdivider into five or more adjoining unoccupied lots for the construction of single-family residences, detached or otherwise, or apartment houses, all of which are intended for year-around occupancy, if electric service to such lots necessitates extending the Company's existing distribution lines.

**RULES AND REGULATIONS (continued)**

**B. INSTALLATION OF DISTRIBUTION AND SERVICE LINES.** All distribution and service lines installed pursuant to an application for electric service within a development will be installed underground, and will be owned and maintained by the Company. Pad-mounted transformers may be installed at the option of the Company. Excavating and backfilling will be performed by the developer of the project or by such other agent as the developer may authorize. Installation of service-related facilities will be performed by the Company or by such other agent as the Company may also be installed underground, upon terms and conditions prescribed elsewhere in this tariff. The Company will not be liable for injury or damage occasioned by the willful or negligent excavation breakage, or other interference with its underground lines occasioned by anyone other than its own employees or agents.

Nothing in this section shall prohibit the Company from performing its own excavating and backfilling for greater system design flexibility. However, no charges other than those specified in Section 57.83(4) of Title 52 shall be permitted.

**C. APPLICANTS FOR SERVICE.** The applicant for service to a development shall conform with the following:

- (1) At its own cost, provide the Company with a copy of the recorded development plot plan identifying property boundaries, and with easements satisfactory to the Company for occupancy by distribution, service and street-lighting lines and related facilities.
- (2) At its own cost, clear the ground in which the lines and related facilities are to be laid of trees, stumps and other obstructions, provide the excavating and backfilling subject to the inspection and approval of the Company, and rough grade it to within six inches of final grade, so that the Company's part of the installation will consist only of laying of the lines and installing other service-related facilities. Excavating and backfilling performed or provided by the applicant will follow the Company's underground construction standards and specifications set forth by the Company in written form and presented to the applicant at the time of application for service and presentation of the recorded plot plan to the Company. If the Company's specifications have not been met by the applicant's excavating and backfilling, such excavating and backfilling will be corrected or redone by the applicant or its authorized agent. Failure to comply with the Company's construction standards and specifications permits the Company to refuse utility service until such standards and specifications are met.
- (3) Request service at such time that the lines may be installed before curbs, pavements and sidewalks are laid; carefully coordinate scheduling of the Company's line and facility installation with the general project construction schedule, including coordination with any other utility sharing the same trench; keep the route of lines clear of machinery and other obstructions when the line installation crew is scheduled to appear; and otherwise cooperate with the Company to avoid unnecessary costs and delay.
- (4) Pay to the Company any necessary and additional costs incurred by the Company as a result of the following:
  - a) Installation of underground facilities that deviate from the Company's underground construction standards and specifications if such deviation is requested by the applicant for electric service and is acceptable to the Company.
  - b) A change in the plot plan by the applicant for electric service after the Company has completed engineering for the project and/or has commenced installation of its facilities.
  - c) Physical characteristics such as oversized lots or lots with extreme set-back where under the Company's line extension policy contained in this tariff a change is mandated for overhead service.
- (5) No charges other than those described in paragraph (4) of this subsection shall be borne by the applicant for electric service or by any other utility sharing the same trench, even if the Company elects to perform its own excavating and backfilling.

**D. APPLICABILITY.** The provisions of this rule will apply to all applications for service to developments, herein before defined, which are filed after the effective date of this tariff.

**E. SUBDIVISIONS.** Underground facilities in new residential developments are only required by Sections 57.81 through 57.87 of Title 52 when a bona fide developer exists, i.e., only when utility-ready lots are provided by the developer. A mere subdivision is not required to have underground service. However, should the lot owner or owners in a subdivision desire underground service, such service shall be provided by the Company if such lot owner or owners, at their option, either comply with Section 57.83 of title 52, or pay to the Company such charges as are contained in the Company's tariff for service not required by Title 52.

**7.4 TAX ACCOUNTING OF CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER ADVANCES.** All contributions in aid of construction (CIAC), customer advances or other like payments received by the Company shall constitute taxable income as defined by the Internal Revenue Service. The income taxes on such CIAC or customer advances will be segregated in a deferred account for inclusion in rate base in a future rate case proceeding. Such income taxes associated with CIAC or customer advances will not be charged to the specific contributor of the capital.

**8. RIGHTS-OF-WAY**

**8.1 TERM AND RENTALS.** When the premises of a customer is so located that the customer can be served only by facilities extending over the property of another, the customer shall accept service for such term as is provided in a permit or other applicable agreement covering the location and the maintenance of service equipment, and shall reimburse the Company for any and all special or rental charges that may be made for such rights by said permit or agreement.

**RULES AND REGULATIONS (continued)**

**8.2 PROCUREMENT BY CUSTOMER.** Customers applying for the construction of an extension may be required to secure to, and for, the Company, all necessary and convenient rights-of-way and to pay any associated costs.

**8.3 DELAYS.** Applications for service from an extension to be constructed where a right-of-way is not owned by the Company will only be accepted subject to delays incident to obtaining a satisfactory right-of-way.

**9. INTRODUCTION OF SERVICE**

**9.1 WIRING IN PROGRESS.** Service-supply lines will not be installed before the time that the customer's wiring of the premises is actually in progress.

**9.2 INSPECTION.** The Company reserves the right to refuse the introduction of service unless a written certificate of approval, satisfactory to the Company, has been received from a competent inspection agency authorized to perform this service in the specific locality in which service is to be provided.

**9.3 COMPANY'S RIGHT TO INSPECT.** The Company shall have the right, but shall not be obliged to inspect, any installation before it begins to deliver electricity or at any later time, and reserves the right to reject any wiring or appliances not in accordance with the Company's standard requirements; but such inspection, or failure to inspect, or to reject, shall not render the Company liable or responsible for any loss or damage, resulting from defects in the installation, wiring, or appliances, or from violation of Company rules, or from accidents which may occur upon the premises of the customer.

**9.4 DEFECTIVE INSTALLATION.** The Company may refuse to connect if, in its judgment, the customer's installation is defective, or does not comply with such reasonable requirements as may be necessary for safety, or is in violation of the Company's standard requirements.

**9.5 UNSATISFACTORY INSTALLATION.** The Company may refuse to connect if, in its judgment, the customer's equipment, or use thereof, might injuriously affect the equipment of the Company, or the Company's service to other customers.

**9.6 FINAL CONNECTION.** The final connection between the customer's installation and the Company's service lines shall be made by or under the supervision of a representative of the Company, except for standard single-phase secondary aerial service, in which case the customer may make the final connection in accordance with the Company's standard requirements.

**9.7 NEW OR TRANSFER CUSTOMER CHARGE.** When a customer's account for service is initiated or when a customer's account is transferred from one address to another address, there will be a charge of \$6.00 to cover the clerical expenses incurred by the Company. The State Tax Adjustment Clause applies to this charge.

**10. COMPANY EQUIPMENT**

**10.1 COMPANY MAINTENANCE.** The Company shall keep in repair and maintain its own property installed on the premises of the customer.

**10.2 CUSTOMER'S RESPONSIBILITY.** The customer shall be responsible for safekeeping of the Company's property while on the customer's premises. In the event of injury or destruction of any such property the customer shall pay the costs of repairs and replacement. Any changes made to the Customer's premises after the Company completes its service and meter installation that, in the opinion of the Company, creates an unsafe condition, shall be the Customer's responsibility to pay any costs associated with remedying the unsafe condition including, but not limited to, any required protective measures and/or relocations of Company property.

**10.3 PROTECTION BY CUSTOMER.** The customer shall protect the equipment of the Company on the premises, and shall not permit any person, except a Company employee having standard badge of the Company or other Company identification, to break any seals upon, or do any work on, any meter or other apparatus of the Company located on the customer's premises.

**10.4 TAMPERING.** In the event of the Company's meters or other property being tampered or interfered with, the customer being supplied through such equipment shall pay the amount which the Company may estimate is due for service used but not registered on the Company's meter, and for any repairs or replacements required, as well as for costs of inspections, investigations, and protective installations.

**10.5 RIGHT OF ACCESS.** The Company's identified employees shall have access to the premises of the customer at all reasonable times for the purpose of reading meters, and for installing, testing, inspecting, repairing, removing or changing any or all equipment belonging to the Company. In the event of an emergency, the Company shall have the right to access customer owned facilities and equipment for the purpose of restoring electric service, for the purpose of rendering the electric facilities safe and reliable, or for the purpose of reducing the likelihood of damage to the Company's facilities and equipment.

**10.6 OWNERSHIP AND REMOVAL.** All equipment supplied by the Company shall remain its exclusive property, and the Company shall have the right to remove the same from the premises of the customer at any time after the termination of service from whatever cause.

**10.7 POLE REMOVAL OR RELOCATION REQUESTED BY RESIDENTIAL PROPERTY OWNERS.** The cost for removal or relocation of distribution line poles and their associated attachments made pursuant to the request of a residential property owner who is not entitled to receive condemnation damages to cover the cost of such work shall be borne by the property owner and shall be limited to contractor, direct labor, and direct material costs incurred less maintenance expenses avoided as a result of the pole removal or relocation. The calculation of such cost for removal or relocation shall be in accordance with the Public Utility Commission Regulations - Title 52, Section 57.27.

**RULES AND REGULATIONS (continued)**

**10.8 RELOCATION OF COMPANY FACILITIES REQUESTED BY NON-RESIDENTIAL PROPERTY OWNERS.** Except as otherwise provided by law (e.g., 66 Pa.C.S. Section 2704, et seq.), a non-residential property owner, such as a builder, developer or contractor (Owner), shall pay to the Company the costs of relocation of Company facilities or equipment, made for the accommodation of the Owner or in fulfillment of the Owner's obligation to any public authority. If the facility relocation is made to accommodate the Owner's project or in fulfillment of the Owner's obligation to any public authority, then the Owner shall be responsible to pay PECO for the relocation costs even if the relocation request is made by an entity other than the Owner. A request for relocation of Company facilities shall be in writing. The relocation cost shall include labor (including overhead), materials, storeroom expense and transportation, less the depreciated value of any equipment replaced. Where the relocation is done in conjunction with construction of a supply line to a development, the Company shall include in the relocation cost only those costs caused by the Owner's request. The Company will notify the Owner in writing of the relocation cost. Advance payment of relocation costs will be required before the Company will commence the work, except, at the sole discretion of the Company, under special circumstances.

Where the relocation relates to a development that will generate additional revenue for the Company, the Company will give the Owner an initial credit against the relocation costs in an amount not to exceed 5% of the estimated annual revenue recovered through the Company's tariffed Variable Distribution Service Charges from the portion of the development under construction at the time of the relocation request. The Company will give the Owner an additional credit against relocation costs not to exceed 5% of the estimated additional revenue recovered through the Company's tariffed Variable Distribution Service Charges realized from new load on the PECO Energy system due to buildings not under construction at the time of the initial relocation but that are under roof within a five (5) year period from the date of completion of the relocation work. Credits will be held by the Company and distributed to the owner, on a pro-rated basis, as additional loads from the development are connected to PECO Energy's distribution system. No credits will be given for loads connected after the five year period from the date of completion of the relocation work. When the relocation is done in conjunction with extension of a line in accordance with §7.2 of the Tariff, the Company will include in the credit calculation only such estimated annual revenue that exceeds the minimum revenue guarantee required by §7.2. The cost and expense of project changes which require a second relocation of the same Company facilities shall be borne solely by the party requesting the change without offset or credit.

**10.9 AERIAL LINE CLEARANCE.** In accordance with the requirements set forth in the National Electrical Safety Code, the Company shall have the right to trim, remove, or separate trees, vegetation or any structures therein which, in the opinion of the Company, interfere with its aerial conductors, such that they may pose a threat to public safety or to system reliability.

**10.10 ADVANCED METER SERVICES PERFORMED BY AMSPs.** The provisions of this Rule 10 are subject to the terms of the Electric Generation Supplier Coordination Tariff.

**10.11 RECOVERY FOR PROPERTY DAMAGE.** If Company equipment is damaged through the negligence or intentional act(s) of any individual(s) or entity(s), the one(s) responsible for causing the damage shall reimburse the Company for all aspects of the resulting damages. The reimbursement shall include costs related to: labor, material, transportation and tools. "Labor" shall include benefit and administrative overheads based on the Company's current standard schedule, including third party contract repairs or modifications. Additionally, "Labor" may be calculated using a "blended" or average pay rate consistent with the above referenced standards. "Materials" may include an added stores expense calculated using the above referenced standards.

**11. TARIFF AND CONTRACT OPTIONS**

**11.1 CHOICE OF RATE.** When the class of service-supply or conditions of use are such that two or more Base Rates are available, a customer shall select the Base Rate on which the customer will be billed.

**11.2 COMPANY ASSISTANCE.** The Company upon request will, to a reasonable extent, assist customers in selecting the most advantageous Base Rate or rate application (i.e., Base rate together with applicable riders).

**11.3 RATE CHANGES.** A customer may not change Base Rates during the "initial contract term" as defined in the "Definition of Terms and Explanation of Abbreviations" section above unless the Company agrees to permit the change. At any other time, a customer may change to a firm rate for which the customer qualifies upon 30 days notice to the Company. Customer ownership and obligation to maintain customer owned transformation facilities and equipment, as well as the point of delivery, will be unaffected by any Base Rate change initiated by the customer.

A customer may request that the Company modify the terms of its contract, other than the customer's Base Rate, but the Company will only allow such modification when, in the Company's sole judgment, the modification does not conflict with the Company's Tariff and is not detrimental to the Company.

The Company will not make any Base Rate change retroactive, unless, in the Company's sole judgment, the Company failed to adequately respond to a customer's request for assistance or modification at the time of such request.

**RULES AND REGULATIONS (continued)**  
**12. SERVICE CONTINUITY**

**12.1 LIMITATION ON LIABILITY FOR SERVICE INTERRUPTIONS AND VARIATIONS.** The Company does not guarantee continuous, regular and uninterrupted supply of service. The Company may, without liability, interrupt or limit the supply of service for the purpose of making repairs, changes, or improvements in any part of its system for the general good of the service or the safety of the public or for the purpose of preventing or limiting any actual or threatened instability or disturbance of the system. The Company is also not liable for any damages due to accident, strike, storm, riot, fire, flood, legal process, state or municipal interference, or any other cause beyond the Company's control.

In all other circumstances, the liability of the Company to customers or other persons for damages, direct or consequential, including damage to computers and other electronic equipment and appliances, loss of business, or loss of production caused by any interruption, reversal, spike, surge or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity shall in no event, unless caused by the willful and/or wanton misconduct of the Company, exceed an amount in liquidated damages equivalent to the greater of \$1000 or two times the charge to the customer for the service affected during the period in which such interruption, reversal, spike, surge or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity occurs. In addition no charge will be made to the customer for the affected service during the period in which such interruption, reversal, spike, surge or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity occurs. A variety of protective devices and alternate power supplies that may prevent or limit such damage are available for purchase by the customer from third parties.

The Company makes no warranty as to merchantability or fitness for a particular purpose, express or implied, by operation of law or otherwise. To the extent applicable under the Uniform Commercial Code or on any theory of contract or products liability, the Company limits its liability in accordance with the previous paragraph to any Customer or third party for claims involving and including, but not limited to, strict products liability, breach of contract, and breach of actual or implied warranties of merchantability or fitness for an intended purpose.

**12.2 ADDITIONAL LIMITATIONS ON LIABILITY IN CONNECTION WITH DIRECT ACCESS.** Other than its duty to deliver electric energy and capacity, the Company shall have no duty or liability to a customer receiving Competitive Energy Supply arising out of or related to a contract or other relationship between such a customer and an EGS.

The Company shall implement customer selection of an EGS consistent with applicable rules of the Commission and shall have no liability to a customer receiving Competitive Energy Supply arising out of or related to switching EGSs, unless the Company is negligent in switching or failing to switch a customer.

The Company shall have no duty or liability with respect to electric energy before it is delivered by an EGS to a point of delivery on the PECO Energy distribution system. After its receipt of electric energy and capacity at the point of delivery, the Company shall have the same duty and liability for distribution service to customers receiving Competitive Energy Supply as to those receiving electric energy and capacity from the Company.

**12.3 EMERGENCY LOAD CONTROL.** Pursuant to order of Pennsylvania Public Utility Commission, the following provision is incorporated in this Tariff.

Whenever the demands for power on all or part of the Company's system exceed or threaten to exceed the capacity than actually and lawfully available to supply such demands, or whenever system instability or cascading outages could result from actual or expected transmission overloads or other contingencies, or whenever such conditions exist in the system of another public utility or power pool with which the Company's system is interconnected and cause a reduction in the capacity available to the Company from that source or threaten the integrity of the Company's system, a load emergency situation exists. In such case, the Company shall take such reasonable steps as the time available permits to bring the demands within the then-available capacity or otherwise control load. Such steps shall include but shall not be limited to reduction or interruption of service to one or more customers, in accordance with the Company's procedures for controlling load.

The Company shall establish procedures for controlling load including schedules of load shedding priorities to be followed in compliance with the foregoing paragraph, may revise such procedures from time to time, and shall revise them if so required by Pennsylvania Public Utility Commission. A copy of such procedures or of the revision thereof currently in effect shall be kept available for public inspection at the Company's Principle Office, and another such copy shall be kept on file with the Pennsylvania Public Utility Commission.

**12.4 EMERGENCY ENERGY CONSERVATION.** Pursuant to order of the Pennsylvania Public Utility Commission, the following provision is incorporated in this Tariff:

Whenever events occur which are actually resulting, or in the judgment of the Company threaten to result, in a restriction of the fuel supplies available to the Company or its energy suppliers, such that the amount of electric energy which the Company is able to supply is or will be adversely affected, an emergency energy situation exists.

In the event of an emergency energy conservation situation, the Company shall take such reasonable measures as it believes necessary and proper to conserve available fuel supplies. Such measures may include, but shall not be limited to reduction, interruption, or suspension of service to one or more of its customers or classes of customers in accordance with the Company's procedure for emergency energy conservation.

The Company shall establish procedures for emergency energy conservation, including, if it deems necessary, schedules of service interruption and suspension priorities to be followed as prescribed by the foregoing paragraph.

The Company may revise such procedure from time to time, and shall revise them if so required by the Pennsylvania Public Utility Commission. A copy of such procedures or of the revision thereof currently in effect shall be kept available for public inspection at each office at which the Company maintains a copy of its Tariff for public inspection, and another such copy shall be kept on file with the Pennsylvania Public utility Commission.

**12.5 NOTICE OF TROUBLE.** The customer must immediately notify the Company if service is interrupted or is otherwise unsatisfactory due to defects, trouble, or accident, affecting the supply of service.

**RULES AND REGULATIONS (continued)**

**12.6 RELOCATION OF DELIVERY POINT.** In the event that the Company shall be required by any public authority to place underground any portion of its mains, wires, or service-supply lines, or relocate any poles or feeders, the customer, at the customer's own expense, shall change the location of his point of delivery to a point readily accessible to the new location.

**13. CUSTOMER'S USE OF SERVICE**

**13.1 RESALE OF SERVICE.** Pursuant to Section 1313 of the Public Utility Code, 66 Pa. C.S. § 1313, a customer may resell Energy and Capacity and/or service provided by PECO Energy under its default service plan if: (1) the Company provides such service under a single contract at one application of an available Base Rate and for the total requirements of the premises served, and (2) the location and use of the service conforms to the availability requirements of this Tariff for provision to the customer for the customer's own account.

All residential units connected after May 10, 1980, except those dwelling units under construction or under written contract for construction as of that date must be individually metered by either the Company, the AMSP or the landlord for their basic electric service supply. Centrally supplied master metered heating, cooling or water heating service may be provided if such supply will result in energy conservation. The bill rendered by the reseller to any consumer shall not exceed the amount which PECO Energy would bill its own residential customers for the same quantity of service under the applicable tariffed residential rate.

The requirements for individually metered dwelling units in new construction may be waived at the sole discretion of the Company. Such waiver will only be granted when the owner can demonstrate to the Company that there are valid reasons for such waiver and that there will not be a significant impact on the consumption of an individual customer.

**13.2 FLUCTUATIONS.** Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances in the Company's supply system, and, in the case of violation of this rule, the Company may discontinue service, or require the customer to modify the installation and/or equip it with approved controlling devices.

**13.3 TYPE OF INSTALLATIONS.** Motor and other installations connected to the Company's lines must be of a type to use minimum starting current and must conform to the requirements of the Company as to wiring, character of equipment, and control devices.

**13.4 UNBALANCED LOAD.** The customer shall at all times take, and use, energy in such manner that the load will be balanced between phases to within nominally 10%. In the event of unbalanced polyphase loads, the Company reserves the right to require the customer to make the necessary changes at the customer's expense to correct the unsatisfactory condition, or to compute the demand used for billing purposes on the assumption that the load on each phase is equal to that on the greatest phase.

**13.5 ADDITIONAL LOAD.** The service connection, transformers, meters and equipment supplied by the Company for each customer, have definite capacity, and no additions to the equipment or load connected thereto will be allowed except by consent of the Company.

**13.6 CHANGE OF INSTALLATION.** The customer shall give immediate written notice to the Company of any proposed increase or decrease in, or change of purpose or location of, the installation.

**13.7 FAILURE TO GIVE NOTICE.** Failure to give notice of additions or changes in load or location shall render the customer liable for any damage to the meters or their auxiliary apparatus, or the transformers, or wires, of the Company, caused by the additional or changed installation.

**14. METERING**

**14.1 SUPPLY OF METERS.** An EGS that is also an AMSP may provide Advanced Meter Services in accordance with the Electric Generation Supplier Coordination Tariff. Otherwise, subject to Rules 14.3 and 14.9, the measurement of service for billing purposes shall be by meters furnished and installed by the Company. The Company will select the type and make of metering equipment to be used for meters supplied by the Company, and may, from time to time, change or alter the equipment, its sole obligation being to supply meters that will accurately and adequately furnish records for billing purposes. In fulfilling its obligations with respect to metering and meter reading, and with respect to AMSPs that provide Advanced Meter Services, the Company will comply with Electric Generation Supplier Coordination Tariff.

**14.2 SPECIAL MEASUREMENTS.** The Company shall have the right, at its option and its own expense, to place demand meters, reactive-component meters, or other instruments, on the premises of any customer except for any customer for whom an AMSP is providing Advanced Meter Services, for the purpose of measuring the demand and/or the power factor, or for other tests of all, or any part, of the customer's load.

**14.3 CUSTOMER REQUEST FOR SPECIAL METER.** If a customer for whom the Company is providing either metering and meter reading wishes to replace its billing metering equipment, to the extent technically possible, the Company may offer, provide and support a selection of qualified meters and may perform installation within a reasonable amount of time and at the expense of the customer. The customer must pay for any such metering equipment based on the net incremental cost of purchasing and installing the new metering equipment as approved by the Commission. The Company will own and maintain all such new metering equipment.

**RULES AND REGULATIONS (continued)**

**14.4 POWER FACTOR MEASUREMENT.** For customers for whom the Company is providing metering and meter reading or Advanced Meter Services, the Company reserves the right to measure the power factor of the customer's load, either by test or by permanently installed instruments. For customers for whom an AMSP is providing Advanced Meter Services, the Company reserves the right to require such AMSP to measure the power factor of the load of the customer on the same basis the Company measures the power factor of customers for which the Company provides metering and meter reading or Advanced Meter Services.

**14.5 REVERSE REGISTRATION.** The Company may, by ratchet or other device, control its meters to prevent reverse registration.

**14.6 ESTIMATED USAGE.** The kilowatt-hours and billing demands to be paid for may be determined by computation instead of by measurement in the case of installations having a fixed load or demand value controlled to operate for a definite number of hours each day.

**14.7 METER READING INTERVALS.** The Company will read its meters in accordance with Appendix C to the Joint Petition for Full Settlement and at scheduled regular intervals of one month. Monthly customer usage will not be prorated for seasonality. For customers for whom it provides Consolidated EDC Billing or Separate EDC Billing, the Company will render standard bills for the recorded use of service based upon the time interval between meter readings. EGS & EDC charges shall be based on the EDC defined meter reading route schedules. Only those bills which cover a period of service of less than 26 days or more than 35 days will be prorated. The Company will render "short period" bills as needed to ensure a customer can switch their electric service in accordance with the accelerated switching process final omitted rulemaking order that amends 52 Pa. Code, Ch. 57.172 - 57.179. See Dockets No. L-2014-2409383 and P-2014-2446292.

**14.8 ESTIMATED USAGE.** For customers for whom the Company provides meter reading or Advanced Meter Reading Services, the Company shall estimate the amount of service supplied to premises where access to the meter is not available or if such estimate is necessary, and to installations at remote locations when warranted by the type of installation, regularity of usage, or other circumstances. For customers for whom it provides Consolidated EDC Billing or Separate EDC Billing, the Company will render bills in standard form based on such estimate and so marked, for the customer's acceptance. Meter readings will be secured from time to time and billing will be revised when they disclose that the estimate failed to approximate the actual usage. For residential customers, an actual meter reading will be obtained at least every six months in accordance with Commission regulations.

**14.9 CUSTOMER SELECTED ADVANCED METERS.** A customer may request either PECO Energy or an AMSP to have an Advanced Meter installed and have Advanced Meter Services provided pursuant to Appendix C of the Joint Petition for Full Settlement and any applicable rules adopted by the Commission. For an advanced meter to be deployed in the PECO Energy service territory, it must be included in the Commission's Advanced Meter Catalog, and indicated as eligible for deployment in the PECO Energy territory.

**14.10 PROVISIONS FOR CUSTOMER REQUESTED SMART METERS.** Once all necessary infrastructure is complete but not later than October 2012 a customer may request that PECO install a smart meter ahead of the planned schedule for their property however the customer must pay the incremental cost of installing the meter outside of the normal installation schedule. For residential and single phase commercial customers the cost is \$17. In the case of more complex meter arrangements the Company shall provide the estimated cost and the customer shall pay the cost prior to the installation.

**14.11 MANUAL METER READING FEE** Upon customer request, the Company will secure an in-person meter reading to confirm the accuracy of an automatic meter reading when a customer disconnects service or a new service request is received. The fee is \$45 and the Company will include this fee on the customer's or applicant's bill. (C)

**15. DEMAND DETERMINATION**

**15.1 MEASURED DEMANDS.** Measured demands may be quantified by recording or indicating instruments showing, unless otherwise specified, the greatest 30-minute rate-of-use of energy, provided that in the case of hoists, elevators, welding machine, electric furnaces, or other installations where the use of electricity is intermittent or subject to violent fluctuation the demand may be fixed by special determination.

**15.2 DEMAND DETERMINATION.**

(a) **Special Determination.** Where charges specified in this Tariff are based upon the customer's demand, it is intended that such demand shall fairly represent the customer's actual demand that the Company must stand ready to serve. In the case of installations where the customer's regular use of service in the ordinary course of the customer's business is such that measurement over a thirty-minute interval does not result in a fair or equitable measure of the customer's demand, then the demand may be estimated from the known character of use and the rating data of the equipment connected, or from special tests. The intent of this provision is that the demand so determined shall fairly represent the demand that the Company must stand ready to serve.

(b) **Demand Waiver.** When a customer wishes to conduct a test of equipment or process that is not part of the customer's normal operations, the customer may request that the Company waive the demand caused by that test, if that demand is the highest measured demand in the billing month. The Company will agree to such a waiver if the following conditions are met:

1. The Company's metering is of a type which allows for the determination of 30-minute demands; and
2. The customer's request is in writing, and is received by the Company at least 15 business days before the date of the commencement of the proposed test. The request must specify the nature of the test, the size of the loads to be tested and the starting and ending times; and
3. The Company determines that the tests are not a part of the customer's normal operations; and
4. The test will not last for more than twelve (12) consecutive hours; and
5. The customer has not conducted a test and received a demand waiver for a test pursuant to this rule within one year of the proposed test.

Upon receipt of a request for a demand waiver, the Company will inform the customer in writing within fifteen (15) days of receipt of the customer's request whether it will grant the proposed waiver

(C) Denotes Change

**RULES AND REGULATIONS (continued)**

**15.3 POWER FACTOR ADJUSTMENT.** Standard power factor values, based on measured demands, are as follows:

<u>Measured Demands</u>	<u>Standard Power Factor</u>
0 kW to 185 kW	80%
186 kW to 2,500 kW	90%
Over 2,500 kW	95%

Whenever the measured power factor of a customer is less than the prescribed standard, the customer's measured demand shall be increased by the ratio of the standard power factor to the measured power factor. The demand thus determined shall be used as a basis for calculating the customer's billing demand in accordance with the applicable rate schedule.

The measured power factor shall be determined as follows:

- (a) All customers with measured demands of 750 kW or greater in three consecutive months shall have their power factor continually measured. The measured power factor shall be the power factor that is coincident with customer's maximum measured demand. Continuous power factor measurement may be discontinued if the customer's measured demand is less than 750 kW for twelve consecutive months, or if a change in the customer's load characteristics indicates a permanent reduction in measured demand to less than 750 kW. Until such time that metering equipment can be installed for continuous measurement of power factor, power factor shall be determined in accordance with paragraph (c) of this section.
- (b) The power factor of customers with measured demands of less than 185 kW will be assumed to be standard, unless the customer's load is such that it is likely, in the judgment of the Company, that the power factor will be less than the standard. In such cases, the provisions of paragraph (c) are applicable.
- (c) The power factor of all customers not included under the provisions of paragraphs (a) or (b) shall be determined by test at a time when the customer's load is not less than two-thirds of the customer's maximum measured demand in the preceding eleven months; or, at the option of either the customer or the Company, by measurement as determined from meters installed by the Company, ratcheted to prevent reverse registration. When meters are installed, the measured power factor shall be the power factor that is coincident with customer's maximum measured demand. Customers requesting measurement of power factor shall be subject to a monthly meter charge determined in accordance with the cost of the meter installation. Such installation shall not be for less than one year.

