

Legal Department
2301 Market Street / S23-1
Philadelphia, PA 19103

Direct Dial: 215.841.6863

August 22, 2019

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

**Re: Affiliated Interest Agreement between PECO Energy Company, Delmarva
Power & Light, and Atlantic City Electric
Docket No. G-2019-3011693**

Dear Secretary Chiavetta:

PECO's Corrected Answer to Staff's Data Request #3 is attached for filing.

In PECO's Application and other Answers to Staff Data Requests, PECO correctly stated that it will pay 56% of the costs of the new Kennett facility. In the final paragraph of its Answer #3, PECO inadvertently and incorrectly stated that it would pay 57%. This was a typographical error and is corrected in the attached.

A Verification Statement is enclosed and immediately precedes the corrected answer.

Very truly yours,



Ward L. Smith
Counsel for PECO Energy Company

WS/adz
Enclosures

Cc (via email): Deb Backer and Jordan Van Order, Bureau of Technical Utility Services

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

VERIFICATION

I, Darryl A. Stokes, hereby declare that I am Vice-President of Transmission Operations and Planning for Exelon Utilities, that as such I am authorized to make this verification on behalf of PECO Energy Company; that the facts sets forth in the following Answers 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.

Date: August 22, 2019



Darryl A. Stokes
Vice President of Transmission Operations
and Planning
Exelon Utilities

Docket No. G-2019-3011693
PECO Energy Company's Answers
to
Staff Data Requests

TUS-3 Reference the Application, Paragraph 10. Please provide the quantity, age, and condition of the PECO transmission system control facilities to be replaced.

PECO Answer to TUS-3:

Prior to approximately 1994, PECO had one transmission control facility located in its Main Office Building ("MOB") in Center City, Philadelphia. In approximately 1994, PECO moved its transmission control facility to a new location in the MOB; that MOB facility is currently used as PECO's primary transmission system control facility. In addition, PECO has a back-up facility located at its Plymouth Meeting building in the Philadelphia suburbs that evolved during subsequent years after 1994. During the quarter century of operations, building systems and control room components have been maintained or replaced, as needed, to preserve the critical functions of the control facility operation.

However, PECO's plan to build the Kennett facility is not based on obsolescence of the existing control facilities, it is based on the need to upgrade the security and enhance the resiliency of operations associated with those facilities. Due to the Center City Philadelphia location of the existing primary facility in PECO's Main Office Building, PECO does not believe that the existing site can be made fully secure to meet evolving modern security expectations. To give but one obvious example of the limitations of that site to meet evolving security expectations, some security protocols may require limiting vehicular and other proximity to the transmission control room at critical times, but PECO does not have the authority to block traffic on Market Street or John F Kennedy Blvd to accomplish such a traffic limitation, nor can PECO deny public access to the public sidewalks adjacent to those streets.

PECO therefore determined that it needs to establish a new location for the functions that are currently provided by its MOB facilities. The PECO Plymouth facility, although currently adequate as a backup Transmission System Operations site, is not sized adequately to accommodate a permanent primary transmission control facility. Additionally, it is a mixed-use site and although it allows greater traffic and access control than the current MOB location, it does not allow sufficient control to meet the industry peers' best practice. Moreover, if Plymouth were to be adapted for use as PECO's primary control facility (with the attendant access costs and EMP-hardening costs), PECO still would need to establish a second site as a backup site. And, because those two hypothetical PECO facilities would not serve the needs of PECO's affiliate utilities, the costs of constructing both facilities would be borne solely by PECO.

The Kennett facility can be purchased and upgraded for approximately \$70 million, of which PECO will pay 56%, or approximately \$40 million. PECO estimates that this is substantially less than the costs that it would incur to make similar upgrades to establish comparable primary and backup transmission control facilities to serve PECO.