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December 14, 2018

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

SUBJECT: Docket No. M-2010-2161575 – Annual Reconciliation of PECO's Transmission Service Charge (TSC) 2018 Section 1307 Mechanism

Dear Secretary Chiavetta:

Enclosed for filing with the Commission is PECO's Reconciliation Statement of the TSC for the reconciliation period of December 1, 2017 through November 30, 2018. This filing reflects similar revenues, costs, and interest data submitted by PECO on November 7, 2018 in its TSC Tariff filing.

Please direct any questions regarding this matter to Richard Schlesinger, Manager, Retail Rates at (215) 841-5771.

Sincerely,



w/enclosures

Copies to: K. G. Sophy, Director, Office of Special Assistants
P. T. Diskin, Director, Bureau of Technical Utility Services
K. A. 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

PECO - 2018 TSC Reconciliation Statement

TSC 1: Rates R, RH

E-Factor Period	Actual TSC Costs (1)	Actual Default Sales (kWh) (2)	C-Factor Rate (3)	C-Factor Revenue (a) (4)	NSPL AVE MW (5)	Working Capital \$28.47 per MW/mo (6) = (5) * \$28.47	Adjusted C-Factor Revenue (7) = (4) - (6)	C-Factor Over/(Under) Recovery (8) = (7) - (1)
Dec-17	\$ 4,353,301	735,913,764	\$ 0.00566	\$ 4,129,007	2,592	\$ 73,801	\$ 4,055,205	\$ (298,096)
Jan-18	\$ 4,118,451	1,032,278,045	\$ 0.00566	\$ 5,842,360	2,444	\$ 69,578	\$ 5,772,782	\$ 1,654,331
Feb-18	\$ 3,749,596	790,723,161	\$ 0.00566	\$ 4,472,831	2,456	\$ 69,936	\$ 4,402,895	\$ 653,299
Mar-18	\$ 4,154,993	688,260,712	\$ 0.00566	\$ 3,890,543	2,465	\$ 70,184	\$ 3,820,359	\$ (334,634)
Apr-18	\$ 4,031,827	650,610,147	\$ 0.00566	\$ 3,675,109	2,473	\$ 70,397	\$ 3,604,712	\$ (427,115)
May-18	\$ 4,179,552	549,770,338	\$ 0.00566	\$ 3,104,252	2,481	\$ 70,629	\$ 3,033,623	\$ (1,145,929)
Jun-18	\$ 3,957,807	665,604,271	\$ 0.00527	\$ 4,020,309	2,488	\$ 70,832	\$ 3,949,477	\$ (8,330)
Jul-18	\$ 4,103,706	922,665,301	\$ 0.00527	\$ 4,843,765	2,497	\$ 71,085	\$ 4,772,681	\$ 668,975
Aug-18	\$ 4,122,525	962,626,864	\$ 0.00527	\$ 5,057,069	2,510	\$ 71,452	\$ 4,985,618	\$ 863,093
Sep-18	\$ 4,005,914	938,234,103	\$ 0.00527	\$ 4,930,395	2,521	\$ 71,787	\$ 4,858,608	\$ 852,695
Oct-18	\$ 4,154,435	657,622,163	\$ 0.00527	\$ 3,455,202	2,534	\$ 72,138	\$ 3,383,063	\$ (771,371)
Nov-18	\$ 3,673,262	617,443,326	\$ 0.00527	\$ 3,241,441	2,546	\$ 72,474	\$ 3,168,966	\$ (504,296)

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

PECO - 2018 TSC Reconciliation Statement Interest Calculation

TSC 1: Rates R, RH

E-Factor Period	Actual Sales (kWh) (1)	C-Factor		Interest Rate (a) (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)
		Over/(Under)	Recovery (2)			
Balance						
Dec-17	735,913,764	\$ (298,096)		4.50%	9/12	\$ (10,061)
Jan-18	1,032,278,045	\$ 1,654,331		4.50%	8/12	\$ 49,630
Feb-18	790,723,161	\$ 653,299		4.50%	7/12	\$ 17,149
Mar-18	688,260,712	\$ (334,634)		4.75%	6/12	\$ (7,948)
Apr-18	650,610,147	\$ (427,115)		4.75%	5/12	\$ (8,453)
May-18	549,770,338	\$ (1,145,929)		4.75%	4/12	\$ (18,144)
Jun-18	665,604,271	\$ (8,330)		5.00%	9/12	\$ (312)
Jul-18	922,665,301	\$ 668,975		5.00%	8/12	\$ 22,299
Aug-18	962,626,864	\$ 863,093		5.00%	7/12	\$ 25,174
Sep-18	938,234,103	\$ 852,695		5.25%	6/12	\$ 22,383
Oct-18	657,622,163	\$ (771,371)		5.25%	5/12	\$ (16,874)
Nov-18	617,443,326	\$ (504,296)		5.25%	4/12	\$ (8,825)