A customer that receives Advanced Meter Services from an AMSP is subject to the preceding rules regarding determination of measured power factor.

**16. METER TESTS**

**16.1 METER TESTS.** The Company at its expense, will make periodic tests and inspections of its meters in order to maintain them at a high standard of accuracy.

**16.2 REQUEST TESTS.** The Company will make additional tests or inspections of its meters at the request of a customer or an EGS providing Competitive Energy Supply to a customer, but reserves the right to make the charge provided for in the Electric Regulations of the Pennsylvania Public Utility Commission, under conditions therein specified.

**16.3 ADJUSTMENT FOR ERROR.** Should any of the Company's meters become defective or fail to register correctly, the use of electricity shall be determined by a test of any such meter, or by the registration of a meter set in its place during the period next following, or by averaging the amount registered for the preceding billing period and the amount registered during not less than one week immediately subsequent to the repairs to, or change of, the meter, taking into consideration the character of use by the customer.

**16.4 RESIDENCE METER ERRORS.** Meter errors in the Company's meters in residence service may be determined on the basis of the registration of the corresponding period during the preceding year, if records are available and conditions of use remain the same.

**16.5 ADMINISTRATION TESTS.** The Company, at its own expense, will make only such tests of the Company's meters as it deems necessary for the proper administration of its rates, or as are required by law.

**16.6 TESTING SERVICE.** The Company will, upon request by the customer, make tests of the Company's meters to supply special information regarding the customer's use of service, provided that the estimated cost of such special tests shall be paid by the customer to the Company in advance.

## RULES AND REGULATIONS (continued)

## 17. BILLING AND STANDARD PAYMENT OPTIONS

**17.1 BILLING PERIOD.** Billing for service will be based upon the amount of use and the time interval of its delivery. The customer will be billed in accordance with rule 14.7. Rate values stated for direct application to monthly billing periods will be adjusted when time elapsed between readings is substantially greater or less than a month.

**17.2 BILLING OPTIONS.** A customer may select one of the following three billing options: (1) Consolidated EDC Billing; (2) Consolidated EGS Billing; and (3) Separate EDC/EGS Billing, as those terms are defined herein. If a customer does not make a selection, the customer shall receive Consolidated EDC Billing. When the Company provides Consolidated EDC Billing or Separate EDC Billing, it will comply with the terms and conditions of the Electric Generation Supplier Coordination Tariff.

**17.3 PAYMENT.**

(a) The Company's bills to customers are payable upon presentation. Payment for service received must be made on or before the due date shown on the bill. The due date shall be determined by the Company and shall be not less than twenty days from the date of transmittal of the bill for Rates R, R-H, RS-2, POL and GS (excluding Summary Billing Accounts). The due date shall be not less than 15 days from the date of transmittal of the bill for all other rates, including Summary Billing Accounts. Notwithstanding the foregoing, the due date may be up to thirty days for accounts (including Summary Billing Accounts) with the United States of America, the Commonwealth of Pennsylvania, or any of their departments, political subdivisions, or instrumentalities. The Company may allow a reasonable amount of additional time for payment of bills on industrial and commercial accounts of creditworthy customers. If the due date that appears on a customer's bill falls on a Saturday, Sunday, bank holiday, or any other day when the offices of the Company which regularly receive payments are not open to the general public, the due date shall be extended to the next business day. The payment period will not be extended because of the customer's failure to receive a bill unless said failure is due to the fault of the Company.

(b) Payment may be made at any commercial office of the Company or at any authorized payment agency. The customer bears the risk of delivery of payment tendered on or after the date contained in any termination notice sent to the customer.

(c) The Company may require that a customer that is not creditworthy tender payment by means of a certified, cashier's, teller's, or bank check, or by wire transfer, or in cash or other immediately available funds.

(d) A customer must pay the undisputed portion of disputed bills under investigation. The Company will apply this rule to the disputed portion of disputed bills, if, and only if: (1) the Company has made diligent and reasonable efforts to investigate and resolve the dispute; (2) the result of the investigation is that the Company determines that the customer's claims are unwarranted or invalid; (3) the Commission and/or the Bureau of Consumer Services has decided a formal or informal complaint in the Company's favor and no timely appeal is filed, and (4) the customer nevertheless continues to dispute the same manner in bad faith.

**17.4 PAYMENT PROCESSING.** When the Company is providing Consolidated EDC Billing, Default Service or Separate EDC Billing, and the customer remits a partial payment to the Company, the payment will be applied as follows:

1. Any past due balances including those for prior PECO basic service charges, for prior EGS receivables purchased by the Company, for prior installment amounts on payment agreements, and also for any reconnection charges.
2. Any current charges including those for PECO basic service charges, for current EGS receivables purchased by the Company, and for current installment amounts on payment agreements.
3. Non-basic service charges.

**17.5 LATE FEES AND COLLECTION COSTS.** If payment is made at a Company office or authorized payment agency after the due date shown on the bill, a late fee will be added to the unpaid balance until the entire bill is paid. If payment is made by mail, the late fee will be added if the payment is received by the Company more than five days after the due date shown on the bill. For Rates R, R-H, RS-2, POL and GS this late fee will be 1-1/2 % per month; for all other rates the late fee will be 2% per month. If the Company files suit to collect a delinquent balance on an account (whether active or inactive) or to ensure payment of current bills, the customer will be required to pay the Company's out of pocket court costs (including filing, service, and witness fees) as ordered by the court and such costs will be added to commercial and industrial accounts.

**17.6 BUDGET BILLING.**

(a) At the option of a customer receiving residential service under Rates R, R-H, RS-2, POL and GS, an estimated total bill for all service to be received by the customer over a twelve month period may be budgeted over the period and an average bill rendered monthly for payment each month. Any difference between the budgeted amounts so paid and the actual charges for a twelve month budget period will at the customer's option, either be amortized over the next twelve months or incorporated into the 12th month bill. Absent an indication of preference from the customer, the debit or credit will be amortized. Budget billing may be discontinued upon the customer's request at which time any difference between budget billing amounts and actual charges becomes due and payable. If a monthly budget bill is not paid, a late fee will be added to the unpaid balance of actual charges on the next billing date in accordance with Rule 17.3 and 17.5. Any such late fee will be calculated based on the lesser of budget billing arrears and actual charged arrears. The Company may also arrange budget billing for creditworthy commercial and industrial customers.

(b) When the Company provides Consolidated EDC Billing, the EGS's charges will be included in the customer's Budget Billing Plan.

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RULES AND REGULATIONS (continued)

**17.7 CALCULATION OF LATE FEE.** Where a late fee is applicable, the amount of the late fee to be added to the unpaid balance shall be calculated by multiplying the unpaid past due balance, exclusive of any previous unpaid late fees, by the appropriate late fee rate.

**17.8 TAX EXEMPTION.** If a customer is tax exempt, the customer must provide a tax exempt form to PECO Energy and to its EGS, regardless of which billing option the customer chooses.

**17.9 BILLING ERRORS.** When the Company provides Consolidated EDC Billing, PECO Energy shall not be responsible for billing errors resulting from incorrect price information received from an EGS.

**17.10 RETURNED PAYMENT CHARGE.** If a check (electronic or paper) received in payment of a customer's account is returned to the Company unpaid or if upon a second attempt by the Company or its agent for payment the check is again returned unpaid, then the Company will add a returned payment charge to the customer's account in the amount of \$20.00. (C)

**17.11 APPLICABILITY TO CUSTOMERS RESIDING AT PLACE OF BUSINESS.** For purposes of all of the provisions of Rule 17, when a customer resides at a place of business or commercial establishment legitimately served pursuant to a commercial or industrial Base Rate, that is not a residential dwelling unit attached thereto, the customer is not thereby entitled to any of the protections in the Public Utility Code or the Commission's regulations implementing the Pennsylvania Public Utility Code, or to any of the provisions of these rules or this Tariff, that apply exclusively to payment terms for residential customers.

**18. PAYMENT TERMS & TERMINATION OF SERVICE**

**18.1 NON-PAYMENT TERMINATION.** When the Company is providing either Consolidated EDC Billing or Separate EDC Billing, the customer is subject to collection action, including termination of service (in accordance with the Pennsylvania Public Utility Code or the Commission's regulations, on the portion of the past due amount attributable to the Company's charges for: (1) service, (2) Energy and Capacity and (3) to Customer EGS Receivables purchased by the Company. Upon termination of service, the Company may also remove its equipment. Notice that complies with applicable Commission regulations shall conclusively be considered to be "reasonable" hereunder. Consistent with 52 PA Code §56.100, the Company will accept the following most current and valid documents as proof of household income: (1) income tax returns; (2) pay stubs; (3) benefit letters and governmental agency verification; (4) other forms to be accepted at the Company's discretion. The customer must provide this information within 10 days of the Company's request. This information may also be used by the company to determine deposit requirements, payment arrangements, and any other income specific program.

**18.2 PAYMENT TERMS.** When the Company is providing either Consolidated EDC Billing or Separate EDC Billing, the Company will in accordance with Pennsylvania Public Utility Law and applicable Pennsylvania Public Utility Commission Regulations and Orders, negotiate payment arrangements on the portion of the past due amount attributable to its charges for: (1) service (2) Energy and Capacity and (3) to Customer EGS Receivables purchased by the Company. However, the Company will not negotiate payment arrangements on behalf of an EGS.

**18.3 TERMINATION FOR CAUSE.** The Company may terminate on reasonable notice if entry to the meter or meters is refused or if access thereto is obstructed or hazardous; or if utility service is taken without the knowledge or approval of the Company; or for other violation of these Rules and Regulations and/or applicable Commission rules, including those found at Pennsylvania Public Utility Code or the Commission's regulations.

**18.4 SAFETY TERMINATION.** The Company may terminate without notice if the customer's installation has become hazardous or defective.

**18.5 DEFECTIVE EQUIPMENT TERMINATION.** The Company may terminate without notice if the customer's equipment or use thereof might injuriously affect the equipment of the Company, or the Company's service to other customers; or if a certificate of approval is refused after a re-examination of the customer's installation by a competent inspection agency authorized to perform this service in the specific locality where service is provided.

**18.6 TERMINATION FOR FRAUD.** The Company may terminate without notice for abuse, fraud, material misrepresentation of the customer's identity, or tampering with the connections, the Company's meters, or other equipment of the Company.

(C) Denotes Change

**RULES AND REGULATIONS (continued)**

**18.7 RECONNECTION CHARGE.** If service is terminated or discontinued by reason or act of the customer, the same customer, whether an applicant or a customer as defined at 66 Pa. C.S. § 1403, shall pay a reconnection charge prior to restoration of service at the same address within twelve months after discontinuance or termination. The reconnection charges, listed below, are based on the Company's current standard schedule of reconnection fees, which include direct labor costs, contractor costs, and material/transportation costs. In the case of fraud, the reconnection charge will also include allocated overheads, all investigative costs, and administrative costs as determined by the Company. All theft and fraud reconnections will be completed at the premise and will not be performed remotely.

	<b>Reconnect Fees For Non-Payment</b>	<b>Reconnect Fees For Theft / Fraud</b>
<b>Electric Reconnect at the Meter</b>	<b>\$ 75.00</b>	<b>\$ 350.00</b>
<b>Electric Reconnect at Tap</b>	<b>\$ 260.00</b>	<b>\$ 1,180.00</b>
<b>Electric Reconnect - Underground dig</b>	<b>\$ 1,650.00</b>	<b>\$ 4,450.00</b>
<b>Electric with dual meters</b>	<b>\$ 100.00</b>	<b>\$ 350.00</b>
<b>Electric Remote Reconnect (one or dual meters)</b>	<b>\$ 20.00</b>	<b>N/A</b>

**RULES AND REGULATIONS (continued)**

**19. UNFULFILLED CONTRACTS**

**19.1 NOTICE OF DISCONTINUANCE BY CUSTOMER.** Notice to discontinue service before the expiration of a contract term will not relieve a customer from any minimum, or guaranteed, payment under any contract or rate. In the case of residential customers this Rule only applies if the customer has signed an express written contract that clearly sets forth such a term and condition of service.

**19.2 COMPLETION OF TERM.** If, by reason of any act, neglect or default of a customer, the Company's service is suspended, or the Company is prevented from providing service in accordance with the terms of any contract it may have entered into with the customer, the minimum charge for the unexpired portion of the initial contract term shall become due and payable immediately as liquidated damages. These liquidated damages may, at the option of the Company, be offset by estimated revenues from a succeeding customer at the same location, if such exists.

**20. CANCELLATION BY CUSTOMER**

**20.1 TERMINATION NOTICE.** Customers who have fulfilled their initial contract term and wish to discontinue service from the Company must give the Company at least 7 days' written notice to that effect.

**20.2 FINAL BILL.** The customer is liable for service taken after notice to terminate the contract, until the meter is read and/or disconnected. The final bill for service is then due.

PECO Energy Company

RULES AND REGULATIONS (continued)

**21. GENERAL**

**21.1 OFFICE OF THE COMPANY.** Wherever, in this Tariff, it is provided that notice be given or sent to the Company, or the office of the Company, such notice, delivered or mailed, postage prepaid to any commercial office, shall be deemed sufficient, unless the Principal Office of the Company at 2301 Market Street, Philadelphia, is expressly mentioned.

**21.2 NO PREJUDICE OF RIGHTS.** The failure by the Company to enforce any of the terms of this Tariff shall not be deemed a waiver of its right to do so.

**21.3 GRATUITIES TO EMPLOYEES.** The Company's employees are strictly forbidden to demand or accept any personal compensation, or gifts, for service rendered by them while working for the Company on the Company's time.

**21.4 BILLING CHANGES.** Where billing changes are made as the result of an investigation made at customer's request or by routine inspection, the change of billing may be applied to the bill for the regular meter reading period preceding such investigation, and will, in any event apply to the bill for the period during which the investigation is made.

**21.5 EXCEPTIONAL CASES.** The usual supply of electric service shall be subject to the provisions of this Tariff; but where special service-supply conditions or problems arise for which provision is not otherwise made, the Company may modify or adapt its supply terms to meet the peculiar requirements of such case, provided that such modified terms are a rational expansion of standard tariff provisions.

**21.6 ASSIGNMENT.** Subject to the Rules and Regulations, all contracts made by the Company shall be binding upon, and oblige and inure to the benefit of, the successors and assigns, heirs, executors and administrators of the parties thereto.

**21.7 OTHER CHARGES.** The Company may, if feasible, provide and charge for services, other than those provided for in this Tariff, when requested by the customer. The Company is not obligated to provide such services. The Company will, if possible, give the customer an advance written estimate of the costs to provide the service. Costs shall include, but not be limited to, materials, supplies, labor, transportation and overhead.

**21.8 TAX INDEMNIFICATION.** If PECO Energy becomes liable under Section 2806(g) or 2809(c) of the Public Utility Code, 66 C.S. §§ 2806(g) and 2809(c), for Pennsylvania state taxes not paid by an Electric Generation Supplier (EGS), the non-compliant EGS shall indemnify PECO Energy for the amount of additional state tax liability imposed upon PECO Energy by the Pennsylvania Department of Revenue due to the failure of the EGS to pay or remit to the Commonwealth the tax imposed on its gross receipts under Section 1101 of the Tax Reform Code of 1971 or Chapter 28 of Title 66.

**22. RULES FOR DESIGNATION OF PROCUREMENT CLASS**

**22.1 DESIGNATION OF PROCUREMENT CLASS**

- a) Annually, in November the Company shall notify the customer of their procurement group class designation which shall be effective the following June 1.
- b) The procurement class designation shall be used to determine the appropriate Generation Supply Adjustment to apply to the customer.
- c) For non-residential customers the procurement class shall be determined based upon the customers peak measured demand in the prior June-May period.
- d) There shall be four procurement class designations. They are:
  - 1) Residential
  - 2) Small Commercial and Industrial up to and including 100 kW
  - 3) Medium Commercial and Industrial greater than 100 kW up to and including 500 kW (C)
  - 4) Large Commercial and Industrial over 500 kW
- e) Procurement class designation shall only change once per year on the date established in rule 22.1a
- f) New customers procurement class shall be based upon an engineering estimate of their diversified peak demand for a new facility or an existing facility with a substantially different use.
- g) A new customer in an existing facility shall be assigned to the same procurement class as the last customer in that facility unless rule 22.1f applies.

(C) Denotes Change

**RULES AND REGULATIONS (continued)**

**23. EGS SWITCHING**

- 23.1** PECO Energy will accommodate requests by customers to switch EGSs on active accounts and pending active (C)  
(Instant Connect) accounts in accordance with this Rule 23, Commission Order M-2014-2401085, and other applicable Commission Orders.
- 23.2** To switch to a new EGS, a customer must inform the new EGS. Customers that wish to switch are not required to contact PECO Energy to initiate a switch; PECO Energy will only switch a customer in accordance with Rule
- 23.3** To enable a new EGS to complete a switch, a customer must provide to the new EGS the customer's PECO Energy account number as it appears on the customer's PECO Energy monthly bill.
- 23.4** If a Customer contacts the Company to discontinue electric service and indicates that the Customer will be (C)  
relocating outside of the Company's service territory, the Company will notify the current EGS of the Customer's discontinuance of service for the account at the Customer's location. If relocating within the Company's service territory the Company will seamlessly move the current EGS to the new location if all qualifications are met in accordance with PUC Order M-2014-2401085.
- 23.5** A switch to an EGS will be effective 3 business days after the enrollment request is processed, provided the enrollment request includes valid customer information as required by the controlling provisions of the Supplier Tariff. Upon receiving valid notice to switch an EGS, the Company shall notify the customer's existing EGS that such a request has been made.
- 23.6** If and when a customer's EGS discontinues its supply in the event of bankruptcy, loss of license, or similar occurrence, or if a Customer is dropped by its EGS for non-payment or other reason then the customer may select a new EGS. The customer will receive its energy supply from PECO Energy until the switch becomes effective.
- 23.7** Nothing in this Rule 23 shall be interpreted to preclude EGSs from entering into agreements for supply with a term of service of one month. EGSs may enter into agreements for longer.

**24. LOAD DATA EXCHANGE**

- 24.1** PECO Energy will provide to a customer or the customer's designated EGS or authorized consultant, all available data from the meter once each calendar year for no fee. The exchange of data among PECO Energy, EGSs, and customers shall be in accordance with the Supplier Tariff and the Final Consensus Plan for Electronic Data Exchange Standards for Electric Deregulation in the Commonwealth of Pennsylvania, as approved by the Commission.

(C) Denotes Change

**STATE TAX ADJUSTMENT CLAUSE**

In addition to the net charges provided for in this tariff, a surcharge credit value of 0.00% will apply to all PaPUC jurisdictional distribution charges in the Base Rates and Riders, effective for scheduled billing cycles ending on and after January 1, 2016.

Whenever any of the tax rates used in the calculation of the surcharge are changed, or recoveries are authorized under Sections 2806, 2809 or 2810 of the Competition Act, the surcharge will be recomputed as prescribed by the Commission. The recalculation will be submitted to the Commission within ten days after the change occurs and the effective date shall be ten days after filing.

In addition, if a recalculation is submitted as a result of a tax rate change (including the Revenue Neutral Reconciliation rate) the Company will thereafter file each year by December 21 annual updates or revisions with the Commission which will reflect only this tax change. These annual updates will be effective ten days after filing and will continue until such time as the effect of the change in tax rates has been included in base rates.

PECO Energy Company

**GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2  
 LOADS UP TO 100KW**

(C)

**Applicability:** June 1, 2015 this adjustment shall apply to all customers taking default service from the Company with demands up to 100 kW. The rate contained herein shall be calculated to the nearest one thousandth of a cent. The GSA shall contain the cost of generation supply for each tariff rate.

**Pricing:** The rates below shall include the cost of procuring power to serve the default service customers including the cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") plus associated administrative expenses incurred in acquiring power and gaining regulatory approval of any procurement strategy and plan. The pricing for default service will represent the estimate of the cost to serve the specific tariff rate for the next quarterly period beginning with the three months ended August 31, 2015. The rates in this tariff shall be updated quarterly on June 1, September 1, December 1 and March 1 commencing June 1, 2015. If the balance of over/(under) recovery gets too large, the Company can file a reconciliation that will mitigate the subsequent impact. The generation service charge shall be calculated using the following formula:

**GSA(n) = (C-E+A)/S\*(1-T)\* (1-ALL)/(1-LL) +AEPS/S\*(1 - T) + WC** where:

**C** = The sum of the amounts paid to the full requirements suppliers providing the power for the quarterly period, the spot market purchases for the quarterly period, plus the cost of any other energy acquired for the quarterly period. Cost shall include energy, capacity and ancillary services, distribution line losses, cost of complying with the Alternative Energy Portfolio Standards, and any other load serving entity charges other than network transmission service and costs assigned under the Regional transmission Expansion Plan. Ancillary services shall include any allocation by PJM to PECO default service associated with the failure of a PJM member to pay its bill from PJM as well as the load serving entity charges listed in the Supply Master Agreement Exhibit D as the responsibility of the supplier. This component shall include the proceeds and costs from the exercise of Auction Revenue Rights granted to PECO by PJM.

**AEPS** = The projected total cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") not included in the C component above for the quarterly period for each procurement class. Costs include the amount paid for Alternative Energy and/or Alternative Energy Credits ("AEC's") purchased for compliance with the Act, the cost of administering and conducting any procurement of Alternative Energy and/or AEC's, payments to the AEC program administrator for its costs of administering an alternative energy credits program, payments to a third party for its costs in operating an AEC registry, any charge levied by PECO's regional transmission operator to ensure that alternative energy sources are reliable, a credit for the sale of any AEC's sold during the calculation period, and the cost of Alternative Compliance Payments that are deemed recoverable by the Commission, plus any other direct or indirect cost of acquiring Alternative Energy and/or AEC's and complying with the AEPS statute.

**E** = Experienced over or under-collection calculated under the reconciliation provision of the tariff to be effective semiannually with recovery during the periods March 1 through August 31 of the current year and September 1 of the current year through February 28 (29) of the following year. As described in the reconciliation provision of the tariff, the initial reconciliation period including the month of December 2014 will be recovered during the period June 1, 2015 through August 31, 2015. The initial six month reconciliation period will include January 1, 2015 through June 30, 2015 and the initial six month effective sales recovery period will be September 1, 2015 through February 29, 2016.

**A** = Administrative Cost - This includes the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement plan, legal fees incurred gaining approval of the plan and any other costs associated with designing and implementing a procurement plan including the cost of the pricing forecast necessary for estimating cost recoverable under this tariff. Also included in this component shall be the cost to implement real time pricing or other time sensitive pricing such as dynamic pricing that is required of the Company or is approved in its Act 129 filing. 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.

**S** = Estimated sales for the period the rate is in effect for the classes to which the rate is applicable. Six month sales are used for the E factor with effective periods March 1 through August 31 of the current year and September 1 of the current year through February 28 (29) of the following year. The initial E factor sales period will be June 1, 2015 through August 31, 2015. The initial six month effective E factor sales period will be September 1, 2015 through February 29, 2016.

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

**n** = The procurement class for which the GSA is being calculated.

**ALL** = Average line losses for the procurement class.

**LL** = Line losses for the specific rate class provided in the Company's Electric Generation Supplier Coordination Tariff rule 6.6.

**WC** = \$0.00034/kWh to represent the cash working capital for power purchases.

**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. In general the line loss adjustment is applicable to Procurement Class 2 and 3 only as those classes contain rate classes with three different line loss factors: Current Charges:

Rate		GSA Price
R	GSA (1)	\$0.06829
RH	GSA (1)	\$0.06829
GS	GSA (2)	\$0.06830

(C)

(C) Denotes Change

PECO Energy Company

GENERATION SUPPLY ADJUSTMENT FOR PROCUREMENT CLASSES 1 AND 2  
UP TO 100KW (CONTINUED)

(C) LOADS

PD	GSA (2)	\$0.06714
HT	GSA (2)	\$0.06442
POL*	GSA (2)	\$0.04809
SL-S*	GSA (2)	\$0.04809
TLCL	GSA (2)	\$0.06830
SL-E*	GSA (2)	\$0.04809
AL*	GSA (2)	\$0.04809

(C)

\* Prices shall exclude capacity from the Procurement Class 2 RFP results.

Procedure: For Procurement Classes 1 and 2 the GSA shall be filed 45 days before the effective dates of June 1, September 1,  
December 1 and March 1 in conjunction with the Reconciliation Schedule.

(C)

(C) Denotes Change

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

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

$\text{PJM}_{\text{DA}}$  - 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.

$$\text{PLC} \times (1 + \text{RM}) \times \text{P}_{\text{RPM}} \times \text{Bill Days}$$

PLC = Peak load contribution

RM = Reserve margin adjustment per PJM

$\text{P}_{\text{RPM}}$  = 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.

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

$\text{PJM}_{\text{AS}}$  = \$/MWH charged by PJM for ancillary services

AEPS = Cost of complying with the alternative energy portfolio standard

$\text{S}_{\text{AEPS}}$  = 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

$S_3$  = 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)	\$0.00991	\$0.00985	\$0.00970

(1)

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

(1) 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

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

**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.

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

**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

**O** = 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.

Tariff Rate	GS	PD	HT	EP
Hourly Pricing Adder* (dollars/kWh)	\$0.00244	\$0.00238	\$0.00223	\$0.00223

(1)

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

(1) Denotes increase

PECO Energy Company

**RECONCILIATION**

**Applicability:** June 1, 2015 this adjustment shall apply to all customers who received default service during the period the cost of which is being reconciled. Customers taking default service during the reconciliation period that leave default service prior to the assessment of the over/(under) adjustment shall still pay or receive credit for the over/(under) adjustment through the migration provision. The Company shall notify the Commission and parties to the Default Service Settlement 15 days in advance of the quarterly or monthly filing if the Migration Provision will be implemented in the filing.

This adjustment shall be calculated on a semiannual basis for Procurement Classes 1 and 2. The reconciliation period will include the six month period beginning January 1 and July 1 commencing with the January 1, 2015 through June 30, 2015 reconciliation period. The initial reconciliation period for Procurement Classes 1 and 2 will include the month of December 2014 with recovery occurring during the three month period June 1, 2015 through August 31, 2015. For Procurement Classes 3 Hourly and 4 Hourly, the adjustment shall be calculated on a monthly basis with recovery commencing after the occurrence of a quarter. The reconciliation shall be separate for each procurement class. Any resulting over or under recovery shall be assessed on an equal cents per kilowatt hour basis to all customers in the relevant procurement group. For Procurement Classes 1 and 2 any over/(under) recovery shall be collected after the occurrence of two months from the end of the reconciliation period. For Procurement Classes 3 Hourly and 4 Hourly any over/(under) recovery shall be collected after the occurrence of three months from the end of the reconciliation period. For Procurement Classes 1 and 2 recovery shall be over a six month period commencing September 1 and March 1 with the initial six month period of September 1, 2015 through February 29, 2016. For Procurement Classes 3 Hourly and 4 Hourly, recovery shall be monthly. For Procurement Class 3 Hourly, there will be an initial transition period for reconciliation and recovery. The transition reconciliation period will include the over/(under) recovery through February 2016 and associated prior period revenues for the period March 2016 through May 2016. Recovery for this transition period will be over the six month period June 1, 2016 through November 30, 2016. For purposes of this rider the reconciliation shall be calculated 45 days before the effective date of recovery. The over or under recovery shall be calculated using the formula below. The calculation of the over/(under) recovery shall be done separately for the following procurement classes – Class 1 – Residential, Class 2 – Small C&I up to 100 kW, and Class 3 – Medium C&I greater than 100 kW up to 500 kW and Class 4 Large C&I over 500 kW. (C)

**Reconciliation Formula**

$$E_N = \Sigma O/(U) + I$$

$$\text{Migration Provision } E_M = [\Sigma O/(U) + I] / S / (1 - \text{GRT}) * (1 - \text{ALL}) / (1 - \text{LL})$$

**Where:**

E = Experienced over or under collection plus associated interest

N = Procurement class

M = Migration Rider

O/(U) = The monthly difference between revenue billed to the procurement class and the cost of supply as described below in Cost, AEPS Cost and Administrative Cost.

**Revenue** = Amount billed to the tariff rates applicable to the procurement class including approved Real Time Price or other time sensitive rates for the period being reconciled through the GSA.

**Cost** = The sum of the amounts paid to all of the full requirements suppliers providing the power for the period being reconciled, the spot market purchases for the period being reconciled, plus the cost of any other energy acquired for the period being reconciled. Cost shall include energy, capacity and ancillary services as well as the proceeds and costs of auction revenue rights for Procurement Classes 1 and 2. Ancillary services shall include any allocation by PJM to PECO default service associated with the failure of a PJM member to pay its bill from PJM as well as those costs listed in the Supply Master Agreement as the responsibility of the seller. (C)

**AEPS** = The total cost of complying with the Alternative Energy Portfolio Standards Act ("AEPS" or the "Act") not included in the Cost component above for the reconciliation period for Procurement Classes 1, 2 and 3 and not included in the ancillary services component for Procurement Classes 3 Hourly and 4 Hourly Service. Costs include the amount paid for Alternative Energy and/or Alternative Energy Credits ("AEC's") purchased for compliance with the Act, the cost of administering and conducting any procurement of Alternative Energy and/or AEC's, payments to the AEC program administrator for its costs of administering an alternative energy credits program, payments to a third party for its costs in operating an AEC registry, any charge levied by PECO's regional transmission operator to ensure that alternative energy sources are reliable, a credit for the sale of any AEC's sold during the calculation period, and the cost of Alternative Compliance Payments that are deemed recoverable by the Commission, plus any other direct or indirect cost of acquiring Alternative Energy and/or AEC's and complying with the AEPS statute. (C)

**Administrative Cost** = This includes the cost of the Independent Evaluator, consultants providing guidance on the development of the procurement strategy, legal fees incurred gaining approval of the strategy, and any other costs associated with designing and implementing a procurement plan including the cost of the pricing forecast necessary for estimating cost recoverable under this tariff. Also included in this component shall be the cost to implement real time pricing or other time sensitive pricing such as dynamic pricing that is required of the Company or approved in its Act 129 filing. Administrative Costs also includes 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 EGS's or through another rate.

