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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
v.
PECO ENERGY COMPANY - ELECTRIC DIVISION**

DOCKET NO. R-2024-3046931

VOLUME II OF VI

PECO Statement No. 1: Direct Testimony of Nicole L. LeVine

**PECO Statement No. 2: Direct Testimony of Marissa Humphrey
(and related exhibit)**

**PECO Statement No. 3: Direct Testimony of Michael J. Trzaska
(and related exhibits)**

March 28, 2024

PECO Statement No. 1:

Direct Testimony of Nicole L. LeVine

**PECO ENERGY COMPANY
STATEMENT NO. 1**

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v.
PECO ENERGY COMPANY –
ELECTRIC DIVISION

DOCKET NO. R-2024-3046931

DIRECT TESTIMONY

WITNESS: NICOLE L. LEVINE

SUBJECTS: PECO'S ELECTRIC OPERATIONS; OVERVIEW
OF PECO'S RATE FILING; PECO'S CAPITAL
INVESTMENTS; CUSTOMER SERVICE, SAFETY,
SECURITY, ENVIRONMENTAL PROGRAMS;
FULFILLMENT OF 2021 RATE CASE
COMMITMENTS; ECONOMIC DEVELOPMENT,
COMMUNITY SUPPORT, AND DIVERSITY; AND
MANAGEMENT PERFORMANCE

DATED: MARCH 28, 2024

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**DIRECT TESTIMONY
OF
NICOLE L. LEVINE**

4
I. INTRODUCTION AND PURPOSE OF TESTIMONY

5 **1. Q. Please state your name and business address.**

6 A. My name is Nicole L. LeVine. My business address is PECO Energy Company,
7 2301 Market Street, Philadelphia, Pennsylvania 19103.

8 **2. Q. By whom are you employed and in what capacity?**

9 A. I am employed by PECO Energy Company (“PECO” or the “Company”) as
10 Senior Vice President and Chief Operating Officer. In that capacity, I lead
11 PECO’s electric and natural gas distribution and transmission operations. These
12 operations include construction and maintenance, engineering and technical
13 services, investment strategy, safety, environmental, training, fleet, real estate and
14 facilities, new business, and customer operations. These functions, in turn, are
15 staffed by approximately 2,731 craft, professional, and support employees. I also
16 ensure that the operating groups are well integrated and focused on safety,
17 reliability, customer satisfaction, and diversity, equity, and inclusion.

18 **3. Q. Please summarize your prior professional experience.**

19 A. During the past 20 years, I have held numerous positions within PECO and its
20 parent Exelon Corporation. I will highlight a few of my more recent positions.
21 Before becoming Chief Operating Officer of PECO, I served as Vice President,
22 Electric Operations at PECO for over four years. In this role, I oversaw the daily
23 operations of PECO’s electric distribution system, including management of the

1 Company's Distribution System Operations and Construction and Maintenance
2 organization. Prior to that, I served in various leadership roles at PECO,
3 including Vice President of Technical Services and held various roles of
4 increasing responsibility in PECO Gas Operations, Field Operations,
5 Transmission & Substations, and Exelon Utilities.

6 **4. Q. What is your educational background?**

7 A. I earned my Bachelor of Science degree in civil engineering from the University
8 of Delaware.

9 **5. Q. What is the purpose of your direct testimony?**

10 A. The several purposes of my direct testimony are to: (1) generally describe
11 PECO's electric distribution operations; (2) provide an overview of this rate
12 filing, including an introduction of the other witnesses who will present testimony
13 in support of PECO's case-in-chief; (3) explain PECO's capital investment
14 process and to identify the types of projects that comprise PECO's claimed future
15 test year ("FTY") and fully projected future test year ("FPFTY") plant additions;
16 (4) describe various measures by PECO to ensure system reliability; (5) discuss
17 PECO's customer service operations and several additional programs to help our
18 customers save energy and use new energy technologies; (6) describe measures
19 taken by the Company with respect to safety, security, and its environmental
20 impact; (7) discuss PECO's fulfillment of the commitments made by the
21 Company as part of the settlement approved by the Pennsylvania Public Utility
22 Commission (the "Commission") in PECO's 2021 electric base rate proceeding;
23 (8) describe PECO's community work and support for economic and workforce

1 development and diversity, equity and inclusion; and (9) address PECO’s overall
2 management performance in relation to the factors identified in Section 523 of the
3 Public Utility Code.

4 **II. DESCRIPTION OF PECO’S ELECTRIC OPERATIONS**

5 **6. Q. Please provide an overview of PECO’s electric distribution operations.**

6 A. PECO is the largest combined electric and natural gas utility in Pennsylvania. In
7 addition to the approximately 1.7 million electric customers we serve, PECO
8 provides natural gas service to over half a million customers. PECO’s electric
9 service region is located throughout a 2,100 square-mile area in southeastern
10 Pennsylvania. The Company’s electric service territory comprises all or portions
11 of Bucks, Chester, Delaware, Montgomery, Philadelphia, and York Counties and
12 includes a total population served of approximately 4.1 million people.

13 **7. Q. What services does PECO offer its electric customers?**

14 A. PECO makes available electric distribution service and electric generation supply
15 on an unbundled basis. In addition to those customers who have exercised their
16 option to procure their own electric generation supply service and pay PECO for
17 delivery (i.e., distribution) service only, the Company, as the default service
18 provider, procures and delivers power to the homes or places of business of
19 residential, commercial, and industrial customers not receiving service from an
20 electric generation supplier (“EGS”) or who return to default service after being
21 served by an EGS that becomes unable or unwilling to serve its customers. In
22 addition to general service, and as set forth in the Company’s electric tariff,
23 qualifying customers can avail themselves of a variety of outdoor-lighting,

1 interruptible, and other services. PECO also provides a variety of programs to
2 assist customers with their energy costs, including a Customer Assistance
3 Program (“CAP”) for low-income customers and a wide range of energy
4 efficiency programs for all residential, small commercial, and large commercial
5 and industrial customers through PECO’s Energy Efficiency and Conservation
6 (“EE&C”) programs.

7 **8. Q. How does the type of electric customers PECO serves break down by major**
8 **customer classification?**

9 A. As of December 31, 2023, we served 1,535,927 residential customers, 166,660
10 small commercial and industrial (“C&I”) customers, and 3,132 large C&I
11 customers.

12 **9. Q. What are the major assets and facilities that PECO utilizes to provide**
13 **electric service to its customers?**

14 A. PECO is the largest combined electric and natural gas utility in Pennsylvania. To
15 provide electric service to its customers, PECO operates and maintains
16 approximately 9,700 miles of underground distribution cable, approximately
17 13,000 miles of aerial distribution lines, and approximately 1,092 miles of higher-
18 voltage transmission lines. In addition, we operate and maintain 440 power
19 substations.

20 Generally speaking, this infrastructure is a mix of reliable older and newer
21 facilities and equipment. Consequently, a high level of expertise in a variety of
22 areas, as well as significant capital investment, are required to maintain and

1 operate all of PECO's plant and equipment and to provide the service, reliability,
2 and modern electric grid capabilities that our customers expect.

3 III. OVERVIEW OF RATE FILING

4 **10. Q. Please summarize the relief that PECO is requesting through this rate filing.**

5 A. PECO has requested an annual overall electric rate increase of approximately
6 \$464 million. PECO is also proposing a one-time credit of \$64 million, resulting
7 in a net electric rate increase of \$399 million in 2025.

8 As required by the Public Utility Code, PECO's proposed tariff has been filed on
9 60 days' notice and, therefore, bears an effective date of May 27, 2024. However,
10 we recognize that our filing will likely be suspended and investigated.

11 **11. Q. Why is PECO requesting a rate increase at this time?**

12 A. Our last electric base rate filing was made in 2021. Since rates were established
13 in that case, PECO has continued to make substantial investments in new and
14 replacement utility plant to ensure that our customers can continue to receive the
15 safe and reliable service they have come to expect. Indeed, between January 1,
16 2023 and December 31, 2025, the end of the FPFTY, we will have invested over
17 \$3.5 billion in additional electric distribution plant.

18 Much of this investment is focused on maintaining and improving our system
19 reliability, upgrading and replacing obsolete equipment, and advancing our
20 informational technology and communications systems, which all have positive
21 benefits for our customers. We also make substantial infrastructure investments
22 to serve new customers as well as customers whose electric energy needs are

1 growing through new operations or services, such as electric vehicle charging
2 stations. Since the COVID-19 pandemic, a significant portion of the workforce in
3 the region we serve also now works at home or in hybrid arrangements,
4 necessitating robust grid reliability and resilience throughout our entire
5 distribution system.

6 At the same time, while we continue to add new customers and modernize our
7 distribution system infrastructure, our overall sales are expected to be nearly flat
8 in large part due to our aggressive pursuit of energy efficiency and conservation
9 through the EE&C programs implemented in compliance with Pennsylvania’s Act
10 129 of 2008 (“Act 129”).

11 We face significant cost increases in a variety of areas that are not within our
12 control. While Company witness Marissa Humphrey in PECO Statement No. 2
13 discusses inflation and other financial costs, we also experience numerous other
14 operational cost increases that cannot be avoided. Even as we plan for and
15 implement capital investments, we must manage a variety of global and domestic
16 supply chain challenges that continue to impact equipment costs and the
17 availability and lead time for certain materials, including transformers critical for
18 our system. We are constantly evaluating options for alternatives and working
19 with our business partners and material vendors to develop and implement long-
20 term strategies to reduce project timelines and duration. As we continue to invest
21 in our infrastructure, we also continue to ensure that we are adequately staffed to
22 provide our customers with a great experience.

1 In addition, even with increased efforts focused on vegetation management across
2 our system, costs associated with certain storms (such as Hurricane Ida) have
3 resulted in higher costs for restoration and repairs. Such costs are very difficult to
4 predict given the nature of storms, and we are proposing a new Storm Reserve
5 Account in this proceeding described by Company witness Michael J. Trzaska in
6 PECO Statement No. 3.

7 As Ms. Humphrey details, despite the rate increase we are proposing, customer
8 affordability remains a critical priority for PECO, and we are continuing to
9 expand our customer assistance programs to help minimize the impact of higher
10 rates. As Mr. Trzaska explains, the Storm Reserve Account will enable PECO to
11 recover its actual storm damages – neither more nor less – and ensure that
12 customers are only paying for actual storm costs. Furthermore, we continue to
13 seek out new sources of funding for capital investment – including our efforts to
14 obtain funding from the U.S. Department of Energy’s Grid Resilience and
15 Innovation Partnership (“GRIP”), where we have been selected to negotiate an
16 award for up to \$100 million for grid modernization. All funding received
17 through the GRIP program will reduce the overall revenue requirement to serve
18 our customers and add to the capital and infrastructure investments we make
19 every year that create and maintain thousands of jobs in the communities we
20 serve.

21 **12. Q. What has PECO done to control expenses?**

22 A. As in past years, we have continued to carefully manage our operations and
23 maintenance (“O&M”) expenses. As discussed by Ms. Humphrey, PECO’s

1 projected annual O&M growth rate since 2022 is 25% lower than the recent
2 average 5.5% inflation increase in the Consumer Price Index. The Company’s
3 projected O&M growth rate is 4.1% when adjusted for storms and “make-ready”
4 work requested by third parties.

5 **13. Q. Please identify the witnesses providing direct testimony on behalf of PECO in**
6 **this proceeding.**

7 A. In addition to myself, the following witnesses will be responsible for presenting
8 PECO’s case-in-chief:

9 **Marissa Humphrey** (PECO Statement No. 2) is Senior Vice President, Chief
10 Financial Officer and Treasurer of PECO. Ms. Humphrey discusses PECO’s need
11 for rate relief and our efforts to minimize customer costs and bills. Ms.
12 Humphrey also provides an overview of PECO’s principal accounting exhibits;
13 discusses PECO’s budgeting process; describes the services that PECO receives
14 from affiliated entities and the estimated cost of those services during the FPFTY;
15 and discusses the impacts of the Corporate Alternative Minimum Tax.

16 **Michael J. Trzaska** (PECO Statement No. 3) is a Principal Regulatory and Rates
17 Specialist at PECO. Mr. Trzaska sponsors PECO Exhibits MJT-1, MJT-2, and
18 MJT-3, which set forth PECO’s revenue requirement for the FPFTY ending
19 December 31, 2025, FTY ending December 31, 2024, and historic test year
20 (“HTY”) ended December 31, 2023, respectively. He supports PECO’s rate base,
21 revenue, operating expense and tax claims, as well as the Company’s proposed

1 Storm Reserve Account, and describes the customer credits of fiber network fees
2 and COVID-19 pandemic benefits.

3 **Caroline Fulginiti** (PECO Statement No. 4) is Vice President and Assistant
4 Controller of Exelon. Ms. Fulginiti describes PECO’s accounting processes,
5 supports the assignment and allocation of common costs between PECO’s electric
6 and gas operations, and explains the development of the depreciated original cost
7 of the Company’s utility plant in service and its claim for annual depreciation
8 expense.

9 **Paul R. Moul** (PECO Statement No. 5) is the Managing Consultant of P. Moul &
10 Associates, Inc. Mr. Moul presents testimony concerning the rate of return that
11 PECO should be afforded an opportunity to earn on its rate base. He supports
12 PECO’s claimed capital structure ratios, its embedded costs of debt, and its
13 requested equity allowance.

14 **Tamara J. Jamison** (PECO Statement No. 6) is Senior Manager, Revenue Policy
15 at PECO. Ms. Jamison presents an unbundled, fully allocated customer class cost
16 of service study (“COSS”).

17 **Joseph A. Bisti** (PECO Statement No. 7) is a Manager of Rate Analysts at PECO.
18 Mr. Bisti presents PECO’s proposed tariff rates and explains how the results of
19 Ms. Jamison’s COSS, as well as the consideration of other factors, were utilized
20 in the rate design process.

1 **Megan A. McDevitt** (PECO Statement No. 8) is Senior Manager, Retail Rates at
2 PECO. Ms. McDevitt discusses proposed changes and clarifications to PECO’s
3 electric service tariff.

4 **Steven J. DeMott** (PECO Statement No. 9) is PECO’s Senior Manager, Strategic
5 Planning. He discusses PECO’s proposal to extend its pilot incentive programs
6 for electric vehicle (“EV”) charging and the Company’s proposal to extend and
7 modify its Electric Vehicle Fast Charging Pilot Rider.

8 **Jacqueline F. Golden** (PECO Statement No. 10) is the Director of Customer
9 Financial Operations at PECO. Ms. Golden discusses the Company’s proposed
10 recovery of CAP costs, other universal service programs, enhancements to the
11 Company’s Matching Energy Assistance Fund (“MEAF”), and expanded outreach
12 and education plans for low to moderate income customers.

13 **IV. PECO’S CAPITAL INVESTMENTS**

14 **14. Q. How does PECO determine its annual capital investment requirements?**

15 A. PECO’s capital investment plan begins with a detailed budgeting and long-range
16 plan development process. A key goal of that process is to integrate and align
17 capital investments with PECO’s strategic operational goals and regulatory and
18 financial plans. The mix of capital investment needs can change from year to
19 year and is the product of a variety of factors, including trends in the housing
20 market, emergent operational constraints, local municipality workloads, and, most
21 importantly, the condition of existing facilities.

1 Projects requiring a capital investment of over \$1.5 million (“Major Projects”) are
2 subject to an additional, rigorous committee review process which includes senior
3 management control of project scope and contract strategy. The primary goals of
4 the process are to ensure that:

- 5 (1) the technical merits of each Major Project are balanced with the economic
6 benefits and goals of the Company;
- 7
8 (2) Major Projects are properly researched, developed, planned, reviewed, and
9 authorized by senior management before significant resources are committed
10 or expended; and
- 11
12 (3) decision points for consideration and approval of any additional funds are
13 established as the details of Major Projects evolve.

14 All of these capital investment processes work together to ensure that PECO’s
15 investments fully support safety, reliability, and customer service goals as well as
16 achieve an optimal operational efficiency.

17 **15. Q. What are PECO’s primary categories of capital investment?**

18 A. Our capital investment requirements are evaluated on a functional level and are
19 placed primarily into categories of corrective maintenance, system performance,
20 capacity expansion, facility relocation, new business, information technology
21 (“IT”), and customer operations.

22 Corrective Maintenance is work in support of maintaining the existing electric
23 distribution network, such as replacing or upgrading utility poles, reclosers, cable
24 and/or wire. These projects can be identified as a result of patrols, inspections
25 performed, or storms and outage causing events (i.e. pole hits, tree limbs, etc.).

1 System performance projects are risk modeled and evaluated to prioritize the
2 projects for replacements. These projects are ranked based on certain criteria,
3 including but not limited to age, failure rates, customer complaints, cost to replace
4 versus cost to repair, condition of infrastructure, and environmental factors. Of
5 particular note are system reliability and resiliency improvements under the
6 Company's Customers Experiencing Multiple Interruptions ("CEMI"), Aerial
7 Infrastructure Resiliency, and Underground Cable Replacement programs that all
8 target replacement of infrastructure with higher risk profiles based on field
9 observations and a review of performance metrics (for example, replacing
10 underground cabling with underground cabling in conduit for much longer
11 operational life).

12 Capacity expansion projects relieve capacity constrained areas, which allows for
13 the addition of new customers and increases the ability of those feeders to handle
14 the interconnection of additional customer-owned solar facilities. Facility
15 relocation projects move electric facilities away from conflicting township and
16 state road improvements.

17 New business projects support residential and commercial customer requests for
18 new electric service, upgrades of existing service, and the relocation of electric
19 facilities. We are seeing significant new business demand, with new high-rise
20 buildings in Philadelphia, new town home developments in suburban
21 communities, and other new construction projects. Our existing customers whose
22 operations are expanding (e.g., warehouses) also need a variety of infrastructure

1 upgrades, and we are addressing rising demand for electric vehicle charging
2 stations at businesses.

3 In the area of IT infrastructure, many of our capital projects drive operational
4 improvements and efficiencies, reduce risk and increase reliability, and strengthen
5 cybersecurity. For example, our One Mobile Dispatch System is a strategic
6 initiative for PECO to enable digitization of field work activities and eliminate
7 manual processing, and our Enterprise Asset Management replacement enables
8 improved asset management, work order development, and work management.

9 The Company is also investing in its upgraded Advanced Distribution
10 Management System, which will provide distribution operations with state-of-the-
11 art modernized tools to improve reliability, resiliency, and customer experience
12 during storms, increase operational efficiency, and create a coordinated platform
13 for implementation and deployment of the new operational capabilities that our
14 customers want the distribution system to provide.

15 A primary area of our capital investment relating to customer operations covers
16 the design, development, implementation, lifecycle upgrades and replacements,
17 and security of customer facing systems, as well as the development and
18 implementation of web tools, such as outage tools and mobile app technologies,
19 so customers can easily access PECO customer systems and information through
20 multiple channels. These are individual projects that help the Company create
21 and improve the technology PECO customers use to access account and outage
22 information; enroll in assistance programs; make start, stop, and move requests;

1 receive usage data, and receive and pay bills, which I will describe later in my
2 testimony.

3 We are also investing in Customer Flight Path (“CFP”) projects, which improve
4 the availability of customer products and the reliability of the underlying
5 platforms. These projects consist of enhancing digital self-service options and
6 offering personalized solutions that meet customer needs, improve
7 communications during power outages, and help promote and maintain
8 affordability. Associated with these capital projects are O&M costs in order to
9 put these investments into service for customer benefit.

10 **16. Q. How do capital investments in distribution system infrastructure relate to**
11 **PECO’s Long-Term Infrastructure Improvement Plan (“LTIIIP”)?**

12 A. Many of our capital investments are made in coordination with the goals and
13 requirements of PECO’s LTIIIP, which the Commission approved on November
14 19, 2020. In that proceeding, the Commission approved PECO’s plans to spend
15 \$1.36 billion on targeted reliability projects to prevent storm-related outages,
16 replace electric cable, and replace or retire substation equipment and small
17 substations.

18 These LTIIIP investments are in addition to the capital spending associated with
19 the Company’s proposed rate increase but involve many of the same types of
20 capital work and these investments in the aggregate are necessary to meet our
21 targeted improvements. For example, as reflected in PECO’s Commission-
22 approved LTIIIP, PECO’s long-term goal for its CEMI programs is a 25%

1 reduction in the frequency of interruptions for the improved areas and circuits by
2 2026. By aligning our “baseline” capital investments discussed in this proceeding
3 and our planned LTIP expenditures, we are able to improve reliability and
4 replace aging infrastructure more efficiently and therefore at a lower overall cost
5 to customers.

6 **17. Q. Is PECO investing in technology to support its grid investments?**

7 A. Yes, we are investing in a number of innovative technologies that enhance our
8 ability to identify critical areas for investment. For example, we are now
9 deploying aerial drone technologies for construction planning and design, storm
10 damage assessment, post-construction audits, transmission line patrols, and other
11 construction-related activities. Drones are also used to gain situational awareness
12 in hard-to-access areas during various electric operations.

13 We are also evaluating the effectiveness of an underground, submersible
14 automatic transfer switch that provides increased reliability by automatically
15 transferring from primary to alternate supply in the event primary supply is
16 interrupted. In addition, we have piloted the use of aerial communicating Faulted
17 Circuit Indicators which enhance the situational awareness of our distribution
18 system operators to reduce patrol times with an opportunity to reduce outage
19 durations. Both of these technologies have substantial potential to further reduce
20 the duration of customer interruptions when those interruptions occur.

1 **18. Q. Please describe, in broad terms, the types of plant additions that PECO**
2 **expects to place in service during the course of the FTY and FPFTY.**

3 A. PECO’s FPFTY and FTY plant additions are itemized by functional area and by
4 FERC account in PECO Statement No. 3, the direct testimony of Mr. Trzaska,
5 Exhibits MJT-1 (Schedule C-2) and MJT-2 (Schedule C-2), for the FPFTY and
6 FTY, respectively.

7 In summary, our 2024 capital budget calls for approximately \$1.3 billion of plant
8 additions in new distribution facilities, including the portions allocated to
9 distribution from general and common plant additions. For 2025, we have
10 budgeted approximately \$1.2 billion of plant additions in new distribution
11 facilities, including the portions allocated to distribution from general and
12 common plant.

13 **19. Q. In your opinion, is all of the plant that PECO has included in its rate base**
14 **claim needed in order to provide safe and reliable electric service?**

15 A. Yes, it is. The assets included in PECO’s rate base are, or by the end of the
16 FPFTY will be, in service and used by PECO to provide safe and reliable electric
17 service to customers.

18 **V. SYSTEM RELIABILITY**

19 **20. Q. What steps has PECO taken in recent years to ensure system reliability?**

20 A. Each year, PECO invests heavily in its electric system to increase reliability and
21 to enhance the quality of the service it provides. Nationally, our system is in the
22 first quartile when benchmarked against similar utilities in the electric power

1 industry, and our performance under Pennsylvania’s reliability metrics is
2 consistently strong. The needs and expectations of our customers for reliable
3 electric service are evolving as more individuals, businesses, and communities
4 plan for and manage hybrid work arrangements and increasingly use electric
5 vehicles and other technologies that are dependent upon a reliable, resilient, and
6 flexible electric distribution grid that is always on, 24 hours a day, seven days a
7 week.

8 In order to identify, develop, and prioritize reliability-related investment in
9 electric infrastructure, the Company uses a risk-based approach. PECO’s risk
10 analysis reflects the accepted definition of risk as the product of probability and
11 impact, where “probability” is the likelihood that an event may occur, and
12 “impact” is a measure of the adverse consequences such an occurrence would
13 create.

14 In conjunction with a risk-based approach, PECO continues to adapt reliability
15 efforts to match evolving customer expectations. We also focus on traditional
16 reliability metrics, such as System Average Interruption Frequency Index
17 (“SAIFI”), Customer Average Interruption Duration Index (“CAIDI”), and
18 System Average Interruption Duration Index (“SAIDI”), as well as additional
19 measures such as CEMI and geographical areas. This additional focus facilitates
20 targeting our investments on areas that may be experiencing outage issues that are
21 not captured under traditional metrics linked to “average” numbers of
22 interruptions or outage duration.

1 In recent years, PECO performed many targeted system enhancements and
2 corrective maintenance projects to continue its strong electric reliability
3 performance so that customers experience, on average, less than one service
4 interruption per year outside of major storms. Highlights of our reliability-related
5 investments and work include the following activities:

6 ***CEMI Area Infrastructure.***¹ We focused our distribution system infrastructure
7 investments on areas and circuits where customers experienced a higher number
8 of sustained interruptions, and our investments resulted in an average reduction of
9 36% in the frequency of interruptions for those customers between the years
10 2021-2023.

11 ***New Substations, Transformers, and Converted Distribution Facilities.*** We
12 retired several large substations and converted surrounding distribution facilities
13 with their transformers to operate at higher (13 kV or 34 kV) voltages to reduce
14 losses, improve voltage regulation, and facilitate more interconnection of
15 customer-owned solar facilities. Retirements included 37-unit substations and
16 one building substation, some of which had been subject to flooding during the
17 2021-2023 period.

18 ***Replacement of Underground Cable and Poles.*** From 2021-2023, we replaced
19 501.4 miles of underground residential development (“URD”) cable and 89.2
20 miles of mainstem cable that had exhibited a rising trend of failure rates, with a

¹ CEMI is an index that tracks the number of customers that have experienced more than a specific number of interruptions in a given period. PECO has established a threshold of four interruptions per year.

1 resulting reduction in customer interruptions. We also replaced over 5,600 poles
2 with modern equipment designed to withstand higher winds and snow/ice loading.
3 The strength of these new installations will improve reliability in normal weather
4 conditions and provide enhanced resistance to storm related damages.

5 ***Increased Distribution System Automation.*** We continued to identify circuits
6 throughout PECO’s service territory as candidates for priority reliability
7 improvements and installation of reclosers, sectionalizers, and distribution
8 automation to pinpoint problems and quickly restore service. Between 2021 and
9 2023, PECO installed 603 of these devices and avoided over 2.2 million customer
10 interruptions over that period. Our integration of smart technology, combined
11 with information from advanced metering infrastructure (“AMI”) meters,
12 communication infrastructure, and the Company’s upgraded geographic
13 information and distribution management systems, improves situational
14 awareness, operations, safety, and communication outreach during outages.

15 ***Vegetation Management.*** In 2020, PECO began the transition from a five-year
16 cycle to a four-year cycle for vegetation-related preventative maintenance work
17 on approximately 13,000 miles of aerial distribution lines, which ensures more
18 frequent inspection and control of vegetation that could cause outages. This has
19 helped to address risks associated with tree in-growth, vines, and bamboo. Our
20 distribution and transmission vegetation management programs are operated in
21 conjunction with data-driven corrective maintenance and inspection programs that
22 focus on enhanced vegetation clearance to improve reliability, as well as the
23 removal of dead and declining trees to improve performance in areas where

1 multiple tree-related interruptions have occurred (especially in storms). In
2 addition, PECO implemented a new vegetation management program to
3 aggressively address selected circuit segments with poor performance attributable
4 to vegetation. This multi-year program addresses problematic areas with
5 enhanced design applications such as aerial cables, tree wire, and armless
6 construction and associated vegetation management. Between 2021 and 2023,
7 PECO addressed 80 selected circuit segments with poor performance attributed to
8 vegetation. These projects were effective and customers experienced fewer
9 interruptions due to vegetation.

10 **21. Q. Ms. LeVine, please describe PECO's reliability performance since its last**
11 **base rate proceeding.**

12 A. Our customers are experiencing the benefits of the reliability and performance
13 improvements we continue to achieve since our last rate case. As a result of the
14 Company's investments, including the projects I described above, PECO
15 outperformed the Commission's target levels for SAIFI and SAIDI.

16 PECO's SAIFI for the three-year (2021-2023) period was 0.78 interruptions,
17 compared to the benchmark of 1.23 interruptions and the three-year standard of
18 1.35 interruptions. Over this period, PECO's average number of service
19 interruptions decreased by 15%, from 0.88 interruptions in 2021 to 0.75
20 interruptions in 2023. Within the industry, PECO continues to rank in the top
21 quartile when compared to our peers across the country.

1 For SAIDI, PECO's 2021-2023 three-year average was 113 minutes, compared to
2 the benchmark of 138 minutes and the three-year standard of 167 minutes.

3 Notably, PECO's SAIDI performance improved significantly in 2023 compared
4 to 2021, with SAIDI dropping from 165 minutes in 2021 to 103 minutes in 2023 –
5 a 38% reduction. When benchmarked with our industry peers, PECO's SAIDI
6 performance also ranks in the top quartile.

7 The Commission also measures PECO's CAIDI. This three-year performance
8 standard only allows a deviation of 10% from the reliability index benchmark.

9 The 2021-2023 three-year average restoration time for PECO customers who lost
10 power was 141 minutes (2021-2023) compared to the benchmark of 112 minutes
11 and the three-year standard of 123 minutes. While several storms caused PECO
12 to miss the Commission's defined CAIDI standards, our data for 2023
13 demonstrates that the average time customers are without power has declined by
14 26% from 2021, and PECO's CAIDI continues to rank in the top quartile of our
15 industry peers.

16 **22. Q. Does PECO have a commitment to continue to maintain and enhance**
17 **reliability?**

18 A. Absolutely. Over the next two years (2024-2025), PECO will continue to focus
19 on storm hardening and resiliency, and plans to invest approximately \$1.45 billion
20 to improve the reliability of its electric distribution system. These strategic
21 investments will help prevent customer outages, modernize the electric grid, and
22 reduce the impact of extreme weather on PECO's electric infrastructure. The
23 Company's reliability improvement programs in 2024 and 2025 will include:

1 ***Storm Hardening and System Enhancement.*** PECO will continue to replace
2 aging equipment and upgrade facilities to the latest construction standards for
3 improved distribution system reliability and resiliency to storms. PECO also
4 plans to install at least 181 reclosers in 2024 and perform other system
5 enhancement work, which will reduce the number of customers and circuits
6 affected by outage events and mitigate customer interruptions. PECO plans to
7 install at least 50 reclosers in 2025. The accelerated installation of reclosers in
8 problematic circuit sections will positively impact system SAIFI.

9 ***Underground Cable Replacement.*** Between 2024 and 2025, PECO will replace
10 at least 80 additional miles of mainstem cable and nearly 600 miles of URD cable
11 and upgrade associated equipment to the latest construction standards, including
12 looping any radial URD cable.

13 ***Aerial Infrastructure Resiliency.*** PECO will replace aerial infrastructure to
14 proactively address those facilities that are vulnerable to failures caused by age-
15 related degradation, normal environmental exposure, and ordinary wear and tear –
16 factors that also increase the probability of storm-related damage. For example,
17 the Company will install insulated aerial wire arranged in a special configuration
18 to better withstand tree contact. PECO has already completed some installations
19 in areas with dense tree coverage in an effort to strengthen its system against
20 storms, increase reliability, and reduce outages. In addition, between 2024 and
21 2025, PECO will replace approximately 11,200 poles that were installed before
22 1965.

1 ***PECO's Top Priority Circuit Program.*** PECO analyzes and completes reliability
2 enhancements on at least five percent of the system's worst performing circuits on
3 an annual basis. Improvements include installing reclosers for distribution
4 automation, identifying and repairing issues through visual thermographic
5 inspections, increasing vegetation management activities, installing and upgrading
6 fuses, and replacing cable and other equipment.

7 ***Targeted CEMI Areas.*** PECO will continue to address CEMI areas and circuits
8 by reinforcing circuits with construction that can better withstand tree contact and
9 storms, as well as adding automated switching flexibility. These investments will
10 reduce the frequency of interruptions for those customers.

11 ***Distribution Automation.*** PECO will continue to add distribution automation
12 equipment to its circuits, applying the latest technologies to reduce the impacts to
13 customers when outages do occur.

14 ***Substation Retirements.*** In 2024 and 2025, PECO will eliminate an additional 15
15 unit substations that are experiencing an increasing failure rate (i.e., those
16 constructed forty or more years ago) and will upgrade all downstream low-voltage
17 supply facilities to operate at higher voltages consistent with modern modes of
18 operation. PECO will retire at least 40 unit substations between the Company's
19 baseline investment and LTIIP plan. Nearly all of PECO's existing building
20 substations that supply power to downstream facilities serving thousands of
21 customers were constructed over fifty years ago and contain obsolete equipment.
22 Over the next two years, PECO will retire an additional four building substations.

1 These retirements will enhance system resiliency, and the associated upgrades to
2 the downstream facilities will support the adoption of clean energy resources in
3 PECO's service area.

4 ***Targeted Vegetation Management.*** PECO will continue to address areas with
5 poor reliability performance due to vegetation interference using enhanced
6 designs and associated vegetation management. We will be building on the
7 success to date of our vegetation management program and focusing on the circuit
8 segments we identify as "worst performing" to maximize the value of the
9 associated capital investment.

10 ***Priority Tree Removal.*** PECO will continue with its priority tree removal
11 program. In certain portions of its distribution where the Company determines it
12 to be appropriate, PECO will remove hazard trees and branches at risk of
13 impacting the Company's distribution facilities.

14 ***Managing Emerald Ash Borer ("EAB").*** An invasive insect, the EAB, has been
15 present in PECO's service territory since 2012 and resulted in a significant
16 increase in ash tree infestation and mortality that has been linked to power
17 interruptions. PECO expects that the EAB infestation will continue to impact ash
18 trees in its service territory through the end of the decade. PECO will continue its
19 targeted focus on the removal of ash trees that are vulnerable to EAB infestation,
20 threaten damage to PECO electric facilities, and increase the potential for
21 equipment failures.

22

1 be accessible to people with disabilities. Customers now also have the option to
2 view webpages in English, Spanish, or Simplified Chinese. This feature provides
3 multi-lingual customers the ability to quickly locate information about PECO's
4 products and offerings.

5 We also added a variety of other features and capabilities, including a two-step
6 customer verification process to improve customer account security and a
7 "Welcome Back" feature for returning customers to access their program
8 recommendations without re-entering information. We also added an "Assistance
9 Finder" feature to aid customers with determining their eligibility to participate in
10 energy assistance, financial, or energy efficiency programs. In the seven months
11 since the launch of Assistance Finder in May 2023, nearly 1,000 customers have
12 enrolled online in payment arrangements, budget billing, and due date extensions.

13 To enhance the quality of service and improve customer experiences, PECO
14 shifted its focus to an approach we call "First Contact Resolution" ("FCR") so
15 customers receive all the assistance they need on their first contact with the
16 Company. Other initiatives include integrating the management of our
17 outsourced call center into PECO's Customer Care Center (PECO's internal call
18 center) to provide better alignment of quality guidelines, accountability, and
19 leadership support. The Company also deployed a "Universal Agent" strategy
20 whereby PECO customer service representatives ("CSRs") are trained to handle
21 virtually all types of calls instead of targeted skill handling. This strategy enables
22 CSRs to provide a more comprehensive call experience to customers and address
23 each of the issues that led the customer to call PECO.

1 **24. Q. What do the results of customer surveys indicate about the Company’s**
2 **customer satisfaction?**

3 A. PECO’s Customer Operations Department measures performance by, among
4 other things, evaluating the results of customer satisfaction surveys. The
5 Company uses a research firm, Escalent, that conducts surveys with customers
6 about their experiences with the Company based on drivers that measure customer
7 satisfaction. According to an analysis of Escalent’s survey results for 2023, the
8 Company’s top drivers of satisfaction included reliability, customer service
9 performance, and rates.

10 Customer Operations also evaluates Escalent’s measurement of call center
11 satisfaction – as well as the results of customer satisfaction surveys – to monitor
12 and continuously improve the Company’s interactions with customers when they
13 contact the call center.

14 The customer survey results indicate that PECO customers have high levels of
15 customer satisfaction across the various key drivers. At year-end 2023, PECO
16 Residential customer satisfaction was at 87%, with 93% of customers satisfied
17 with PECO’s reliability, and 87% of customers stating that they believed it was
18 easy to do business with PECO.

19 PECO also uses the J.D. Power Electric Utility Residential Customer Satisfaction
20 Study to assess its performance. In the 2023 J.D. Power Electric Utility
21 Residential Customer Satisfaction Study, PECO’s Customer Satisfaction Index
22 score was in the first quartile, with PECO ranking 2nd out of 17 companies in the

1 East Large Region. PECO ended the year with above average scores for power
2 quality and reliability, communications, billing and payment, price, and customer
3 care.

4 **25. Q. How does the Company plan to continue improvement in customer**
5 **satisfaction?**

6 A. PECO recognizes its responsibilities to customers and seeks to invest in
7 maintaining and improving how the Company provides premier customer service
8 and how it interfaces with customers. Customer Operations has focused on
9 improving the customer service component of this score through continuous
10 improvement training of PECO's Customer Service Representatives, as well as
11 incorporating more customer requested needs into the Company's interactive
12 voice response system, web portal, My Account, and mobile apps.

13 **26. Q. What direct customer benefits will PECO's additional investments in**
14 **customer operations provide?**

15 A. The CFP projects are designed to enhance the customer's online experience in
16 areas such as billing and payments, managed account services, and start, stop, and
17 move. Addressing critical customer information systems and expanding digital
18 products and services can help meet customer expectations for reliable and
19 personalized experiences.

20 **27. Q. Please describe PECO's leadership in the area of energy efficiency customer**
21 **programs.**

1 A. Now in the third year of its fourth phase (2021-2026) of the EE&C Program,
2 PECO's Ways To Save offerings continue to provide meaningful customer
3 savings and comprehensive energy solutions for residential, non-residential, and
4 low-income customers. During the first two years of the current EE&C Program,
5 PECO helped our customers save more than 545,045 MWh.

6 PECO has gained consistent annual recognition for its excellence in program
7 delivery with ENERGY STAR's Partner of the Year Sustained Excellence Award
8 and ENERGY STAR's New Construction Market Leader Award for the past four
9 years in a row for PECO's commitment to energy efficient new home
10 construction. We continue to develop innovative programs, including an Act 129
11 Health and Safety Pilot for low-income customers resulting in \$500,000 of health
12 and safety services bridging to \$1,300,000 in energy efficiency work being
13 completed at no cost for these customers.

14 **28. Q. Has PECO deployed advanced metering infrastructure ("AMI") meters in**
15 **accordance with Act 129?**

16 A. Yes. Under Act 129, PECO has deployed nearly 1.8 million electric AMI meters
17 at customer premises. Despite many unforeseen challenges due to the COVID-19
18 emergency, the reading of those meters has consistently maintained first quartile
19 performance (99.83%) since 2016 compared to the current industry average of
20 99.61%.

21 Consistent with previous years, customers are increasingly taking advantage of
22 AMI meter capabilities. For example, since 2018, PECO customers with AMI
23 meters utilized the interactive "My Usage" tool on the Company's website more

1 than 1.8 million times each year on average (through 2023). The remote connect
2 and disconnect function of AMI meters has significantly improved customer-
3 requested connect and disconnect services as well as credit-related disconnect and
4 restoration. In 2023, 95% of customer-requested connects and disconnects were
5 completed remotely and 98.5% of credit-related disconnects were completed
6 remotely. This translates to an estimated 377,000 truck rolls avoided in 2023.

7 Deploying AMI technology across the Company's service territory has also
8 enabled PECO to reduce restoration times during major storms. Improved AMI-
9 based storm restoration efforts have avoided over 88,000 truck rolls during the
10 past year (2023). For example, we have expanded our distribution automation
11 devices from an installed base of 400 in 2017 to over 4,000, facilitating the
12 automatic and remote re-routing of power during faults on the system to enhance
13 performance and improve reliability. In 2023, PECO issued nearly 106,000
14 remote commands to distribution equipment to limit human contact with high
15 voltage equipment and reduce restoration times, with a 99.9% success rate. Real
16 time remote monitoring of distribution switches allows PECO to proactively
17 identify failing distribution equipment and make repairs before it impacts electric
18 service to customers. In addition, remote monitoring of over 525 capacitors has
19 reduced field inspection cycles from every year to every four years. These
20 devices also enhance the Company's ability to manage the communication system
21 by allowing PECO to dedicate channels for unrestricted use during reliability
22 events.

1 **29. Q. Has the Company taken any recent actions with respect to distributed solar**
2 **generation and other distributed generation (“DG”) technologies?**

3 A. Yes, the Company has implemented multiple initiatives to streamline the
4 interconnection process, educate developers and potential solar/DG customers,
5 and improve the overall experience for solar/DG customers. These efforts are
6 managed by PECO’s Green Power Connect (“GPC”) department, which is
7 currently staffed by 14 PECO employees dedicated to providing new and
8 innovative ways to assist customers seeking to install solar energy systems and
9 interconnect to the grid.

10 PECO established a solar collaborative in 2016, the first of its kind in the region,
11 to discuss how to best advance solar options for PECO’s customers. The
12 stakeholders included solar developers, environmental groups, public officials,
13 utilities, and competitive electric suppliers. The latest solar collaborative was
14 held in August 2023 to hear from stakeholders and provide education on several
15 PECO process improvement programs. In conjunction with the solar
16 collaborative, the GPC team holds monthly webinars with customers who are in
17 the Approved to Install status to educate them on the interconnection process and
18 solar billing.

19 To further facilitate solar applications and solar interconnections, PECO created a
20 Digital Solar Toolkit with an interactive viability map. With this toolkit,
21 customers can see if their home or area can support solar or other distributed
22 generation resources or if any system upgrades would be necessary.

1 From a technical standpoint, PECO has automated the technical analysis for a
2 majority of Level 1 and smaller Level 2 solar applications by incorporating data
3 analytics and machine learning techniques into the review process. This has led
4 to a significant reduction in interconnection timelines. Additionally, PECO is
5 currently undergoing an internal effort to update our technical interconnection
6 requirements to better align with currently available technologies and the most
7 recent industry standards. Once published internally, these updates will be
8 incorporated into our publicly available technical documents to provide valuable
9 technical guidance to customers looking to install solar and other DG.

10 In addition to the 200 amp single meter solution, PECO introduced a 320 amp
11 solution in September 2022, and is expected to provide another solution for
12 residential customers. Once that is accomplished, PECO will have a single meter
13 solution for all residential customers. This makes it easier for contractors to
14 connect solar to the distribution system which decreases timelines and reduces
15 costs.

16 **VII. SAFETY, SECURITY, AND ENVIRONMENTAL PROGRAMS**

17 **30. Q. What is PECO’s record with respect to the safety of its employees?**

18 A. Maintaining the highest standards for workplace safety is a top priority for the
19 Company. A critical component of safety culture involves protecting our
20 employees from serious injuries and fatalities (“SIFs”). To that end, PECO has
21 embarked on initiatives to track incidents with potential for SIFs. The intent is to
22 improve the effectiveness and efficiency of hazard recognition, prioritization, and
23 control across the organization. Utilizing our Safety Classification Learning

1 Model (“SCL”), we have been able to identify high energy sources that could lead
2 to serious injuries and put direct controls in place to reduce risk. As a result of
3 these efforts, PECO finished 2022 and 2023 with zero High Energy Serious Injury
4 or Fatalities (“H-SIFs”). An H-SIF is a high energy event with no direct controls
5 utilized that resulted in an employee’s serious injury or fatality. In 2024 and
6 beyond, PECO will strive to continuously improve performance and foster a
7 safety culture that engages the entire workforce to prevent accidents, injuries, and
8 occupational illnesses.

9 **31. Q. What actions is the Company taking regarding physical security and**
10 **cybersecurity?**

11 A. The ever-evolving threat landscape is of concern to our entire industry. In
12 response, PECO has made significant investments in physical security as part of
13 two separate programs. In 2015, PECO initiated the Facility Enhancement
14 Program (“FEP”) to enhance the physical security for operationally critical
15 electric and gas assets. Additionally, in 2020, PECO began its Office and Support
16 Facilities (“O&SF”) program to enhance the physical security at offices and
17 operation service centers. Both FEP and the O&SF program were designed to
18 reduce unauthorized access to personnel, equipment, systems, and materials
19 utilizing a defense in depth strategy. Both programs use a risk-based approach
20 and tiering methodologies that analyze the criticality of each type of asset
21 (Electric, Gas, and Office & Support Facilities) in order to prioritize investment.
22 PECO tiers our assets based on factors such as, but not limited to, system impact,
23 customer count, critical customers served, feeder number, etc. While the tier

1 dictates the protections implemented at each site, the protections are designed for
2 the threats within the service territory that PECO operates.

3 In 2017, PECO expanded its resiliency efforts with the purchases of critical
4 supplies and redundant equipment to facilitate timely system restoration following
5 disruptions by natural or man-made events. Resiliency supplies and equipment
6 are stored at separate facilities, strategically located, to restore service and
7 minimize impacts to the over 1.7 million electric and gas customers throughout
8 Southeastern Pennsylvania.

