

**Richard G. Webster, Jr.**  
Vice President  
Regulatory Policy & Strategy  
  
PECO  
2301 Market Street  
S15  
Philadelphia, PA 19103

Telephone 215.841.5777  
Fax 215.841.6208  
www.peco.com  
dick.webster@peco-energy.com

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

May 7, 2018

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

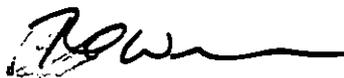
**SUBJECT: PECO Energy Company's 2018 Annual Depreciation Report (ADR),  
M-110550 and M-122300 F2017 ADR**

Dear Secretary Chiavetta:

In accordance with Sections 73.3 and 73.4 of the Pennsylvania Public Utility Code, enclosed please find an original copy of PECO Energy Company's ("PECO") 2018 Annual Depreciation Report for the year ended December 31, 2017. A CD-ROM is also provided that contains the copy of this filing.

Thank you for your assistance in this matter and please direct any questions regarding the above to Richard Schlesinger, Manager, Retail Rates at 215-841-5771.

Sincerely,



Enclosures

cc: Office of Special Assistants (including CD-ROM)  
Office of Consumer Advocate  
Office of Small Business Advocate  
R. A. Kanaskie, Director, Bureau of Investigation & Enforcement  
P.T. Diskin, Director, Bureau of Technical Utility Services (including CD-ROM)

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**PECO ENERGY COMPANY**

**2018 ANNUAL DEPRECIATION REPORT**

**PECO Energy Company**  
**2018 Annual Depreciation Report**  
**Executive Summary**

**Depreciation Methods**

The depreciation methods utilized in the 2018 Annual Depreciation Report are consistent with those utilized in the 2017 Annual Depreciation Report. Such methods are as follows:

**Electric and Common Plant** - The Company uses the straight-line method, remaining life technique, average service life group procedure for electric and common plant which is consistent with accepted Pennsylvania Public Utility Commission (PAPUC) practices.

The Iowa curves for the Electric Distribution, Transmission, General, and Common accounts that are the basis of the Company's depreciation calculations were developed in the 2013 Service Life Study and filed in March 2015 in accordance with Section 73.5 of the Public Utility Code.

**Gas Plant** - The remaining life method of depreciation is also used for gas plant. The life span procedure is applied to the city gate station facilities, the propane air plant at Tilghman Street, and the liquefied natural gas storage (LNG) plant at West Conshohocken. The average service life group procedure is applied to all other gas plant. The terminal dates and the Iowa curves were developed in the 2013 Service Life Study and filed in March 2015 in accordance with Section 73.5 of the Public Utility Code.

**Net Negative Salvage Methodology**

The remaining life technique of depreciation incorporates the recovery of net negative salvage through the depreciation accrual without any additional adjustments. Basically, depreciation expense is calculated by taking the value of plant in service less the book reserve, divided by the remaining life. Since salvage and removal cost are part of the book reserve, the unrecovered net negative salvage is recovered over the remaining life of the plant. This treatment was reviewed and found acceptable by the PAPUC in the Company's most recent electric and gas rate proceedings, R-2015-2468981 and R-2010-2161592, respectively.

## **Depreciation Expense Comparison**

Attachments A, B, and C provide a comparison of 2017, 2016, and 2015 depreciation expense by class of service, functional grouping, and plant account.

### **Attachment A - Electric Plant Depreciation Expense**

The change in electric plant depreciation between 2017 and 2016 is primarily due to additions to plant in service. The change between 2016 and 2015 is due to a reclassification of depreciation expense on regulatory assets from the 404 Amortization of Utility Plant account to the 407.3 Regulatory Debits account. In 2015 the expense was charged to the 404 Amortization of Utility Plant account.

### **Attachment B - Gas Plant Depreciation Expense**

The change in gas plant depreciation between 2017 and 2016 is primarily due to additions to plant in service.

### **Attachment C - Common Plant Depreciation Expense**

The change in common plant depreciation between 2017 and 2016 is primarily due to software additions to plant in service during the year.

## **Information Provided on CD-ROM**

The following summary and detail data are provided on CD-ROM:

1. Electric and Gas functional group summaries, including respective allocated common.
2. Calculation of the factors used in 2017 to allocate common plant.
3. Additional data for PECO by Functional Class and FERC Account showing year-end plant in service, current year accrual, year-end reserve and net plant.
4. Book life by FERC Account.