(a) Effective December 15, 2017, the Interest Rate changed from 4.25% to 4.50%.
 Effective March 15, 2018, the Interest Rate changed from 4.50% to 4.75%.
 Effective June 15, 2018, the Interest Rate changed from 4.75% to 5.00%.
 Effective September 15, 2018, the Interest Rate changed from 5.00% to 5.25%

PECO - 2018 TSC Reconciliation Statement

TSC 2: Rate GS

E-Factor Period	Actual TSC	Actual Default Sales (kW)	C-Factor Rate	C-Factor Revenue ^(a)	NSPL AVE MW	Working Capital \$28.47 per MW/mo	Adjusted C-Factor Revenue	C-Factor Over/(Under) Recovery
	(1)	(2)	(3)	(4)	(5)	(6) = (5) * \$28.47	(7) = (4) - (6)	(8) = (7) - (1)
Balance								
Dec-17	\$ 914,818	626,202	\$ 1.51	\$ 946,644	545	\$ 15,509	\$ 931,135	\$ 16,317
Jan-18	\$ 926,544	774,400	\$ 1.51	\$ 1,170,679	550	\$ 15,653	\$ 1,155,025	\$ 228,481
Feb-18	\$ 839,995	731,513	\$ 1.51	\$ 1,105,846	550	\$ 15,667	\$ 1,090,178	\$ 250,183
Mar-18	\$ 926,664	677,056	\$ 1.51	\$ 1,023,522	550	\$ 15,653	\$ 1,007,869	\$ 81,205
Apr-18	\$ 895,691	676,041	\$ 1.51	\$ 1,021,986	549	\$ 15,639	\$ 1,006,347	\$ 110,656
May-18	\$ 921,068	664,355	\$ 1.51	\$ 1,004,321	547	\$ 15,565	\$ 988,756	\$ 67,689
Jun-18	\$ 869,409	737,365	\$ 1.46	\$ 1,077,163	547	\$ 15,560	\$ 1,061,603	\$ 192,194
Jul-18	\$ 900,964	745,607	\$ 1.46	\$ 1,089,202	548	\$ 15,607	\$ 1,073,595	\$ 172,632
Aug-18	\$ 905,321	750,820	\$ 1.46	\$ 1,096,817	551	\$ 15,691	\$ 1,081,126	\$ 175,806
Sep-18	\$ 881,533	738,664	\$ 1.46	\$ 1,079,061	555	\$ 15,797	\$ 1,063,263	\$ 181,730
Oct-18	\$ 917,928	688,303	\$ 1.46	\$ 1,005,491	560	\$ 15,939	\$ 989,552	\$ 71,624
Nov-18	\$ 812,689	663,233	\$ 1.46	\$ 968,869	563	\$ 16,035	\$ 952,834	\$ 140,145

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

PECO - 2018 TSC Reconciliation Statement Interest Calculation

TSC 2: Rate GS

E-Factor Period	Actual Sales (kW) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (a) (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)
Balance					
Dec-17	\$ 626,202	\$ 16,317	4.50%	9/12	\$ 551
Jan-18	\$ 774,400	\$ 228,481	4.50%	8/12	\$ 6,854
Feb-18	\$ 731,513	\$ 250,183	4.50%	7/12	\$ 6,567
Mar-18	\$ 677,056	\$ 81,205	4.75%	6/12	\$ 1,929
Apr-18	\$ 676,041	\$ 110,656	4.75%	5/12	\$ 2,190
May-18	\$ 664,355	\$ 67,689	4.75%	4/12	\$ 1,072
Jun-18	\$ 737,365	\$ 192,194	5.00%	9/12	\$ 7,207
Jul-18	\$ 745,607	\$ 172,632	5.00%	8/12	\$ 5,754
Aug-18	\$ 750,820	\$ 175,806	5.00%	7/12	\$ 5,128
Sep-18	\$ 738,664	\$ 181,730	5.25%	6/12	\$ 4,770
Oct-18	\$ 688,303	\$ 71,624	5.25%	5/12	\$ 1,567
Nov-18	\$ 663,233	\$ 140,145	5.25%	4/12	\$ 2,453