9 In implementing these security programs, we continue to forge strong
10 partnerships among policymakers and regulators at the local, state, regional, and
11 federal levels, customers, and utilities so that actionable information and
12 intelligence can be shared, and best practices to defend against the changing threat
13 landscape can continue to be identified to protect assets in a reliable and resilient
14 manner. PECO annually participates in readiness drills/exercises, such as
15 NERC's GridEx, to ensure we are prepared for potential threats. These types of
16 exercises, which prioritize readiness and resiliency, encompass countless hours of
17 planning and execution by dozens of PECO/Exelon personnel. PECO Security
18 maintains partnerships and trainings with local law enforcement/first responders
19 on the criticality of response and safety issues when responding.

20 In 2023, PECO hosted a bomb squad exercise which allowed personnel to drill
21 and exercise their equipment in energized yards and provided in-person training
22 to multiple police jurisdictions on possible substation threats, response, and

1 reporting. Additionally, PECO Security and Exelon Corporate Security maintain
2 partnerships with local law enforcement and intelligence groups, including, but
3 not limited to, the Electricity Information Sharing and Analysis Center, Delaware
4 Valley Intelligence Center, and the PA Criminal Intelligence Center. Finally,
5 PECO is an active participant in “Black Sky” exercises to test Pennsylvania’s
6 ability to respond to a large-scale disruption of power and utility services. The
7 Black Sky initiative is coordinated by the Commission, the Governor’s Office of
8 Homeland Security, and the Pennsylvania Emergency Management Agency.

9 In addition to the Company’s IT investments, PECO has programs to address
10 cybersecurity risks and, along with its Exelon sister utilities, implemented an
11 Operational Technologies (“OT”) Security Governance Program (“OTSGP”) to
12 enhance existing cybersecurity measures. In accordance with this program, we
13 properly identify and categorize OT assets and have developed an associated
14 inventory of OT assets currently on our systems. OTSGP has also developed
15 procedures to identify the specific cyber threat vulnerability to our asset inventory
16 and the associated data connections, as well as remediation and mitigation
17 strategies to protect PECO’s interconnected system. Procedures have also been
18 developed to manage access administration, data at rest and in transit between
19 devices, and the sanitation and decommissioning of OT assets at their end of life.
20 Safeguards have been put into effect for firewall utilization and malicious code
21 detection. As part of this OTSGP, PECO will be implementing a transient cyber
22 asset in 2024 – a disconnected system which scans and validates that new data

1 intended to integrate with internal systems is free of malicious code, allowing
2 PECO's OT assets to remain in a completely disconnected environment.

3 As one of the nation's major critical infrastructure providers, the Company
4 recognizes that the safety, reliability and security of our systems and facilities are
5 a top priority. The Company utilizes a risk-based, intelligence-driven security
6 approach to implementing a comprehensive set of cyber and physical security
7 policies and procedures that implement controls, in line with the National Institute
8 of Standards and Technology's Cybersecurity Framework. These controls
9 effectively identify, protect, detect, respond to and recover from a spectrum of
10 threats, mitigating the likelihood of successful attacks and their potential impacts.
11 In addition, Exelon has mature and targeted policies and procedures to maintain
12 compliance with the mandatory regulatory requirements defined within the NERC
13 Critical Infrastructure Protection Reliability Standards, ensuring further protection
14 of cyber assets critical to the safe and reliable operation of the Bulk Electric
15 System from cyber and physical threats. These policies and procedures are
16 reviewed annually by subject matter experts and revised as needed to address
17 evolving threats. Regulated critical cyber assets are isolated within restricted
18 networks, segmented from the enterprise IT environment and the internet,
19 continuously monitored for malicious activity, and routinely evaluated for
20 vulnerabilities.

21 **32. Q. Ms. LeVine, please describe PECO's energy efficiency and environmental**
22 **efforts regarding its own land, buildings, and emissions.**

1 A. PECO’s commitment to energy efficiency and environmental stewardship is also
2 integrated in the Company’s daily operations. PECO has established an
3 environmental management system based on standards set forth in International
4 Organization for Standardization 14001, which supports the development of
5 performance-improvement goals and targets. Exelon, PECO’s parent company,
6 was recognized for its sustainability leadership for the 18th consecutive year and
7 has been named to the Dow Jones Sustainability North America Index for its
8 carbon reduction efforts, investments in innovative technology and local
9 philanthropy. With respect to land quality, PECO has obtained Conservation
10 Certification from the Wildlife Habitat Council and/or the National Wildlife
11 Federation for eighteen sites (155 acres).

12 PECO also is focused on being a low-carbon company. From 2015-2023, PECO
13 reduced its greenhouse gas emissions by approximately 50% through
14 infrastructure investments such as the replacement of first-generation sulfur
15 hexafluoride (SF₆) filled electrical breakers and replacement of cast iron/bare
16 steel gas piping. PECO’s greenhouse gas reduction program is in alignment with
17 the 2018 Pennsylvania Climate Action Plan goal of a 26% reduction in
18 greenhouse gas emissions by 2025. PECO is looking to exceed this goal with our
19 2030 Path to Clean initiative which aims to reduce Exelon’s operational emissions
20 by 50% from 2015 levels by 2030. PECO continues to maintain one of the largest
21 urban green roofs in Pennsylvania (approximately one acre) built on an existing
22 building at its headquarters in Philadelphia that was recently certified by
23 Pollinator Partnership as an important pollinator habitat. Waste recycling also

1 continues to be a focus at PECO, with recycling increasing from 94% (2016) to
2 97% (2023), and the Company recently launched an innovative pilot-study using
3 cameras in bulk waste containers to optimize waste pickup and disposal.

4 In 2023, PECO donated 800 trees to customers via the Arbor Day Foundation's
5 Energy – Saving Trees program and has donated over 10,000 trees in the last 10
6 years. In 2023, PECO awarded Green Region grants totaling \$150,000 to
7 enhance green space throughout the service area in partnership with Natural
8 Lands Trust. The Arbor Day Foundation also recognized PECO for the fifth year
9 with Tree Line USA certification for the Company's Energy-Saving Trees
10 program and its commitment to proper tree pruning, tree planting, and education
11 in its service area. To facilitate this effort and as part of its "ReLeaf" initiative,
12 the Company awarded \$200,000 to the PA Horticultural Society ("PHS"),
13 resulting in an additional 7,500 trees planted by PHS-trained "Tree Tender"
14 volunteers across PECO's service territory in 2023. In addition, PECO partners
15 with the Philadelphia Zoo and the Elmwood Park Zoo to donate "browse," which
16 are leafy tree branches removed as part of the Company's vegetation management
17 program, to provide supplemental nutrition and engagement opportunities for the
18 animals. We provided approximately 7,500 pounds of browse with this program
19 in 2023.

20 Finally, as part of PECO's habitat protection efforts, the Company developed a
21 comprehensive avian protection plan to reduce bird mortalities associated with
22 power line interactions. This plan includes establishing new distribution line
23 construction standards, removing or relocating nests, and providing employee

1 training on avian management. PECO also recently completed an avian
2 environmental risk assessment of its service territory to identify important bird
3 nesting and roosting areas. Distribution circuits in these areas were evaluated for
4 avian-safe equipment, and the devices were added where needed. Also, as part of
5 proactive measures to protect bald eagles, an inventory of bald eagle nest sites
6 was established, and all distribution circuits within a quarter mile of the active
7 nests were inspected to make sure that avian-safe equipment was present.
8 Retrofits were also made in areas needing avian-safe equipment. Finally, those
9 distribution circuits that experienced repeated avian mortalities were evaluated in
10 a similar fashion, and remedial measures were taken if needed.

11 **33. Q. Please describe the Company's efforts to support the use of alternative fuel**
12 **vehicles and related technologies.**

13 A. PECO participates in the Edison Electric Institute's challenge to designate at least
14 5% of its Electric Operations' annual vehicle spending for plug-in technology.
15 Exelon also recently announced that its six utilities, including PECO, will
16 electrify 30% of their vehicle fleet by 2025 and increase fleet electrification to
17 50% by 2030.

18 PECO operates its own fleet of 1,452 hybrid, electric, flex fuel, and biodiesel
19 vehicles including 56 plug-in hybrid trucks, nine battery electric vehicles, and 108
20 Job Energy Management system worksite electrification plug-in aerial trucks.
21 These vehicle numbers will continue to grow in furtherance of PECO's goal to
22 electrify 50% of its fleet by 2030. Between 2020 and 2023, the Company's
23 electrified fleet has saved approximately 91,603 gallons of fuel. The Company

1 also encourages sustainable practices with employees by providing over 100 EV
2 charging stations, rebate programs, and bike racks at most Company locations.

3 PECO currently offers residential customers an EV registration rebate. The
4 Company also offers rebates to qualifying non-residential customers for installing
5 Level 2 EV chargers and DC fast chargers (the “EV Charging Pilot”) as well as a
6 special pilot rider (the “EV-FC Pilot Rider”) for the installation of direct current
7 fast chargers to support the build out of EV infrastructure in Pennsylvania. As
8 explained by Mr. DeMott in PECO Statement No. 10, the Company is proposing
9 to extend the EV Charging Pilot and extend and modify the EV-FC Pilot Rider.

10 **VIII. FULFILLMENT OF 2021 RATE CASE COMMITMENTS**

11 **34. Q. In the Joint Petition for Settlement of Rate Investigation that the**
12 **Commission approved in PECO’s last electric base rate proceeding at Docket**
13 **No. R-2021-3024601 (“2021 Settlement”), the Company made a number of**
14 **commitments. Has PECO fulfilled or taken steps to satisfy those**
15 **commitments?**

16 A. Yes, it has.

17 **35. Q. In the 2021 Settlement, PECO also agreed to report on various expenditures.**
18 **Please describe each reporting requirement and PECO’s compliance with**
19 **this commitment.**

20 A. First, PECO agreed to provide the Commission’s Bureau of Technical Utility
21 Services, the Commission’s Bureau of Investigation and Enforcement (“I&E”),
22 the Office of Consumer Advocate, and the Office of Small Business Advocate

1 with an update on its electric division's actual capital expenditures, plant
2 additions, and plant retirements by month for the twelve months ending December
3 31, 2021. Second, the Company agreed to provide a similar update on or before
4 April 1, 2023, to include actual capital expenditures, plant additions, and plant
5 retirements by month for the 12 months ending December 31, 2022. Finally,
6 PECO agreed, in its next base rate proceeding, to prepare a comparison of its
7 actual expenses and rate base additions for the 12 months ended December 31,
8 2022, to its projections in the 2021 electric base rate proceeding. PECO met each
9 of these reporting commitments. PECO witness Humphrey describes the
10 Company's 2022 actual expenditures further in her testimony.

11 **36. Q. The Company also agreed to hold a non-wires solutions working group**
12 **meeting with stakeholders. Did PECO fulfill that commitment?**

13 A. Yes. PECO held the non-wires solution collaborative on February 20, 2022, with
14 various stakeholders, including industry research organizations, renewable
15 developers, environmental and advocacy groups, public officials, and utilities.
16 The feedback received through a combination of presentations and dialogue is
17 being used in conjunction with internal research and industry-wide benchmarking
18 to develop a non-wires solutions framework at PECO.

19 **37. Q. PECO also agreed to convene a collaborative with I&E to discuss safety**
20 **issues relating to underground residential development cable and PECO's**
21 **inspections of rear property circuits. Has PECO satisfied these**
22 **commitments?**

1 A. With respect to inspection of underground residential cable and rear property
2 circuit patrols, PECO met with Commission staff and officially incorporated a
3 five year inspection cycle for fused rear property circuits into its 2024-2025
4 Inspection and Maintenance Plan (filed September 30, 2022). PECO had already
5 been performing rear property circuit patrols and will complete its fourth year of
6 such inspections in 2024.

7 **38. Q. Please summarize PECO’s compliance with other commitments in the**
8 **Settlement Agreement directly affecting rates, customer programs, and**
9 **assistance to low-income customers.**

10 A. *Universal Service Programs (Settlement Paragraph Nos. 28 through 39)*. With
11 respect to PECO’s Low-Income Usage Reduction Program (“LIURP”), PECO has
12 accomplished all settlement commitments, including increasing the annual
13 budget, continuing the Company’s De Facto pilot (which assists customers in
14 reducing their use of electric portable space heaters), and convening a
15 collaborative to examine usage thresholds for single-family and individual
16 multifamily residential properties. With respect to PECO’s MEAF, the Company
17 updated the eligibility criteria and annual contribution amounts per the terms of
18 PECO’s most recent electric and gas rate cases, respectively. In addition, PECO
19 has fulfilled its commitments related to expanding CAP outreach efforts.

20 *Customer Service Issues (Settlement Paragraph Nos. 40 to 44)*. The Company
21 adopted the changes outlined for protection from abuse (“PFA”) accounts in
22 Paragraph Nos. 40 through 42 of the Settlement Agreement. PECO implemented
23 additional training for its customer service representatives to help identify

1 domestic violence victims and process PFAs and similar court orders with clear
2 evidence of domestic violence and updated its related customer materials. In
3 addition, PECO fulfilled all commitments related to language access, including
4 conducting a formal needs assessment using census data to guide outreach efforts
5 to communities with limited English proficiency (“LEP”) and establishing a
6 working group that meets twice annually to discuss opportunities to support LEP
7 customers.

8 *EV Programs (Settlement Paragraph Nos. 45-54)*. As described by Mr. DeMott,
9 the Company has been implementing a multi-component EV Charging Pilot in
10 accordance with its Settlement commitments and a recent Commission Order
11 approving modifications to the Pilot.² The Pilot modifications included replacing
12 the original Transit Charging Program with the Public Benefit Charging Program.
13 The Company has also convened a collaborative working group to discuss
14 transportation electrification issues and has been posting Pilot-related data in
15 accordance with its Settlement obligations.

16 **IX. ECONOMIC DEVELOPMENT, COMMUNITY SUPPORT, AND DIVERSITY**

17 **39. Q. Please describe PECO’s efforts to support economic development and the**
18 **communities in which the Company provides service.**

19 A. PECO has a dedicated Economic Development Team that works cooperatively
20 with local, regional, and state economic development officials as well as
21 commercial and industrial real-estate professionals to assist businesses that are

² See Docket No. P-2023-3040238 (Order entered Sept. 21, 2023).

1 considering locating or expanding in southeastern Pennsylvania. For example, the
2 team provides information on electric and gas availability and prices to
3 companies, developers, and consultants as key inputs to location decisions. The
4 team also works with developers on electric and gas infrastructure strategies for
5 large development sites.

6 Moreover, as I discussed earlier, PECO makes significant capital and
7 infrastructure investments in its service territory every year that create and
8 maintain thousands of jobs in the region. In early 2020, PECO created a team
9 dedicated to workforce development to attract talented candidates and support our
10 region by providing opportunities to individuals from underserved communities.
11 Since 2020, PECO, in partnership with community partners, has supported the
12 placement of nearly 200 individuals in jobs throughout the region. The Company
13 also implemented a variety of workforce development programs to train
14 individuals for opportunities at PECO, including our Helper Pre-Apprenticeship
15 Program (developed in partnership with IBEW Local 614); a Smart Energy
16 Technical Training Program, an initiative designed to equip unemployed and
17 underemployed individuals from Philadelphia's underserved communities with
18 the skills needed for careers in the energy sector; and annual Infrastructure
19 Academies, where attendees are introduced to various departments.

20 **40. Q. Please discuss PECO's commitment to diversity, equity, and inclusion.**

21 A. PECO has a strong commitment to diversity, equity, and inclusion both among its
22 workforce and in the communities it serves. PECO supports diverse suppliers
23 who represent the diverse customer communities we serve, and we contract with

1 minority-owned, women-owned and other diverse businesses, contractors, and
2 vendors in our communities and maintain business relationships with local banks.
3 In 2023, PECO expenditures with diversity-certified suppliers totaled \$597
4 million, an increase of approximately \$48 million over the previous year.
5 PECO's supply personnel are also active members of numerous supplier
6 diversity-focused organizations locally and nationally.

7 In 2017, Exelon became the first utility/energy services company to join the
8 exclusive group of U.S.-based corporations that have achieved \$1 billion or more
9 in annual, direct spending with minority and women owned businesses. Exelon's
10 annual spending with diversity certified suppliers totals more than three billion.
11 Other Billion Dollar Roundtable member companies include Comcast, IBM,
12 Walmart, and Microsoft.

13 Exelon has also been named to the 2022 Forbes list of "America's Best Large
14 Employers;" Fortune Magazine's "World's Most Admired Companies;" U.S.
15 Veterans Magazine's "Best of the Best;" U.S. Black Engineer & Information
16 Technology magazine as a "Top Supporter of Historically Black Colleges and
17 Universities;" and The Philadelphia Inquirer's "2023 Top Workplaces;" and
18 received the highest honor by the Center for Energy Workforce Development for
19 excellence in establishing diversity, equity, and inclusion in workforce
20 development to attract and retain a skilled diverse workforce.

21 **41. Q. Are there other ways in which PECO and its employees support their**
22 **communities?**

1 A. Yes. PECO also has a strong and continuing tradition of community
2 involvement. The Company’s corporate citizenship efforts are designed to
3 improve the quality of life for the people who live and work in PECO’s service
4 territory and include sponsorships, employee volunteer activities, and executive
5 and employee involvement on outside nonprofit boards. Since 2021, PECO’s
6 corporate contributions and employee giving campaigns (including corporate
7 matching gifts) have invested more than \$38 million dollars in hundreds of local
8 and regional non-profit programs, organizations, and institutions that provide
9 access to arts and culture, and support STEM education, the environment and
10 green spaces, community vitality, workforce development, and reduction of gun
11 violence. PECO employees have also volunteered nearly 60,000 hours with a
12 wide variety of community organizations. And PECO, along with other Exelon
13 operating companies and the Exelon Foundation, created a \$36 million
14 Community Equity Capital Fund, to begin establishing access to capital for small
15 businesses from under-resourced communities so that they can create more jobs,
16 grow their companies, and reinvest in their neighborhoods and communities.
17 Notably, in 2023, PECO was named a recipient of The Civic 50 Greater
18 Philadelphia Award by Philadelphia Foundation, in partnership with Points of
19 Light, for superior corporate citizenship in utilizing the Company’s time, skills,
20 and resources to drive social impact within the Company and the communities
21 PECO serves.

22

PECO Statement No. 2:

Direct Testimony of Marissa Humphrey

**PECO ENERGY COMPANY
STATEMENT NO. 2**

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION
v.
PECO ENERGY COMPANY – ELECTRIC DIVISION

DOCKET NO. R-2024-3046931

DIRECT TESTIMONY

WITNESS: MARISSA HUMPHREY

SUBJECT: PECO'S NEED FOR RATE RELIEF; EFFORTS TO CONTROL CUSTOMER COSTS AND REDUCE CUSTOMER BILLS; OVERVIEW OF PECO'S PRINCIPAL ACCOUNTING EXHIBITS AND BUDGETING PROCESS; ELECTRIC SALES FORECAST; EXELON BUSINESS SERVICES COMPANY; AND THE CORPORATE ALTERNATIVE MINIMUM TAX

DATED: MARCH 28, 2024

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1 (“PHI”), and PECO. Prior to and following the 2012 merger of Exelon and
2 Constellation, I was named Director of Financial Planning & Analysis (“FP&A”)
3 at BGE. Beginning in 2014, I served as the Exelon Project Management Officer
4 for the Exelon/PHI merger and, upon the closure of that merger in 2016, I was
5 promoted to Vice President of PHI FP&A. After three years, I transitioned to
6 Vice President of the Exelon Utilities Finance team, and in 2020 I was named
7 Vice President of Regulatory Policy & Strategy at PHI. In 2022, I was promoted
8 to Senior Vice President, Chief Financial Officer and Treasurer of PECO. Prior
9 to joining Constellation Energy, I worked for several years in consulting and
10 healthcare finance.

11 **4. Q. What is the purpose of your direct testimony?**

12 A. The purpose of my direct testimony is to: (1) briefly explain PECO’s need for
13 rate relief; (2) summarize PECO’s efforts to control costs and reduce customer
14 bills since the Company’s last approved electric base rate increase in 2021;
15 (3) provide an overview of PECO’s principal accounting exhibits, as well as its
16 budgeting process; (4) describe the Company’s electric sales forecast; (5) describe
17 the nature and allocation of costs for services that PECO receives from EBSC;
18 and (6) discuss the Corporate Alternative Minimum Tax.

19 **II. NEED FOR RATE RELIEF**

20 **5. Q. Why is PECO seeking a rate increase at this time?**

21 A. As detailed in the testimony of Company witness Nicole L. LeVine (PECO
22 Statement No. 1), PECO is the largest combined electric and natural gas utility in
23 the Commonwealth. PECO’s electric operations include thousands of miles of

1 underground distribution cable, aerial distribution lines, and higher-voltage
2 transmission lines, and PECO operates and maintains 440 power substations. It
3 takes considerable expertise and significant capital investment and operations and
4 maintenance activities to provide PECO's customers with safe and reliable
5 service. Further, PECO continuously strives to improve its system reliability and
6 safety, customer service, and service offerings to meet evolving customer
7 expectations and needs.

8 Since PECO last requested a base rate increase for its electric operations in March
9 2021, PECO has continued to make substantial investments in new and
10 replacement utility plant. Between January 1, 2023 and December 31, 2025, the
11 end of the fully projected future test year ("FPFTY") in this filing, PECO will
12 have invested over \$3.5 billion in additional electric distribution plant. Continued
13 investment in PECO's electric distribution system is needed to safely and reliably
14 serve customers; the cost of doing so, however, has increased significantly. As
15 detailed further below, inflation and interest rates have risen at a historic pace,
16 which has raised the cost of investment and continues to increase the Company's
17 labor, contracting, and materials expense. The Company has actively worked to
18 mitigate the impact of these increased costs, constraining controllable cost
19 increases below the rate of inflation. However, as explained in further detail
20 below and in the testimony of Company witness Paul R. Moul (PECO Statement
21 No. 5), without an increase in revenues, PECO's overall returns on capital and
22 common equity will be inadequate, impairing the Company's ability to continue
23 making the reasonable and prudent investments necessary to serve customers.

1 **6. Q. Please provide an overview of the significant capital investments made by the**
2 **Company since its prior rate request, and the investments planned through**
3 **December 31, 2025.**

4 A. The Company invested \$1.0 billion into its electric distribution system in 2023
5 and is planning to invest an additional \$2.5 billion between January 1, 2024 and
6 December 31, 2025. This will result in investments totaling \$3.5 billion since the
7 end of the FPFTY in the Company’s prior electric base rate case, which ended
8 December 31, 2022. These investments undergo a thorough review and approval
9 process as further explained below in Section IV and in Ms. LeVine’s testimony
10 regarding the Company’s capital investment planning process.

11 As discussed in detail in Ms. LeVine’s testimony, the Company’s capital
12 investments are focused on corrective maintenance, system performance, capacity
13 expansion, facility relocation, new business, information technology (“IT”), and
14 customer operations. Many of these investments are made in coordination with
15 the goals and requirements of PECO’s Long-Term Infrastructure Improvement
16 Plan.

17 **7. Q. What is driving the increase in the Company’s operating and maintenance**
18 **(“O&M”) costs since its last electric base rate case?**

19 A. The increased O&M costs are driven in large part by historically high inflationary
20 rates, which have caused a significant increase in the Company’s labor,
21 contracting, and materials expense. O&M costs have also grown as additional
22 plant has been placed in service that requires ongoing maintenance. In addition,
23 and as detailed in the testimony of Ms. LeVine, the Company is incurring

1 additional costs to enhance reliability, increase corrective maintenance, address
2 higher storm costs, and focus spending on vegetation management programs and
3 improvements in customer service and offerings. PECO, however, continues to
4 actively manage its costs to mitigate the impacts of significantly elevated
5 inflationary pressures on customer bills and, where possible, seeks to implement
6 activities that will reduce overall expenditures.

7 **8. Q. Please describe the inflationary pressures PECO is experiencing in greater**
8 **detail.**

9 A. Since the Company's last electric rate case filing in 2021, the United States has
10 experienced an unexpected, sustained, and significantly elevated rate of inflation
11 – the highest in forty years.¹ As a result, actual inflation has greatly exceeded the
12 inflationary impacts assumed in the Company's prior electric rate case. The
13 Company expected inflation to range from 0.8% to 1.7% over 2021-2023.
14 Instead, inflation spiked significantly, reaching 7.8% in 2022 and averaging 5.5%
15 over that three-year period.² As a result, PECO has faced steadily increasing
16 costs, including material prices, contracting rates, and borrowing costs. The
17 inflationary pressures have also significantly pushed up prevailing interest rates as
18 shown by the increase in the thirty-year Treasury yield that serves as a risk-free
19 benchmark rate in many financial products, including thirty-year maturity bonds

¹ See Databases, Tables & Calculators by Subject, Consumer Price Index for All Urban Consumers (CPI-U), All items in Philadelphia-Camden-Wilmington, PA-NJ-DE-MD, all urban consumers, not seasonally adjusted, U.S. Bureau of Labor Statistics, https://data.bls.gov/timeseries/CUURS12BSA0?amp%253bdata_tool=XGtable&output_view=data&include_graphs=true.

² The average 5.5% inflation rate was calculated as the average of the inflation rates in 2021 through 2023 (4.1%, 7.8%, and 4.7%, respectively) per the Consumer Price Index for All Urban Consumers ("CPI-U") for Philadelphia, Pennsylvania.

1 that are typically issued by utility companies. From a low of 1.66% as of January
2 4, 2021 to 4.45% as of February 16, 2024, 30 Year Treasury rates have increased
3 at one of the fastest paces in the past thirty years.³

4 **9. Q. How has the high inflation environment impacted the Company's borrowing**
5 **costs?**

6 A. The rise in inflation has directly impacted the Company's borrowing costs. The
7 cost to fund the Company's investments has increased significantly since the
8 Company's last electric base rate case. As stated above, interest rates have
9 increased since the Company's last rate case at one of the fastest paces in history,
10 reaching the highest point in well over ten years.⁴ These interest rate increases
11 have pushed up the Company's average cost of borrowing from 3.93% in 2022, as
12 documented in the Company's prior electric rate case filing, to 4.58% forecasted
13 for 2025. The Company's cost of debt is further detailed in the testimony of Mr.
14 Moul.

15 **10. Q. Please provide an overview of the Company's sales since its last electric base**
16 **rate case.**

17 A. Despite the need to incur increased costs to maintain safe and reliable service for
18 its customers and, where possible, improve such service, the Company expects
19 nearly flat sales in the near term. The Company's number of customers is
20 forecasted to increase by an average of 0.4% per year between 2022 and 2025.

³ See 30 Year Treasury Rates listed at Daily Treasury Par Yield Curve Rates, U.S. Department of the Treasury, https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily_treasury_yield_curve&field_tdr_date_value=all.

⁴ *Id.*

1 This increase, however, is partially offset by a decline in usage per customer due,
2 in significant part, to PECO's successful implementation of its energy efficiency
3 and conservation ("EE&C") program pursuant to Act 129 of 2008 ("Act 129"),
4 resulting in only 0.2% annual sales growth. This modest growth in sales and
5 customers does little to offset the necessary investments the Company must make
6 in its system and the rising cost to operate and maintain it.

7 **11. Q. Are there other increased costs you would like to highlight?**

8 A. Yes. As discussed in Company witness Jacqueline F. Golden's testimony (PECO
9 Statement No. 10), in December 2022, PECO implemented a new Customer
10 Assistance Program ("CAP") Percentage of Income Payment Plan ("PIPP"). The
11 PIPP program provides eligible customers with a substantially higher discount
12 than was previously available under PECO's CAP Fixed Credit Option design.
13 While this has the unquestionable benefit of providing greater affordability to
14 PECO's customers that are most in need, the program expansion has significantly
15 increased its cost.

16 **12. Q. How have the Company's increased expenditures impacted its rate of return
17 in invested capital?**

18 A. Without an increase in revenues, PECO's electric operations are projected to
19 produce an overall return on investment capital of 4.43%, and a return on
20 common equity of 4.31%, during the twelve months ending December 31, 2025.⁵
21 As explained by Mr. Moul, such levels of return are inadequate under any

⁵ See PECO Exhibit MJT-1, p. 1.

1 reasonable standard and below the rates of return generally afforded to public
2 utilities. Absent a rate increase, the erosion to PECO's projected returns would
3 impair the Company's ability to make all of the reasonable and prudent
4 investments in electric distribution infrastructure that are necessary to maintain
5 and enhance the provision of safe, reliable, and resilient electric distribution
6 service to its customers. Inadequate returns would also negatively impact
7 PECO's credit-coverage ratios and its ability to maintain its investment-grade
8 credit ratings, thereby increasing the Company's financing costs, and ultimately
9 the cost to customers, as further detailed below.

10 **13. Q. Why is it important for PECO to maintain its investment-grade credit rating**
11 **and minimize its borrowing costs?**

12 A. Maintaining PECO's investment grade credit ratings is important to reducing
13 customer costs. PECO projects that it will need to invest approximately \$2.5
14 billion in electric distribution plant between January 1, 2024 and December 31,
15 2025. A meaningful portion of these planned investments will be financed with
16 debt and other forms of capital. The Company's credit ratings will impact the
17 cost it will need to pay to attract such capital, and ultimately such costs will be
18 borne by PECO's electric customers. Therefore, it is important that the Company
19 maintain its favorable credit metrics in order to minimize customer costs.

1 in Section IV below, PECO has rigorous cost-control processes that it performs
2 on a monthly and annual basis to ensure that its spend is aligned with its
3 operational plan.

4 **17. Q. Please describe PECO’s efforts to control its O&M expenses in further detail.**

5 A. PECO actively manages its O&M expenses while maintaining, and, where
6 possible, improving, high levels of reliability and customer service in the face of
7 evolving customer expectations. PECO works proactively to identify initiatives
8 to further improve productivity through best practices across the organization,
9 leveraging new technologies, and improving efficiency.

10 In addition, and as described in Section IV of my testimony, PECO actively
11 manages the creation of its budget, taking reasonable and prudent steps to
12 minimize its O&M expenses and mitigate inflationary impacts on its customers.
13 Notably, PECO’s projected annual O&M growth rate since 2022 is 25% lower
14 than the recent average 5.5% inflation increase in the Consumer Price Index. The
15 Company’s projected O&M growth rate is 4.1% when adjusted for storms and
16 “make-ready” work requested by third parties. While this growth rate is higher
17 than in recent years, customers continue to benefit from PECO’s efforts to keep
18 that growth rate well below increases in the Consumer Price Index.

19 **18. Q. What steps has PECO taken to manage its employee benefit costs?**

20 A. PECO actively manages its employee benefit costs to achieve savings to the
21 maximum extent practicable. The Company does this by evaluating trends in
22 benefits and identifying and implementing cost-reduction measures while

1 maintaining competitive compensation and benefit packages to successfully
2 attract and retain employees. As an example, the Company has actively taken
3 initiatives to manage its healthcare costs, which nationally have been trending
4 above the rate of inflation.

5 The Company has a self-insured healthcare program for employees. Therefore,
6 the Company's projected cost increases are based on assumed employee
7 participation, administrative costs, and actual claims experience trended to the
8 next year based on projected medical-price inflation. The Company engages
9 Willis Towers Watson, a national health plan consulting firm, to complete the
10 actuarial underwriting for its health plans in order to set premiums and determine
11 the cost projections.

12 PECO has undertaken several initiatives to manage its medical rates, i.e., medical
13 cost per employee, including collaborating with our vendor partners to offer
14 population health management programs such as a diabetes program for high-risk
15 members; promoting lower-cost care options, including behavioral telehealth
16 visits and virtual physical therapy sessions; implementing utilization management
17 guidelines for our prescription drug formulary; conducting plan audits to ensure
18 contract compliance; and obtaining competitive contract renewals. For example,
19 in 2023 the Company completed a detailed review of its pharmacy benefit
20 manager (prescription drug benefit), as well as the pricing models and contract
21 terms existing in the market, to ensure that the Company receives competitive
22 coverage and pricing. This process resulted in projected premium savings that are
23 being shared between the Company and its employees to help offset increases in

1 medical plan rates. As a result of this initiative and other cost-management
2 strategies, the Company expects its 2024 projected medical care cost trend of 5%
3 to remain well below the 8.9% national-average increase projected by Willis
4 Towers Watson and below the near 7% increase projected for the medical plans
5 disclosed in the 2024 survey of health plan cost trends by The Segal Group, Inc.⁶

6 **19. Q. What steps has PECO taken to minimize its borrowing costs?**

7 A. PECO works closely with its banking partners to understand market conditions at
8 the time of issuance of debt to determine what tenor and timing will ultimately
9 generate the most investor demand, thereby securing a lower interest cost for the
10 benefit of customers. In June 2023, PECO successfully priced a \$575,000,000,
11 ten-year first mortgage bond (“FMB”) offering at a spread of 120 basis points
12 over the ten-year U.S. Treasury for an all-in coupon rate of 4.90%. The deal was
13 well received by investors and the strength of PECO’s name and credit profile
14 continue to drive strong investor demand, permitting PECO to tighten the credit
15 spread from the initial launch. The transaction resulted in the third lowest credit
16 spread (i.e., 120 basis points) and fifth lowest coupon for ten-year FMB utility
17 transactions in 2023 at the time of issuance. Additionally, instead of issuing
18 thirty-year bonds in 2023, in light of the unusually high Treasury rates, the
19 Company opted for a ten-year bond to reduce interest expense borne by
20 customers.

⁶ See 2024 Global Medical Trends Survey, Willis Towers Watson, <https://www.wtwco.com/en-se/insights/2023/11/2024-global-medical-trends-survey>; What Are the Projected Health Plan Cost Trends for 2024? The Segal Group, Inc., <https://www.segalco.com/consulting-insights/2024-health-plan-cost-trend-survey#:~:text=Key%20health%20plan%20cost%20trend%20survey%20findings&text=Per%2Dperson%20cost%20trend%20for,drugs%20replacing%20lower%2Dcost%20therapies.>

1 **20. Q. Has the Company pursued any governmental sources of funding to lower**
2 **customer costs?**

3 A. Yes. PECO continually seeks opportunities that can lower customer costs. For
4 example, and as described further in the testimony of Ms. LeVine, PECO was
5 selected for an award under the Department of Energy’s Grid Resilience and
6 Innovation Partnerships (“GRIP”) program at the maximum funding level of up to
7 \$100 million, subject to negotiation of terms and conditions with the Department
8 of Energy. The GRIP award will be utilized to reduce the cost to PECO’s
9 customers of making significant investments in PECO’s infrastructure to improve
10 and modernize the grid and enhance reliability.

11 **21. Q. How has PECO assisted customers in lowering their electricity usage and**
12 **energy costs?**

13 The Company supports programs and investments to help customers reduce their
14 overall energy usage and costs. PECO is now in the third year of the fourth phase
15 of its EE&C Program. As described in further detail in the testimony of Ms.
16 LeVine, the EE&C Program has yielded considerable benefits to customers by
17 helping them to save energy. Since the beginning of the current phase of its
18 EE&C Program, PECO has helped customers save more than 545,045 megawatt
19 hours of energy. In addition, these efforts have resulted in millions of dollars in
20 energy-efficiency work being completed at no cost for low-income customers.

21 **22. Q. What other programs does PECO have to support its low-income customers?**

22 A. In addition to its EE&C offerings, PECO has a suite of low-income-focused
23 programs available to better support the Company’s most vulnerable customers.

1 As discussed in more detail in Ms. Golden’s testimony, PECO has:

- 2 • Implemented a new CAP PIPP program as of December 2022,
3 providing eligible customers with a fixed maximum monthly bill
4 equal to what the CAP customer can afford for utility service
5 (subject to further program requirements). This program provides
6 a substantially higher discount to customers than was previously
7 available, thereby reducing CAP customers’ bills.
- 8 • Proposed to change the maximum allowable Matching Energy
9 Assistance Fund (“MEAF”) grant in order to expand the impact of
10 MEAF and increase the number of customers eligible for the
11 program.
- 12 • Continued to conduct outreach and education to customers
13 regarding the Low-Income Home Energy Assistance Program
14 (“LIHEAP”), a Federally-funded grant program that provides
15 supplemental payments to eligible customers’ accounts, and
16 supports its customers seeking LIHEAP grants.
- 17 • Proposed an expansion to its communications efforts to connect
18 more customers with available assistance, including LIHEAP,
19 CAP, and other residential customer offerings.

20 **IV. OVERVIEW OF PECO’S PRINCIPAL ACCOUNTING**
21 **EXHIBITS AND BUDGETING PROCESS**

22 **23. Q. Please provide an overview of PECO’s principal accounting exhibits.**

23 A. PECO’s principal accounting exhibits are Exhibits MJT-1, MJT-2, and MJT-3,
24 which represent PECO’s revenue requirement for the FPFTY, future test year

1 (“FTY”), and historical test year (“HTY”), respectively, and are sponsored by
2 Company witness Michael J. Trzaska (PECO Statement No. 3). Exhibit MJT-1
3 includes PECO’s claimed measures of value (i.e., rate base), basic accounting
4 data, a detailed development of the major components of the Company’s rate base
5 claim, detailed adjustments required to place FPFTY revenues and expenses on a
6 ratemaking basis, and a discussion of FTY and HTY data. As explained by Mr.
7 Trzaska, Exhibits MJT-2 and MJT-3 follow a similar format, and each of the three
8 exhibits is based, in part, upon data provided by other PECO witnesses.

9 **24. Q. Please describe PECO’s budgeting process.**

10 A. One of the key goals of the annual planning process is to integrate and align
11 PECO’s operational, regulatory, and financial plans. The operational plan
12 includes goals focused on achieving at least top quartile safety performance,
13 reliability, and customer satisfaction. The operational plan is also consistent with
14 statutory and Pennsylvania Public Utility Commission (“Commission”)-imposed
15 regulatory requirements. The Company sets spending targets in its financial plan
16 to achieve its operational goals and comply with such regulatory requirements.
17 As I explained earlier, the Company attempts to minimize its O&M expenses to
18 the extent possible and has generally been successful in controlling these
19 expenses at a lower compound annual growth rate than the rate of inflation.

20 The planning process starts with a review and update of PECO’s operational and
21 regulatory goals and initiatives to determine if changes are required for the future.
22 Any significant changes in such goals and initiatives are taken into consideration
23 when updating the Company’s Long Range Plan (“LRP”). The LRP consists of a

1 five-year outlook and is updated with key assumptions (e.g., inflation rates,
2 interest rates) and with detailed input provided by “responsibility areas” (e.g.,
3 Electric Operations and Customer Operations). Each responsibility area reviews
4 its historic expense levels, current and anticipated employee staffing levels,
5 performance assessments, regulatory requirements, operational goals, specific
6 projects, and other factors and develops a responsibility area-specific LRP. The
7 individual responsibility area LRPs are typically submitted for review by each
8 department in June of each year and are carefully analyzed for consistency,
9 completeness, and appropriateness. The responsibility area LRPs are then
10 consolidated into a single LRP and delivered to PECO’s senior management (i.e.,
11 the Chief Executive Officer, Chief Operating Officer, and Chief Financial
12 Officer) for review and approval in September.

13 Once that LRP has been updated and approved, its data is thoroughly scrutinized
14 to formulate a detailed two-year budget. The two-year budget is developed by
15 responsibility area, similar to the LRP process described above. The Company
16 then develops its financing plan to ensure that PECO can maintain investment-
17 grade credit ratings. Based on that plan, PECO determines the amount it can
18 borrow to fund its spending plans and the dividend levels that will achieve its
19 targeted capital structure. The consolidated budget is then submitted to PECO
20 senior management for review and approval. The PECO board reviews and
21 approves the Company’s capital, O&M, dividend, and financing plan annually.

22 **25. Q. Is that the end of the process?**

23 A. No. Although the budget, as approved, remains in place throughout the year and

1 is not formally amended, it is reviewed and updated on a monthly basis to reflect
2 estimates derived from the Company's latest data. Actual results are then
3 compared to both the original budget and the latest estimates. Any significant
4 variances are thoroughly investigated to determine why the Company's actuals
5 have departed from its estimated budget and actions are taken as appropriate.

6 **26. Q. Do the personnel in each of the responsibility areas develop their budgets by**
7 **Federal Energy Regulatory Commission ("FERC") account?**

8 A. No, the responsibility areas do not budget by FERC account. Rather, the
9 responsibility area budgets are prepared on the basis of business activities (i.e.,
10 GAAP⁷ basis) and related cost elements such as payroll, employee benefits,
11 outside services, etc.

12 **27. Q. Has PECO's budgeting process been reviewed by the Commission?**

13 A. Yes. PECO's budgeting process was reviewed by the Commission during its
14 Focused Management and Operations Audit of PECO in 2022 ("2022 Audit").⁸
15 The Commission's auditors found no deficiencies or weaknesses in the way
16 PECO prepares its budgets.

17 **28. Q. Mr. Trzaska presents the budgeted data for the twelve months ending**
18 **December 31, 2025 on a FERC account basis in Schedules B-2, B-3, and B-4**
19 **of Exhibit MJT-1. How were those figures derived?**

20 A. As Mr. Trzaska explains more fully in his testimony, he analyzed PECO's

⁷ GAAP stands for generally accepted accounting principles.

⁸ See Focused Management and Operations Audit of PECO Energy Company, Docket No. D-2021-3023906 (issued July 2022).

1 recorded FERC account balances for the twelve months ending December 31,
2 2023 to determine their composition (e.g., payroll, benefits, rent) and then
3 distributed the FPFTY budgeted costs to the appropriate FERC account based on
4 his findings. The results of Mr. Trzaska's proposed distribution of costs were
5 then reviewed and confirmed with members of my staff.

6 **29. Q. Do Exhibits MJT-1, MJT-2, and MJT-3 contain all of the data needed to**
7 **evaluate PECO's claimed revenue requirement?**

8 A. No. While MJT-1, MJT-2, and MJT-3 present, in considerable detail, the
9 Company's rate base, revenue, expense, and tax claims, much of the supporting
10 data is provided in the separately bound volumes comprising the Company's
11 responses to the Commission's rate case filing requirements at 52 Pa. Code §§
12 53.52, 53.53, and 53.56 and supplemental data requests issued by the
13 Commission's staff. I note that, consistent with the approach to develop
14 responsibility area budgets on the basis of business activities (GAAP basis) as
15 described above, many of the Company's responses to the filing requirements and
16 supplemental data requests that accompany this rate filing were prepared on the
17 basis of business activities (GAAP basis). As a result, there may be differences
18 between those responses and figures in MJT-1, MJT-2, and MJT-3, which were
19 prepared on a FERC account basis.

20 **30. Q. How does the Company's approach to determining plant additions for rate**
21 **base reflected in Mr. Trzaska's testimony differ from the capital budgeting**
22 **process you describe above?**

23 A. With respect to capital budgeting, the Company accounts for capital expenditures

1 in the period when such expenditures are made. The Company determines plant
2 additions based upon when plant is expected to be placed into service. This can,
3 and often does, differ from the period in which capital spending occurs. In
4 determining plant additions for rate base, PECO included only the plant that it
5 expects will actually be placed in service by the end of the FPFTY. I note,
6 however, that the larger projects with which that plant is associated for PECO's
7 budgeting purposes may show an overall project completion date that is beyond
8 the end of the FPFTY, as components of a project may extend beyond the FPFTY.

9 **31. Q. In Paragraph 21 of the Joint Petition for Settlement of PECO's 2021 electric**
10 **base rate case, PECO agreed that it would provide comparisons of its actual**
11 **expenses and rate base additions for the twelve months ended December 31,**
12 **2022 to its projections in its 2021 case. Has PECO provided these**
13 **comparisons?**

14 A. Yes. PECO provided the Commission's Bureau of Technical Utility Services, the
15 Commission's Bureau of Investigation and Enforcement, the Office of Consumer
16 Advocate, and the Office of Small Business Advocate with an update on its
17 Electric Division's actual capital expenditures, plant additions, and plant
18 retirements by month for the twelve months ending December 31, 2022.⁹ As
19 described therein, the Company's actual capital expenditures, capital additions,
20 and retirements were greater than its projections in the 2021 electric base rate
21 proceeding.

⁹ See Docket No. R-2021-3024601.