## PECO ENERGY COMPANY

## 2018 Annual Depreciation Report - Executive Summary

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## Comparison of 2015 thru 2017 Depreciation Expense

(in \$ thousands)

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Account	Depreciation Expense			2017 vs 2016	2017 vs 2016
	2017	2016	2015	\$ Change	% Change
<b>ELECTRIC</b>					
<b>Intangible Plant</b>					
303	\$ 19,876	\$ 18,199	\$ 30,270	\$ 1,678	9.22%
Total	\$ 19,876	\$ 18,199	\$ 30,270	\$ 1,678	9.22%
<b>Transmission Plant</b>					
352	\$ 1,309	\$ 991	\$ 619	\$ 318	32.09%
353	13,794	12,868	12,039	925	7.19%
354	3,519	3,435	3,339	84	2.46%
355	254	253	251	1	0.49%
356	3,031	2,961	2,949	70	2.36%
357	222	208	204	14	6.74%
358	1,625	1,493	1,531	132	8.86%
359	8	8	9	(0)	-3.33%
Total	\$ 23,762	\$ 22,217	\$ 20,941	\$ 1,545	6.95%
<b>Distribution Plant</b>					
361	\$ 2,060	\$ 1,826	\$ 1,719	\$ 234	12.79%
362	18,544	17,705	19,439	839	4.74%
364	13,580	13,091	12,670	488	3.73%
365	23,222	21,961	20,837	1,261	5.74%
366	5,961	5,593	5,433	368	6.58%
367	23,491	22,197	21,614	1,294	5.83%
368	12,121	11,774	12,171	348	2.95%
369	7,919	7,751	8,486	168	2.16%
370	19,080	19,929	20,163	(849)	-4.26%
371	5	5	5	(0)	-0.98%
373	1,364	1,283	1,737	81	6.31%
Total	\$ 127,346	\$ 123,115	\$ 124,274	\$ 4,231	3.44%
<b>General Plant</b>					
390	\$ 1,381	\$ 1,372	\$ 1,051	\$ 9	0.64%
391	2,828	2,295	2,034	533	23.24%
393	4	5	5	(1)	-18.01%
394	2,248	1,994	1,832	255	12.76%
395	20	20	20	(0)	-0.02%
397	8,371	7,268	6,444	1,103	15.17%
398	112	108	120	4	3.60%
Total	\$ 14,965	\$ 13,063	\$ 11,506	\$ 1,903	14.57%
<b>TOTAL ELECTRIC</b>					
	\$ 185,950	\$ 176,593	\$ 186,991	\$ 9,356	5.30%

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## PECO ENERGY COMPANY

## 2018 Annual Depreciation Report - Executive Summary

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## Comparison of 2015 thru 2017 Depreciation Expense

(in \$ thousands)

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Account	Depreciation Expense			2017 vs 2016	2017 vs 2016
	2017	2016	2015	\$ Change	% Change
<b>GAS</b>					
Intangible Plant					
1303	\$ 3,214	\$ 1,948	\$ 1,565	\$ 1,267	65.03%
Total	\$ 3,214	\$ 1,948	\$ 1,565	\$ 1,267	65.03%
Production Plant					
1305	\$ 33	\$ 13	\$ 13	\$ 20	154.32%
1311	193	195	199	(3)	-1.32%
Total	\$ 226	\$ 208	\$ 212	\$ 17	8.32%
Storage Plant					
1361	\$ 597	\$ 176	\$ 126	\$ 421	238.87%
1362	18	18	19	-	0.00%
1363	1,054	809	769	246	30.36%
Total	\$ 1,670	\$ 1,003	\$ 914	\$ 666	66.42%
Distribution Plant					
1375	\$ 279	\$ 276	\$ 274	\$ 3	1.09%
1376	17,658	16,292	15,491	1,365	8.38%
1377	-	-	-	-	0.00%
1378	306	299	301	7	2.45%
1379	630	626	653	5	0.73%
1380	13,924	12,955	12,564	969	7.48%
1381	4,797	4,663	4,727	135	2.89%
1382	3,057	2,914	2,952	143	4.90%
1387	162	172	199	(10)	-5.55%
Total	\$ 40,813	\$ 38,197	\$ 37,160	\$ 2,617	6.85%
General Plant					
1390	\$ 147	\$ 130	\$ 108	\$ 17	13.08%
1391	53	38	44	15	39.06%
1394	459	400	381	59	14.81%
1395	8	-	48	8	100.00%
1397	847	454	479	393	86.67%
1398	11	6	5	6	101.68%
1399	16	9	-	7	81.81%
Total	\$ 1,541	\$ 1,036	\$ 1,065	\$ 505	48.73%
<b>TOTAL GAS</b>	<b>\$47,464</b>	<b>\$42,392</b>	<b>\$40,917</b>	<b>\$5,072</b>	<b>11.96%</b>

**ATTACHMENT C**

**PECO ENERGY COMPANY**  
**2018 Annual Depreciation Report - Executive Summary**  
**Comparison of 2015 thru 2017 Depreciation Expense**  
**(in \$ thousands)**

