

Morgan Lewis

Kenneth M. Kulak

Partner

+1.215.963.5384

ken.kulak@morganlewis.com

March 1, 2019

VIA eFILING

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

**Re: Office of Consumer Advocate v. PECO Energy Company
Docket Nos. M-2018-3005860 and C-2018-3006242**

Dear Secretary Chiavetta:

On February 28, 2019, PECO Energy Company ("PECO") filed an **Answer and New Matter to the Complaint of the Office of Consumer Advocate** (the "Answer"). Footnote 8 of the Answer referenced an appendix (Appendix A) that was inadvertently not included in the as-filed Answer. Accordingly, we are providing Appendix A with this letter to correct the error. This letter and the enclosed Appendix A have been served on the parties in the manner indicated on the Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Very truly yours,



Kenneth M. Kulak

KMK/tp
Enclosures

c: Per Certificate of Service (w/encls.)

Morgan, Lewis & Bockius LLP

1701 Market Street
Philadelphia, PA 19103-2921
United States

📞 +1.215.963.5000
📠 +1.215.963.5001

APPENDIX A



Richard G. Webster, Jr.
Director
Rates and Regulatory Affairs

Telephone 215.841.4000 ext 5777
Fax 215.841.6208
www.exeloncorp.com
dick.webster@exeloncorp.com

PECO Energy Company
2301 Market Street, S15
Philadelphia, PA 19103

Mail To: 8699
Philadelphia, PA 19101-8699

December 21, 2010

BY FED EX

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105-3265

Re: Supplement No. 8 to Tariff Electric – Pa PUC No. 4
Issued December 21, 2010 - to become effective January 1, 2011
Compliance Filings:
(1) General Base Rate Case for Electric Operations – Docket No. R-2010-2161575
(2) Purchase of Receivables – Docket No. P-2009-2143607
Incorporated by reference are the following:
Docket No. R-009739531/P-000971265, M-2009-2123944, P-2008-2062739,
P-00072260 and M-2010-2196682

Dear Secretary Chiavetta:

Pursuant to Commission Opinion and Order at Docket No. R-2010-2161575 entered December 21, 2010, PECO Energy Company ("PECO" or the "Company") is herewith filing eight copies of its Compliance Filing, Supplement No. 8 to Tariff Electric Pa. P.U.C. No. 4, bearing an effective date of January 1, 2011. This filing also is being made in compliance with the Commission Order at Docket No. P-2009-2143607 entered June 18, 2010, with regard to retail tariff changes necessary to implement PECO's Purchase of Receivables Program.

Supplement No. 8 also incorporates the following tariff provisions approved in prior proceedings, as follows:

1. Elimination of Competitive Transition Charges ("CTC") per the Company's Electric Restructuring Order (Docket No.'s R-009739531/P-000971265). A final CTC reconciliation is required on or before March 31, 2011;
2. Incorporation of the Company's Smart Meter tariff provisions contained in Tariff Electric No. 3, Supplement No. 105, approved October 27, 2010, effective January 1, 2011 (Docket No. M-2009-2123944);
3. Incorporation of the Company's Tariff provisions of Generation Supply Adjustment ("GSA") (Docket No. P-2008-2062739) and Alternative Energy Portfolio Standard ("AEPS") (Docket No. P-00072260) contained in Tariff Electric No. 4, Supplement No. 6 to become effective January 1, 2011.

Rosemary Chiavetta, Secretary
December 21, 2010
Page 2

In support of Supplement No. 8 we are also providing the following Exhibits:

Exhibit 1 – Summary of rates by rate schedule;

Exhibit 2 - Detailed proof of revenues associated with the base rate case;

Exhibit 3 - Support for final CAP discount rates and maximum discounts provided under terms of the Settlement at Docket No. R-2010-2161575 (Section D) and related documents;

Exhibit 4 - Support for the Universal Service Fund Charge ("USFC") rate based on the Settlement at Docket No. R-2010-2161575 and the approved USFC annual reconciliation at Docket No. M-2010-2196682.

Please date-stamp the enclosed extra copy of this letter as proof of filing and return it in the envelope provided.

If you have any questions, please do not hesitate to call me.

Sincerely,



cc: Certificate of Service
Commissioner James H. Cawley, Chairman
Commissioner Tyrone J. Christy, Vice Chairman
Commissioner Wayne E. Gardner
Commissioner John F. Coleman, Jr.
Commissioner Robert F. Powelson

PECO Energy Company

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street

Philadelphia, Pennsylvania 19101

For List of Communities Served, See Page 4.

Issued December 21, 2010

Effective January 1, 2011

**ISSUED BY: D. P. O'Brien – President
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19101**

NOTICE.

LIST OF CHANGES MADE BY THIS SUPPLEMENT

[ALL CHANGES ARE PER DOCKET NO. R-2010-2161575 EXCEPT AS NOTED OTHERWISE]

Definition of Terms and Explanation of Abbreviations - 1st Revised Page No. 6, 1st Revised Page No. 8
Revised definition of bad credit to clarify the circumstances under which the Company may require a security deposit. Revised definition of Service to specify rate availability for larger customers.