1 With respect to O&M expense, PECO spent \$658.7 million in 2022 in comparison
2 to the 2022 budget of \$663.9 million provided in the 2021 electric base rate case.
3 The small variance is primarily due to a mild 2022 storm season resulting in
4 lower-than-expected storm costs that allowed the Company to perform additional
5 corrective maintenance and vegetation management work as well as absorb
6 increased bad debt expense.

7 V. ELECTRIC SALES FORECAST

8 **32. Q. How does PECO develop its electric sales forecast, generally?**

9 A. The electric sales forecasting process uses multiple regression-analysis models
10 that determine the relationship between monthly electric sales and predictive
11 variables, such as weather, economic indicators, energy efficiency, and time of
12 year. The modeled results are evaluated using standard statistical criteria (e.g.,
13 the Adjusted R-Squared Score, Mean Absolute Percentage Error, t-statistics, and
14 coefficients) to ensure that there are statistically significant relationships between
15 the dependent and independent variables.

16 **33. Q. How does PECO utilize historical weather data in developing its electric sales
17 forecasts?**

18 A. PECO's electric forecasts utilize "weather normal" assumptions based on weather
19 averages from the prior thirty years. PECO's weather normal assumptions are re-
20 calculated annually using the latest thirty-year period. The Company also utilizes
21 weather normals to normalize historical sales results, which are leveraged to
22 analyze usage trends over time. Out-of-Model adjustments are then made to the
23 modeled forecasts to reflect these trends along with the additional impacts of solar

1 installations and electric vehicles. The results of the forecast are then compared
2 to prior forecasts for consistency and reviewed with the Exelon Senior Manager
3 of Load Forecasting, the PECO Director of Financial Planning and Business
4 Analysis, and senior management for their approval.

5 **34. Q. What is the economic outlook for the PECO service territory and how does**
6 **this impact your sales growth expectations?**

7 A. IHS Markit, which is an external vendor that provides economic data to the
8 Company, projects that between 2022 and the end of the FPFTY, annual growth
9 in gross metropolitan product (“GMP”) and employment will be 1.8% and 0.8%,
10 respectively.¹⁰ The Philadelphia metropolitan area is coming out of a period of
11 economic recovery, with GMP and employment growing faster than historical
12 trends while facing record-high inflation. Efforts to reduce inflation are expected
13 to slow the economy and ease labor markets in the coming years. This economic
14 outlook is one of several drivers impacting the Company’s forecasts.

15 **35. Q. Please describe the results of the Company’s sales forecast.**

16 A. Between 2022, the FPFTY in the Company’s last electric base rate case, and the
17 end of the FPFTY in this base rate case, the Company forecasts total weather
18 normal electric sales to grow 0.2% annually, with 0.6% annual growth in
19 Residential sales and flat annual growth in Commercial & Industrial sales. Sales
20 will primarily be driven by customer growth, economic growth, and electric
21 vehicle charging, partially offset by energy-efficiency and solar impacts.

¹⁰ Data from IHS Markit for Philadelphia, PA categorized under “Metropolitan level” as of August 2023.

1 Over the same period, the number of PECO customers is forecasted to grow by
2 0.4% per year, with 0.5% annual growth in Residential customers and 0.2%
3 annual growth in Commercial & Industrial customers. Based on the Company's
4 sales and customer forecasts detailed above, use per customer ("UPC") during
5 that same period is forecasted to decline by 0.2% per year, with 0.2% annual
6 growth in residential UPC and 0.2% annual decline in Commercial & Industrial
7 UPC.

8 VI. EXELON BUSINESS SERVICES COMPANY

9 **36. Q. Does PECO procure certain shared services from an affiliated service**
10 **company?**

11 A. Yes. Like many other energy holding company enterprises, Exelon created a
12 service company, the EBSC, following the merger of PECO and the former
13 Unicom Corporation, to house specific support functions that it believed could be
14 staffed more efficiently and economically on a centralized basis.

15 **37. Q. What types of services does the EBSC make available and to whom?**

16 A. The EBSC is designed to provide a range of what would typically be regarded as
17 in-house services in the case of a stand-alone utility. In broad terms, those
18 services fall into the following categories: IT; supply; finance; human resources;
19 government and regulatory affairs and public policy; legal and corporate
20 governance; utility operations; real estate; executive services; communications;
21 and security. The EBSC offers its services to PECO and other affiliated members
22 of the Exelon family of utility companies, which include Atlantic City Electric
23 Company, Baltimore Gas and Electric Company, Commonwealth Edison

1 Company, Delmarva Power & Light Company, and Potomac Electric Power
2 Company.

3 **38. Q. Is PECO required to utilize the EBSC's services?**

4 A. No, PECO is not required to use the EBSC's services. Under the terms of the
5 General Services Agreement ("GSA") between PECO and the EBSC, which was
6 approved in the PECO/Unicom merger proceeding at Docket No. A-
7 110550F0147, PECO has the discretion to determine whether and to what extent
8 to utilize the EBSC's services in all areas except corporate governance.

9 **39. Q. What role does the EBSC play in PECO's electric distribution operations?**

10 A. PECO's overall approach is to use its own personnel or independent contractors
11 to staff the day-to-day operations of its electric delivery system, as well as its
12 customer-service functions (e.g., call center and billing services). Other services,
13 such as employee-benefits administration, mass purchasing, insurance, and
14 treasury, to name a few, are provided by the EBSC. Certain highly specialized
15 services, for which it would not be cost effective to maintain the required
16 expertise at either PECO or the EBSC, are obtained through contracting with
17 outside firms.

18 **40. Q. What is the principal advantage of the service company structure?**

19 A. The EBSC enables PECO to realize economies of scale and scope that, in my
20 judgment, could be very difficult to achieve on an individual-company basis.
21 Indeed, if PECO were to try to maintain a full complement of comparably
22 qualified personnel on its own payroll, the total cost PECO would incur to obtain

1 the same level and quality of service it receives from the EBSC likely would be
2 considerably higher.

3 **41. Q. How does the EBSC price the services it provides to PECO?**

4 A. The GSA provides that the services furnished by the EBSC to PECO are to be
5 billed at the EBSC's cost. Prior to the enactment of the Energy Policy Act of
6 2005, the Exelon utility companies were subject to the affiliate-transaction and
7 cost-allocation rules prescribed by the United States Securities and Exchange
8 Commission ("SEC") under the Public Utility Holding Company Act of 1935
9 ("PUHCA"), which generally mandated that service companies, such as the
10 EBSC, offer their services to affiliates at fully distributed cost. The "at cost" rules
11 were incorporated into the GSA, and their continued use in the provision of non-
12 power goods and services has been approved by the FERC, which assumed some
13 of the SEC's oversight responsibilities when PUHCA was repealed, in part,
14 several years ago.

15 **42. Q. How is the cost of services provided to PECO determined?**

16 A. Direct charges are made for services where possible. Otherwise, costs are
17 allocated on the basis of the allocation factors/methodologies identified in the
18 GSA, which were previously reviewed and approved by the SEC. These
19 allocations and methodologies were also reviewed as part of the Commission's
20 2022 Audit, and the Commission's auditors found no issues with respect to
21 PECO's cost allocation methodology.

1 **43. Q. How does PECO satisfy itself that the services it procures from the EBSC are**
2 **provided at a competitive price?**

3 A. PECO takes several steps to ensure that the services it procures from the EBSC
4 are provided at a competitive price. First, PECO and the management of EBSC
5 work together to identify PECO’s needs and to define service priorities and major
6 new initiatives. As a consequence, PECO has meaningful input into the
7 development of the EBSC’s budget for the upcoming year, and I, as PECO’s
8 Chief Financial Officer, ultimately approve the service level arrangements
9 (“SLAs”). SLAs are annual agreements between the EBSC and Exelon’s
10 operating companies (including PECO) entered into under the express authority of
11 the Commission-approved GSA that detail the specific services that the EBSC
12 will provide during the following year, including the scope of services, unit cost
13 expectations, and performance measures. Services are grouped by function so
14 that budgeted and actual costs can be tracked.

15 Second, the EBSC’s monthly billings are carefully scrutinized by PECO
16 personnel. Variances between actual and budgeted charges are reviewed by
17 PECO personnel with their EBSC counterparts to ensure that all costs are properly
18 justified.

19 In addition, for functions that are not already outsourced, PECO obtains extensive
20 information regarding the composition of the EBSC’s costs, which PECO can
21 then review for reasonableness. This “Market Testing Analysis,” developed in
22 conjunction with the Commission’s management auditors, is a formal approach
23 for evaluating the cost effectiveness of using the EBSC’s shared services. This

1 analysis is performed on an annual basis, and, along with allocation factors and
2 methodologies used for EBSC costs, was reviewed as part of the Commission’s
3 audits of the Company in 2014 and 2022. In 2017, the Commission conducted a
4 Management Efficiency Investigation to evaluate PECO’s implementation of
5 recommendations from the 2014 Audit.¹¹ The Commission again examined
6 PECO’s affiliated interest and cost allocations processes and concluded that
7 PECO (and EBSC) had taken steps to verify that “shared services are being
8 provided in an efficient and cost-effective manner and/or improvement
9 opportunities are identified to ensure service offerings are fair and reasonable.”
10 PECO has also worked to implement recommendations made by the Commission,
11 including those related to its payroll and accounts payable systems and the sharing
12 of benchmarking reviews among EBSC, PECO, and other Exelon companies.

13 **44. Q. What is PECO’s claim in this proceeding for EBSC services?**

14 A. PECO has included \$149.7 million in its FPFTY expense claim for charges from
15 EBSC. A breakdown of those costs is attached as PECO Exhibit MH-1.

16 **VII. CORPORATE ALTERNATIVE MINIMUM TAX**

17 **45. Q. How does the enactment of the Inflation Reduction Act (“IRA”) impact**
18 **PECO?**

19 A. The IRA implemented a new corporate alternative minimum tax (“CAMT”)
20 beginning in 2023 that imposes a 15% tax on adjusted financial statement income

¹¹ See PECO Energy Company Management Efficiency Investigation Evaluating the Implementation of Selected Management Audit Recommendations from the 2014 Focused Management and Operations Audit, Docket No. D-2016-2562303 (August 2017).

1 (“AFSI”) on “applicable corporations.” Applicable corporations will now be
2 required to pay the greater of 15% of their AFSI or their regular federal tax
3 liability. Based on current tax guidance and forecasted projections, PECO is
4 subject to the CAMT.

5 **46. Q. Is PECO an “applicable corporation” under the CAMT?**

6 A. Yes. The CAMT states that if a corporation’s average annual AFSI exceeds \$1
7 billion over the preceding three-year period, then the corporation and its
8 subsidiaries are applicable corporations. Although PECO does not meet that \$1
9 billion threshold on a standalone basis, PECO is a subsidiary of Exelon
10 Corporation. Strictly for purposes of determining if Exelon exceeds the \$1 billion
11 in average profits, Exelon must include all of its subsidiaries, including PECO,
12 because Exelon is considered a “single employer group” under the tax rules. If a
13 single employer group in the aggregate exceeds the \$1 billion profits threshold,
14 each corporation that is part of that single employer group is considered an
15 “applicable corporation” and separately subject to the CAMT. Under the tax
16 rules, when a subsidiary ceases to be a member of an affiliated group of
17 corporations, the departing subsidiary is entitled to its CAMT credit carryforward
18 and can utilize that credit in future tax years when its regular tax exceeds its
19 CAMT liability.

20 **47. Q. For CAMT purposes, how is AFSI determined?**

21 A. For purposes of calculating AFSI, the starting point is financial statement net
22 income under GAAP. The GAAP financial statement net income is then adjusted
23 for federal income taxes, accelerated tax depreciation, pension and other

1 postemployment benefits. As a result, for purposes of determining AFSI, federal
2 income taxes, accelerated tax depreciation, pension and other postemployment
3 benefits are treated the same with respect to the calculation of the regular federal
4 income tax liability.

5 **48. Q. Why does PECO's CAMT liability exceed its regular tax liability?**

6 A. Under tax law, certain expenditures capitalized for GAAP financial statement
7 purposes qualify for accelerated tax deductions, such as tax repairs and certain
8 overhead capitalization. As a result, these expenditures are expensed in the
9 calculation of the regular tax liability sooner than for CAMT, which results in a
10 lower regular tax liability than under the CAMT calculation.

11 **49. Q. How does PECO calculate the CAMT?**

12 A. The Company calculated the CAMT based on its standalone separate company
13 books and records.

14 **50. Q. How is the Company expected to account for the CAMT in its financial
15 statements?**

16 A. For income tax accounting purposes, a current income tax liability and current
17 income tax expense will be recorded for the CAMT liability but will be equally
18 offset by recording a deferred tax asset and a reduction to deferred income tax
19 expense to reflect the CAMT credit carryforward. As a result, there is no net
20 incremental income tax expense associated with the CAMT. Corporations are
21 entitled to a tax credit equal to the amount by which the CAMT liability exceeds
22 the regular tax liability. This amount can be carried forward indefinitely and used

1 in future years when the regular tax liability exceeds the CAMT liability. The
2 credits are not permitted to be carried back to prior years. For income tax
3 accounting purposes, a deferred tax asset is established for the CAMT credit
4 carryforward.

5 **51. Q. Why is it appropriate to include the deferred tax asset related to CAMT in**
6 **rate base?**

7 A. Accelerated tax deductions related to utility property generate cash tax benefits
8 that reduce the cost of capital. For rate making purposes, rate base is adjusted
9 downward to reflect the lower cost of capital attributable to accelerated tax
10 deductions. The CAMT has the effect of reducing the realization of the tax
11 benefits associated with accelerated tax deductions, such as tax repairs and certain
12 other overhead capitalization adjustments (tax repair and certain overhead
13 capitalization deductions do not reduce CAMT). The Accumulated Deferred
14 Income Taxes (“ADIT”) associated with tax repairs and other property-related tax
15 adjustments are included in PECO’s rate base as a downward adjustment.
16 Therefore, to reflect the appropriate cost of capital, the deferred tax asset
17 associated with the CAMT credit carryforward should likewise be included in rate
18 base as an adjustment that offsets ADIT.

19 **VIII. CONCLUSION**

20 **52. Q. Does this complete your direct testimony at this time?**

21 A. Yes, it does.

22

PECO Exhibit MH-1:

PECO Energy Company Business Services Company Operations and Maintenance Costs

PECO Energy Co.
BSC Operations & Maintenance Costs
Presentation Basis: PECO Electric Distribution

PECO Exhibit MH-1

(\$ in millions)

2025 Budget

1	Legal Governance	7.7
2	Executive Services	12.5
3	Security	9.9
4	Government and Regulatory Affairs & Public Policy	1.3
5	Exelon Utility Operations	9.6
6	Communications	2.1
7	Finance	19.0
8	Human Resources	7.9
9	Real Estate	1.0
10	Supply Services	0.8
11	Subtotal of Non-IT EBSC	72.0
12	IT EBSC	78.8
13	Charitable Contributions	0.5
14	Lobbying / Other	0.7
15	Subtotal of Non-Recoverable Costs	1.2
16	Total EBSC Charges (excl. Non-Recoverable)	149.7

PECO Statement No. 3:

Direct Testimony of Michael J. Trzaska

**PECO ENERGY COMPANY
STATEMENT NO. 3**

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION
v.
PECO ENERGY COMPANY – ELECTRIC DIVISION

DOCKET NO. R-2024-3046931

DIRECT TESTIMONY

WITNESS: MICHAEL J. TRZASKA

SUBJECT: PRESENTING PECO'S OVERALL REVENUE
REQUIREMENT; CERTAIN RATEMAKING
ADJUSTMENTS; STORM RESERVE ACCOUNT;
AND SURCHARGE RATE CREDITS

DATED: MARCH 28, 2024

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1
2
3
**DIRECT TESTIMONY
OF
MICHAEL J. TRZASKA**

4
I. INTRODUCTION AND PURPOSE OF TESTIMONY

5 **1. Q Please state your full name and business address.**

6 A. My name is Michael J. Trzaska, and my business address is PECO Energy
7 Company, 2301 Market Street, Philadelphia, Pennsylvania 19103.

8 **2. Q By whom are you employed and in what capacity?**

9 A. I am employed by PECO Energy Company (“PECO” or the “Company”) as a
10 Principal Regulatory and Rate Specialist in the Regulatory Policy and Strategy
11 Department. My duties and responsibilities in that capacity include performing
12 financial analysis, project management and regulatory strategy for gas and electric
13 operations throughout the Company’s service territory. I am responsible for
14 providing expert testimony on behalf of the Company with respect to various
15 regulatory issues.

16 **3. Q Please describe your educational background.**

17 A. I earned a Bachelor of Science degree in Accounting from Drexel University in
18 1987 and a Master of Science in Finance degree from LaSalle University in 1996.

19 **4. Q Please describe your work experience in the energy industry.**

20 A. Upon graduation from Drexel University in 1987, I was hired by PECO and have
21 been with the Company since that time in various positions of increasing
22 responsibility.

1 **5. Q What is the purpose of your direct testimony in this proceeding?**

2 A. The principal purpose of my direct testimony is to explain the preparation and
3 presentation of data supporting PECO’s request for a general base rate increase
4 for its electric distribution operations. More specifically, I explain how the
5 components of the Company’s overall revenue requirement were developed. This
6 includes certain portions of the claimed measures of value and the pro forma
7 ratemaking adjustments that were made to calculate the Company’s revenue
8 requirement based on data for a fully projected future test year ending December
9 31, 2025 (“FPFTY”), a future test year ending December 31, 2024 (“FTY”), and a
10 historic test year ended December 31, 2023 (“HTY”). For purposes of supporting
11 PECO’s proposed increase in base rate distribution operating revenue under its
12 proposed rates, the Company is relying principally upon data for the FPFTY.

13 I will also describe the Company’s proposal to establish a Storm Reserve Account
14 in this case. In addition, I will discuss the amounts PECO received for past use of
15 its fiber network and for the amounts recorded to the regulatory asset account for
16 incremental COVID-19 uncollectible expense (the “COVID-19 Regulatory
17 Asset”) that are reflected in PECO’s current rates established in its 2021 electric
18 base rate case.¹ These amounts will be credited to customers in 2025 through the
19 surcharge mechanisms described by Company witness Megan A. McDevitt
20 (PECO Statement No. 8).

¹ See *Pa. P.U.C. v. PECO Energy Co. – Elec Div.*, Docket No. R-2021-3024601 (Recommended Decision issued Oct. 6, 2021), pp. 7, 19, 31. The Recommended Decision was approved by the Commission without modification by its Order entered on November 18, 2021 (“2021 Rate Case Order”).

1 **6. Q Are you sponsoring all or portions of any exhibits in this proceeding?**

2 A. Yes. I am sponsoring PECO Exhibits MJT-1, MJT-2, and MJT-3. PECO
3 Exhibits MJT-1, MJT-2, and MJT-3 comprise PECO’s principal accounting
4 exhibits for the FPFTY, the FTY, and the HTY, respectively.² The base data for
5 the FPFTY that I used to develop PECO Exhibit MJT-1 were derived, for the
6 most part, from PECO’s capital and operating budgets for the twelve months
7 ending December 31, 2025, while the corresponding data for the FTY used to
8 develop PECO Exhibit MJT-2 were derived from PECO’s capital and operating
9 budgets for the twelve months ending December 31, 2024. The data for the HTY
10 used to develop PECO Exhibit MJT-3 are the data actually recorded in PECO’s
11 books of account for the twelve months ended December 31, 2023.

12 In addition to sponsoring the exhibits described above, I am responsible for
13 responses to certain Pennsylvania Public Utility Commission (“Commission”)
14 standard data filing requirements.

15 **7. Q Will you discuss separately PECO Exhibit MJT-1, PECO Exhibit MJT-2,**
16 **and PECO Exhibit MJT-3?**

17 A. Yes, I will. However, because PECO is basing its proposed rate increase on the
18 adjusted FPFTY data, most of my direct testimony is devoted to explaining PECO
19 Exhibit MJT-1. My testimony regarding PECO Exhibits MJT-2 and MJT-3,
20 which are essentially identical in format to PECO Exhibit MJT-1, will briefly

² PECO Exhibits MJT-1, MJT-2, and MJT-3 each contain multiple schedules and each page of the exhibit is numbered on a continuous sequential basis. Specific schedule pages will be cited to using the applicable exhibit pagination. For example, the second page of Schedule B-1, which is the third page of Exhibit MJT-1, will be cited as “Exhibit MJT-1, Schedule B-1, page 3.”

1 address the pro forma adjustments that were made to budget data for the twelve
2 months ending December 31, 2024 and historic actual data for the twelve months
3 ended December 31, 2023, respectively, because the nature of those adjustments
4 is the same or similar to adjustments that I will have already discussed in the
5 context of PECO Exhibit MJT-1. However, I will specifically address any
6 additional adjustments or other differences among those exhibits.

7 **8. Q Please provide an overview of your accounting exhibits.**

8 A. Exhibit MJT-1, which presents PECO's revenue requirement for the FPFTY
9 ending December 31, 2025, is comprised of five sections, as follows:

10 **Section I** consists of a summary schedule setting forth PECO's claimed measures
11 of value (i.e., rate base) and the derivation of the Company's requested rate
12 increase.

13 **Section II** contains basic accounting data, primarily extracted from the
14 Company's financial records, including a FPFTY-end balance sheet; statements of
15 net operating income and FPFTY revenues; a schedule of expense items by
16 primary account; and a calculation of PECO's tax expenses. Also included are
17 schedules developing PECO's embedded costs of debt and equity, its FPFTY
18 capital structure, and the Company's overall claimed rate of return.

19 **Section III** provides a detailed development of the major components of the
20 Company's rate base claim. This section includes summaries of the original cost
21 and accumulated depreciation at FPFTY-end of the various categories of utility
22 plant, including allocated common plant, and calculations of PECO's working

1 capital, materials and supplies, accumulated deferred income taxes (“ADIT”),
2 regulatory liability for excess ADIT, and customer deposits and advances.

3 **Section IV** contains detailed adjustments required to place FPFTY revenues and
4 expenses on a ratemaking basis. These adjustments are summarized on Schedules
5 D-3 to D-17, and, together with certain tax adjustments, are carried forward to
6 Schedule D-1 to derive PECO’s pro forma operating income at present and
7 proposed rates.

8 **Section V** briefly describes the FTY and HTY data.

9 Exhibits MJT-2 and MJT-3 are essentially identical in format. Adjustments were
10 made to budgeted data, where necessary, to ensure that the Company’s claimed
11 revenue, expenses, and taxes are representative of the levels that the Company
12 expects to experience on a normalized, ongoing basis, and in accordance with the
13 Commission’s established ratemaking precedent.

14 Because PECO is basing its requested rate increase on FPFTY data, Exhibit MJT-
15 1 is key to understanding and evaluating the derivation of the Company’s claimed
16 revenue requirement. Exhibit MJT-2 follows the same format as Exhibit MJT-1
17 but presents information for the FTY ending on December 31, 2024. Exhibit
18 MJT-3 follows the same format as Exhibits MJT-1 and MJT-2, but presents
19 information for the HTY, which ended on December 31, 2023. This information
20 is being furnished in accordance with the Commission’s filing requirements and
21 provides a basis for comparing PECO’s FPFTY claims to the actual results of
22 historic operations, adjusted for ratemaking purposes, for the HTY.

1 **9. Q How is the balance of your testimony structured?**

2 A. In Section II of my testimony, I present an overview of PECO’s FPFTY revenue
3 requirement and explain, in summary fashion, how the claimed measures of value,
4 pro forma present rate revenues, operating expenses, depreciation, and taxes were
5 determined. Section III of my testimony provides a more detailed description of
6 the individual components comprising PECO’s requested measures of value for
7 the FPFTY, while Section IV of my testimony discusses the derivation, including
8 appropriate ratemaking adjustments, of PECO’s revenue and expense claims for
9 the FPFTY. Section V of my testimony briefly describes the FTY and the HTY
10 data. Section VI of my testimony describes the Company’s proposed Storm
11 Reserve Account and explains why adoption of this proposal is appropriate.
12 Section VII of my testimony discusses the one-time surcharge credits that will
13 reduce the Company’s revenue requirement in 2025 arising from the COVID-19
14 Regulatory Asset and the revenue collected in 2021 from Exelon Generation
15 Company, LLC (“Exelon Generation”) and Exelon Business Service Company
16 (“EBSC”) associated with corrected billings for the use of PECO’s fiber network.

17 **II. OVERVIEW OF PECO’S FULLY PROJECTED FUTURE**
18 **TEST YEAR REVENUE REQUIREMENT**

19 **10. Q Please provide an overview of how the Company’s FPFTY measures of value**
20 **were determined.**

21 A. PECO’s measures of value, as presented in PECO Exhibit MJT-1, consist of
22 seven principal components: (1) the depreciated original cost of utility plant-in-
23 service (original cost less accumulated depreciation); (2) ADIT; (3) customer

1 deposits; (4) customer advances for construction; (5) material and supplies;
2 (6) the regulatory liability for excess ADIT; and (7) cash working capital. Each
3 is described briefly below.

4 **Depreciated Original Cost of Utility Plant-in-Service.** To determine utility
5 plant-in-service as of the end of the FTY, I began with the closing plant balances
6 actually recorded on the Company's books of account on December 31, 2023,
7 including allocated common plant. To those balances, I added the budgeted
8 capital expenditures for PECO projects that are scheduled to close to plant-in-
9 service (i.e., be placed into service) during the FTY and subtracted the anticipated
10 plant retirements. The same process was used to develop utility plant-in-service
11 balances as of the end of the FPFTY, beginning with the projected balance of
12 plant-in-service on December 31, 2024, adding capital expenditures projected to
13 be closed to plant-in-service by the end of the FPFTY, and subtracting anticipated
14 retirements. The Company's claim for accumulated depreciation was determined
15 in a similar fashion, starting with the accumulated depreciation on December 31,
16 2023 assigned to each plant account, and bringing those data forward to reflect
17 additional depreciation accruals, plant retirements, and cost of removal net of
18 salvage for the period through December 31, 2024. Accumulated depreciation on
19 December 31, 2025 was then deducted from the projected balance of utility plant
20 as of that date to derive the Company's claimed FPFTY year-end net utility plant
21 of \$9.5 billion.

22 **ADIT.** The credit balance of ADIT includes the liability for deferred Federal
23 income taxes, net of an offset (debit) for the ADIT assets related to Federal

1 income tax paid by the Company in advance of recognizing the associated tax
2 determinants for financial reporting purposes, which consist principally of
3 contributions-in-aid-of-construction (“CIAC”) recognized as income for income
4 tax purposes.

5 **Customer Deposits, Customer Advances for Construction, and Material and**
6 **Supplies.** The claimed levels of customer deposits and customer advances for
7 construction (both are deducted in determining the measures of value) and
8 material and supplies (which are added) are based on thirteen-month historic
9 averages for the period ended December 31, 2023, consistent with Commission
10 precedent.

11 **Regulatory Liability for Excess ADIT.** Due to the reduction in the Federal
12 corporate tax rate that became effective on January 1, 2018, pursuant to the Tax
13 Cuts and Jobs Act (“TCJA”), there is “excess” ADIT. Excess ADIT represents
14 taxes that were deferred prior to January 1, 2018 at the then-applicable 35% tax
15 rate but will be paid to the Federal government, after January 1, 2018 at the
16 current 21% tax rate. The excess ADIT is to be returned to customers over
17 periods that correspond to the periods over which the ADIT would have been paid
18 to the government if the Federal corporate tax rate had not been reduced. To
19 reflect that obligation, the Company has transferred its excess ADIT from the
20 Company’s ADIT account to a new regulatory liability account. In addition, on
21 July 8, 2022, Governor Tom Wolf signed Act 53 of 2022 into law. Act 53
22 incrementally changes the annual rate of Pennsylvania state tax on corporate net
23 income (“CNI”) from 9.99% to 4.99% over a period of nine years. Prior to Act

1 53 taking effect, the CNI tax rate was 9.99%. Act 53 initially lowered the CNI
2 tax rate to 8.99% beginning on January 1, 2023. The CNI tax rate will be lowered
3 each January 1 until the CNI tax rate reaches 4.99% by January 1, 2031. As a
4 result, the Company made a reclassification of ADIT to excess ADIT at the end of
5 2022. It is important to note that this reclassification was based on the CNI tax
6 rate of 4.99% in 2031. The impact of the CNI tax rate reduction in 2023 was
7 addressed in the Company's 2022 base rate case proceeding at Docket No. R-
8 2022-3031113, where a 9-year amortization for the associated excess ADIT was
9 adopted as part of the approved settlement in that proceeding.³ The additional
10 impact of CNI tax rate reductions beyond 2023 were passed to customers through
11 the Company's State Tax Adjustment Clause. The sum of the Company's ADIT
12 account and its regulatory liability for excess ADIT on December 31, 2025 is
13 deducted from the Company's measures of value.

14 **Cash Working Capital.** Cash working capital was calculated using a lead-lag
15 study and includes elements that are consistent with past practice and Commission
16 precedent.

17 The components of the measures of value described above are shown in PECO
18 Exhibit MJT-1 on Schedule A-1 at lines 1 to 12 and are discussed in more detail
19 in Section III of my testimony.

³ See *Pa. P.U.C. v. PECO Energy Co. – Gas Div.*, Docket No. R-2022-3031113 (Order entered October 27, 2022).

1 **11. Q How were the revenues at present rates derived?**

2 A. Revenues at present rates were developed by adjusting the budgeted revenues for
3 PECO’s electric operations for the FPFTY to: (1) remove revenues related to
4 portions of the Company’s business that are not subject to the jurisdiction of the
5 Commission; (2) remove revenues billed under the surcharge (i.e., non-base rate
6 revenue) that recovers the cost of implementing the Company’s energy efficiency
7 and conservation programs pursuant to Act 129; (3) annualize revenues related to
8 changes in the number of customers to reflect year-end levels as of the end of the
9 FPFTY; (4) normalize revenues to reflect 365.25 days; and (5) reflect various pro
10 forma revenue adjustments, which are summarized on Schedule D-5 of PECO
11 Exhibit MJT-1 and are discussed in more detail later in my testimony.

12 **12. Q How were PECO’s claimed operating expenses for the FPFTY determined?**

13 A. The pro forma FPFTY expenses were determined using PECO’s budget for the
14 twelve-month period ending December 31, 2025 as a starting point. Budgeted
15 expenses, which were prepared based on business activities and related cost
16 elements such as payroll, employee benefits, and outside contracting costs, were
17 distributed to Federal Energy Regulatory Commission (“FERC”) accounts based
18 upon the actual distribution experienced by the Company during the calendar year
19 ended December 31, 2023. The budget data were then annualized or normalized
20 in accordance with established Commission ratemaking practices, and other
21 appropriate adjustments were made, all of which are included in Schedule D of
22 PECO Exhibit MJT-1. The necessary adjustments were made to the appropriate
23 FERC accounts.

1 **13. Q Please describe how the taxes-other-than-income were determined for the**
2 **FPFTY.**

3 A. Those amounts were determined using budgeted amounts for the FPFTY, with pro
4 forma adjustments to payroll taxes to reflect the impact of the increase to FPFTY
5 salaries and wages (“S&W”) and other adjustments to reflect known and
6 measurable changes, as shown on Schedule D-16 of PECO Exhibit MJT-1.

7 **14. Q Please describe the calculation of depreciation expense for the FPFTY.**

8 A. The development of annual depreciation for electric and common plant is set forth
9 on Schedule D-17 of PECO Exhibit MJT-1. Each of pages 84 through 87 have
10 columns numbered 1 through 5. Each of pages 88 through 91 have columns
11 numbered 6 through 11. Each of pages 92 through 95 have columns numbered 12
12 through 17. Columns 1 through 5 show the annual depreciation for electric
13 distribution, transmission, and common plant. Column 6 shows the allocation
14 factors used to allocate annual depreciation to the Electric Division. The
15 allocation factor is 100% for electric distribution plant. For common plant, the
16 allocation factor is 76.93%, which is the portion of common plant allocated to the
17 Electric Division. Columns 7 through 11 show the annual depreciation allocated
18 to the Electric Division. The figures in columns 7 through 11 for common plant
19 reflect the amounts in columns 1 through 6 multiplied by the allocation factor of
20 76.93%. Column 12 is designed to allocate utility costs between Commission
21 jurisdictional service and non-Commission jurisdictional service. Accordingly,
22 the amounts shown in columns 13 through 17 represent the amounts properly
23 allocated in their entirety to Commission-jurisdictional service for the Electric

1 Division. For all of the columns, the total for FERC Account 403 Depreciation
2 Expense is shown on line 89 and the total for FERC Account 404 Amortization of
3 Limited-Term Plant is shown on line 130.

4 The annual depreciation expense budgeted by the Company for electric plant and
5 total-Company common plant is \$387.8 million, which is the sum of the amounts
6 shown in column 1, lines 89 and 130. This amount is the annual depreciation
7 developed by Company witness Caroline Fulginiti (PECO Statement No. 4) based
8 on utility plant that will be in service on December 31, 2024 (as shown in
9 Schedule D-17, column 3) and utility plant additions that will be in service on
10 December 31, 2025 (as shown in Schedule D-17, column 2). As Ms. Fulginiti
11 explains, the budgeted annual depreciation amounts for both plant-in-service on
12 December 31, 2024 and for additions during the twelve months ending December
13 31, 2025 were calculated using depreciation rates that reflect the service life
14 parameters developed in the Company's 2018 service life study. The annual
15 depreciation for plant additions made during the twelve-month period ending
16 December 31, 2025 is based on their expected actual in-service dates and,
17 therefore, reflects less than twelve months of depreciation for that plant.

18 Accordingly, Schedule D-17, column 4, adjusts the amounts in column 1 to
19 annualize the annual depreciation on plant additions made during the twelve-
20 month period ending December 31, 2025. Depreciation expense does not include
21 Asset Retirement Obligations.

22 The resulting pro forma FPFTY depreciation expense of \$407.6 million related to
23 electric plant and common plant is shown in column 5. The resulting pro forma

1 FPPTY depreciation expense for electric distribution and common plant allocable
2 to the Electric Division's Commission-jurisdictional service is \$336.3 million, as
3 shown in column 17. That amount is the sum of \$284.0 million shown on line 89
4 and \$52.3 million shown on line 130.

5 **15. Q How were income taxes calculated?**

6 A. Income taxes were calculated using procedures consistent with Commission
7 practice. Federal income tax expense was calculated at the 21% Federal corporate
8 tax rate that became effective on January 1, 2018, pursuant to the TCJA.

9 The interest expense deduction was synchronized with the Company's measures
10 of value and claimed weighted average cost of long-term debt. The normalization
11 method was used to reflect the tax-book timing differences associated with the use
12 of accelerated methods of tax depreciation to the extent permitted by the
13 Commission and legal precedent. Tax expense was reduced to reflect the
14 amortization of the unamortized investment tax credits ("ITCs"). Tax expense
15 was also reduced to reflect the flow-back of excess ADIT that results from the
16 TCJA's reduction of the Federal corporate tax rate and Pennsylvania CNI tax rate
17 reductions. The income tax claimed for the FPPTY at present rate and proposed
18 rate revenue levels is shown on PECO Exhibit MJT-1, Schedule D-18.

19

1 **16. Q Please describe how the pro forma revenue increase and revenues at**
2 **proposed rates were established.**

3 A. Schedule A-1 of PECO Exhibit MJT-1 shows the calculation of PECO’s claimed
4 revenue requirement and its requested revenue increase. Column 2, lines 1 to 14,
5 summarize the pro forma measures of value.

6 Column 2, line 17, shows the Company’s electric distribution base rate revenue at
7 present rates. Column 3, line 17, shows the increase over revenues at present
8 rates needed to recover the Company’s FPFTY revenue requirement, which is
9 \$463.6 million. However, the Company’s proposed revenue increase does not
10 include the effects of one-time credits totaling for \$64.3 million related to fiber
11 network revenues and the Company’s COVID-19 Regulatory Asset, which the
12 Company is proposing to credit to customers in 2025 through reconcilable
13 surcharges. With these two one-time credits, the net increase of revenue at present
14 rates for the FPFTY is \$399.3 million.

15 Lines 22 to 44 of column 2 set forth the calculation of the increase above present
16 rate revenue required to provide the Company the opportunity to earn the overall
17 rate of return of 7.98% calculated on Schedule B-7 and supported by Company
18 witness Moul (PECO Statement No. 5).The resulting required increase in net
19 operating income on line 40 was increased by the Gross Revenue Conversion
20 Factor (“GRCF”), shown on line 42, to provide for Late Payment Charge (“LPC”)
21 revenue, uncollectible accounts expenses, gross receipts taxes, regulatory fees and
22 income taxes on the increased revenues requested. The revenue increase shown
23 on line 44 of column 2 is the difference between present rate revenue and

1 revenues at proposed rates. The increase in unadjusted present rate revenue of
2 approximately \$463.6 million is shown on line 44 of column 2 and line 17 of
3 column 3. Column 3, lines 17 through 29, also contain the calculation of the
4 revenue and expenses related to the proposed revenue increase.

5 Measures of value, revenues, and expenses at proposed rates are shown in column
6 4, with the resulting overall rate of return of 7.98% shown on line 31 of column 4.

7 **17. Q What is the overall required increase in annual revenues for the Company's**
8 **jurisdictional distribution operations for the FPFTY?**

9 A. As shown on line 44 of PECO Exhibit MJT-1, Schedule A-1, the proposed
10 increase in annual operating revenues is approximately \$463.6 million. As I
11 explained previously, PECO is also proposing a one-time credit of \$64 million,
12 resulting in a net electric rate increase of \$399 million in 2025.

13 **18. Q What is contained in Schedule B?**

14 A. Schedule B consists of a balance sheet for the total Company on December 31,
15 2025 reflecting the Company's budget for the twelve months ending December
16 31, 2025 (Schedule B-1); a statement of Pennsylvania jurisdictional net operating
17 income for the twelve months ending December 31, 2025 (Schedule B-2); a
18 statement of Pennsylvania jurisdictional operating revenue for the twelve months
19 ending December 31, 2025 (Schedule B-3); a statement of Pennsylvania
20 jurisdictional operating and maintenance expense for the twelve months ending
21 December 31, 2025 (Schedule B-4); a detailed breakdown of Pennsylvania
22 jurisdictional taxes other than income for the twelve months ending December 31,

1 2025 (Schedule B-5); PECO's projected composite cost of long-term debt on
2 December 31, 2025 (Schedule B-6); and the calculation of PECO's claimed
3 overall rate of return for the FPFTY (Schedule B-7). Schedules B-6 and B-7
4 reflect information derived from the exhibits sponsored by Company witness
5 Moul.

6 III. MEASURES OF VALUE

7 A. Summary of Measures of Value

8 **19. Q Please describe Schedule C-1 of PECO Exhibit MJT-1.**

9 A. Schedule C-1, page 17, summarizes the measures of value for the FPFTY for the
10 Company's total Electric Division and its Pennsylvania jurisdictional operations.
11 Column 1 identifies the schedule where each of the measures of value elements is
12 derived, and columns 2 to 4 show the Company's total Electric Division, non-
13 Pennsylvania, and Pennsylvania jurisdictional amounts, respectively. The
14 Company's claimed measures of value for the FPFTY, as shown in column 4, on
15 line 12, is approximately \$8.9 billion.

16 B. Plant-In-Service

17 **20. Q Please describe Schedule C-2 of PECO Exhibit MJT-1.**

18 A. Schedule C-2 contains six pages and presents the Company's claimed FPFTY
19 utility plant-in-service.
20

1 **21. Q What is shown on Schedule C-2, page 18?**

2 A. Schedule C-2, page 18, is a summary of estimated year-end plant-in-service
3 balances for the FPFTY by functional plant category. Column 2 shows the total-
4 Company electric plant-in-service balance, and column 3 reflects the removal of
5 transmission-related plant. Column 4 reflects the Company's estimated electric
6 distribution plant-in-service at the end of the FPFTY of \$11.2 billion (line 47),
7 which is shown on PECO Exhibit MJT-1, Schedule A-1, at column 4, line 2.

8 **22. Q How was total utility plant-in-service for electric distribution operations of**
9 **\$11.2 billion, shown on Schedule C-2, page 18, column 4, line 47,**
10 **determined?**

11 A. The amount of \$13.5 billion shown on Schedule C-2, page 18, column 2, line 47
12 represents the estimated plant-in-service balance on December 31, 2025 for the
13 Company's Electric Division, including distribution and transmission plant, and is
14 based on utility plant-in-service on December 31, 2023, including distribution and
15 transmission, plus budgeted capital expenditures estimated to be closed to plant-
16 in-service during the FTY and FPFTY, less the estimated retirements in the FTY
17 and FPFTY.

18 Page 18, column 3 sets forth the adjustments needed to remove intangible plant
19 assigned to transmission, transmission plant included in the transmission
20 accounts, and the portion of general plant allocated to transmission operations.

21 The calculation of the intangible plant and general plant allocated to transmission
22 is described in connection with pages 21 to 23 of Schedule C-2. Column 4

1 reflects the Company's estimated electric distribution plant-in-service at the end
2 of the FPFTY.

3 **23. Q What is shown on page 19 of Schedule C-2?**

4 A. Page 19 sets forth the Company's estimated additions to be closed to plant-in-
5 service during the FPFTY. These data were developed based on the FTY and
6 FPFTY capital budgets. The total-Company additions of \$1.2 billion are shown
7 on line 34, column 1.

8 **24. Q What is shown on Schedule C-2, page 20?**

9 A. Page 20 of Schedule C-2 presents the estimated plant retirements for the FPFTY,
10 based on the average of actual retirements for the period of January 1, 2021
11 through December 31, 2023.

12 **25. Q What is contained on pages 21 to 23 of Schedule C-2?**

13 A. Pages 21 to 23 detail the adjustments necessary to remove all transmission-related
14 intangible, general, and transmission plant recorded in transmission accounts
15 under FERC jurisdiction from the account balances, as shown in column 5. As
16 shown in column 4, 90.98% of intangible (FERC Account 303) and 87.63% of
17 general plant was allocated to the distribution function. The allocation factors are
18 based on S&W actually recorded in PECO's transmission accounts as a
19 percentage of its total actual S&W in 2023. Most of the intangible plant recorded
20 in FERC account 303 was directly assigned to the transmission and distribution
21 functions, with the balance being allocated using the same S&W factor discussed
22 above.

1 **C. Accumulated Depreciation**

2 **26. Q What is the purpose of Schedule C-3 of PECO Exhibit MJT-1?**

3 A. This schedule, consisting of five pages, presents the provision for accumulated
4 depreciation on December 31, 2025 by FERC account, as developed by Company
5 witness Fulginiti, and adjustments related to transmission plant and cost of
6 removal net of salvage, as explained more fully below. PECO’s accumulated
7 depreciation of approximately \$2.3 billion is summarized on page 24 of Schedule
8 C-3 and then carried forward to line 3 of Schedule A-1.

9 **27. Q Please describe page 24 of Schedule C-3.**

10 A. This page shows the accumulated depreciation balance for the FPFTY by account
11 category, including the accumulated depreciation balance for total electric
12 operations, as shown in column 2, and the adjustments, as shown in column 3, to
13 remove the transmission-related accumulated depreciation, in order to derive the
14 Pennsylvania jurisdictional pro forma accumulated depreciation, as shown in
15 column 4.

16 **28. Q What is contained on pages 25 to 27 of Schedule C-3?**

17 A. Pages 25 to 27 show the accumulated depreciation balance by FERC account at
18 the end of the FPFTY, including the accumulated depreciation balance for total
19 electric operations, as shown in column 1, and the adjustments, as shown in
20 column 6, to remove the transmission-related accumulated depreciation, in order
21 to derive the Pennsylvania jurisdictional pro forma accumulated depreciation
22 shown in column 5. To determine the accumulated depreciation balance at the

1 end of FPFTY, the Company started with the accumulated depreciation balance
2 on December 31, 2023 and added depreciation expense, less retirements and cost
3 of removal net of salvage, for the FTY and FPFTY. Page 28 of Schedule C-3
4 shows the cost of removal net of salvage included in the FPFTY accumulated
5 depreciation calculations.

6 As shown in column 4, 94.11% of accumulated depreciation for intangible (FERC
7 account 303) and 87.63% of accumulated general plant was allocated to the
8 distribution function. The allocation factors were developed in the same manner
9 as the allocation factors I described in connection with Schedule C-2 (i.e., S&W
10 actually recorded in PECO's transmission accounts as a percentage of its total
11 actual S&W in 2023). Consistent with Schedule C-2, most of the intangible plant
12 recorded in FERC account 303 was directly assigned to the transmission and
13 distribution functions, with the balance being allocated using the same S&W
14 factor discussed above. Schedule C-3, page 28 shows the cost of removal net of
15 salvage included in the FPFTY accumulated depreciation calculations, based on
16 the average of actual cost of removal net of salvage for the period of January 1,
17 2021 through December 31, 2023.