Account	Depreciation Expense			2017 vs 2016	2017 vs 2016
	2017	2016	2015	\$ Change	% Change
<b>COMMON</b>					
General Plant					
4303	\$ 16,413	\$ 14,606	\$ 13,125	\$ 1,807	12.37%
4390	5,216	5,088	5,043	128	2.52%
4391	6,578	5,190	4,661	1,388	26.75%
4393	87	92	83	(5)	-5.40%
4394	16	16	18	0	0.06%
4397	1,734	1,780	1,867	(47)	-2.62%
4398	114	115	113	(0)	-0.12%
4399	-	-	-	-	0.00%
<b>Total</b>	<b>\$ 30,158</b>	<b>\$ 26,887</b>	<b>\$ 24,912</b>	<b>\$ 3,271</b>	<b>12.17%</b>
Transportation (See Note Below)					
4392	\$ 7,475	\$ 6,584	\$ 7,416	\$ 892	13.54%
4394	123	119	126	3	2.82%
4396	2	3	3	(1)	-24.22%
<b>Total</b>	<b>\$ 7,600</b>	<b>\$ 6,706</b>	<b>\$ 7,544</b>	<b>\$ 894</b>	<b>13.34%</b>
<b>TOTAL COMMON</b>	<b>\$ 37,758</b>	<b>\$ 33,592</b>	<b>\$ 32,456</b>	<b>\$ 4,166</b>	<b>12.40%</b>

**Note:** Fleet depreciation is charged to a clearing account and then allocated between capital and expense. These amounts represent the total fleet depreciation prior to being charged to the clearing account and being allocated between capital and expense.

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**Comparative Analysis of Electric Utilities  
Year Ending 12-31-2017  
PECO Energy Company ADR 110550**

<b>INTANGIBLE PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	A	151,584,420	128,214,346	101,806,620
Book Accrued Depreciation	B	93,824,261	76,419,687	58,200,240
Book Reserve % of O. C.	C = B/A	61.90%	59.60%	57.17%
Original Cost Depreciated	D = A-B	57,760,159	51,794,659	43,606,380
Annual Depreciation Expense	E	19,876,263	18,198,653	30,270,000
Annual % of O. C.	= E/A	13.11%	14.19%	29.73%

<b>TRANSMISSION PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	G	1,487,211,494	1,395,173,474	1,310,387,430
Book Accrued Depreciation	H	503,753,019	487,783,614	475,474,108
Book Reserve % of O. C.	I = H/G	33.87%	34.96%	36.29%
Original Cost Depreciated	J = G-H	983,458,475	907,389,860	834,913,322
Annual Depreciation Expense	K	23,761,763	22,216,942	20,941,000
Annual % of O. C.	= K/G	1.60%	1.59%	1.60%

<b>DISTRIBUTION PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	M	5,976,992,545	5,728,491,991	5,496,995,052
Book Accrued Depreciation	N	1,689,861,434	1,617,888,458	1,548,820,410
Book Reserve % of O. C.	O = N/M	28.27%	28.24%	28.18%
Original Cost Depreciated	P = M-N	4,287,131,111	4,110,603,533	3,948,174,642
Annual Depreciation Expense	Q	127,346,289	123,114,990	124,274,000
Annual % of O. C.	= Q/M	2.13%	2.15%	2.26%

<b>GENERAL PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	S	255,333,466	235,203,471	218,644,099
Book Accrued Depreciation	T	63,845,903	55,085,737	47,113,826
Book Reserve % of O. C.	U = T/S	25.00%	23.42%	21.55%
Original Cost Depreciated	V = S-T	191,487,563	180,117,734	171,530,273
Annual Depreciation Expense	W	14,965,330	13,062,714	11,506,000
Annual % of O. C.	= W/S	5.86%	5.55%	5.26%

<b>ALLOCATED COMMON PLANT (including Transportation)</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	Y	553,511,064	516,931,630	481,238,615
Book Accrued Depreciation	Z	267,919,312	248,937,023	233,259,524
Book Reserve % of O. C.	AA = Z/Y	48.40%	48.16%	48.47%
Original Cost Depreciated	AB = Y-Z	285,591,752	267,994,607	247,979,091
Annual Depreciation Expense	AC	29,749,587	26,212,219	25,069,242
Annual % of O. C.	= AC/Y	5.37%	5.07%	5.21%

<b>TOTAL COMPANY</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	AE = A+G+M+S+Y	8,424,632,989	8,004,014,912	7,609,071,816
Book Accrued Depreciation	AF = B+H+N+T+Z	2,619,203,928	2,486,114,520	2,362,868,108
Book Reserve % of O. C.	AG = AF/AE	31.09%	31.06%	31.05%
Original Cost Depreciated	AH = AE-AF	5,805,429,060	5,517,900,393	5,246,203,708
Annual Depreciation Expense	AI = E+K+Q+W+AC	215,699,231	202,805,518	212,060,242
Annual % of O. C.	= AI/AE	2.56%	2.53%	2.79%