The Tariff - 1st Revised Page No. 10
Simplified reference to PECO website.

Meter Location - 1st Revised Page No. 11
Revised Rule 3.2- Meter Location to ensure that proper access to the Company's meters and equipment is provided.

Credit - 1st Revised Page No. 13
Revised Rule 5.2 Prior Debts, Rule 5.3 Guarantee of Payment and Rule 5.4 Amount of Deposit to clarify the intent and application of the rule.

Return of Deposit - 1st Revised Page No. 14
Revised Rule 5.5 to provide additional details on when a deposit may be required.

Line Extensions for Standard Service - 1st Revised Page No. 15
Revised Rule 7.2 Line Extension definition.

Customers Responsibility - 1st Revised Page No. 18
Revised Rule 10.2 to clarify the customer's responsibility when an unsafe condition exists.

Recovery for Property Damage - 1st Revised Page No. 19
Added new Rule 10.11 Recovery of Property Damage which states the terms for recovery of costs of damaged Company equipment.

Estimated Usage- 1st Revised Page No. 22
Added Rule 14.9 - Approved at Docket M-2009-2123944 from Smart Meter Filing.
Deleted reference to Rate HT, Consolidated Rules 14.6 and 14.8.

Billing and Standard Payment Options - 1st Revised Page No. 24
Approved at Docket No. P-2009-2143607 - Updated Rule 17.4 Payment Processing
Deleted reference to Rate RT.

Billing and Standard Payment Options - 1st Revised Page No. 25
Approved at Docket No. P-2009-2143607. Updated Rule 18.1, Rule 18.2 and Rule 18.7.
Deleted Reference to Rate RT.

Designation of Procurement Class - 1st Revised Page No. 27
Renumbered 22.1 and added effective date for clarity.

State Tax Adjustment Clause - 1st Revised Page No. 30
Reset STAS to zero.

Provisions for Recovery of UNIVERSAL SERVICE FUND CHARGE (USFC) 1st Revised Page No. 38
Approved at Docket No. M-2010-2196682. Revised USFC recovery mechanism.

Provisions for Recovery of SUPPLEMENTAL UNIVERSAL SERVICE FUND COSTS 1st Revised Page No. 39
Deleting Supplement USFC .

Provision for the Recovery of Consumer Education Plan Costs 1st Revised Page No. 40
Deleted Reference to Rate RT.

Transmission Charges - 1st Revised Page 40A
New charging mechanism for Transmission Charges.

Smart Meter Cost Recovery Surcharge - 1st Revised Page 40B
Approved at Docket No. M-2009-2123944 - new recovery mechanism for smart meter costs.

Provisions for the Recovery of Energy Efficiency and Conservation Program Costs (EEPC) 1st Revised Page 40C
Approved at Docket No. M-2009-2093215.
Added details to EEPC charges for lighting rates.

Rate R - Residence Service - 1st Revised Page No. 41
Increased Fixed Distribution Charge and Variable Distribution Charge.

Rate RT- Residence Time of Use Service- 1st Revised Page No. 42
Rate deleted.

Rate RH- Residential Heating Service - 1st Revised Page No. 43
Increased Fixed Distribution Charge and Variable Distribution Charge.

Rate RS-2 Net Metering - 1st Revised Page No. 44 and 1st Revised Page No. 45
Deleted reference to Rate RT.
Corrected maximum capacity limit - Approved at Docket L-00050174.

Rate OP - Off Peak Service - 1st Revised Page No. 46
Fixed Distribution Charge decreased and variable distribution charges increased.

Rate GS- General Service - 1st Revised Page No. 47, 1st Revised Page No. 48, 1st Revised Page No. 49
Increased Fixed Distribution Charges and change in Variable Distribution Charges. Also revised single meter, separate meter provisions and special provisions.

Rate PD- Primary Distribution Power - 1st Revised Page No. 50
Increased Fixed Distribution Charge and Variable Distribution Charge.

Rate HT- High Tension Power - 1st Revised Page No. 51
Increased Fixed Distribution Charge, Variable Distribution Charge and High Voltage Discount.

Rate POL Private Outdoor Lighting - 1st Revised Page No. 52
Distribution Charges increased.

Rate SL-P Street Lighting in City of Philadelphia 1st Revised Page No. 54, 1st Revised Page No. 55 & 1st Revised Page No. 56
Rate deleted.

Rate SL-S 1st Revised Page No. 57
Distribution Charges increased.

PECO Energy Company

LIST OF CHANGES MADE BY THIS SUPPLEMENT

Rate SL-E – 1st Revised Page No. 59

Added an additional Service Location Charge and added a Distribution Charge.

Rate TLCL – 1st Revised Page No. 61

Availability of Rate is expanded to include constant load devices.

Rate EP- 1st Revised Page No. 63

Increased Fixed Distribution Charge, Variable Distribution Charge and High Voltage discount.

Rate AL – 1st Revised Page No. 64

Modified availability of rate to eliminate Variable Distribution Charge and replace with a Service Location Charge.

Applicability Index of Riders – 1st Revised Page No. 65

Index Modified to reflect deleted riders.