(a) Effective December 15, 2017, the Interest Rate changed from 4.25% to 4.50%.
 Effective March 15, 2018, the Interest Rate changed from 4.50% to 4.75%.
 Effective June 15, 2018, the Interest Rate changed from 4.75% to 5.00%.
 Effective September 15, 2018, the Interest Rate changed from 5.00% to 5.25%.

PECO - 2018 TSC Reconciliation Statement

TSC 3: Rates PD, HT, EP

E-Factor Period	Actual	Actual	C-Factor		NSPL	Working	Adjusted		C-Factor
	TSC	Default Sales (kW)	Rate	Revenue ^(a)	AVE MW	Capital \$28.47 per MW/mo	C-Factor	Revenue	Over/(Under) Recovery
	(1)	(2)	(3)	(4)	(5)	(6) = (5) * \$28.47	(7) = (4) - (6)	(8) = (7) - (1)	
Balance									
Dec-17	\$ 151,143	\$ 135,776	\$ 0.68	\$ 92,534	90	\$ 2,562	\$ 89,972	\$ (61,171)	
Jan-18	\$ 144,012	\$ 132,882	\$ 0.68	\$ 90,562	85	\$ 2,433	\$ 88,129	\$ (55,883)	
Feb-18	\$ 123,704	\$ 137,376	\$ 0.68	\$ 93,625	81	\$ 2,307	\$ 91,318	\$ (32,387)	
Mar-18	\$ 142,885	\$ 156,866	\$ 0.68	\$ 106,907	85	\$ 2,414	\$ 104,494	\$ (38,391)	
Apr-18	\$ 121,348	\$ 106,378	\$ 0.68	\$ 72,499	74	\$ 2,119	\$ 70,380	\$ (50,967)	
May-18	\$ 121,044	\$ 108,716	\$ 0.68	\$ 74,092	72	\$ 2,046	\$ 72,047	\$ (48,997)	
Jun-18	\$ 112,973	\$ 107,151	\$ 0.65	\$ 69,202	71	\$ 2,022	\$ 67,181	\$ (45,792)	
Jul-18	\$ 117,758	\$ 109,518	\$ 0.65	\$ 70,731	72	\$ 2,040	\$ 68,691	\$ (49,067)	
Aug-18	\$ 125,775	\$ 126,155	\$ 0.65	\$ 81,475	77	\$ 2,180	\$ 79,296	\$ (46,479)	
Sep-18	\$ 118,255	\$ 91,576	\$ 0.65	\$ 59,143	74	\$ 2,119	\$ 57,024	\$ (61,231)	
Oct-18	\$ 127,993	\$ 107,641	\$ 0.65	\$ 69,518	78	\$ 2,222	\$ 67,296	\$ (60,697)	
Nov-18	\$ 132,634	\$ 70,078	\$ 0.65	\$ 45,259	92	\$ 2,617	\$ 42,642	\$ (89,992)	

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

PECO - 2018 TSC Reconciliation Statement Interest Calculation

TSC 3: Rates HT, PD, EP

E-Factor Period	Actual Sales (kW) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (a) (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)
Balance					
Dec-17	135,776 \$	(61,171)	4.50%	9/12	(2,065)
Jan-18	132,882 \$	(55,883)	4.50%	8/12	(1,676)
Feb-18	137,376 \$	(32,387)	4.50%	7/12	(850)
Mar-18	156,866 \$	(38,391)	4.75%	6/12	(912)
Apr-18	106,378 \$	(50,967)	4.75%	5/12	(1,009)
May-18	108,716 \$	(48,997)	4.75%	4/12	(776)
Jun-18	107,151 \$	(45,792)	5.00%	9/12	(1,717)
Jul-18	109,518 \$	(49,067)	5.00%	8/12	(1,636)
Aug-18	126,155 \$	(46,479)	5.00%	7/12	(1,356)
Sep-18	91,576 \$	(61,231)	5.25%	6/12	(1,607)
Oct-18	107,641 \$	(60,697)	5.25%	5/12	(1,328)
Nov-18	70,078 \$	(89,992)	5.25%	4/12	(1,575)