18 **D. Cash Working Capital**

19 **29. Q What is set forth on Schedule C-4, page 29, of PECO Exhibit MJT-1?**

20 A. This is a summary of the Cash Working Capital ("CWC") calculations, which are
21 detailed on pages 30 to 37 of this schedule. The total of \$214.8 million shown on

1 line 33 is included in PECO's claimed measures of value as shown on PECO
2 Exhibit MJT-1, Schedule A-1, columns 2 and 4, line 7.

3 **30. Q Please describe page 29 of Schedule C-4.**

4 A. Page 29 summarizes the derivation of PECO's revenue collection lag and overall
5 operating expense payment lag. The revenue lag of 51.95 days is shown on line
6 3. The expense lag days for each of the components of operating and
7 maintenance expenses appear on lines 6 to 12. Line 15 shows the lag associated
8 with payments to electric generation suppliers ("EGSs") for the purchase of
9 receivables ("POR") from EGSs pursuant to the Company's Commission-
10 approved POR program. The composite operating and maintenance expense and
11 POR payment lag of 34.36 days is shown on line 19. The net lag of 17.59 days
12 (51.95 - 34.36) shown on line 21 is multiplied by the average daily operating
13 expense balance on line 25 to arrive at the base CWC amount of \$146.5 million
14 for operating expenses shown on line 27. The average daily operating expense
15 balance of \$8.3 million on line 25 was determined by dividing the total pro forma
16 annual operating expenses, excluding uncollectible accounts expense, of \$3.0
17 billion on line 17, column 2, by the number of days in a year, 365. The other
18 components of CWC are shown on lines 29 to 31 and will be described in
19 connection with my discussion of related supporting schedules.

20 **31. Q Please describe the revenue lag calculation shown on Schedule C-4, page 30.**

21 A. The total revenue lag days of 51.95 days is shown on line 29 of page 30 and
22 consists of three parts. First, the average of the month-end accounts receivable
23 balances for the thirteen months ended December 31, 2022 (shown in column 2

1 on line 21) was divided into the annual revenue billed during the twelve months
2 ended December 31, 2022, (column 3 on line 21) to calculate the accounts
3 receivable turnover rate of 10.21 (column 4, line 21). A turnover rate of 10.21 is
4 equivalent to 35.74 revenue lag days (365 days divided by 10.21 accounts
5 receivable turnover rate), as shown in column 5 on line 21. This is referred to as
6 the collection lag or the payment portion of the revenue lag. The payment portion
7 of the revenue lag is added to: (1) the 1-day lag between the meter reading date
8 and the day that bills are recorded as revenue and accounts receivable by the
9 Company; and (2) the 15.21-day period from the mid-point of the service period
10 until the meter reading date, to calculate the total revenue lag of 51.95 days, as
11 shown on line 29.

12 **32. Q How was the mid-point of the service period calculated?**

13 A. The mid-point of the service period is equal to the days in an average month (365
14 days divided by 12, or 30.42 days) divided by 2, or 15.21 days.

15 **33. Q Please describe page 31 of Schedule C-4.**

16 A. Schedule C-4, page 31, shows the calculation of the expense lags used in the
17 CWC calculation. Lines 1 to 5 reflect the payroll expense lag. The payroll
18 amounts for the FPFTY are developed on Schedule D-6. The lag periods for the
19 payment of union and non-union payroll are combined because all employees are
20 paid on the same schedule. The lag days reflect PECO's 2024 payment cycles,
21 the last full year for which the payment cycles are known. Lines 7 to 15 show the
22 lag in the payment of pension costs during the FPFTY. The lag period is
23 calculated using a mid-point of July 1 and the payment dates shown in column 2.

1 This results in an average payment lead of 167 days, which was applied to the pro
2 forma pension expense derived from Schedule D-9, page 74, line 13 and shown
3 on Schedule C-4, page 29, line 7.

4 **34. Q How did you develop the lag days associated with the purchased energy costs**
5 **shown on line 14 of Schedule C-4, page 37?**

6 A. Effective January 1, 2011, PECO started to purchase power for its default service
7 customers through a Supply Master Agreement. To calculate its CWC
8 requirements, the Company determined, on a monthly basis for the FPFTY, the
9 number of days between the mid-point of the applicable service month and the
10 payment date, which is estimated to be the first business day after the 19th
11 calendar day of the following month. This procedure yields a composite expense
12 lag of 35.71 days as shown on Schedule C-4, page 37, line 14.

13 **35. Q Does the Company plan to purchase 100% of its energy requirements from**
14 **contract suppliers?**

15 A. No, it does not. Based on the Commission's Final Order in the Company's
16 default service proceeding (Docket No. P-2020-3019290), the Company
17 purchases 1.0% of the energy requirements of its residential default service
18 customers on the spot market and will continue to do so through May 31, 2025.
19 On February 2, 2024, PECO filed a Petition for Commission approval of its
20 default service program for the period from June 1, 2025 through May 31, 2029
21 and proposed to continue procuring the same percentage residential default
22 service load directly from the spot market.

1 **36. Q Have you calculated a separate expense lag for spot market purchases?**

2 A. Yes. The spot market purchases will be paid weekly, on Friday, for purchases
3 made through the week ended the previous Tuesday. This results in a payment
4 lag of 12.5 days, consisting of 3.5 days from the mid-point to the end of the
5 seven-day service period, and nine days for the period between the end of the
6 service period and the payment date. Since the payments will be made by wire
7 transfer, the total lag days will be 12.5 as calculated on page 37, lines 16 to 24.

8 **37. Q Please address the transmission service charges paid to the PJM**
9 **Interconnection LLC (“PJM”) for transmission service provided by PJM.**

10 A. PJM transmission service charges are paid on the same schedule as the spot
11 market purchases. Consequently, the total lag days for PJM transmission service
12 charges are also 12.5 days.

13 **38. Q How was the expense lag of 37.88 days for POR payments determined?**

14 A. PECO pays electric generation suppliers (“EGSs”) 20 days after the billing date
15 for commercial and industrial accounts and 25 days after the billing date for
16 residential accounts. The weighted average payment lag for all accounts is 21.67
17 days as shown on page 37, line 31. Bill processing takes one day (page 37, line
18 33), and there is an average of 15.21 days from the mid-point of a service period
19 to the meter reading date (page 37, line 35). The total payment lag, therefore, is
20 37.88 days (page 37, line 37).

21

1 **39. Q Please describe how you determined the payment lag associated with other**
2 **operating and maintenance expenses.**

3 A. The average payment lag for all remaining expenses, as set forth on lines 22 to 27
4 of Schedule C-4, page 31, was derived from data for the four months shown in
5 detail on Schedule C-4, page 32. More specifically, the Company obtained a
6 listing of all cash disbursements during each of the four months displayed in a
7 format that shows the payee, the date of service or the invoice receipt date, the
8 amount of the disbursement, the date the payment cleared the bank, the account to
9 which the disbursement was charged and certain other data. Each month contains
10 thousands of cash disbursements.

11 **40. Q How did you utilize the data?**

12 A. I used the data in the column showing the number of days it took each
13 disbursement to clear the bank from the invoice receipt date or service date to
14 calculate the dollar days (the amount of the disbursement times the number of
15 days the payment took to clear the bank) and sorted the disbursements by amount.
16 I then eliminated disbursements that should not be included in a CWC calculation
17 or that are included elsewhere in the CWC calculation.

18 **41. Q What disbursements did you eliminate from the balances used on page 32 of**
19 **Schedule C-4?**

20 A. First, I eliminated all disbursements related to capital charges because they are not
21 part of the Company's claimed operating expenses. Second, I eliminated all
22 disbursements under \$1,000 since those amounts, while significant in number,

1 would not have a meaningful impact on the overall lag-day calculation. Third, I
2 removed all commodity purchases since those are reflected in separate CWC
3 calculations, as I previously described, and are recovered through a separate
4 surcharge. Fourth, I removed all amounts charged to non-expense accounts and
5 any charitable contributions. This process was completed for each of the four
6 months shown on page 32, lines 1 to 11. The total cash disbursements for all four
7 months of \$91.7 million, as shown in column 2, on line 14, of page 32 of
8 Schedule C-4, and the related dollar-days of \$3.7 billion, shown in column 3,
9 were used to calculate the payment lag for general expenses of 40.07 days shown
10 in column 4. The 40.07 lag days for Other Disbursements were then brought
11 forward to Schedule C-4, page 29, line 12.

12 **42. Q Describe what is shown on Schedule C-4, page 33.**

13 A. This page shows the calculation of the net payment lag days for the tax expense
14 components of PECO's CWC allowance. The first two columns, which are not
15 numbered, identify the type of tax and show the applicable payment schedule for
16 each tax. The payment dates are shown in column 1. The payment lead or (lag)
17 from the mid-point of the year is shown in column 3. The pro forma amount of
18 the payment for each tax is shown in column 4. For example, the pro forma
19 Federal income tax amount, based on the Company's proposed revenue level, is
20 \$113.5 million, as shown in column 4, line 1 through 4. The required amounts are
21 shown by payment date for each tax in column 6. The weighted lead (lag) amount
22 for each payment for each tax is calculated in column 7. The weighted lead (lag)
23 days are netted against the revenue lag days shown on page 34, column 4. The

1 net payment lag shown on page 34, column 5, is used to calculate the average
2 daily amount for working capital shown on page 34, column 7. The net total of
3 the amounts in column 7 is shown on Schedule C-4, page 29, column 2, line 30.

4 **43. Q Please describe the calculation of the interest expense lag shown on page 35**
5 **and included on page 29 of Schedule C-4.**

6 A. This calculation measures the lag associated with the semi-annual payment of
7 interest on outstanding debt. The pro forma interest expense is the amount
8 resulting from the synchronized interest calculation using the pro forma measures
9 of value and the weighted cost of debt included in PECO's requested rate of
10 return. The daily interest expense amount, calculated on line 6, is multiplied by
11 the net payment lag of 39.30 days for a reduction to the working capital allowance
12 of \$20.4 million, as shown on line 10 and on page 29 at line 31.

13 **44. Q Please explain how the average prepayments of \$8.6 million shown on**
14 **Schedule C-4, page 29, line 29, were determined.**

15 A. Page 36 of Schedule C-4 shows the calculation of the average prepaid expenses
16 included in the CWC. The Company reviewed its prepaid accounts and selected
17 only those prepaid expenses that were related, in whole or in part, to its electric
18 delivery operations. The resulting prepaid accounts are shown in columns 2 to
19 17. Where items related entirely to the electric operations, such as the PUC
20 Assessment in column 6, the total and average monthly amount were charged
21 entirely to electric distribution, as shown on line 17 in columns 2 to 10. Where
22 the account related to both electric and gas operations, the total and average were
23 distributed using an appropriate allocation factor that eliminates both gas-related

1 expenses and non-jurisdictional expenses, as shown on line 17 in columns 11 to
2 14. Finally, where the prepaid expense is related to electric distribution and gas
3 operations, a factor was used to isolate only electric distribution operations, as
4 shown on line 17 in columns 15 to 17. The thirteen-month average for prepaid
5 expenses for the electric distribution operations is \$8.6 million as shown on line
6 25 of Schedule C-4, page 36 and on Schedule C-4, page 29, line 29.

7 **45. Q What is the total amount of CWC included in the claimed measures of value?**

8 A. That amount is the \$214.8 million shown on Schedule C-4, page 29, column 2,
9 line 33, and on Schedule A-1, page 1, column 2, line 7.

10 **E. ADIT**

11 **46. Q What is the purpose of Schedule C-6?**

12 A. Schedule C-6, page 39 shows the December 31, 2025 balance of ADIT that is
13 deducted in determining the measures of value. The ADIT shown in column 6,
14 line 22 of \$596.6 million reflects the Federal income tax that must be deferred in
15 compliance with the normalization provisions pertaining to the use of accelerated
16 tax depreciation for Federal income tax purposes on test year plant balances and
17 other tax-book timing differences that have been normalized. The accelerated tax
18 depreciation used in the determination of taxable income for Federal and state
19 income tax expense calculations is reflected on Schedule D-18. As discussed in
20 the direct testimony of Company witness Marissa Humphrey (PECO Statement
21 No. 2), the ADIT includes the deferred tax asset associated with the new

1 corporate alternative minimum tax (“CAMT”) implemented by the IRA beginning
2 in 2023.

3 **47. Q Have you made an adjustment for the Federal income tax on CIAC?**

4 A. It was not necessary to make a separate adjustment for CIAC. CIAC is treated as
5 a capital contribution for ratemaking purposes but is treated as taxable income for
6 Federal income tax purposes. PECO pays the Federal income tax due on CIAC in
7 the year the CIAC is received and included in taxable income. The associated tax
8 payment is recorded as a debit to the ADIT account, which normally carries a
9 credit balance. Consequently, the net effect of the calculation of ADIT properly
10 reflects the tax-book timing difference related to taxes paid on CIAC.

11 **48. Q What is the amount of ADIT used in the measures of value?**

12 A. The amount for electric distribution operations is \$596.6 million, as shown in
13 column 6, line 22 of Schedule C-6, page 39 and on line 8 of Schedule A-1, in
14 columns 2 and 4.

15 **F. Customer Deposits**

16 **49. Q Please explain how you determined the amount of customer deposits on**
17 **Schedule C-7 that was deducted from the claimed measures of value on**
18 **Schedule A-1.**

19 A. The customer deposits shown on Schedule C-7, page 40, in column 4 (lines 1-13)
20 reflect the month-end balances for the thirteen months ended December 2023.
21 The Company maintains a joint customer deposit account because many of its
22 customers use both its electric and natural gas services. Total Company customer

1 deposits were allocated between electric and gas operations based on electric and
2 gas customer class revenues. Schedule C-7 shows the customer deposits related
3 solely to the Company's electric distribution operations.

4 **50. Q Where are these amounts of customer deposits and interest shown?**

5 A. The total of customer deposits for all classes of electric distribution customers is a
6 deduction to measures of value of \$57.3 million, as shown on Schedule C-7, page
7 40, line 17, and on Schedule A-1, line 9 of columns 2 and 4. The calculated
8 interest expense related to these customer deposits of \$3.6 million, as shown in
9 Schedule D-12, is included in the Company's operating expenses as shown on
10 PECO Exhibit MJT-1, Schedule D-3, page 51, column 15, line 94.

11 **G. Common Plant**

12 **51. Q What is shown on Schedule C-8?**

13 A. This schedule shows the common plant, net of accumulated depreciation, included
14 in the measure of value on Schedule A-1.

15 **H. Customer Advances for Construction**

16 **52. Q What is contained on Schedule C-9?**

17 A. This schedule shows the average monthly balance of customer advances for
18 construction of \$2.9 million on line 19, which is deducted in calculating the
19 measures of value on Schedule A-1, line 10, columns 2 and 4.

20 **53. Q How were the monthly balances determined?**

1 A. The Company was able to identify the specific amounts attributable to its electric
2 distribution operations based on a review of its accounting records.

3 **I. Materials and Supplies**

4 **54. Q Please describe Schedule C-11.**

5 A. Schedule C-11 shows the derivation of PECO's claim for materials and supplies
6 and undistributed stores expense. The materials and supplies balances in column
7 2 were specifically identified as electric distribution-related amounts and,
8 therefore, 100% of those amounts is shown on line 22 in column 2. The
9 undistributed stores expense shown in column 3 reflects amounts attributable to
10 PECO's total utility operations and, therefore, the electric distribution allocation
11 factor of 67.41% was applied to determine the thirteen-month average of monthly
12 balances, as shown on line 22, in column 3. The claimed amount of \$30.4 million
13 reflected in column 4 is based on the thirteen-month average for the period ended
14 December 31, 2023 and is shown on line 12, columns 2 and 4, of the measures of
15 value on Schedule A-1.

16 **J. ADIT – Regulatory Liability**

17 **55. Q What is shown on Schedule C-12?**

18 A. Schedule C-12 shows the calculation of excess ADIT that has been removed from
19 the ADIT account and recorded as a regulatory liability.

20 **56. Q What is the Company's claimed measures of value in this proceeding?**

21 A. PECO's claimed measures of value, or rate base, equals \$8.9 billion, as shown on
22 line 14 of Schedule A-1.

1 **IV. REVENUES AND EXPENSES**

2 **57. Q What is shown on Schedule D-1 of PECO Exhibit MJT-1?**

3 A. Schedule D-1 is a summary income statement that depicts PECO's claimed
4 electric revenues, expenses and taxes at present and proposed rate levels. The
5 derivation of most of the individual line items will be discussed in connection
6 with the remaining schedules in Section D. Schedule D-1 also shows the
7 proposed revenue increase of \$463.6 million on line 13 in column 3.

8 **58. Q What is the indicated net operating income at proposed rates?**

9 A. As shown on Schedule D-1, column 4, line 30 and on Schedule A-1, column 4,
10 line 24, that amount is \$806.5 million.

11 **59. Q Please describe Schedule D-2.**

12 A. Schedule D-2 shows the derivation of the various line items on Schedule D-1,
13 column 2. Schedule D-2 begins with the Company's budgeted revenues and
14 expenses for its Pennsylvania jurisdictional electric operations for the FPFTY, in
15 column 2, and then annualizes and/or normalizes those figures through
16 adjustments summarized in column 3. The pro forma data in column 4 are
17 summarized and brought forward to Schedule D-1 and used in the determination
18 of the required revenue increase. The various revenue adjustments in column 3
19 are summarized on Schedule D-3 and listed by adjustment on Schedule D-5, and
20 the expense adjustments are summarized on Schedule D-3 and described in more
21 detail on the separate adjustment schedules beginning with Schedule D-6 and
22 continuing through Schedule D-17.

1 **60. Q Please describe Schedule D-3.**

2 A. Schedule D-3 summarizes the various adjustments that were made to the budgeted
3 revenue and expense data to derive the pro forma amounts at present rates that
4 appear in column 4 of Schedule D-2 and are included in the adjusted amounts that
5 are carried forward to column 2 of Schedule D-2. The FPFTY budgeted amounts
6 are shown in column 1 and the revenue adjustment totals are shown in columns 2
7 to 8. The various expense adjustments are reflected in columns 9 to 20. Each of
8 the pro forma adjustments will be described in connection with the specific
9 schedule supporting the adjustment. The pro forma adjusted amounts for the
10 FPFTY are shown in column 22.

11 **61. Q Please describe Schedule D-4.**

12 A. Schedule D-4 contains four pages and presents a summary of the pro forma
13 operating expenses shown on Schedule D-3 by FERC account.

14 **A. Revenue Adjustments**

15 **62. Q Please describe Schedule D-5.**

16 A. Schedule D-5 presents a summary of the separate pro forma adjustments to
17 revenue for the FPFTY. Each of these adjustments will be described in detail in
18 connection with the separate calculation of the adjustment shown on Schedules D-
19 5A to D-5G.

20 **63. Q How did you calculate the revenue adjustment shown on Schedule D-5A?**

21 A. This adjustment annualizes distribution revenues for the projected number of
22 customers at the end of the FPFTY. As shown on lines 1 to 5, for all customer

1 classifications this calculation determines the pro forma test year distribution
2 revenues, excluding reconcilable surcharges, at present rates for the FPFTY. The
3 average distribution revenues on line 5 were divided by the average number of
4 customers for the year included in the budget for the twelve months ending on
5 December 31, 2025 on line 7 to determine the average distribution revenue per
6 customer on line 9. The average distribution revenue, or margin, per customer for
7 the FPFTY on line 9 was then multiplied by the difference between: (1) the
8 average number of customers (line 7); and (2) the number of customers at the end
9 of the FPFTY (line 11), which difference is shown on line 13, yielding additional
10 revenue of approximately \$2.9 million for the residential, residential heating and
11 small commercial and industrial customer classes, as shown on line 15 by
12 customer classification. This pro forma adjustment is then reflected on Schedule
13 D-5, page 60, column 2 by customer classification.

14 **64. Q Please describe the adjustment calculated on Schedule D-5B.**

15 A. This adjustment annualizes the cost of the discounts provided to customers
16 enrolled in PECO's Customer Assistance Program ("CAP") in the form of a bill
17 credit, reflecting the number of CAP customers at the end of the FPFTY. As
18 shown in line 8 of columns 2 and 3, the average CAP discount per CAP customer
19 is determined by dividing the total budgeted CAP discount on line 1 by the
20 average number of CAP customers shown on line 7. The average CAP discount
21 per CAP customer is then multiplied by the difference between the FPFTY year-
22 end CAP customers on line 10 and the average number of CAP customers shown
23 on line 7. This yields a total decrease in the CAP discount of \$2.0 million, which

1 is offset by an uncollectible accounts factor of 5.5% and CWC factor of 5% as
2 shown on line 15. These offset factors are discussed in more detail by Company
3 witness Jacqueline F. Golden (PECO Statement No. 10). Thus, the total net
4 decrease of \$1.8 million is shown on line 17, which is brought forward to column
5 3 in Schedule D-5.

6 **65. Q Please describe the adjustment on Schedule D-5C.**

7 A. This adjustment shows the reductions in revenue that the Company expects to
8 experience related to the reductions in load that the Company must achieve in
9 order to comply with the energy efficiency and conservation provisions of Act
10 129 of 2008. The Company's implementation of its approved programs has
11 yielded considerable benefits for customers by helping them to save energy and,
12 in some cases, to reduce demand. The energy savings, however, have caused and
13 will continue to cause substantial reductions in the Company's distribution
14 revenues. The Company is proposing to recognize those distribution revenue
15 reductions by reducing budgeted FPFTY distribution revenues by the average of
16 the projected incremental revenue losses to be experienced in 2026 over revenue
17 losses included in the 2025 budget.

18 **66. Q What is the total amount of the pro forma revenue adjustment the Company**
19 **is proposing?**

20 A. As shown on Schedule D-5C, page 63, column 5, line 27, the Company is
21 proposing a pro forma revenue adjustment to its FPFTY budgeted revenue of \$3.8
22 million, which will allow the Company to recover its lost revenue for 2026
23 through the rates established in this proceeding.

1 **67. Q In your opinion, is it reasonable for PECO to request that these energy**
2 **savings be recognized in the determination of its revenue requirement?**

3 A. Yes, for primarily two reasons. First, Act 129 specifically contemplates that
4 revenue reductions attributable to the mandated energy efficiency programs be
5 taken into account in establishing base rates. My adjustments are designed to
6 achieve that end by setting rates based on sales levels that reflect the incremental
7 lost revenues related to mandatory Act 129 usage reductions in 2026. Second, it
8 would be unfair to require PECO to implement these programs, or be subjected to
9 possible penalties for non-compliance with legislatively imposed energy-
10 reduction goals, and then deny it rate recovery of the lost revenues, particularly
11 given the tremendous benefits that inure to customers. This adjustment aligns the
12 customer and Company interests in promoting energy-conservation, providing
13 significant savings to the customers and permitting PECO to recover lost revenues
14 during the same period that the customers are receiving the benefits of reduced
15 bills from the legislatively-mandated and Commission-approved programs.

16 **68. Q Please describe the adjustment shown on Schedule D-5D.**

17 A. This adjustment removes the budgeted revenues associated with the recovery of
18 costs associated with developing and implementing PECO’s energy-efficiency
19 and conservation programs. Act 129 allows such costs to be recovered through a
20 separate Section 1307 reconcilable adjustment clause. PECO will continue to
21 utilize its Energy Efficiency and Conservation Plan surcharge mechanism for the
22 recovery of these costs in the future. Therefore, the associated surcharge revenues
23 have been removed from base rate revenue.

1 **69. Q Please describe the adjustment shown on Schedule D-5F.**

2 A. This adjustment normalizes revenue the Company budgeted for the FPFTY by
3 increasing variable distribution service charge revenue to reflect an additional
4 0.25 days. The Company's budgeted revenue for the FPFTY is based on 365
5 days, reflecting the 28 calendar days in February 2025. This adjustment
6 normalizes revenue to reflect the average number of days in the month of
7 February over a four-year cycle that includes one leap year. The customer charge
8 revenue does not change irrespective of the number of days in a year and,
9 therefore, is not adjusted in this schedule. Additionally, the classes have variable
10 distribution service charges that apply to kilowatt hours of usage and, therefore,
11 are sensitive to the number of days of usage in the test year. Line 1 of Schedule
12 D-5F shows the non-customer and non-reconcilable surcharge distribution
13 revenue for the classes for February 2025. Lines 2 and 4 show the number of
14 days in February 2025 and the normalized number of days in that month over a
15 four-year cycle. The difference is shown in line 5. The adjustment necessary to
16 normalize revenues for 0.25 days is shown, by class on line 7.

17 **B. Operating Expense Adjustments**

18 **70. Q Does the Company budget its operating expenses by FERC account?**

19 A. No, as I mentioned previously, it does not. Rather, the Company budgets its
20 operating expenses by cost element or business activity, such as payroll,
21 employee benefits, rent, etc.

1 **73. Q In your opinion, does this process result in a fair presentation of the**
2 **Company’s FPFTY forecast expenses by FERC account?**

3 A. Yes, it does.

4 **74. Q Were each of the pro forma adjustments reflected on Schedule D-4 also**
5 **assigned to the appropriate FERC accounts?**

6 A. Yes, they were.

7 **75. Q Are the various pro forma expense adjustments presented on Schedule D-4**
8 **shown by the type of expense and also by the FERC account distribution?**

9 A. Yes, they are. The expense categories are identified in the headers of the columns
10 on Schedule D-4, and each adjustment is described in connection with a separate
11 schedule showing its derivation. These adjustments are shown by FERC expense
12 category on Schedule D-4 and also on the Section D summary schedules.

13 **76. Q Please describe Schedule D-6.**

14 A. Schedule D-6 consists of four pages and shows the calculation of the FPFTY
15 annualization adjustments for S&W. Pages 68 and 69 show the calculation of the
16 pro forma adjustments for overall S&W. Pages 70 and 71 contain the forecasted
17 data for the FPFTY summarized by FERC account categories showing a total to
18 be expensed of \$167.9 million on page 71, column 1, line 72. Column 2 on page
19 70 shows the annualization adjustment of \$5.7 million distributed to the FERC
20 expense categories, while column 3 provides the pro forma amounts for S&W
21 expense, which totals \$173.7 million, as shown on line 72. The adjustment of
22 \$5.7 million is reflected on Schedule D-4, column 3.

1 77. Q How was the annualization adjustment derived?

2 A. The calculation is shown on Schedule D-6, pages 68 and 69. The adjustment
3 annualizes budgeted S&W expense to reflect the number of employees at the end
4 of the FPPTY and certain wage increases to become effective during the FPPTY
5 or shortly after the FPPTY. More specifically, I have annualized: (1) the 2.5%
6 wage increase for union employees forecasted to be effective on January 1, 2025
7 (lines 7 to 9 in column 2); (2) the 3.0% wage increase for non-union employees
8 forecasted to be effective on March 1, 2025 (lines 7 to 9 in column 3); (3) the
9 projected 2.5% wage increase for union employees to be effective on January 1,
10 2026 (lines 13 to 15 in column 2); and (4) the projected 3.0% wage increase for
11 non-union employees to be effective on March 1, 2026 (lines 13 to 15 in column
12 3).

13 78. Q Please explain the adjustment shown on lines 6 to 10 of Schedule D-6, page
14 69.

15 A. This adjustment normalizes a cash payment to union employees made in
16 connection with the ratification of current union contracts in March 2021. The
17 portion of the payment that was expensed (\$1.303 million) was split between
18 electric distribution, electric transmission and gas operations, and the amount
19 allocated to electric distribution operations \$1.0 million was divided by six to
20 reflect the six-year term of the contract. The resulting amount of \$168,000 shown
21 in column 2, line 10, was added to the pro forma adjustment for S&W.

22

1 **79. Q Please explain the calculations shown on Schedule D-6, page 69, column 2,**
2 **lines 15-19.**

3 A. These calculations annualize an increase in the number of employees during the
4 FPFTY. As shown in line 15, column 2, the projected number of Company
5 employees at the FPFTY year-end is 2,373. The average number of employees
6 during the FPFTY is projected to be 2,366, which is the figure that the Company
7 used to develop the S&W in its budget which is shown in line 16, column 2. The
8 detailed calculation of the average number of employees included in the budgeted
9 expense level is shown on Schedule D-8, page 73, in lines 2 to 15. The increase
10 in employees shown on line 17 was then multiplied by average annual S&W per
11 employee shown in Schedule D-6, page 69, line 18, to determine the total
12 annualization adjustment to S&W of \$470,000 due to the increase in number of
13 employees, as shown on Schedule D-6, page 69, line 19.

14 **80. Q What is the total pro forma adjustment for S&W expense for the FPFTY?**

15 A. The total amount is \$5.7 million, which is an increase of 3.4% from the
16 Company's S&W budget for the FPFTY, as shown on Schedule D-6, page 69,
17 lines 23 and 25.

18 **81. Q Please describe Schedule D-7 of PECO Exhibit MJT-1.**

19 A. Schedule D-7 shows the adjustment to normalize rate case expense. The
20 Company expended approximately \$9,000 on this filing during the twelve months
21 ended December 31, 2023 (line 4) and has budgeted an additional \$2.391 million
22 (line 9) during the twelve months ending December 31, 2024. This total, \$2.4

1 million (line 11), is normalized over a period of two years as shown on line 13,
2 column 2, which results in a total estimated normalized annual cost for this case
3 of approximately \$1.2 million, as shown on line 17, column 2.

4 **82. Q Please describe Schedule D-8 of PECO Exhibit MJT-1.**

5 A. The bottom half of Schedule D-8 annualizes the non-pension employee benefits
6 expense to reflect the full year's level of costs associated with the number of
7 employees during the FPFTY. The annualization, reflecting an increase of
8 \$64,000 in non-pension benefit expense, was derived by using the increase in the
9 number of employees, on line 22, and the budgeted average non-pension benefit
10 expense per employee of approximately \$10,000 on line 21.

11 **83. Q Please explain how you calculated the change in number of employees to a**
12 **year-end level on Schedule D-8.**

13 A. Line 15 shows the twelve-month average of employees that is reflected in the
14 Company's budget. I compared the twelve-month average to the number of
15 employees reflected in the budget to be employed on December 31, 2025. The
16 difference is shown on line 16. Because the average and year-end employee
17 numbers reflect rounding to obtain the levels of full-time equivalent employees,
18 the difference between those figures does not exactly match the figure on line 16.

19 **84. Q What is contained in PECO Exhibit MJT-1 Schedule D-9?**

20 A. Schedule D-9 shows the calculation of the Company's claim for pension expense,
21 which is based on a five-year average of actual and projected contributions to its
22 pension plan. The portion of the pension cost assigned to electric distribution

1 operating expense in the FPFTY is \$3.2 million, as shown on line 13.

2 Accordingly, an adjustment of \$3.3 million has been made to the Company's
3 FPFTY budget amount, as shown on line 15, and the adjustment amount was
4 brought forward to Schedule D-3, column 12, line 112.

5 **85. Q What is presented on Schedule D-10 of PECO Exhibit MJT-1?**

6 A. Schedule D-10 calculates an adjustment to the Company's budgeted uncollectible
7 accounts expenses. Lines 1 to 4 calculate net uncollectible accounts charged off,
8 excluding CAP Pre-Program Arrearage ("PPA") write-offs, as a percentage of
9 total tariff revenue, based on an average of annual data for the period of January
10 1, 2021 through December 31, 2023. That percentage was used to adjust the
11 amount of uncollectible accounts expense in the budget to conform to the method
12 historically used by the Commission for this expense. The resulting 0.9708%
13 shown on line 4, column 7, of Schedule D-10 is applied to the pro forma revenues
14 at present rates for the FPFTY to calculate the general pro forma uncollectible
15 accounts expense of \$38.3 million shown in column 9 on line 14. A three-year
16 average of PPA associated with the CAP program, which are not included in other
17 accounts, was added to the general uncollectible accounts expense. The PPA
18 average is \$9.3 million, as shown on line 20 in column 9. The total pro forma
19 amount for uncollectible account expenses at present rates for the FPFTY is \$47.6
20 million, which is a net increase of \$9.5 million, as shown on line 26 and brought
21 forward to page 51 of Schedule D-3 (column 13, line 93). In addition, the
22 0.9708% write-off rate is used in determining the level of uncollectible accounts
23 expense at proposed rates, as shown in column 3 on line 19 of Schedule D-1.

1 **86. Q Please describe Schedule D-11.**

2 A. Schedule D-11 calculates an adjustment for incremental costs incurred by the
3 Company related to its request for Federal funding from the U.S. Department of
4 Energy’s Grid Resilience and Innovation Partnerships program, as part of the
5 Infrastructure Investment and Jobs Act (“IIJA”). The Company was selected to
6 negotiate an award of up to \$100 million under this program to support
7 modernization of its grid. Schedule D-11, column 2, line 1 shows the incremental
8 expense incurred for its electric distribution operations in years 2022 and 2023 of
9 \$411,000, which is amortized over two years to arrive at the annual amortization
10 of \$205,000 as shown on Schedule D-11, page 76, column 2, line 3. The
11 Company also estimated an incremental expense of \$653,000 for the FPFTY in its
12 budget, but due to the uncertainty of costs in and beyond 2024, an adjustment to
13 remove the \$653,000 is shown on line 4 to arrive at the total pro forma adjustment
14 of (\$448,000) as shown on Schedule D-11, page 76, column 2, line 5. Given the
15 uncertainty of the exact amount of incremental costs in and beyond 2024, PECO
16 will seek full recovery of all prudent incremental costs actually incurred in and
17 beyond 2024 in the Company’s subsequent base rate proceedings in accordance
18 with the Commission’s regulatory asset authorization for all utilities pursuing
19 Federal funding under the IIJA in its July 13, 2023 Opinion and Order entered at
20 Docket No. P-2022-3032929.

21 **87. Q Please describe the pro forma adjustment on Schedule D-12.**

22 A. The adjustment shown on Schedule D-12 captures the interest expense that the
23 Company must pay on customer deposits. Since the average balance of customer

1 deposits is a reduction to measures of value, the interest expense is included as a
2 pro forma expense for the FPFTY. The interest for residential customer deposits
3 was calculated using an annual rate of interest of 8.0% and a monthly rate of
4 0.667%. An annual rate of 5.1% (a monthly rate of 0.425%) was used for
5 commercial and industrial customers. The total pro forma expense of \$3.6 million
6 is shown on Schedule D-12, line 33 and brought forward to Schedule D-3, page
7 51.

8 **88. Q Please describe the pro forma adjustment on Schedule D-13.**

9 A. This adjustment shown on line 13 reflects an increase of \$14.2 million to FPFTY
10 budget expenses for storm damage restoration expenses. PECO is proposing, for
11 ratemaking purposes, to normalize storm damage expense based on a rolling 60-
12 month historical storm damage expense up to the end of first quarter in 2024. A
13 rolling 60-month average includes a period long enough to reflect appropriate
14 levels of expense associated with normal storm events, including major storms
15 and extraordinary storms.

16 **89. Q Please describe the adjustments for miscellaneous items shown on Schedule**
17 **D-14.**

18 A. Schedule D-14 includes two adjustments to refund small over-collection balances
19 to customers. First, column 2, line 6 shows the refund amount of \$62,000
20 associated with the final reconciliation of the Tax Accounting Repair Credit and
21 column 2, line 12 reflects a \$23,000 refund associated with the final reconciliation
22 of the Company's Federal Tax Adjustment Credit. Both adjustments are
23 described by Company witness McDevitt in Statement No. 8. Schedule D-14 also

1 includes additional annual funding of \$1.0 million as shown in column 2, line 17,
2 to offer electric vehicle (“EV”) charger rebates as part of the Company’s proposal
3 to extend the term of its existing EV charging pilot by five years through 2029.
4 This program is discussed in greater detail by Company witness Steven DeMott
5 (PECO Statement No. 9).

6 **C. Taxes – Other Than Income Taxes**

7 **90. Q Please describe Schedule D-16 of PECO Exhibit MJT-1.**

8 A. Schedule D-16 contains three pages. Page 81 is a summary showing the budgeted
9 amounts for the FPFTY (column 2) for the total Company, adjustments to
10 eliminate the non-Pennsylvania jurisdictional amounts (column 3), the total pro
11 forma adjustments (column 5), and the pro forma expenses claimed in this case
12 (column 6). The calculations for payroll-related changes are made on Schedule
13 D-16, page 82, while the changes in the gross receipts tax (“GRT”) are shown on
14 page 83. The increase in payroll taxes, shown on page 82, line 5, was calculated
15 using the ratio of tax expense to payroll expense in the FPFTY forecast applied to
16 the payroll tax expense for the FPFTY, which is an increase of \$0.4 million. This
17 amount is then reflected on page 81 in column 5, line 5. The adjustment to
18 decrease GRT by \$5.6 million shown on line 8, in column 5 of page 81, is
19 calculated on page 83. Total pro forma taxes other than income are \$192.3
20 million, as shown on Schedule D-16, page 81, line 10, column 6.

21

1 **91. Q Did you make an adjustment to recognize the additional GRT attributable to**
2 **the revenue increase allowed by the Commission in this proceeding?**

3 A. Yes. As will be described in connection with PECO Exhibit MJT-1, Schedule D-
4 19, the incremental GRT is recovered through the application of the Gross
5 Revenue Conversion Factor (“GRCF”) used to determine the amount of revenue
6 required to provide the increase in net income claimed by PECO.

7 **D. Depreciation Expense**

8 **92. Q What is shown on PECO Exhibit MJT-1, Schedule D-17, pages 84 to 95?**

9 A. I described Schedule D-17 in detail earlier in my testimony. As I explained,
10 Schedule D-17 shows the development of the Company’s claims for annual
11 depreciation for electric distribution and common plant. Schedule D-17 starts
12 with the annual depreciation for electric distribution and common plant developed
13 by Company witness Fulginiti and presented in PECO Exhibit CF-3. The
14 adjustments set forth on Schedule D-17, in addition to allocating a portion of
15 common plant to the Electric Division, annualize depreciation expense related
16 FPFTY additions to reflect a full year’s depreciation for that plant. PECO’s total
17 depreciation expense annualization adjustment for the Company’s electric
18 distribution business is \$17.3 million, which is the sum of the amounts shown on
19 Schedule D-17, column 16, lines 89 and 130.

20

1 **E. Income Taxes**

2 **93. Q Please describe the income tax calculation shown on PECO Exhibit MJT-1,**
3 **Schedule D-18, pages 96 and 97.**

4 A. This schedule calculates the pro forma income tax expense for the FPFTY at
5 present and proposed rates, as set forth in columns 1 and 3, respectively. Line 1
6 shows the revenue at present rates, the revenue increase (with the related late
7 payment charge increase) and revenue at proposed rates. Line 2 shows the total
8 operating expenses at present rates, changes related to the revenue increase and at
9 the proposed rates from Schedule D-1. Line 3 shows the operating income before
10 income taxes. Synchronized interest expense is calculated on lines 5 to 7 using
11 the total measures of value for the FPFTY on line 4 and the weighted cost of debt
12 recommended by Company witness Moul on line 6. The resulting interest
13 expense on line 7 is used to reduce the taxable income to the amount shown on
14 line 8.

15 In compliance with Commission practice, the difference between accelerated tax
16 depreciation (line 10) and pro forma book depreciation (line 11) is used to adjust
17 the state taxable income as shown on line 8 to reflect the fact that the effects of
18 accelerated depreciation are flowed through for state income tax purposes. In
19 addition, there are adjustments to other tax-book differences and flow-through
20 amounts as shown on lines 13 to 18. These adjustments result in the net reduction
21 of state taxable income from line 8 to line 20. The statutory state income tax rate
22 of 7.99% was used to determine the pro forma current state income tax expense
23 shown on line 26. Federal income tax expense is calculated on lines 28 to 41 with

1 a Federal corporate income tax rate of 21%. Line 43 shows the total current State
2 and Federal income tax expense before the amount for deferred income taxes is
3 calculated. Lines 45 to 54 reflect the Federal and state deferred income taxes.

4 The total income tax expense before other adjustments is shown on line 56 at
5 present and proposed rates in columns 1 and 3 respectively, including the flow-
6 back of excess ADIT resulting from the lower Federal corporate income tax rate
7 under the TCJA and from the reduction of the Pennsylvania CNI tax rate, as
8 discussed above. The other adjustments include the amortization of ITC for
9 electric distribution plant, including the portion of common plant allocated to
10 electric distribution, as shown on line 59.

11 **94. Q Please explain the nature and calculation of the ITC amortization.**

12 A. The ITC reflects tax credits used by the Company in years prior to 1987, the
13 amortization of which will not have been completed by the end of the FPFTY.
14 While the availability of the ITC ended in 1987, the credit has been amortized
15 over the useful lives of the assets that generated it. The amortization for the
16 FPFTY ending December 31, 2025 reduces income tax expense at both present
17 and proposed rates, shown on Schedule D-18, page 97.

18 **95. Q Please explain the adjustment to flow-back excess ADIT.**

19 A. As I previously explained, the TCJA reduced the Federal corporate income tax
20 rate from 35% to 21% effective January 1, 2018, and the Company's ADIT
21 balances as of December 31, 2017 reflect taxes that were deferred at the higher
22 corporate income tax rates in effect prior to January 1, 2018. PECO has recorded

1 excess ADIT in a regulatory liability account. For ADIT that relates to tax-book
2 timing differences associated with utility plant subject to the normalization
3 requirements of the Internal Revenue Code, PECO is required to flow back the
4 difference between its ADIT balance and what its ADIT balance would have been
5 if the deferrals had been made at the current 21% corporate tax rate (excess
6 ADIT) over the remaining lives used in its books of account for the property that
7 gave rise to the reserve for deferred taxes. The Company used the Average Rate
8 Adjustment Method, as defined by applicable IRS regulations, for this purpose.
9 Shorter flow-back periods are permissible for property that is not subject to
10 normalization requirements. Schedule D-18, page 97, line 49, reflects the annual
11 amount of the regulatory liability to be flowed back. As I explained earlier, for
12 the excess ADIT resulting from changes to the Pennsylvania CNI tax rate, the
13 Company made a reclassification of ADIT to excess ADIT at the end of 2022
14 based on the CNI tax rate of 4.99% in year 2031. The Company has been
15 utilizing its State Tax Adjustment Clause to pass the impact to customers since
16 the beginning of 2023. Schedule D-18, page 97, line 50 reflects the annual amount
17 of the regulatory liability to be flowed back to customers over a period of 9 years.

18 **96. Q Has PECO included a consolidated income tax adjustment (“CTA”) in its**
19 **calculation of Federal income tax expense?**

20 A. No, it has not, because such an adjustment is no longer authorized under Section
21 1301.1(a), which was added to the Public Utility Code by Act 40 of 2016. Act 40
22 became law on June 12, 2016 and was effective sixty days later (August 11, 2016)
23 to “all cases where the final order is entered after the effective date of [Section

1 1301.1].” Consequently, Section 1301.1 applies to this case. Section 1301.1(a)
2 specifies how the Commission is to compute income tax expense for ratemaking
3 purposes. Section 1301.1(b) states how any incremental internally-generated
4 funds produced by the application of Section 1301.1(a) should be used by an
5 affected utility pending the December 31, 2025 “sunset” of Section 1301.1(b).

6 **97. Q What does Section 1301.1 direct the Commission to do in calculating income**
7 **tax expenses for ratemaking purposes?**

8 A. In summary, Section 1301.1(a) provides that current and deferred income taxes of
9 a Pennsylvania utility are to be calculated for ratemaking purposes based only on
10 the income, deductions and credits of the utility itself. Therefore, the
11 Commission may not take into account income, deductions (including taxable
12 losses) or credits of the utility’s parent or affiliated companies with which it joins
13 in filing a consolidated Federal income tax return. This is generally referred to as
14 a stand-alone computation of income tax expense because it reflects income tax
15 expense of the utility standing alone and without regard to taxable income,
16 deductions or credits of other companies in the same consolidated group.