**Full Requirements Supply** = A product purchased by the Company that includes a fixed price for all energy consumed. The only cost added by the Company to the full requirements price is for gross receipts tax, distribution line losses, and administrative cost.

**Ancillary Services** = The following services in the PJM OATT- reactive support, frequency control, operating reserves, supplemental reserves, imbalance charges, PJM annual charges, any PJM assessment associated with non-payment by members, and any other load serving entity charges not listed here but contained in Exhibit D of the Supply Master Agreement. Also included shall be the proceeds and costs from the exercise of auction revenue rights for Procurement Classes 3 Hourly and 4 Hourly Service. (C)

(C) Denotes Change

PECO Energy Company

RECONCILIATION  
(CONTINUED)

**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.

**Capacity** = The amount charged to PECO by PJM for capacity for its default service load under the reliability pricing model (RPM).

**I** = Interest on the over or under collection at the prime rate of interest for commercial banking, not to exceed the legal rate of interest, in effect on the last day of the month the over collection or under collection occurs, as reported in the Wall Street Journal in accordance with the Order at Docket No. L-2014-2421001. This interest rate basis becomes effective with January 2016 over or under collections. .

**S** = Estimated default service retail sales in kWh for the period the cost of which is being reconciled.

**ALL** = The average line losses in a procurement class as a percent of generation.

**LL** = The average line losses for a particular rate (e.g. HT, PD, GS) as provided in the Electric Generation Supplier Coordination Tariff rule 6.6.

**GRT** = The current gross receipts tax rate.

**Procurement Class** - Set of customers for which the company has a common procurement plan.

**Procedural Schedule**

The Company shall file the calculation of the over/under collection for the period being reconciled and the proposed adjustment to the GSA 45 days before the effective date as described below. The over/under collection adjustment for Procurement Classes 1 and 2, shall be effective no earlier than the first day of the month such that the commencement of recovery shall lag by two months. The initial over/under collection adjustment for Procurement Classes 1 and 2 that includes the month of December 2014 and is effective June 1, 2015 will be filed 45 days before the effective date. The over/under collection adjustment for Procurement Classes 3 Hourly and 4 Hourly shall be effective no earlier than the first day of the month such that the commencement of recovery shall lag by one quarter. For Procurement Class 3 Hourly, there will be an initial transition period for reconciliation and recovery. The transition reconciliation period will include the over/(under) recovery through February 2016 and associated prior period revenues for the period March 2016 through May 2016. Recovery for this transition period will be over the six month period June 1, 2016 through November 30, 2016. For Procurement Classes 1 and 2 the GSA will be effective June 1, September 1, December 1 and March 1 commencing June 1, 2015 with over/under collection recovery occurring over the six month period beginning September 1 and March 1. GSA 3 Hourly and GSA 4 Hourly rates shall be effective the first of each month with over/under collection recovery occurring over a month. The data provided in the reconciliation shall be audited on an annual basis by the PaPUC Bureau of Audits.

(C)

(C) Denotes Change

NUCLEAR DECOMMISSIONING COST ADJUSTMENT CLAUSE (NDCA)

The NDCA provides for the recovery of nuclear decommissioning costs related to the Company's Ownership interest in Nuclear Generation as of 12/31/99. The NDCA shall be charged to all customers taking service under this Tariff. The adjustment shall be a cents per kWh charge calculated to the nearest one hundredth of one cent.

The Company's Ownership interest in nuclear generation as of December 31, 1999 consists of the following:

Peach Bottom 1	100%
Peach Bottom 2	42.49%
Peach Bottom 3	42.49%
Salem 1	42.59%
Salem 2	42.59%
Limerick 1	100%
Limerick 2	100%

Formula

The following formula shall be used to determine the NDCA.

$$\text{NDCA} = \frac{\text{PaPUC Authorized Decommissioning Expense Adjustment}}{\text{Total Pennsylvania Jurisdictional Sales for Calculation Year}}$$

Where:

PaPUC Authorized Decommissioning Expense Adjustment (Adjusted Annual Accrual - Base Accrual) x .95 = the Adjusted Annual Accrual in the Calculation Year less the Base Accrual. As of January 1, 2013, the NDCA shall be a credit value of \$0.0002/kWh and will be added to the distribution charge for Rates POL and SL-S, the service location distribution charge for Rate SL-E, and the Variable Distribution Service Charges for all other customers.

Total Pennsylvania Retail Jurisdictional Sales = total kWh sales under this Tariff for the calculation year including sales for distribution.

Calculation Year = year in which the Company proposes a change to the NDCA. To the extent a new cost study, performed every five years, indicates the Company requires an adjustment in the rate, the Company shall change the NDCA to reflect such new expense level. In calculating the annual expense the Company shall use the sinking fund methodology.

Adjusted Annual Accrual = accrual necessary to fund the Adjusted Obligation.

Adjusted Obligation = Gross Decommissioning Obligation reduced by \$50 million for ratemaking purposes.

Gross Decommissioning Obligation – The total decommissioning cost obligation as approved by the Commission as expressed in escalated future dollars.

Methodology for Calculating Expense

The base period expense shall be based upon the decommissioning costs set forth in the table below. The Company shall use a sinking fund methodology to determine the appropriate level of decommissioning expense. The assumptions shall be consistent with NRC policy and requirements.

The Base Accrual shall consist of the following levels for each unit.

Peach Bottom 1	\$2,992,000
Peach Bottom 2	2,588,000
Peach Bottom 3	5,976,000
Salem 1	2,651,000
Salem 2	2,509,000
Limerick 1	4,403,000
Limerick 2	8,043,000
Total	\$29,162,000

Frequency of Calculation

The annual expense shall be recalculated every five years. The Company shall adjust the NDCA to reflect the new expense level 60 days after filing the new study and the associated rate calculation with the PaPUC. The first calculation of the NDCA shall be considered to have taken place on January 1, 1998.

Completion of Decommissioning

In the event that the actual expenditures necessary to accomplish full decommissioning of the PECO interest are less than the full balance in the funds established for such purpose, PECO shall be entitled to a release of such funds to PECO for the purpose of sharing the amount between ratepayers and shareholders. In the event that such release is granted, PECO's shareholders shall be entitled to retain: (1) the first \$50 million of the net after-tax amount; and (2) 5 percent of the remaining net after-tax amount of the released funds.

PECO Energy Company

**PROVISIONS FOR RECOVERY OF UNIVERSAL SERVICE FUND CHARGE (USFC)**

Variable Distribution Service Charge rates for electric service in Residential Rate Schedule R and RH of this Tariff shall include a credit (\$0.0001) per kWh for recovery of Universal Service Fund Cost (USFC), calculated in the manner set forth below pursuant to Section 2804 (8) of the Competition Act. The USFC rate for electric service shall be increased or decreased annually, to reflect changes in the level of Universal Service Fund costs, net of base rate recoveries, in the manner described below:

**COMPUTATION OF USFC.**

The USFC per kWh (\$0.0000), shall be computed to the nearest one-hundred cent (0.01¢) in accordance with the formula set forth below:

$$\text{USFC} = \frac{(C+L-E-I)}{(S)}$$

The USFC, so computed, shall be included in distribution rates charged to Customers for service pursuant to the rate schedules identified above. The amount of USFC, per kWh, will vary, if appropriate, based upon annual filings by the Company.

In computing the USFC, per kWh, pursuant to the formula above, the following definitions shall apply:

**Reconcilable Customer Assistance Program (CAP) Costs** – The difference between discounts provided to CAP customers (CAP revenue shortfalls) recovered through base rates and total CAP discounts, net of a 27% offset factor.

**USFC** – Universal Service Fund Charge determined to the nearest one-hundredth cent (0.01¢) to be included in the rate for each kWh of Variable Distribution Service Charge calculated under Rate Schedules R and R-H to recover Reconcilable CAP Costs plus certain LIURP related expenditures.

**C** - Cost in dollars of the Reconcilable CAP Costs for the projected period.

**L** - Incremental LIURP related expenditures not included in base rates.

**E** - the net (overcollection) or undercollection of Universal Service Fund Charges. The net overcollection or undercollection shall be determined for the most recent period, beginning with the month following the last month which was included in the previous overcollection or undercollection calculation reflected in rates. Included in the "E" factor will be Reconcilable CAP Costs, and LIURP related expenditures.

Each overcollection or undercollection statement shall also provide for refund or recovery of amounts necessary to adjust for overrecovery or underrecovery of "E" factor amounts under the previous USFC.

**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.

**S** - projected kWh of electric service to be billed under Rate R and Rate RH (exclusive of CAP Rider) during the projected period when rates will be in effect.

**FILING WITH PENNSYLVANIA PUBLIC UTILITY COMMISSION; AUDIT; RECONCILIATION.**

The Company's annual USFC filing and its annual reconciliation statement shall be submitted to the Commission 120 days prior to new rates being effective January 1 of each year, or at such time as the Commission may prescribe. The USFC mechanism is subject to annual audit review by the Bureau of Audits.

**PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS**

**Purpose:** The purpose of this surcharge is to provide for full and current cost recovery of expenditures associated with the Company's proposed consumer education plan for the transition to a competitive energy market. The proposed plan shall consist of the cost of the consumer education plan approved in Docket M-2008-2032274 and P-2008-2062739. Included in these costs shall be the cost of educating customers on available mitigation options such as the Voluntary Market Rate Phase-In Rider.

**Applicability:** The surcharge shall be a per customer charge calculated to the nearest one cent, which shall be added to the fixed distribution rates for billing purposes for all customers. The rate shall be calculated separately for each procurement class. The current Consumer Education Plan Cost for each Class 1 is a 1.0 cent credit per month for Rates R, RH and CAP, Class 2 and 3 is a 2.0 cent credit per month for Rate GS and for Class 4 is 0 cent credit per month for Rates HT and PD with an April 1, 2016 effective date.

(D)  
(C)

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

$$MC(n) = \frac{(C+S+E+I)}{R(n)} \times \frac{1}{(1-T)}$$

C – the cost of the consumer education program includes the following:

**Consumer Education Costs** –The incremental cost of programs designed to educate consumers regarding the coming transition to a competitive market such as advertising, customer notices, informational materials cost, and any other incremental cost associated with educating consumers about the market and about available mitigation programs offered by the Company less any cost covered by the Company's Paragraph 37 Funds. Costs associated with this program shall be expensed to FERC account 910. Also includes the costs of the new residential Customer Assistance Program (CAP) consumer education program per Docket No. M-2012-2290911.

(C)

MC(n) = consumer education cost and supplier-oriented bill cost per customer for procurement class n including over/(under) recovery and associated interest.

E – The estimated over or (under) recovery from the prior year. The reconciliation period shall be the 12 months ended December 31

S – The cost of implementing the supplier-oriented bill as approved in the Final Order at Docket No. M-2014-2401345.

I – Interest on any over or (under) recovery balance. Interest shall be a rate of 6% and shall be calculated from the month of over or under collection to the mid-point of the recovery period.

N – Procurement class where 1 = residential, 2 = C&I up to 100 kW, 3 = C&I from 100-500 kW, and 4 = C&I >500 kW

R – The total delivery service customers for the procurement class for the application period where the application period shall be the 12-month period commencing annually on April 1 after the reconciliation period.

T – The current Pennsylvania gross receipt tax rate included in base rates.

**Filing Schedule:** The estimated surcharge shall be filed by February 1 of each year to be effective on the following April 1. The application period shall be the 12 months that start the April 1 effective date of the surcharge. The Bureau of Audits shall audit the data in the surcharge on an annual basis.

(D) Denotes Decrease  
 (C) Denotes Change

PECO Energy Company

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 a semi-annual basis using the formula below:

$$TSC(n) = \frac{(C+E+I)}{S(n)} = \frac{1}{(1-T)}$$

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:

Network Integration Transmission Service costs and Non-Firm Point to Point Transmission costs. Included in the cost to be recovered is a working capital (WC) component as defined below.

Charges assessed by PJM for network service within the PECO zone. Included in such charges are costs for 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 \$363 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 the over or under collection at the prime rate of interest for commercial banking, not to exceed the legal rate of interest, in effect on the last day of the month the over collection or under collection occurs, as reported in the Wall Street Journal in accordance with the Order at Docket No. L-2014-2421001. This interest rate basis becomes effective with January 2016 over or under collections. (C)

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.

T – The current Pennsylvania gross receipt tax rate included in base rates.

**Filings and Reconciliations:** The Company shall submit filings 15 days prior to the start of the application period beginning June 1, 2015. 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:**

- R= \$.00648 per kilowatthour (I)
- RH= \$.00648 per kilowatthour (I)
- Small C&I = \$1.22 per billed kW (D)
- Large C&I = \$1.58 per billed kW (D)
- Street Lighting = \$.00074 per kilowatt hour (I)

(C) Denotes Change  
 (D) Denotes Decrease  
 (I) Denotes Increase

**TPECO Energy Company**

**NON-BYPASSABLE TRANSMISSION CHARGE (NBT)**

**Purpose:** The purpose of this surcharge is to provide for full and current cost recovery of certain transmission service related costs incurred under the PJM open access transmission tariff on behalf of the Company's distribution service load in accordance with Docket # P-2014-2409362.

**Applicability:** The surcharge shall be assessed to all distribution 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 NBT shall be included in distribution rates charged to customers taking service under the Residential, Small C&I and Street Lighting class rate schedules as described below.

For Rates PD, HT, and EP (Large C&I class), a PJM Peak Load Contribution (PLC) shall be determined in accordance with PJM rules and used to calculate the NBT. Customer's PLC will be computed to the nearest kilowatt. The NBT shall be recovered through a separate charge listed on customers' bills.

The surcharge shall be calculated on a semi-annual basis using the formula below:

$NBT(n) = (C+E+I)/S(n) * 1/(1-T)$  where;

$NBT(n)$  = 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:

Regional Transmission Expansion Plan charges, Expansion Cost Recovery charges, Generation Deactivation/Reliability Must Run charges and any costs to implement the Non-Bypassable Transmission charge in accordance with Docket # P-2014-2409362.

**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 distribution service sales for residential class and the street lighting class in the applicable application period. For the Small C&I class (Rate GS) it shall be the estimated billed demand for the applicable application period. For the Large C&I class (Rates PD, HT, and EP), the PJM PLC shall be used to calculate the NBT. The application period will be the period when rates will be in effect.

**T** – The currently effective gross receipts tax rate.

**Filings and Reconciliations:** The Company shall submit filings 15 days prior to the start of the application period beginning June 1, 2015. 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 Non-Bypassable Transmission Rate:**

R = \$.00287 per kilowatthour

RH = \$.00287 per kilowatthour

Small C&I = \$.071 per billed kW

Large C&I = \$.076 per kW based on the PJM PLC

Street Lighting = \$.00027 per kilowatt hour

(D)  
(D)  
(D)  
(D)  
(D)

PECO Energy Company

**SMART METER COST RECOVERY SURCHARGE (SMCRS)**

**Purpose:** The purpose of this surcharge is to provide for full and current cost recovery of all remaining costs associated with the Company's Smart Meter Program after "roll-out" of the incremental costs in accordance with the Final Rate Order at Docket No. R-2015- 2468981.

**Applicability:** The surcharge shall be a per-customer charge calculated to the nearest one cent, which shall be added to the fixed distribution rates for billing purposes for all commercial and industrial customers with metered service. The surcharge shall be on a cents per kWh basis for residential customers, included in the variable distribution rates, calculated to the nearest one hundredth of a cent. The rate shall be calculated separately for each customer class (residential, small commercial and industrial, and large commercial and industrial).

**Billing Provisions:** The surcharge shall be calculated on a quarterly basis using the following formula:

$$SM(n) = \frac{E-I}{R(n)} \times \frac{1}{1-T}$$

SM(n) = smart meter cost for customer class "n" including over or under recovery and associated interest.

E – The estimated over or under recovery from the prior year. The reconciliation period shall be the 12 months ended June 30.

I – Interest on any over or under recovery balance. Interest shall be a rate of 6% and shall be calculated from the month of over or under collection to the mid-point of the recovery period.

n – rate class where: 1 = residential, 2 = small C&I, 3 = large C&I

Residential – Rates R, RH, = \$0.00016/kWh	(I)
Small C&I – Rate GS = (\$0.63)/Fixed Distribution Charge	(D)
Large C&I – Rates HT, PD, EP = \$10.95/Fixed Distribution Charge	(I)

R – The total delivery service customers for the commercial and industrial rate class for the application period where the application period shall be as defined in the filing schedule. In the case of the residential class it shall represent delivered sales for the application period.

T – The current Pennsylvania gross receipt tax rate included in base rates.

**Filing Schedule:** The estimated surcharge shall be filed 15 days prior to the start of the application period. Quarterly rates shall be effective on the first full billing cycle starting after January 1, April 1, July 1 and October 1. The quarterly rates will only be updated if the rate changes by more than 5%. The reconciliation filing shall be made on August 1 of each year. The resultant over or under recovery shall be included in the Smart Meter surcharge commencing on January 1 following the reconciliation filing. Effective January 1, 2016 and in accordance with the Final Rate Order at Docket No. R-2015-2468981, the SMCRS may be set on a more frequent basis than quarterly, and using revised R factor values, to ensure that any over/under recovery remaining after "roll-out" of the incremental costs are properly recouped or refunded as applicable. In addition, the 5% rate change limit will not apply. For any required SMCRS change in 2016, such tariff rates may be filed on 15 days' notice or less. If any over/under collection balance is expected to remain after December 31, 2016, the Company may propose an additional rate adjustment to ensure that the balance is eliminated. A final reconciliation statement will be filed within 30 days after the completion of the final over/under collection refund/recovery.

(D) Denotes Decrease

(I) Denotes Increase

**PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT (TARC)**

**Purpose:** The purpose of this credit is to provide customers a bill credit for the tax benefits gained as a result of a change in the method of tax accounting for certain expenditures. The Tax Accounting Repair Credit is as proposed in the Settlement at Docket No. R-2010-2161575 in Section II E(2) and the Settlement at Docket No. R-2015-2468981 in Section II E (20).

**Applicability:** The credit shall be calculated to the nearest one-hundredth of a cent for billing purposes for all customers, except for customers on Rates SLE, SLS, POL, TLCL and AL where it shall be the nearest one cent. The TARC shall be credited to each rate schedule as follows:

Rate R	(\$0.0009)/kWh
Rate RH	(\$0.0009)/kWh
Rate GS	(\$0.0006)/kWh
Rate POL	(\$0.25)/lamp
Rate SL-S	(\$3.00)/lamp
Rate SL-E	(\$0.2500)/location
Rate AL	(\$0.2500)/location
Rate TLCL	(\$0.2500)/location
Rates HT, PD, EP	(\$0.0002)/kWh

The Variable Distribution Service charges, for the above rate schedules shall include the above listed TARC credits. For the lighting rate schedules, the applicable location or fixed distribution service charges shall include the TARC credit.

**Calculation of TARC Credit:**

**Billing Provisions:** The credit shall be calculated by rate schedule using the following formula:

$$\text{TARC} = \frac{R(n)+I}{\text{BU}(n)} \times \frac{1}{(1-T)}$$

**R(n)** – The amount accrued as a result of a change in the tax accounting method for electric system repairs for rate class n divided by 7.

**I** - Interest on the bill credit. Interest shall be at a rate of 6% simple interest and shall be calculated on the monthly unamortized balance of the tax effected catch-up deduction.

**BU(n)** – The total annual Billing Units for the rate class.

**T** - The current Pennsylvania gross receipt tax rate included in base rates.

**Filings and Reconciliations:** One year prior to the scheduled expiration of the credit the Company will evaluate whether a change in the credit is required. In order to avoid a significant over or under recovery at the end of the rate credit period. If a base rate case has not been filed prior to the expiration of the credit, a final reconciliation filing will be made on or before January 31, 2019, at which time any under or over recoveries will be reflected in rates in effect from April 1, 2019 to June 30, 2019. If it is apparent that such methodology would result in a significant over or under recovery at December 31, 2018 for an individual rate class the Company will propose a revised rate credit to become effective April 1, 2018. Interest will not be applied to any over or undercollections for the bill credit prior to January 1, 2016. Starting on January 1, 2016 the bill credit will reflect 6% simple interest on the monthly unamortized balance of the tax-effected catch-up deduction in accordance with the Settlement at Docket No. R-2015-2468981 in Section II E (20). If the amount to be credited to customers is modified based upon the results of an IRS audit of the accounting change, the Company shall modify the credit accordingly through a filing with the Commission. Such filing shall be made 60 days prior to the effective date. Additionally, if the value of the credit has been reduced due to a State Net Operating Loss (NOL), a filing shall be made to increase the credit when the NOL has been used by the Company.

**PECO Energy Company**

**PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS (EEPC) (C)**

**Purpose:** The purpose of this surcharge is to provide for full and current cost recovery of expenditures associated with the Company's Phase III Energy Efficiency and Conservation Program Costs (EEPC).

**Applicability:** The surcharge shall be calculated for billing purposes for all customers. The EEPC shall be charged to each rate schedule using the following units: (C)

**Phase III**

Rates R, RS, RH, : \$0.00375/kWh  
Rates GS: (\$0.00048)/kWh  
Rate SL-E: (\$0.24)/location  
Rate AL: (\$0.07)/location  
Rate TLCL: (\$0.00330)/kWh  
Rates HT, PD, EP: \$0.58/kW based on PJM Peak Load Contribution (PLC)

The Variable Distribution Service charges, for the residential rate schedules shall include the above listed EEPC surcharge. For the municipal lighting rate schedules, the applicable variable or fixed distribution service charges shall include the EEPC surcharge.

For Rate GS, the EEPC shall be recovered through a separate variable distribution charge listed on customer's bills. For Rates PD, HT and EP, a PJM PLC shall be determined in accordance with PJM rules and used to calculate the EEPC. Customer's PLC will be computed to the nearest kilowatt. The EEPC shall be recovered through a separate variable distribution charge listed on customer bills.

**Calculation of EEPC Surcharge and the Over/Under Recovery:**

**Billing Provisions:** The surcharge and over/under recovery shall be calculated by rate schedule on an annual basis using the following formulas: (C)

$$EEPC(n) = \frac{(C-E)+(SWE)}{(BU)} \times \frac{(1)}{(1-T)} \quad (C)$$

**C** – The cost of the Energy Efficiency and Conservation Program includes: all expenditures, of the individual programs such as materials, equipment, installation, custom programs, evaluation measurement/verification, educating customers about availability to the extent not included in Consumer Education cost, not recovered through any separate recovery mechanism, and any other cost associated with implementation of the programs. Costs that relate to measures that are applicable to more than one rate class or that are shown to provide system-wide benefits, will be allocated to each class based on the ratio of class-specific projected program costs to the total projected program costs. Any direct load control benefits to the Company from the programs shall be credited against the cost. The program costs are those approved by the PAPUC and audit costs for the Phase III program ending May 31, 2021 (C)

**E** - The over or (under) recovery from the applicable reconciliation period. Interest will not be applied to any over/under collections. (C)

**SWE** – The cost in dollars of the PaPUC's Statewide Evaluator. These costs will be reconciled separately and added to the EEPC and will not be subject to the 2% spending limit of the EE&C Plan.

**BU** – The total Billing Units for the applicable recovery period.

**T** – The current Pennsylvania gross receipts tax rate included in base rates.

**n** - The rate class for which the EEPC is being calculated: 1 = Residential, 2 = Small C&I, 3 = LC&I, 4 = Street lighting (C)  
Residential - Rates R, RH  
Small C&I – Rate GS  
Large C&I – Rates HT, PD, EP  
Street Lighting – Rates SLE, AL, TLCL

**Filings and Reconciliations:** The estimated EEPC shall be filed by May 1 each year to be effective June 1. The first surcharge, effective June 1, 2016 will contain "C" and "E" factors calculated as follows: The "C-factor" will have two components; one including Phase II costs and the other including Phase III costs. The Phase III component will be set using projected costs for the 12 month period from June 1, 2016 through May 31, 2017. The Phase II component will be set using any Phase II costs from projects started prior to the end of Phase II, but not yet billed as of June 1, 2016. For the "E-factor" over/under rate will include the Phase II costs for the 10 month period from June 1, 2015 through March 31, 2016. (C)

The second EEPC, effective June 1, 2017, will be calculated as follows: the "C-factor" will include Phase III costs for the period June 1, 2017 through May 31, 2018 and the "E-factor" will include costs for 12 months comprising Phase II costs for the 2 months of April and May 2016 and Phase III costs for the 10 months of June 1, 2016 through March 31, 2017. Subsequent EEPC's, effective June 1 each year will be calculated using a 12 month "C factor" for the period June 1 through May 31 and an "E factor" for the period of April 1 through March 31

A reconciliation statement filing, in accordance with C.S. Title 66 §1307(e), will be made by April 30 of each year. The last Phase II only reconciliation statement will be for the 10 month period from June 1, 2015 through March 31, 2016. Phase III reconciliation statements will be for the 12 month period April 1 through March 31 of each plan year. The first Phase III reconciliation statement will cover the period April 1, 2016 through March 31, 2017 and include 2 months (April and May) of Phase II revenues and expenses and 10 months of Phase III revenues and expenses (June through March). (C)

(C) Denotes Change

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**  
**(DSIC)**

In addition to the net charges provided for in this Tariff, a charge of 0.00% will apply consistent with the Commission Order dated October 22, 2015 at Docket No. P-2015-2471423, approving the DSIC.

**1. General Description**

**A. Purpose:** To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Utility with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

**B. Eligible Property:** The DSIC-eligible property will consist of the following:

Poles and Tower (Account 364);  
Overhead conductor (Account 365) and underground conduit and conductors (Accounts 366 and 367);  
Line transformers (Account 368) and substation equipment (Account 362);  
Any fixture or device related to eligible property listed above, including insulators, circuit breakers, fuses, reclosers, grounding wires, crossarms and brackets, relays, capacitors, converters and condensers;  
Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities; and  
Other related capitalized costs.

**C. Effective Date:** The DSIC will become effective January 1, 2016.

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE  
(DSIC) (CONTINUED)****2. Computation of the DSIC**

**A. Calculation:** The initial DSIC, effective January 1, 2016, shall be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company's rates or rate base and will have been placed in service between September 1, 2015 and November 30, 2015. Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month periods ending one month prior to the effective date of each DSIC update. Billing for the DSIC will be on a bills rendered basis. Thus, changes in the DSIC rate will occur as follows:

Effective Date of Change	Date to which DSIC Eligible Plant Additions Reflected
January 1	September - November
April 1	December - February
July 1	March - May
October 1	June - August

**B. Determination of Fixed Costs:** The fixed costs of eligible distribution system improvements projects will consist of depreciation and pre-tax return, calculated as follows:

**1. Depreciation:** The depreciation expense shall be calculated by applying the annual accrual rates employed in the Company's most recent base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded to the original cost of DSIC-eligible property is recorded to the original cost of DSIC eligible property.

**2. Pre-tax return:** The pre-tax return shall be calculated using the statutory state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day for the three-month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission in the most recent Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

**C. Application of DSIC:** The DSIC will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for distribution service and the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the Company's projected revenue for distribution service (including all applicable clauses and riders) for the quarterly period during which the charge will be collected, exclusive of the STAS.

**D. Formula:** The formula for calculation of the DSIC is as follows:

$$\text{DSIC} = \frac{(\text{DSI} \cdot \text{PTRR}) + \text{Dep} + e}{\text{PQR}}$$

Where:

DSI = Original cost of eligible distribution system improvement projects net of accrued depreciation.

PTRR = Pre-tax return rate applicable to DSIC eligible property.

Dep = Depreciation expense related to DSIC-eligible property.

e = Amount calculated under the annual reconciliation feature or Commission audit, as described below.

PQR = Projected quarterly revenues for distribution service (including all applicable clauses and riders) from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Revenue shall be based upon one-fourth of the estimated annual distribution revenue.

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**  
**(DSIC) (CONTINUED)**

**3. Quarterly Updates:** Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, Bureau of Audits and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

**4. Customer Safeguards**

**A. Cap:** The DSIC is capped at 5.0% of the amount billed to customers for distribution service (including all applicable clauses and riders) as determined on an annualized basis.

**B. Audit/Reconciliation:** The DSIC is subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, *et seq.*, shall be credited to customer accounts. The DSIC is subject to annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year. The revenue received under the DSIC for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on over-collections and credits will be calculated at the residential mortgage lending specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, *et seq.*) and will be refunded in the same amount as an over-collection.

**C. New Base Rates:** The DSIC will be reset at zero upon application of new base rates to customer billings that provide for prospective recovery of the annual costs that had previously been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Company's rates or rate base will be reflected in the quarterly updates of the DSIC.

**D. Customer Notice:** Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change or through an explanatory bill insert included with the first billing.

**E. All customer classes:** The DSIC shall be applied equally to all customer classes.

**F. Earning Reports:** The DSIC will also be reset at zero if, in any quarter, data filed with the Commission in the Company's then most recent Annual or Quarterly Earnings reports show that the Company would earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the pre-tax return section.

**PECO Energy Company**

**RATE R RESIDENCE SERVICE**

**AVAILABILITY.**

Single phase service in the entire territory of the Company to the dwelling and appurtenances of a single private family (or to a multiple dwelling unit building consisting of two to five dwelling units, whether occupied or not), for the domestic requirements of its members when such service is supplied through one meter. Service is also available for related farm purposes when such service is supplied through one meter in conjunction with the farmhouse domestic requirements.

