

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
HARRISBURG, PA 17120**

Public Meeting held December 8, 2022

Commissioners Present:

Gladys Brown Dutrieuille, Chairman
Stephen M. DeFrank, Vice Chairman
Ralph V. Yanora
Kathryn L. Zerfuss
John F. Coleman, Jr.

PECO Energy Company's
Supplement No. 12 to PECO's
Electric Retail Tariff No. 7

Docket Number:
R-2022-3036058

ORDER

BY THE COMMISSION:

On October 12, 2022, the Pennsylvania Public Utility Commission (Commission) accepted PECO Energy Company's (PECO), Utility Code 110550, filing of Supplement No. 12 to PECO's Electric Retail Tariff No. 7 (Supplement No. 12) to become effective December 9, 2022.

PECO states the proposed tariff reflects changes to PECO's Customer Assistance Program (CAP) rider associated with transitioning from a Fixed Credit Option (FCO) to the implementation of a CAP Percentage of Income Payment Plan (PIPP) as well as other housekeeping changes. PECO states the tariff updates are filed in accordance with the Commission's July 16, 2022 Order on PECO's Universal Service and Energy Conservation Plan at Docket No. M-2018-3005795 (USECP Order).

PECO's current CAP FCO determines the amount of CAP credits needed, if any, to keep customer payments below the maximum energy burden thresholds based on the household's Federal Poverty Income Guideline¹ (FPIG). A customer's annual CAP credit amount is the difference between the annual energy costs for the residence and the household's target energy burden. PECO's proposed tariff states that based on the applicable level of income and the number of household members, CAP customers will receive a monthly fixed bill or PIPP based upon that individual household's need. To determine the customer's monthly CAP PIPP bill, PECO will first calculate a target energy burden based on the household's Federal Poverty Income Guideline FPIG tier. The customer's annual CAP PIPP bill would then be calculated by multiplying the household's income by their target energy burden level. The monthly CAP bill for the household will be 1/12th the annual CAP PIPP bill. PECO will apply CAP credits to the CAP household's bill each month, if necessary, to ensure the monthly bill does not exceed 1/12th of the annual CAP PIPP bill amount. PECO states the billing for all CAP customers will change, as the CAP discount is changing from a fixed credit to a fixed bill. PECO states that although each individual CAP customer's bill will be uniquely impacted, it is expected that the implementation of the CAP PIPP will reduce CAP customers' bills. PECO states there will be no net change to PECO's revenues or expenses, as the CAP program is funded by residential ratepayers.

PECO states it jointly filed the electric and gas tariff changes with the Commission on October 7, 2022, and served the filing on the Office of Consumer Advocate, the Office of Small Business Advocate, the Bureau of Investigation and Enforcement, the counsel for the Tenant Union Representative Network, and the counsel for the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania. PECO states that on October 11, 2022, the Commission rejected the filing requesting that

¹ Federal Poverty Income Guideline tiers can be found in the PECO USECP Order at Docket No. M-2018-3005795

the electric and gas tariffs be separated into two different filings and the filings be resubmitted. PECO also states that other than separating the joint filing into two distinct filings, the documents themselves have not been modified. PECO further states they reserved the two separate filings on the initial service list. Thus, PECO submits that the filings are in compliance with the 60-day notice provisions surrounding tariff modifications.

PECO Electric serves approximately 1,690,712 customers as of June 30, 2022. PECO states it currently has 118,925 active CAP customers, with 97,148 customers receiving electric service, 357 customers receiving gas service, and 21,420 customers receiving both electric and gas service. No complaints have been filed and no hearings held.

The Commission agrees that the tariff changes are consistent with the Commission's USECP Order at Docket No M-2018-3005795. Upon review of Supplement No. 12, we find that the proposed modifications contained therein do not appear to be unlawful, unjust, unreasonable, or contrary to the public interest.

Accordingly, we permit Supplement No. 12 to become effective on December 9, 2022. However, approval of this filing does not constitute a determination that this filing is lawful, just, or reasonable, but only that further investigation or suspension does not appear to be warranted at this time; **THEREFORE,**

IT IS ORDERED:

1. That PECO Energy Company Supplement No. 12 to Tariff Electric Pa. P.U.C. No. 7 is hereby permitted to become effective on December 9, 2022.

2. That this Order is without prejudice to any issues that may be raised by any party with respect to the tariff changes implemented by Supplement No. 12 to Tariff Electric Pa. P.U.C. No. 7 in future proceedings.

3. That a copy of this Order be served on the Office of Consumer Advocate, the Office of Small Business Advocate, and the Bureau of Investigation and Enforcement, the counsel for the Tenant Union Representative Network, and the counsel for the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania.

4. That the proceeding at Docket No. R-2022-3036058 be closed.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: December 8, 2022

ORDER ENTERED: December 8, 2022