17 **98. Q How does Section 1301.1(a) change prior Commission practice?**

18 A. Section 1301.1(a) terminates the practice of making a CTA when calculating a
19 utility’s Federal income taxes for ratemaking purposes in Pennsylvania. As
20 directed by prior decisions of Pennsylvania appellate courts, the Commission,
21 until Act 40 became effective, was required to calculate CTAs employing the
22 “Modified Effective Tax Rate Method.” Under the Modified Effective Tax Rate
23 Method, the consolidated tax savings generated by the non-regulated companies

1 of a corporate group were allocated to the regulated and non-regulated members
2 of the group having positive taxable incomes. CTAs, therefore, captured a
3 portion of the tax benefits of deductions – including taxable losses – of
4 unregulated affiliates of public utilities and gave those benefits to the utilities’
5 customers (as lower income tax expense than the utilities would have on a stand-
6 alone basis) even though the utilities’ customers did not pay the expenses that
7 gave rise to those tax benefits. With the enactment of Act 40, Pennsylvania joins
8 the majority of other jurisdictions, including the Federal Energy Regulatory
9 Commission, that do not make CTAs for ratemaking purposes.

10 **99. Q What does Section 1301.1(b) provide?**

11 A. Section 1301.1(b) states as follows:

12 If a differential accrues to a public utility resulting from applying the ratemaking
13 methods employed by the commission prior to the effective date of subsection (a)
14 for ratemaking purposes, the differential shall be used as follows:

15 (1) fifty percent to support reliability or infrastructure related to
16 the rate-base eligible capital investment as determined by the
17 commission; and

18 (2) fifty percent for general corporate purposes.

19 Section 1301.1(b) will no longer apply after December 31, 2025.

20 **100. Q Have you calculated the “differential” in income taxes referenced in Section**
21 **1301.1(b)?**

22 A. Yes, Schedule D-18, page 98 sets forth the computation of a CTA using the
23 Modified Effective Tax Rate Method and data for tax years 2018 through 2022,
24 which are the most recent five years for which tax returns have been filed.

1 Column 7, line 28 shows the “differential” corresponding to the CTA calculated
2 in the manner I described above.

3 **101. Q How does PECO propose to invest 50% of the differential in rate base-**
4 **eligible reliability projects or other infrastructure improvements?**

5 A. The differential will be used to target reliability projects and other infrastructure
6 improvements described by Company witness Nicole L. LeVine (PECO
7 Statement No. 1).

8 **102. Q What is PECO’s total income tax expense claim in this proceeding?**

9 A. As shown on Schedule D-18, page 97, line 61, column 2, pro forma income tax
10 benefit at present rates equals \$18.2 million. The increment for income tax
11 expense associated with the proposed revenue increase is shown in column 3, in
12 the amount of \$118.0 million, and the total pro forma income tax expense at
13 proposed rates of \$99.8 million is shown in column 4.

14 **103. Q Please explain Schedule D-19.**

15 A. This schedule shows the calculation of the GRCF used on Schedule A-1 to
16 determine the revenues required to achieve the overall rate of return requested by
17 PECO. The conversion factor captures the additional late payment revenue,
18 uncollectible accounts expense, GRT, regulatory fees, and Federal and state
19 income taxes attributable to the additional revenues resulting from the proposed
20 rate increase.

21

1 **V. FUTURE TEST YEAR AND HISTORIC TEST YEAR**

2 **104. Q Please describe the process used to prepare the pro forma FTY and HTY**
3 **presentations in PECO Exhibit MJT-2 and PECO Exhibit MJT-3,**
4 **respectively.**

5 A. The basic process was the same as described in connection with PECO Exhibit
6 MJT-1, except I used budgeted data for the FTY and actual recorded data for the
7 HTY as the starting point for each exhibit. As with the FPPTY, I reviewed the
8 budgeted data for the FTY and recorded data for the HTY and, where appropriate,
9 made pro forma adjustments. In addition, I used data from PECO Exhibit MJT-1
10 as the basis for several of the pro forma amounts used in PECO Exhibits MJT-2
11 and MJT-3.

12 **105. Q What assumptions did you make to determine what pro forma adjustments**
13 **would be necessary for the FTY and HTY?**

14 A. I included pro forma adjustments that reflected the annualization and
15 normalization of FTY and HTY elements and adjustments for future events that
16 have impacted the FPPTY. For example, I have annualized S&W expense for
17 increases and adjusted for the year-end number of employees, as I did in the
18 FPPTY. The pro forma adjustments for the FTY and HTY are numbered
19 consistently with the adjustments for the FPPTY. For example, the adjustment for
20 S&W is on Schedule D-6 in all three test years to facilitate reference between the
21 FPPTY, the FTY and the HTY. Where there is no adjustment required for the
22 FTY or the HTY, the correlation simply shows that further adjustment is not
23 applicable.

1 **106. Q Referring now to PECO Exhibit MJT-2, for the FTY, what is contained on**
2 **Schedule A-1?**

3 A. Schedule A-1 shows a summary of the measures of value on lines 1 to 14,
4 operating revenues and expenses and calculated rates of return at present and
5 proposed rates on lines 16 to 31, and the revenue increase required on lines 33 to
6 44.

7 **107. Q What is contained on Schedules B-1 to B-5?**

8 A. These schedules contain budgeted financial data for the FTY, with the separation
9 of the total electric operating income statement into non-Pennsylvania and
10 Pennsylvania jurisdictional amounts.

11 **108. Q Please describe Schedules B-6 and B-7.**

12 A. These two schedules contain the FTY pro forma capital structure and rate of
13 return developed by Company witness Moul. As shown on lines 1 to 6 of
14 Schedule B-7, the Company is using its expected capital structure at the end of the
15 FTY and cost rates as shown on Schedule B-7.

16 **109. Q Please describe Schedule C-1.**

17 A. Schedule C-1 lists the measures of value components. The measures of value
18 total for the FTY is \$7.9 billion, as shown on column 4, line 14.

19 **110. Q What is contained in Schedule C-2?**

20 A. Schedule C-2 consists of six pages and shows the utility plant-in-service balances
21 on December 31, 2021 for the Company's electric distribution operations, as well
22 as the additions, retirements and adjustments for the FTY. Pages 21 to 23 contain

1 the summary of pro forma plant-in-service balances by plant grouping and reflects
2 adjustment to plant. Page 18 shows the plant-in-service by FERC accounts.
3 Pages 19 and 20 show the additions to plant and retirements from plant during the
4 FTY. The total pro forma plant-in-service at the end of the FTY is \$10.2 billion
5 and is shown on Schedule C-2, page 18, column 4, line 47.

6 **111. Q Please describe Schedule C-3.**

7 A. Schedule C-3 contains five pages and shows the accumulated depreciation on
8 December 31, 2021. These pages show the pro forma balances by FERC account
9 developed using the same procedures employed for the FPFTY. The accumulated
10 depreciation at the end of the FTY is \$2.2 billion, as shown on page 24, column 4,
11 line 47.

12 **112. Q What is contained in Schedule C-4?**

13 A. Schedule C-4 consists of nine pages that show the calculation of the CWC
14 allowance for the FTY of \$222.3 million on page 29, line 33. The information for
15 average prepayments on line 29 is the same as utilized in PECO Exhibit MJT-1
16 because the FPFTY claim is based on the thirteen-month average for the period
17 ended December 31, 2023. In addition to the prepayments, the methodology used
18 to calculate the lag periods for revenue, payroll, pension expense, commodity
19 purchases and other disbursements utilized in PECO Exhibit MJT-1 were also
20 used in the FTY calculation.

21 Page 29 provides a summary of the calculations for each of the elements of the
22 CWC for the FTY. The expenses in column 2 and those included in the

1 determination of the lead-lag amounts for taxes, interest and preferred dividends
2 are the pro forma amounts for the FTY, while the prepayment amount is the
3 thirteen-month average of month-end balances through December 31, 2023. The
4 resulting \$222.3 million of CWC shown on line 33 is brought forward to Schedule
5 A-1 in the calculation of the measures of value.

6 **113. Q Please describe pages 30 to 37 of Schedule C-4.**

7 A. These pages show the calculations of various leads and lags and working capital
8 requirements for the FTY following the same procedures used for the FPFTY as
9 described in connection with PECO Exhibit MJT-1, Schedule C-4. While the
10 amounts for the FTY expenses vary from those in the FPFTY, the procedures
11 followed to determine the lead/lag periods applied to those expense levels are the
12 same as those described in connection with the corresponding PECO Exhibit
13 MJT-1 schedules.

14 **114. Q Please describe the calculations on Schedule C-6.**

15 A. These calculations show the ADIT for the FTY. The procedures followed to
16 determine FTY ADIT were the same as those utilized for the ADIT calculation at
17 the end of the FPFTY except that year-end December 31, 2024 balances were
18 used. The resulting ADIT of \$595.7 million for the total of electric distribution
19 utility plant and the electric distribution portion of the common plant for the FTY
20 is shown on line 15. As shown on Schedule C-12, line 9, \$281.3 million of excess
21 ADIT has been removed from the ADIT balance and recorded as a regulatory
22 liability.

1 **115. Q Please describe the data presented on Schedules C-7, C-9, and C-11.**

2 A. The data on these three schedules are the same as the data presented and described
3 in connection with the comparable schedules in PECO Exhibit MJT-1, since the
4 same thirteen-month period was used.

5 **116. Q Please describe the calculation of common plant shown on Schedule C-8.**

6 A. This schedule shows the common plant, net of accumulated depreciation, included
7 in the measures of value on Schedule A-1 for the FTY.

8 **117. Q What is presented on Schedule D-1?**

9 A. Schedule D-1 shows the net operating income at present rates for the FTY, the pro
10 forma revenue deficiency, and the pro forma required revenue level.

11 **118. Q Please describe Schedule D-2.**

12 A. Schedule D-2 shows revenues and expenses budgeted for the FTY, pro forma
13 adjustments, and the pro forma revenue and expense amounts at present rates.
14 This schedule summarizes the adjustments that are detailed on Schedules D-3 and
15 D-5 and explained in connection with other supporting schedules to be described
16 later in my testimony.

17 **119. Q Please describe Schedule D-3.**

18 A. Schedule D-3 contains nine pages which present a summary of each of the pro
19 forma adjustments made to revenues and operating expenses, including
20 depreciation and taxes-other-than-income taxes. Each of the adjustments will be
21 described in connection with the specific schedule containing the calculation of
22 the adjustment.

1 **120. Q What is contained in Schedule D-4?**

2 A. This schedule contains four pages and shows the budgeted and pro forma
3 adjustment amounts for the FTY by revenue category and by FERC account for
4 expenses.

5 **121. Q Please describe Schedule D-5.**

6 A. Schedule D-5 shows the pro forma adjustments to the FTY budgeted revenues.
7 Each of the listed adjustments is discussed in connection with Schedules D-5A to
8 D-5G. All of these adjustments were prepared using the same methodology as
9 described in connection with PECO Exhibit MJT-1.

10 **122. Q Please describe the adjustment shown on Schedule D-5A.**

11 A. The adjustment shown on Schedule D-5A annualizes revenues for customer
12 growth during the FTY. The process utilized is the same as described in
13 connection with the same adjustment for the FPFTY on PECO Exhibit MJT-1,
14 Schedule D-5A.

15 **123. Q What is the adjustment shown on Schedule D-5B?**

16 A. The adjustment shown on Schedule D-5B annualizes CAP discounts for the FTY.
17 The process utilized is the same as described in connection with the
18 corresponding adjustment for the FPFTY shown on Schedule D-5B of PECO
19 Exhibit MJT-1.

20

1 **124. Q Please describe the adjustment shown on Schedule D-5C.**

2 A. This adjustment reflects the average of the revenue losses associated with the load
3 reductions mandated by Act 129. The Company is using the same calculation for
4 the FTY that was used for the corresponding adjustment for the FPFTY.

5 **125. Q Please describe the adjustment shown on Schedule D-5D.**

6 A. Similar to Schedule D-5D of PECO Exhibit MJT-1, this schedule removes the
7 Energy Efficiency and Conservation program costs and related cost recovery that
8 was included in the Company's FTY budget. The Company will continue to use
9 the approved surcharge mechanism to recover its Energy Efficiency and
10 Conservation program related costs and, as consequence, the costs and revenues
11 related to the surcharge are properly removed from base rate revenue and base
12 rate revenue requirement.

13 **126. Q Please describe the adjustment shown on Schedule D-5F.**

14 A. This schedule shows the development of a normalized level of distribution
15 revenue based on the average number of days per year in a four-year cycle.

16 **127. Q Please describe Schedule D-6.**

17 A. Schedule D-6 annualizes S&W for the FTY. Pages 70 and 71 show the budgeted
18 amounts in column 1 and the pro forma adjustment in column 2 by FERC expense
19 category. Pages 68 and 69 show the calculation of the annualization adjustments
20 of S&W, the normalization of the union contract ratification payment and a one-
21 time labor cost increase, which follow the same procedures described in
22 connection with the FPFTY using the data from FTY for the wage increases.

1 **128. Q What is contained on Schedule D-7?**

2 A. Schedule D-7 normalizes rate case expenses using the same recorded and
3 estimated amounts used in the FPFTY calculation shown on PECO Exhibit MJT-
4 1, Schedule D-7.

5 **129. Q Please describe the adjustment shown on Schedule D-8.**

6 A. This adjustment, which annualizes non-pension benefits related to the change in
7 number of employees during the FTY, was calculated using the same procedures
8 used for the comparable adjustment for the FPFTY and described in connection
9 with PECO Exhibit MJT-1, Schedule D-8.

10 **130. Q Please describe the adjustment shown on Schedule D-9.**

11 A. This adjustment for pension expense and to annualize non-pension benefits
12 follows the same procedures used for the FPFTY and described in connection
13 with PECO Exhibit MJT-1, Schedule D-9.

14 **131. Q Are the adjustments shown on Schedules D-10 to D-15 similar to the**
15 **adjustments included in PECO Exhibit MJT-1 and described in connection**
16 **with the schedules presented in that exhibit?**

17 A. Yes, they are.

18 **132. Q Please describe Schedule D-16.**

19 A. Schedule D-16 shows the development of the Company's claim for taxes other
20 than income taxes for the FTY.

21

1 **133. Q Please describe Schedule D-17.**

2 A. Schedule D-17 presents the pro forma adjustment for depreciation to annualize
3 depreciation expense for plant amounts at the end of the FTY, similar to the pro
4 forma adjustment described in connection with the pro forma adjustment in PECO
5 Exhibit MJT-1.

6 **134. Q Please describe the income tax calculations on Schedule D-18.**

7 A. This schedule shows the calculation of the pro forma income tax expense for the
8 FTY reflecting the revenues, expenses and measures of value included in the pro
9 forma present rate data for the Company and a 21% Federal corporate tax rate. In
10 addition to the tax depreciation amounts, the ITC amortization was calculated, as
11 shown on pages 96 and 97 of Schedule D-18. The flow-back of excess ADIT was
12 reflected in calculating income tax. The total calculated income tax shown on line
13 61 was used in the calculation of the overall revenue requirement shown on
14 Schedule A-1.

15 **135. Q Referring now to PECO Exhibit MJT-3, for the HTY, what is contained on**
16 **Schedule A-1?**

17 A. Schedule A-1 shows a summary of the measures of value on lines 1 to 14,
18 operating revenues and expenses and calculated rates of return at present and
19 proposed rates on lines 16-31, and the revenue increase required on lines 33-44.

20

1 **136. Q What is contained on Schedules B-1 to B-5?**

2 A. These schedules contain recorded financial data for the HTY, with the separation
3 of the total electric operation income into non-Pennsylvania and Pennsylvania
4 jurisdictional amounts.

5 **137. Q Please describe Schedules B-6 and B-7.**

6 A. These two schedules contain the pro forma capital structure and rate of return
7 used for the HTY, which are supported by Company witness Moul. As shown on
8 lines 1 to 6 of Schedule B-7, the Company is using its capital structure at the end
9 of the HTY and cost rates as shown on Schedule B-7.

10 **138. Q Please describe Schedule C-1.**

11 A. Schedule C-1 lists the measures of value components. The measures of value
12 total for the HTY is \$6.9 billion, as shown on column 4, line 12.

13 **139. Q What is contained in Schedule C-2?**

14 A. Schedule C-2 consists of six pages and shows the utility plant-in-service balances
15 on December 31, 2023 for the Company's distribution operations, as well as the
16 adjustments for the HTY. Pages 21 to 23 contain the summary of pro forma
17 plant-in-service balances by plant grouping. Page 18 shows the plant-in-service
18 by FERC account. Pages 19 and 20 are left blank intentionally because they
19 reflect schedules that are used for the FTY and FPFTY but are not relevant to the
20 HTY. Finally, adjustments to plant are reflected on pages 21 to 23 of Schedule C-
21 2. The total pro forma plant-in-service at the end of the HTY is \$9.3 billion and
22 is shown Schedule C-2, page 18, column 4, line 47.

1 **140. Q Please describe Schedule C-3.**

2 A. Schedule C-3 contains five pages and shows the accumulated depreciation on
3 December 31, 2023. These pages show the pro forma balances by FERC account
4 following the same procedures employed for the FPFTY. The accumulated
5 depreciation at the end of the HTY is \$2.1 billion, as shown on page 24, column 4,
6 line 47.

7 **141. Q What is contained in Schedule C-4?**

8 A. Schedule C-4 consists of nine pages that show the calculation of the CWC
9 allowance for the HTY of \$219.3 million on page 29, line 33. The information
10 for average prepayments on line 29 is the same as utilized in PECO Exhibit MJT-
11 1 because the FPFTY claim is based on the thirteen-month average for the period
12 ended December 31, 2023. In addition to the prepayments, the methodology used
13 to calculate the lag periods for revenue, payroll, pension expense, commodity
14 purchases, and other disbursements utilized in PECO Exhibit MJT-1 were also
15 used in the FTY calculation.

16 Page 29 provides a summary of the calculations for each of the elements of the
17 CWC for the HTY. The expenses in column 2 and those included in the
18 determination of the lead-lag amounts for taxes, interest and preferred dividends
19 are the pro forma amounts for the HTY, while the prepayment amount is the
20 thirteen-month average of month-end balances through December 31, 2023. The
21 resulting \$219.3 million of CWC shown on line 33 is brought forward to Schedule
22 A-1 in the calculation of the measures of value.

1 **142. Q Please describe what is shown on pages 30 to 37 of Schedule C-4.**

2 A. These pages show the calculations of various leads and lags and working capital
3 requirements for the HTY following the same procedures used for the FPFTY as
4 described in connection with PECO Exhibit MJT-1, Schedule C-4. While the
5 amounts for the HTY expenses vary from those in the FPFTY, the procedures
6 followed to determine the lead/lag periods applied to those expense levels are the
7 same and were described in connection with the corresponding schedules in
8 PECO Exhibit MJT-1.

9 **143. Q Please describe the calculations shown on Schedule C-6.**

10 A. These calculations show the ADIT for the HTY. The procedures followed to
11 determine HTY ADIT were the same as those utilized for the ADIT calculation at
12 the end of the FPFTY, except that year-end December 31, 2023 balances were
13 used. The resulting ADIT of \$613.8 million for the total of electric distribution
14 plant and the electric distribution portion of common plant for the HTY is shown
15 on line 6. As shown on Schedule C-12, line 3, \$288.3 million of excess ADIT has
16 been removed from the ADIT balance and recorded as a regulatory liability.

17 **144. Q Please describe the data presented on Schedules C-7, C-9, and C-11.**

18 A. The data on these three schedules are the same as the data presented and described
19 in connection with PECO Exhibit MJT-1, because the same thirteen-month period
20 was used.

21

1 **145. Q Please describe the calculation of common plant shown on Schedule C-8.**

2 A. This schedule shows the common plant, net of accumulated depreciation, included
3 in the measures of value on Schedule A-1 for the FTY.

4 **146. Q What is presented on Schedule D-1?**

5 A. Schedule D-1 shows the net operating income at present rates for the HTY, the
6 pro forma revenue deficiency and the pro forma required revenue level.

7 **147. Q Please describe Schedule D-2.**

8 A. Schedule D-2 shows revenue and expenses for the HTY, pro forma adjustments
9 and the pro forma revenue and expense amounts at present rates. This schedule
10 summarizes the adjustments that are detailed on Schedules D-3 and D-5 and
11 explained in connection with other supporting schedules to be described later in
12 my testimony.

13 **148. Q Please describe Schedule D-3.**

14 A. Schedule D-3 contains nine pages, which provide a summary of each of the pro
15 forma adjustments made to revenues and operating expenses, including
16 depreciation and taxes other than income taxes. Each of the adjustments will be
17 described in connection with the specific schedule containing the calculation of
18 the adjustment.

19 **149. Q What is contained in Schedule D-4?**

20 A. This schedule contains four pages and shows the recorded amounts and pro forma
21 adjustment amounts for the HTY by revenue category and by FERC account for
22 expenses.

1 **150. Q Please describe Schedule D-5.**

2 A. Schedule D-5 shows the pro forma adjustments to the HTY revenues. Each of the
3 listed adjustments is discussed in connection with Schedules D-5A to D-5G. All
4 of these adjustments were prepared using the same methodology described in
5 connection with PECO Exhibit MJT-1, except Schedule D-5G, which is the
6 weather normalization adjustment to distribution revenue recorded in 2023.

7 **151. Q Please describe the adjustment shown on Schedule D-5A.**

8 A. This adjustment on Schedule D-5A annualizes revenues for customer growth
9 during the HTY. The process utilized is the same as that described in connection
10 with the same adjustment for the FPFTY on PECO Exhibit MJT-1, Schedule
11 D-5A.

12 **152. Q What is the adjustment shown on Schedule D-5B?**

13 A. The adjustment shown on Schedule D-5B annualizes CAP discounts for the HTY.
14 The process utilized is the same as described in connection with the
15 corresponding adjustment for the FPFTY shown on PECO Exhibit MJT-1,
16 Schedule D-5B.

17 **153. Q Please describe the adjustment shown on Schedule D-5C.**

18 A. This adjustment reflects the average of the revenue losses associated with the load
19 reductions mandated by Act 129. The Company is using the same calculation for
20 the HTY that was used for the corresponding adjustment for the FPFTY.

21

1 **154. Q Please describe the adjustment on Schedule D-5D.**

2 A. Similar to the comparable schedule in PECO Exhibit MJT-1, Schedule D-5D
3 removes the Energy Efficiency and Conservation program-related costs and cost
4 recovery that was recorded in the HTY. The Company will continue to use the
5 Commission-approved surcharge mechanism to recover Energy Efficiency and
6 Conservation program related costs.

7 **155. Q Please describe the adjustment on Schedule D-5F.**

8 A. This schedule shows the development of a normalized level of distribution
9 revenue based on average number of days per year in a four-year cycle, which I
10 previously explained.

11 **156. Q Please describe the adjustment shown on Schedule D-5G.**

12 A. Schedule D-5G shows the adjustment to normalize HTY distribution revenue to
13 reflect normal weather for weather sensitive load. This adjustment does not apply
14 to the FTY and the FPFTY because the distribution revenue for both of those
15 years was budgeted on the basis of normal weather.

16 **157. Q Please describe Schedule D-6.**

17 A. Schedule D-6 annualizes S&W for the HTY. Pages 70 and 71 show the budgeted
18 amounts in column 1 and the pro forma adjustment in column 2 by FERC expense
19 category. Pages 68 and 69 show the calculation of the annualization adjustments
20 of S&W, the normalization of the union contract ratification payment and a one-
21 time labor cost increase, which follow the same procedures described in
22 connection with the FPFTY using the data from the HTY for the wage increases.

1 **158. Q What is contained on Schedule D-7?**

2 A. Schedule D-7 normalizes rate case expenses using the same recorded and
3 estimated amounts used in the FPFTY calculation shown on PECO Exhibit MJT-
4 1, Schedule D-7.

5 **159. Q Please describe the adjustments shown on Schedule D-8.**

6 A. This adjustment, which annualizes non-pension benefits related to the change in
7 number of employees during the HTY, was calculated using the same procedures
8 used for the comparable adjustment for the FPFTY and described in connection
9 with PECO Exhibit MJT-1, Schedule D-8.

10 **160. Q Please describe the adjustment on Schedule D-9.**

11 A. This adjustment to pension expense in the HTY follows the same procedures used
12 for the FPFTY, which were described in connection with PECO Exhibit MJT-1,
13 Schedule D-9.

14 **161. Q Are the adjustments on Schedules D-10 to D-15 similar to the adjustments**
15 **included in PECO Exhibit MJT-1 and described in connection with the**
16 **schedules presented in that exhibit?**

17 A. Yes, they are.

18 **162. Q Please describe Schedule D-16.**

19 A. Schedule D-16 shows the development of the Company's claim for taxes other
20 than income taxes for the FTY.

21

1 **163. Q Please describe Schedule D-17.**

2 A. Schedule D-17 presents the pro forma adjustment for depreciation to annualize
3 depreciation expense for plant balances at the end of the HTY, similar to the pro
4 forma adjustments described in connection with the comparable schedules in
5 PECO Exhibits MJT-1 and MJT-2.

6 **164. Q Please describe the income tax calculations on Schedule D-18.**

7 A. This schedule shows the calculation of the pro forma income tax expense for the
8 HTY reflecting the Company revenue, expenses and measures of value included
9 in the pro forma present rate data and a 21% Federal corporate tax rate. In
10 addition to the tax depreciation amount, ITCs were calculated for electric
11 operations, as shown on pages 96 and 97 of Schedule D-18. The flow-back of
12 excess ADIT was reflected in calculating income tax. The total calculated income
13 tax shown on line 61 was used in the calculation of the overall revenue
14 requirement shown on Schedule A-1.

15 **VI. STORM RESERVE ACCOUNT**

16 **165. Q What level of storm damage expenses is recovered in PECO's base rates?**

17 A. Consistent with prior Commission practice, the Company normalizes storm
18 damage expense based on a five-year historical average of actual storm damage
19 expense. Its base rates have been designed to recover only a "normal" level of
20 storm damage expense. Stated another way, base rates are not designed to reflect
21 experience that deviates materially from a historically derived baseline of
22 "normal" storm damage expense. As a result, base rates may reflect more than

1 actual costs in a given year with a lower than “normal” level of storm activity.

2 On the other hand, higher than “normal” levels of storm activities are not reflected
3 in the level of expense recovered in base rates.

4 **166. Q Please describe the Company’s request to establish a tracker and deferral**
5 **account for storm damage expenses.**

6 A. In the last decade, PECO has experienced material variances between the level of
7 storm damage expense recovered through its base rates and the level of those
8 expenses actually incurred due to the increasing volatilities in frequency, severity
9 and duration of weather events that are outside the Company’s control. Due to
10 the volatility in weather events from year-to-year, actual storm damage expense
11 can be notably lower or higher than the amounts reflected in PECO’s base rates.
12 Therefore, PECO is asking for Commission permission to defer and record any
13 amounts above or below the Company’s base rate allowance for storm damage
14 expense to a Storm Reserve Account. Deferral accounting authorization is a fair
15 way to ensure that PECO recovers its actual storm damage expenses – no more or
16 less – and that customers are only paying for actual storm costs.

17 **167. Q What is the difference between the Storm Reserve Account and a rate**
18 **adjustment clause established under Section 1307 of the Code?**

19 A. Under the Storm Reserve Account proposed by PECO, the differences between
20 the storm expenses included in the Company’s rates and its actual storm expenses
21 will be tracked and recorded in deferral accounts. The net balance in the accounts
22 would represent a deferral – either as a regulatory liability or regulatory asset –
23 that would be credited to, or recovered from, customers in a subsequent base rate

1 case by means of an appropriate amortization. In contrast, a rate adjustment
2 mechanism established under Section 1307 of the Public Utility Code typically
3 involves billing customers a charge calculated to recover a projected annual cost.
4 Annually (or more frequently), the amount billed to customers is reconciled to the
5 utility's actual cost and the difference is either recovered from or refunded to
6 customers through the experience or "E" factor of the formula for the rate
7 adjustment clause. In that way, customer rates are periodically adjusted to reflect
8 changes in actual costs and the reconciliation of prior period over or under-
9 collections.

10 Under a rate adjustment clause, customer rates are subject to change between base
11 rate cases. Under the deferred accounting mechanism the Company is proposing
12 for storm expenses, variations between projected and actual expenses are to be
13 recorded and deferred, but customer rates will not reflect the net impact of those
14 variations until new rates are authorized in a future base rate case.

15 **168. Q Why is it appropriate for PECO to record the amount of storm damage**
16 **expenses above or below the amount authorized in rates to the Storm**
17 **Reserve Account between base rate cases?**

18 A. The Commission regularly authorizes utilities to defer costs for accounting
19 purposes arising from extraordinary and non-recurring events to provide the
20 utility an opportunity to claim those costs for recovery in a future rate proceeding.
21 The Commission has granted petitions to defer storm damage expenses in
22 recognition of the fact that this type of cost of might evade legitimate recovery
23 under typical ratemaking practices because storm damage expenses are not within

1 the control of a utility and are difficult to project for purposes of prospective
2 recovery in base rates.⁴

3 **169. Q How would the storm reserve accounting work?**

4 A. Each month, the amount of storm damage expense included for recovery in base
5 rates (“base level”) will be compared to the Company’s actual monthly expense.
6 In this case, the monthly amount for base level set forth in PECO Exhibit MJT-1,
7 Schedule D-13, allocated to each month based on the total monthly retail
8 distribution revenue in this proceeding. Actual storm costs incurred above or
9 below the base level will be credited or debited, as applicable, in the Storm
10 Reserve Account on the Company’s books for accounting purposes. In its next
11 base rate case, the Company shall seek rate recognition of the net credit or debit
12 balance in the Storm Reserve Account with interest, which will represent either a
13 regulatory asset or regulatory liability as applicable, amortized over two years as
14 either an increase or decrease, respectively, to storm damage expense. PECO’s
15 proposal for interest on any over- or under-recovery will protect customers from
16 any timing deviation of the recovery and actual storm costs.

17

⁴ See, e.g., *Pa. P.U.C. v. PPL Elec. Utils. Corp.*, Docket No. R-2012-2290597 (Opinion and Order entered Apr. 23, 2014), pp. 15, 21-22.

1

Table 1

(\$ millions)				
Year	Rate Allowance	Actual Storm Damage Expense	Variance	
2016	\$ 46	\$ 16	\$ 30	
2017	46	9	37	
2018	46	64	(18)	
2019	44	36	8	
2020	44	115	(71)	
2021	44	54	(10)	
2022	51	22	29	
2023	51	41	10	
Total	\$ 372	\$ 357	\$ 15	

2

VII. REVENUE REQUIREMENT EFFECTS OF RATE CREDITS IN 2025

3

171. Q Please summarize the ratemaking treatment authorized by the Commission for PECO’s COVID-19 Regulatory Asset in the Company’s 2021 electric base rate case.

4

5

6

A. On May 13, 2020, the Commission issued a Secretarial Letter⁵ that recognized the additional costs and other financial impacts that the COVID-19 pandemic imposed on utilities as essential businesses, including the increased costs directly resulting from the service-termination moratorium established by the Emergency Order issued by former PUC Chairman Gladys Brown Dutrieuille on March 13, 2020.⁶ The May 2020 Secretarial Letter directed utilities to track incremental COVID-19 related expenses and any government assistance that would offset those expenses and permitted utilities to establish a regulatory asset for bad debt expense attributable to compliance with the Emergency Order.

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⁵ *COVID-19 Cost Tracking and Creation of Regulatory Asset*, Docket No. M-2020-3019775 (Secretarial Letter issued May 13, 2020) (“May 2020 Secretarial Letter”).

⁶ *Public Utility Service Termination Moratorium Proclamation of Disaster Emergency-COVID-19*, Docket No. M-2020-3019244 (Emergency Order ratified Mar. 26, 2020) (“Emergency Order”).

1 In its 2021 electric base rate case, PECO calculated its claim for uncollectible
2 expense using a three-year historic average (2018-2020) of net charge-offs as a
3 percentage of billings. The Company also proposed to recover the amount of its
4 COVID-19 Regulatory Asset totaling \$48.25 million, amortized over three years.
5 That balance represented the amounts to be booked by the Company for
6 uncollectible expense that was above the amount embedded in PECO's base rates
7 for calendar years 2020 and 2021. In the same base rate case proceeding, the
8 Company proposed the incremental uncollectible expense regulatory asset
9 recovery in that proceeding be used in the subsequent rate case as a deduction to
10 the overall claims in order to avoid any double-charging to customers. Under the
11 settlement approved by the Commission in the 2021 Rate Case Order, the parties
12 agreed that PECO's base rates effective January 1, 2022 reflect a three-year
13 amortization of the Company's COVID-19 Regulatory Asset (i.e., \$16.08 million
14 per year), and that the Company would cease recording any incremental COVID-
15 19 related uncollectible accounts expense as of December 31, 2021.

16 **172. Q Why is the Company proposing surcharge credits in 2025 for the \$48.2**
17 **million deferred balance of the COVID-19 Regulatory Asset amortized in**
18 **PECO's base rates from January 1, 2022 through December 31, 2024 to**
19 **customers?**

20 A. As discussed earlier in my testimony, the Company's uncollectible expense claim
21 in this case is based on the average of net charge-offs as a percentage of sales for
22 the period of 2021 to 2023, consistent with the Company's prior practice. The
23 Company is proposing to use the incremental uncollectible expense regulatory

1 asset recovery authorized in the 2021 Rate Case Order (\$48.25 million) to reduce
2 the overall revenue requirement in this case to ensure that the amount embedded
3 in PECO's current rates is not also included in the level of uncollectible expense
4 claimed in proposed rates based on a three-year charge-off average for the period
5 of January 1, 2021 through December 31, 2023. The \$48.25 million will be
6 credited to customers in 2025 through the Incremental COVID-19 Uncollectible
7 Surcharge as described by Ms. McDevitt in PECO Statement No. 8.

8 **173. Q Is PECO proposing any other customer rate credits in this case?**

9 A. Yes. In November 2021, during the course of the Commission's Management
10 Audit of the Company's electric operations at Docket No. D-2021-3023906,
11 PECO identified unbilled intercompany charges for leasing a portion of its fiber
12 network to its former affiliate Exelon Generation and EBSC. Subsequently, the
13 Company collected \$12,014,797 from Exelon Generation and \$1,521,437 from
14 EBSC. PECO booked interest on this amount at 6%, which results in a total
15 balance of approximately \$16 million. This amount will be credited to customers
16 in 2025 through the Fiber Affiliate Revenue Surcharge as described by Company
17 witness McDevitt in PECO Statement No. 8.

18 **VIII. CONCLUSION**

19 **174. Q Does this complete your direct testimony at this time?**

20 A. Yes, it does.

21

PECO Exhibit MJT-1:

**Principal Accounting Exhibit – Fully
Projected Future Test Year ending
December 31, 2025**

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 A-1 Overall Summary

Line No.	Description	Reference	(1) Present Rates	(2) Revenue Increase	(3) Total
1	<u>MEASURE OF VALUE</u>				
2	Utility Plant	C-2	\$11,242,906		\$11,242,906
3	Accumulated Depreciation	C-3	2,253,728		2,253,728
4	Common Plant - Net of Accum Depr	C-8	555,965		555,965
5	Net Plant in service	L2 - L3 + L4	\$9,545,143		\$9,545,143
6					
7	Working Capital	C-1	\$214,843		\$214,843
8	Accum Deferred Income Taxes	C-1	(596,644)		(596,644)
9	Customer Deposits	C-1	(57,291)		(57,291)
10	Customer Advances for Construction	C-1	(2,889)		(2,889)
11	Materials and Supplies	C-1	30,350		30,350
12	Accum Deferred Income Taxes - Reg Liability	C-1	(277,875)		(277,875)
13					
14	TOTAL RATE BASE	SUM L5 to L12	\$8,855,637		\$8,855,637
15					
16	<u>OPERATING REVENUES AND EXPENSES</u>				
17	Base Customer Charges	D-5	\$1,788,967	\$463,632	\$2,252,599
18	Electric Cost Revenue	D-5	\$1,071,200		1,071,200
19	Other Operating Revenues	D-5	\$48,022	1,406	49,427
20	Total Revenues	SUM L17 to L19	\$2,908,189	\$465,038	\$3,373,227
21					
22	Operating Expenses	D-1	\$2,533,736	\$32,966	\$2,566,702
23					
24	OIBIT	L20 - L22	\$374,453	\$432,072	\$806,525
25					
26	Income Taxes @ Eff Inc Tax Rate	D-18	\$18,163		\$18,163
27	Income Taxes @ Statutory Rates	D-18		(\$118,008)	(\$118,008)
28					
29	NET OPERATING INCOME	SUM L24 to L27	\$392,616	\$314,064	\$706,680
30					
31	RATE OF RETURN	L29 / L14	4.43%		7.98%
32					
33	<u>REVENUE INCREASE REQUIRED</u>				
34	Rate of Return at Present Rates	L31	4.43%		
35					
36	Rate of Return Required	B-7	7.98%		
37					
38	Change in ROR	L36 - L34	3.55%		
39					
40	Change in Operating Income	L14 * L38	\$314,064		
41					
42	Gross Revenue Conversion Factor	D-19	1.476		
43					
44	Change in Revenues	L40 * L42	\$463,632		
45					
46	<u>RETURN ON COMMON EQUITY</u>				
47	Common Equity Ratio	B-7	53.40%		
48	Common Equity Rate Base	L14 * L47	\$4,728,910		
49	NET OPERATING INCOME	L29	\$392,616		
50	Synchronized Interest Expense	D-18	\$188,625		
51	NET OPERATING INCOME - COMMON EQUITY	L49 - L50	\$203,991		
52	RATE OF RETURN ON COMMON EQUITY	L51 / L48	4.31%		

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)

Exhibit MJT-1
 Schedule B-1
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total - PECO
1	Utility Plant		
2	Utility Plant (101-106, 108, 114)		\$20,062,028
3	Construction Work In Progress (107)		659,623
4	Total Utility Plant	L2 + L3	\$20,721,651
5	Less: Accum. Prov. for Depr. and Amort. (108, 110, 111, 115)		5,007,287
6	Net Utility Plant	L4 - L5	\$15,714,364
7			
8	Other Property and Investments		
9	Non-Utility Property (121)		\$11,249
10	Less: Accum. Prov. for Depr. and Amort. (122)		1,448
11	Invest in Assoc Company (123)		7,725
12	Other Investments (124-129, 175-176)		27,679
13	Total Other Property and Investments	SUM L9 to L12	\$45,204
14			
15	Current and Accrued Assets		
16	Cash & Other Temporary Investments (131-136)		\$25,000
17	Customer Accounts Receivable (142)		442,289
18	Other Accounts Receivable (143)		35,649
19	Accum. Prov. for Uncollectible (144)		(83,303)
20	Receivables from Assoc. Comp. (146)		
21	Fuel Stock (151)		38,067
22	Plant Materials & Supplies (154)		69,125
23	Prepayments (165)		20,632
24	Accrued Utility Revenues (173)		215,498
25	Miscellaneous Current & Accrued Assets (174)		87,744
26	Total Current and Accrued Assets	SUM L16 to L25	\$850,700
27			
28	Deferred Debits		
29	Unamortized Debt Expense (181)		\$54,014
30	Other Regulatory Assets (182.3)		1,123,689
31	Miscellaneous Deferred Debits (186)		740,795
32	Unamortized Loss on Reacquired Debt (189)		636
33	Accumulated Deferred Income Taxes (190)		(0)
34	Total Deferred Debits	SUM L29 to L33	\$1,919,133
35			
36	TOTAL ASSETS	L6+L13+L26+L34	\$18,529,402

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FPFTY Ending December 2025
(\$ in Thousands)

Exhibit MJT-1
Schedule B-1
Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total - PECO
37	<u>Proprietary Capital</u>		
38	Common Stock Issued (201)		\$1,423,004
39	Preferred Stock Issued (204)		
40	Other Paid-In Capital (208-211)		3,703,533
41	Capital Stock Expense (214)		(87)
42	Retained Earnings (215, 215.2, 216)		2,419,374
43	Unappropriated Undistributed Subsidiary Earnings (216.1)		
44	Accum Other Comprehensive Income (219)		
45	Total Propriety Capital & Margins	SUM L38 to L44	\$7,545,824
46			
47	<u>Long Term Debt</u>		
48	Bonds (221)		\$6,400,000
49	Advances from Associated Companies (223)		184,419
50	Other Long-Term Debt (224)		
51	Unamortized Premium on LTD (225)		
52	Unamortized Discount on LTD (226)		(21,980)
53	Total Long-Term Debt	SUM L48 to L52	\$6,562,439
54			
55	<u>Other Non-Current Liabilities</u>		
56	Obligations under Capital Leases (227)		
57	Accum. Prov for Injuries & Damages (228.2)		\$35,157
58	Accum. Prov for Pensions & Benefits (228.3)		303,426
59	Accum. Miscellaneous Operating Prov (228.4)		18,397
60	Asset Retirement Obligation (230)		26,348
61	Total Other Non-Current Liabilities	SUM L56 to L60	\$383,328
62			
63	<u>Current and Accrued Liabilities</u>		
64	Notes Payable (231)		\$150,436
65	Accounts Payable (232)		648,728
66	Notes Payable to Assoc. Companies (233)		
67	Accounts Payable to Assoc. Companies (234)		36,168
68	Customer Deposits (235)		78,872
69	Taxes Accrued (236)		(919)
70	Interest Accrued (237)		73,493
71	Dividends Declared (238)		
72	Tax Collections Payable (241)		33
73	Misc Current & Accrued Liabilities (242)		182,695
74	Total Current & Accrued Liabilities	SUM L64 to L73	\$1,169,506
75			
76	<u>Other Deferred Credits</u>		
77	Customer Advances for Construction (252)		\$4,172
78	Other Deferred Credits (253)		5,796
79	Other Regulatory Liabilities (254)		282,725
80	Deferred Investment Tax Credit (255)		286
81	Unamortized Gain on Reacquired Debt (257)		
82	Accumulated Deferred Income Taxes (281-283)		2,575,325
83	Total Other Deferred Credits	SUM L77 to L82	\$2,868,304
84			
85	TOTAL LIABILITIES AND OTHER CREDITS	L45+L53+L61+L74+L83	\$18,529,402

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 B-2 Income Statement Summary

Exhibit MJT-1
 Schedule B-2
 Witness: Michael J. Trzaska
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Line No.	Category	Description	(1) FPFTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	Total Operating Revenues	Customer & Distribution Revenues	\$1,678,305		\$1,678,305
2		Electric Cost Revenue	1,071,200		1,071,200
3		Transmission - All Classes	199,791		199,791
4		Other Revenues	326,479	\$278,457	48,022
5		Total Operating Revenues	\$3,275,775	\$278,457	\$2,997,318
6					
7	Total Operating Expenses	Operation & Maintenance Expenses	\$2,138,595	\$89,358	\$2,049,237
8		Depreciation & Amortization Expense	368,879	49,882	318,997
9		Amortization of Regulatory Expense			
10		Taxes Other Than Income Taxes - Other	202,036	4,519	197,517
11		Total Operating Expenses	\$2,709,509	\$143,758	\$2,565,751
12					
13	Net Utility Operating Income Before Income Tax		\$566,265	\$134,698	\$431,567

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) FPFTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	Operating Revenues	Customer & Distribution Revenues	Residential	440.0	\$952,140		\$952,140
2			Residential - House Heating	440.1	183,381		183,381
3			C & I Small	442.0	293,772		293,772
4			C & I Large	442.1	218,495		218,495
5			Street Lighting	444.0	8,121		8,121
6			Railroads & Railways	446.0	22,396		22,396
7			Intercompany	448.0			
8			Transmission - All Classes		199,791		199,791
9					Sub-total - Customer & Distribution Revenues		\$1,878,096
10							
11	Electric Cost Revenue		Residential	440.0	\$689,404		\$689,404
12			Residential - House Heating	440.1	180,937		180,937
13			C & I Small	442.0	148,035		148,035
14			C & I Large	442.1	52,022		52,022
15			Street Lighting	444.0	801		801
16			Intercompany	448.0			
17			Sub-total - Electric Cost Revenue		\$1,071,200	\$1,071,200	
18							
19	Other Operating Revenues		Forfeited Discounts	450.0	\$12,224		\$12,224
20			Miscellaneous Service Revenues	451.0	3,684		3,684
21			Rent For Electric Property	454.0	33,265	\$10,685	22,580
22			Other Electric Revenues	456.0	9,534		9,534
23			Transmission of Electricity for Others	456.1	267,772	267,772	
24			Sub-total - Other Operating Revenues		\$326,479	\$278,457	\$48,022
25							
26			TOTAL OPERATING REVENUES		\$3,275,775	\$278,457	\$2,997,318
27							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) FPFTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
28	Operating Expenses	Operation & Maintenance Expenses	Purchased Power	555.0	\$1,003,713		\$1,003,713
29			Operation & Supervision	560.0	8,806	\$8,806	
30			Load Dispatching	561.0			
31			Scheduling, System Control & Dispatch	561.4	93,988		93,988
32			Transmission Service Studies	561.6			
33			Generation Service Studies	561.7			
34			Reliability, Planning & Standard Development	561.8	92,919		92,919
35			Station Expense	562.0	490	490	
36			Overhead Lines	563.0	637	637	
37			Underground Lines Expense	564.0			
38			Miscellaneous Expense	566.0	17,917	17,917	
39			Rents	567.0	15,996	15,996	
40			Maintenance of Structures	569.0	(38)	(38)	
41			Maintenance of Computer Hardware	569.1	84	84	
42			Maintenance of Computer Software	569.2	84	84	
43			Maintenance of Communication Equipment	569.3	130	130	
44			Maintenance of Station Equipment	570.0	14,348	14,348	
45			Maintenance of Overhead Lines	571.0	12,081	12,081	
46			Maintenance of Underground Lines	572.0	240	240	
47			Maintenance of Misc Transmission Plant	573.0	11,432	11,432	
48			Operation & Supervision	580.0	1,271		1,271
49			Load Dispatching	581.0			
50			Station Expenses	582.0	816		816
51			Overhead Lines Expenses	583.0	17,513		17,513
52			Underground Lines Expense	584.0	14,687		14,687
53			Meter Expenses	586.0	7,801		7,801
54			Customer Installations Expense	587.0	14,386		14,386
55			Miscellaneous Expense	588.0	90,014		90,014
56			Rents	589.0	3,658		3,658
57			Maintenance of Structures	591.0	6,622		6,622
58			Maintenance of Station Equipment	592.0	18,529		18,529
59			Maintenance of Overhead Lines	593.0	189,290		189,290
60			Maintenance of Underground Lines	594.0	38,602		38,602