Each dwelling unit connected after May 10, 1980 except those dwelling units under construction or under written contract for construction as of that date must be individually metered for their basic service supply. Centrally supplied master metered heating, cooling or water heating service may be provided if such supply will result in energy conservation.

The term "residence service" includes service to: (a) the separate dwelling unit in an apartment house or condominium, but not the halls, basement, or other portions of such building common to more than one such unit; (b) the premises occupied as the living quarters of five persons or less who unite to establish a common dwelling place for their own personal comfort and convenience on a cost sharing basis; (c) the premises owned by a church, and primarily designated or set aside for, and actually occupied and used as, the dwelling place of a priest, rabbi, pastor, rector, nun or other functioning Church Divine, and the resident associates; (d) private dwellings in which a portion of the space is used for the conduct of business by a person residing therein; (e) farm purpose uses by an individual employing the natural processes of growth for the production of grain, stock, dairy, poultry, garden truck, or other agricultural products.

The term does NOT include service to: (a) Premises institutional in character including Clubs, Fraternities, Orphanages or Homes; (b) premises defined as a rooming house or boarding house in the Municipal Code for Cities of the First Class enacted by Act of General Assembly; (c) a premises containing a residence unit but primarily devoted to a professional or other office, studio, or other gainful pursuit; (d) farms operated principally to sell, prepare, or process products produced by others, or farms using air conditioning for climatic control in conjunction with growth processes (except those customers receiving such service as of August 2, 1969); (e) electric furnaces or welding apparatus other than a transformer type "limited input" arc welder with an input not to exceed 37 1/2 amperes at 240 volts.

**CURRENT CHARACTERISTICS.** Standard single phase secondary service.

**MONTHLY RATE TABLE.**

**FIXED DISTRIBUTION SERVICE CHARGE: \$8.43**

**FIXED DISTRIBUTION SERVICE CHARGE FOR FORMER OFF-PEAK METERS: \$1.92**

**VARIABLE DISTRIBUTION SERVICE CHARGE:**

All kWhs \$0.06825 per kWh

(I)

**ENERGY SUPPLY CHARGE:**

Refer to the Generation Supply Adjustment Procurement Class 1.

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

**MINIMUM CHARGE:** The minimum charge per month will be the Fixed Distribution Service Charge.

**STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, SMART METER COST RECOVERY SURCHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS APPLY TO THIS RATE.**

**PAYMENT TERMS.** Standard.

(I) Denotes Increase

PECO Energy Company

RATE R H RESIDENTIAL HEATING SERVICE

**AVAILABILITY.**

Single phase service to the dwelling and appurtenances of a single private family (or to a multiple dwelling unit building consisting of two to five dwelling units, whether occupied or not), for domestic requirements when such service is provided through one meter and where the dwelling is heated by specified types of electric space heating systems. The systems eligible for this rate are (a) permanently connected electric resistance heaters where such heaters supply all of the heating requirements of the dwelling, (b) heat pump installations where the heat pump serves as the heating system for the dwelling and all of the supplementary heating required is supplied by electric resistance heaters, and (c) heat pump installations where the heat pump serves as the heating system for the dwelling and all of the supplementary heating required is supplied by non electric energy sources. All space heating installations must meet Company requirements. This rate schedule is not available for commercial, institutional or industrial establishments.

Wood, solar, wind, water, and biomass systems may be used to supply a portion of the heating requirements in conjunction with service provided hereunder. Any customer system of this type that produces electric energy may not be operated concurrently with service provided by the Company except under written agreement setting forth the conditions of such operation as provided by and in accordance with the provisions of the Auxiliary Service Rider.

Each dwelling unit connected after May 10, 1980 except those dwelling units under construction or under written contract for construction as of that date, must be individually metered.

**CURRENT CHARACTERISTICS.** Standard single phase secondary service.

**MONTHLY RATE TABLE.**

FIXED DISTRIBUTION SERVICE CHARGE: \$8.43

FIXED DISTRIBUTION SERVICE CHARGE FOR FORMER OFF-PEAK METERS: \$1.92

**VARIABLE DISTRIBUTION SERVICE CHARGE:**

SUMMER MONTHS. (June through September)

\$0.06825 per kWh for all kWh.

(I)

WINTER MONTHS. (October through May)

\$0.05013 per kWh for all kWh

(I)

**ENERGY SUPPLY CHARGE:**

Refer to the Generation Supply Adjustment Procurement Class 1.

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

**MINIMUM CHARGE.** The minimum charge per month will be the Fixed Distribution Service Charge.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, UNIVERSAL SERVICE FUND CHARGE, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, SMART METER COST RECOVERY SURCHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS APPLY TO THIS RATE.

**COMBINED RESIDENTIAL AND COMMERCIAL SERVICE.** Where a portion of the service provided is used for commercial purposes, the appropriate general service rate is applicable to all service; or, at the option of the customer, the wiring may be so arranged that the residential service may be separately metered and this rate is then applicable to the residential service only.

**PAYMENT TERMS.** Standard.

(I) Denotes Increase

RATE RS-2 NET METERING**PURPOSE.**

This Rate sets forth the eligibility, terms and conditions applicable to Customers with installed qualifying renewable customer-owned generation using a net metering system.

**APPLICABILITY.**

This Rate applies to renewable customer-generators served under Rates R, RH, CAP, GS, HT, PD and EP who install a device or devices which are, in the Company's judgment, subject to Commission review, a bona fide technology for use in generating electricity from qualifying Tier I or Tier II alternative energy sources pursuant to Alternative Energy Portfolio Standards Act No. 2004-213 (Act 213) or Commission regulations and which will be operated in parallel with the Company's system. This Rate is limited to installations where the renewable energy generating system is intended primarily to offset part or all of the customer-generator's requirements for electricity. A renewable customer-generator is a non-utility owner or operator of a net metered generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service (Rate R, RH, or CAP) or not larger than 3,000 kilowatts at other customer service locations (Rate GS, HT, PD and EP), except for Customers whose systems are above 3 megawatts and up to 5 megawatts who make their systems available to operate in parallel with the Company during grid emergencies as defined by the regional transmission organization or where a microgrid is in place for the purpose of maintaining critical infrastructure such as homeland security assignments, emergency services facilities, hospitals, traffic signals, wastewater treatment plants or telecommunications facilities provided that technical rules for operating generators interconnected with facilities of the Company have been promulgated by the Institute of Electrical and Electronic Engineers "IEEE" and the Commission.

Qualifying renewable energy installations are limited to Tier I and Tier II alternative energy sources as defined by Act 213 and Commission Regulations. The Customer's equipment must conform to the Commission's Interconnection Standards and Regulations pursuant to Act 213. This Rate is not applicable when the source of supply is service purchased from a neighboring electric utility under Borderline Service.

Service under this Rate is available upon request to renewable customer-generators on a first come, first served basis so long as the total rated generating capacity installed by renewable customer-generator facilities does not adversely impact service to other Customers and does not compromise the protection scheme(s) employed on the Company's electric distribution system.

**METERING PROVISIONS.**

A Customer may select one of the following metering options in conjunction with service under applicable Rate Schedule R, RH, CAP, GS, HT, PD or EP.

1. A customer-generator facility used for net metering shall be equipped with a single bi-directional meter that can measure and record the flow of electricity in both directions at the same rate. A dual meter arrangement may be substituted for a single bi-directional meter at the Company's expense.
2. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense.

Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis.

PECO Energy Company

**RATE RS-2 NET METERING (continued)**

**BILLING PROVISIONS.**

The following billing provisions apply to customer-generators in conjunction with service under applicable Rates R, RH, CAP, GS, HT, PD, EP.

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours will continue to accumulate until the end of the PJM planning period ending May 31 of each year. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the preceding year at the "full retail value for all energy produced" consistent with Commission regulations. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
4. Procurement Classes 3 and 4 customer-generators will receive a generation credit, at the PJM Day Ahead hourly energy rate, for (C) each kilowatt hour received by the Company during each hour of the billing period up to the total amount of electricity delivered to the customer during each hour of the billing period.

If a Procurement Class 3 or 4 customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator during any hour in the billing period, the excess kilowatt hours shall not be carried forward to a subsequent billing period but will be credited in the current month toward generation charges based on the PJM Day Ahead hourly rate. Any excess kilowatt hours at the end of the PJM planning period will not carry over to the next year. (C)

5. Procurement Classes 3 and 4 customer-generators will also receive a variable distribution credit for each kilowatt hour received by (C) the Company during the monthly billing period up to the total amount of electricity delivered to the Customer during the monthly billing period at the applicable distribution rate.

If a Procurement Class 3 or 4 customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator, the variable distribution charges will be reduced by the excess kilowatt hours, which will be carried forward and credited against the customer-generator's distribution kilowatt hours in subsequent billing periods until the end of the PJM planning period, ending May 31 of each year. (C)

Procurement Classes 3 and 4 customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule. (C)

Any excess kilowatt hours at the end of the PJM planning period will not carry over to the next year and reduce distribution charges.

**NET METERING FOR SHOPPING CUSTOMERS.**

1. Customer-generators may take net metering services from EGSs that offer such services.
2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by a Tier I or Tier II resource installed on the customer-generator's side of the electric revenue meter, up to the total amount of kilowatt hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the EDC delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours at the end of the PJM planning period will not carry over to the next year and reduce distribution charges. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rates Schedule.
3. If the Company delivers more kilowatt hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
4. Pursuant to Commission regulations, the credit or compensation terms for excess electricity produced by customer-generators who are customers of EGSs shall be stated in the service agreement between the customer-generator and the EGS.
5. If a customer-generator switches electricity suppliers, the Company shall treat the end of the service as if it were the end of the PJM planning period.

RATE RS-2 NET METERING (continued)

**APPLICATION.**

Customer-generators seeking to receive service under the provisions of this Rate must submit a written application to the Company demonstrating compliance with the Net Metering Rate provisions and quantifying the total rated generating capacity of the customer-generator facility. The installation cannot be directly connected to the Company's distribution system ("stand alone"). Instead, the installation must be connected to a facility (residence or business) that is connected to the Company's distribution system.

**MINIMUM CHARGE.**

The Minimum Charges under Rate Schedule R, RH, CAP, GS, PD, HT and EP apply for installations under this Rate.

**RIDERS.**

Bills rendered by the Company under this Rate shall be subject to charges stated in any other applicable Rate.

PECO Energy Company

**RATE-GS GENERAL SERVICE**

**AVAILABILITY.**

Service through a single metering installation for offices, professional, commercial or industrial establishments, governmental agencies, and other applications outside the scope of the Residence Service rate schedules. For service configurations that are nominally 120/208 volts, 3 phase, 4 wires and the service capacity exceeds 750 kVa for transformers located either inside or outside the building, the only rate option available to the customer will be Rate HT. For service configurations that are nominally 277/480 volts, 3 phase, 4 wires and capacity exceeds either 750 kVa for transformers located inside the building or 1,500 kVa for transformers located outside the building, the only rate option available to the customer will be Rate HT.

**CURRENT CHARACTERISTICS.**

Standard single-phase or polyphase secondary service.

**MONTHLY RATE TABLE.**

**FIXED DISTRIBUTION SERVICE CHARGE:**

\$ 13.62 for single-phase service without demand measurement, or  
\$ 17.53 for single-phase service with demand measurement, or  
\$ 42.87 for polyphase service.

**VARIABLE DISTRIBUTION SERVICE CHARGE:**

\$8.11 per kW of billed demand  
(\$0.0006) per kWh for all kWh

**ENERGY EFFICIENCY CHARGE:** (\$0.00048) per kWh

(D)

**ENERGY SUPPLY CHARGE:** Refer to the Generation Supply Adjustment Procurement Class 2, 3 or 4

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, SMART METER COST RECOVERY SURCHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS APPLY TO THIS RATE.

**DETERMINATION OF DEMAND.**

The billing demand may be measured where consumption exceeds 1,100 kilowatt-hours per month for three consecutive months; or where load tests indicate a demand of five or more kilowatts; or where the customer requests demand measurement. Measured demands will be determined to the nearest 0.1 of a kilowatt but will not be less than 1.2 kilowatts, and will be adjusted for power factor in accordance with the Rules and Regulations.

For those customers with demand measurement the billing demand will be determined as follows:

- (a) For customers with demand up to 500 kW, the billing demand shall be the measured demand, with a minimum billing demand of 1.2 kW.
- (b) For customers with demand greater than 500 kW, the billing demand shall be the greater of (i) the measured demand, (ii) 40% of the maximum contract demand; or (iii) the maximum measured demand from the prior year. These customers will be identified according to the process listed in Tariff Rule 22.

If a measured demand customer has less than 1,100 monthly kilowatt-hours of use, the monthly billing demand will be the measured demand or the metered monthly kilowatt-hours divided by 175 hours, whichever is less, but not less than 1.2 kilowatts.

For those customers without demand measurement, the monthly billing demand will be computed by dividing the metered monthly kilowatt-hours by 175 hours. The computed demand will be determined to the nearest 0.1 of a kilowatt, but will not be less than 1.2 kilowatts.

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 25 kilowatts. Additionally, the billing demand will not be less than 40% of the maximum demand specified in the contract. The 25 kW minimum shall apply to the Energy Supply Charge and the Transmission Supply Charge.

**MINIMUM CHARGE.**

The monthly minimum charge for customers without demand measurement will be the Fixed Distribution Service Charge. The monthly minimum charge for customers with demand measurement will be the Fixed Distribution Service Charge, plus a charge of \$4.96 per KW of billing demand. In addition to the above, for customers in Procurement Class 4 charges will be assessed on PJM's reliability pricing model.

(D) Denotes Decrease

**RATE-GS GENERAL SERVICE (continued)****SPECIAL PROVISION.**

In accordance with Section 1511, Title 66 Public Utilities, a volunteer fire company, non-profit rescue squad, non-profit ambulance service or a non-profit senior citizen center meeting the requirements set forth below, may, upon application, elect to have its electric service billed at any of the following rate schedules: Rate R Residential Service or Rate R-H Residential Heating Service, as appropriate for the application. The execution of an electric service contract for a minimum term of one year at the chosen rate will be required of any entity electing service pursuant to the options provided by this provision.

For the purposes of this provision, the following words and terms shall have the following meanings, unless the context clearly indicates otherwise:

**VOLUNTEER FIRE COMPANY.** A separately metered service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this location shall be to support the activities of the volunteer fire company. Any fund raising activities at this service location must be used solely to support volunteer fire fighting operations.

The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of firefighting services.

**NON PROFIT SENIOR CITIZEN CENTER .** A separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided. The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) or the Commonwealth as a non profit entity and recognized by the Pennsylvania Department of Aging as an operator of a senior citizen center.

**NON-PROFIT RESCUE SQUAD.** A separately metered service location consisting of a building, sirens, a garage for housing vehicular rescue equipment; and qualified by the Commonwealth as a non-profit entity; and a facility recognized by the Pennsylvania Emergency Management Agency (PEMA) or the Pennsylvania Department of Health as a provider of rescue services. The use of electric service at this location shall be to support the activities of the non-profit rescue squad. Any fund raising activities at this service location must be used solely to support the non-profit rescue squad operations.

**NON-PROFIT AMBULANCE SERVICE.** A separately metered service location consisting of a building, sirens, a garage for housing vehicular rescue equipment; and qualified by the Commonwealth as a non-profit entity; and a facility licensed by the Pennsylvania Department of Health as a provider of ambulance services. The use of electric service at this location shall be to support the activities of the non-profit ambulance service. Any fund raising activities at this service location must be used solely to support the non-profit ambulance service operations.

**TERM OF CONTRACT.**

The initial contract term shall be for at least one year.

**PAYMENT TERMS.**

Standard.

PECO Energy Company

**RATE-PD PRIMARY DISTRIBUTION POWER**

**AVAILABILITY.**

Untransformed service from the primary supply lines of the Company's distribution system where the customer installs, owns, and maintains any transforming, switching and other receiving equipment required. However, standard primary service is not available in areas where the distribution voltage has been changed to either 13 kV or 33 kV unless the customer was served with standard primary service before the conversion of the area to either 13 kV or 33 kV. This rate is available only for service locations served on this rate on July 6, 1987 as long as the original primary service has not been removed. PECO Energy may refuse to increase the load supplied to a customer served under this rate when, in PECO Energy's sole judgment, any transmission or distribution capacity limitations exist. If a customer changes the billing rate of a location being served on this rate, PECO Energy may refuse to change that location back to Rate PD when, in PECO Energy's sole judgment, any transmission or distribution capacity limitations exist.

**CURRENT CHARACTERISTICS.**

Standard primary service.

**MONTHLY RATE TABLE.**

FIXED DISTRIBUTION SERVICE CHARGE: \$307.04

**VARIABLE DISTRIBUTION SERVICE CHARGE:**

\$6.93 per kW of billing demand  
(\$0.0002) per kWh for all kWh

**ENERGY EFFICIENCY CHARGE:** \$0.58 per kW of Peak Load Contribution

(D)

**ENERGY SUPPLY CHARGE:** Refer to the Generation Supply Adjustment Procurement Class 2, 3 or 4

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

**STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, NON-BYPASSABLE TRANSMISSION CHARGE, SMART METER COST RECOVERY SURCHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS APPLY TO THIS RATE.**

**DETERMINATION OF BILLING DEMAND.**

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 25 kilowatts. The 25kW minimum shall apply to the Energy Supply Charge and the Transmission Supply Charge. Additionally, the billing demand will not be less than 40% of the maximum demand specified in the contract.

**MINIMUM CHARGE.**

The monthly minimum charge shall be the Fixed Distribution Service Charge, plus the charge per kW component of the Variable Distribution Service Charge, plus in the case of Procurement Class 4 customers, charges assessed under PJM's reliability pricing model.

**TERM OF CONTRACT.**

The initial contract term shall be for at least three years.

**PAYMENT TERMS.**

Standard.

(D) Denotes Decrease

**PECO Energy Company**

**RATE-HT HIGH TENSION POWER**

**AVAILABILITY.**

Untransformed service from the Company's standard high tension lines, where the customer installs, owns, and maintains, any transforming, switching and other receiving equipment required.

**CURRENT CHARACTERISTICS.**

Standard high tension service.

**MONTHLY RATE TABLE.**

FIXED DISTRIBUTION SERVICE CHARGE: \$310.57

**VARIABLE DISTRIBUTION SERVICE CHARGE:**

\$4.67 per kW of billing demand  
(\$0.0002) per kWh for all kWh

**HIGH VOLTAGE DISTRIBUTION DISCOUNT:**

For customers supplied at 33,000 volts: \$0.15 per kW of measured demand.  
For customers supplied at 69,000 volts: \$0.48 per kW for first 10,000 kW of measured demand.  
For customers supplied over 69,000 volts: \$0.48 per kW for first 100,000 kW of measured demand.

**ENERGY EFFICIENCY CHARGE:** \$0.58 per kW of Peak Load Contribution

(D)

**ENERGY SUPPLY CHARGE:** Refer to the Generation Supply Adjustment Procurement Class 2, 3 or 4.

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

STATE TAX ADJUSTMENT CLAUSE, PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM, SMART METER COST RECOVERY SURCHARGE PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

**DETERMINATION OF BILLING DEMAND.**

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 25 kilowatts. Additionally, the billing demand will not be less than 40% of the maximum demand specified in the contract. The 25 kW minimum shall apply to the Energy Supply Charge and the Transmission Supply Charge.

**CONJUNCTIVE BILLING OF MULTIPLE DELIVERY POINTS.**

If the load of a customer located at a delivery point becomes greater than the capacity of the standard circuit or circuits established by the Company to supply the customer at that delivery point, upon the written request of the customer, the Company will establish a new delivery point and bill the customer as if it were delivering and metering the two services at a single point, as long as installation of the new service is, in the Company's opinion, less costly for the Company than upgrading the service to the first delivery point and provided that such multi-point delivery is not disadvantageous to the Company.

**MINIMUM CHARGE.**

The monthly minimum charge shall be the Fixed Distribution Service Charge, plus the charge per kW component of the Variable Distribution Service Charge, and modify less the high voltage discount where applicable plus in the case of Procurement Class 4 customers, charges assessed on PJM's reliability pricing model.

**TERM OF CONTRACT.**

The initial contract term shall be for at least three years.

**PAYMENT TERMS.**

Standard.

(D) Denotes Decrease

**PECO Energy Company**

**RATE EP ELECTRIC PROPULSION**

**AVAILABILITY.**

This rate is available only to the National Rail Passenger Corporation (AMTRAK) and to the Southeastern Pennsylvania Transportation Authority (SEPTA) for untransformed service from the Company's standard high tension lines, where the customer installs, owns, and maintains any transforming, switching and other receiving equipment required and where the service is provided for the operation of electrified transit and railroad systems and appurtenances.

**CURRENT CHARACTERISTICS.**

Standard sixty hertz (60 Hz) high tension service.

**MONTHLY RATE TABLE.**

FIXED DISTRIBUTION SERVICE CHARGE: \$1,303.30 per delivery point

**VARIABLE DISTRIBUTION SERVICE CHARGE:**

\$4.20 per kW of billing demand  
(\$0.0002) per kWh for all kWh

**HIGH VOLTAGE DISTRIBUTION DISCOUNT:**

For delivery points supplied at 33,000 volts: \$0.15 per kW.  
For delivery points supplied at 69,000 volts: \$0.48 per kW for first 10,000 kW of measured demand.  
For delivery points supplied over 69,000 volts \$0.48 per kW for first 100,000 kW of measured demand.

ENERGY SUPPLY CHARGE: Refer to the Generation Supply Adjustment Procurement Class 4.

ENERGY EFFICIENCY CHARGE: \$0.58 per kW of Peak Load Contribution

(D)

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

STATE TAX ADJUSTMENT CLAUSE, PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, SMART METER COST RECOVERY SURCHARGE PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

**DETERMINATION OF BILLING DEMAND.**

The billing demand will be computed to the nearest kilowatt and will never be less than the measured demand, adjusted for power factor in accordance with the Rules and Regulations, nor less than 5,000 kilowatts. Additionally, the billing demand will not be less than 40% of the maximum demand specified in the contract.

**CONJUNCTIVE BILLING OF MULTIPLE DELIVERY POINTS.**

If the load of a customer located at a delivery point becomes greater than the capacity of the standard circuit or circuits established by the Company to supply the customer at that delivery point, upon the written request of the customer, the Company will establish a new delivery point and bill the customer as if it were delivering and metering the two services at a single point, as long as installation of the new service is, in the Company's opinion, less costly for the Company than upgrading the service to the first delivery point and provided that such multi-point delivery is not disadvantageous to the Company.

(D) Denotes Decrease

**RATE POL PRIVATE OUTDOOR LIGHTING****AVAILABILITY.**

Outdoor lighting of sidewalks, driveways, yards, lots and similar places, outside the scope of service under Rate SL-S and SL-E.

**MONTHLY RATE TABLE.**

	PRICE PER LIGHTING UNIT	
	DISTRIBUTION	
	(Co.Pole)	(Cust.Pole)
<b>MERCURY-VAPOR LAMPS</b>		
100 Watts (nominally 4,000 Lumens)	\$13.63	\$12.17
175 Watts (nominally 8,000 Lumens)	\$18.52	\$17.12
250 Watts (nominally 12,000 Lumens)	\$22.84	\$21.59
400 Watts (nominally 20,000 Lumens)	\$29.45	\$27.80
400 Watts Floodlight (nominally 22,000 Lumens)	\$31.91	\$30.28

	DISTRIBUTION	
	(Co.Pole)	(Cust.Pole)
<b>SODIUM-VAPOR LAMPS</b>		
70 Watts (nominally 5,800 Lumens)	\$18.78	\$17.35
250 Watts (nominally 25,000 Lumens)	\$29.87	\$28.22
400 Watts (nominally 50,000 Lumens)	\$32.66	\$31.01
400 Watts Floodlight (nominally 50,000 Lumens)	\$35.10	\$33.45

Service to the above listed Mercury-Vapor Lamps and Sodium-Vapor Lamps will not be available after January 1, 2016 to new Customers or existing customers for new or replacement luminaires. The Company will not replace defective or broken mercury vapor or sodium vapor luminaires, including ballasts. In such cases, the customer must take service under one of the current lighting unit options as set forth below.

	DISTRIBUTION	
	(Co.Pole)	(Cust.Pole)
<b>STANDARD METAL HALIDE LAMPS</b>		
100 Watts (nominally 7,800 Lumens)	\$27.97	\$27.04
175 Watts (nominally 13,000 Lumens)	\$29.34	\$27.81
250 Watts (nominally 20,500 Lumens)	\$31.03	\$29.32
400 Watts (nominally 36,000 Lumens)	\$34.56	\$32.95
1000 Watts (nominally 110,000 Lumens)	\$60.29	\$58.71

	DISTRIBUTION	
	(Co.Pole)	(Cust.Pole)
<b>STANDARD HIGH PRESSURE SODIUM LAMPS</b>		
50 Watts (nominally 4,000 Lumens)	\$18.66	\$17.22
70 Watts (nominally 5,800 Lumens)	\$21.18	\$19.58
100 Watts (nominally 9,500 Lumens)	\$22.35	\$20.75
150 Watts (nominally 16,000 Lumens)	\$24.39	\$22.80
250 Watts (nominally 25,000 Lumens)	\$28.60	\$26.98
400 Watts (nominally 50,000 Lumens)	\$34.62	\$33.01
1,000 Watts (nominally 130,000 Lumens)	\$39.85	\$39.22

	DISTRIBUTION	
	(Co.Pole)	(Cust.Pole)
<b>LIGHT-EMITTING DIODE LAMPS</b>		
35 Watts (nominally 3,300 Lumens)	\$30.74	\$29.24
53 Watts (nominally 5,000 Lumens)	\$31.51	\$30.01
87 Watts (nominally 8,300 Lumens)	\$32.53	\$31.03
163 Watts (nominally 15,800 Lumens)	\$35.40	\$33.90
215 Watts (nominally 20,000 Lumens)	\$37.12	\$35.62

The Energy Charges will apply to the customer if the customer receives Default Service. Refer to the Generation Supply Adjustment Procurement Class 2 for the appropriate charges.

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Supply Charge shall apply.

**STATE TAX ADJUSTMENT CLAUSE, PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY, NON-BYPASSABLE TRANSMISSION CHARGE, CONSERVATION PROGRAM COSTS, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.**

**RATE POL PRIVATE OUTDOOR LIGHTING (continued)****GENERAL PROVISIONS.**

1. Standard Lighting Unit. A Standard Lighting Unit shall be a Cobra Head or Floodlight comprised of a bracket, the lead wires and a luminaire, including lamp, reactor and control.

2. Standard Installations. In connection with the standard service provided herein, the Company will install, own and maintain all facilities within highway limits, and all standard service-supply lines and all Lighting Units. The customer will install, own and maintain all poles on the customer's property and all service extensions on the customer's property from the Company's standard service-supply lines.

Investment by the Company under standard conditions of supply will be limited to that warranted by three times the prospective revenue recovered through the Company's tariffed Variable Distribution Service Charge. Any additional investment will be assumed by the customer.

Standard supply to lighting installations will be from aerial wires, except that, at the option of the Company, in areas where its other distribution facilities are underground, supply may be underground.

For underground supply furnished at the request of the customer where aerial supply would be normal, the Company will assume the cost up to the amount it would normally have invested and the additional cost shall be assumed by the customer.

3. Non-Standard Installations. The Company may offer non-standard lighting units and installations in addition to those listed above in the Monthly Rate Table. For customers requesting such service, there will be an additional charge, as specified in the customer's contract based on the incremental cost over that listed in the Monthly Rate Table.

4. Location and Authorization. Lighting Units shall be installed at locations and upon structures approved by the Company and in positions permitting servicing from a ladder truck. Customer construction shall meet the Company's standards which are based upon the National Electrical Code. The customer shall obtain and submit any permits or other authority requisite to the installation and operation of the Lighting Units served hereunder.

5. Service. Each lamp shall be controlled by a photoelectric cell which shall operate to energize the lamp during periods of darkness to de-energize it during other periods. The service shall include the supply of lamps and their renewal when burned out. Renewal of lamps will be made only during regular daytime working hours after notification by the customer of the necessity.

6. Outage Allowances. Written notice to the Company prior to 4:00 p.m. of the failure of any light to burn on the previous night shall entitle the customer to a pro rata reduction in the charges under this rate for the hours of failure if such failure continues for a period in excess of 24 hours after the notice is received. Allowances will not be made for outages resulting from riot, fire, storm, flood, interference by civil or military authorities, or any other cause beyond the Company's control.

7. Equipment Removal. If the customer requests that the Company remove or replace any existing street lighting installation, except incandescent lights, the Company will charge for removal or replacement of the street lighting installations and the associated poles and conductors used exclusively for the street lighting installation. The Company's charge will include the cost of removal or replacement plus the estimated remaining book value of the removed or replaced equipment less salvage.

8. Location, Authorization and Protection. The location of lamps to be supplied is to be approved by the property designated authorized representative of the customer and the customer shall furnish any requisite authority for the erection and maintenance of poles, wires, luminaries and other equipment necessary to operate the lamps at the approved locations. The customer shall protect the Company from damage to the lighting system to the extent of their ability. At the expense of the customer, the Company will relocate a lamp to a new location after receiving a written request from the customer.

9. Customer Responsibility. The customer shall be solely responsible for determining the amount, location and sufficiency of illumination, including conducting all studies of luminosity, lighting location, and traffic.

**TERM OF CONTRACT.**

The initial contract term for each Lighting Unit shall be for at least three years.

**PAYMENT TERMS.**

Standard.

**RATE SL-S STREET LIGHTING-SUBURBAN COUNTIES****AVAILABILITY.**

Outdoor lighting of streets, highways, bridges, parks and similar places located in Suburban Counties.

