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PECO 2301 Market Street, S15 Philadelphia, PA 19103

September 30, 2020

VIA E-FILING

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

Re: PECO Energy Company – General Base Rate Filing For Gas Operations Docket No. R-2020-3018929

Dear Secretary Chiavetta:

Pursuant to Section 1308 of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1308, enclosed for filing on behalf of PECO Energy Company ("PECO" or the "Company") is PECO's Tariff Gas – Pa. P.U.C. No. 4 ("Tariff No. 4"). Tariff No. 4 sets forth proposed rates designed to produce an increase in the Company's annual distribution revenue of approximately \$68.7 million based on data for a fully projected future test year ending June 30, 2022.

CONTENTS OF THE FILING

Tariff No. 4 contains revisions in, additions to, and deletions from, certain Rules and Regulations, rate schedules and riders in the Company's currently effective tariff. Tariff No. 4 also bears an issue date of September 30, 2020, and an effective date of November 29, 2020.

Along with Tariff No. 4, the Company is filing all the supporting data required by the Pennsylvania Public Utility Commission's ("PUC" or "Commission") regulations at 52 Pa. Code \S 53.52 – 53.53, including the written direct testimony of nine witnesses, who are identified in PECO Statement No. 1, the Direct Testimony of Ronald A. Bradley. A summary of the reasons for the proposed rate increase is set forth in the Company's Statement of Specific Reasons for Proposed Increase in Gas Rates.

The Company is filing one complete hard copy and one electronic copy through the Commission's Sharefile website. An index of the filing is included as Attachment A to this letter.

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COUNSEL OF RECORD AND SERVICE ON THE COMPANY

PECO will be represented by the following counsel in this proceeding:

Anthony E. Gay	Kenneth M. Kulak
Jack R. Garfinkle	Mark A. Lazaroff
Brandon J. Pierce	Catherine G. Vasudevan
PECO Energy Company	Morgan, Lewis & Bockius LLP
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brandon.pierce@exeloncorp.com	

PECO's attorneys are authorized to accept service on behalf of the Company in this proceeding. PECO requests that the Commission and all parties serve copies of all documents in this proceeding on its attorneys.

USE OF ALTERNATIVE METHOD OF CUSTOMER NOTIFICATION

PECO hereby advises the Commission that it has elected to use the alternative method of customer notification set forth in the Commission's regulations at 52 Pa. Code § 53.45(b)(4). Consequently, as required by that regulation, PECO will notify its customers of the proposed rate increase through bill inserts along with paid advertisements in major local newspapers.¹ PECO also agrees to extend from 60 to 90 days the minimum period within which the filing of a complaint places the burden of proof upon the Company with respect to proposed rates, pursuant to 52 Pa. Code § 53.45(b)(4)(vi).

REQUEST FOR CONFIDENTIAL TREATMENT OF PROPRIETARY INFORMATION

Certain Company responses to the Commission filing requirements and a testimony exhibit contain information that PECO considers to be proprietary and confidential. These materials have been marked *Confidential* and are being included in separate electronic files submitted to the Commission. PECO requests that these materials be treated confidentially by the Commission, including its various Offices and Bureaus. In particular, the Company requests that the *Confidential* material be excluded from the Commission's public document folder and not be disclosed to the public. PECO intends to request the entry of an appropriate Protective Order

¹ In addition, PECO is posting notice of this filing at its Company headquarters pursuant to 52 Pa. Code § 53.45(b)(1), posting the filing to its website, and issuing a news release describing the proposed changes to local newspapers and to local radio and television stations, pursuant to 52 Pa. Code § 53.45(b)(2).

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from the presiding Administrative Law Judge(s) to maintain the confidentiality of such material if it is to be provided to parties in this case.

CERTIFICATE OF SERVICE

As indicated on the attached Certificate of Service, the Company has served copies of this filing on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate. The Company is also providing courtesy copies of the filing to the Commission's Law Bureau (Renardo Hicks, Chief Counsel), Office of Special Assistants (Kathryn G. Sophy, Director), and Bureau of Technical Utility Services (Paul T. Diskin, Director).

Respectfully submitted,

Richard G. Webster, Jr.

Enclosures

c: Certificate of Service (w/encls.)

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ATTACHMENT A

PECO ENERGY COMPANY 2020 GAS RATE CASE DOCKET NO. R-2020-3018929

FILING INDEX

Volume I	Cover Letter Index Statement of Specific Reasons Plain Language Statement of Reasons Section 53.52 Filing Requirements Customer Notice PECO Verification
	PECO Exhibit 1: PECO Gas Tariff No. 3 - Current
	PECO Exhibit 2: PECO Gas Tariff No. 4 - Proposed
Volume II	PECO Statement No. 1: Direct Testimony of Ronald A. Bradley
	PECO Statement No. 2: Direct Testimony of Robert J. Stefani
	 PECO Exhibit RJS-1: BSC Operations & Maintenance Costs
	PECO Statement No. 3: Direct Testimony of Michael J. Trzaska
	• PECO Exhibit MJT-1: Principal Accounting Exhibit - FPFTY ended June 30, 2022
	• PECO Exhibit MJT-2: Principal Accounting Exhibit - FTY ended June 30, 2021
	 PECO Exhibit MJT-3: Principal Accounting Exhibit - HTY ended June 30, 2020
	PECO Statement No. 4: Direct Testimony of Caroline Fulginiti
	• PECO Exhibit CF-1: Annual Depreciation Accruals Related to Utility Plant in Service for 2020
	• PECO Exhibit CF-2: Estimated Annual Depreciation Accruals Related to Utility Plant in Service for 2021
	• PECO Exhibit CF-3: Estimated Annual Depreciation Accruals Related to Utility Plant in Service for 2022

