



AN EXELON COMPANY

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September 29, 2023

Via E-Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street - P.O. Box 3265
Harrisburg, PA 17120-3265

SUBJECT: PECO Energy Company's 2023 Annual UFG Report, Docket No. M-2023-3037447

Dear Secretary Chiavetta:

Enclosed please find PECO Energy Company's ("PECO's") Annual Unaccounted for Gas ("UFG") Report for the 12-month period ending August 31, 2023, pursuant to 52 Pa. Code § 59.111(c)(2), which was adopted in the Pennsylvania Public Utility Commission's (the "Commission's") Final Rulemaking Order (*Establishing a Uniform Definition and Metrics for Unaccounted-for-Gas*) on April 4, 2013, at Docket No. L-2012-2294746. Accordingly, PECO hereby submits to the Commission its Annual UFG Report for 2023.

Thank you for your assistance in this matter and please direct any questions regarding the above to Megan McDevitt, Senior Manager, Retail Rates at 267-533-1942 or via email: megan.mcdevitt@exeloncorp.com.

Sincerely,

Rosemary Chiavetta, Secretary
September 29, 2023
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Attachment

cc: Kriss Brown, Deputy Chief Counsel, Law Bureau (e-mail only)
Paul Diskin, Director, Bureau of Technical Utility Services (e-mail only)
Darren Gill, Deputy Director, Bureau of Technical Utility Services (e-mail only)
Dan Searforce, Manager, Bureau of Technical Utility Services (e-mail only)
Kelly Monaghan, Director, Bureau of Audits (e-mail only)
Matthew Stewart, Engineer, Bureau of Technical Utility Services (e-mail only)

PECO Energy Company
 2023 Annual Unaccounted For Gas Report (UFG)
 Distribution System

A. Gas Received (Mcf)	
From Production Facilities	0
From Transmission Facilities	0
From Storage Facilities	0
From Interstate Pipelines directly into the Distribution System	84,942,585
From Other Sources (i.e., propane injections, etc.)	<u>0</u>
Total Gas Received by the Distribution System	84,942,585
B. Gas Delivered (Mcf)	
To Customers (i.e., Transportation Residential, Commercial, Industrial, etc.)	82,905,711
To Storage	0
To Transmission System	<u>0</u>
Total Gas Delivered by the Distribution System	82,905,711
C. Adjustments (Mcf)	
Pressure/Temperature Adjustments	665,233
Company use	176,809
Meter Maintenance	87,156
Purging/Other Construction activities	14,004
Unmetered Gate Station Use	865
Meter Read Cycle Adjustments	<u>245,058</u>
Total Adjustments:	1,189,125
D. Distribution UFG (Mcf)	
Total	847,749
E. Percent UFG	
Percentage	1.00%

PECO Energy Company 2023 Annual Unaccounted For Gas Report (UFG)

Distribution System Adjustments

Pressure/Temperature – elevated pressures exist in service lines where gas pressure is substantially higher than that delivered to a customer’s appliances and a service regulator is required. Any elevated service will have a regulator that has a water column setting between 7-8” water column, while the meter will be set at 6” water column per manufacturer specifications. Because of the difference in water column settings between the regulator and meter, there will be naturally recurring LUGF.

Company Use – LNG turbine and vaporizer fuel, gate station pre-heater fuel, and PECO facilities use.

Meter Maintenance – defective and/or stopped meters.

Purging – vented gas for construction and distribution system maintenance.

Unmetered Gas Station Use – unmetered use by pneumatic equipment at PECO gate stations. Calculation based on manufacturer specifications.

Meter Read Cycle Adjustments - the estimated adjustment required to convert usage based on a billing year to usage based on a calendar year. For the purposes of closing the books each month, PECO needs to estimate the amount of unbilled usage for the month. For example, at the end of August, we would record an estimate of the usage that occurred in August but was not billed until September. This estimate allows us to ensure that our usage and related revenue are on a calendar month basis to match our fuel expense, which is also calendar-month based.

The meter read cycle adjustment is based on the estimates generated through that process and converts the line loss calculation from a billing year calculation to a calendar year calculation. The sendout included in the line loss calculation is already on a calendar month basis. However, we take the usage billed during the annual (September-August) timeframe, add to it estimated usage from August of the current year that will not be billed until September of the current year, and subtract from it estimated usage from August of the prior year that was billed in September of the prior year in order to come up with estimated calendar year usage.

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2023 Annual Unaccounted For Gas Report (UFG)

Transmission System Losses

Specify units for quantity of gas	Mcf
A. Gas Received (Mcf)	
From Interstate Pipelines	11,942,481
From Storage	0
From Distribution System	0
From Production/Gathering System	0
From Other	<u>0</u>
 Total Gas Received by the Transmission System	 11,942,481
B. Gas Delivered (Mcf)	
To Distribution System	6,857,484
To Direct Pipeline Customers	5,262,119
To Interstate Pipeline	0
To Storage	<u>0</u>
 Total Gas Delivered by the Transmission System	 12,119,603
C. Adjustment (Mcf)	
Direct Pipeline Customer Tariff Banking and Balancing Variance	<u>(177,122)</u>
Total Adjustments	(177,122)
D. Production Facility UFG (Mcf)	
Total	0
E. Percent UFG	
Percentage	0%

PECO Energy Company 2023 Annual Unaccounted For Gas Report (UFG)

Storage System

PECO Energy Company (“PECO”) does not own or operate any underground natural gas storage facilities. However, PECO is a natural gas storage service customer of Transcontinental Gas Pipeline, Texas Eastern Transmission Company and Eastern Gas Transmission Company. The gas PECO receives at its distribution system pursuant to storage contracts with these companies is net of any unaccounted for gas (“UFG”) incurred by the pipelines. Thus, UFG associated with these deliveries does not affect PECO’s distribution system UFG rate. Furthermore, the applicable fuel rates for these storage contracts are regulated by FERC and subjected to approval via a “fuel tracker” or other proceeding. Accordingly, PECO cannot affect the UFG experienced by a pipeline company’s storage facilities (other than by participating in relevant FERC proceedings).

PECO Energy Company
2023 Annual Unaccounted For Gas Report (UFG)

Production/Gathering System Losses

PECO Energy Company (PECO”) does not own or operate any natural gas production or gathering systems.