<b>NON-DEPRECIABLE PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Land and Land Rights - Electric	AK	103,749,415	103,529,085	102,865,866
Land and Land Rights - Allocated Common	AJ	5,344,370	5,317,569	5,263,732
Intangible Property - Electric	X	162,934	162,934	162,934
Intangible Property - Allocated Common	R	533,515	528,369	523,020
<b>Total Non-Depreciable Plant</b>	<b>AL = AK+AJ+X+R</b>	<b>109,790,234</b>	<b>109,537,957</b>	<b>108,815,552</b>

<b>Plant Held for Future Use</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Plant Held for Future Use - Electric	L	6,964,858	6,950,728	6,767,053
Plant Held for Future Use - Allocated Common	F	0	0	0
<b>Total Plant Held for Future Use</b>	<b>AM = L+F</b>	<b>6,964,858</b>	<b>6,950,728</b>	<b>6,767,053</b>

<b>TOTAL PLANT IN SERVICE</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
	<b>= AE+AL+AM</b>	<b>8,541,388,081</b>	<b>8,120,503,597</b>	<b>7,724,654,420</b>

**Comparative Analysis of Gas Utilities  
Year Ending 12-31-2017  
PECO Energy Company ADR 122300**

<b>INTANGIBLE PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	A	15,727,137	13,158,843	9,760,256
Book Accrued Depreciation	B	9,069,606	6,110,192	3,889,412
Book Reserve % of O. C.	C = B/A	57.67%	46.43%	39.85%
Original Cost Depreciated	D = A-B	6,657,531	7,048,650	5,870,844
Annual Depreciation Expense	E	3,214,102	1,947,540	1,565,211
Annual % of O. C.	= E/A	20.44%	14.80%	16.04%

<b>PRODUCTION PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	F	15,652,508	15,899,476	15,174,244
Book Accrued Depreciation	G	12,486,408	12,280,726	12,052,387
Book Reserve % of O. C.	H = G/F	79.77%	77.11%	79.43%
Original Cost Depreciated	I = F-G	3,166,100	3,638,750	3,121,857
Annual Depreciation Expense	J	225,682	208,339	212,028
Annual % of O. C.	= J/F	1.44%	1.31%	1.40%

<b>STORAGE PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	K	51,566,433	49,372,996	40,280,447
Book Accrued Depreciation	L	28,173,844	26,999,988	26,129,833
Book Reserve % of O. C.	M = L/K	54.64%	54.69%	64.90%
Original Cost Depreciated	N = K-L	23,392,589	22,373,010	14,130,614
Annual Depreciation Expense	O	1,669,823	1,003,396	913,825
Annual % of O. C.	= O/K	3.24%	2.03%	2.27%

<b>DISTRIBUTION PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	P	2,395,419,985	2,247,909,439	2,119,895,644
Book Accrued Depreciation	Q	697,466,200	672,440,885	647,473,823
Book Reserve % of O. C.	S = Q/P	29.12%	29.91%	30.54%
Original Cost Depreciated	T = P-Q	1,697,953,785	1,575,468,554	1,472,421,820
Annual Depreciation Expense	U	40,813,477	38,196,610	37,160,127
Annual % of O. C.	= U/P	1.70%	1.70%	1.75%

<b>GENERAL PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	V	21,550,945	17,820,991	16,463,515
Book Accrued Depreciation	W	8,973,797	7,732,101	6,928,967
Book Reserve % of O. C.	X = W/V	41.64%	43.39%	42.09%
Original Cost Depreciated	Y = V-W	12,577,148	10,088,890	9,534,548
Annual Depreciation Expense	Z	1,540,951	1,036,098	1,065,415
Annual % of O. C.	= Z/V	7.15%	5.81%	6.47%

<b>ALLOCATED COMMON PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	AA	149,003,296	145,546,430	141,804,646
Book Accrued Depreciation	AB	72,122,967	70,090,304	68,733,645
Book Reserve % of O. C.	AC = AB/AA	48.40%	48.16%	48.47%
Original Cost Depreciated	AD = AA-AB	76,880,328	75,456,126	73,071,001
Annual Depreciation Expense	AE	8,008,488	7,380,270	7,387,053
Annual % of O. C.	= AE/AA	5.37%	5.07%	5.21%

<b>TOTAL COMPANY</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Original Cost (Depreciable)	AF = A+F+K+P+V+AA	2,648,920,304	2,489,708,174	2,343,358,752
Book Accrued Depreciation	AG = B+G+L+Q+W+AB	828,292,822	795,634,195	765,208,068
Book Reserve % of O. C.	AH = AG/AF	31.27%	31.96%	32.65%
Original Cost Depreciated	AI = AF-AG	1,820,627,482	1,694,073,980	1,578,150,684
Annual Depreciation Expense	AJ = E+J+O+U+Z+AE	55,472,522	49,772,253	48,303,658
Annual % of O. C.	= AJ/AF	2.09%	2.00%	2.06%

