

Richard G. Webster, Jr.
Vice President
Regulatory Policy and Strategy

Telephone 215.841.4000 ext 5777
Fax 215.841.6208
www.peco.com
dick.webster@peco-energy.com

PECO
2301 Market Street, 515
Philadelphia, PA 19103

June 23, 2017

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

SUBJECT: PECO Energy Company – Refiling of Attachment 2 of Electric Smart Meter Cost Recovery Surcharge (SMCRS) - Electric Tariff No. 5 - Supplement No. 47, Effective July 1, 2017, Docket M-2017-2610106

Dear Secretary Chiavetta:

This supplement contains PECO's refiling of Attachment 2 Computation sheets showing the derivation of the new values of the SMCRS for the period starting July 1, 2017. This Attachment is being refiled due to a transmittal error. Every other page was omitted during the original submittal.

Please contact Richard Schlesinger, Manager, Retail Rates at 214-841-5771 if you have any questions.

Sincerely,



Copies to: C. Walker-Davis, Director, Office of Special Assistants
P. T. Diskin, Director, Bureau of Technical Utility Services
K. Monaghan, Director, Bureau of Audits
R. A. Kanaskie, Director, Bureau of Investigation & Enforcement
Office of Consumer Advocate
Office of Small Business Advocate
McNees, Wallace & Nurick

Enclosures

**PECO - Electric
2017 Smart Meter Cost Recovery Surcharge (SMCRS) Annual Reconciliation**

SMCRS 1: Rates R and RH

		<u>Amount</u>	<u>\$/kWh</u>	
(1)	C = Projected Recoverable Smart Meter Program Costs	\$ -	\$ -	
(2)	E = Experienced & Estimated Net (Over)/Under (Over)/Under	\$ 19,785	\$ 0.00001	p. 3 of 12
(3)	I = Interest	\$ 6,758	\$ 0.00000	p. 4 of 12
(4)	Net Recoverable (C + E + I)	\$ 26,544	\$ 0.00002	
(5)	R = Projected Sales (kWh) for Computation Period (July 2017)	1,388,942,696		
(6)	T = Pennsylvania Gross Receipts Tax Rate	5.9%		
(7)	SMCRS = [(C+E+I)/R]/(1-T)	\$ 0.00002		Monthly Variable kWh Charge
(8)	** NOTE: SMCRS Rate to be set at zero at July 1, 2017 to factor in monthly billing lag and target a minimal undercollected balance by July 31, 2017. Any (over) collection balance at July 31, 2017 will be rolled into a future Consumer Education Charge.	\$ 0.00		** Monthly Variable kWh Charge

**PECO - 2017 SMCRS
C-Factor Calculation**

SMCRS 1: Rates R and RH

C-Factor Month	Projected Smart Meter Program Costs (1)	Projected Sales (kWh) (2)
Jul-17 (est)	\$ -	1,388,942,696
Total	\$ -	1,388,942,696

Estimated Recovery C-Factor \$ - per kWh

**PECO - 2017 SMCRS
E-Factor Calculation**

SMCRS 1: Rates R, RH, OP

E-Factor Period	Recoverable Costs (Net of Stimulus Funding) (1)	Actual R, RH, OP Usage (kWh) (2)	C-Factor Rate (3)	C-Factor Revenue (a) (4)	C-Factor Over/(Under) Recovery (5) = (4) - (1)	E-Factor Rate (6)	E-Factor Revenue (a) (7)	Total Collected Revenue (8) = (4) + (7)	Over/(Under) Recovery (9) = (8) - (1)	Cumulative Over/(Under) Recovery (10)
Balance										
May-17	\$ -	782,976,133	-	\$ -	\$ -	(0.00025)	\$ (91,137)	\$ (91,137)	\$ (91,137)	\$ 110,922
Jun-17 (est)	\$ -	1,026,203,080	-	\$ -	\$ -	0.00008	\$ (58,130)	\$ (58,130)	\$ (58,130)	\$ 19,785
Jul-17 (est) (b)	\$ -	1,388,942,696	-	\$ -	\$ -	-	\$ 46,668	\$ 46,668	\$ 46,668	\$ (38,345)
	\$ -	<u>3,198,121,909</u>		\$ -	\$ -		\$ (102,599)	\$ (102,599)	\$ (102,599)	\$ 8,323
Total Recovery E-Factor = \$ <u>8,323</u>										

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

(b) July estimated data is included to show the effect on revenue due to monthly billing lag and the estimated remaining balance at July 31, 2017.