**ANNUAL RATE TABLE - MANUFACTURER'S RATING OF LAMP SIZES.****Incandescent Filament Lamps**

<u>Size of Lamp</u>	<u>Billing Watts</u>	<u>Distribution</u>
320 Lumens	32	\$ 89.46
600 Lumens	58	\$126.58
1,000 Lumens	103	\$177.50
2,500 Lumens	202	\$245.04
6,000 Lumens	448	\$278.69
10,000 Lumens	690	\$337.48

**Mercury Vapor Lamps**

<u>Size of Lamp</u>	<u>Billing Watts</u>	<u>Distribution</u>
4,000 Lumens	115	\$209.45
8,000 Lumens	191	\$220.97
12,000 Lumens	275	\$235.37
20,000 Lumens	429	\$276.38
42,000 Lumens	768	\$394.04
59,000 Lumens	1,090	\$443.20

Service to the above listed Incandescent Filament Lamps and Mercury-Vapor Lamps will not be available after January 1, 2016 to new Customers or existing customers for new or replacement luminaires. The Company will not replace defective or broken incandescent filament or mercury vapor luminaires, including ballasts. In such cases, the customer must take service under one of the current lighting unit options as set forth below.

**High Pressure Sodium-Vapor Lamps**

<u>Size of Lamp</u>	<u>Billing Watts</u>	<u>Distribution</u>
5,800 Lumens	94	\$207.98
9,500 Lumens	131	\$226.23
16,000 Lumens	192	\$254.19
25,000 Lumens	294	\$288.75
50,000 Lumens	450	\$344.02

**Light-Emitting Diode**

<u>Size of Lamp</u>	<u>Billing Watts</u>	<u>Distribution</u>
3,300 Lumens	35	\$368.88
5,000 Lumens	53	\$378.12
8300 Lumens	87	\$390.36
15,800 Lumens	163	\$424.80
20,000 Lumens	215	\$445.44

**ENERGY SUPPLY CHARGE:** Refer to the Generation Supply Adjustment, Procurement Class 2.

STATE TAX ADJUSTMENT CLAUSE, PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND NUCLEAR DECOMMISSIONING COST ADJUSTMENT, APPLY TO THIS RATE.

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

**RATE SL-S STREET LIGHTING-SUBURBAN COUNTIES (continued)****GENERAL PROVISIONS.**

1. Service. The lighting service will be operated on an all-night, every-night lighting schedule of approximately 4,100 hours annual burning time (average monthly burning hours = 341.11 hours), under which lights are turned on after sunset and off before sunrise. It includes the supply of lamps and their removal when burned out or broken.

2. Outage Allowances. Written notice to the Company prior to 4:00 pm of the failure of any light to burn on the previous night shall entitle the customer to a pro rata reduction to the Company's monthly Variable Distribution Service charges. If the customer receives Default service, the outage allowance will also apply to the Energy & Capacity and Transmission Charges. The monthly bill will be adjusted, pro rata, for the hours of failure if such failure continues for a period in excess of 12 hours after the notice is received. Allowances will not be made for outages resulting from the customer's failure to protect the lighting system or from riot, fire, storm, flood, interference by civil or military authorities, or any other cause beyond the Company's control.

3. Lighting Installations. The prices in the Rate Table apply to all Company-approved installations for (a) federal, state, county and municipal authorities and community associations entering into a contract for lighting service; and (b) building operation developers for lighting, during the development period, of streets that are to be dedicated, where the municipality has approved the lighting and agreed to subsequently assume the charges for it under a standard contract.

Standard lighting installations under standard conditions of supply will be made on the public highways at the expense of the Company to the extent warranted by the revenue in prospect, any additional investment to be assumed by the customer.

Standard supply to lighting installations will be from aerial wires, except that, at the option of the Company, in areas where its other electric distribution facilities are underground, supply may be underground.

For underground supply furnished at the request of the Company where aerial supply would be normal, or for other than standard installations made at the request of the customer and of a type approved by the Company, the Company will assume the cost up to the amount it would normally have invested and the additional cost shall be assumed by the customer.

The installation cost of lighting on private property, or for contracts of less than standard term, shall be paid by the customer.

Title to all lighting installations of a type approved by the Company shall be vested in the Company and all necessary maintenance, repair and replacement of equipment in such installations will be made by the Company. Maintenance, repair and replacement of nonstandard equipment shall be at the expense of the customer.

4. Excess Costs. In cases where the remote location of the proposed new or additional lighting, or the number or spacing of the lamps, or the lack of necessary supply lines or any other reason makes the cost of installation excessive, such excess costs shall be assumed by the customer as mutually agreed.

5. Location, Authorization and Protection. The location of lamps to be supplied is to be approved by the properly designated authorized representative of the customer and the customer shall furnish any requisite authority for the erection and maintenance of poles, wires, luminaries and other equipment necessary to operate the lamps at the approved locations. The customer shall protect the Company from damage to the lighting system to the extent of the customer's ability. At the expense of the customer, the Company will relocate a lamp to a new location after receiving a written request from the customer.

6. Equipment Removal. If the customer requests that the Company remove or replace any existing street lighting installation, except incandescent lights, the Company will charge for removal or replacement of the street lighting installations and the associated poles and conducts used exclusively for the street lighting installation. The Company's charge will include the cost of removal or replacement plus the estimated remaining life value of the removed or replaced equipment less salvage.

7. Customer Responsibility. The customer shall be solely responsible for determining the amount, location and sufficiency of illumination, including conducting all studies of luminosity, lighting location, and traffic.

**PAYMENT TERMS.**

Bills will be rendered monthly. Each month, for the purpose of prorating the price, shall be considered 1/12 of a year.

**TERM OF CONTRACT.**

The initial contract term for each lighting installation shall be for at least three years.

**PECO Energy Company**

**RATE SL-E STREET LIGHTING CUSTOMER OWNED FACILITIES**

**AVAILABILITY.**

To any governmental agency for outdoor lighting provided for the safety and convenience of the public of streets, highways, bridges, parks or similar places, including directional highway signs at locations where other outdoor lighting service is established hereunder only if all of the utilization facilities, as defined in Terms and Conditions in this Base Rate, are installed, owned and maintained by a governmental agency.

This rate is also available to community associations of residential property owners both inside and outside the City of Philadelphia for the lighting of streets that are not dedicated. This rate is not available to commercial or industrial customers. All facilities and their installation shall be approved by the Company.

**MONTHLY RATE TABLE.**

**SERVICE LOCATION DISTRIBUTION CHARGE:** \$6.62 per Service Location (as defined below) \* (D)

**VARIABLE DISTRIBUTION CHARGE:** \$0.00940 per kWh

**ENERGY SUPPLY CHARGE:** Refer to the Generation Supply Adjustment Procurement Class 2.

\* The service location charge includes an Energy Efficiency Program Surcharge of (\$0.24) per location (D)

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service charge shall apply.

**STATE TAX ADJUSTMENT CLAUSE, PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.**

**SERVICE LOCATION.**

A Service Location shall comprise each lighting installation and must be separately connected to a delivery point on the Company's secondary circuit.

**DETERMINATION OF BILLING DEMAND.**

The wattage, expressed to the nearest tenth of a watt, of a Service Location shall be composed of manufacturer's rating of its lamps, ballasts, transformers, individual controls and other load components required for its operation. The aggregate of wattages of all Service Locations in service shall constitute the billing demand for the month.

**DETERMINATION OF ENERGY BILLED.**

The energy use for a month of a Service Location shall be computed to the nearest kilowatt hour as the product of one thousandth of its wattage and the effective hours of use of such wattage during the calendar month under the established operation schedules as set forth under Terms and Conditions, Paragraph 6 Service. The aggregate of the kilowatt hours thus computed for all Active Service Locations shall constitute the energy billed for the month.

**TERMS AND CONDITIONS.**

**1. Ownership of Utilization Facilities.**

a. Service Locations Supplied from Aerial Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the brackets, hangers, luminaries, lamps, ballasts, transformers, individual controls, conductors, molding and supporting insulators between the lamp receptacles and line wires of the Company's distribution facilities and any other components as required for the operation of each Service Location.

The Company shall provide the supporting pole or post for such aerially supplied Service Location and will issue authorization to permit the customer to install thereon the said Utilization Facilities.

b. Service Locations Supplied from Underground Circuits: customer shall provide, own and maintain the Utilization Facilities comprising the supporting pole or post, foundation with 90 degree pipe bend, brackets or hangers, luminaries, lamps, ballasts, transformers, individual controls, conductors and conduits from the lamp receptacles to sidewalk level, or in special cases, such as Federally and State financed limited access highways, to a delivery point designated by the Company on its secondary voltage circuit, and shall assume all costs of installing such utilization facilities.

Except as provided in Paragraph 4 Supply Facilities, the Company shall own conduit from the distribution circuit to the 90 degree pipe bend, shall own conductors from its distribution system to the designated delivery point and shall provide sufficient length of conductors for splicing at the designated delivery point or in the post base where sidewalk level access is provided.

c. Service to Group of Streetlights:

**AERIAL SUPPLY**

When the customer requests service to a group of streetlights supplied from aerial distribution facilities, the customer is responsible for providing the support poles or posts for the streetlights. The Company will provide a service, nominally 100 feet, to the customer's first supporting structure. The customer is responsible for installing supply conductors from the first supporting structure to all streetlight locations.

**UNDERGROUND SUPPLY**

When groups of streetlights are supplied from underground distribution facilities, the customer is responsible for the supporting poles or posts and the supply conductors to each streetlight from the designated delivery point. If the customer requests an underground supply to a group of streetlights and the designated delivery point is a secondary terminal pole, the customer will install, own, maintain all cable, including the cable on the pole.

2. Standards of Construction for Utilization Facilities. Customer construction shall meet the Company's standards which are based upon the National Electrical Safety Code. Designs of proposed construction deviating from such standards shall be submitted to the Company for approval before proceeding with any work.

(D) Denotes Decrease

**RATE SL-E STREET LIGHTING CUSTOMER-OWNED FACILITIES (continued)**

3. **Power Factor.** The Utilization Facilities provided by the customer shall be of such a nature as to maintain the power factor of each Lighting Unit at not less than 85%.

4. **Supply Facilities.** Lighting service shall be supplied from distribution facilities and equipment installed, owned and maintained by the Company. A customer contribution for new, additional or relocated lighting service may be required as described in Paragraph 10.

Where Company ownership of conduit, manholes or vaults may not be practical for reasons beyond its control (such as bridges, overpasses, underpasses and limited access highways), the customer shall make available at no expense to the Company, space for the Company's distribution facilities required in rendering service under this rate.

5. **Connection of Service Location.** For new, additional or relocated Service Locations and for any modernization or maintenance work involving connections to the Company's distribution circuits, the customer will provide sufficient length of conductors to permit the Company to make taps at the top of the pole for aerial circuits, or for splices to underground circuits at the designated delivery point on the Company's secondary voltage circuit. All work done by the customer that may involve Company street lighting, control, and other distribution circuits shall be performed under Company permit and blocking procedures.

6. **Service.** Lighting service will be operated on all-night, every-night lighting schedules, under which lights normally are turned on after sunset and off before sunrise with approximately 4,100 annual operating hours. Extended lighting service during all daylight hours will be supplied for lamps specified by the customer.

7. **Change in Size and Type of Service Locations.** Written notice of any planned change in size or type of any components of Service Locations shall be furnished by the customer to the Company not less than 10 days prior to the effective date of such change. The customer shall be responsible for notification to the Company of any changes made in manufacturer's wattage ratings at any Service Location.

8. **Service Maintenance.** Upon receipt of report of a Service Location not receiving power, the Company will determine the cause of power failure and will restore service to the distribution circuit and control equipment, disconnecting, if necessary, any faulty Service Location from the circuit. Customer will make necessary repairs between the lamp receptacle of the faulty utilization facilities and the point of connection to the Company's distribution circuit. In the event the fault is located in the Company owned facilities, the customer will bill the Company for this portion of the replaced facilities.

9. **Authorization and Protection.** The customer shall, to the extent of one's ability, furnish any requisite authority for the erection and maintenance of poles, wires, fixtures and other equipment necessary to operate the lights at the locations and under the conditions designated, and shall protect the Company from malicious damage to the lighting system.

10. **New, Additional or Relocated Lighting.** The total costs to provide lighting service for new, additional or relocated lamps installed by the customer shall be subject to a revenue test. If the costs exceed the estimated revenue recovered through the Company's tariffed Variable Distribution Service Charges for four years, a customer contribution for all excess costs will be required.

11. **Relocation of Service Locations.** Where a pole is replaced by the Company at its own option, it shall be the customer's responsibility to have the Utilization Facilities transferred from the old to the new pole.

12. **Customer Responsibility.** The customer shall be solely responsible for determining the amount, location and sufficiency of illumination, including conducting all studies of luminosity, lighting location, and traffic.

**TERM OF CONTRACT.**

The initial contract term for each Service Location shall be for at least one year.

**PAYMENT TERMS.**

Bills will be rendered monthly.

PECO Energy Company

**RATE TLCL TRAFFIC LIGHTING CONSTANT LOAD SERVICE**

**AVAILABILITY.**

To any municipality using the Company's standard service for (a) electric traffic signal lights installed, owned and maintained by the municipality, and/or (b) unmetered traffic control cameras or other small constant load electronic devices with a demand of less than 1.2 kW, owned and maintained by the municipality.

To any non-municipal non-residential customer using the Company's standard service for unmetered small constant load electronic devices with a demand of less than 1.2 kW, owned and maintained by the non-municipal customer, which are electrically separate from any other facilities, whether municipally-owned or non-municipally-owned, that are receiving service from PECO as a separate account.

To any non-municipal non-residential customer using the Company's standard service for unmetered small constant load electronic devices with a demand of less than 1.2 kW, owned and maintained by the non-municipal customer, which are electrically integrated with any other facilities, whether municipally-owned or non-municipally-owned, that are receiving service from PECO as a separate account, but only if the non-municipal customer meets the conditions of the Special Termination Rights provision of this Rate.

**CURRENT CHARACTERISTICS.**

Standard single phase secondary service.

**RATE TABLE.**

SERVICE LOCATION CHARGE: \$3.37 PER LOCATION

VARIABLE DISTRIBUTION SERVICE CHARGE: \$0.01214 per kWh (as defined below)\*

\*The Variable Distribution charge includes an Energy Efficiency Program Surcharge of (\$0.00330) per kWh

(D)  
(D)

ENERGY SUPPLY CHARGE: Refer to the Generation Supply Adjustment Procurement Class 2.

TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE: Transmission Service Charge shall apply.

STATE TAX ADJUSTMENT CLAUSE, PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS, PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY, NON-BYPASSABLE TRANSMISSION CHARGE, CONSERVATION PROGRAM COSTS, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND NUCLEAR DECOMMISSIONING COST ADJUSTMENT APPLY TO THIS RATE.

**SPECIAL RULES AND REGULATIONS.**

The use of energy will be estimated by the Company on the basis of the size of lamps and controlling apparatus and the burning hours. The customer shall immediately notify the Company whenever any change is made in the equipment or the burning hours or constant load devices, so that the Company may forthwith revise its estimate of the energy used.

The Company shall not be liable for damage to person or property arising, accruing or resulting from the attachment of the signal equipment to its poles, wires, or fixtures. The customer shall be responsible to determine the amount, location and sufficiency of illumination, including conducting all studies of luminosity, lighting location, and traffic.

**SPECIAL TERMINATION RIGHTS**

Some facilities that receive service under Rate TLCL may be electrically configured such that it is not possible to terminate service to the Rate TLCL facility without also terminating service to a facility that is receiving service under a separate account, Rate or Rider. In the event of non-payment of bills for service to such a Rate TLCL facility, PECO will provide a termination notice to the customer. The customer may then, at its discretion, notify PECO that it intends to engage in self-termination by removing its facilities from the PECO system within 30 days. If the customer has not removed its facilities within 30 days, then PECO may, at its sole discretion and upon 72-hour notice, physically remove the customer facility as a means of terminating service to that facility. Taking service under Rate TLCL constitutes full customer permission for PECO to engage in such removals. Notwithstanding any removal of such facilities by either the customer or PECO, the customer shall remain fully obligated to PECO for payment of all charges incurred under Rate TLCL. In addition, the customer shall pay to PECO its full cost of removing the facilities, including direct and indirect labor costs, use of truck or other equipment, fuel costs, and costs of storing the customer equipment, all at PECO's normal rates for such work at such time as it may perform such removals. PECO shall not be liable for damage, if any, to the customer equipment that occurs during removal or storage.

**TERM OF CONTRACT.**

The initial contract term for each signal light installation and constant load device shall be for at least one year.

**PAYMENT TERMS.**

Standard.

(D) Denotes Decrease

RATE BLI BORDERLINE INTERCHANGE SERVICE

**AVAILABILITY.**

Electric service supplied under reciprocal agreements, to neighboring electric utilities for resale in their adjacent territory at delivery points where the Company in its judgment can provide capacity in excess of the requirements of present and prospective customers in its own territory and for periods fixed by contract and terminable after the expiration of the initial term if capacity is no longer available.

**CURRENT CHARACTERISTICS.**

Standard primary or secondary service.

**MONTHLY RATE TABLE.**

**INVESTMENT CHARGE:**

An amount equal to 1% per month on the additional investment in facilities required to deliver and meter the service supplied.

**BORDERLINE INTERCHANGE SERVICE CHARGE:**

\$0.1486 per kWh.

STATE TAX ADJUSTMENT CLAUSE, NUCLEAR DECOMMISSIONING COST ADJUSTMENT, THE ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS APPLY TO THIS RATE.

**MEASUREMENT.**

The energy delivered may be metered or may be estimated from the purchaser's resales plus an agreed-upon correction to cover transformation and distribution losses.

**TERM OF CONTRACT.**

The initial contract term shall be for at least five years, and thereafter from year to year until terminated by 60 days' notice from either party.

**PAYMENT TERMS.**

Payment of amounts billed shall be made within 15 days from date of bill.

PECO Energy Company

**RATE AL - ALLEY LIGHTING IN CITY OF PHILADELPHIA**

**APPLICABILITY.** To multiple, unmetered lighting service supplied the City of Philadelphia to operate lamps and appurtenances for all night outdoor lighting of alleys and courts that are installed, owned and maintained by the City, which assumes the cost involved in making the connections to the Company's facilities. This rate shall no longer be available to new lighting installations effective January 1, 2011.

**LIGHTING DISTRIBUTION SERVICE DEFINED.** All night outdoor lighting of alleys and courts by lights installed on poles or supports supplied by the City.

**NOTICE TO COMPANY.** The City shall give advance notice to the Company of all proposed new installations or of the replacement, removal or reconstruction of existing installations. The City shall advise the Company as to each new installation or change in the equipment or connected load of an existing installation, including any change in burning hours and the date on which such new or changed operation took effect.

**MONTHLY RATE TABLE.**

**SERVICE LOCATION CHARGE:** \$1.96 Per Location (as defined below)\*

\*The service location charge includes an Energy Efficiency Program Surcharge of (\$0.07)

(D)  
(D)

**ENERGY SUPPLY CHARGE:** Refer to the Generation Supply Adjustment Procurement Class 2.

**TRANSMISSION SERVICE FOR CUSTOMERS RECEIVING DEFAULT SERVICE:** The Transmission Service Charge shall apply.

**STATE TAX ADJUSTMENT CLAUSE, PROVISION FOR THE RECOVERY OF CONSUMER EDUCATION PLAN COSTS PROVISION FOR THE RECOVERY OF ENERGY EFFICIENCY AND CONSERVATION PROGRAM COSTS, NON-BYPASSABLE TRANSMISSION CHARGE, PROVISION FOR THE TAX ACCOUNTING REPAIR CREDIT AND NUCLEAR DECOMMISSIONING COST ADJUSTMENT CLAUSE APPLY TO THIS RATE.**

**PLAN OF MONTHLY BILLING.**

Bills may be rendered in equal monthly installments, computed from the calculated annual use of energy, adjusted each month to give effect to any new or changed rate of annual use, by reason of changes in the City's installation, with charge or credit for fractional parts of the month during which a change occurred.

**LIABILITY PROVISION.**

The Company shall not be liable for damage, or for claims for damage, to persons or property, arising, accruing or resulting from, installation, location or use of lamps, wires, fixtures and appurtenances; or resulting from failure of any light, or lights, to burn for any cause whatsoever. The customer shall be responsible to determine the amount, location and sufficiency of illumination, including conducting all studies of luminosity, lighting location, and traffic.

(D) Denotes Decrease

**APPLICABILITY INDEX OF RIDERS**  
**Introductory Statement**

Customers under different rates of this Tariff frequently desire services or present situations and conditions of supply which require special supply terms, charges or guarantees or which warrant modification of the amount or method of charge from the prices set forth in the Base Rate under which they are provided service. Modifications for such conditions are defined by rider provisions included as a part of this Tariff. Riders may be employed when applicable, with or without signed agreement between the customer and the Company as the case may require, notwithstanding anything to the contrary contained in the Base Rate to which the rider is applied.

Riders	Page No.	R	RH	RS	GS	PD	HT	POL	SL-S	SL-E	EP	BLI	AL
Capacity Reservation Rider	68-70			X	X	X	X				X		
CAP Rider	71-72	X	X										
Casualty	73			X	X	X	X				X		
Commercial/Industrial Direct Load Control Program Rider	74-75												
Construction	76					X	X				X		
Economic Development	77-78				X	X	X						
Emergency Energy Conservation	79						X				X		
Investment Return Guarantee	80				X	X	X						
Night Service GS	81				X								
Night Service HT	82						X				X		
Night Service PD	83					X							
Receivership Rider	84				X	X	X	X	X	X	X		X
Residential Direct Load Control Rider	85-87	X	X	X									
Temporary Service	88	X	X	X	X	X	X						

**PILOT CAPACITY RESERVATION RIDER (CRR)****PURPOSE.**

This Rider sets forth the eligibility, terms and conditions applicable to Customers who operate generation in parallel to the Company distribution system and who need to reserve electric capacity to serve their load when the customer generator is offline. The CRR shall not apply to customer generating facilities that are online prior to January 1, 2016.

This Rider also sets for the eligibility, terms and conditions applicable to Customers who want to reserve capacity in excess of their present demand from the PECO distribution system for new business growth or expansion.

**APPLICABILITY/AVAILABILITY.**

Applicable to customers, including but not limited to Qualifying Facilities or Small Power Producers and cogenerators as defined in the Public Utility Regulatory Policies Act, whose electrical requirements are partially or wholly provided by facilities not owned by the Company and when such facilities operate in parallel with the Company's distribution system. All such customers will be supplied under the provisions of this rider, the customer's applicable Base Rate, and other applicable riders.

Customers who wish to reserve available electrical capacity in excess of their present usage for new business growth or expansion may do so under this rider.

**NOTICE BEFORE COMMENCEMENT OF CRR SERVICE.**

The customer shall not commence initial operation of any other source of supply in parallel with the Company's distribution or transmission lines until written permission is given by the Company for such parallel operation. Such written permission shall include a statement of the amount of capacity reserved for the customer under this CRR. Before a customer is placed on the CRR, the Company must provide written notice to the customer informing the customer that, upon receiving service under the CRR, capacity beyond the amount of capacity reserved under the CRR may not be available to serve the customer. The Company shall have the right to inspect the customer's installation prior to providing such written permission, and at any reasonable time thereafter in accordance with Tariff Rule 9.3.

**AMOUNT OF CAPACITY RESERVED.**

The maximum firm capacity available to be reserved will be determined by the Company based upon its review of capacity available on its system at the time that a request for capacity reservation is made.

Batteries and other electrical storage shall not be deemed to be generators for purpose of the CRR, and the capacity or nameplate of storage or battery equipment shall not be used in calculating the CRR.

Any customer, regardless of size of load or generation, may initiate negotiation to set the CRR at a level other than the levels designated below.

For customers generating in parallel and who have generator capacity of greater than 100 kW and less than 5,000 kW, the amount of capacity reserved for that customer will be 60% of the generator nameplate rating.

For customers generating in parallel and who have generator capacity of greater than 5,000 kW and less than 10,000 kW, the amount of capacity reserved for that customer will be 50% of the generator nameplate rating.

For customers generating in parallel who have generator capacity in excess of 10,000 kW, the amount of capacity reserved for that customer will be determined by negotiation, with the amount of reserved capacity in an amount that the Company and customer agree accurately reflects the customer's peak potential demand on the Company's distribution system.

For customers who want to reserve capacity for new business growth or expansion, the amount of capacity reserved for that customer will be determined by negotiation.

In all cases, if the requested electric capacity is not available the customer shall pay all cost to the Company of any construction necessary to meet the customer's requested reserved capacity.

**NEGOTIATIONS.**

If the amount of reserved capacity is set through negotiations, the following will apply:

The customer and PECO will meet to discuss customer operations. After such discussions, the customer may designate a CRR level other than as set forth above, but not lower than 40% of the customer's peak demand for load behind its meter, based upon one or more of the following factors:

1. **Parasitic Load:** The power consumed by the equipment supporting the operation of a customer's generation shall be removed.
2. **Operational Flexibility in Operation of Generation:** The customer may state that it will operate its generation in a manner such that PECO will not need to keep capacity available to serve some portion of the customer's "covered" load.
3. **Ability to Shed Load:** The customer may state that, in the event that its generator goes offline or is not operating to full capacity, it will shed native load to offset some or all of the loss of generation.

If PECO accepts the customer's designated level of reserved capacity, then the amount of capacity reserved shall be the customer-designated level.

If PECO does not accept the customer's designated level of reserved capacity, then PECO may challenge the reasonableness of any such designation by filing a complaint with the PUC (to be referred to the Office of Mediation). Pending resolution of the complaint the CRR shall be set at:

- For customer designations based upon Parasitic Load, Operational Flexibility, or both, the CRR will be set at the customer-designated level, subject to retrospective revision upon completion of the mediation/litigation.
- For customer designations based in whole or part on Ability to Shed Load, the CRR will be set at a PECO-designated level, subject to retrospective revision upon completion of the mediation/litigation

**PROCEDURES TO CONFIRM MODE OF CUSTOMER GENERATION OPERATION.**

If a customer's CRR is set by negotiation based upon Parasitic Load or Operational Flexibility of Generation, or both, then:

- The customer shall inform PECO in writing if its generation operations differ materially from the mode of operations used to set the CRR limit;
- The customer shall verify to PECO once each calendar year that its generator operations in the prior year did not differ materially from the mode of operations used to set the CRR limit; and
- PECO shall have the right to conduct an audit of customer operations to determine whether generator operations differed materially from the mode of operations used to set the CRR limit.

**NOTICE OF OPERATION CONTRARY TO A NEGOTIATED CRR LIMIT AND RESET PROVISION.**

If, in its determination, PECO believes that a customer has operated its distributed generation units in a manner contrary to the mode of operations used to set the CRR limit, PECO may issue a written violation notice to the customer. PECO will rescind a violation notice if, within 30 calendar days of receiving the violation notice, a customer furnishes evidence showing that it operated its distributed generation units consistent with the mode of operations used to set the CRR during the period in question. If PECO is not satisfied that the information provided by the customer demonstrates that it operated its distributed generation units consistent with the mode operations used to set the CRR, PECO may file a complaint with the Commission and the Commission's determination shall prevail on whether the notice of violation will be deemed to be confirmed. If a customer does not furnish such evidence within 30 calendar days of receiving the violation notice, the violation notice is confirmed.

If a customer receives two confirmed violation notices within a 24-month period; the customer's going-forward CRR for the next 12 months shall be set at a level based upon the actual operations that led to the violation notice. Thereafter, the CRR may be reset to a lower level only upon the customer demonstrating that it has made material changes to its mode of operations to allow it to operate in the then-described manner.

**PENALTY AND RESET FOR FAILURE TO SHED LOAD.**

For customers with a CRR level that was set in whole or part based upon Ability to Shed Load, the following penalty and reset provisions shall apply:

- **Penalty:** If the customer's generator goes offline and the customer does not shed load as agreed upon the customer will be assessed a "burn-through penalty" calculated by determining the amount of load that the customer agreed to shed, but did not shed, and applying a penalty charge equal to 125% of the full demand charge in the prevailing rate to that amount of load on the first such occurrence, and 150% of the full demand charge in the prevailing rate to that amount of load for the second and subsequent occurrences, for the month in which the load shedding did not occur.
  
- **Reset:** The customer's going-forward CRR for the next 12 months shall be set at a level based upon the actual operations that occurred during the failure to shed load. Alternatively, the customer can opt to pay PECO for the actual cost of the required upgrades to PECO's distribution facilities to allow the customer to use delivery service at the higher operating level during outages in accordance with PECO's line extension policy. Thereafter, the CRR may be reset to a lower level only upon the customer demonstrating that it has made material changes to its mode of operations to allow it to operate in the then-described manner.

**TEMPORARY DISCONNECTION OF CUSTOMER SERVICE.**

PECO shall have the right to temporarily disconnect the customer on an emergency basis if, in PECO's opinion, the customer's failure to shed load as agreed creates a risk to PECO's distribution system or service to other customers.

**BINDING LEGAL DUTY.**

A CRR customer whose CRR is set at a negotiated level based in whole or part upon the customer's representation that it has an Ability to Shed Load will be deemed to have a binding legal duty to shed such load.

**RATE AND BILLING.**

The following billing provisions apply to this rider in conjunction with service under applicable Rate GS, HT, PD, and EP. Customers will be billed monthly the contracted reserved demand amount plus actual electric demand and usage. Demand and billing demand are defined in the tariff sections "Definition of Terms and Explanation of Abbreviations" and Section 15 of "Rules and Regulations".

No customer who reserves capacity due to parallel generation will pay more demand charges greater than the actual load behind its meter. Customers who reserve capacity for business growth or expansion will pay the reserved CRR amount even though it exceeds their current actual load behind the meter.