<b>NON-DEPRECIABLE PLANT</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Land and Land Rights - Gas	AK	3,598,281	3,913,478	3,800,085
Land and Land Rights - Common	AL	1,438,688	1,497,206	1,551,043
Intangible Property - Gas	AM	50,033	50,033	50,033
Intangible Property - Common	AN	143,621	148,767	154,116
Total Non-Depreciable Plant	AO = AK+AL+AM+AN	5,230,621	5,609,483	5,555,277

<b>Plant Held for Future Use</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
Plant Held for Future Use - Gas		-	-	-
Plant Held for Future Use - Allocated Common	AP	-	-	-
Total Plant Held for Future Use	AQ = AP	-	-	-

<b>TOTAL PLANT IN SERVICE</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>
	= AF+AO+AQ	2,654,150,925	2,495,317,658	2,348,914,029

**PECO Energy Company**  
**Development of Factors for Allocation of Common Plant - 2017**  
**Data as of December 31, 2016**

	<b>[A]</b>		<b>[B]</b>		<b>[C]</b>
	<b>Plant in Service</b>		<b>Total Revenue</b>		<b>Total Customers</b>
	<b>@ 12/31/2016</b>		<b>YTD Dec 2016</b>		<b>Month-end Dec 16</b>
Electric	\$ 7,590,779,745	\$	2,469,277,946	\$	1,619,646
Gas	2,348,125,255		463,380,763		517,065
Subtotal	\$ 9,938,905,001	\$	2,932,658,709		2,136,711
Common	669,965,526				
Total	\$ 10,608,870,527	\$	2,932,658,709		2,136,711

<b>Allocation Factors:</b>	<b>Plant in Service</b>	<b>Total Revenue</b>	<b>Total Customers</b>	<b>2017</b>
<b>Electric</b>	76.37%	84.20%	75.80%	<b>78.79%</b>
<b>Gas</b>	23.63%	15.80%	24.20%	<b>21.21%</b>
<b>Total</b>	100.00%	100.00%	100.00%	<b>100.00%</b>

PECO Energy Company

Net Plant as of December 31, 2017

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2017	Less: Non Depreciable	Depreciable Asset Balance 12/31/2017	Reserve - 12/31/2017	Net Plant
COMMON	General Plant	301	Organization	677,136	(677,136)	0	0	0
COMMON	General Plant	303	Software	226,115,529		226,115,529	180,054,329	46,061,199
COMMON	General Plant	303	Regulatory Initiatives/Depr charged to Reg Asset	190,679		190,679	115,996	74,683
COMMON	General Plant	389	Land and Land Rights	6,783,056	(6,783,056)	0	0	0
COMMON	General Plant	390	Structures and Improvements	271,950,717		271,950,717	75,887,587	196,063,130
COMMON	General Plant	391	Office Furniture and Equipment	44,127,253		44,127,253	15,196,642	28,930,612
COMMON	General Plant	392	Transportation Equipment	121,146,672		121,146,672	50,871,003	70,275,668
COMMON	General Plant	393	Stores Equipment	1,253,293		1,253,293	207,643	1,045,650
COMMON	General Plant	394	Tools, Shop, Garage Equipmnt	2,589,961		2,589,961	1,369,371	1,221,590
COMMON	General Plant	396	Power Operated Equipment	185,066		185,066	179,897	5,170
COMMON	General Plant	397	Communication Equipment	32,006,547		32,006,547	15,508,096	16,498,451
COMMON	General Plant	398	Miscellaneous Equipment	1,679,306		1,679,306	848,595	830,710
COMMON	General Plant	399.1	ARC	1,269,336		1,269,336	-195,861	1,465,217

<b>COMMON PLANT GRAND TOTAL</b>				<b>709,974,551</b>	<b>(7,480,192)</b>	<b>702,514,359</b>	<b>340,042,279</b>	<b>362,472,080</b>
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GAS	Intangible Plant	G302	Franchisees & Consents	50,033	(50,033)	0	0	0
GAS	Intangible Plant	G303	Intangible Property	13,833,332		13,833,332	7,429,924	6,403,409
GAS	Intangible Plant	G303	Regulatory Initiatives/Depr charged to Reg Asset	1,893,805		1,893,805	1,639,662	254,123
<b>Intangible Plant</b>				<b>15,777,170</b>	<b>(50,033)</b>	<b>15,727,137</b>	<b>9,069,606</b>	<b>6,657,531</b>