	• PECO Exhibit CF-4: 2018 Depreciation Study – Calculated Annual Depreciation Accruals Related to Gas Plant as of December 31, 2018
Volume III	PECO Statement No. 5: Direct Testimony of Paul R. Moul
	• PECO Exhibit PRM-1: Cost of Capital and Fair Rate of Return
	PECO Statement No. 6: Direct Testimony of Jiang Ding
	• PECO Exhibit JD-1: Gas Class Cost of Service Study for FPFTY Ended June 30, 2022 - Summary of Results
	• PECO Exhibit JD-2: Gas Class Cost of Service Study for FPFTY Ended June 30, 2022 - Allocation By Rate Class
	• PECO Exhibit JD-3: Gas Class Cost of Service Study for FPFTY Ended June 30, 2022 - Allocation By Functional Classification
	• PECO Exhibit JD-4: Gas Class Cost of Service Study for FPFTY Ended June 30, 2022 - Unitized Functionally Classified Revenue Requirement
	• PECO Exhibit JD-5: Customer-Related Revenue Requirement and Customer Charge
	PECO Exhibit JD-6: FPFTY July 2021 to June 2022 - Cost of Service Study - External Allocation Factors
PECO Statement No. 7: Direct Testimony of Joseph A. Bisti	
	• PECO Exhibit JAB-1: Proposed Revenue Allocation, Proposed Increases by Class and Class Rates of Return and Relative Rates of Return Under Proposed Rates
	• PECO Exhibit JAB-2: Relevant Gas Service Tariff Pages (Redline to Show Changes)
	• PECO Exhibit JAB-3: Comparison of Residential Customer Charges for Pennsylvania Natural Gas Distribution Utilities
	• PECO Exhibit JAB-4: Proof of Revenues at Present and Proposed Rates
	PECO Statement No. 8: Direct Testimony of Richard A. Schlesinger

	• PECO Exhibit RAS-1: Relevant Gas Supplier Coordination Tariff Pages (Including a Redline to Show Proposed Changes)
	• PECO Exhibit RAS-2: Calculation of the Gas Procurement Charge ("GPC")
	• PECO Exhibit RAS-3: Components and Calculation of the Merchant Function Charge ("MFC")
	PECO Statement No. 9 – Doreen L. Masalta
	• PECO Exhibit DLM-1: Forecasted Participation Levels and Natural Gas Savings
	• PECO Exhibit DLM-2: Forecasted Breakdown of Program Costs
Volume IV	Defined Filing Requirements Section 53.53 – Valuation - I-A and I-C
	Defined Filing Requirements Section 53.53 – Rate of Return - II-A and II-C
	Defined Filing Requirements Section 53.53 – Balance Sheet & Operating Statement - III-A
Volume V	Defined Filing Requirements Section 53.53 – Balance Sheet & Operating Statement - III-E
	Defined Filing Requirements Section 53.53 – Rate Structure - IV-B
	Defined Filing Requirements Section 53.64(c) Gas Supply
	Supplemental Data Responses Cost of Service (COS)
Volume VI through Volume VIII	Supplemental Data Responses Rate of Return (ROR)
Volume IX	Supplemental Data Responses Revenue Requirements (RR)

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY	
COMMISSION	:
v.	:
PECO ENERGY COMPANY –	:
GAS DIVISION	:

Docket No. R-2020-3018929

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of PECO Energy

Company's - General Base Rate Filing for Gas Operations on the following persons

in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54:

BY OVERNIGHT MAIL

Tanya J. McCloskey Acting Consumer Advocate Office of Consumer Advocate 555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101-1923 tmccloskey@paoca.org John R. Evans Small Business Advocate Pennsylvania Office of Small Business Advocate Forum Place 555 Walnut Street – First Floor Harrisburg, PA 17101 jorevan@pa.gov Richard Kanaskie Director & Chief Prosecutor Bureau of Investigation & Enforcement Pennsylvania Public Utility Commission Commerce Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17105-3265 rkanaskie@pa.gov

Dated: September 30, 2020

Jeanth M. Juli

Kenneth M. Kulak (Pa. No. 75509) Anthony C. DeCusatis (Pa. No. 25700) Catherine G. Vasudevan (Pa. No. 210254) Brooke E. McGlinn (Pa. No. 204918) Mark A. Lazaroff (Pa. No. 315407) Morgan, Lewis & Bockius LLP 1701 Market Street Philadelphia, PA 19103-2921 215.963.5384 (bus) 215.963.5001 (fax) ken.kulak@morganlewis.com anthony.decusatis@morganlewis.com catherine.vasudevan@morganlewis.com brooke.mcglinn@morganlewis.com

Counsel for PECO Energy Company