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) FPFTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
61			Maintenance of Line Transformers	595.0	2,378		2,378
62			Maintenance of Street Lighting & Signal Systems	596.0	1,990		1,990
63			Maintenance of Misc. Distribution	598.0	20,293		20,293
64			Supervision	901.0			
65			Meter Reading	902.0	976		976
66			Customer Records and Collection	903.0	105,441		105,441
67			Uncollectible Accounts	904.0	38,095		38,095
68			Miscellaneous Customer Accounts	905.0	3,295		3,295
69			Customer Assistance	908.0	101,517		101,517
70			Informational & Instructional	909.0	1,407		1,407
71			Miscellaneous Customer & Informational	910.0	992		992
72			Demonstrating & Selling	912.0	414		414
73			Miscellaneous Sales	916.0			
74			Administrative and General Salaries	920.0	22,337	(7,552)	29,889
75			Office Supplies and Expenses	921.0	4,628	1,063	3,566
76			Administrative Expenses Transferred-Credit	922.0			
77			Outside Service Employed	923.0	98,279	10,130	88,149
78			Property Insurance	924.0	833	91	741
79			Injuries & Damages	925.0	12,396	75	12,322
80			Employee Pensions and Benefits	926.0	26,786	2,043	24,743
81			Regulatory Commission Expenses	928.0	9,839	288	9,551
82			Duplicate Charges-Credit	929.0	(1,634)	(542)	(1,092)
83			Miscellaneous General Expenses	930.2	3,134	607	2,527
84			Maintenance of General Plant	935.0	9,183	946	8,237
85			Sub-total - O&M Expenses		\$2,138,595	\$89,358	\$2,049,237
86							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) FPFTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
87		Depreciation & Amortization Expense	Depreciation & Amortization Expense	403.0	\$309,959	\$41,058	\$268,901
88				404.0	58,920	8,824	50,096
89			Sub-total - Depreciation & Amortization Expense		\$368,879	\$49,882	\$318,997
90							
91		Amortization of Regulatory Expense	Amortization of Regulatory Expense	407.3			
92			Sub-total - Amortization of Regulatory Expense				
93							
94		Taxes Other Than Income Taxes - Other	Taxes Other Than Income Taxes - Other	408.1	\$202,036	\$4,519	\$197,517
95			Sub-total -Taxes Other Than Income Taxes - Other		\$202,036	\$4,519	\$197,517
96							
97			TOTAL OPERATING EXPENSES		\$2,709,509	\$143,758	\$2,565,751
98							
99			NET UTILITY OPERATING INCOME BEFORE INCOME TAX		\$566,265	\$134,698	\$431,567
100							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 B-3 Operating Revenues

Exhibit MJT-1
 Schedule B-3
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) FPFTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	OPERATING REVENUE	Customer & Distribution Revenue	Residential	440.0	\$952,140		\$952,140
2			Residential - House Heating	440.1	183,381		183,381
3			C & I Small	442.0	293,772		293,772
4			C & I Large	442.1	218,495		218,495
5			Railroads & Railways	446.0	8,121		8,121
6			Street Lighting	444.0	22,396		22,396
7			Intercompany	448.0			
8			Transmission - All Classes		199,791		199,791
9				Sub-total - Customer & Distribution Revenue			\$1,878,096
10							
11		Electric Cost Revenue	Residential	440.0	\$689,404		\$689,404
12			Residential - House Heating	440.1	180,937		180,937
13			C & I Small	442.0	148,035		148,035
14			C & I Large	442.1	52,022		52,022
15			Railroads & Railways	444.0			
16			Street Lighting	446.0	801		801
17			Intercompany	448.0			
18			Sub-total - Electric Cost Revenue			\$1,071,200	\$1,071,200
19							
20			TOTAL OPERATING REVENUE		\$2,949,296	\$2,949,296	
21							
22	OTHER REVENUE	Other Operating Revenue	Forfeited Discounts	450.0	\$12,224		\$12,224
23			Miscellaneous Service Revenues	451.0	3,684		3,684
24			Sub-total - Other Operating Revenue			\$15,908	\$15,908
25							
26		Other Electric Revenue	Rent For Electric Property	454.0	\$33,265	\$10,685	\$22,580
27			Other Electric Revenues	456.0	9,534		9,534
28			Transmission of Electricity for Others	456.1	267,772	267,772	
29			Sub-total - Other Electric Revenue			\$310,571	\$278,457
30							
31			TOTAL OTHER REVENUE		\$326,479	\$278,457	\$48,022
32							
33			TOTAL REVENUE		\$3,275,775	\$278,457	\$2,997,318

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 B-4 O+M Expenses

Line No.	Category	Description	Account	Account	FPFTY Amount	Non-Jurisdictional	Jurisdictional
1	POWER SUPPLY EXPENSES	Power Supply	Purchased Power		555.0	\$1,003,713	\$1,003,713
2			TOTAL POWER SUPPLY EXPENSES			<u>\$1,003,713</u>	<u>\$1,003,713</u>
3							
4	TRANSMISSION EXPENSE	Transmission Operations	Operation & Supervision		560.0	\$8,806	\$8,806
5			Load Dispatching		561.0		
6			Scheduling, System Control & Dispatch		561.4	93,988	93,988
7			Transmission Service Studies		561.6		
8			Generation Service Studies		561.7		
9			Reliability, Planning & Standard Development		561.8	92,919	92,919
10			Station Expense		562.0	490	490
11			Overhead Lines		563.0	637	637
12			Underground Lines Expense		564.0		
13			Miscellaneous Expense		566.0	17,917	17,917
14			Rents		567.0	15,996	15,996
15			Sub-total Transmission Operations	SUM L4 to L14		<u>\$230,754</u>	<u>\$43,847</u>
16							<u>\$186,907</u>
17		Transmission Maintenance	Maintenance of Structures		569.0	(\$38)	(\$38)
18			Maintenance of Computer Hardware		569.1	84	84
19			Maintenance of Computer Software		569.2	84	84
20			Maintenance of Communication Equipment		569.3	130	130
21			Maintenance of Station Equipment		570.0	14,348	14,348
22			Maintenance of Overhead Lines		571.0	12,081	12,081
23			Maintenance of Underground Lines		572.0	240	240
24			Maintenance of Misc Transmission Plant		573.0	11,432	11,432
25			Sub-total Transmission Maintenance	SUM L17 to L24		<u>\$38,362</u>	<u>\$38,362</u>
26							
27			TOTAL TRANSMISSION EXPENSE	L15 + L25		<u>\$269,116</u>	<u>\$82,208</u>
28							<u>\$186,907</u>
29	DISTRIBUTION EXPENSE	Distribution Operations	Operation & Supervision		580.0	\$1,271	\$1,271
30			Load Dispatching		581.0		
31			Station Expenses		582.0	816	816
32			Overhead Lines Expenses		583.0	17,513	17,513
33			Underground Lines Expense		584.0	14,687	14,687
34			Meter Expenses		586.0	7,801	7,801
35			Customer Installations Expense		587.0	14,386	14,386
36			Miscellaneous Expense		588.0	90,014	90,014
37			Rents		589.0	3,658	3,658
38			Sub-total Distribution Operations	SUM L29 to L37		<u>\$150,143</u>	<u>\$150,143</u>
39							
40		Distribution Maintenance	Maintenance of Structures		591.0	6,622	6,622
41			Maintenance of Station Equipment		592.0	18,529	18,529
42			Maintenance of Overhead Lines		593.0	189,290	189,290
43			Maintenance of Underground Lines		594.0	38,602	38,602
44			Maintenance of Line Transformers		595.0	2,378	2,378
45			Maintenance of Street Lighting & Signal Systems		596.0	1,990	1,990
46			Maintenance of Misc. Distribution		598.0	20,293	20,293

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 B-4 O+M Expenses

Line No.	Category	Description	Account	Account	FPFTY Amount	Non-Jurisdictional	Jurisdictional
47			Sub-total Distribution Maintenance	SUM L40 to L46	\$277,703		\$277,703
48							
49			TOTAL DISTRIBUTION EXPENSE	L38 + L47	\$427,846		\$427,846
50							
51	CUSTOMER ACCOUNTS	Customer Accounts	Supervision	901.0			
52			Meter Reading	902.0	976		976
53			Customer Records and Collection	903.0	105,441		105,441
54			Uncollectible Accounts	904.0	38,095		38,095
55			Miscellaneous Customer Accounts	905.0	3,295		3,295
56			TOTAL CUSTOMER ACCOUNTS	SUM L51 to L55	\$147,808		\$147,808
57							
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	Customer Assistance	908.0	\$101,517		\$101,517
59			Informational & Instructional	909.0	1,407		1,407
60			Miscellaneous Customer & Informational	910.0	992		992
61			TOTAL CUSTOMER SERVICE & INFORMATION	SUM L58 to L60	\$103,916		\$103,916
62							
63	SALES	Sales Expense	Demonstrating & Selling	912.0	\$414		\$414
64			Miscellaneous Sales	916.0			
65			TOTAL SALES EXPENSE	SUM L63 to L64	\$414		\$414
66							
67	ADMINISTRATION & GENERAL	A&G Operations	Administrative and General Salaries	920.0	\$22,337	(\$7,552)	\$29,889
68			Office Supplies and Expenses	921.0	4,628	\$1,063	3,566
69			Administrative Expenses Transferred-Credit	922.0			
70			Outside Service Employed	923.0	98,279	\$10,130	88,149
71			Property Insurance	924.0	833	\$91	741
72			Injuries & Damages	925.0	12,396	\$75	12,322
73			Employee Pensions and Benefits	926.0	26,786	\$2,043	24,743
74			Regulatory Commission Expenses	928.0	9,839	\$288	9,551
75			Duplicate Charges-Credit	929.0	(1,634)	(\$542)	(1,092)
76			Miscellaneous General Expenses	930.2	3,134	\$607	2,527
77			Sub-total A&G Operations	SUM L67 to L76	\$176,599	\$6,204	\$170,395
78							
79		A&G Maintenance	Maintenance of General Plant	935.0	9,183	946	8,237
80							
81			TOTAL ADMINISTRATION & GENERAL	L77 + L79	\$185,781	\$7,150	\$178,632
82							
83			TOTAL O&M EXPENSE	L2+L27+L49+L56+L61+L65+L81	\$2,138,595	\$89,358	\$2,049,237
84							
85			TOTAL OPERATIONS EXPENSE		\$1,822,531	\$50,996	\$1,771,534
86			TOTAL MAINTENANCE EXPENSE		316,064	38,362	277,703
87			TOTAL O&M EXPENSE	L85 + L86	\$2,138,595	\$89,358	\$2,049,237

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 B-4 O+M Expenses - A+G Detail

Exhibit MJT-1
 Schedule B-4
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) FPPTY Amount	(2) Percent to Non-Jurisdiction	(3) Non-Jurisdictional	(4) Jurisdictional
31	General	A&G Operations	Administrative and General Salaries	920.0		12.3730%		
32			Office Supplies and Expenses	921.0	24	12.3730%	3	21
33			Administrative Expenses Transferred-Credit	922.0		12.3730%		
34			Outside Service Employed	923.0		12.3730%		
35			Property Insurance	924.0		12.3730%		
36			Injuries and Damages	925.0		12.3730%		
37			Employee Pensions and Benefits	926.0		12.3730%		
38			Regulatory Commission Expenses	928.0		12.3730%		
39			Duplicate Charges-Credit	929.0		12.3730%		
40			Miscellaneous General Expenses	930.2	0	12.3730%	0	0
41			Sub-total A&G Operations - General	SUM L31 to L40	<u>\$25</u>		<u>\$3</u>	<u>\$22</u>
42								
43		A&G Maintenance	Maintenance of General Plant	935.0	\$0	12.3730%	\$0	\$0
44			ADMINISTRATION & GENERAL - GENERAL	L41 + L43	<u>\$25</u>		<u>\$3</u>	<u>\$22</u>
45								
46	TOTAL	A&G Operations	Administrative and General Salaries	920.0	\$22,337		(\$7,552)	\$29,889
47			Office Supplies and Expenses	921.0	4,628		1,063	3,566
48			Administrative Expenses Transferred-Credit	922.0				
49			Outside Service Employed	923.0	98,279		10,130	88,149
50			Property Insurance	924.0	833		91	741
51			Injuries & Damages	925.0	12,396		75	12,322
52			Employee Pensions and Benefits	926.0	26,786		2,043	24,743
53			Regulatory Commission Expenses	928.0	9,839		288	9,551
54			Duplicate Charges-Credit	929.0	(1,634)		(542)	(1,092)
55			Miscellaneous General Expenses	930.2	3,134		607	2,527
56			Sub-total A&G Operations - TOTAL	SUM L46 to L55	<u>\$176,599</u>		<u>\$6,204</u>	<u>\$170,395</u>
57								
58		A&G Maintenance	Maintenance of General Plant	935.0	\$9,183		\$946	\$8,237
59			ADMINISTRATION & GENERAL - TOTAL	L56 + L58	<u>\$185,781</u>		<u>\$7,150</u>	<u>\$178,632</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 B-5 Taxes Details

Exhibit MJT-1
 Schedule B-5
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)
Line No.	Description	Percentage	Total	Transmission Elimination	Distribution
1	Public Utility Real Tax (PURTA) Total Expense	17.825%	\$6,924	(\$1,234)	\$5,690
2	Use Tax Accrued	17.825%	2,443	(435)	2,007
3	Real Estate Tax Accrued	17.825%	5,988	(1,067)	4,920
4	Miscellaneous TOTI	12.373%			
5	Payroll Tax Accrued	12.373%	14,402	(1,782)	12,620
6	Gross Receipt Tax		172,280		172,280
7	Total		\$202,036	(\$4,519)	\$197,517

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)

Exhibit MJT-1
 Schedule B-6
 Witness: Michael J. Trzaska
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Line No.	Type of Bond Issue	Bond Issue	Reference	Amount Outstanding	Percent to Total	Effective Interest Rate	Average Weighted Cost Rate	Annualized Cost
1	First & Refunding Mortgage Bonds - Fixed Rate	PECO - FMB - \$350 - 3.15% - Due 10-15-2025						
2								
3		PECO - FMB - \$75 - 5.90% - Due 5-1-2034		\$75,000		6.00%		
4					1.14%		0.07%	
5		PECO - FMB - \$300 - 5.95% - Due 10-1-2036		300,000		6.04%		
6					4.56%		0.28%	
7		PECO - FMB - \$175 - 5.70% - Due 3-15-2037		175,000		5.81%		
8					2.66%		0.15%	
9		PECO - FMB - \$250 - 4.80% - Due 10-15-2043		250,000		4.89%		
10					3.80%		0.19%	
11		PECO - FMB - \$300 - 4.15% - Due 10-1-2044		300,000		4.21%		
12					4.56%		0.19%	
13		PECO - FMB - \$325 - 3.70% - Due 9-15-2047		325,000		3.77%		
14					4.94%		0.19%	
15		PECO - FMB - \$650 - 3.90% - Due 3-1-2048		650,000		4.08%		
16					9.87%		0.40%	
17		PECO - FMB - \$325 - 3.00% - Due 9-15-2049		325,000		3.10%		
18					4.94%		0.15%	
19		PECO - FMB - \$350 - 2.80% - Due 6-15-2050		350,000		2.86%		
20					5.32%		0.15%	
21		PECO - FMB - \$375 - 3.05% - Due 3-15-2051		375,000		3.11%		
22					5.70%		0.18%	
23		PECO - FMB - \$375 - 2.85% - Due 9-15-2051		375,000		2.90%		
24					5.70%		0.17%	
25		PECO - FMB - \$350 - 4.60% - Due 5-15-2052		350,000		4.71%		
26					5.32%		0.25%	
27		PECO - FMB - \$425 - 4.375% - Due 8-15-2052		425,000		4.46%		
28					6.46%		0.29%	
29		PECO - FMB - \$575 - 4.90% - Due 6-15-2033		575,000		5.03%		
30					8.73%		0.44%	
31		PECO - FMB - \$575 - 5.46% - Due 9-1-54		575,000		5.53%		
32					8.73%		0.48%	
33		PECO - FMB - \$975 - 5.46% - Due 9-1-55		975,000		5.53%		
34					14.81%		0.82%	
35								
36		Sub-total Mortgage Bonds	SUM L1 to L35	\$6,400,000	97.20%		4.40%	
37								
38	Trust Preferred Capital Securities	PECO - TOPRS - \$80.5 - 7.38% - Due 4-6-2028		\$80,521		7.46%		
39					1.22%		0.09%	
40		PECO - TOPRS - \$0.8 - Var (6.75%) - Due 4-6-2028		805		6.75%		
41					0.01%			
42		PECO - TOPRS - \$103 - 5.75% - Due 6-15-2033		103,093		5.88%		
43					1.57%		0.09%	
44								
45		Sub-total Capital Securities	SUM L38 to L43	\$184,419	2.80%		0.18%	
46								
47		Total Long-Term Debt	L36 + L45	\$6,584,419	100.00%		4.58%	
48								
49		Adjustments for Tenders & Calls		(521)				
50								
51		Net Long-Term Debt	L47 + L49	\$6,583,898				
52								
53		Annualized Cost		301,566				
54								
55		Adjustment for Tenders & Calls Reacquired		68				
56								
57		Total	L53 + L55	<u>\$301,634</u>			<u>4.58%</u>	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 B-7 Rate of Return

Exhibit MJT-1
 Schedule B-7
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Description	Capitalization	Capitalization Ratio	Embedded Cost	Return %
1					
2	Long-Term Debt	\$6,583,898	46.60%	4.58%	2.13%
3					
4	Common Equity	\$7,545,824	53.40%	10.95%	5.85%
5					
6	Total	<u>\$14,129,722</u>	<u>100.00%</u>		<u>7.98%</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-1 Measures of Value

Exhibit MJT-1
 Schedule C-1
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)
Line No.	Description	Reference	FPFTY Amount	Non-Jurisdictional	Jurisdictional
1	Utility Plant	C-2	\$13,491,056	\$2,248,150	\$11,242,906
2	Accumulated Depreciation	C-3	2,913,861	660,134	2,253,728
3	Common Plant	C-8	555,965		555,965
4	Net Plant in Service	L1 - L2 + L3	\$11,133,160	\$1,588,017	\$9,545,143
5					
6	Working Capital	C-4	\$214,843		\$214,843
7	Accumulated Deferred Income Taxes	C-6	(596,644)		(596,644)
8	Customer Deposits	C-7	(57,291)		(57,291)
9	Customer Advances for Construction	C-9	(2,889)		(2,889)
10	Material & Supplies	C-11	30,350		30,350
11	ADIT - Reg Liability	C-12	(277,875)		(277,875)
12	Total Measures of Value	SUM L4 to L11	\$10,443,654	\$1,588,017	\$8,855,637

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-2 Utility Plant

Exhibit MJT-1
 Schedule C-2
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Category	Account	Reference	FPPTY Amount	Non-Jurisdictional	Jurisdictional
1	<u>Intangible Plant</u>	E301 - Organization Costs				
2		E302 - Franchises and Consents		\$163	\$20	\$143
3		E303 - Misc Intangible Plant		159,584	14,388	145,196
4		Sub-total Intangible Plant	SUM L1 to L3	\$159,746	\$14,408	\$145,339
5						
6	<u>Transmission Plant</u>	E350 - Land and Land Rights		\$75,731	\$75,731	
7		E352 - Structures and Improvements		113,192	113,192	
8		E353 - Station Equipment		1,097,896	1,097,896	
9		E354 - Towers and Fixtures		294,157	294,157	
10		E355 - Poles and Fixtures		36,485	36,485	
11		E356 - Overhead Conductors, Devices		357,410	357,410	
12		E357 - Underground Conduit		68,327	68,327	
13		E358 - Undergrnd Conductors, Devices		147,404	147,404	
14		E359 - Roads and Trails		2,813	2,813	
15		E359.1 - ARO Costs Transmission Plt		502	502	
16		Sub-total Transmission Plant	SUM L6 to L15	\$2,193,919	\$2,193,919	
17						
18	<u>Distribution Plant</u>	E360 - Land and Land Rights		\$54,159		\$54,159
19		E361 - Structures and Improvements		255,582		255,582
20		E362 - Station Equipment		1,404,950		1,404,950
21		E364 - Poles, Towers and Fixtures		1,492,502		1,492,502
22		E365 - Overhead Conductors, Devices		2,382,803		2,382,803
23		E366 - Underground Conduit		1,045,522		1,045,522
24		E367 - Undergrnd Conductors, Devices		2,284,412		2,284,412
25		E368 - Line Transformers		930,272		930,272
26		E369 - Services		503,567		503,567
27		E370 - Meters		369,190		369,190
28		E371 - Installs on Customer Premiss		13,772		13,772
29		E373 - Street Lighting, Signal Systems		76,447		76,447
30		E374 - ARO Costs Distribution Plant		2,353		2,353
31		Sub-total Distribution Plant	SUM L18 to L30	\$10,815,532		\$10,815,532
32						
33	<u>General Plant</u>	E389 - Land and Land Rights		\$1,063	\$132	\$932
34		E390 - Structures and Improvements		50,977	6,307	44,670
35		E391 - Office Furniture, Equipment		21,610	2,674	18,937
36		E392 - Transportation Equipment				
37		E393 - Stores Equipment		44	5	38
38		E394 - Tools, Shop, Garage Equipment		56,585	7,001	49,583
39		E395 - Laboratory Equipment		150	19	132
40		E396 - Power Operated Equipment				
41		E397 - Communication Equipment		188,797	23,360	165,437
42		E398 - Miscellaneous Equipment		716	89	627
43		E399 - Other Tangible Property				
44		E399.1 - ARO Costs General Plant		1,916	237	1,679
45		Sub-total General Plant	SUM L33 to L44	\$321,859	\$39,824	\$282,035
46						
47		Total	L4+L16+L31+L45	\$13,491,056	\$2,248,150	\$11,242,906

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-2 Additions to Plant

Exhibit MJT-1
 Schedule C-2
 Witness: Michael J. Trzaska
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(1)

Line No.	Category	Account	Additions to Plant
1	Intangible Plant	E303 - Misc Intangible Plant	\$39,375
2		Sub-total Intangible Plant	<u>\$39,375</u>
3			
4	Transmission Plant	E350 - Land and Land Rights	(\$0)
5		E352 - Structures and Improvements	4,224
6		E353 - Station Equipment	33,531
7		E354 - Towers and Fixtures	1,047
8		E355 - Poles and Fixtures	2,457
9		E356 - Overhead Conductors, Devices	28,138
10		E357 - Underground Conduit	9,172
11		E358 - Undergrnd Conductors, Devics	7,317
12		E359 - Roads and Trails	<u>68</u>
13		Sub-total Transmission Plant	<u>\$85,954</u>
14			
15	Distribution Plant	E361 - Structures and Improvements	\$24,160
16		E362 - Station Equipment	82,485
17		E364 - Poles, Towers and Fixtures	187,472
18		E365 - Overhead Conductors, Devices	234,850
19		E366 - Underground Conduit	141,528
20		E367 - Undergrnd Conductors, Devics	260,419
21		E368 - Line Transformers	94,706
22		E369 - Services	18,305
23		E370 - Meters	11,333
24		E373 - Street Lighting,Signal Systm	<u>5,828</u>
25		Sub-total Distribution Plant	<u>\$1,061,088</u>
26			
27	General Plant	E390 - Structures and Improvements	\$94
28		E391 - Office Furniture, Equipment	2,962
29		E394 - Tools, Shop, Garage Equipmnt	3,084
30		E397 - Communication Equipment	5,317
31		E398 - Miscellaneous Equipment	<u>38</u>
32		Sub-total General Plant	<u>\$11,495</u>
33			
34		Total	<u><u>\$1,197,911</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-2 Plant Retirements

Exhibit MJT-1
 Schedule C-2
 Witness: Michael J. Trzaska
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(1)

Line No.	Category	Account	Plant Retirements
1	<u>Intangible Plant</u>	E303 - Misc Intangible Plant	(\$37,729)
2		Sub-total Intangible Plant	<u>(\$37,729)</u>
3			
4	<u>Transmission Plant</u>	E352 - Structures and Improvements	(\$73)
5		E353 - Station Equipment	(3,590)
6		E354 - Towers and Fixtures	(103)
7		E355 - Poles and Fixtures	(0)
8		E356 - Overhead Conductors, Devices	(72)
9		E357 - Underground Conduit	(7)
10		E358 - Undergrnd Conductors, Devics	(38)
11		E359.1 - ARO Costs Transmission Plt	(1)
12		Sub-total Transmission Plant	<u>(\$3,884)</u>
13			
14	<u>Distribution Plant</u>	E361 - Structures and Improvements	(\$669)
15		E362 - Station Equipment	(3,172)
16		E364 - Poles, Towers and Fixtures	(20,980)
17		E365 - Overhead Conductors, Devices	(16,652)
18		E366 - Underground Conduit	(835)
19		E367 - Undergrnd Conductors, Devics	(17,858)
20		E368 - Line Transformers	(16,468)
21		E369 - Services	(198)
22		E370 - Meters	(196)
23		E373 - Street Lighting,Signal Systm	(715)
24		E374 - ARO Costs Distribution Plt	(170)
25		Sub-total Distribution Plant	<u>(\$77,913)</u>
26			
27	<u>General Plant</u>	E390 - Structures and Improvements	(\$70)
28		E391 - Office Furniture, Equipment	(7,198)
29		E393 - Stores Equipment	(1)
30		E394 - Tools, Shop, Garage Equipmnt	(1,060)
31		E395 - Laboratory Equipment	(52)
32		E397 - Communication Equipment	(2,098)
33		E398 - Miscellaneous Equipment	(25)
34		E399.1 - ARO Costs General Plt	(21)
35		Sub-total General Plant	<u>(\$10,525)</u>
36			
37		Total	<u><u>(\$130,050)</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-2 Plant Pro Forma Adjustments

Exhibit MJT-1
 Schedule C-2
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	Account	FPFTY Amount	Utility Allocation Factor	Allocated to Utility	Jurisdictional Allocation Factor	Allocated to Jurisdiction	Allocated to Non Jurisdiction
85	General Plant	E389 - Land and Land Rights	\$1,063	100.00%	\$1,063	87.63%	\$932	\$132
86			\$1,063		\$1,063		\$932	\$132
87								
88		E390 - Structures and Improvements	50,977	100.00%	50,977	87.63%	44,670	6,307
89			50,977		50,977		44,670	6,307
90								
91		E391 - Office Furniture, Equipment	21,610	100.00%	21,610	87.63%	18,937	2,674
92			21,610		21,610		18,937	2,674
93								
94		E393 - Stores Equipment	44	100.00%	44	87.63%	38	5
95			44		44		38	5
96								
97		E394 - Tools, Shop, Garage Equipment	56,585	100.00%	56,585	87.63%	49,583	7,001
98			56,585		56,585		49,583	7,001
99								
100		E395 - Laboratory Equipment	150	100.00%	150	87.63%	132	19
101			150		150		132	19
102								
103		E397 - Communication Equipment	188,797	100.00%	188,797	87.63%	165,437	23,360
104			188,797		188,797		165,437	23,360
105								
106		E398 - Miscellaneous Equipment	716	100.00%	716	87.63%	627	89
107			716		716		627	89
108								
109		E399.1 - ARO Costs General Plant	1,916	100.00%	1,916	87.63%	1,679	237
110			1,916		1,916		1,679	237
111								
112		Sub-total General Plant	\$321,859		\$321,859		\$282,035	\$39,824
113								
114								
115		Total	\$13,491,056		\$13,491,056		\$11,242,906	\$2,248,150

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 C-3 Accumulated Depreciation

Exhibit MJT-1
 Schedule C-3
 Witness: Michael J. Trzaska
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Line No.	Category	Account	Reference	(1) FPPTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional	(4)
1	Intangible Plant	E301 - Organization Costs					
2		E302 - Franchises and Consents					
3		E303 - Misc Intangible Plant		\$59,245	\$3,490	\$55,755	
4		Sub-total Intangible Plant	SUM L1 to L3	\$59,245	\$3,490	\$55,755	
5							
6	Transmission Plant	E350 - Land and Land Rights		(\$0)	(\$0)		
7		E352 - Structures and Improvements		31,474	31,474		
8		E353 - Station Equipment		265,819	265,819		
9		E354 - Towers and Fixtures		179,707	179,707		
10		E355 - Poles and Fixtures		4,503	4,503		
11		E356 - Overhead Conductors, Devices		100,684	100,684		
12		E357 - Underground Conduit		3,242	3,242		
13		E358 - Undergrnd Conductors, Devices		50,614	50,614		
14		E359 - Roads and Trails		2,247	2,247		
15		E359.1 - ARO Costs Transmission Plt		122	122		
16		Sub-total Transmission Plant	SUM L6 to L15	\$638,410	\$638,410		
17							
18	Distribution Plant	E360 - Land and Land Rights		\$310		310	
19		E361 - Structures and Improvements		52,846		\$52,846	
20		E362 - Station Equipment		533,251		533,251	
21		E364 - Poles, Towers and Fixtures		82,042		82,042	
22		E365 - Overhead Conductors, Devices		313,680		313,680	
23		E366 - Underground Conduit		199,133		199,133	
24		E367 - Undergrnd Conductors, Devices		206,658		206,658	
25		E368 - Line Transformers		182,504		182,504	
26		E369 - Services		213,095		213,095	
27		E370 - Meters		235,464		235,464	
28		E371 - Installs on Customer Premises		11,799		11,799	
29		E373 - Street Lighting, Signal Systems		36,153		36,153	
30		E374 - ARO Costs Distribution Plant		1,907		1,907	
31		Sub-total Distribution Plant	SUM L18 to L30	\$2,068,842		\$2,068,842	
32							
33	General Plant	E389 - Land and Land Rights					
34		E390 - Structures and Improvements		\$18,173	\$2,249	\$15,924	
35		E391 - Office Furniture, Equipment		12,790	1,582	11,207	
36		E392 - Transportation Equipment					
37		E393 - Stores Equipment		32	4	28	
38		E394 - Tools, Shop, Garage Equipmnt		25,759	3,187	22,572	
39		E395 - Laboratory Equipment		142	18	125	
40		E396 - Power Operated Equipment					
41		E397 - Communication Equipment		88,827	10,991	77,837	
42		E398 - Miscellaneous Equipment		(238)	(29)	(208)	
43		E399 - Other Tangible Property					
44		E399.1 - ARO Costs General Plt		1,879	232	1,646	
45		Sub-total General Plant	SUM L33 to L44	\$147,364	\$18,234	\$129,131	
46							
47		Total	L4+L16+L31+L45	\$2,913,861	\$660,134	\$2,253,728	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 C-3 Accum Depr Pro Forma Adj

Exhibit MJT-1
 Schedule C-3
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	Account	FPPTY Amount	Utility Allocation Factor	Allocated to Utility	Jurisdictional Allocation Factor	Allocated to Jurisdiction	Allocated to Non Jurisdiction
83	General Plant	E389 - Land and Land Rights						
84								
85								
86		E390 - Structures and Improvements	\$18,173	100.00%	\$18,173	87.63%	\$15,924	\$2,249
87			\$18,173		\$18,173		\$15,924	\$2,249
88								
89		E391 - Office Furniture, Equipment	12,790	100.00%	12,790	87.63%	11,207	1,582
90			12,790		12,790		11,207	1,582
91								
92		E393 - Stores Equipment	32	100.00%	32	87.63%	28	4
93			32		32		28	4
94								
95		E394 - Tools, Shop, Garage Equipmnt	25,759	100.00%	25,759	87.63%	22,572	3,187
96			25,759		25,759		22,572	3,187
97								
98		E395 - Laboratory Equipment	142	100.00%	142	87.63%	125	18
99			142		142		125	18
100								
101		E397 - Communication Equipment	88,827	100.00%	88,827	87.63%	77,837	10,991
102			88,827		88,827		77,837	10,991
103								
104		E398 - Miscellaneous Equipment	(238)	100.00%	(238)	87.63%	(208)	(29)
105			(238)		(238)		(208)	(29)
106								
107		E399.1 - ARO Costs General Plt	1,879	100.00%	1,879	87.63%	1,646	232
108			1,879		1,879		1,646	232
109								
110		Sub-total General Plant	\$147,364		\$147,364		\$129,131	\$18,234
111								
112		Total	\$2,913,861		\$2,913,861		\$2,253,728	\$660,134

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-3 Cost of Removal

Exhibit MJT-1
 Schedule C-3
 Witness: Michael J. Trzaska
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Line No.	Category	Account	Reference	FPPTY Amount
1	Electric - Intangible Plant	E303 - Misc Intangible Plant		(\$0)
2		Sub-total Electric - Intangible Plant		(\$0)
3				
4	Electric - Transmission	E350 - Land and Land Rights		\$0
5		E352 - Structures and Improvements		123
6		E353 - Station Equipment		2,704
7		E354 - Towers and Fixtures		177
8		E355 - Poles and Fixtures		76
9		E356 - Overhead Conductors, Devices		1,462
10		E357 - Underground Conduit		850
11		E358 - Undergrnd Conductors, Devics		1,172
12		E359 - Roads and Trails		4
13		Sub-total Electric - Transmission	SUM L4 to L12	\$6,569
14				
15	Electric - Distribution	E361 - Structures and Improvements		\$1,110
16		E362 - Station Equipment		5,746
17		E364 - Poles, Towers and Fixtures		16,669
18		E365 - Overhead Conductors, Devices		19,073
19		E366 - Underground Conduit		4,267
20		E367 - Undergrnd Conductors, Devics		20,169
21		E368 - Line Transformers		897
22		E369 - Services		708
23		E370 - Meters		207
24		E373 - Street Lighting, Signal Systems		114
25		Sub-total Electric - Distribution	SUM L15 to L24	\$68,960
26				
27	Electric - General Plant	E390 - Structures and Improvements		\$95
28		E391 - Office Furniture, Equipment		60
29		E394 - Tools, Shop, Garage Equipmnt		14
30		E397 - Communication Equipment		556
31		E398 - Miscellaneous Equipment		93
32		Sub-total Electric - General Plant	SUM L27 to L31	\$818
33				
34		Total	Lines 2+13+25+32	\$76,347

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-4 CWC Summary

Exhibit MJT-1
 Schedule C-4
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	FPFTY Expenses	(Lead)/Lag Days	Dollar-Days
1	Working Capital Requirement				
2					
3	Revenue Lag Days			51.95	
4					
5	<u>Expense Lag Days</u>				
6	Payroll (Dist Only)		\$173,658	13.58	\$2,358,858
7	Pension Expense		3,216	(167.00)	(537,107)
8	Commodity Purchased - [A]		995,523	35.71	35,548,467
9	Commodity Purchased - [B]		8,190	12.50	102,374
10	PJM Transmission Purchased - By-passable		91,766	12.50	1,147,070
11	PJM Transmission Purchased - Non By-passable		95,142	12.50	1,189,272
12	Other Expenses		590,497	40.07	23,662,420
13	Sub-Total O&M	SUM L6 to L12	<u>\$1,957,991</u>		<u>\$63,471,354</u>
14					
15	Payment to Suppliers		\$1,082,504	37.88	\$41,001,678
16					
17	Total O&M and POR Payments	L13 + L15	<u>\$3,040,496</u>		<u>\$104,473,032</u>
18					
19	O&M Expense / POR Payment Lag Days			34.36	
20					
21	Net Lead/(Lag) Days	L3 - L19		17.59	
22					
23	Days in Current Year			365	
24					
25	Operating Expenses Per Day		<u>\$8,330</u>		
26					
27	Working Capital for O&M Expense		\$146,519		
28					
29	Average Prepayments		\$8,636		
30	Accrued Taxes		\$80,039		
31	Interest Payments		(20,351)		
32					
33	Total Working Capital Requirement	SUM L27 to L31	<u>\$214,843</u>		
34					
35	Pro Forma O&M Expense		\$2,005,564		
36	Uncollectible Expense		47,572		
37	Pro Forma Cash O&M Expense	L35 - L36	<u>\$1,957,991</u>		

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-4 Revenue Lag

Exhibit MJT-1
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)
Line No.	Description	Reference	Accounts Receivable Balance End of Month	Total Monthly Billing Revenue	A/R Turnover	Days Lag
1	Annual Number of Days					<u>365</u>
2						
3	December		\$402,842			
4	January		453,446	\$378,637		
5	February		445,195	329,190		
6	March		411,718	303,032		
7	April		408,197	278,953		
8	May		340,718	260,453		
9	June		347,805	288,753		
10	July		409,252	373,500		
11	August		386,093	404,999		
12	September		398,390	381,298		
13	October		308,580	293,722		
14	November		285,129	267,091		
15	December		<u>341,788</u>	<u>320,380</u>		
16						
17	Total	SUM L3 to L15	<u>\$4,939,151</u>	<u>\$3,880,008</u>		
18						
19	Average A/R Balance		<u>13</u>			
20						
21	Factor		<u>\$379,935</u>	<u>\$3,880,008</u>	10.21	35.74
22						
23	Collection Days Lag					35.74
24						
25	Billing and Revenue Recording Days Lag					1.00
26						
27	Billing Lag (Average Period)	365 / 12 * 0.5				<u>15.21</u>
28						
29	Total Revenue Lag Days	L23 + L25 + L27				<u>51.95</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-4 O + M Lag for CWC

Exhibit MJT-1
 Schedule C-4
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Category	Description	Reference	Payment Date	Mid-point of Service Period	Expense Amount	(Lead)/Lag Days	Dollar Days
1	PAYROLL	Union & Non-Union Payroll				\$167,922		
2		Paid Twice Per Month					13.58	
3		Weighted Payroll Dollar Value						\$2,280,946
4								
5		Payroll Lag	SUM L1 to L3			<u>\$167,922</u>	13.58	<u>\$2,280,946</u>
6								
7	PENSION PAYMENTS	First Payment						
8		Second Payment						
9		Third Payment						
10		Fourth Payment						
11		Final Payment		1/15/2025	7/1/2025	\$3,300	(167.00)	(\$551,100)
12								
13		Sub-total	SUM L7 to L11			<u>\$3,300</u>		<u>(\$551,100)</u>
14								
15		Lag Days for Pension Payment					<u>(167.00)</u>	
16								
17	PURCHASE COMMODITY COSTS	Payment Lag - Contract Purchases					35.71	
18		Payment Lag - Spot Market/PJM Purchases					12.50	
19		Payment Lag - Payment to Suppliers					37.88	
20								
21								
22	OTHER O & M EXPENSES	January				\$16,812		\$651,478
23		April				26,471		1,077,737
24		July				25,711		1,175,140
25		October				22,699		769,982
26								
27		Lag Days for Other Expenses	SUM L22 to L25			<u>\$91,693</u>	40.07	<u>\$3,674,337</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 C-4 General Disbursements Lag

Exhibit MJT-1
 Schedule C-4
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)
Line No.	Months	Description	Number of CDs	Cash Disbursements	Dollar-Days	Expense Lag Days
1	January	Total Disbursements for Month	19,206	\$337,934		
2		Total Disbursements for Expenses	1,354	\$16,812	\$651,478	38.75
3						
4	April	Total Disbursements for Month	33,541	\$241,401		
5		Total Disbursements for Expenses	2,115	\$26,471	\$1,077,737	40.71
6						
7	July	Total Disbursements for Month	29,010	\$256,674	-	
8		Total Disbursements for Expenses	1,842	\$25,711	\$1,175,140	45.70
9						
10	October	Total Disbursements for Month	22,765	\$232,356	-	
11		Total Disbursements for Expenses	1,978	\$22,699	\$769,982	33.92
12	<u>TOTAL FOUR TEST MONTHS</u>					
13						
14	Total Test Month Expense Disbursement		7,289	\$91,693	\$3,674,337	40.07

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 C-4 Tax Expense Lag Dollars

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 Schedule C-4
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Description	Description	Payment Date	Mid Point Date	Lead/(Lag) Payment Days	Total Payment Amount	Payment Percentage	Payment Amount	Weighted Dollar Days
1	FEDERAL INCOME TAX	First Payment	4/15/2025	7/1/2025	77	\$113,465	25.00%	\$28,366	\$2,184,211
2		Second Payment	6/16/2025	7/1/2025	15	113,465	25.00%	28,366	425,496
3		Third Payment	9/15/2025	7/1/2025	(76)	113,465	25.00%	28,366	(2,155,844)
4		Fourth Payment	12/15/2025	7/1/2025	(167)	113,465	25.00%	28,366	(4,737,184)
5		Sub-total FEDERAL INCOME TAX					100.00%	\$113,465	(\$4,283,322)
6									
7	STATE INCOME TAX	First Payment	3/17/2025	7/1/2025	106	\$12,681	25.00%	\$3,170	\$336,042
8		Second Payment	6/16/2025	7/1/2025	15	12,681	25.00%	3,170	47,553
9		Third Payment	9/15/2025	7/1/2025	(76)	12,681	25.00%	3,170	(240,936)
10		Fourth Payment	12/15/2025	7/1/2025	(167)	12,681	25.00%	3,170	(529,425)
11		Sub-total STATE INCOME TAX					100.00%	\$12,681	(\$386,765)
12									
13	PURTA	First Payment	5/1/2025	7/1/2025	61	\$5,690	100.00%	\$5,690	\$347,061
14		Subtotal PURTA					100.00%	\$5,690	\$347,061
15									
16	PA CAPITAL STOCK TAX	First Payment							
17		Second Payment							
18		Third Payment							
19		Fourth Payment							
20		Sub-total PA CAPITAL STOCK TAX							
21									
22	PA PROPERTY TAX	First Payment	6/9/2025	7/1/2025	22	\$4,920	100.00%	\$4,920	\$108,248
23		Second Payment							
24		Sub-total PA PROPERTY TAX					100.00%	\$4,920	\$108,248
25									
26	GROSS RECEIPTS TAX	First Payment	3/17/2025	7/1/2025	106	\$166,664	100.00%	\$166,664	\$17,666,417
27		Sub-total GROSS RECEIPTS TAX					100.00%	\$166,664	\$17,666,417

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 C-4 Tax Expense Net Lag Days

Exhibit MJT-1
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Description	Total Payment Amount	Weighted Dollar Days	Payment Lead/(Lag) Days	Revenue Lag Days	Net Payment Lead/(Lag) Days	Net Payment Lead/(Lag) Dollars Days	Average Daily Amount for Working Capital
1	FEDERAL INCOME TAX	\$113,465	(\$4,283,322)	(37.75)	51.95	14.20	\$1,611,158	\$4,414
2	STATE INCOME TAX	\$12,681	(\$386,765)	(30.50)	51.95	21.45	\$271,998	\$745
3	PURTA	\$5,690	\$347,061	61.00	51.95	112.95	\$642,630	\$1,761
4	PA CAPITAL STOCK TAX							
5	PA PROPERTY TAX	\$4,920	\$108,248	22.00	51.95	73.95	\$363,859	\$997
6	GROSS RECEIPTS TAX	\$166,664	\$17,666,417	106.00	51.95	157.95	\$26,324,551	\$72,122