GAS	Production Plant	G305	Structures and Improvements	1,318,670		1,318,670	714,654	604,016
GAS	Production Plant	G311	Liquefied Petroleum Gas Eqp	14,333,838		14,333,838	11,771,763	2,562,085
<b>Production Plant</b>				<b>15,652,508</b>	<b>0</b>	<b>15,652,508</b>	<b>12,486,408</b>	<b>3,166,100</b>

GAS	Storage	G360	Land and Land Rights	15,923	(15,923)	0	0	0
GAS	Storage	G361	Structures & Improvements	13,868,211		13,868,211	5,209,608	8,658,604
GAS	Storage	G362	Gas Holders	7,083,540		7,083,540	6,817,082	286,478
GAS	Storage	G363	Gas Storage Equipment	30,614,682		30,614,682	16,147,174	14,467,508
<b>Storage</b>				<b>51,582,356</b>	<b>(15,923)</b>	<b>51,566,433</b>	<b>28,173,844</b>	<b>23,392,589</b>

GAS	Distribution Plant	G374	Land and Land Rights	3,582,359	(3,582,359)	0	0	0
GAS	Distribution Plant	G375	Structures and Improvements	12,918,895		12,918,895	4,860,109	8,058,786
GAS	Distribution Plant	G376	Gas Mains	1,248,232,872		1,248,232,872	318,160,517	930,072,355
GAS	Distribution Plant	G377	Compressor Station Equipment	0		0	0	0
GAS	Distribution Plant	G378	Measure & Regulate Sta Equip	16,421,702		16,421,702	7,265,395	9,156,307
GAS	Distribution Plant	G379	City Gate Station	40,219,359		40,219,359	20,327,103	19,892,257
GAS	Distribution Plant	G380	Services	762,837,882		762,837,882	232,974,248	529,863,634
GAS	Distribution Plant	G381	Meters	144,655,643		144,655,643	50,007,754	94,647,888
GAS	Distribution Plant	G382	Meter Installations	166,613,387		166,613,387	62,633,616	103,979,770
GAS	Distribution Plant	G387	Other Equipment	2,118,323		2,118,323	798,639	1,319,684
GAS	ARC	G388	ARC	1,401,921		1,401,921	248,618	1,153,304
<b>Distribution Plant</b>				<b>2,399,002,343</b>	<b>(3,582,359)</b>	<b>2,395,419,985</b>	<b>697,466,200</b>	<b>1,697,953,785</b>

GAS	General Plant	G390	Structures & Improvements	6,479,948		6,479,948	2,515,453	3,964,494
GAS	General Plant	G391	Office Furniture & Equipment	373,610		373,610	78,504	295,106
GAS	General Plant	G394	Tools, Shop & Garage Equip	9,963,428		9,963,428	3,537,149	6,426,279
GAS	General Plant	G395	Laboratory Equipment	0		0	(18,498)	18,498
GAS	General Plant	G397	Communication Equipment	4,414,460		4,414,460	2,795,170	1,619,290
GAS	General Plant	G398	Miscellaneous Equipment	168,798		168,798	49,764	119,034
GAS	General Plant	G399	Other Tangible Property	0		0	0	0
GAS	General Plant	G399.1	ARC	150,701		150,701	16,254	134,447
<b>General Plant</b>				<b>21,560,945</b>	<b>0</b>	<b>21,560,945</b>	<b>8,973,797</b>	<b>12,577,148</b>

<b>GAS PLANT GRAND TOTAL</b>				<b>2,503,565,322</b>	<b>(3,648,314)</b>	<b>2,499,917,008</b>	<b>756,169,854</b>	<b>1,743,747,154</b>
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Net Plant as of December 31, 2017