**MINIMUM CHARGE.**

The monthly minimum charge provisions apply to this rider in conjunction with service under applicable Rates GS, HT, PD, and EP.

The monthly minimum demand charge will be the greater of:

1. The demand as registered by the customer's meter;
2. An amount equal to the CRR level determined as set forth above, plus 40% of any load behind the meter that is not covered by the CRR; or
3. Any designated contract minimum.

The monthly minimum customer charge will be determined by reference to the underlying prevailing rate.

**TERM OF CONTRACT.**

The term of a CRR contract shall be three years for all non-negotiated CRR applications. For negotiated CRR levels, the contract term shall be negotiated. There is no right to automatic renewal of a CRR; upon the expiration of the contract term, the Company will review available capacity on its system and, if such capacity is available, the parties will enter into a new CRR using the procedures set forth above.

PECO Energy Company

**Customer Assistance Program (CAP) Rider**

**AVAILABILITY.**

To payment-troubled customers who are currently served under or otherwise qualify for Rate R, or RH (excluding multiple dwelling unit buildings consisting of two to five dwelling units). Customers must apply for the rates contained in this rider and must demonstrate annual household gross income at or below 150% of the Federal Poverty guidelines. In addition, these customers will not be able to obtain Competitive Energy Supply.

Based on the applicable level of income and other criteria, the following CAP Rate categories (A through E1) apply:  
**CAP A - PECO Cares Program:** Customers with annual household gross incomes at or below 25% of the Federal poverty income guidelines with documented extenuating circumstances will be eligible for CAP A which provides for Residential Rate R customers a nominal bundled rate of \$12/month for all usage up to 1,000 KWH; for usage above 1,000 KWH the CAP D rate structure will apply. For Residential Heating customers Rate RH, CAP A provides a nominal bundled rate of \$30/month for all usage up to 2,000 KWH in the Winter<sup>1</sup>/1,000 KWH in the Summer<sup>1</sup>; for usage above 2,000/1,000 KWH the CAP D rate structure will apply.

Extenuating circumstances shall include those individuals who demonstrate an inability to pay the billed rate of CAP B as a result of unique circumstances such as:

- Health related matters:
  - o Injury or illness
  - o High medical bills
  - o Medically related usage
  - o Death in the family
- Sudden loss of employment
- Households that include at risk individuals such as:
  - o Children below 8 years of age
  - o Disabled persons
  - o Infirm elderly
- Inability to maintain at least two CAP B payment arrangements
- High usage related to shelter conditions which are not treatable by LIURP

<sup>1</sup> Winter refers to the 9 months (October – June); Summer refers to the 3 peak usage summer months (July-September).

**Program Provisions:** The CAP A Rate is limited to 7,500 customers and these customers will be re-certified annually. CAP A customers will be targeted to receive LIURP treatments; and they will be assigned to a PECO Cares Representative to maximize the assistance available to them. In addition, these customers will not be able to obtain Competitive Energy Supply.

Rate R	CAP B	CAP C	CAP D	CAP D1	CAP E	CAP E1
Federal Poverty Income Rate	<=25%	26-50%	51-75%	76-100%	101-125%	126-150%
Discount	92%	85%	68%	64%	42%	27%
Max Discount Amount Winter Bill						
650 kWh	\$93.28	\$ 86.18	\$ 68.95	\$ 64.89	\$ 42.58	\$ 27.38
Max Discount Amount Jul - Sept						
750 kWh	\$106.44	\$98.35	N/A	N/A	N/A	N/A
Max Discount Amount Jun - Sept						
650 kWh	N/A	N/A	\$ 68.95	\$ 64.89	\$ 42.58	\$ 27.38
Max Discount Amount June						
650 kWh	\$ 93.28	\$ 86.18	N/A	N/A	N/A	N/A
Monthly Minimum Bill	\$ 12.00	N/A	N/A	N/A	N/A	N/A
Must be on Budget Billing	Yes	Yes	No	No	No	No

(C)

(C) Denotes Change

**Customer Assistance Program (CAP) Rider (continued)**

Rate RH	CAP B	CAP C	CAP D	CAP D1	CAP E	CAP E1
<b>Federal Poverty Income Rate</b>	<b>&lt;=25%</b>	<b>26-50%</b>	<b>51-75%</b>	<b>76-100%</b>	<b>101-125%</b>	<b>126-150%</b>
<b>Discount</b>	89%	74%	49%	39%	0%	0%
<b>Max Discount Amount Oct &amp; May</b>						
650 kWh	\$79.76	\$66.32	\$43.91	\$34.95	\$0.00	\$0.00
<b>Max Discount Amount Nov - Apr</b>						
1500 kWh	\$174.24	\$144.88	\$95.93	\$76.35	\$0.00	\$0.00
<b>Max Discount Amount Jul - Sept</b>						
750 kWh	\$102.97	\$85.62	N/A	N/A	N/A	N/A
<b>Max Discount Amount Jun - Sept</b>						
650 kWh	N/A	N/A	\$49.68	\$39.54	\$0.00	\$0.00
<b>Max Discount Amount June</b>						
650 kWh	\$90.24	\$75.03	N/A	N/A	N/A	N/A
<b>Monthly Minimum Bill Oct - June</b>	\$30.00	N/A	N/A	N/A	N/A	N/A
<b>Must be on Budget Billing</b>	Yes	Yes	No	No	No	No

(C)

**DISCOUNT LEVELS:** The Company shall be required to modify the level of discounts set forth as part of its annual USFC filing. If the calculated discounts result in a discount greater than the level allowed by the Commission, the discount for each class will be scaled back on a prorata basis such that the total cost does not exceed the allowed level. The Company will update the maximum discounts for all CAP tiers in conjunction with the quarterly Generation Supply Adjustment filing.

**CERTIFICATION/VERIFICATION** Prior to enrollment in the CAP Rider, and then again every two years, customers must verify, to PECO's satisfaction, that their household income level meets the "Availability" standards set forth in this Rider. Customers being considered for the CAP Rider will be required to:

- Provide information sufficient to demonstrate to PECO their household income level.
- Waive certain privacy rights to enable PECO to effectively conduct the above certification process.
- Apply for and assign to PECO at least one energy assistance grant from the Commonwealth.
- Participate in various energy education and conservation programs facilitated by PECO.

PECO may, at its sole discretion, supplement this verification process by using data from Commonwealth or federal government programs which demonstrate the income eligibility of its customers. Such data may come from a customer's participation in, or receipt of benefits from, the Low Income Home Energy Assistance Program, Temporary Assistance for Needy Families, Food Stamps, Supplemental Security Income, and Medicaid. Information available from the Pennsylvania Department of Revenue may also be used where appropriate to expedite the process.

**MINIMUM CHARGE.** The minimum charge per month will be the fixed distribution charge for all customers unless otherwise noted.

(C) Denotes Change

**CASUALTY RIDER**

**AVAILABILITY/APPLICABILITY.**

To service provided during a period when a customer is prevented for a length of time in excess of 48 hours from using all or a substantial part of the amount contracted for by reason of strike, riot, fire, storm, flood, drought, interference by civil or military authorities, or any other cause beyond the customer's control ("Period of Interruption").

**NOTICE REQUIRED.**

Written request shall be made to the Company for the application of this rider with advice as to the extent of the interruption, its date, cause and probable duration. Written requests must be submitted to the Company within 30 calendar days after the end of the Period of interruption.

**RATE IMPACT.**

During Periods of Interruption, PECO Energy will not apply guarantees of revenue (power factor adjustment, minimum billing demand, and contract minimum) as contained in the customer's Contract, but will apply the actual registered demand. If the customer receives Default Service, the terms of this rider shall not apply to the Energy Supply Charge.

**BILLS PRORATED.**

Bills supplied shall be prorated, based upon the actual level of operation during the Period of interruption.

**RETURN TO NORMAL USE.**

The customer shall use reasonable diligence in resuming the use of service as provided in the Contract.

**TERM OF CONTRACT.**

The initial contract term shall be extended for a period equal to the Period of Interruption so that the Company shall secure a working term at full connected load equal to the term of the Contract.

**COMMERCIAL/INDUSTRIAL DIRECT LOAD CONTROL PROGRAM (DLCP) RIDER****AVAILABILITY.**

This rider is available to any small commercial or industrial retail customer with peak measured demands less than or equal to 100kW served under rates GS, PD, or HT that (a) is the owner of the premises at which service hereunder is to be provided; (b) is provided with electric service at such premises through a separate meter; (c) has a fully functional electric central air conditioning system(s) as the principal and dedicated source of air conditioning for such premises, the electric service for which is delivered by the Company through such separate meter and is (are) capable of accepting a programmable communicating thermostat(s) (PCT), as determined by the Company or its agent; (d) allows the Company to periodically control the PCT(s); and (e) is located at a premises where the Company's control signal can reach the connected unit.

For determining the initial eligibility of existing small commercial/industrial retail customers under this rider, the peak measured demand level will be calculated by a process similar to that as described in PECO's Default Service Program pursuant to Docket No. P-2008-2062739. For new customers, the peak measured demand level shall be based upon an engineering estimate of their diversified peak demand for a new facility or an existing facility with a substantially different use. A new customer in an existing facility shall be assigned the same peak measured demand level as the last customer in that facility.

Service hereunder is not restricted to commercial/industrial customers that obtain electric power and energy supply from the Company under Default Service.

Notwithstanding the previous provisions of this Availability section, the availability of this rider is limited by the ability of the Company and its agent to purchase and install the necessary controls needed to implement and administer the Commercial and Industrial Direct Load Control program (DLCP).

**PROGRAM PROVISIONS.**

The (DLCP) allows the Company to obtain temporary reductions in the electric power and energy demands on the electric delivery system located in its service territory through reductions in the commercial/industrial customers' electric power and energy usage requirements. The Company reserves the right to activate the DLCP for any reason, including (a) response to shortages of available capacity on the Company's distribution system; (b) response to shortages of available capacity on the transmission system located in the Company's service territory; (c) preservation of the availability of other load response resources; or (d) reduction of peak load. A commercial/industrial customer to which this rider is available that elects service hereunder is defined as a participant. An activation of the (DLCP) is defined as an event.

During an event, a participant in the (DLCP) allows the Company to remotely control the PCT(s). The Company is allowed to exercise such control without notice at any time. Control events will be limited to the period beginning June 1 and extending through September 30 of each year, except holidays.

**EVENT PERFORMANCE:**

During an event the Company is allowed to control the participant's PCT(s) for the total duration of the event.

A participant commences service hereunder on the date the Company inspects and approves the functionality of the participant's central air conditioning unit(s) and installs the programmable communicating thermostat(s).

**COMMERCIAL/INDUSTRIAL DIRECT LOAD CONTROL PROGRAM (DLC) RIDER (continued)****INSTALLATION.**

The PCT(s) is (are) an enabling technology necessary to participate in the (DLCP). The PCT(s) will be installed by the Company at its' sole expense (not to exceed the scope necessary to remove the old thermostat(s), and install the new PCT(s)). The Company will warrant the PCT(s) and installation for a period of one year from the date of original installation. After such time, the customer is responsible for any maintenance of the device and battery replacement, when (if required) to ensure the unit continues to operate. The participant is responsible for maintaining a safe operating environment for such device(s).

**TESTING & VERIFICATION.**

The Company is allowed to inspect the PCT(s) at any time during normal business hours and without notice to insure such device(s) is (are) fully operational, and the participant grants the Company permission to enter upon its premises to conduct such inspections. If, in the course of such inspection, the Company determines that the participant interfered with the functionality of the device(s) in any way, (a) the participant is immediately removed from the (DLCP) and service hereunder is terminated, with such termination effective as of the date of the installation of such device(s) or of the most recent passing inspection, whichever is more recent; (b) all credits previously given to such participant since such effective termination date are immediately reimbursed by such participant to the Company; and (c) such participant is not eligible to take service hereunder or participate in the (DLCP) for a period of not less three (3) calendar years following such effective termination date.

For a situation in which the Company performs excessive maintenance or replacement of any remote control device(s) due to vandalism or other cause, the Company may remove the participant for which such device(s) is (are) provided from the (DLCP) and terminate service hereunder to such participant. In such situation, the Company may deny future participation in the (DLCP) to such participant.

**COMPENSATION.**

The Company provides a credit to the participant on each bill issued for the Summer Period (June through September for a total of 4 monthly credits), as defined in the Definitions part of the General Terms and Conditions of the Company's Schedule of Rates. The credit applied to such participant's bill corresponds with the Program option selected by such participant.

Programmable Communicating Thermostat Option: \$20.00 per bill per installed device for the summer billing period

The participant shall begin receiving the bill credit on the next appropriate bill cycle following a complete enrollment in the program. The total annual credit shall not exceed \$80.00 per PCT installed. Consistent with the terms in this tariff, incentives will be paid through October 31, 2016.

The credit provided in accordance with this rider is separately stated on the participant's bill.

**MISCELLANEOUS GENERAL PROVISIONS.**

The Company is not liable for any damage or injury, including any consequential damage, resulting from the intentional or unintentional interruption of the operation of the participant's central air conditioning unit.

Provisions contained in this rider do not serve to modify the Company's rights contained in the General Terms and Conditions of the Company's Schedule of Rates.

**TERMS OF CONTRACT.**

The initial term of participation within this program shall end on May 31, 2016, but extended participation is possible, but predicated on future regulatory directives as yet to be determined. As Company is providing the enabling technology device, PCT(s), for participation, there is an early termination provision (upon thirty days' written notice by either party). The Company reserves the right to modify the terms of this Rider at any time. Participants who have elected to terminate, can return to the program, but must wait 12 months before being permitted to do so.

**CONSTRUCTION RIDER**

**AVAILABILITY/APPLICABILITY.**

To service provided during or immediately following a major construction or expansion period or during a receding load period, after the expiration of the initial contract term, while a business is in process of dissolution. A major construction or expansion period is defined as a construction or expansion project undertaken by the customer which upon completion will require an upward modification of the customer's contract limits.

**RATE IMPACT.**

During the expanding load period preceding the operation within the load limits provided in the contract or the receding load period subsequent to the fulfillment of the initial contract term, PECO Energy will not apply the following guarantees of revenue: power factor adjustment, minimum billing demand, and contract minimum. If the customer receives Default Service, the terms of this rider shall not apply to the Energy Supply Charge.

**RIDER TERM.**

The total term of application of this rider during the preliminary or construction period shall be 6 months subject to the option of the Company to grant not more than three successive renewals of the rider term on major construction projects. Its application during a receding load period subsequent to the completion of an initial contract term shall be for not more than one year.

**TERM OF CONTRACT.**

The initial contract term for service to expanding locations to which this rider is applied shall be extended for a period corresponding to the total number of months this rider is applied to the customer's bill during construction or expansion of the customer's facility.

**OTHER RIDERS.**

This rider, when applied to service to temporary installations to which the Temporary Service Rider is also applied, shall not operate as a waiver of the requirement that monthly minimum charges be paid for a period of not less than 6 months.

**ECONOMIC DEVELOPMENT RIDER**

**AVAILABILITY/APPLICABILITY.** This rider is available to customers taking distribution service under Rate HT, PD, or GS. For new services, the customer must have a projected load of at least 350 kW and must apply for the rider prior to the service being energized. For existing services, the customer must have a peak load of at least 350 kW and apply for the rider before the load growth occurs. The Company will not begin to apply the rider until at least 30 days after the customer provides to the Company written notice of its desire to be placed on the rider. Customers can qualify for this rider through provisions of either I-A, I-B, IC; or II below. This Rider shall be available to customers regardless of whether the energy is purchased under default service rates or through an EGS.

- I. **EMPLOYMENT & LOAD GROWTH:** designed to encourage growth in all sectors of the industrial and commercial group, customers can qualify by meeting the appropriate requirements below.
  - A. **QUALIFICATIONS.**
    1. **Manufacturing Customers**
      - a. The New Manufacturing Customer or existing manufacturing customer files with the Company, before the effective date of the rider for the Service Location, a Manufacturing Sales Tax Exemption Certificate, as defined below, for the Service Location. This condition is waived for Stevedoring Operations located within a Port Enterprise Development Area as defined in Title 12, Chapter 121 of the Pennsylvania Code.
      - b. The existing manufacturing customer files with the Company copies of the Base Period Employment Reports as defined below, for the Service Location.
      - c. For existing locations has already demonstrated a minimum 10 new jobs and a sustained increase in usage (minimum of 100 kW for at least 3 months) over the Base Period, as defined below. The Company reserves the right to request documentation to demonstrate that employment levels have been maintained over the course of eligibility for this rider.
    2. **Brownfield Redevelopment**
      - a. A new or existing customer who develops a site designated as a Brownfield Site (defined below) and demonstrates a minimum of 100 kW of new or incremental load.
  - B. **RATE REDUCTION.** The rate reduction will be applicable to the customer's base bill for the Qualifying Service Location before the application of the State Tax Adjustment and Nuclear Decommissioning Cost Adjustment. Any customer will not be eligible for the rate reduction in any month in which the customer has an unpaid balance which includes late payment charges.
    1. **Monthly Eligibility** – The Company reserves the right to require updated documentation in order for the customer to remain eligible for the rider.
    2. A credit equivalent to 15% of the customer's Variable Distribution Service Charge ("VDC"). For New Manufacturing locations or Brownfield Redevelopment the credit will apply to all kW of the VDC. For all existing customers the credit will apply to all incremental kW of the VDC.
- II. **COMPETITIVE ALTERNATIVE:** customers with a viable competitive alternative to service from PECO may be eligible for benefits as outlined below.
  - A. **QUALIFICATIONS.**
    1. Provide documentation of a viable, currently available competitive alternative to service from PECO. The customer must provide a written description of the competitive alternative and any further information that the Company requires in order to document the cost and demonstrate the viability of the customer's competitive alternative, and
    2. Demonstrate a sustained increase in load (1MW minimum month over month for 3 months) as measured on PECO's meter, or a demonstrated retention of at least 1MW of load and,
    3. Demonstrate increasing employment of 10 jobs/MW as reported out on PA Form UC-2, or demonstrated retention of at least 10 jobs/MW of load retained for the same period as #2.
  - B. **RATE REDUCTION.** The rate reduction will be applicable to the customer's base bill for the Qualifying Service Location before the application of the State Tax Adjustment and Nuclear Decommissioning Cost Adjustment.
    1. Any customer will not be eligible for the rate reduction in any month in which the customer has an unpaid balance which includes late payment charges. The Company shall be the sole judge of any customer's eligibility for any rate negotiated rate reduction.
    2. Any qualifying existing or new customer may qualify for a negotiated decrease in VDC charges of up to 15% to meet the customer's documented competitive alternative. The Company reserves the right to require updated documentation in order for the customer to remain eligible for the rider.

ECONOMIC DEVELOPMENT RIDER (continued)

## DEFINITIONS.

1. Service Location. A single or contiguous premises having one or more delivery points for distribution service billed by the Company under a single account
2. New Manufacturing Customer. The Company has not previously provided service to the Service Location, or the service previously provided by the Company to the Service Location was not used for substantially the same type of operation or was terminated at least twelve (12) months before the customer's contractually specified effective date for service under this rider. This condition is waived for existing service locations where an entity has assumed operation of a service location from a customer which has ceased operations as a result of dissolution, so long as the formation of the entity did not occur as a result of merger, joint venture, acquisition and/or any other variation of combined business structures with the former customer at the service location. In any event, the completed application for the rider must be made within 6 months from the later of the date: (1) the customer first received service from the Company; or (2) the date the customer received its sales tax exemption certificate from the Commonwealth of Pennsylvania
3. Manufacturing Sales Tax Exemption Certificate. Pennsylvania Sales Tax Blanket Exemption Certificate filed by the customer with the Company showing the address of the Service Location and certifying that more than fifty (50) percent (on an annual basis) of the service purchased by the customer for the Service Location is exempt from sales tax because it is used in manufacturing operations, shipbuilding operations, or ship cleaning operations.
4. Employment Report. The "Employer's Report for Unemployment Compensation" (PA Form UC-2) as filed by the customer with the Office of Employment Security, Department of Labor and Industry, Commonwealth of Pennsylvania.
5. Base Period. The twelve (12) month period immediately preceding the billing month in which the customer provides the Company written notice of its desire to be placed on the rider. If the customer does not then qualify for the rider within 60 days of the written notice, then the base period will be the twelve month period immediately preceding the billing period for which this rider is first applied to the customer's bills.
6. Base Period Employment Reports. The Employment Reports for all quarterly reporting periods, as defined by 43 P.S. 753 [d], in the Base Period
7. Base Period Employees. The arithmetic mean of the number of employees each month as reported on the applicable Base Period Employment Report. An adjustment will be made to normalize Base Period Employees in quarters during which either the Casualty or Construction Rider was in effect for the Service Location.
8. Base Period Energy. The number of kilowatt-hours used by the customer for service to the Qualifying Service Location during each month of the Base Period. An adjustment will be made to normalize usage in months during which the Construction or Casualty rider was in effect.
9. Current Employment Report. The Employment Report covering the calendar month immediately following the Base Period as defined by 43 P.S. 753 [d]. The customer may submit an updated Employment Report at any time to reflect increases in Current Period Employees replacing and superseding the original report. The Company reserves the right to request an updated Employment Report at any time which may reflect increases or decreases in Current Period Employees replacing and superseding the original report.
10. Current Period Employees. The arithmetic mean of the number of employees each month as reported on the Current Employment Report.
11. Brownfield Site. Refers to real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Requires documentation either by providing a copy of the pertinent sections of the ASTM E1903-97 Phase II Site Assessment documenting the site contamination or by providing a letter from a local, state or federal regulatory agency confirming the site is classified as a Brownfield by that agency.

**TERM OF CONTRACT.** This rider shall be in effect for either a period of five years provided that the customer maintains qualification for the duration of that time.

**RENEWAL.** A customer may renew the rider at any time in accordance with the terms and provisions of the rider as it applies to Qualifying Existing Service Locations. For renewal customers, the Base Period Energy for any month of the new Base Period shall not be less than the Base Period Energy of the corresponding month of the customer's previous Base Period. The Term of Contract for the renewal shall begin on the date on which the renewal of the rider is first applied based on the new Base Period.

**TRANSFER OF OWNERSHIP.** The Company will only apply the rider to the customer's bills for the term of contract. If, during the term of contract, the ownership of the service location changes, the Company may continue to apply the rider to the new owner's bills for the Service Location. If the Company continues to apply the rider in such circumstances, the Company shall apply the rider to the new owner's bills for the Service Location as if the new owner had been on the rider for the Service Location for the same period of time as was the previous owner.

**EMERGENCY ENERGY CONSERVATION RIDER****AVAILABILITY/APPLICABILITY.**

This rider is applicable in conjunction with Tariff Rule 12.3 relating to mandatory emergency energy conservation. It provides for modifications to the charges and practices otherwise applicable to certain customers as a result of compliance with or non-compliance with energy conservation curtailment levels as mandated by the appropriate governmental authority under emergency energy conservation conditions resulting from actual or potential shortage of fuel for electric generation. This rider is applicable to individual electric customer accounts served under Rates EP and HT, with a billing demand of 2,000 kilowatts or higher, in a recent twelve-month period prior to the emergency conservation condition. Customers designated by the procedures of Tariff Rule 12.3 and by the Pennsylvania Public Utility Commission, will be exempt from the provisions of this rider.

**BASE PERIOD ENERGY USE.**

The base energy use for a weekly period shall be determined by the Company for each applicable customer account based upon a consideration of the customer's actual past or current electric consumption and the customer's existing operations.

**MANDATORY CURTAILMENT ENERGY USE LEVEL TARGET.**

The mandatory curtailment energy use level target for each applicable customer shall be that percentage of base period energy use ordered pursuant to the emergency energy conservation procedures provided by Tariff Rule 12.3 or other percentage as a result of the order of appropriate governmental authority.

**COMPLIANCE.**

When the energy consumption in any weekly period during the period of mandatory curtailment exceeds the mandatory curtailment energy use level target, the customer will be deemed to be in non-compliance. Customers deemed to be in non-compliance will not receive the billing modifications as set forth in this rider. In the event of continued non-compliance, the Company, upon notice to the Commission, may discontinue service.

**BILLING FOR CUSTOMERS IN COMPLIANCE.**

During the period of emergency energy conservation condition, billing will be based on special meter readings made to identify the demand established and energy using during the current energy use period. Customers in compliance with conservation orders will be excused from minimum bills and historical or contract demand or ratchet provisions and will be billed instead on the basis of current consumption and demand whenever the normal calculation method would produce a greater bill. If the customer receives Default Service, the terms of this rider shall not apply to the Energy Supply Charge.

These customers will be individually notified of this special billing provision before the implementation of the emergency energy conservation procedure.

**INVESTMENT RETURN GUARANTEE RIDER**

**AVAILABILITY/APPLICABILITY.**

To contracts which require investment in supply facilities greater than warranted by the incremental revenue recovered through the Company's tariffed Variable Distribution Service Charges of the Base Rate under which PECO Energy provides service.

**COST OF EXTENSION.**

The cost of the extension of supply facilities, including the cost of the service connection, shall be set forth in each agreement for the application of this rider.

**MINIMUM GUARANTEE.**

The minimum monthly payment shall be the amount set forth in the rider agreement or, in the event of later increases of the customer's load, the minimum of the rate at which service is rendered, whichever minimum obligation is the greater.

**CONSTRUCTION ADVANCES.**

Where the service desired is of a special character or doubtful permanency, the Company will require payment of a sum equal to the cost of the extension as an advance for construction. A credit of 20% of the net amount of the customer's revenue recovered through the Company's tariffed Variable Distribution Service Charges will be allowed by the Company up to an aggregate refund of 100% of such sum, with the right to retain such portion of the advance as needed to guarantee the payment of subsequent bills.

**FULFILLMENT OF CONTRACT TERM.**

In the event of the discontinuance for any reason of the distribution of energy before the expiration of the term of the contract with which this rider is applied, the customer shall pay the Company immediately thereon a pro rata share of the cost of the extension for the unexpired portion of the contract term.

**OWNERSHIP OF DISTRIBUTION SUPPLY FACILITIES.**

The provisions of this rider shall not under any circumstances be considered as conferring upon the customer any title to, or right of property in, the distribution supply facilities.

**CONTRACT TERM.**

Contract terms in excess of one year may be arranged with the customer to assure the return required by the investment in distribution supply facilities.

**NIGHT SERVICE GS RIDER**

(The number of customers served under this rider may be limited by the availability of the required demand meters.)

**AVAILABILITY/APPLICABILITY.**

To distribution service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours may be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

**DEFINITION OF PEAK HOURS.**

On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Savings Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

**RATE IMPACT.**

Rate GS (with demand measurement), including all its terms and guarantees, is applicable. The blocking of the energy charges contained in the Variable Distribution Service Charges CTCs, shall be based on the billing demand for On-Peak Hours. If the customer receives Default PLR Service, the terms of this rider shall not also apply to the Energy Supply Charge.

**MONTHLY RATE TABLE.**

Night Service billing and metering charge: \$14.30

Charge per kW of Off-Peak billing demand per month: \$2.39

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

**DETERMINATION OF OFF-PEAK BILLING DEMAND.**

The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand.

**OTHER RIDERS.**

This rider will not be applied in conjunction with the Temporary Service Rider.

**TERM OF CONTRACT.**

The initial contract term shall be for at least one year.

**NIGHT SERVICE HT RIDER**

**AVAILABILITY/APPLICABILITY.**

To distribution service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours shall be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

**DEFINITION OF PEAK HOURS.**

On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Savings Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

**RATE IMPACT.**

Rates HT or EP, including all terms and guarantees, are applicable during On-Peak Hours. If the customer receives Default PLR Service, the terms of this rider shall not apply to the Energy Supply Charge.

**MONTHLY RATE TABLE.**

Night Service billing and metering charge: \$11.39  
Charge per kW of Off-Peak billing demand per month: \$2.01

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

**DETERMINATION OF OFF-PEAK BILLING DEMAND.**

The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand.

**OTHER RIDERS.**

Where the Off-Peak Rider and this rider are applied to the same contract, the Off-Peak Rider will be applied only to the provisions of the contract, and this rider will then be applied to the contract as modified. This rider will not be applied in conjunction with the Temporary Service Rider.

**TERM OF CONTRACT.**

The initial contract term shall be for at least one year.

**NIGHT SERVICE PD RIDER**

**AVAILABILITY/APPLICABILITY.**

To distribution service provided during Off-Peak Hours for demands in excess of those supplied during On-Peak Hours. The demand specified for Off-Peak Hours shall be limited to an amount determined by the Company which shall be dependent upon the capacity of the generation, transmission and distribution facilities available for such supply.

**DEFINITION OF PEAK HOURS.**

On-Peak Hours are defined as the hours between 8:00 am and 8:00 pm, Eastern Standard Time or Daylight Savings Time, whichever is in common use, daily except Saturdays, Sundays and holidays; except that the On-Peak Hours will end at 4:00 pm on Fridays. Off-Peak Hours are defined as the hours other than those specified as On-Peak Hours.

**RATE IMPACT.**

Rate PD, including all terms and guarantees, is applicable during On-Peak Hours. If the customer receives Default PLR Service, the terms of this rider shall not also apply to the Energy Supply Charge.

**MONTHLY RATE TABLE.**

Night Service billing and metering charge: \$11.39  
Charge per kW of Off-Peak billing demand per month: \$2.16

STATE TAX ADJUSTMENT CLAUSE APPLIES TO THIS RIDER.

**DETERMINATION OF OFF-PEAK BILLING DEMAND.**

The Off-Peak billing demand shall be the amount by which the greatest demand during Off-Peak Hours, as determined by measurement, exceeds the billing demand for On-Peak Hours, whether the latter is a minimum or an actual demand, except that, when said greatest demand during Off-Peak Hours exceeds the demand specified for Off-Peak Hours, said greatest Off-Peak demand shall be reduced by the amount of the excess in determining the Off-Peak billing demand.