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-4 Interest Payments

Exhibit MJT-1
 Schedule C-4
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Jurisdictional
1	Measures of Value at End of FPPTY		\$8,855,637
2	Long-Term Debt Ratio		46.60%
3	Embedded Cost of Long-Term Debt		<u>4.58%</u>
4	Pro Forma Interest Expense	L1 * L2 * L3	\$189,004
5	Days in Curent Year		365
6	Daily Amount	L4 / L5	\$518
7	Days to Mid-Point of Interest Payments	L5 / 4	91.25
8	Less: Revenue Lag Days	C-4	<u>51.95</u>
9	Interest Payment Lag Days	L8 - L7	<u>(39.30)</u>
10	Total Interest for Working Capital	L6 * L9	<u><u>(\$20,351)</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-4 Prepayments

Line No.	Description	Reference	(1) EPRI Dues	(2) EEI Dues	(3) EAP Membership Dues	(4) Prepaid Rents & Pole Attachments	(5) PUC Assessment Electric	(6) Land Leasing	(7) Maintenance	(8) IT License & Maintenance	(9) Business Support Systems	(10) VEBA Adjust	(11) Facilities Contracts	(12) IT License & Maintenance	(13) Fleet Activities	(14) IT License & Maintenance	(15) Customer Experience	(16) Postage	(17) Total Prepayment	
1	December					\$331	\$3,893	\$194		\$32	\$217	\$2,394	\$0	\$96	\$448	\$71	\$327	\$1,247		
2	January			\$573		788	3,032			(\$0)	469	2,394	(18)	88	465	51	285	816		
3	February			521		745	2,425			\$356	424	2,394	(35)	80	420	170	372	701		
4	March			469		558	1,819	188		\$324	333	3,157	157	88	420	254	305	662		
5	April		\$304	417	\$237	392	1,213		244	\$291	544	3,157	139	80	433	112	276	728		
6	May		203	365	138	212	606		195	\$259	453	3,157	122	72	428	159	243	731		
7	June		203	313	118	170	0	181	195	\$227	226	3,584	105	119	422	294	223	739		
8	July		203	261	99	641	5,155		195	\$204	467	3,584	87	111	441	562	277	760		
9	August		203	208	79	453	4,495		195	\$240	486	3,584	70	103	441	761	214	685		
10	September		101	156	59	624	5,779	175	195	\$201	513	3,775	52	136	399	623	146	664		
11	October		101	104	39	469	5,205		195	\$161	491	3,775	35	128	404	561	92	664		
12	November			52	20	284	4,630		195	\$405	363	3,775	17	120	438	500	59	712		
13	December			0		234	4,055	168	195	\$82	283	4,879	0	153	451	248	573	777		
14																				
15	Total	SUM L1 to L13	\$1,319	\$3,440	\$788	\$5,900	\$42,307	\$906	\$1,804	\$2,782	\$5,270	\$43,611	\$731	\$1,376	\$5,610	\$4,367	\$3,392	\$9,886		
16																				
17	Distribution Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	67.41%	67.41%	67.41%	67.41%	74.50%	74.50%	74.50%		
18																				
19	Distribution Amount	L15 * L17	\$1,319	\$3,440	\$788	\$5,900	\$42,307	\$906	\$1,804	\$2,782	\$5,270	\$29,399	\$493	\$927	\$3,782	\$3,254	\$2,527	\$7,365		
20																				
21	Number of Months	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	
22																				
23	Monthly Average	L19 / L21	\$101	\$265	\$61	\$454	\$3,254	\$70	\$139	\$214	\$405	\$2,261	\$38	\$71	\$291	\$250	\$194	\$567		
24																				
25	Rate Case Amount																			\$8,636

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-4 Energy Lag

Exhibit MJT-1
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)
Line No.	Description	Midpoint of Prior Month Service Period to end of Month	Payment Date Month after Service Period	Additional Weekend or Holidays Extending Payment Date	Lag Days	Average
1	<u>Contract Purchases in FPFTY</u>					
2	January	15.50	19.00	1.00	35.50	
3	February	15.50	19.00	1.00	35.50	
4	March	14.00	19.00	1.00	34.00	
5	April	15.50	19.00	2.00	36.50	
6	May	15.00	19.00	1.00	35.00	
7	June	15.50	19.00	1.00	35.50	
8	July	15.00	19.00	2.00	36.00	
9	August	15.50	19.00	1.00	35.50	
10	September	15.50	19.00	3.00	37.50	
11	October	15.00	19.00	1.00	35.00	
12	November	15.50	19.00	1.00	35.50	
13	December	15.00	19.00	3.00	37.00	
14	Payment Lag - Contract Purchases					35.71
15						
16	<u>Spot Market Purchases in FPFTY and PJM Transmission Purchased</u>					
17		Service Period	Units	Service Period of Days	Lag Days	Total
18						
19	Service Period Weekly	Wed . to Tues.	Days	7.00		
20						
21	Days from Midpoint to End of Service				3.50	
22						
23	Payment Due on Friday of each Week				9.00	
24	Payment Lag - Spot Market/PJM Purchases					12.50
25						
26	<u>Payments to Suppliers</u>					
27		Payment Lag Days	Revenue Percentage	Weighted Lag Days	Lag Days	Total
28						
29	Residential	25.00	33%	8.34		
30	Nonresidential	20.00	67%	13.33		
31	Weighted Lag Days				21.67	
32						
33	Billing and Revenue Recording Days Lag				1.00	
34						
35	Billing Lag (Average Period)	365 / 12. * 0.5			15.21	
36						
37	Total POR Payment Lag Days	L31 + L33 + L35				37.88

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FPFTY Ending December 2025
(\$ in Thousands)
C-5 Reserved

Exhibit MJT-1
Schedule C-5
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-6 ADIT - A/C #282

Exhibit MJT-1
 Schedule C-6
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Test Year	Description	Reference	Total Amount	Percent to Utility	Utility Amount	Distribution Amount
1	HTY	ADIT - CIAC		(\$18,074)	100.00%	(\$18,074)	(\$18,074)
2		ADIT - Common Plant		69,010	100.00%	69,010	43,626
3		ADIT - Electric Common Plant		35,732	100.00%	35,732	29,362
4		ADIT - Electric Distribution		619,210	100.00%	619,210	619,210
5		ADIT - Corp. Alternative Minimum Tax		(60,332)	100.00%	(60,332)	(60,332)
6		Sub-total	SUM L1 to L5	\$645,546		\$645,546	\$613,793
7							
8	FTY	DIT - CIAC		(\$5,056)	100.00%	(\$5,056)	(\$5,056)
9		DIT - Common Plant			100.00%		63.22%
10		DIT - Electric Common Plant			100.00%		82.17%
11		DIT - Electric Distribution		35,217	100.00%	35,217	35,217
12		DIT - Corp. Alternative Minimum Tax		(48,211)	100.00%	(48,211)	(48,211)
13		Sub-total	SUM L8 to L12	(\$18,050)		(\$18,050)	(\$18,050)
14							
15	FPFTY	DIT - CIAC		(\$5,035)	100.00%	(\$5,035)	(\$5,035)
16		DIT - Common Plant			100.00%		63.22%
17		DIT - Electric Common Plant			100.00%		82.17%
18		DIT - Electric Distribution		27,673	100.00%	27,673	27,673
19		DIT - Corp. Alternative Minimum Tax		(21,737)	100.00%	(21,737)	(21,737)
20		Sub-total	SUM L15 to L19	\$902		\$902	\$902
21							
22		Total	L6 + L13 + L20	\$628,397		\$628,397	\$596,644

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-7 Customer Deposits

Exhibit MJT-1
 Schedule C-7
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)
Line No.	Description	Reference	Residential	Non-Residential	Total
1	December		\$18,802	\$31,587	\$50,388
2	January		18,976	32,487	51,463
3	February		19,166	33,197	52,363
4	March		19,446	33,844	53,290
5	April		20,077	34,307	54,384
6	May		20,877	35,117	55,994
7	June		21,538	35,642	57,179
8	July		22,060	36,988	59,048
9	August		22,549	38,022	60,571
10	September		22,772	38,782	61,555
11	October		23,058	39,358	62,416
12	November		23,276	39,646	62,922
13	December		23,215	39,988	63,203
14					
15	Total	SUM L1 to L13	\$275,812	\$468,965	\$744,777
16					
17	Average Monthly Balance	L15 / 13	\$21,216	\$36,074	\$57,291
18					
19	<u>HTY Deposits by Customer Classification</u>				
20	Residential				\$21,216
21	Small C&I				30,886
22	Large C&I				5,183
23	Other				5
24					
25	Total	SUM L20 to L23			\$57,291

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 C-8 Common Plant

Exhibit MJT-1
 Schedule C-8
 Witness: Michael J. Trzaska
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Line No.	Category	Account	Reference	(1) FPFTY Amount	(2) Allocated to Non Jurisdiction	(3) Allocated to Jurisdiction	(4)
1	Common Plant in Service:						
2							
3		E301 - Organization Costs		\$677	\$221	\$456	
4							
5		E303 - Misc Intangible Plant		\$337,580	\$100,986	\$236,594	
6							
7		E389 - Land and Land Rights		\$6,783	\$2,211	\$4,573	
8							
9		E390 - Structures and Improvements		\$432,164	\$140,836	\$291,328	
10		E391 - Office Furniture, Equipment		82,575	26,910	55,665	
11		E392 - Transportation Equipment		218,349	71,157	147,192	
12		E393 - Stores Equipment		1,144	373	771	
13		E394 - Tools, Shop, Garage Equipmnt		2,144	699	1,445	
14		E396 - Power Operated Equipment		185	60	125	
15		E397 - Communication Equipment		160,034	52,153	107,881	
16		E398 - Miscellaneous Equipment		1,158	377	781	
17		E399 - Other Tangible Property					
18		E399.1 - ARO Costs General Plant		803	262	541	
19		Sub Total - General Plant	SUM L9 to L18	\$898,556	\$292,827	\$605,729	
20		Total Common Plant in Service	SUM L3+L5+L7+L19	\$1,243,596	\$396,244	\$847,352	
21							
22	Common Plant Accumulated Depreciation:						
23							
24		E301 - Organization Costs					
25							
26		E303 - Misc Intangible Plant		\$156,223	\$49,237	\$106,986	
27							
28		E389 - Land and Land Rights					
29							
30		E390 - Structures and Improvements		\$70,406	\$22,944	\$47,462	
31		E391 - Office Furniture, Equipment		35,258	11,490	23,768	
32		E392 - Transportation Equipment		115,297	37,574	77,724	
33		E393 - Stores Equipment		246	80	166	
34		E394 - Tools, Shop, Garage Equipmnt		834	272	562	
35		E396 - Power Operated Equipment		185	60	125	
36		E397 - Communication Equipment		50,731	16,533	34,199	
37		E398 - Miscellaneous Equipment		974	317	657	
38		E399 - Other Tangible Property					
39		E399.1 - ARO Costs General Plant		(386)	(126)	(260)	
40		Sub Total - General Plant	SUM L30 to L39	\$273,546	\$89,145	\$184,401	
41		Total Common Plant Accum Depreciation	SUM L24+L26+L28+L40	\$429,769	\$138,382	\$291,387	
42							
43		Net Common Plant	L20 - L41	\$813,827	\$257,861	\$555,965	
44							
45							
46		Common Plant in Service to Utility	L20	\$1,243,596	\$396,244	\$847,352	
47		Common Plant Accum Depreciation to Utility	L41	429,769	138,382	291,387	
48		Net Common Plant to Utility	L46 - L47	\$813,827	\$257,861	\$555,965	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending December 2025
 (\$ in Thousands)
 C-9 Customer Advances For Construction

Exhibit MJT-1
 Schedule C-9
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	<u>HTY 13-Month Average</u>		
2	December		\$2,662
3	January		2,509
4	February		2,978
5	March		3,239
6	April		3,066
7	May		2,900
8	June		2,423
9	July		2,393
10	August		2,049
11	September		3,859
12	October		3,861
13	November		2,764
14	December		2,855
15			
16	13-Month Total	SUM L2 to L14	\$37,557
17			
18			
19	Average Monthly Balance	L16 / 13	\$2,889

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 C-11 Materials and Supplies

Exhibit MJT-1
 Schedule C-11
 Witness: Michael J. Trzaska
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Line No.	Description	(1) Reference	(2) Materials & Supplies	(3) Undistributed Stores Expense	(4) Total
1	HTY 13-Month Average				
2	December		\$29,564	(\$0)	\$29,564
3	January		30,031	(191)	29,840
4	February		28,319	(372)	27,947
5	March		26,573	(1,490)	25,083
6	April		26,183	(1,111)	25,072
7	May		26,568	(1,460)	25,108
8	June		27,575	(1,693)	25,882
9	July		28,584	(1,197)	27,387
10	August		33,678	(1,126)	32,553
11	September		34,598	(1,077)	33,522
12	October		34,602	(660)	33,943
13	November		36,708	(686)	36,023
14	December		39,019	0	39,019
15					
16	Total	SUM L2 to L14	\$402,003	(\$11,061)	\$390,942
17					
18	Distribution Expense Allocation Factor		100.00%	67.41%	
19					
20	Allocation to Distribution	L16 * L18	\$402,003	(\$7,457)	
21					
22	Average Monthly Balance	L20 / 13	\$30,923	(\$574)	\$30,350

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 C-12 ADIT - Reg Liability

Exhibit MJT-1
 Schedule C-12
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Test Year	Description	Reference	Total Amount	Percent to Utility	Utility Amount	Percent to Distribution	Distribution Amount
1	HTY	ADIT - Distribution		\$288,276	100.00%	\$288,276	100.00%	\$288,276
2		ADIT - CIAC			100.00%		100.00%	
3		Sub-total HTY	L1 + L2	<u>288,276</u>		<u>288,276</u>		<u>288,276</u>
4								
5	FTY	DIT - Distribution		(\$7,023)	100.00%	(\$7,023)	100.00%	(\$7,023)
6		DIT - CIAC			100.00%		100.00%	
7		Sub-total FTY	L5 + L6	<u>(7,023)</u>		<u>(7,023)</u>		<u>(7,023)</u>
8								
9	FPFTY	DIT - Distribution		(\$3,378)	100.00%	(\$3,378)	100.00%	(\$3,378)
10		DIT - CIAC			100.00%		100.00%	
11		Sub-total FPFTY	L9 + L10	<u>(3,378)</u>		<u>(3,378)</u>		<u>(3,378)</u>
12								
13		Total	L3 + L7 + L11	<u>\$277,875</u>		<u>\$277,875</u>		<u>\$277,875</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 D-1 Present and Proposed Rates

Exhibit MJT-1
 Schedule D-1
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Category	Description	Reference	Pro Forma Adjusted at Present Rates	Proposed Rate Increase	Adjusted Amounts with Proposed Rate Increase
1	Operating Revenues	Residential		\$1,616,574		\$1,616,574
2		Residential - House Heating		358,919		358,919
3		C & I Small		417,041		417,041
4		C & I Large		237,936		237,936
5		Railroads & Railways		7,059		7,059
6		Street Lighting		22,848		22,848
7		Intercompany				
8		Transmission - All Classes		199,791		199,791
9		Forfeited Discounts		12,224	\$1,406	13,630
10		Miscellaneous Service Revenues		3,684		3,684
11		Rent For Electric Property		22,580		22,580
12		Other Electric Revenues		9,534		9,534
13		Revenue Increase			\$463,632	463,632
14		Total Operating Revenues	SUM L1 to L13	\$2,908,189	\$465,038	\$3,373,227
15						
16	Operating Expenses	Power Supply		\$1,003,713		\$1,003,713
17		Transmission Expense		186,907		186,907
18		Distribution Expense		445,432		445,432
19		Customer Accounts Expense		162,107	\$4,501	166,607
20		Customer Service and Information Expense		21,818		21,818
21		Sales Expense		422		422
22		Administrative & General		185,165	1,111	186,276
23		Sub-total O&M Expense	SUM L16 to L22	\$2,005,564	\$5,612	\$2,011,176
24						
25		Depreciation & Amortization Expense		\$336,287		\$336,287
26		Amortization of Regulatory Expense		(448)		(448)
27		Taxes Other Than Income Taxes - Other		\$192,333	\$27,354	\$219,687
28		Total Operating Expenses	SUM L23 to L27	\$2,533,736	\$32,966	\$2,566,702
29						
30	Net Operating Income - BIT		L14 - L28	\$374,453	\$432,072	\$806,525

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FPFTY Ending December 2025
(\$ in Thousands)
D-2 Adjusted Present Rates

Exhibit MJT-1
Schedule D-2
Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Category	Description	Reference	FPFTY Amount Pre Adjustments	Adjustments Sub-Total	Pro Forma Adjusted at Present Rates
1	Operating Revenues	Residential		\$1,641,544	(\$24,970)	\$1,616,574
2		Residential - House Heating		364,319	(5,400)	358,919
3		C & I Small		441,807	(24,766)	417,041
4		C & I Large		270,518	(32,581)	237,936
5		Railroads & Railways		8,121	(1,063)	7,059
6		Street Lighting		23,197	(349)	22,848
7		Intercompany				
8		Transmission - All Classes		199,791		199,791
9		Forfeited Discounts		12,224		12,224
10		Miscellaneous Service Revenues		3,684		3,684
11		Rent For Electric Property		22,580		22,580
12		Other Electric Revenues		9,534		9,534
13		Revenue Increase				
14		Total Operating Revenues	SUM L1 to L13	\$2,997,318	(\$89,129)	\$2,908,189
15						
16	Operating Expenses	Power Supply		\$1,003,713		\$1,003,713
17		Transmission Expense		186,907		186,907
18		Distribution Expense		427,846	\$17,586	445,432
19		Customer Accounts Expense		147,808	14,298	162,107
20		Customer Service and Information Expense		103,916	(82,098)	21,818
21		Sales Expense		414	8	422
22		Administrative & General		178,632	6,533	185,165
23		Sub-total O&M Expense	SUM L16 to L22	\$2,049,237	(\$43,673)	\$2,005,564
24						
25		Depreciation & Amortization Expense		\$318,997	\$17,290	\$336,287
26		Amortization of Regulatory Expense			(448)	(448)
27		Taxes Other Than Income Taxes - Other		197,517	(5,184)	192,333
28		Total Operating Expenses	SUM L23 to L27	\$2,565,751	(\$32,015)	\$2,533,736
29						
30	Net Operating Income - BIT		L14 - L28	\$431,567	(\$57,114)	\$374,453

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)

D-3 Adjustments to Net Operating Income

Line No.	Category	Description	Description	FPFTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act 129 Lost Revenue	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization
1	Operating Revenues	Residential	Elec Cost	\$689,404							
2			Cust & Dist	952,140	1,321	(1,597)	(1,930)	(23,263)		498	
3			Sub-total Residential	\$1,641,544	\$1,321	(\$1,597)	(\$1,930)	(\$23,263)		\$498	
4											
5		Residential - House Heating	Elec Cost	\$180,937							
6			Cust & Dist	183,381	991	(195)	(404)	(5,941)		148	
7			Sub-total Residential - House Heating	\$364,319	\$991	(\$195)	(\$404)	(\$5,941)		\$148	
8											
9		C & I Small	Elec Cost	\$148,035							
10			Cust & Dist	293,772	567		(892)	(24,597)		155	
11			Sub-total C & I Small	\$441,807	\$567		(\$892)	(\$24,597)		\$155	
12											
13		C & I Large	Elec Cost	\$52,022							
14			Cust & Dist	218,495			(622)	(32,087)		127	
15			Sub-total C & I Large	\$270,518			(\$622)	(\$32,087)		\$127	
16											
17		Railroads & Railways	Cust & Dist	\$8,121				(1,063)			
18			Sub-total Railroads & Railways	\$8,121				(\$1,063)			
19											
20		Street Lighting	Elec Cost	\$801							
21			Cust & Dist	22,396				(349)			
22			Sub-total Street Lighting	\$23,197				(\$349)			
23											
24		Intercompany	Elec Cost								
25			Cust & Dist								
26			Sub-total Interdepartmental								
27											
28		Transmission - All Classes	Transmission - All Classes	\$199,791							
29			Sub-total Transmission - All Classes	\$199,791							
30											
31		Forfeited Discounts	Forfeited Discounts	\$12,224							
32			Sub-total Forfeited Discounts	\$12,224							
33											
34		Miscellaneous Service Revenues	Miscellaneous Service Revenues	\$3,684							
35			Sub-total Miscellaneous Service Revenues	\$3,684							
36											
37		Rent For Electric Property	Rent For Electric Property	\$22,580							
38			Sub-total Rent For Electric Property	\$22,580							
39											
40		Other Electric Revenues	Other Electric Revenues	\$9,534							
41			Sub-total Other Electric Revenues	\$9,534							
42											
43		Revenue Increase	Revenue Increase								
44			Sub-total Revenue Increase								
45											
46			Total Operating Revenues	\$2,997,318	\$2,879	(\$1,791)	(\$3,846)	(\$87,299)		\$929	
47											
48	Operating Expenses	Power Supply	Purchased Power	\$1,003,713							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(1) (2) (3) (4) (5) (6) (7) (8)

Line No.	Category	Description	Description	FPFTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act 129 Lost Revenue	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization
97		Customer Service and Information	Customer Assistance	\$101,517				(\$82,164)			
98			Informational & Instructional	1,407							
99			Miscellaneous Customer & Informational	992							
100			Sub-total Customer Service & Information	\$103,916				(\$82,164)			
101											
102	Sales		Demonstrating & Selling	\$414							
103			Miscellaneous Sales								
104			Sub-total Sales	\$414							
105											
106	Administrative & General		Administrative and General Salaries	\$29,889							
107			Office Supplies and Expenses	3,566							
108			Administrative Expenses Transferred-Credit								
109			Outside Service Employed	88,149							
110			Property Insurance	741							
111			Injuries & Damages	12,322							
112			Employee Pensions and Benefits	24,743							
113			Regulatory Commission Expenses	9,551							
114			Duplicate Charges-Credit	(1,092)							
115			Miscellaneous General Expenses	2,527							
116			Maintenance of General Plant	8,237							
117			Sub-total Administrative & General	\$178,632							
118											
119			Total O&M Expense	\$2,049,237				(\$82,164)			
120											
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense	\$318,997							
122			Sub-total Depreciation & Amortization Expense	\$318,997							
123											
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense								
125			Sub-total Amortization of Regulatory Expense								
126											
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other	\$197,517							
128			Sub-total Taxes Other Than Income Taxes - Other	\$197,517							
129											
130			Total Operating Expenses	\$2,565,751				(\$82,164)			
131											
132	Net Operating Income Before Income Tax			\$431,567	\$2,879	(\$1,791)	(\$3,846)	(\$5,134)		\$929	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

			(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Line No.	Category	Description	D-6 Salary & Wages	D-7 Rate Case Expense	D-8 Adjustments for Employee Benefits	D-9 Adjustments for Pension	D-10 Uncollectible Accounts	D-11 IJJA Reg Asset	D-12 Customer Deposit Interest	D-13 Storm	
97		Customer Service and Information	Customer Assistance								
98			Informational & Instructional								
99			Miscellaneous Customer & Informational	7							
100			Sub-total Customer Service & Information	\$66							
101											
102	Sales		Demonstrating & Selling	\$8							
103			Miscellaneous Sales								
104			Sub-total Sales	\$8							
105											
106	Administrative & General		Administrative and General Salaries	\$886							
107			Office Supplies and Expenses								
108			Administrative Expenses Transferred-Credit								
109			Outside Service Employed								
110			Property Insurance								
111			Injuries & Damages	62							
112			Employee Pensions and Benefits	1		64	3,272				
113			Regulatory Commission Expenses		1,200						
114			Duplicate Charges-Credit								
115			Miscellaneous General Expenses	2							
116			Maintenance of General Plant	46							
117			Sub-total Administrative & General	\$997	\$1,200	\$64	\$3,272				
118											
119			Total O&M Expense	\$5,736	\$1,200	\$64	\$3,272	\$9,477	\$3,572	\$14,213	
120											
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense								
122			Sub-total Depreciation & Amortization Expense								
123											
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense					(\$448)			
125			Sub-total Amortization of Regulatory Expense					(\$448)			
126											
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other								
128			Sub-total Taxes Other Than Income Taxes - Other								
129											
130			Total Operating Expenses	\$5,736	\$1,200	\$64	\$3,272	\$9,477	(\$448)	\$3,572	\$14,213
131											
132	Net Operating Income Before Income Tax			(\$5,736)	(\$1,200)	(\$64)	(\$3,272)	(\$9,477)	\$448	(\$3,572)	(\$14,213)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

Line No.	Category	Description	Description	(17) D-14 Other Adjustments	(18) D-15 OPEN	(19) D-16 Taxes Other Than Income	(20) D-17 Depreciation Annualization	(21) Adjustments Sub-total	(22) Pro Forma Adjusted at Present Rates
1	Operating Revenues	Residential	Elec Cost						\$689,404
2			Cust & Dist					(24,970)	927,169
3			Sub-total Residential					(\$24,970)	\$1,616,574
4									
5		Residential - House Heating	Elec Cost						\$180,937
6			Cust & Dist					(5,400)	177,981
7			Sub-total Residential - House Heating					(\$5,400)	\$358,919
8									
9		C & I Small	Elec Cost						\$148,035
10			Cust & Dist					(24,766)	269,006
11			Sub-total C & I Small					(\$24,766)	\$417,041
12									
13		C & I Large	Elec Cost						\$52,022
14			Cust & Dist					(32,581)	185,914
15			Sub-total C & I Large					(\$32,581)	\$237,936
16									
17		Railroads & Railways	Cust & Dist					(\$1,063)	\$7,059
18			Sub-total Railroads & Railways					(\$1,063)	\$7,059
19									
20		Street Lighting	Elec Cost						\$801
21			Cust & Dist					(349)	22,047
22			Sub-total Street Lighting					(\$349)	\$22,848
23									
24		Intercompany	Elec Cost						
25			Cust & Dist						
26			Sub-total Interdepartmental						
27									
28		Transmission - All Classes	Transmission - All Classes						\$199,791
29			Sub-total Transmission - All Classes						\$199,791
30									
31		Forfeited Discounts	Forfeited Discounts						\$12,224
32			Sub-total Forfeited Discounts						\$12,224
33									
34		Miscellaneous Service Revenues	Miscellaneous Service Revenues						\$3,684
35			Sub-total Miscellaneous Service Revenues						\$3,684
36									
37		Rent For Electric Property	Rent For Electric Property						\$22,580
38			Sub-total Rent For Electric Property						\$22,580
39									
40		Other Electric Revenues	Other Electric Revenues						\$9,534
41			Sub-total Other Electric Revenues						\$9,534
42									
43		Revenue Increase	Revenue Increase						
44			Sub-total Revenue Increase						
45									
46			Total Operating Revenues					(\$89,129)	\$2,908,189
47									
48	Operating Expenses	Power Supply	Purchased Power						\$1,003,713

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

Line No.	Category	Description	Description	(17) D-14 Other Adjustments	(18) D-15 OPEN	(19) D-16 Taxes Other Than Income	(20) D-17 Depreciation Annualization	(21) Adjustments Sub-total	(22) Pro Forma Adjusted at Present Rates
97		Customer Service and Information	Customer Assistance					(\$82,106)	\$19,411
98			Informational & Instructional						1,407
99			Miscellaneous Customer & Informational					7	1,000
100			Sub-total Customer Service & Information					(\$82,098)	\$21,818
101									
102	Sales		Demonstrating & Selling					\$8	\$422
103			Miscellaneous Sales						
104			Sub-total Sales					\$8	\$422
105									
106	Administrative & General		Administrative and General Salaries					\$886	\$30,775
107			Office Supplies and Expenses						3,566
108			Administrative Expenses Transferred-Credit						
109			Outside Service Employed						88,149
110			Property Insurance						741
111			Injuries & Damages					62	12,384
112			Employee Pensions and Benefits					3,337	28,080
113			Regulatory Commission Expenses					1,200	10,751
114			Duplicate Charges-Credit						(1,092)
115			Miscellaneous General Expenses	1,000				1,002	3,529
116			Maintenance of General Plant					46	8,283
117			Sub-total Administrative & General	\$1,000				\$6,533	\$185,165
118									
119			Total O&M Expense	\$957				(\$43,673)	\$2,005,564
120									
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense				\$17,290	\$17,290	\$336,287
122			Sub-total Depreciation & Amortization Expense				\$17,290	\$17,290	\$336,287
123									
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense					(\$448)	(\$448)
125			Sub-total Amortization of Regulatory Expense					(\$448)	(\$448)
126									
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other			(\$5,184)		(\$5,184)	\$192,333
128			Sub-total Taxes Other Than Income Taxes - Other			(\$5,184)		(\$5,184)	\$192,333
129									
130			Total Operating Expenses	\$957		(\$5,184)	\$17,290	(\$32,015)	\$2,533,736
131									
132	Net Operating Income Before Income Tax			(\$957)		\$5,184	(\$17,290)	(\$57,114)	\$374,453

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 D-4 Expense Adjustment Summary

Line No.	Category	Description	Account	(1) FPPTY Amount Pre Adjustments	(2) D-5D Energy Efficiency Program Expense	(3) D-6 Salary & Wages	(4) D-7 Rate Case Expense	(5) D-8 Adjustments for Employee Benefits	(6) D-9 Adjustments for Pension	(7) D-10 Uncollectible Accounts	(8) D-11 IJJA Reg Asset
49			Sub-total DISTRIBUTION EXPENSE	\$427,846		\$3,373					
50											
51	CUSTOMER ACCOUNTS	Customer Accounts	901.0 Supervision								
52			902.0 Meter Reading	\$976		0					
53			903.0 Customer Records and Collection	105,441		1,265					
54			904.0 Uncollectible Accounts.	38,095						9,477	
55			905.0 Miscellaneous Customer Accounts Expenses.	3,295		27					
56			Sub-total Customer Accounts	\$147,808		\$1,292				\$9,477	
57											
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	908.0 Customer Assistance	\$101,517	(\$82,164)	\$58					
59			909.0 Informational & Instructional	1,407							
60			910.0 Miscellaneous Customer & Informational	992		7					
61			Sub-total Customer Service & Information	\$103,916	(\$82,164)	\$66					
62											
63	SALES	Sales	912.0 Demonstrating & Selling	\$414		\$8					
64			916.0 Miscellaneous Sales								
65			Sub-total Sales	\$414		\$8					
66											
67	ADMINISTRATION & GENERAL	A&G Operations	920.0 Administrative and General Salaries	\$29,889		\$886					
68			921.0 Office Supplies and Expenses	3,566							
69			922.0 Administrative Expenses Transferred-Credit								
70			923.0 Outside Service Employed	88,149							
71			924.0 Property Insurance	741							
72			925.0 Injuries & Damages	12,322		62					
73			926.0 Employee Pensions and Benefits	24,743		1		64	3,272		
74			928.0 Regulatory Commission Expenses	9,551			1,200				
75			929.0 Duplicate Charges-Credit	(1,092)							
76			930.2 Miscellaneous General Expenses	2,527		2					
77			Sub-total A&G Operations	\$170,395		\$951	\$1,200	\$64	\$3,272		
78											
79		A&G Maintenance	935.0 Maintenance of General Plant	\$8,237		\$46					
80											
81			Sub-total ADMINISTRATION & GENERAL	\$178,632		\$997	\$1,200	\$64	\$3,272		
82											
83	DEPRECIATION & AMORTIZATION EXPENSE	Depreciation & Amortization Expense	403.0 Depreciation Expense.	\$268,901							
84			404.0 Amort. Of Limited-Term Electric Plant.	50,096							
85			Sub-total Depreciation & Amortization Expense	\$318,997							
86											
87	AMORTIZATION OF REGULATORY EXPENSE	Amortization of Regulatory Expense	407.3 Regulatory Debits.								(\$448)
88			Sub-total Amortization of Regulatory Expense								(\$448)
89											
90	TAXES OTHER THAN INCOME TAXES	Taxes Other Than Income Taxes - Other	408.1 Taxes Other Than Income Taxes, Utility Operating Income.	\$197,517							
91			Sub-total Taxes Other Than Income Taxes - Other	\$197,517							
92											
93			Total	\$2,565,751	(\$82,164)	\$5,736	\$1,200	\$64	\$3,272	\$9,477	(\$448)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 D-4 Expense Adjustment Summary

Line No.	Category	Description	Account	(9) D-12 Customer Deposit Interest	(10) D-13 Storm	(11) D-14 Other Adjustments	(12) D-15 OPEN	(13) D-16 Taxes Other Than Income	(14) D-17 Depreciation Annualization	(15) Adjustments Sub- total	(16) Pro Forma Adjusted at Present Rates
49			Sub-total DISTRIBUTION EXPENSE		\$14,213					\$17,586	\$445,432
50											
51	CUSTOMER ACCOUNTS	Customer Accounts	901.0 Supervision								
52			902.0 Meter Reading							\$0	\$976
53			903.0 Customer Records and Collection							\$1,265	106,706
54			904.0 Uncollectible Accounts.							9,477	47,572
55			905.0 Miscellaneous Customer Accounts Expenses.	3,572		(43)				3,556	6,852
56			Sub-total Customer Accounts	\$3,572		(\$43)				\$14,298	\$162,107
57											
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	908.0 Customer Assistance							(\$82,106)	\$19,411
59			909.0 Informational & Instructional								1,407
60			910.0 Miscellaneous Customer & Informational							7	1,000
61			Sub-total Customer Service & Information							(\$82,098)	\$21,818
62											
63	SALES	Sales	912.0 Demonstrating & Selling							\$8	\$422
64			916.0 Miscellaneous Sales								
65			Sub-total Sales							\$8	\$422
66											
67	ADMINISTRATION & GENERAL	A&G Operations	920.0 Administrative and General Salaries							\$886	\$30,775
68			921.0 Office Supplies and Expenses								3,566
69			922.0 Administrative Expenses Transferred-Credit								
70			923.0 Outside Service Employed								88,149
71			924.0 Property Insurance								741
72			925.0 Injuries & Damages							62	12,384
73			926.0 Employee Pensions and Benefits							3,337	28,080
74			928.0 Regulatory Commission Expenses							1,200	10,751
75			929.0 Duplicate Charges-Credit								(1,092)
76			930.2 Miscellaneous General Expenses			1,000				1,002	3,529
77			Sub-total A&G Operations			\$1,000				\$6,487	\$176,882
78											
79		A&G Maintenance	935.0 Maintenance of General Plant							\$46	\$8,283
80											
81			Sub-total ADMINISTRATION & GENERAL			\$1,000				\$6,533	\$185,165
82											
83	DEPRECIATION & AMORTIZATION EXPENSE	Depreciation & Amortization Expense	403.0 Depreciation Expense.						\$15,117	\$15,117	\$284,018
84			404.0 Amort. Of Limited-Term Electric Plant.						2,172	2,172	52,269
85			Sub-total Depreciation & Amortization Expense						\$17,290	\$17,290	\$336,287
86											
87	AMORTIZATION OF REGULATORY EXPENSE	Amortization of Regulatory Expense	407.3 Regulatory Debits.							(\$448)	(\$448)
88			Sub-total Amortization of Regulatory Expense							(\$448)	(\$448)
89											
90	TAXES OTHER THAN INCOME TAXES	Taxes Other Than Income Taxes - Other	408.1 Taxes Other Than Income Taxes, Utility Operating Income.					(\$5,184)		(\$5,184)	\$192,333
91			Sub-total Taxes Other Than Income Taxes - Other					(\$5,184)		(\$5,184)	\$192,333
92											
93			Total	\$3,572	\$14,213	\$957		(\$5,184)	\$17,290	(\$32,015)	\$2,533,736

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-5 Revenue Adjustment Summary

Exhibit MJT-1
 Schedule D-5
 Witness: Michael J. Trzaska
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					(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Line No.	Category	Category	Description	Account	FPFTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act - 129 Lost Revenue Due To Load Reduction	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization	Adjustments Sub-total	Pro Forma Adjusted at Present Rates
1	<i>OPERATING REVENUE</i>	Customer & Distribution Revenue	Residential	440.0	\$952,140	\$1,321	(\$1,597)	(\$1,930)	(\$23,263)		\$498		(\$24,970)	\$927,169
2			Residential - House Heating	440.1	183,381	991	(195)	(404)	(5,941)		148		(5,400)	177,981
3			C & I Small	442.0	293,772	567		(892)	(24,597)		155		(24,766)	269,006
4			C & I Large	442.1	218,495			(622)	(32,087)		127		(32,581)	185,914
5			Railroads & Railways	446.0	8,121				(1,063)				(1,063)	7,059
6			Street Lighting	444.0	22,396				(349)				(349)	22,047
7			Intercompany	448.0										
8			Transmission - All Classes		199,791									199,791
9			Sub-total - Customer & Distribution Revenues		\$1,878,096	\$2,879	(\$1,791)	(\$3,846)	(\$87,299)		\$929		(\$89,129)	\$1,788,967
10														
11		Electric Cost Revenue	Residential	440.0	\$689,404									\$689,404
12			Residential - House Heating	440.1	180,937									180,937
13			C & I Small	442.0	148,035									148,035
14			C & I Large	442.1	52,022									52,022
15			Railroads & Railways	446.0										
16			Street Lighting	444.0	801									801
17			Intercompany	448.0										
18			Sub-total - Electric Cost Revenue		\$1,071,200									\$1,071,200
19														
20			Total OPERATING REVENUE		\$2,949,296	\$2,879	(\$1,791)	(\$3,846)	(\$87,299)		\$929		(\$89,129)	\$2,860,167
21														
22	<i>OTHER REVENUE</i>	Other Electric Revenue	Rent For Electric Property	454.0	\$22,580									\$22,580
23			Other Electric Revenues	456.0	9,534									9,534
24			Transmission of Electricity for Others	456.1										
25			Sub-total - Other electric Revenue		\$32,114									\$32,114
26														
27		Other Operating Revenue	Forfeited Discounts	450.0	\$12,224									\$12,224
28			Miscellaneous Service Revenues	451.0	3,684									3,684
29			Sub-total - Other Operating Revenue		\$15,908									\$15,908
30														
31			Total OTHER REVENUE		\$48,022									\$48,022
32														
33			Total REVENUE		\$2,997,318	\$2,879	(\$1,791)	(\$3,846)	(\$87,299)		\$929		(\$89,129)	\$2,908,189

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-5A Revenue Annualization

Exhibit MJT-1
 Schedule D-5A
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5) (6)

Line No.	Description	Reference	440000: Residential Sales	440001: Residential Heating Sales	442001: C&I Sales- Small	442002: C&I Sales- Large	C & I Total
1	Total FPFTY Revenues		\$1,754,162	\$393,755	\$475,391	\$293,645	\$769,035
2	Commodity Billings in Revenues		(802,022)	(210,374)	(181,619)	(75,149)	(256,768)
3	Weather Adjustment						
4	Total Reconcilable Surcharge in Revenues		(16,861)	(4,269)	(20,111)	(23,703)	(43,814)
5	Revenues Net of Commodity - Margin	SUM L1 to L4	\$935,279	\$179,112	\$273,661	\$194,792	\$468,453
6							
7	Average Monthly Customers in FPFTY		1,338,774	204,336	156,564	3,110	159,674
8							
9	Average Annual Margin Per Customer	L5 / L7	\$0.699	\$0.877	\$1.748	\$62.634	\$2.934
10							
11	Number of Customers at end of FPFTY		1,340,665	205,467	156,888	3,110	159,998
12							
13	Increase in Customers during FPFTY	L11 - L7	1,891	1,131	324		324
14							
15	Annualization of Revenue	L9 * L13	\$1,321	\$991	\$567		\$567

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-5B CAP Revenue Credits and Adjustments

Exhibit MJT-1
 Schedule D-5B
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	(1) 440000: Residential Sales	(2) 440001: Residential Heating Sales
1	CAP Discount		(\$129,368)	(\$15,786)
2				
3				
4	<u>ANNUALIZATION TO YEAR END CUSTOMERS</u>			
5				
6	Annual CAP Customers		1,395,081	175,423
7	Average Monthly CAP Customers		116,257	14,619
8	Average Annual CAP Discount Per Customer	L1 / L7	(\$1.113)	(\$1.080)
9				
10	CAP Customers at End of FPFTY		117,860	14,820
11	Increase of CAP Customers	L10 - L7	1,603	201
12				
13	Gross Decrease / (Increase) in CAP Discount	L8 * L11	(\$1,784)	(\$218)
14	Write-Offs & Working Capital Factor		10.5%	10.5%
15	Reflect Impact in Write-Offs and Working Capital	- L13 * L14	\$187	\$23
16				
17	Net Decrease / (Increase) in CAP Discount	L13 + L15	(\$1,597)	(\$195)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-5C Act 129 - Lost Revenue Due to Load Reduction

Exhibit MJT-1
 Schedule D-5C
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5)

Line No.	Description	Reference	2025 Revenue Loss	2026 Revenue Loss	2026 Revenue Loss Over 2025	Recovery of Incremental Revenue Loss
1	<u>Revenue Impact in 2025 - Included in FPFTY Year Budget</u>					
2	Residential		(\$3,767)			
3	Residential Heaing		(788)			
4	Small C&I		(2,276)			
5	Large C&I		(1,583)			
6	Total	SUM L2 to L5	(\$8,413)			
7						
8	<u>Target Revenue Impact in 2026</u>					
9	Residential			(\$7,626)		
10	Residential Heaing			(1,595)		
11	Small C&I			(4,060)		
12	Large C&I			(2,826)		
13	Total	SUM L9 to L12		(\$16,106)		
14						
15	<u>Incremental Revenue Impact Over FPFTY Budget</u>					
16	Residential	L9 - L2			(\$3,859)	
17	Residential Heaing	L10 - L3			(807)	
18	Small C&I	L11 - L4			(1,783)	
19	Large C&I	L12 - L5			(1,244)	
20	Total	SUM L16 to L19			(\$7,693)	
21						
22	<u>Average Annual Incremental Revenue Not in FPFTY Budget</u>					
23	Residential	L16 / 2				(\$1,930)
24	Residential Heaing	L17 / 2				(404)
25	Small C&I	L18 / 2				(892)
26	Large C&I	L19 / 2				(622)
27	Total	SUM L23 to L26				(\$3,846)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-5D Revenue - Energy Efficiency Program Cost Recovery

Exhibit MJT-1
 Schedule D-5D
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Account / Description	Reference	Total
1	440000: Residential Sales		(\$23,263)
2	440001: Residential Heating Sales		(5,941)
3	442001: C&I Sales-Small		(24,597)
4	442002: C&I Sales-Large		(32,087)
5	444000: Public Street/Highway Lighting		(349)
6	446000: Sales-Railroad/Railway		(1,063)
7	Reduction in Retail Revenue	SUM L1 to L6	<u>(\$87,299)</u>
8			
9	O&M Expense		(\$82,164)

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FPFTY Ending December 2025
(\$ in Thousands)
D-5E Reserved

Exhibit MJT-1
Schedule D-5E
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-5F Leap Year Revenue Normalization

Exhibit MJT-1
 Schedule D-5F
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Reference	440000: Residential Sales	440001: Residential Heating Sales	442001: C&I Sales-Small	442002: C&I Sales-Large	C & I Total
1	Revenue in February of FPFTY		\$55,822	\$16,572	\$17,409	\$14,220	\$31,629
2	Days in February of FPFTY		28	28	28	28	
3	Average Daily Revenue in February	L1 / L2	\$1,994	\$592	\$622	\$508	
4	Average Days in February		28.25	28.25	28.25	28.25	
5	Difference in Days	L4 - L2	0.25	0.25	0.25	0.25	
6							
7	Leap Year Adjustment	L3 * L5	\$498	\$148	\$155	\$127	\$282

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FPFTY Ending Dec. 2025
(\$ in Thousands)
D-5G Weather Normalization

Exhibit MJT-1
Schedule D-5G
Witness: Michael J. Trzaska
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(1)

Line No.	Account	Total
1	Residential Sales	
2	Residential Heating Sales	
3	C&I Sales-Small	
4	C&I Sales-Large	
5		
6	Total	<u> </u> <u> </u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-6 S + W Pro Forma