(a) Effective December 15, 2017, the Interest Rate changed from 4.25% to 4.50%.
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 Effective June 15, 2018, the Interest Rate changed from 4.75% to 5.00%.
 Effective September 15, 2018, the Interest Rate changed from 5.00% to 5.25%

PECO - 2018 TSC Reconciliation Statement

TSC 4: Rates SLE, SLS, POL, AL, TLCL

E-Factor Period	Actual TSC	Actual Default Sales	C-Factor	C-Factor	NSPL	Working Capital	Adjusted C-Factor
	(1)	(2)	Rate (3)	Revenue ^(a) (4)	AVE MW (5)	per MW/mo (6) = (5) * \$28.47	Revenue (7) = (4) - (6)
Balance							
Dec-17	\$ 933	\$ 1,759,787	\$ 0.00095	\$ 1,759	1	\$ 16	\$ 1,743
Jan-18	\$ 888	\$ 1,738,420	\$ 0.00095	\$ 1,645	1	\$ 15	\$ 1,630
Feb-18	\$ 787	\$ 1,702,794	\$ 0.00095	\$ 1,610	1	\$ 15	\$ 1,595
Mar-18	\$ 868	\$ 1,668,859	\$ 0.00095	\$ 1,536	1	\$ 15	\$ 1,522
Apr-18	\$ 841	\$ 1,352,458	\$ 0.00095	\$ 1,225	1	\$ 15	\$ 1,211
May-18	\$ 873	\$ 1,765,540	\$ 0.00095	\$ 1,643	1	\$ 15	\$ 1,629
Jun-18	\$ 819	\$ 1,819,259	\$ 0.00077	\$ 2,279	1	\$ 15	\$ 2,265
Jul-18	\$ 850	\$ 1,668,298	\$ 0.00077	\$ 1,270	1	\$ 15	\$ 1,255
Aug-18	\$ 851	\$ 1,685,956	\$ 0.00077	\$ 1,291	1	\$ 15	\$ 1,276
Sep-18	\$ 823	\$ 1,693,983	\$ 0.00077	\$ 1,285	1	\$ 15	\$ 1,270
Oct-18	\$ 833	\$ 1,727,775	\$ 0.00077	\$ 1,195	1	\$ 14	\$ 1,180
Nov-18	\$ 731	\$ 1,613,401	\$ 0.00077	\$ 1,235	1	\$ 14	\$ 1,220

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

PECO - 2018 TSC Reconciliation Statement Interest Calculation

TSC 4: Rates SLE, SLS, POL, AL, TLCL

E-Factor Period	Actual Sales (kWh) (1)	C-Factor Over/(Under) Recovery (2)	Interest Rate (a) (3)	Interest Time Factor (4)	Interest Owed/ (Interest Recouped) (5) = (2) * (3) * (4)
Balance					
Dec-17	1,759,787 \$	810	4.50%	9/12	\$ 27
Jan-18	1,738,420 \$	742	4.50%	8/12	\$ 22
Feb-18	1,702,794 \$	808	4.50%	7/12	\$ 21
Mar-18	1,668,859 \$	653	4.75%	6/12	\$ 16
Apr-18	1,352,458 \$	370	4.75%	5/12	\$ 7
May-18	1,765,540 \$	756	4.75%	4/12	\$ 12
Jun-18	1,819,259 \$	1,445	5.00%	9/12	\$ 54
Jul-18	1,668,298 \$	405	5.00%	8/12	\$ 13
Aug-18	1,685,956 \$	425	5.00%	7/12	\$ 12
Sep-18	1,693,983 \$	447	5.25%	6/12	\$ 12
Oct-18	1,727,775 \$	348	5.25%	5/12	\$ 8
Nov-18	1,613,401 \$	490	5.25%	4/12	\$ 9

(a) Effective December 15, 2017, the Interest Rate changed from 4.25% to 4.50%.
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 Effective September 15, 2018, the Interest Rate changed from 5.00% to 5.25%