



AN EXELON COMPANY

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Regulatory Policy & Strategy

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June 9, 2023

Via E-Filing

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

SUBJECT: Replacement Page to PECO Energy Company Tariff Gas – Pa PUC No. 5, issued November 16, 2022 to become effective January 1, 2023
Compliance Filing – General Base Rate Case for Gas Operations –
Docket No. R-2022-3031113

Dear Secretary Chiavetta:

PECO Energy Company (“PECO” or the “Company”) previously issued Original Tariff Gas Pa. P.U.C. No. 5 bearing an effective date of January 1, 2023. The Company’s Compliance Filing was filed on November 16, 2022 in accordance with Ordering Paragraph No. 4 of Commission Opinion and Order at Docket No. R-2022-3031113 (“Order”) entered October 27, 2022.

In addition, on December 20, 2022 and December 22, 2022, the Company submitted Supplement No. 2 to Gas Tariff No. 5 which contained certain clean-up pages to the original compliance filing to become effective on January 1, 2023.

PECO inadvertently omitted language referencing cost recovery of the three-year pilot program intended to support health and safety remediation for natural gas customers who are deferred for participation in LIURP due to health and safety issues with their home. This pilot was included in – and approved by the Commission as part of – the Joint Petition for Settlement at this docket. This letter transmits for filing a replacement page to Gas Tariff No. 5, for filing with the Commission (Attachment A), which reflects that cost recovery in PECO’s USFC. The filing makes no changes to Commission-approved rates or to terms and conditions of service.

Thank you for your assistance in this matter and if you have any questions please contact Megan A. McDevitt, Senior Manager, Retail Rates at 267-533-1942 or via email: megan.mcdevitt@exeloncorp.com.

Rosemary Chiavetta, Secretary
June 9, 2023
Page 2

Sincerely,

A handwritten signature in black ink, appearing to read 'R.C.', followed by a long horizontal flourish.

Attachment

CC: Certificate of Service (via e-mail only)
Paul Diskin, Bureau of Technical Utility Services (via e-mail only)
Marissa Boyle, Bureau of Technical Utility Services (via e-mail only)
David Huff, Bureau of Technical Utility Services (via e-mail only)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PENNSYLVANIA PUBLIC UTILITY COMMISSION	:	
	:	
	:	
v.	:	DOCKET NO. R-2022-3031113
	:	
PECO ENERGY COMPANY – GAS DIVISION	:	

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the **Replacement Page to PECO Energy Company Tariff Gas – Pa PUC No. 5, to become effective *January 1, 2023* – to Compliance Filing – General Base Rate Case for Gas Operations** on the persons listed below in the manner specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA EMAIL

Administrative Law Judge F. Joseph Brady
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fbrady@pa.gov
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Counsel for PAIEUG

June 9, 2023

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John W. Sweet
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*Counsel for Coalition for Affordable
Utility Services and Energy Efficiency in
Pennsylvania*



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Caroline.Choi@exeloncorp.com
Counsel for PECO Energy Company

Attachment A

PROVISIONS FOR RECOVERY OF UNIVERSAL SERVICE FUND CHARGE (USFC)

Variable Distribution Service Charge rates for gas service in Residential Rate Schedule GR of this Tariff shall include a credit of **\$0.1237** per Mcf (1,000 cubic feet) for recovery of Universal Service Fund Cost (USFC), calculated in the manner set forth below. The USFC rate for gas service shall be increased or decreased annually, to reflect changes in the level of Universal Service Fund costs, net of base rate recoveries, in the manner described below:

COMPUTATION OF USFC.

The USFC per Mcf (\$x.xxxx), shall be computed in accordance with the formula set forth below:

$$\text{USFC} = \frac{(\text{C-E-I})}{(\text{S})}$$

The USFC, so computed, shall be included in distribution rates charged to Customers for service pursuant to the rate schedule identified above. The amount of USFC, per Mcf, will vary, if appropriate, based upon annual filings by the Company.

In computing the USFC, per Mcf, pursuant to the formula above, the following definitions shall apply:

“Reconcilable Customer Assistance Program (CAP) Costs” – The difference between discounts provided to CAP customers (CAP revenue shortfalls) recovered through base rates and total CAP discounts, net of a 27% offset factor.

USFC – Universal Service Fund Charge determined to the nearest one-hundredth cent (0.01¢) to be included in the rate for each Mcf of Variable Distribution Service Charge calculated under Rate Schedule GR, to recover or refund Reconcilable CAP Costs and other items as addressed in the “E” factor.

C - Cost in dollars of the Reconcilable CAP Costs for the projected period.

E - the net (overcollection) or undercollection of Universal Service Fund Charges. The net overcollection or undercollection shall be determined for the most recent period, beginning with the month following the last month which was included in the previous overcollection or undercollection calculation reflected in rates. Included in the “E” factor will be Reconcilable CAP Costs, up to \$900,000 of LIURP expenditures above the \$2.25 million threshold included in base rates, and up to \$300,000 of expenditures for a three-year pilot program (beginning in 2023) supporting LIURP Health and Safety remediation for customers who are deferred for participation in LIURP due to health & safety issues with their home. Also included in the “E” Factor will be any rate credit due customers to the extent PECO expends less than \$2,727,500 annually in its Energy Efficiency Plan effective July 1, 2021.

Each overcollection or undercollection statement shall also provide for refund or recovery of amounts necessary to adjust for overrecovery or underrecovery of “E” factor amounts under the previous USFC.

I – 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 period such overcollection is refunded or undercollection is recouped. The interest calculation will not apply to the LIURP amounts.

S - projected Mcf of gas service to be billed under Rate GR (exclusive of CAP Rider) during the projected period when rates will be in effect. Mcf’s shall be consistent with the projected residential throughput used in the applicable Purchased Gas Cost filing.

FILING WITH PENNSYLVANIA PUBLIC UTILITY COMMISSION; AUDIT; RECONCILIATION.

The Company’s annual USFC filing and its annual reconciliation statement shall be submitted to the Commission 120 days prior to new rates being effective December 1 of each year, or at such time as the Commission may prescribe. The USFC mechanism is subject to annual audit review by the Bureau of Audits.

PECO Energy Company

**Gas-Pa. P.U.C. No. 5
Original Page No. 42**

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Issued November 16, 2022

Effective January 1, 2023

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