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2017	Less: Non Depreciable	Depreciable Asset Balance 12/31/2017	Reserve - 12/31/2017	Net Plant
ELECTRIC	INTANGIBLE PLANT	E302	Franchises & Consents	162,934	(162,934)	0	0	0
ELECTRIC	INTANGIBLE PLANT	E303	Miscellaneous Intangible Plant	134,622,757		134,622,757	89,292,867	45,329,891
ELECTRIC	INTANGIBLE PLANT	E303	Regulatory Initiatives/Depr charged to Reg Asset	16,961,663		16,961,663	4,531,396	12,430,267
<b>Intangible Plant Total</b>				<b>161,747,354</b>	<b>(162,934)</b>	<b>161,584,420</b>	<b>93,824,262</b>	<b>67,760,158</b>
ELECTRIC	Transmission Plant	E350	Land and Land Rights	59,802,368	(59,802,368)	0	(0)	0
ELECTRIC	Transmission Plant	E352	Structures and Improvements	72,934,896		72,934,896	20,227,180	52,707,716
ELECTRIC	Transmission Plant	E353	Station Equipment	816,231,943		816,231,943	194,632,452	621,599,491
ELECTRIC	Transmission Plant	E354	Towers and Fixtures	266,736,648		266,736,648	155,676,350	111,060,298
ELECTRIC	Transmission Plant	E355	Poles and Fixtures	16,532,820		16,532,820	2,840,846	13,692,174
ELECTRIC	Transmission Plant	E356	Overhead Conductors, Devices	193,124,966		193,124,966	81,056,580	112,068,406
ELECTRIC	Transmission Plant	E357	Underground Conduit	14,955,807		14,955,807	4,760,414	10,195,393
ELECTRIC	Transmission Plant	E358	Undergrnd Conductors, Devices	104,555,952		104,555,952	42,510,961	62,044,991
ELECTRIC	Transmission Plant	E359	Roads and Trails	2,136,664		2,136,664	2,048,416	88,249
ELECTRIC	Transmission Plant	E359.1	ARC	1,778		1,778	19	1,759
<b>Transmission Plant Total</b>				<b>1,547,013,662</b>	<b>(59,802,368)</b>	<b>1,487,211,494</b>	<b>503,753,019</b>	<b>983,458,476</b>
ELECTRIC	Distribution Plant	E360	Land and Land Rights	42,883,588	(42,883,588)	0	0	0
ELECTRIC	Distribution Plant	E361	Structures and Improvements	113,662,305		113,662,305	37,680,347	75,981,958
ELECTRIC	Distribution Plant	E362	Station Equipment	1,033,049,272		1,033,049,272	437,329,252	595,720,021
ELECTRIC	Distribution Plant	E362	Regulatory Initiatives/Depr Charged to Reg Asset	939,828		939,828	172,941	766,887
ELECTRIC	Distribution Plant	E364	Poles, Towers and Fixtures	685,536,322		685,536,322	146,478,432	539,057,890
ELECTRIC	Distribution Plant	E365	Overhead Conductors, Devices	1,176,140,310		1,176,140,310	259,080,282	917,060,028
ELECTRIC	Distribution Plant	E365	Regulatory Initiatives/Depr Charged to Reg Asset	875,927		875,927	159,793	716,134
ELECTRIC	Distribution Plant	E366	Underground Conduit	407,267,888		407,267,888	157,087,242	250,180,646
ELECTRIC	Distribution Plant	E367	Undergrnd Conductors, Devices	1,187,119,385		1,187,119,385	190,405,488	996,713,897
ELECTRIC	Distribution Plant	E368	Line Transformers	578,337,607		578,337,607	186,667,352	391,670,255
ELECTRIC	Distribution Plant	E369	Services	410,589,531		410,589,531	154,201,172	256,388,359
ELECTRIC	Distribution Plant	E370	Meters	304,938,954		304,938,954	77,710,236	227,228,718
ELECTRIC	Distribution Plant	E371	Installs on Customer Premiss	1,030,123		1,030,123	948,216	81,907
ELECTRIC	Distribution Plant	E371	Regulatory Initiatives/Depr Charged to Reg Asset	12,742,223		12,742,223	5,365,250	7,376,973
ELECTRIC	Distribution Plant	E373	Street Lighting, Signal System	62,823,959		62,823,959	34,304,563	28,519,396
ELECTRIC	Distribution Plant	E374	ARC	1,938,911		1,938,911	2,270,869	(331,958)
<b>Distribution Plant Total</b>				<b>6,019,876,133</b>	<b>(42,883,588)</b>	<b>5,976,992,545</b>	<b>1,689,861,434</b>	<b>4,287,131,111</b>
ELECTRIC	General Plant	E389	Land and Land Rights	1,063,459	(1,063,459)	0	0	0
ELECTRIC	General Plant	E390	Structures and Improvements	49,660,750		49,660,750	11,502,855	38,157,895
ELECTRIC	General Plant	E391	Office Furniture, Equipment	15,879,377		15,879,377	5,502,483	10,376,895
ELECTRIC	General Plant	E393	Stores Equipment	46,470		46,470	2,948	43,522
ELECTRIC	General Plant	E394	Tools, Shop, Garage Equipmnt	32,073,779		32,073,779	8,989,047	23,084,731
ELECTRIC	General Plant	E395	Laboratory Equipment	419,715		419,715	276,841	142,875
ELECTRIC	General Plant	E397	Communication Equipment	154,699,047		154,699,047	36,541,187	118,157,860
ELECTRIC	General Plant	E398	Miscellaneous Equipment	865,598		865,598	726,118	139,481
ELECTRIC	General Plant	E399.1	ARC	1,688,730		1,688,730	304,425	1,384,305
<b>General Plant Total</b>				<b>256,396,625</b>	<b>(1,063,459)</b>	<b>255,333,166</b>	<b>63,845,903</b>	<b>191,487,563</b>
<b>ELECTRIC PLANT GRAND TOTAL</b>				<b>7,975,034,274</b>	<b>(103,912,349)</b>	<b>7,871,121,925</b>	<b>2,351,284,618</b>	<b>5,519,837,307</b>
<b>TOTAL</b>				<b>11,188,574,147</b>	<b>(115,020,855)</b>	<b>11,073,553,293</b>	<b>3,447,496,751</b>	<b>7,626,056,542</b>