**PECO - 2017 SMCRS
Interest Calculation**

SMCRS 1: Rates R, RH, OP

E-Factor Period	Actual R, RH, OP Usage (kWh) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) x (3) x (4)	Interest Factor Rate (6)	Interest Factor Revenue (a) (7)	Total Interest Owed/ (Interest Recouped) (8) = (5) + (7)	Cumulative Interest Owed/ (Interest Recouped) (9)
Balance									
May-17	782,976,133	\$ -	6%		\$ -	(0.00008)	\$ (31,203)	\$ (31,203)	\$ 37,962
Jun-17 (est)	1,026,203,080	\$ -	6%		\$ -	0.00003	\$ (27,695)	\$ (27,695)	\$ 6,758
Jul-17 (est) (b)	1,388,942,696	\$ -	6%		\$ -	-	\$ 20,834	\$ 20,834	\$ (20,937)
	<u>3,198,121,909</u>	<u>\$ -</u>			<u>\$ -</u>		<u>\$ (38,066)</u>	<u>\$ (38,066)</u>	
								Net Interest = \$	<u>(103)</u>

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

(b) July estimated data is included to show the effect on revenue due to monthly billing lag and the estimated remaining balance at July 31, 2017.

**PECO - Electric
2017 Smart Meter Cost Recovery Surcharge (SMCRS) Annual Reconciliation**

SMCRS 2: Rate GS

	<u>Amount</u>	<u>\$/Customer</u>	
(1) C = Projected Recoverable Smart Meter Program Costs	#REF!	#REF!	
(2) E = Experienced & Estimated Net (Over)/Under (Over)/Under	\$ (16,577)	\$ (0.10784)	p. 3 of 4
(3) I = Interest	\$ (34)	\$ (0.00022)	p. 4 of 4
(4) Net Recoverable (C + E + I)	#REF!	#REF!	
(5) R = Projected Customers for Computation Period (July 2017)	154,000		
(6) T = Pennsylvania Gross Receipts Tax Rate	5.9%		
(7) SMCRS = [(C+E+I)/R]/(1-T)	#REF!	Fixed Monthly Charge	
(8) ** NOTE: SMCRS Rate to be set at zero at July 1, 2017 to factor in monthly billing lag and target a minimal undercollected balance by July 31, 2017.	\$ 0.00	**	

**PECO - 2017 SMCRS
C-Factor Calculation**

SMCRS 2: Rate GS

C-Factor Month	Projected Smart Meter Program Costs (1)	Projected Customers (2)
Jul-17 (est)	\$ -	154,000
Total	\$ -	154,000

Estimated Recovery C-Factor \$ - per customer

**PECO - 2017 SMCRS
E-Factor Calculation**

SMCRS 2: Rate GS

E-Factor Period	Recoverable Costs (Net of Stimulus Funding) (1)	Actual GS Customers (2)	C-Factor Rate (3)	C-Factor Revenue (a) (4)	C-Factor Over/(Under) Recovery (5) = (4) - (1)	E-Factor Rate (6)	E-Factor Revenue (a) (7)	Total Collected Revenue (8) = (4) + (7)	Over/(Under) Recovery (9) = (8) - (1)	Cumulative Over/(Under) Recovery (10)
Balance										\$ (58,868)
May-17	\$ -	152,470	-	\$ -	\$ -	0.61040	\$ 42,291	\$ 42,291	\$ 42,291	\$ (16,577)
Jun-17 (est)	\$ -	154,000	-	\$ -	\$ -	(0.26293)	\$ 33,480	\$ 33,480	\$ 33,480	\$ 16,903
Jul-17 (est) (b)	\$ -	154,000	-	\$ -	\$ -	-	\$ (22,271)	\$ (22,271)	\$ (22,271)	\$ (5,368)
	\$ -	480,470		\$ -	\$ -		\$ 63,600	\$ 63,600	\$ 63,600	
Total Recovery E-Factor = \$ (5,368)										

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

(b) July estimated data is included to show the effect on revenue due to monthly billing lag and the estimated remaining balance at July 31, 2017.

**PECO - 2017 SMCRS
Interest Calculation**

SMCRS 2: Rate GS

E-Factor Period	Actual GS Customers (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) x (3) x (4)	Interest Factor Rate (6)	Interest Factor Revenue (a) (7)	Total Interest Owed/ (Interest Recouped) (8) = (5) + (7)	Cumulative Interest Owed/ (Interest Recouped) (9)
Balance									\$ (120)
May-17	152,470	\$ -	6%		\$ -	0.00125	\$ 86	\$ 86	\$ (34)
Jun-17 (est)	154,000	\$ -	6%		\$ -	(0.00055)	\$ 68	\$ 68	\$ 34
Jul-17 (est) (b)	154,000	\$ -	6%		\$ -	-	\$ (46)	\$ (46)	\$ (12)
	<u>480,470</u>	<u>\$ -</u>			<u>\$ -</u>		<u>\$ 108</u>	<u>\$ 108</u>	
Net Interest = \$									<u>(12)</u>

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

(b) July estimated data is included to show the effect on revenue due to monthly billing lag and the estimated remaining balance at July 31, 2017.