**OTHER RIDERS.**

Where the Off-Peak Rider and this rider are applied to the same contract, the Off-Peak Rider will be applied only to the provisions of the contract, and this rider will then be applied to the contract as modified. This rider will not be applied in conjunction with the Temporary Service Rider.

**TERM OF CONTRACT.**

The initial contract term shall be for at least one year.

**RECEIVERSHIP RIDER****AVAILABILITY/APPLICABILITY.**

To service provided to a Receiver-Trustee for the continued operation of a property formerly under contract for its electric service requirements.

**AUTHORITY FOR OPERATION.**

The Receiver-Trustee shall possess the authority under appointment by Court, through an order duly entered, to operate premises recited in a contract for electric service under which the Company has been providing service.

**ACCEPTANCE.**

The Receiver-Trustee shall accept and adopt for the continuation of service the contract theretofore in effect, including all of its provisions, and agree to pay the Company for all charges levied during the receivership-trusteeship at the rate specified therein.

**BILLING.**

The Company reserves the right to render bills on a biweekly basis. To provide for biweekly billing under this rider, the provisions of the applicable rate and rider, if any, will be modified as follows:

- (a) Where applicable, all references to monthly or month will be changed to biweekly or biweek.
- (b) Where applicable, capacity charges will first be determined from the pricing in the monthly rate table and such sum will then be multiplied by 14/30ths (0.4667) to determine the capacity charges for the billing period.
- (c) The energy charges will be determined by using the prices in the monthly rate table; however, the limit of the kilowatt-hours to be billed in each price block will be determined by multiplying the hours' use of billing demand for each price block or the kilowatt-hour limits of a given price block by 0.4667.
- (d) The high voltage discount applicable to Rate HT will be determined by using the pricing in the monthly rate table and such sum will then be multiplied by 0.4667 to determine the discount for the billing period.
- (e) The minimum charge will be determined on a monthly basis and such sum will then be multiplied by 0.4667 to determine the minimum charge for the billing period.
- (f) A discount of 0.4% will be applied to the total bill.
- (g) A bill will be rendered biweekly covering the charges for the preceding billing period and such bill shall be paid within fifteen (15) days after receipt thereof.

If the customer receives Default Service, the terms of this rider shall also apply to the Energy Supply Charge.

**TERM OF CONTRACT.**

The completion of the term of the contract taken over, or as terminated by the discharge of the Receiver-Trustee, or as arranged with the Receiver-Trustee for the continuation of service under the standard terms of this Tariff.

**RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (DLC) RIDER****AVAILABILITY.****Central Air Conditioning Cycling Control Option:**

This rider is available to any residential retail customer under rates R, RH, RS-2, and CAP that (a) is the owner of the premises at which service hereunder is to be provided (or can provide an authorization form from the owner); (b) is provided with electric service at such premises through a separate meter; (c) has a fully functional electric central air conditioning system (AC) as the principal and dedicated source of air conditioning for such premises, the electric service for which is delivered by the Company through such separate meter and is (are) capable of accepting a Company control device(s), as determined by the Company or its agent; (d) allows the Company to periodically cycle such AC compressor(s); and (e) is located at a premises where the Company's control signal can reach a control unit mounted near such connected unit.

**Electric Water Heater Control Option:**

This rider is available to any residential retail customer under rates R, RH, RS-2, and CAP that (a) is the owner of the premises at which service hereunder is to be provided (or can provide an authorization form from the owner); (b) is provided with electric service at such premises through a separate meter; (c) has a fully functional electric water heater, the electric service for which is delivered by the Company through such separate meter and is (are) capable of accepting a Company control device(s), as determined by the Company or its agent; (d) allows the Company to periodically control such electric water heater(s); and (e) is located at a premises where the Company's control signal can reach a control unit mounted near such connected unit.

Service hereunder is not restricted to residential retail customers that obtain full requirements electric supply from the Company under Default Service.

Notwithstanding the previous provisions of this Availability section, the availability of this rider is limited by the ability of the Company and its agent to purchase and install the necessary controls needed to implement and administer the Residential Direct Load Control Program (DLCP).

**PROGRAM PROVISIONS.**

The DLCP allows the Company to obtain temporary reductions in the electric power and energy demands on the electric delivery system located in its service territory through reductions in residential retail customers' electric power and energy usage requirements. The Company reserves the right to activate the DLCP for any reason, including (a) response to shortages of available capacity on the Company's distribution system; (b) response to shortages of available capacity on the transmission system located in the Company's service territory; (c) preservation of the availability of other load response resources or (d) reduction of peak load. A residential retail customer to which this rider is available that elects service hereunder is defined as a participant. An activation of the DLCP is defined as an event.

During an event, a participant in the DLCP allows the Company to remotely control the duty cycle of such participant's AC compressor(s) and/or control such participant's electric water heater(s). The Company is allowed to exercise such control without notice at any time. Control events will be limited to the period beginning June 1 and extending through September 30 of each year, except holidays.

**EVENT PERFORMANCE:**

During an event, the Company is allowed to cycle the participant's AC compressor(s) for the full duration of the event, with such cycling performed so that the AC compressor(s) alternates every fifteen (15) minutes between being available for cooling and not being available for cooling.

RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (RDLC) RIDER (continued)

During an event under the electric water heater control option, the Company is allowed to control the participant's electric water heater for the full duration of the event.

A participant commences service hereunder on the date the Company inspects and approves the functionality of the participant's AC compressor(s) and/or electric water heater and installs the remote control device(s).

**INSTALLATION.**

The Company or its agent installs the remote control device(s) used to cycle the AC compressor(s) and/or electric water heater(s), and the Company owns, operates, and maintains such device(s). The participant is responsible for maintaining a safe operating environment for such device(s). For a situation in which the participant replaces its AC compressor(s) and/or water heaters, the participant is responsible for providing the Company with adequate notice so that the Company has time to schedule the removal of such device(s) from the AC compressor(s) and/or water heater(s) being removed and the installation of such device(s) on the replacement AC compressor(s) and/or electric water heater(s).

**TESTING & VERIFICATION.**

The Company is allowed to inspect the remote control device(s) at any time and without notice to insure such device(s) is (are) fully operational, and the participant grants the Company permission to enter upon its premises to conduct such inspections. If, in the course of such inspection, the Company determines that the participant interfered with the functionality of the device(s) in any way, (a) the participant is immediately removed from the (DLCP) and service hereunder is terminated, with such termination effective as of the date of the installation of such device(s) or of the most recent passing inspection, whichever is more recent; (b) all credits previously given to such participant since such effective termination date are immediately reimbursed by such participant to the Company; and (c) such participant is not eligible to take service hereunder or participate in the (DLCP) for a period of not less three (3) calendar years following such effective termination date.

For a situation in which the Company performs excessive maintenance or replacement of any remote control device(s) due to vandalism or other cause, the Company may remove the participant for which such device(s) is (are) provided from the (DLCP) and terminate service hereunder to such participant. In such situation, the Company may deny future participation in the (DLCP) to such participant.

**COMPENSATION.**

The Company provides a credit to the participant on each bill issued for the Summer Period (June 1 through September 30) for a total of 4 monthly credits. The credit applied to such participant's bill corresponds with the Program option selected by such participant.

Central AC Compressor Cycling Credit: \$20.00 per bill per installed device for the summer billing period

Electric Water Heater Control Credit: \$12.00 per bill per installed device for the summer billing period

The participant shall begin receiving the bill credit on the next appropriate bill cycle following a complete enrollment in the program. The participant shall receive the applicable bill credit for each device installed. The total annual credit shall not exceed (a) \$80.00 per device installed on an AC compressor, and (b) \$48.00 per device installed on an electric water heater. Consistent with the terms in this tariff, incentives will be paid through October 31, 2016.

**RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (DLCP) RIDER (continued)**

The credit provided in accordance with this rider is separately stated on the participant's bill.

**MISCELLANEOUS GENERAL PROVISIONS.**

The Company or its agent will certify a participant's equipment prior to installation of a load control device. Any equipment determined to not meet the certification standards will be ineligible to participate in the DLCP. Eligible equipment includes fully functional central air conditioning systems and electric water heaters in good condition that are compatible with the load control technology used for the program. Window air conditioning units are not eligible for participation.

The Company is not liable for any damage or injury, including any consequential damage, resulting from the intentional or unintentional interruption of the operation of the participant's AC compressor(s) and/or water heater(s). Only CAC units are eligible for program participation. Window mounted air conditioners do not qualify.

Provisions contained in this rider do not serve to modify the Company's rights contained in the General Terms and Conditions of the Company's Schedule of Rates.

**TERMS OF CONTRACT.**

The initial term of participation within this program shall end on May 31, 2014, but extended participation is possible, but predicated on future regulatory directives as yet to be determined. The Company reserves the right to modify the terms of this Rider at any time. Participants who have elected to terminate, can return to the program, but must wait 12 months before being permitted to do so.

**TEMPORARY SERVICE RIDER**

**APPLICABILITY.**

To the provision of service, including builders construction service, when the Company must install temporary facilities that will be used for a limited period or for a service that is of doubtful permanency.

**AVAILABILITY.**

Temporary service will be provided only when the Company has available distribution facilities with sufficient capacity, and if the provision of service will not in any way interfere with service to other customers.

**INVESTMENT IN DISTRIBUTION FACILITIES.**

The cost of the extension and removal of facilities required to furnish the temporary service under the applicable rate shall be paid by the customer, but such payment shall not confer upon, nor entitle the customer to any title to, or right of property in, said facilities and equipment.

**MINIMUM TERM.**

Application of this rider to Rates R, R-H and GS shall not, for billing purposes, be considered to be for a period of less than one month.

Application of this rider to Rates PD and HT shall require payment of the minimum provisions of the contract for each month of the temporary service period, but in no case shall such period be considered, with respect to the guarantee of the monthly minimum charges, as of less duration than 6 months.

**RATE IMPACT.**

Billing shall be under the provisions of the applicable base rate and riders.

**TERM OF CONTRACT.**

Short term arrangements as agreed upon.

**Attachment B**

**PECO Electric Service Tariff Rule 6.1(b)**

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PECO Energy Company

**RULES AND REGULATIONS (continued)**

**5.5 RETURN OF DEPOSIT.** Deposits secured from a residential customer shall either be applied with interest to the customer's account or returned to the customer with interest in accordance with 66 Pa. C.S. §1404(C) and applicable Pennsylvania Public Utility Commission regulations. In cases of discontinuance or termination of service, deposits will be returned with accrued interest upon payment of all service charges and guarantees or with deduction of unpaid accounts. Deposits secured from a residential customer, plus accrued interest, which may be held (C) until a timely payment history is established, are refunded when a ratepayer is not currently delinquent and has made on time and in full payments for service provided by the Company for 12 consecutive months. Deposits secured from a non-residential customer, plus accrued interest, which may be held until a timely payment history is established, are refunded when a ratepayer is not currently delinquent and has made on time and in full payments for service provided by the Company for 24 consecutive months. Any residential or commercial customer having secured the return of the deposit may be required to make another deposit in accordance with Commission statutes, regulations or Federal Bankruptcy Law if the Customer demonstrates bad credit or lacks creditworthiness subsequent to the return of the initial deposit.

**5.6 INTEREST ON DEPOSIT.** The Company will allow simple interest on cash deposits calculated as follows:

- (A) with respect to residential accounts, interest, will be computed at the simple annual rate determined by the Secretary of Revenue for interest on the underpayment of tax under Section 806 of the Act of April 19, 1929 (P.L. 343, No. 176), known as the Fiscal Code
- (B) with respect to commercial and industrial accounts, at the lower of the Interest Index or six percent;

(C)

Deposits shall cease to bear interest upon discontinuance of service (or, if earlier, when the Company closes the account).

**5.7 CREDIT INFORMATION.**

**CUSTOMERS:** In addition to information required otherwise hereunder, customers for whom the Company provides Consolidated EDC Billing or Separate EDC Billing shall be required to provide to the Company with such credit information, as the Company requires. The Company may report to a national credit bureau on credit history associated with past due amounts.

**APPLICANTS:** The Company's credit and application procedures for applicants are as follows: (1) positive identification of applicant obtained from previous customer record or through one of the major credit reporting bureaus or through in-person identification; (2) determination of liability for a past due balance; (3) determination if a deposit is required based upon applicant's previous account history if available or through third party credit scoring of applicant.

The Company's credit scoring methodology and standards are as follows: The Company uses a commercially recognized credit scoring methodology that is within the range of generally accepted industry practice. The applicant's or customer's utility payment history determines the credit score. The Company uses this customer-specific credit score to either request or waive a security deposit.

**5.8 APPLICABILITY TO CUSTOMERS RESIDING AT PLACE OF BUSINESS.** For purposes of all of the provisions of this Rule 5, when a customer resides at a place of business or commercial establishment, legitimately served pursuant to a commercial or industrial rate schedule, that is not a residential dwelling unit attached thereto, the customer is not thereby entitled to any of the protections in the Pennsylvania Public Utility Code or the Commission's regulations implementing the Pennsylvania Public Utility Code, or to any of the provisions of these rules or this Tariff, that apply exclusively to deposits for residential customers.

**6. PRIVATE PROPERTY CONSTRUCTION**

**6.1 COMPANY'S SERVICE LINES.** Where the Company has distribution facilities of adequate capacity on the highway or in other trunk line location adjacent to the premises to be served, it will provide, own and maintain standard service-supply lines as follows:

**(a) UNDERGROUND:**

Underground cable construction to a point of delivery approximately 18 inches inside the property line of the customer, except:

- (1) For secondary service to new residences or new apartment buildings, underground cable construction will be extended to a meter location or connection box located at the building or buildings, as designated by the Company and in accordance with Rule 7.3.
- (2) The Company will make necessary repairs to customer-owned extensions of secondary service-supply lines for residential customers at no charge. If such customer-owned extension requires replacement, the Company will make the replacement and assume ownership of the service-supply line with the Company bearing the cost up to 200 feet in length and the customer bearing the cost for all additional length.

**(b) AERIAL:**

A single span of aerial open wire or cable construction to the first suitable support of the customer, nominally 100 feet inside the property line of the customer. This customer support shall establish the point of delivery for the customer. The customer's support shall be so located that the service span will be free of obstruction and adequately supported as required by the size and weight of the conductors.

**6.2 SERVICE - SUPPLY ALTERATIONS.** Changes related to a service-supply line or a meter owned by the Company, including the installation of protective devices or visual markers to denote safe operating distance from the Company's facilities, for the accommodation of the customer, shall be at the expense of the customer. If the alteration to the Company's facilities is temporary in nature and the materials used in that alteration can later be re-used by the Company, as for example the installation of protective "hard cover" to allow a customer, developer, or contractor to work safely in close proximity to the Company's facilities, then at the Company's discretion it may charge a refundable deposit in lieu of charging the customer for the cost of the re-usable materials.

**6.3 CUSTOMER'S SERVICE EXTENSION.** The customer shall provide, own and maintain the service extension from the Company's service-supply lines to the point of delivery and receiving equipment.

**6.4 METERS AND TRANSFORMERS.** The Company will provide, own and maintain any meter or meters, and also the transformer or transformers (both potential and current type transformers), required in the supply of service of the current characteristics specified by the Base Rate or rider under which the service is provided, unless the customer receives Advanced Meter Services from an AMSP in that case such AMSP will install, provide, own, and/or maintain the Customer's meter or meters while the Company will continue to own the potential and current type transformers. The supply of transformers by the Company shall be limited to those required for a single standard transformation.

(C) Denotes Change

**Attachment C**

**Amicus Brief**

**Pennsylvania Public Utility Commission**

*Alderwoods, Inc. v. Duquesne Light Company, No. 12 WAP 2013*

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## **STATEMENT OF INTEREST OF *AMICUS CURIAE***

Pursuant to Rule 531 of the Pennsylvania Rules of Appellate Procedure, the Pennsylvania Public Utility Commission ("Commission" or "PUC") files this brief *amicus curiae* to explain its statutory role in regulating electric utilities regarding service outage and restoration practices and issues pursuant to the Public Utility Code. The Commission is very concerned that in the Opinion and Order below, the Superior Court imposed a burdensome and unprecedented duty upon electric utilities. This newly imposed duty upon electric utilities will increase costs for consumers and utilities as well as delay efforts by electric utilities to restore power after storms and other outages. Furthermore, the Superior Court's ruling intrudes upon the PUC's statutory duty to regulate service, restoration practices, and duties of public utilities. *See* 66 Pa. C.S. §§ 501, 1501.

## **STATEMENT OF ISSUES AS RAISED BY PETITIONER**

1. Whether the Superior Court erred in imposing upon electric utilities a burdensome and unprecedented duty to enter customers' premises and inspect customers' electrical facilities before restoring power after an outage?

Suggested answer: yes.

2. Whether the Superior Court overlooked the deleterious effects of its ruling upon public health and safety, in that by requiring utilities to inspect customers' premises before restoring power, the new duty created by the Superior Court will delay utilities' efforts to restore power after storms and other outages?

Suggested answer: yes.

3. Whether the Superior Court overlooked undisputed facts of record that undermine the rationale of its decision?

Suggested answer: The PUC will not address this question in this amicus brief.

## STATEMENT OF THE CASE

The Commission, the *amicus curiae*, incorporates by reference and adopts the Statement of the Case as set forth in the brief of Appellant Duquesne Light (Duquesne).

## SUMMARY OF ARGUMENT

The Superior Court has imposed a burdensome and unprecedented duty upon electric utilities to inspect customer equipment after storms and outages. This new duty will increase consumer costs and delay efforts to restore electric service. An electric utility does not have a duty to enter a customer's premises and inspect customer equipment under the Public Utility Code. As the expert in utility law, the PUC is charged with administering the Code and regulating electric utilities in Pennsylvania.

An electric utility only has a duty to inspect its own transmission and distribution facilities. An electric utility's maintenance responsibility and legal duties end at the point of delivery, *i.e.*, service point, to the customer. The service point is where the utility's wiring ends and the customer's wiring begins. Beyond the service point, the customer is responsible for maintenance of its internal wiring and electrical equipment.

The Superior Court mistakenly found a duty in its analysis of the negligence claim in this case. Prompt restoration of power has great social utility and is expected by customers. Duty should only be imposed when there is a *reasonable foreseeability* that a party's conduct creates an unreasonable risk of harm to others. Requiring the electric utility to only inspect its *own* facilities prior to service restoration does not create an unreasonable risk of harm. Imposing this new duty

of inspection on electric utilities is not in the public interest because it is both severely burdensome and costly to utilities and customers. Accordingly, the new and unprecedented duty of inspection imposed by the Superior Court is contrary to the Public Utility Code, relevant case law, and the public interest.

## ARGUMENT

Pursuant to Rule 531 of the Pennsylvania Rules of Appellate Procedure, the PUC files this brief *amicus curiae* to inform this Honorable Court as to the PUC's role in regulating electric utilities and the effect of the Superior Court's decision on electric utilities and electric utility customers throughout Pennsylvania.

### **I. Introduction: The Regulatory Purview And Expertise Of The Commission**

The PUC's mission entails ensuring safe and reliable utility service at reasonable rates, protecting the public interest, and fostering new technologies and competitive markets in an environmentally sound manner. The Commission's administrative expertise in public utility law includes the interpretation of its regulations and its governing statute, the Public Utility Code. *Aronson v. Pa. Public Utility Commission*, 740 A.2d 1208, 1211, *appeal denied*, 751 A.2d 193 (Pa. 2000). The Commission regulates public utilities in Pennsylvania, including Duquesne, an electric distribution company (EDC). *See* 66 Pa. C.S. §§ 501, 1501.

#### **A. Service Outage And Restoration Under The Public Utility Code**

Under the Public Utility Code, an electric utility in Pennsylvania has a legal duty to maintain safe and reasonable service and facilities and to make repairs, changes, and improvements that are necessary or proper for the accommodation, convenience, and safety of its patrons, employees, and the public. 66 Pa. C.S.

§ 1501. Pursuant to its statutory powers, the Commission is authorized to adopt and enforce rules to ensure that EDCs, i.e., electric utilities, provide safe, adequate, and reliable service. 66 Pa. C.S. § 501. The Commission must ensure that electric utilities adhere to the established industry standards and practices, such as the standards of the National Electrical Safety Code (NESC)<sup>1</sup>, regarding the installation and maintenance of transmission and distribution facilities. 66 Pa. C.S. § 2804(1); 52 Pa. Code §§ 57.194(b), 57.198(b). Commission staff may initiate an investigation, or may do so upon complaint by an affected party, to determine whether an electric utility is providing utility service in accordance with such standards. 52 Pa. Code § 57.197(a).

In performing its mission to serve the public interest and all customers of the Commonwealth, the Commission strives to balance the reliability of utility service with affordability of utility service. *See Prevention and Mitigation of Extended Service Outages*, Commission Order, Docket No. I-2011-2271989 (Nov. 10, 2011). As to restoration of electric service after an outage, the Commission emphasizes the speed of restoration since customers expect their power to be restored as quickly as possible. *See* 52 Pa. Code § 67.1 (requiring utilities to report certain

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<sup>1</sup> The NESC is maintained and published by the Institute of Electrical and Electronics Engineers, Inc. The current edition of the NESC is the 2012 Edition, approved as an American National Standard on June 3, 2011 by the American National Standards Institute. General references to the NESC in this brief will be to the "NESC" while specific citations to the NESC will be to the "2012 NESC."

outages when service is not restored within specified times).<sup>2</sup> The Commission has also enacted policies to encourage utilities to provide better public notification to customers regarding service outages and estimated restoration times. *See* 52 Pa. Code § 69.1901 (providing guidelines for electric utilities).<sup>3</sup> However, for sound reasons of policy and law, the Public Utility Code and established industry standards and practices do not impose a duty upon electric utilities, beyond the maintenance of utilities' own transmission and distribution facilities, to enter customers' premises and inspect customers' electrical equipment before restoring power after an outage. *See* 66 Pa. C.S. § 2804(1) (adopting the NESC).

**B. The Service Point Of Electricity Separates Ownership And Maintenance Responsibility Between The Electric Utility And The Customer**

The Commission and courts have long recognized that the ownership and maintenance responsibility of an electric utility ends at the point of delivery to the customer. *Hineline v. Metro. Edison Co.*, 1990 Pa. PUC LEXIS 156, at \*6 (Pa. PUC 1990); *Norris v. Phila. Elec. Co.*, 5 A.2d 114, 116 (Pa. 1939) (holding that electric utility companies do not have a duty to inspect customer equipment).

Under the standards of the NESC, adopted by the Public Utility Code, the point of delivery is known as the **service point**. 2012 NESC, § 2: Definitions, at p. 15

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<sup>2</sup> *See also Proposed Rulemaking for Revision of 52 Pa Code Chapters 57, 59, 65, and 67 Pertaining to Utilities' Service Outage Response and Restoration Practices*, Final Rulemaking Order, Docket No. L-2009-2104274 (Sep. 22, 2011).

<sup>3</sup> *See also Policy Statement Regarding Utility Service Outage Public Notification Guidelines*, Final Policy Statement, Docket No. M-2008-2065532 (Dec. 15, 2011).

(2012).<sup>4</sup> The **service point** is the point of connection between the distribution facilities of the serving utility delivering the electricity and the premises wiring system of the customer. *Id.* The **premises** are the land and buildings located on the user (customer) side of the service point. *Id.* The **premises wiring system** is the “[i]nterior and exterior wiring, including power, lighting, control, communication, and other signal circuit wiring together with all their associated hardware, fittings, and wiring devices, both permanently and temporarily installed...from the service point or the premises power source to the outlets.” *Id.* In other words, the **service point** is the point on the wiring system where the utility’s wiring ends and the customer’s wiring begins.<sup>5</sup> *See id.* (explanatory note).

The **service point** is also the jurisdictional line of demarcation between two national codes: (1) the NESC and (2) the National Electrical Code (NEC).<sup>6</sup> *See* Appendix A (2012 NESC Figure 011-1 – Service point – General illustration of what is covered and not covered by the NESC). The Public Utility Code adopts the standards of the NESC and requires electric utilities to adhere to the NESC

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<sup>4</sup> The NESC standards and definitions cited in this brief were revised in the 2012 Edition. “The Scope, Application, and Definition rules were extensively revised in 2012 to better reflect the historical application of the NESC versus the NEC. **The changes in Rules 010 – Purpose and 011 – Scope are not changes in either scope of purpose; they are clear statements of the almost 100-year application of the requirements of the NESC to the specified circumstances....** 2012 NESC, Foreword at p. iv (emphasis added).

<sup>5</sup> The serving electric utility generally specifies the location of the service point based on the utility’s condition of service. Exact locations for a service point vary from utility to utility and from premises to premises, but service points are often located on the rooftop of a premises. *See* 2012 NESC, § 2: Definitions, at p. 15.

<sup>6</sup> The National Electrical Code (“NEC”) is published and maintained by the National Fire Protection Association. The NEC is also an American National Standard.

maintenance and installation standards for transmission and distribution facilities. 66 Pa. C.S. § 2804(1). The NEC, which governs electricians and building contractors and not public utilities, provides standards for the safe installation of electrical wiring inside the premises (*i.e.*, the **premises wiring system**).<sup>7</sup> The 2012 NESC clarifies the relative applicability of the NESC versus the NEC. 2012 NESC Standard 011.B.1 at p. 2 (“NESC Rules do not cover: 1. [u]tilization equipment or premises wiring located beyond the service points to buildings or outdoor installations....”).

Beyond the **service point**, the customer owns and assumes the responsibility for the maintenance and security of the premises wiring. *See HineLine*, 1990 Pa. PUC LEXIS 156, at \*6; NESC definition of premises wiring at p. 13 (“[S]uch wiring does not include ... utility equipment and wiring on the utility side of the service point.”). Requiring utilities to perform inspections of customer wiring prior to service restoration after an outage would increase costs to both utilities and customers. *HineLine* at \*7-8. An electric utility may provide a customer with a list of recommended electricians, but utility jurisdiction and responsibility do not extend to inspection of customer equipment and wiring. *See e.g.*, Duquesne Light: Construction and Renovation, <https://www.duquesnelight.com/forYour->

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<sup>7</sup> *See* <http://www.nfpa.org/codes-and-standards/document-information-pages?mode=code&code=70> (last accessed Jul. 2, 2013); *see also* <http://www.nema.org/Technical/FieldReps/Pages/National-Electrical-Code.aspx> (last accessed Jul. 2, 2013).

Home/CustomèrService/ConstructionandRenovation.cfm (offering to work with builders and licensed electricians to assist customers) (last accessed Jul. 2, 2013). Indeed, as more fully explained below, the time and expense of a newly imposed obligation on electric utilities to inspect the internal wiring of all premises impacted by a major storm, such as Hurricane Sandy, would be substantial, and would further and unreasonably delay the restoration of power to all affected customers. There is no such existing obligation on electric utilities in the Public Utility Code, the NESC or Commission regulations, nor should such a new obligation be created by the Superior Court ruling below.

Accordingly, the ownership and maintenance responsibility and legal duties of an electric utility end at the service point of electricity to the customer.

**C. Commission Regulation Of Electric Utility Service And Reliability**

Under Section 1501 of the Public Utility Code the Commission has long regulated electric utilities to ensure they provide safe, adequate and reliable electric service to the public. 66 Pa. C.S. § 1501. The Commission must also balance the reliability of service with affordability of service; an electric distribution system completely immune to outages would not be affordable for most customers. When the Electricity Generation Customer Choice and Competition Act became effective January 1, 1997, the Commission began examining the electric utilities' inspection, maintenance, repair and replacement internal standards. 66 Pa.C.S §2802. In 1998

the Commission adopted a Final Rulemaking Order, Docket No. L-00970120, setting forth various reporting requirements designed to ensure the continuing safety, adequacy, and reliability of the generation, transmission, and distribution of electricity in the Commonwealth. *See* 52 Pa. Code §§ 57.191-57.197. These reporting requirements included, *inter alia*, descriptions of each major event affecting reliability, the achieved values on various reliability indices monitored by the Commission, analysis of major outages during the study, and a list of remedial efforts taken for the electric utility's worst performing 5% of circuits. *See id.*

On June 12, 2002, the Legislative Budget and Finance Committee (LB&FC) issued a Report entitled, *Assessing the Reliability of Pennsylvania's Electric Transmission and Distribution Systems*. Available at <http://lbfc.legis.state.pa.us/re-ports/2002/144.PDF>. The LB&FC Report made several recommendations regarding the issue of reliability, including revising and enhancing electric utility reliability reporting requirements and performance monitoring standards, clarifying reporting requirements regarding the exclusion of data for major events, requiring formal waivers for electric utilities unable to comply with all reporting requirements, and completing the pending inspection and maintenance study by Commission staff. *Id.*

On July 18, 2002, at Docket No. M-00021619, the Commission adopted its Bureau of Conservation Economics and Energy Planning's (CEEP) *Inspection and*

*Maintenance Study of Electric Distribution Systems* dated July 3, 2002. CEEP, in part, recommended that the annual reliability reporting requirements be revised to include the causes of outages and percentages categorized by type as well as the annual reporting of each company's planned inspection and maintenance activities including: (1) vegetation management; (2) distribution and substation maintenance activity; and (3) capital improvement projects.