**PECO Energy Company**

**Non-Depreciable Plant as of December 31, 2017**

<b>Description</b>	<b>Utility Account</b>	<b>Common</b>	<b>Electric</b>	<b>Gas</b>	<b>Grand Total</b>
Utility Intangible Acct	<b>301</b>	677,136			677,136
Utility Intangible Acct	<b>302</b>		162,934	50,033	212,967
Utility Land Acct	<b>350</b>		59,802,368		59,802,368
Utility Land Acct	<b>360</b>		42,883,588	15,923	42,899,511
Utility Land Acct	<b>374</b>			3,582,359	3,582,359
Utility Land Acct	<b>389</b>	6,783,056	1,063,459		7,846,515
<b>Grand Total</b>		<b>7,460,192</b>	<b>103,912,349</b>	<b>3,648,314</b>	<b>115,020,855</b>

<b>PECO Energy Company</b>			
<b>Book Life (Average Service Life) by FERC Account</b>			
<b>Product</b>	<b>FERC</b>	<b>Life(Yrs)</b>	
Electric	303	5	
Electric	352	50	
Electric	353	57	
Electric	354	65	
Electric	355	65	
Electric	356	60	
Electric	357	65	
Electric	358	60	
Electric	359	50	
Electric	361	50	
Electric	362	50	
Electric	364	53	
Electric	365	52	
Electric	366	65	
Electric	367	53	
Electric	368	46	
Electric	3691	50	
Electric	3692	53	
Electric	370	35	
Electric	3705	15	
Electric	3706	15	
Electric	3707	15	
Electric	3708	15	
Electric	3709	15	
Electric	371	35	
Electric	3711	15	
Electric	3730	24	
Electric	3731	24	
Electric	3732	24	
Electric	3733	24	
Electric	390	40	
Electric	3911	10	
Electric	3912	15	
Electric	3913	5	
Electric	393	15	
Electric	394	15	
Electric	3951	20	
Electric	3952	15	
Electric	397	20	
Electric	398	15	
Gas	303	5	
Gas	305	2032	Terminal End date used to develop rate
Gas	311	2032	Terminal End date used to develop rate
Gas	361	2032	Terminal End date used to develop rate
Gas	362	2032	Terminal End date used to develop rate
Gas	363	2031	Terminal End date used to develop rate

<b>PECO Energy Company</b>		
<b>Book Life (Average Service Life) by FERC Account</b>		
<b>Product</b>	<b>FERC</b>	<b>Life(Yrs)</b>
Gas	375	50
Gas	3761	70
Gas	3762	60
Gas	3763	65
Gas	378	48
Gas	379	48
Gas	3801	37
Gas	3802	55
Gas	3810	40
Gas	3811	20
Gas	382	48
Gas	387	22
Gas	390	40
Gas	3911	10
Gas	3912	15
Gas	3913	5
Gas	394	20
Gas	395	15
Gas	397	5
Gas	398	15
Common	303	5
Common	390	50
Common	3911	10
Common	3912	15
Common	3913	5
Common	3921	8
Common	3922	10
Common	3923	13
Common	3924	11
Common	3925	15
Common	3928	15
Common	3930	15
Common	3941	15
Common	3942	15
Common	3943	20
Common	398	11
Common	397	20
Common	398	15

ORIGIN ID:REDA (215) 841-5773  
MIKE BRENNAN  
PECO  
2301 MARKET ST  
S15-2  
PHILADELPHIA, PA 19103  
UNITED STATES US

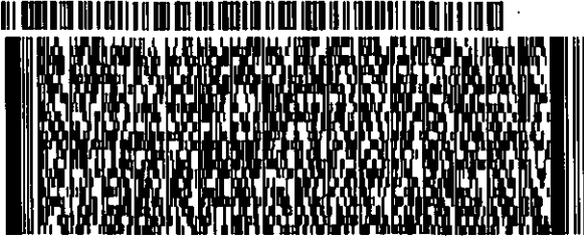
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ACTWGT: 0.50 LB  
CAD: 112409553/NET3980

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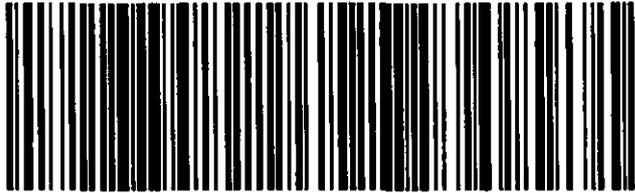
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