**PECO - Electric
2017 Smart Meter Cost Recovery Surcharge (SMCRS) Annual Reconciliation**

SMCRS 3: Rates HT, PD, EP

		<u>Amount</u>	<u>\$/Customer</u>	
(1)	C = Projected Recoverable Smart Meter Program Costs	\$ -	\$ -	
(2)	E = Experienced & Estimated Net (Over)/Under (Over)/Under	\$ (5,135)	\$ (1.58)	p. 11 of 12
(3)	I = Interest	\$ (632)	\$ (0.19)	p. 12 of 12
(4)	Net Recoverable (C + E + I)	\$ (5,767)	\$ (1.77)	
(5)	R = Projected Customers for Computation Period (July 2017)	3,250		
(6)	T = Pennsylvania Gross Receipts Tax Rate	5.9%		
(7)	SMCRS = [(C+E+I)/R]/(1-T)	\$ (1.89)	Fixed Monthly Charge	
(8)	** NOTE: SMCRS Rate to be set at zero at July 1, 2017 to factor in monthly billing lag and target a minimal undercollected balance by July 31, 2017.	\$ 0.00	**	

**PECO - 2017 SMCRS
C-Factor Calculation**

SMCRS 3: Rates HT, PD, EP

C-Factor Month	Projected Smart Meter Program Costs (1)	Projected Customers (2)
Jul-17 (est)	\$ -	3,250
Total	\$ -	3,250

Estimated Recovery C-Factor \$ - per customer

**PECO - 2017 SMCRS
E-Factor Calculation**

SMCRS 3: Rates HT, PD, EP

E-Factor Period	Recoverable Costs (Net of Stimulus Funding) (1)	Actual HT, PD, EP Customers (2)	C-Factor Rate (3)	C-Factor Revenue (a) (4)	C-Factor Over/(Under) Recovery (5) = (4) - (1)	E-Factor Rate (6)	E-Factor Revenue (a) (7)	Total Collected Revenue (8) = (4) + (7)	Over/(Under) Recovery (9) = (8) - (1)	Cumulative Over/(Under) Recovery (10)
Balance										\$ 17,975
May-17	\$ -	3,290	-	\$ -	\$ -	(9.20452)	\$ (12,840)	\$ (12,840)	\$ (12,840)	\$ 5,135
Jun-17 (est)	\$ -	3,250	-	\$ -	\$ -	2.20000	\$ (15,089)	\$ (15,089)	\$ (15,089)	\$ (9,954)
Jul-17 (est) (b)	\$ -	3,250	-	\$ -	\$ -	-	\$ 4,290	\$ 4,290	\$ 4,290	\$ (5,664)
	<u>\$ -</u>	<u>9,790</u>		<u>\$ -</u>	<u>\$ -</u>		<u>\$ (23,639)</u>	<u>\$ (23,639)</u>	<u>\$ (23,639)</u>	
Total Recovery E-Factor = \$ <u>(5,664)</u>										

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

(b) July estimated data is included to show the effect on revenue due to monthly billing lag and the estimated remaining balance at July 31, 2017.

**PECO - 2017 SMCRS
Interest Calculation**

SMCRS 3: Rates HT, PD, EP

E-Factor Period	Actual HT, PD, EP Customers (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) x (3) x (4)	Interest Factor Rate (6)	Interest Factor Revenue (a) (7)	Total Interest Owed/ (Interest Recouped) (8) = (5) + (7)	Cumulative Interest Owed/ (Interest Recouped) (9)
Balance									\$ 2,231
May-17	3,290	\$ -	6%		\$ -	(1.1465)	\$ (1,599)	\$ (1,599)	\$ 632
Jun-17 (est)	3,250	\$ -	6%		\$ -	0.3960	\$ (1,721)	\$ (1,721)	\$ (1,089)
Jul-17 (est) (b)	3,250	\$ -	6%		\$ -	-	\$ 772	\$ 772	\$ (317)
	<u>9,790</u>	<u>\$ -</u>			<u>\$ -</u>		<u>\$ (2,648)</u>	<u>\$ (2,648)</u>	
								Net Interest = \$	<u>(317)</u>

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

(b) July estimated data is included to show the effect on revenue due to monthly billing lag and the estimated remaining balance at July 31, 2017.