Auxiliary Service Rider – 1st Revised Page No. 66, 1st Revised Page No. 67 1st Revised Page No. 68

Rate and billing section revised to reflect updated Power Pricing and changes to the variable distribution charge.

Customer Assistance Program (CAP) Rider - 1st Revised Page No. 69

Delete the Rate RT reference, increases the number of tiers, provides for percentage discount rates and provides maximum discount amounts.

Casualty Rider – 1st Revised Page No. 71

Deleted the word "ratchet".

Cooling Thermal Storage HT Rider 1st Revised Page 73

Rider deleted.

Night Service GS Rider – 1st Revised Page 80

Increased billing and metering charge and Off-Peak Charge.

Night Service HT Rider – 1st Revised Page 81

Increased billing and metering charge and Off-Peak Charge.

Night Service PD Rider – 1st Revised Page 82

Increased billing and metering charge and Off-Peak Charge.

Seasonal Capacity Charge Service Rider – 1st Revised Page 84

Rider deleted.

Temporary Service Rider- 1st Revised Page No. 85

Rate impact section revised.

Transformer Rental Rider – 1st Revised Page No. 86

Revised wording to reflect elimination of the rider as of January 1, 2012.

Voluntary Market Price Transition Deferral Rider- 1st Revised Page No. 87

Deleted Rate SL-P reference.

Wind Energy Service Rider – 1st Revised Page No. 88

Deleted Rate RT reference.

Transmission Charges – 1st Revised Page No. 89, 1st Revised Page No. 90 and 1st Revised Page No. 91

Transmission Charges deleted.

TRANSMISSION SERVICE CHARGE

(C)

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 an annual basis using the formula below:

TSC(n) = (C+E+I)/S(n) where;

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:

Charges assessed by PJM for network service within the PECO zone. Included in such charges are costs assigned to the load serving entities in the PECO zone under the Regional Transmission Expansion Plan as well as 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 \$356 per mW. WC is a component of the 'C' factor

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

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, 1b = OP, 2 = small C&I, 3 = large C&I, 4 = street lighting

Residential – Rates R, RH, OP (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, SLP, TLCL (reconciled as a group)

S – Estimated default service sales for residential class and the street lighting class in the application period. For the commercial and industrial class it shall be the estimated billed demand for the application period. The application period shall be the 12 month period starting the January 1 subsequent to the filing of the updated rate.

Filing Schedule: The estimated surcharge shall be filed December 1 prior to the start of the application period. The rate shall be effective on the first full billing cycle starting after January 1. The filing shall include a reconciliation for the 12 months ended October 31 prior to the filing date. The resultant over or under recovery shall be included in the Transmission service Charge commencing on January 1 following the reconciliation filing.

Current Transmission Service Rate:

Residential

R= \$0.0073 per kilowatthour

RH= \$0.0039 per kilowatthour

OP= \$0.0034 per kilowatthour

Small C&I = \$1.82 per billed kW

Large C&I = \$2.01 per billed kW

Street Lighting = \$0.0000 per kilowatt hour

(C) Indicates Change

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

OFFICE OF CONSUMER ADVOCATE	:	
	:	
v.	:	DOCKET NOS. M-2018-3005860
	:	C-2018-3006242
PECO ENERGY COMPANY	:	

CERTIFICATE OF SERVICE

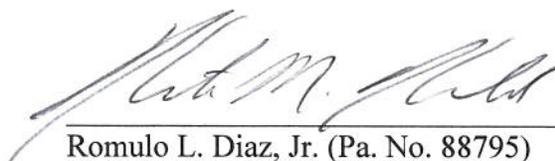
I hereby certify and affirm that I have this day served a copy of the foregoing letter noting a correction and enclosing **Appendix A to the Answer and New Matter of PECO Energy Company to the Complaint of the Office of Consumer Advocate** filed in the above-captioned matter on February 28, 2019 on the following persons in the manner specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA ELECTRONIC MAIL AND FIRST CLASS MAIL

Richard Kanaskie
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120
rkanaskie@pa.gov

Erin K. Fure
Pennsylvania Office of Small Business
Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101
efure@pa.gov

Darryl A. Lawrence
Harrison W. Breitman
Lauren M. Burge
Office of Consumer Advocate
Forum Place, 5th Floor
555 Walnut Street
Harrisburg, PA 17101-1923
dlawrence@paoca.org
hbreitman@paoca.org
lburge@paoca.org



Romulo L. Diaz, Jr. (Pa. No. 88795)
Jack R. Garfinkle (Pa. No. 81892)
Ward Smith (Pa. No. 47670)
PECO Energy Company
2301 Market Street
Philadelphia, PA 19103
215.841.5974 (dir)
215.568.3389 (fax)
romulo.diaz@exeloncorp.com
jack.garfinkle@exeloncorp.com
ward.smith@exeloncorp.com

Kenneth M. Kulak (Pa. No. 75509)
Brooke E. McGlinn (Pa. No. 204918)
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103
215.963.5384 (dir)
215.963.5001 (fax)
ken.kulak@morganlewis.com
brooke.mcglinn@morganlewis.com

Dated: March 1, 2019

Counsel for PECO Energy Company