On June 27, 2003, at Docket No. L-00030161, the Commission adopted proposed regulations governing the reliability of electric service in Pennsylvania. On May 7, 2004, a final rulemaking order was entered in *Rulemaking Re Amending Electric Service Reliability Regulations at 52 Pa. Code Chapter 57*. Docket No. L-00030161. On April 20, 2006, the Commission adopted a proposed rulemaking order seeking to implement proposed minimum inspection, maintenance, repair and replacement ("I&M") standards on electric utilities. Docket No. L-00040167. The Proposed Rulemaking Order added a regulation at 52 Pa. Code § 57.198 which proposed minimum standards regarding vegetation maintenance, pole, line, reclosers, sub-station inspections, maintenance, and repair standards as well as directing electric utilities to file biannually plans with annual updates in compliance with the minimum standards. *Id.* On May 22, 2008, the Commission adopted a Final-Form Rulemaking Order which implemented minimum inspection, maintenance, repair and replacement standards on electric utilities operating in the

Commonwealth. Docket No. L-00040167. These regulations became effective on September 27, 2008. See 52 Pa. Code § 57.198.

**D. Duty Of Electric Utilities Regarding The Inspection Of Neutral Connections**

In February 2010, the Commission initiated a proceeding to consider whether to amend its inspection and maintenance standards to require electric utilities to inspect neutral connection wires. *Advance Notice of Proposed Rulemaking for Revision of 52 Pa. Code Chapter 57*, Commission Order, Docket No. L-2008-2044821 (Feb. 25, 2010) (hereinafter Chapter 57 Rulemaking Investigation). In the Chapter 57 Rulemaking Investigation, the Commission evaluated the necessity of additional standards requiring electric utilities to inspect, maintain, repair, and replace damaged neutral connections.<sup>8</sup> *Id.*

Given that the continued reliability of electric service depends on adequate generation and on conscientious inspection and maintenance of transmission and distribution systems, the Commission must set and enforce appropriate regulatory standards to ensure reliable electric service. 66 Pa. C.S. § 2802(20). The Public Utility Code also requires electric utilities to comply with the NESC standards

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<sup>8</sup> A neutral connection is a wire that provides a return path to complete the flow of electricity so that all appliances can operate. A damaged neutral connection can cause an uneven flow of electricity that results in voltage fluctuations and power surges that have the potential to cause damage to a home and appliances in the home. Weather related oxidation can damage a neutral connection. *Advance Notice of Proposed Rulemaking for Revision of 52 Pa. Code Chapter 57*, Advanced Notice of Proposed Rulemaking Order, Docket No. L-2008-2044821, at p. 2. and fn. 2 (Jul. 17, 2008).

regarding the installation and maintenance of transmission and distribution facilities. 66 Pa. C.S. § 2804(1)(ii). Section 214A of the 2012 NESC provides that lines and equipment should be inspected and tested as necessary. Additionally, lines and equipment with recorded defects that could reasonably be expected to endanger life or property must be promptly repaired, disconnected, or isolated. 2012 NESC, § 214A.

In the Chapter 57 Rulemaking Investigation, the numerous commenting parties, from which the Commission solicited comments, were generally opposed to the Commission adopting specific inspection and maintenance standards at transformers and lines for neutral connections. Chapter 57 Rulemaking Investigation. The Commission concluded that adopting specific standards for neutral connections would be unnecessary, cost prohibitive, and of minimal value in comparison to the significant cost of over \$85 million per year in the aggregate to the electric utilities for compliance. *Id.* These significant compliance costs to the electric utilities would result in increased rates for customers with minimal increased benefits regarding service reliability. *Id.* The Commission noted that neutral connection failures are low in number compared to other common causes of outages that require more Commission tracking and oversight. *Id.* Accordingly, the Commission withdrew and discontinued the Chapter 57 Rulemaking Investigation.

Even though these neutral connections are located at lines and transformers as part of an electric utility's transmission and distribution facilities, the Commission determined that imposing a heightened duty for electric utilities to inspect these neutral connections was not in the public interest. In this instant case, imposing a duty on the electric utility to inspect customer wiring/equipment prior to service restoration after an outage is not only also cost-prohibitive and not in the public interest, but also is beyond the utility's jurisdiction and responsibility. The Commission did not impose a duty on electric utilities to inspect neutral connections that are a part of the utilities' own wiring and facilities. By requiring an electric utility to inspect inside the customer's premises beyond the service point, the Superior Court has gone even further than the Commission regarding a utility's duty of inspection.

## **II. The New And Unprecedented Duty Imposed By The Superior Court On Electric Utilities Is Burdensome And Contrary To The Public Interest**

The Commission respectfully contends that the Superior Court erred in imposing upon electric utilities a burdensome and unprecedented duty to enter customers' premises and inspect customers' electrical equipment before restoring power after an outage. This new duty is contrary to the public interest as it will increase costs for electric utilities and consumers and delay utilities' efforts to restore power after storms and other outages. *See Craft v. Pa. Elec. Co.*, 1976 Pa. PUC LEXIS 95, at \*7-8 (Pa. PUC 1976).

**A. Case Law And Regulatory Practice Demonstrate That An Electric Utility Has No Duty To Inspect Customer Equipment Before Restoring Power After An Outage**

In its Opinion and Order below, the Superior Court specifically erred by deciding to apply the duty factors from *Althaus v. Cohen*, 756 A.2d 1166, 1168 (Pa. 2000), to the facts of this case. While the existence of a duty is a question of law for the court to decide, *see R.W. v. Manzek*, 888 A.2d 740, 746 (Pa. 2005), a court may provide deference to the expertise and determinations of a regulatory agency when regulatory practice and case law already clearly provide a line of demarcation between the duties of two parties. *See Popowsky v. Pa. Public Utility Commission*, 706 A.2d 1197 (Pa. 1997) (providing deference to PUC determinations based on PUC's expertise in utility regulation); *see also Elkin v. Bell Tel. Co. of Pa.*, 420 A.2d 371, 374 (Pa. 1980) (observing the importance of utilizing an administrative "agency's special experience and expertise in complex areas with which judges and juries have little familiarity").

As discussed *supra*, the ownership and maintenance responsibility of an electric utility ends at the point of delivery, *i.e.*, the service point, to the customer. *See HineLine*, 1990 Pa. PUC LEXIS 156, at \*6; *Norris*, 5 A.2d at 116. This Court has held that after an electric utility properly installs and maintains its lines, there is "no continuing duty of inspection" upon the utility. *Reed v. Duquesne Light Co.*, 47 A.2d 136, 139 (Pa. 1946) (observing that imposing a duty here would require

“constant surveillance” by the utility). An electric utility’s duty of inspection only applies to its own facilities. *Dunnaway v. Duquesne Light Co.*, 423 F.2d 66, 70 (3d Cir. 1970) (citing *Reed*, 47 A.2d at 139); *Luketich v. Duquesne Light Co.*, 132 A.2d 268, 270 (Pa. 1957).

**B. The Superior Court Erred In Its Application Of The *Althaus* Duty Factors**

Even if this Honorable Court still wants to investigate any potential duty for purposes of a negligence claim, the Commission contends that the Superior Court erred in finding a legal duty when applying the *Althaus* factors to the facts of this case. See *Alderwoods v. Duquesne Light Co.*, 52 A.3d 347 (Pa. Sup. Ct. 2012). In *Althaus*, this Honorable Court explained that a court weighs the following discrete factors in determining whether a duty exists in a particular case: “(1) the relationship between the parties; (2) the social utility of the actor’s conduct; (3) the nature of the risk imposed and foreseeability of the harm incurred; (4) the consequences of imposing a duty upon the actor; and (5) the overall public interest in the proposed solution.” 756 A.2d at 1169. In *Althaus*, this Court stressed that a reviewing court must carefully weigh the risk, foreseeability, and likelihood of injury against the social utility of the actor’s conduct, the magnitude of the burden of guarding against the injury, and the consequences of placing that burden on the actor. *Id.*

## 1. Nature Of Relationship Between Customer And Utility

In discussing the first duty factor, relationship between the parties, the Superior Court merely stated that Duquesne provided electricity to the Hirsch Funeral Home (Hirsch). Without expounding upon the nature of the relationship, especially with respect to the specific facts of the case, the Superior Court generally concluded that this factor weighed in favor of imposing a duty upon Duquesne. *Alderwoods*, 52 A.3d at 353.

Duquesne's duty and relationship to Hirsch extends to maintaining safe and reasonable service of its transmission and distribution facilities and to make repairs, changes, and improvements that are necessary or proper for the accommodation, convenience, and safety of its patrons, employees, and the public. *See* 66 Pa. C.S. §§ 1501, 2804. Duquesne is Hirsch's electric utility; however, Duquesne is not Hirsch's electrician. Accordingly, since Duquesne does not have a relationship to Hirsch with respect to the inspection of Hirsch's damaged electrical panel box where the fire began, this factor weighs in favor of not imposing a duty upon Duquesne.<sup>9</sup>

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<sup>9</sup> As discussed earlier in this Brief, electric utilities must maintain their distribution and transmission facilities in compliance with the NESC, rather than the NEC which governs in-premises wiring. While an electric utility's field employees are likely competent to work with in-premises wiring, the electric utilities do not generally train their employees for NEC compliance, much less obtain the licenses and certifications necessary to routinely inspect in-premises wiring. There is nothing in the Public Utility Code or Commission regulations that requires electric utilities to train their employees in the NEC.

## **2. Prompt Restoration Of Electric Service And Power Has Great Social Utility**

The Superior Court found that requiring the electric utility to inspect a customer's electrical power panel box prior to service restoration outweighs the social utility of prompt restoration of power. *Alderwoods*, 52 A.3d at 353. In supporting its finding, the Superior Court found persuasive Hirsch's averments that an inspection by Duquesne was feasible and would have prevented the destruction caused by the resulting fire. *Id.*

In its analysis of social utility, the Superior Court only weighed the feasibility of Duquesne to inspect Hirsch's damaged electrical panel box in this case and not the social utility of an electric utility's obligation to promptly restore power for all customers in all outage situations throughout the Commonwealth of Pennsylvania. Since customers want their power restored as quickly as possible after an outage, Commission policies and regulations emphasize the speed of restoration after an outage. *See* 52 Pa. Code § 67.1 (requiring utilities to report certain outages within specified times when service is not restored); *see also Proposed Rulemaking for Revision of 52 Pa Code Chapters 57, 59, 65, and 67 Pertaining to Utilities' Service Outage Response and Restoration Practices*, Final Rulemaking Order, Docket No. L-2009-2104274 (Sep. 22, 2011). The Commission's reliability indices require each electric utility to track the frequency

and duration of outages.<sup>10</sup> Accordingly, given the great social utility of prompt restoration of electric service and power to customers generally, this factor weighs in favor of not imposing a duty upon Duquesne.

**3. Any Potential Harm Or Risk Is Not Sufficiently Concrete Or Foreseeable To Require Imposing A Duty Of Inspection**

In finding that this factor weighed in favor of imposing a duty, the Superior Court determined that “the nature of risk and harm resulting from a power surge, following contact between the primary and secondary conductors was reasonably foreseeable” because Duquesne had “actual knowledge...that the restoration of power under such circumstances could cause a fire.” *Alderwoods*, 52 A.3d at 355.

However, duty only arises and should only be imposed when there is a *reasonable foreseeability* that a party’s conduct creates an unreasonable risk of harm to others. *Alderwoods*, 52 A.23d at 353 (citing *Manzek*, 888 A.2d at 747). An electric utility’s knowledge of a potential power surge after contact between primary and secondary conductors creates a general possibility, plausibility, or

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<sup>10</sup> Per 52 Pa.Code §57.191 the reliability indices are:

(i) *CAIDI—Customer Average Interruption Duration Index*—The average interruption duration of sustained interruptions for those customers who experience interruptions during the analysis period...

(ii) *MAIFI—Momentary Average Interruption Frequency Index*—The average frequency of momentary interruptions per customer occurring during the analysis period. ...

(iii) *SAIDI—System Average Interruption Duration Index*—The average duration of sustained customer interruptions per customer occurring during the analysis period. It is the average time customers were without power. ...

(iv) *SAIFI—System Average Interruption Frequency Index*—The average frequency of sustained interruptions per customer occurring during the analysis period.

conceivability of harm. This general plausibility is not the same as reasonable foreseeability to the specific factual situation; otherwise, the doctrine of foreseeability would know no bounds, for a fire occurring somewhere after a downed electrical line was restored to service would always be generally plausible. Furthermore, Duquesne did not inspect the electrical equipment of the other nearby customers before restoring power and the fact that those customers did not experience any problems goes against the finding that Hirsch's fire was reasonably foreseeable.

In relying on the facts of *Poorbaugh v. Pa. Public Utility Commission*, 666 A.2d 744 (Pa. Cmwlth. 1995), the Superior Court observed that the facts of *Poorbaugh* were similar to the facts of this case and thereby demonstrated foreseeability of harm. First, the Superior Court's reliance on *Poorbaugh* is improper and misplaced because the court in *Poorbaugh* did not draw legal conclusions in applying those facts to the rules of duty and foreseeability; rather, the *Poorbaugh* court only discussed a jurisdictional issue and did not conduct an analysis of the duty of an electric utility to its customer.<sup>11</sup> Second, the *Poorbaugh* opinion does not provide enough facts to determine whether the facts of the two cases are sufficiently analogous. Third, factual distinctions between the cases can

---

<sup>11</sup> In *Poorbaugh*, the Commonwealth Court evaluated the doctrine of primary jurisdiction and whether the case should have been transferred from the Court of Common Pleas to the Public Utility Commission. 666 A.2d at 750 ("The overriding issue is whether Poorbaugh's allegations against West Penn required judicial abstention and transfer of the matter from the trial court to the PUC. We conclude that they did not.").

be made. The *Poorbaugh* court noted the allegations of negligence were directed at the utility's maintenance of its own facilities. 666 A.2d at 745-46.

In sum, requiring the electric utility to only inspect its *own* facilities does not create an unreasonable risk of harm. Accordingly, this factor weighs in favor of not imposing a duty upon Duquesne.

**4. The Detrimental Consequences Of Imposing A Duty On The Electric Utility To Inspect A Customer's Electrical Panel Box Before Restoring Power**

The Superior Court found that the consequences of imposing a duty upon Duquesne to inspect or warn a customer "under the facts alleged [did] not place an undue burden upon Duquesne." *Alderwoods*, 52 A.3d at 355. The Superior Court surmised that inspecting a single customer's electrical equipment prior to restoring electric service would not create an undue burden. *Id.* While imposing this duty on the electric utility for a single customer in an isolated incident does not on its surface appear to create an undue burden, the Superior Court did not take into account the full consequences of imposing this duty on an electric utility with respect to *all* customers throughout the Commonwealth.

In discussing this fourth duty factor, the Superior Court kept referring to "the defendant's conduct" instead of "the actor's conduct," as the factor is described in *Althaus*. See *Alderwoods*, 52 A.3d at 352. The Superior Court established new legal precedent in imposing a duty of inspection on an actor, *i.e.*, the electric

utility, before restoration of power. In its simplified analysis, the Superior Court did not fully appreciate the consequences of placing this severe burden on *all* similarly situated actors, *i.e.*, all electric utilities in Pennsylvania, to inspect customer electrical equipment before restoration of electric service after *all* storms and outages.

In its opinion, the Superior Court did not curtail or limit the imposition of this duty of inspection to small storms or specific types of outages. Requiring electric utilities to field electricians to inspect customer equipment before service restoration after all storms and outages would drastically increase costs, resources, and manpower. For example, during Hurricane Sandy of October 2012, PPL Electric Utilities Corporation ("PPL") estimated an expected need of 437 company linemen, approximately 400 contracted linemen, 300 vegetation management personnel, and 1,144 other personnel. Summary Report of Outage Information Submitted by Electric Distribution Companies Affected by Hurricane Sandy October 29-31, 2012, p. 58 (prepared by PUC Bureau of Technical Utility Services, May 2013). During the storm, PPL actually utilized 2,274 linemen resources. *Id.* at 52. As a result of Hurricane Sandy, PPL had to replace 619 poles, 501 transformers, and 1,494 crossarms. *Id.* at 32. Seventy-six miles of spans of wire were also damaged. *Id.* In total, 523,936 PPL customers were affected by Hurricane Sandy. *Id.* at 31.

If utilities were required to hire or subcontract electricians to inspect the interior of all residential, business, and industrial premises before service restoration, even simple outages could take days to weeks to address. Every customer within a circuit or section of the area affected by the outage would have to provide the utility with an electrician's certificate ensuring that the customer's electrical box is safe before the electric utility could restore power to the entire affected area. If a customer is on vacation for two weeks, the utility would have to wait to get permission to enter that customer's premises before restoring power to the customer. Consequently, power restoration after storms and other outages would be significantly delayed to the detriment of customers who expect prompt restoration in order to turn back on appliances, to preserve food in refrigerators and freezers, or to conduct other business operations.

Accordingly, this factor weighs in favor of not imposing a duty upon Duquesne.

#### **5. The Overall Public Interest In Not Imposing A Duty**

Without conducting a thorough analysis, the Superior Court found that weighing the public interest in restoring electric service safely against the prompt restoration of power did not tip the scales in favor of either party. *Alderwoods*, 52 A.3d at 355-56.

As discussed, imposing a duty of inspection on electric utilities would significantly delay restoration after storms and other outages to the detriment of customers who expect prompt restoration at reasonable costs in order to turn back on appliances, to preserve food in refrigerators and freezers, or to conduct other business operations. Furthermore, due to increased costs of inspection, customers/ratepayers would realize increased rates in their electric bills. Under Section 1301 of the Public Utility Code, utility rates for customers must be "just and reasonable." 66 Pa. C.S. § 1301.

The overall public interest goals of prompt restoration of power and reasonable rates for customers easily outweigh imposing a duty on electric utilities to inspect individual customer electrical equipment before service restoration. Accordingly, this factor weighs in favor of not imposing a duty upon Duquesne.

### **III. Conclusion Of Argument And The Commission's Regulatory Role**

The Commission adopts and enforces rules to ensure that electric utilities provide safe, adequate, and reliable service at just and reasonable rates for its customers. 66 Pa. C.S. §§ 1301, 1501. The PUC actively regulates electric utilities with respect to utilities' service outage response and restoration

practices.<sup>12</sup> While the PUC has been actively regulating utilities on service restoration, the Commission has not imposed a duty on electric utilities to enter the interior of the premises beyond the service point to inspect customer equipment and wiring. In its opinion below in this case, the Superior Court intruded on the PUC's statutory duty to regulate service duties of public utilities. *See* 66 Pa. C.S. §§ 501, 1501.

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<sup>12</sup> *See Prevention and Mitigation of Extended Service Outages*, Commission Order, Docket No. I-2011-2271989 (Nov. 10, 2011); *see also Proposed Rulemaking for Revision of 52 Pa Code Chapters 57, 59, 65, and 67 Pertaining to Utilities' Service Outage Response and Restoration Practices*, Final Rulemaking Order, Docket No. L-2009-2104274 (Sep. 22, 2011); *see also Policy Statement Regarding Utility Service Outage Public Notification Guidelines*, Final Policy Statement, Docket No. M-2008-2065532 (Dec. 15, 2011); *see also Advance Notice of Proposed Rulemaking for Revision of 52 Pa. Code Chapter 57*, Commission Order, Docket No. L-2008-2044821 (Feb. 25, 2010) (hereinafter Chapter 57 Rulemaking Investigation).

## CONCLUSION

For the foregoing reasons, the Pennsylvania Public Utility Commission, acting as *Amicus Curiae*, respectfully request this Honorable Court to reverse the July 27, 2012 Order of the Superior Court.

Respectfully submitted,



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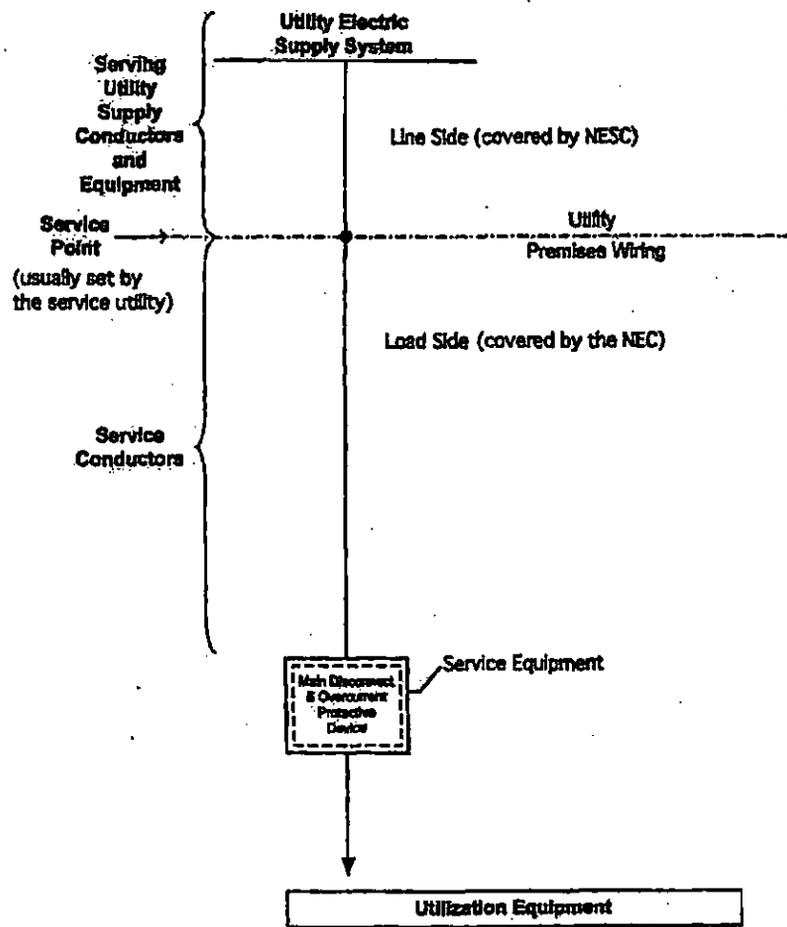
Date: July 24, 2013

Appendix A

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**ILLUSTRATION  
UTILITY ELECTRIC SUPPLY AND  
PREMISES WIRING**

**Figure 011-1—Service point—General illustration of what is covered and not covered by the NESC**

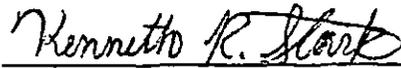
**CERTIFICATE OF SERVICE**

I hereby certify that I am this day serving the foregoing document, Brief of *Amicus Curiae* In Support of Appellant, upon the persons listed and in the manner indicated below:

**Notification by first class mail addressed as follows:**

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(717) 787-5000

Dated: July 24, 2013

**Attachment D**

**Deposition Testimony Excerpts of Stanley Fellerman**

**Taken in the matter of: *Stanley Fellerman [and] Carol Fellerman[,] Plaintiff[s] vs. PECO Energy Co., Comcast Corporation, Historic Home Inspection d/b/a WIN Home Inspection, Addison Wolfe Real Estate, and Lisa James Otto Country Properties***  
**Philadelphia Court of Common Pleas, July Term 2014, No. 2640**

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IN THE COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY, PENNSYLVANIA

- - -  
STANLEY FELLERMAN and : JULY TERM, 2014  
CAROL FELLERMAN :  
: V. :  
: PECO ENERGY COMPANY and :  
COMCAST CORPORATION : NO. 02640

- - -  
April 6, 2016  
- - -

Oral deposition of STANLEY  
FELLERMAN, taken pursuant to notice, was held at  
the law offices of Hill & Associates, 123 South  
Broad Street, Philadelphia, Pennsylvania 19107,  
commencing at 10:06 a.m., on the above date,  
before Torre Lynn Adams, a Court Reporter and  
Notary Public in the Commonwealth of  
Pennsylvania.

- - -  
ESQUIRE DEPOSITION SOLUTIONS  
Suite 2600  
1835 Market Street  
Philadelphia, Pennsylvania 19103  
(215) 988-9191



1 accident, do you recall ever speaking with any  
2 PECO employees or PECO representatives?

3 A. No.

4 Q. Do you recall ever having any type  
5 of problem with the electrical service to your  
6 home before the day of the accident?

7 A. I don't recall.

8 Q. Okay. Do you recall ever seeing  
9 PECO trucks in your driveway or at your home or  
10 at the homes of your -- your neighbors during  
11 the time you lived there before the accident?

12 A. I don't remember.

13 Q. Do you recall having any contact  
14 with PECO at all before the day of the accident  
15 after you moved into the house?

16 A. I don't remember.

17 Q. Now, you're familiar that there  
18 was -- and we know there was a pole that was --  
19 that was outside of your -- outside of your  
20 house --

21 A. Right.

22 Q. -- that was down at the time of  
23 the accident, right?

24 A. That is correct.

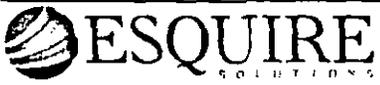
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IN THE COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY, PENNSYLVANIA  
- - -  
STANLEY FELLERMAN and : JULY TERM, 2014  
CAROL FELLERMAN :  
:  
v. :  
:  
PECO ENERGY COMPANY :  
and COMCAST : NO. 02640  
CORPORATION :

- - -  
May 4, 2016  
- - -

Continuing Oral deposition  
of STANLEY FELLERMAN, taken pursuant to  
notice, was held at the law offices of  
Hill & Associates, 123 South Broad  
Street, Philadelphia, Pennsylvania 19107,  
commencing at 10:08 a.m., on the above  
date, before Torre Lynn Adams, a Court  
Reporter and Notary Public in the  
Commonwealth of Pennsylvania.

- - -  
ESQUIRE DEPOSITION SOLUTIONS  
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1835 Market Street  
Philadelphia, Pennsylvania 19103  
(215) 988-9191



1 Q. Why would you not touch  
2 wires on a down pole?

3 MS. AYRES: Objection.  
4 Asked and answered at the last  
5 deposition.

6 You can answer.

7 THE WITNESS: It's  
8 dangerous.

9 BY MR. PROMER:

10 Q. What's dangerous about it?

11 A. High voltage.

12 Q. What's dangerous about that?

13 A. It could kill you.

14 Q. When did you first learn  
15 that you should stay away from downed  
16 electric wires?

17 A. I was a kid.

18 Q. Have you ever encountered a  
19 down power line prior to the date of the  
20 incident?

21 A. I do not recall.

22 Q. Did you think that what you  
23 were doing with the rake was safe?

24 A. Was?

1 Q. Safe.

2 A. The thought never entered my  
3 mind.

4 Q. Of whether it was safe or  
5 not?

6 A. Yes.

7 Q. Had you ever prior to this  
8 used any kind of tool near power lines?

9 A. No.

10 Q. Why not?

11 MS. AYRES: Objection to  
12 form.

13 THE WITNESS: I was never  
14 near downed power lines.

15 BY MR. PROMER:

16 Q. Do you know if there were  
17 any photographs of your hand in the  
18 following time frame, between the moment  
19 of the accident and you're going into  
20 surgery when you arrived for medical  
21 care?

22 A. I have no recollection.

23 Q. You had had a heart attack  
24 prior to the accident; is that correct?

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PECO Energy Company           :     Docket No. P-\_\_\_\_\_**  
**For a Declaratory Order                    :**

**VERIFICATION**

I, Ward Smith, hereby declare that I am counsel for PECO Energy Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Pleading are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. § 4904 pertaining to false statements to authorities.

  
\_\_\_\_\_  
Ward Smith

Date: May 17, 2017

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SECRETARY'S BUREAU

## Certificate of Service

I, Ward Smith, hereby certify that I have this day served a copy of PECO Energy Company's Motion in the above matter upon all interested parties by first class mail properly addressed to:

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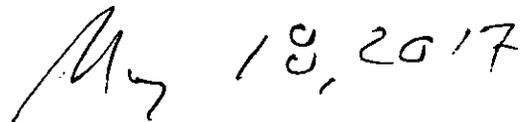
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Ward L. Smith

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## Revised Certificate of Service

I, Ward Smith, hereby certify that on May 18, 2017, I served a copy of PECO Energy Company's Petition for Declaratory Order, and that on May 23, 2017, I served a revised certificate of service, upon the following interested parties by first class mail properly addressed to:

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I, Ward Smith, further certify that on May 23, 2017, I served a copy of PECO Energy Company's Petition for Declaratory Order, along with the revised certificate of service, upon the following interested parties by first class mail properly addressed to:

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Pennsylvania Office of Small Business Advocate  
300 North Second Street  
Suite 202  
Harrisburg, PA 197101

Bureau of Investigation and Enforcement  
Penn Center, 2601 N. 3<sup>rd</sup> Street  
Harrisburg, PA 17110



Ward L. Smith

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23RD FLOOR  
PHILADELPHIA, PA 19103  
UNITED STATES US

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ACTWGT: 1.00 LB  
CAD: 107860893/NET3850

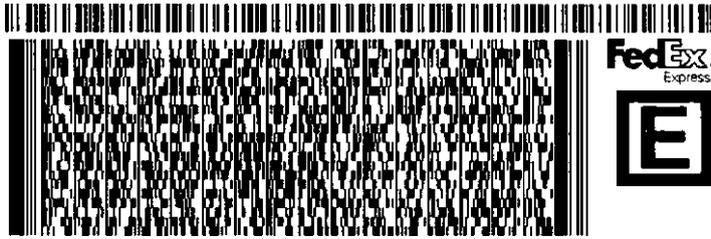
BILL SENDER

TO ROSEMARY CHIAVETTA  
PA PUBLIC UTILITY COMMISSION  
COMMONWEALTH KEYSTONE BUILDING  
400 NORTH STREET, SECOND FLOOR  
HARRISBURG PA 17120

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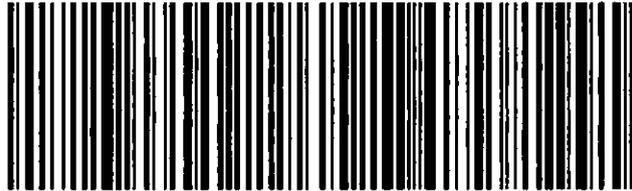


WED - 24 MAY 3:00P  
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EN MDTA

17120  
PA-US MDT



**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on [fedex.com](http://fedex.com). FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits, see current FedEx Service Guide.