Exhibit MJT-1
 Schedule D-6
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)
Line No.	Description	Reference	Union	Non-Union
1	Number of Employees @ HTY - Union/Non-Union		1,044	1,168
2	Number of Employees @ HTY - Total		2,213	2,213
3	Percentage of Employees @ HTY	L1 / L2	47.20%	52.80%
4	Distribution of Budget S&W Expense		\$79,266	\$88,656
5				
6	<u>Annualize March 1 Wage Increase for FPFTY</u>			
7	Number of Months TY			2
8	Rate for Increase TY		2.50%	3.00%
9	Total Wage Increase TY	(L4 * L7 * L8) / 12		\$443
10		L4 + L9	\$79,266	\$89,099
11				
12	<u>Annualize January 1 and March 1, 2026 Wage Increase</u>			
13	Number of Months		12	12
14	Rate for Increase		2.50%	3.00%
15	Total Adjustment	(L10 * L13 * L14) / 12	\$1,982	\$2,673
16				
17	Annualized S&W Including Wage Increases	L10 + L15	\$81,248	\$91,772

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-6 S + W Pro Forma

Exhibit MJT-1
 Schedule D-6
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Amount
1	Distribution of S&W Expense		\$167,922
2			
3	Annualized S&W Including Wage Increases		\$173,020
4			
5	<u>Adjustment for Union Contract</u>		
6	Union Contract Payment		\$1,303
7	Union Contract Payment % for Utility		77.49%
8	Union Contract Payment for Utility	L6 * L7	\$1,010
9	Union Contract Payment Normalization Period		6
10	Union Contract Payment Normalized	L8 / L9	\$168
11			
12	Adjusted S&W for Employees in FPFTY	L3 + L10	\$173,189
13			
14	<u>Pro Forma For New Employees</u>		
15	Number of Employees @ FPFTY		2,373
16	Average Number of Employees in FPFTY - Total		<u>2,366</u>
17	Annualization for Number of Employees	L15 - L16	6
18	Annual S&W per Employee	L12 / L16	<u>\$73</u>
19	Annualization of S&W for New Employees	L17 * L18	<u>\$470</u>
20			
21	Pro Forma FPFTY S&W	L12 + L19	<u>\$173,658</u>
22			
23	<u>Pro Forma Increase in S&W</u>	L21 - L1	<u><u>\$5,736</u></u>
24			
25	S&W Pro Forma Factor	L23 / L1	3.42%

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-6 S Summary

Exhibit MJT-1
 Schedule D-6
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Account	(1) Jurisdictional Payroll Amount	(2) Pro Forma Payroll Adjustment	(3) Total Adjusted Payroll
1	Operations	Power Supply Expenses	555.0 Purchased Power.			
2			Sub-total Power Supply Expenses			
3						
4		Transmission Expense	560.0 Operation & Supervision			
5			561.0 Load Dispatching			
6			561.4 Scheduling, System Control & Dispatch			
7			561.6 Transmission Service Studies			
8			561.7 Generation Service Studies			
9			561.8 Reliability, Planning & Standard Development			
10			562.0 Station Expense			
11			563.0 Overhead Lines			
12			564.0 Underground Lines Expense			
13			566.0 Miscellaneous Expense			
14			567.0 Rents			
15			569.0 Maintenance of Structures			
16			569.1 Maintenance of Computer Hardware			
17			569.2 Maintenance of Computer Software			
18			569.3 Maintenance of Communication Equipment			
19			570.0 Maintenance of Station Equipment			
20			571.0 Maintenance of Overhead Lines			
21			572.0 Maintenance of Underground Lines			
22			573.0 Maintenance of Misc Transmission Plant			
23			Sub-total Transmission Expense			
24						
25		Distribution Expense	580.0 Operation & Supervision	\$1,029	\$35	\$1,065
26			581.0 Load Dispatching			
27			582.0 Station Expense	53	2	55
28			583.0 Overhead Lines Expenses	3,114	106	3,221
29			584.0 Underground Lines Expense	2,554	87	2,641
30			586.0 Meter Expenses	2,646	90	2,737
31			587.0 Customer Installations Expense	6,411	219	6,630
32			588.0 Miscellaneous Expense	7,221	247	7,468
33			589.0 Rents			
34			591.0 Maintenance of Structures	1,341	46	1,387
35			592.0 Maintenance of Station Equipment	8,863	303	9,165
36			593.0 Maintenance of Overhead Lines	43,678	1,492	45,170
37			594.0 Maintenance of Underground Lines	17,015	581	17,596
38			595.0 Maintenance of Line Transformers	496	17	513
39			596.0 Maintenance of Street Lighting & Signal Systems	103	4	107
40			598.0 Maintenance of Misc. Distribution	4,228	144	4,372
41			Sub-total Distribution Operations	\$98,752	\$3,373	\$102,126
42						

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-6 S Summary

Exhibit MJT-1
 Schedule D-6
 Witness: Michael J. Trzaska
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				(1)	(2)	(3)
Line No.	Category	Description	Account	Jurisdictional Payroll Amount	Pro Forma Payroll Adjustment	Total Adjusted Payroll
43	Customer Accounts		901.0 Supervision			
44			902.0 Meter Reading	\$0	\$0	\$0
45			903.0 Customer Records and Collection	37,027	1,265	38,292
46			904.0 Uncollectible Accounts.			
47			905.0 Miscellaneous Customer Accounts Expenses.	790	27	817
48			Sub-total Customer Accounts	\$37,817	\$1,292	\$39,109
49						
50	Customer Service & Information		908.0 Customer Assistance	\$1,710	\$58	\$1,768
51			909.0 Informational & Instructional			
52			910.0 Miscellaneous Customer & Informational	219	7	226
53			Sub-total Customer Service & Information	\$1,928	\$66	\$1,994
54						
55	Sales		912.0 Demonstrating & Selling	\$228	\$8	\$236
56			916.0 Miscellaneous Sales			
57			Sub-total Sales	\$228	\$8	\$236
58						
59	Administration & General		920.0 Administrative and General Salaries	\$25,929	\$886	\$26,815
60			921.0 Office Supplies and Expenses			
61			922.0 Administrative Expenses Transferred-Credit			
62			923.0 Outside Service Employed			
63			924.0 Property Insurance			
64			925.0 Injuries & Damages	1,824	62	1,887
65			926.0 Employee Pensions and Benefits	35	1	36
66			928.0 Regulatory Commission Expenses			
67			929.0 Duplicate Charges-Credit			
68			930.2 Miscellaneous General Expenses	62	2	64
69			935.0 Maintenance of General Plant	1,345	46	1,391
70			Sub-total Administration & General	\$29,195	\$997	\$30,193
71						
72			Total	\$167,922	\$5,736	\$173,658
73						
74	Percent Increase		Percent Increase			3.42%

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-7 Rate Case Expense

Exhibit MJT-1
 Schedule D-7
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Amount
1	EXPENDITURES UP TO PERIOD END OF HTY		
2	External Legal and Consultants		\$3
3	Staff Augmentation, Materials, IT Costs, Travel, Copies, etc.		<u>6</u>
4	Total Recorded Up To Period End of HTY	SUM L2 to L3	<u>\$9</u>
5			
6	EXPENDITURES IN FTY		
7	External Legal and Consultants		\$1,997
8	Materials, IT Costs, Travel, Copies, etc.		<u>394</u>
9	Total Expenditure Expected in FTY	SUM L7 to L8	<u>\$2,391</u>
10			
11	Total Rate Case Expense	L4 + L9	\$2,400
12			
13	Amortization Period		<u>2</u>
14	Annual Amortization Amount	L11 / L13	<u>\$1,200</u>
15			
16	Annual Amortization Amount Included in Budget		<u> </u>
17	Pro Forma Adjustment for Annual Amortization	L14 - L16	<u><u>\$1,200</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-8 Employee Benefit

Exhibit MJT-1
 Schedule D-8
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Jurisdictional Amount
1	<u>Number of Employees</u>		
2	Employees at Eleven Months Prior		2,359
3	Employees at Ten Months Prior		2,363
4	Employees at Nine Months Prior		2,358
5	Employees at Eight Months Prior		2,358
6	Employees at Seven Months Prior		2,360
7	Employees at Six Months Prior		2,363
8	Employees at Five Months Prior		2,364
9	Employees at Four Months Prior		2,366
10	Employees at Three Months Prior		2,377
11	Employees at Two Months Prior		2,377
12	Employees at One Month Prior		2,379
13	Employees at End of FPFTY		2,373
14			
15	Average Monthly Employees in FPFTY	AVERAGE L2 to L13	2,366
16	Additional Employees in FPFTY		6
17			
18	<u>Employee Benefits</u>		
19	Total Benefits Expensed		\$23,617
20	Number of Employees for Budget		2,366
21	Budget Expense Per Employee	L19 / L20	\$10
22	Additional Employees for Annualization	L16	6
23	Total Benefits Pro Forma Adjustment	L21 * L22	\$64

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-9 Pension Costs

Exhibit MJT-1
 Schedule D-9
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total - PECO
1	Pension Contribution for Four Years Prior to FPFTY		\$17,267
2	Pension Contribution for Three Years Prior to FPFTY		15,222
3	Pension Contribution for Two Years Prior to FPFTY		1,408
4	Pension Contribution for One Year Prior to FPFTY		2,878
5	Pension Contribution for FPFTY		3,300
6			
7	Average Pension Contribution	Average L1 to L5	\$8,015
8			
9	Percent to Electric Distribution		77.49%
10	Total Amount to Electric Distribution	L7 * L9	\$6,211
11	Pension Capitalization Factor		48.21%
12	Pension Contribution To Be Capitalized	L10 * L11	2,994
13	Pension Contribution To Be Expensed	L10 - L12	\$3,216
14	FPFTY Distribution Pension Expense		(56)
15	Additional Pension Expense	L13 - L14	\$3,272

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-10 Uncollectible Accounts

Exhibit MJT-1
 Schedule D-10
 Witness: Michael J. Trzaska
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Line No.	Description	(1) Reference	(2) Reference	(3) Charge Off Amounts	(4) InPA Charge Off Amounts	(5) Net Charge Off Amounts	(6) Billed Revenue	(7) Percent	(8) PPA	(9) Totals
1	NET GENERAL UNCOLLECTIBLE ACCOUNTS	Two Years Prior to HTY		\$29,237	\$2,395	\$26,842	\$3,365,014	0.7977%		
2		One Year Prior to HTY		37,820	(28)	37,848	3,810,090	0.9934%		
3		HTY		42,650	17	42,632	3,880,008	1.0988%		
4		Three Year Average	SUM L1 to L3 / 3	<u>\$36,569</u>	<u>\$795</u>	<u>\$35,774</u>	<u>\$3,685,037</u>	<u>0.9708%</u>		
5										
6	Base Customer Charge & Energy Cost Revenue After Pro Formas	FPFTY					\$2,860,167			
7										
8	Tariff Revenue - Non Shopping Revenue	FPFTY	L6				<u>\$2,860,167</u>			
9										
10	Tariff Revenue - Shopping Revenue	FPFTY					1,082,504			
11										
12	Tariff Revenue - Including Shopping Revenue	FPFTY	L8 + L10				<u>\$3,942,671</u>			
13										
14	Total General Pro Forma Uncollectible Accounts		Col 7 L4 * L12							<u>\$38,275</u>
15										
16	NET PPA UNCOLLECTIBLE ACCOUNTS	Two Years Prior to HTY							\$6,462	
17		One Year Prior to HTY							9,314	
18		HTY							<u>12,116</u>	
19										
20	Three Year Average PPA		SUM L16 to L18 / 3							<u>\$9,297</u>
21										
22	Total Pro Forma Uncollectible Accounts		L14 + L20							<u>\$47,572</u>
23										
24	Uncollectible Accounts (904)	FPFTY								\$38,095
25										
26	Total Pro Forma Adjustment for Uncollectible Accounts		L22 - L24							<u><u>\$9,477</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-11 IIJA Regulatory Asset

Exhibit MJT-1
 Schedule D-11
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	Actual IIJA Related Incremental Costs in 2022 and 2023		\$411
2	Amortization Years		<u>2</u>
3	Pro Forma Adjustment Amount	L1 / L2	<u>\$205</u>
4	Remove Estimated IIJA Related Incremental Costs in 2025		<u>(653)</u>
5	Total Pro Forma Adjustment Amount	L3 + L4	<u><u>(\$448)</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 D-12 Customer Deposit Interest

Exhibit MJT-1
 Schedule D-12
 Witness: Michael J. Trzaska
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Line No.	Description	Description	Reference	Interest Rate	Deposit Amount	Interest on Deposit Amount	Interest Sub Total	Interest Total
1	Residential	Monthly Interest Rate		<u>0.667%</u>				
2								
3	January				18,976	127		
4	February				19,166	128		
5	March				19,446	130		
6	April				20,077	134		
7	May				20,877	139		
8	June				21,538	144		
9	July				22,060	147		
10	August				22,549	150		
11	September				22,772	152		
12	October				23,058	154		
13	November				23,276	155		
14	December				23,215	155		
15	Total Residential		SUM Col 4 L3 to L14				<u>\$1,713</u>	
16								
17	Non-Residential	Monthly Interest Rate		<u>0.425%</u>				
18								
19	January				32,487	138		
20	February				33,197	141		
21	March				33,844	144		
22	April				34,307	146		
23	May				35,117	149		
24	June				35,642	151		
25	July				36,988	157		
26	August				38,022	162		
27	September				38,782	165		
28	October				39,358	167		
29	November				39,646	168		
30	December				39,988	170		
31	Total Non-Residential		SUM Col 4 L19 to L30				<u>\$1,859</u>	
32								
33	Interest on Customer Deposits		Col 5 L15 + L31					<u><u>\$3,572</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-13 Storm Expense Normalization

Exhibit MJT-1
 Schedule D-13
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Reference	Tri- State CPI Factor	Inflation Factor	Expense In Year	Amount for Average	Total
1	4/1/2019 - 3/31/2020		-	1.22049	\$32,500	\$39,666	
2	4/1/2020 - 3/31/2021		0.00696	1.22049	\$118,822	\$145,021	
3	4/1/2021 - 3/31/2022		0.05645	1.21206	\$56,495	\$68,475	
4	4/1/2022 - 3/31/2023		0.07555	1.14730	\$17,144	\$19,670	
5	4/1/2023 - 3/31/2024		0.03888	1.06670	\$67,284	\$71,772	
6	2024		0.01671	1.02679			
7	2025		0.00991	1.00991			
8							
9	Average Storm Restoration Expense at 2025 cost levels	AVERAGE L1 to L5					\$68,921
10							
11	FPFTY Budget						\$54,708
12							
13	Pro Forma Adjustment for Storm Expense Normalization	L9 - L11					<u>\$14,213</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-14 Other Adjustments

Exhibit MJT-1
 Schedule D-14
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	Final Tax Accounting Repair Credit (TARC) - Electric		
2	Residential		(36)
3	Small C&I		(14)
4	Large C&I		(9)
5	Street Lighting		(3)
6	Sub-total TARC Credit	SUM L2 to L5	<u>(62)</u>
7	Final Federal Tax Adjustment Credit (FTAC) - Electric		
8	Residential		(\$37)
9	Small C&I		(1)
10	Street Lighting		(0)
11	Large C&I & Railroads		15
12	Sub-total FTAC Credit	SUM L8 to L11	<u>(23)</u>
13	Total TARC and FTAC Credit	L6 + L12	<u>(86)</u>
14	Amortization Years		2
15	Pro Forma Adjustment Amount	L13 / L14	<u>(43)</u>
16			
17	EV Incentive Rebates		<u>\$1,000</u>

PECO Gas Operations
Before The Pennsylvania Public Utility Commission
FPFTY Ending December 2025
(\$ in Thousands)
D-15 Reserved

Exhibit MJT-1
Schedule D-15
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending December 2025
 (\$ in Thousands)
 D-16 TOTI - Summary

Exhibit MJT-1
 Schedule D-16
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Transmission Percentage / Reference	Total Electric	Transmission Elimination	Distribution	Pro Forma Adjustments	Pro Forma Tax Expense
1	Public Utility Real Tax (PURTA) Total Expense	17.825%	\$6,924	(\$1,234)	\$5,690		\$5,690
2	Use Tax Accrued	17.825%	2,443	(435)	2,007		2,007
3	Real Estate Tax Accrued	17.825%	5,988	(1,067)	4,920		4,920
4	Miscellaneous TOTI	12.373%					
5	Payroll Tax Accrued	12.373%	14,402	(1,782)	12,620	431	13,051
6	Sub-total TOTI - Other	SUM L1 to L5	\$29,756	(\$4,519)	\$25,237	\$431	\$25,668
7							
8	Gross Receipt Tax		\$172,280		\$172,280	(\$5,615)	\$166,664
9							
10	Total	L6 + L8	\$202,036	(\$4,519)	\$197,517	(\$5,184)	\$192,333

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-16 TOTI - Gross Receipts Pro Forma

Exhibit MJT-1
 Schedule D-16
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Total
1	GROSS RECEIPTS TAX PRO FORMA AT PRESENT RATE		
2			
3	Residential		\$1,616,574
4	Residential Heating		358,919
5	Small C&I		417,041
6	Large C&I		237,936
7	Railroads & Railways		7,059
8	Street Lighting & Highway		22,848
9	Interdepartmental Sales - Electric		
10	Transmission		199,791
11	Sub-total	SUM L3 to L10	\$2,860,167
12			
13	Forfeited Discounts - Electric		\$12,224
14	Uncollectible Accounts		(47,572)
15	COVID-19 Related Incremental Bad Debt Expense		
16	Sub-total	SUM L13 to L15	(\$35,348)
17			
18	Total FPFTY at Present Rates	L11 + L16	\$2,824,819
19			
20	Gross Receipts Tax Rate		5.90%
21			
22	Pro Forma Gross Receipts Expense at Present Rates	L18 * L20	\$166,664
23			
24	FPFTY Budget		\$172,280
25			
26	Net Adjustment	L22 - L24	(\$5,615)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIIP	\$2,703	\$357	\$2,346	\$357	\$3,060
2			PECO Elec 3650 PA LTIIP	4,037	440	3,597	440	4,478
3			PECO Elec 3660 PA LTIIP	4,615	723	3,892	723	5,338
4			PECO Elec 3670 PA LTIIP	6,084	764	5,320	764	6,847
5			PECO Elec 3705 SM UD RES PA	9,577		9,577		9,577
6			PECO Elec 3706 Non DOE Rcv PA	2,210		2,210		2,210
7			PECO Elec 3707 SM RES PA	5,764	96	5,668	96	5,861
8			PECO Elec 3708 SM SCI PA	832	3	829	3	835
9			PECO Elec 3709 SM LCI PA	1,207	20	1,187	20	1,227
10			PECO Elec Dist-ARC EXP PA	(21)		(21)		(21)
11			PECO Electric 3611 PA	1,963	143	1,820	143	2,106
12			PECO Electric 3612 PA	2,983	145	2,838	145	3,127
13			PECO Electric 3613 PA	198	0	198	0	199
14			PECO Electric 3620 PA	25,211	1,006	24,205	1,006	26,217
15			PECO Electric 3640 PA	29,752	1,970	27,782	1,970	31,722
16			PECO Electric 3650 PA	45,704	2,455	43,249	2,455	48,159
17			PECO Electric 3660 PA	11,794	939	10,855	939	12,733
18			PECO Electric 3670 PA	41,404	2,435	38,969	2,435	43,840
19			PECO Electric 3680 PA	20,873	1,090	19,783	1,090	21,963
20			PECO Electric 3691 PA	4,008	154	3,854	154	4,162
21			PECO Electric 3692 PA	5,101	63	5,038	63	5,164
22			PECO Electric 3701 PA	188	12	176	12	201
23			PECO Electric 3710 PA	4		4		4
24			PECO Electric 3730 PA	820	22	798	22	842
25			PECO Electric 3731 PA	74	0	73	0	74
26			PECO Electric 3732 PA	1,072	46	1,026	46	1,117
27			PECO Electric 3733 PA	34		34		34
28			Sub-total Electric - Distribution	\$228,191	\$12,884	\$215,307	\$12,884	\$241,075
29			Sub-total Electric - Distribution	\$228,191	\$12,884	\$215,307	\$12,884	\$241,075
30								
31		Common - General Plant	PECO Common 3901 PA	\$4,228	\$43	\$4,185	\$43	\$4,272
32			PECO Common 3902 IL	16		16		16
33			PECO Common 3902 PA	4,714	352	4,361	352	5,066
34			PECO Common 3903 PA	116	10	106	10	125
35			PECO Common 3911 PA	13		13		13
36			PECO Common 3912 PA	2,326	28	2,299	28	2,354
37			PECO Common 3913 IL	1,480	197	1,283	197	1,677
38			PECO Common 3913 PA	12,199	1,831	10,368	1,831	14,031
39			PECO Common 3930 PA	99	1	99	1	100
40			PECO Common 3941 PA	0		0		0
41			PECO Common 3942 PA	66		66		66
42			PECO Common 3970 PA	7,006	169	6,837	169	7,175

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
43			PECO Common 3980 PA	84		84		84
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	12		12		12
45			PECO Elec 3919 SM Comp Equip IL	24		24		24
46			PECO Elec 3919 SM Comp Equip MD	8		8		8
47			PECO Elec 3919 SM Comp Equip NC	5		5		5
48			PECO Elec 3919 SM Comp Equip PA	7		7		7
49			PECO Elec 3949 SM Tools PA	6		6		6
50			PECO Elec 3979 SM Comm Equip PA	2,606	24	2,582	24	2,630
51			PECO Electric 3901 PA	805	5	799	5	810
52			PECO Electric 3902 PA	402	3	399	3	406
53			PECO Electric 3903 PA	8		8		8
54			PECO Electric 3911 PA	0		0		0
55			PECO Electric 3912 PA	71	2	69	2	74
56			PECO Electric 3913 PA	5,468	141	5,327	141	5,609
57			PECO Electric 3930 PA	4		4		4
58			PECO Electric 3940 PA	3,891	147	3,744	147	4,038
59			PECO Electric 3951 PA	11		11		11
60			PECO Electric 3952 PA	0		0		0
61			PECO Electric 3970 PA	8,136	195	7,941	195	8,332
62			PECO Electric 3980 PA	84	6	78	6	90
63			Sub-total Electric - General Plant	\$53,897	\$3,156	\$50,742	\$3,156	\$57,053
64			Sub-total Electric - General Plant	\$53,897	\$3,156	\$50,742	\$3,156	\$57,053
65								
66		Electric - Transmission	PECO Electric 3521 PA	\$398	\$0	\$398	\$0	\$398
67			PECO Electric 3522 MD	1		1		1
68			PECO Electric 3522 NJ	0		0		0
69			PECO Electric 3522 PA	1,719	33	1,686	33	1,753
70			PECO Electric 3523 NJ	0		0		0
71			PECO Electric 3523 PA	49		49		49
72			PECO Electric 3530 NJ	65		65		65
73			PECO Electric 3530 PA	19,515	279	19,236	279	19,795
74			PECO Electric 3540 DE	91		91		91
75			PECO Electric 3540 MD	52		52		52
76			PECO Electric 3540 NJ	216		216		216
77			PECO Electric 3540 PA	3,149	9	3,140	9	3,159
78			PECO Electric 3550 PA	596	20	577	20	616
79			PECO Electric 3560 DE	5		5		5
80			PECO Electric 3560 MD	12		12		12
81			PECO Electric 3560 NJ	154	4	150	4	157
82			PECO Electric 3560 PA	5,668	225	5,443	225	5,892
83			PECO Electric 3570 PA	1,157	77	1,079	77	1,234
84			PECO Electric 3580 PA	2,454	65	2,388	65	2,519

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
85			PECO Electric 3590 NJ	4		4		4
86			PECO Electric 3590 PA	28	1	28	1	29
87			Sub-total Electric - Transmission	\$35,333	\$713	\$34,620	\$713	\$36,047
88								
89			Sub-total 403.0 Depreciation Expense	\$317,421	\$16,753	\$300,668	\$16,753	\$334,175
90			Sub-total Electric - Transmission	\$35,333	\$713	\$34,620	\$713	\$36,047
91								
92	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	FDG_PECO_C_CIMS:PECO - Common - CIMS	\$12,690	\$36	\$12,653	\$36	\$12,726
93			PECO - BIDA - Smart Energy Services	55	1	54	1	55
94			PECO - Distribution - ADMS	4,138	23	4,115	23	4,160
95			PECO - Distribution - IT	2,001	612	1,389	612	2,613
96			PECO - Transmission - IT	619	70	549	70	688
97			PECO Com 3030-Apollo SW	967		967		967
98			PECO Com 3030-BIDA Customer Project	130		130		130
99			PECO Com 3030-BIDA-AMI Ph2 SW	2,139		2,139		2,139
100			PECO Com 3030-CIS Transformation SW	120		120		120
101			PECO Com 3030-Cloud Serv 3 yr	6,069	169	5,901	169	6,238
102			PECO Com 3030-Cloud Serv 5 yr	2,585		2,585		2,585
103			PECO Com 3030-Common MDM SW	228		228		228
104			PECO Com 3030-EU Digital Program We	1,987		1,987		1,987
105			PECO Com 3030-EU oneMDS SW	5,269		5,269		5,269
106			PECO Com 3030-IT Cust Mobile App SW	111		111		111
107			PECO Com 3030-IVR System PA	159		159		159
109			PECO Com 3030-Misc 5 yr FR PA	9,884	2,098	7,787	2,098	11,982
110			PECO Com 3030-Misc 5 yr PA	60		60		60
111			PECO Com 3030-Mobile Dispatch Mappi	5,842		5,842		5,842
112			PECO Com 3030-OBIEE Migration SW	275		275		275
113			PECO Com 3030-PECO RNI Upgrade SW	(0)		(0)		(0)
114			PECO Elec 303 SM AMOS PA	111		111		111
115			PECO Elec 303-BIDA Grid T&D Domain	1,797		1,797		1,797
116			PECO Elec 303-CFP - Outage SW D	566		566		566
117			PECO Elec 303-EMS Implementation Pr	3,182		3,182		3,182
118			PECO Elec 303-EU Custom Analytics S	158		158		158
119			PECO Elec 303-EU Load Forecast SW	723		723		723
120			PECO Elec 303-EU Ratings DB SW D	12		12		12
121			PECO Elec 303-EU Ratings DB SW T	155		155		155
122			PECO Elec 303-EU TOA Implementation	395		395		395
123			PECO Elec 303-PECO RNI Upgrade SW D	591		591		591
124			PECO Elec 303-SES IV D SW	2,364		2,364		2,364
125			PECO Elec 3030-Cloud Serv 3 yr	32		32		32
126			PECO Elec 3030-Cloud Serv 5 yr	626		626		626
127			PECO Electric 303 Misc 5 FR PA	4,382		4,382		4,382

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
128			Sub-total Electric - Intangible Plant	\$70,420	\$3,007	\$67,413	\$3,007	\$73,428
129								
130			Sub-total 404.0 Amort. of Limited-Term Electric Plant	\$70,420	\$3,007	\$67,413	\$3,007	\$73,428
131								
132			Total	\$387,842	\$19,761	\$368,081	\$19,761	\$407,603
133			Sub-total Electric - Intangible Plant	\$70,420	\$3,007	\$67,413	\$3,007	\$73,428
134								
135			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.	\$70,420	\$3,007	\$67,413	\$3,007	\$73,428

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(6)	(7)	(8)	(9)	(10)	(11)
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIP	1.0000	\$2,703	\$357	\$2,346	\$357	\$3,060
2			PECO Elec 3650 PA LTIP	1.0000	4,037	440	3,597	440	4,478
3			PECO Elec 3660 PA LTIP	1.0000	4,615	723	3,892	723	5,338
4			PECO Elec 3670 PA LTIP	1.0000	6,084	764	5,320	764	6,847
5			PECO Elec 3705 SM UD RES PA	1.0000	9,577		9,577		9,577
6			PECO Elec 3706 Non DOE Rcv PA	1.0000	2,210		2,210		2,210
7			PECO Elec 3707 SM RES PA	1.0000	5,764	96	5,668	96	5,861
8			PECO Elec 3708 SM SCI PA	1.0000	832	3	829	3	835
9			PECO Elec 3709 SM LCI PA	1.0000	1,207	20	1,187	20	1,227
10			PECO Elec Dist-ARC EXP PA	1.0000	(21)		(21)		(21)
11			PECO Electric 3611 PA	1.0000	1,963	143	1,820	143	2,106
12			PECO Electric 3612 PA	1.0000	2,983	145	2,838	145	3,127
13			PECO Electric 3613 PA	1.0000	198	0	198	0	199
14			PECO Electric 3620 PA	1.0000	25,211	1,006	24,205	1,006	26,217
15			PECO Electric 3640 PA	1.0000	29,752	1,970	27,782	1,970	31,722
16			PECO Electric 3650 PA	1.0000	45,704	2,455	43,249	2,455	48,159
17			PECO Electric 3660 PA	1.0000	11,794	939	10,855	939	12,733
18			PECO Electric 3670 PA	1.0000	41,404	2,435	38,969	2,435	43,840
19			PECO Electric 3680 PA	1.0000	20,873	1,090	19,783	1,090	21,963
20			PECO Electric 3691 PA	1.0000	4,008	154	3,854	154	4,162
21			PECO Electric 3692 PA	1.0000	5,101	63	5,038	63	5,164
22			PECO Electric 3701 PA	1.0000	188	12	176	12	201
23			PECO Electric 3710 PA	1.0000	4		4		4
24			PECO Electric 3730 PA	1.0000	820	22	798	22	842
25			PECO Electric 3731 PA	1.0000	74	0	73	0	74
26			PECO Electric 3732 PA	1.0000	1,072	46	1,026	46	1,117
27			PECO Electric 3733 PA	1.0000	34		34		34
28			Sub-total Electric - Distribution		\$228,191	\$12,884	\$215,307	\$12,884	\$241,075
29			Sub-total Electric - Distribution		\$228,191	\$12,884	\$215,307	\$12,884	\$241,075
30									
31		Common - General Plant	PECO Common 3901 PA	0.7693	\$3,253	\$33	\$3,219	\$33	\$3,286
32			PECO Common 3902 IL	0.7693	12		12		12
33			PECO Common 3902 PA	0.7693	3,626	271	3,355	271	3,897
34			PECO Common 3903 PA	0.7693	89	7	81	7	96
35			PECO Common 3911 PA	0.7693	10		10		10
36			PECO Common 3912 PA	0.7693	1,790	21	1,768	21	1,811
37			PECO Common 3913 IL	0.7693	1,139	152	987	152	1,290
38			PECO Common 3913 PA	0.7693	9,385	1,409	7,976	1,409	10,794
39			PECO Common 3930 PA	0.7693	77	1	76	1	77
40			PECO Common 3941 PA	0.7693	0		0		0
41			PECO Common 3942 PA	0.7693	51		51		51
42			PECO Common 3970 PA	0.7693	5,390	130	5,260	130	5,520

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPFTY Ending Dec. 2025
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(6)	(7)	(8)	(9)	(10)	(11)		
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)	
43			PECO Common 3980 PA	0.7693	65		65		65	
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	1.0000	12		12		12	
45			PECO Elec 3919 SM Comp Equip IL	1.0000	24		24		24	
46			PECO Elec 3919 SM Comp Equip MD	1.0000	8		8		8	
47			PECO Elec 3919 SM Comp Equip NC	1.0000	5		5		5	
48			PECO Elec 3919 SM Comp Equip PA	1.0000	7		7		7	
49			PECO Elec 3949 SM Tools PA	1.0000	6		6		6	
50			PECO Elec 3979 SM Comm Equip PA	1.0000	2,606	24	2,582	24	2,630	
51			PECO Electric 3901 PA	1.0000	805	5	799	5	810	
52			PECO Electric 3902 PA	1.0000	402	3	399	3	406	
53			PECO Electric 3903 PA	1.0000	8		8		8	
54			PECO Electric 3911 PA	1.0000	0		0		0	
55			PECO Electric 3912 PA	1.0000	71	2	69	2	74	
56			PECO Electric 3913 PA	1.0000	5,468	141	5,327	141	5,609	
57			PECO Electric 3930 PA	1.0000	4		4		4	
58			PECO Electric 3940 PA	1.0000	3,891	147	3,744	147	4,038	
59			PECO Electric 3951 PA	1.0000	11		11		11	
60			PECO Electric 3952 PA	1.0000	0		0		0	
61			PECO Electric 3970 PA	1.0000	8,136	195	7,941	195	8,332	
62			PECO Electric 3980 PA	1.0000	84	6	78	6	90	
63			Sub-total Electric - General Plant			\$46,434	\$2,549	\$43,886	\$2,549	\$48,983
64			Sub-total Electric - General Plant			\$46,434	\$2,549	\$43,886	\$2,549	\$48,983
65										
66		Electric - Transmission	PECO Electric 3521 PA	1.0000	\$398	\$0	\$398	\$0	\$398	
67			PECO Electric 3522 MD	1.0000	1		1		1	
68			PECO Electric 3522 NJ	1.0000	0		0		0	
69			PECO Electric 3522 PA	1.0000	1,719	33	1,686	33	1,753	
70			PECO Electric 3523 NJ	1.0000	0		0		0	
71			PECO Electric 3523 PA	1.0000	49		49		49	
72			PECO Electric 3530 NJ	1.0000	65		65		65	
73			PECO Electric 3530 PA	1.0000	19,515	279	19,236	279	19,795	
74			PECO Electric 3540 DE	1.0000	91		91		91	
75			PECO Electric 3540 MD	1.0000	52		52		52	
76			PECO Electric 3540 NJ	1.0000	216		216		216	
77			PECO Electric 3540 PA	1.0000	3,149	9	3,140	9	3,159	
78			PECO Electric 3550 PA	1.0000	596	20	577	20	616	
79			PECO Electric 3560 DE	1.0000	5		5		5	
80			PECO Electric 3560 MD	1.0000	12		12		12	
81			PECO Electric 3560 NJ	1.0000	154	4	150	4	157	
82			PECO Electric 3560 PA	1.0000	5,668	225	5,443	225	5,892	
83			PECO Electric 3570 PA	1.0000	1,157	77	1,079	77	1,234	
84			PECO Electric 3580 PA	1.0000	2,454	65	2,388	65	2,519	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FPPTY Ending Dec. 2025
 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(6)	(7)	(8)	(9)	(10)	(11)
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
85			PECO Electric 3590 NJ	1.0000	4		4		4
86			PECO Electric 3590 PA	1.0000	28	1	28	1	29
87			Sub-total Electric - Transmission		\$35,333	\$713	\$34,620	\$713	\$36,047
88									
89			Sub-total 403.0 Depreciation Expense		\$309,959	\$16,146	\$293,813	\$16,146	\$326,105
90			Sub-total Electric - Transmission		\$35,333	\$713	\$34,620	\$713	\$36,047
91									
92	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	FDG_PECO_C_CIMS:PECO - Common - CIMS	0.7450	\$9,454	\$27	\$9,427	\$27	\$9,481
93			PECO - BIDA - Smart Energy Services	1.0000	55	1	54	1	55
94			PECO - Distribution - ADMS	1.0000	4,138	23	4,115	23	4,160
95			PECO - Distribution - IT	1.0000	2,001	612	1,389	612	2,613
96			PECO - Transmission - IT	1.0000	619	70	549	70	688
97			PECO Com 3030-Apollo SW	0.7693	744		744		744
98			PECO Com 3030-BIDA Customer Project	0.7693	100		100		100
99			PECO Com 3030-BIDA-AMI Ph2 SW	0.7693	1,645		1,645		1,645
100			PECO Com 3030-CIS Transformation SW	0.7693	92		92		92
101			PECO Com 3030-Cloud Serv 3 yr	0.7693	4,669	130	4,539	130	4,799
102			PECO Com 3030-Cloud Serv 5 yr	0.7693	1,989		1,989		1,989
103			PECO Com 3030-Common MDM SW	0.7693	176		176		176
104			PECO Com 3030-EU Digital Program We	0.7693	1,529		1,529		1,529
105			PECO Com 3030-EU oneMDS SW	0.7693	4,053		4,053		4,053
106			PECO Com 3030-IT Cust Mobile App SW	0.7693	85		85		85
107			PECO Com 3030-IVR System PA	0.7693	122		122		122
109			PECO Com 3030-Misc 5 yr FR PA	0.7693	7,604	1,614	5,990	1,614	9,218
110			PECO Com 3030-Misc 5 yr PA	0.7693	46		46		46
111			PECO Com 3030-Mobile Dispatch Mappi	0.7693	4,494		4,494		4,494
112			PECO Com 3030-OBIEE Migration SW	0.7693	212		212		212
113			PECO Com 3030-PECO RNI Upgrade SW	0.7693	(0)		(0)		(0)
114			PECO Elec 303 SM AMOS PA	1.0000	111		111		111
115			PECO Elec 303-BIDA Grid T&D Domain	1.0000	1,797		1,797		1,797
116			PECO Elec 303-CFP - Outage SW D	1.0000	566		566		566
117			PECO Elec 303-EMS Implementation Pr	1.0000	3,182		3,182		3,182
118			PECO Elec 303-EU Custom Analytics S	1.0000	158		158		158
119			PECO Elec 303-EU Load Forecast SW	1.0000	723		723		723
120			PECO Elec 303-EU Ratings DB SW D	1.0000	12		12		12
121			PECO Elec 303-EU Ratings DB SW T	1.0000	155		155		155
122			PECO Elec 303-EU TOA Implementation	1.0000	395		395		395
123			PECO Elec 303-PECO RNI Upgrade SW D	1.0000	591		591		591
124			PECO Elec 303-SES IV D SW	1.0000	2,364		2,364		2,364
125			PECO Elec 3030-Cloud Serv 3 yr	1.0000	32		32		32
126			PECO Elec 3030-Cloud Serv 5 yr	1.0000	626		626		626
127			PECO Electric 303 Misc 5 FR PA	1.0000	4,382		4,382		4,382

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(6)	(7)	(8)	(9)	(10)	(11)	
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
128			Sub-total Electric - Intangible Plant		\$58,920	\$2,475	\$56,445	\$2,475	\$61,395
129									
130			Sub-total 404.0 Amort. of Limited-Term Electric Plant		\$58,920	\$2,475	\$56,445	\$2,475	\$61,395
131									
132			Total		\$368,879	\$18,621	\$350,257	\$18,621	\$387,500
133			Sub-total Electric - Intangible Plant		\$58,920	\$2,475	\$56,445	\$2,475	\$61,395
134									
135			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.		\$58,920	\$2,475	\$56,445	\$2,475	\$61,395

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(12)	(13)	(14)	(15)	(16)	(17)
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIIP	1.0000	\$2,703	\$357	\$2,346	\$357	\$3,060
2			PECO Elec 3650 PA LTIIP	1.0000	\$4,037	440	3,597	440	4,478
3			PECO Elec 3660 PA LTIIP	1.0000	\$4,615	723	3,892	723	5,338
4			PECO Elec 3670 PA LTIIP	1.0000	\$6,084	764	5,320	764	6,847
5			PECO Elec 3705 SM UD RES PA	1.0000	\$9,577		9,577		9,577
6			PECO Elec 3706 Non DOE Rcv PA	1.0000	\$2,210		2,210		2,210
7			PECO Elec 3707 SM RES PA	1.0000	\$5,764	96	5,668	96	5,861
8			PECO Elec 3708 SM SCI PA	1.0000	\$832	3	829	3	835
9			PECO Elec 3709 SM LCI PA	1.0000	\$1,207	20	1,187	20	1,227
10			PECO Elec Dist-ARC EXP PA						
11			PECO Electric 3611 PA	1.0000	\$1,963	143	1,820	143	2,106
12			PECO Electric 3612 PA	1.0000	\$2,983	145	2,838	145	3,127
13			PECO Electric 3613 PA	1.0000	\$198	0	198	0	199
14			PECO Electric 3620 PA	1.0000	\$25,211	1,006	24,205	1,006	26,217
15			PECO Electric 3640 PA	1.0000	\$29,752	1,970	27,782	1,970	31,722
16			PECO Electric 3650 PA	1.0000	\$45,704	2,455	43,249	2,455	48,159
17			PECO Electric 3660 PA	1.0000	\$11,794	939	10,855	939	12,733
18			PECO Electric 3670 PA	1.0000	\$41,404	2,435	38,969	2,435	43,840
19			PECO Electric 3680 PA	1.0000	\$20,873	1,090	19,783	1,090	21,963
20			PECO Electric 3691 PA	1.0000	\$4,008	154	3,854	154	4,162
21			PECO Electric 3692 PA	1.0000	\$5,101	63	5,038	63	5,164
22			PECO Electric 3701 PA	1.0000	\$188	12	176	12	201
23			PECO Electric 3710 PA	1.0000	\$4		4		4
24			PECO Electric 3730 PA	1.0000	\$820	22	798	22	842
25			PECO Electric 3731 PA	1.0000	\$74	0	73	0	74
26			PECO Electric 3732 PA	1.0000	\$1,072	46	1,026	46	1,117
27			PECO Electric 3733 PA	1.0000	\$34		34		34
28			Sub-total Electric - Distribution		\$228,212	\$12,884	\$215,328	\$12,884	\$241,096
29			Sub-total Electric - Distribution		\$228,212	\$12,884	\$215,328	\$12,884	\$241,096
30									
31		Common - General Plant	PECO Common 3901 PA	0.8763	\$2,850	\$29	\$2,821	\$29	\$2,879
32			PECO Common 3902 IL	0.8763	11		11		11
33			PECO Common 3902 PA	0.8763	3,177	238	2,940	238	3,415
34			PECO Common 3903 PA	0.8763	78	7	71	7	84
35			PECO Common 3911 PA	0.8763	8		8		8
36			PECO Common 3912 PA	0.8763	1,568	19	1,549	19	1,587
37			PECO Common 3913 IL	0.8763	998	133	865	133	1,131
38			PECO Common 3913 PA	0.8763	8,224	1,234	6,989	1,234	9,458
39			PECO Common 3930 PA	0.8763	67	0	67	0	68
40			PECO Common 3941 PA	0.8763	0		0		0
41			PECO Common 3942 PA	0.8763	45		45		45
42			PECO Common 3970 PA	0.8763	4,723	114	4,609	114	4,837

PECO Electric Operations
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(12)	(13)	(14)	(15)	(16)	(17)		
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)	
43			PECO Common 3980 PA	0.8763	57		57		57	
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	0.8763	11		11		11	
45			PECO Elec 3919 SM Comp Equip IL	0.8763	21		21		21	
46			PECO Elec 3919 SM Comp Equip MD	0.8763	7		7		7	
47			PECO Elec 3919 SM Comp Equip NC	0.8763	4		4		4	
48			PECO Elec 3919 SM Comp Equip PA	0.8763	7		7		7	
49			PECO Elec 3949 SM Tools PA	0.8763	6		6		6	
50			PECO Elec 3979 SM Comm Equip PA	0.8763	2,283	21	2,263	21	2,304	
51			PECO Electric 3901 PA	0.8763	705	5	700	5	710	
52			PECO Electric 3902 PA	0.8763	353	3	349	3	356	
53			PECO Electric 3903 PA	0.8763	7		7		7	
54			PECO Electric 3911 PA	0.8763	0		0		0	
55			PECO Electric 3912 PA	0.8763	63	2	60	2	65	
56			PECO Electric 3913 PA	0.8763	4,791	123	4,668	123	4,915	
57			PECO Electric 3930 PA	0.8763	3		3		3	
58			PECO Electric 3940 PA	0.8763	3,410	129	3,281	129	3,538	
59			PECO Electric 3951 PA	0.8763	10		10		10	
60			PECO Electric 3952 PA	0.8763	0		0		0	
61			PECO Electric 3970 PA	0.8763	7,129	171	6,958	171	7,301	
62			PECO Electric 3980 PA	0.8763	74	5	68	5	79	
63			Sub-total Electric - General Plant			\$40,689	\$2,233	\$38,456	\$2,233	\$42,922
64			Sub-total Electric - General Plant			\$40,689	\$2,233	\$38,456	\$2,233	\$42,922
65										
66		Electric - Transmission	PECO Electric 3521 PA							
67			PECO Electric 3522 MD							
68			PECO Electric 3522 NJ							
69			PECO Electric 3522 PA							
70			PECO Electric 3523 NJ							
71			PECO Electric 3523 PA							
72			PECO Electric 3530 NJ							
73			PECO Electric 3530 PA							
74			PECO Electric 3540 DE							
75			PECO Electric 3540 MD							
76			PECO Electric 3540 NJ							
77			PECO Electric 3540 PA							
78			PECO Electric 3550 PA							
79			PECO Electric 3560 DE							
80			PECO Electric 3560 MD							
81			PECO Electric 3560 NJ							
82			PECO Electric 3560 PA							
83			PECO Electric 3570 PA							
84			PECO Electric 3580 PA							

PECO Electric Operations
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

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 Schedule D-17
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				(12)	(13)	(14)	(15)	(16)	(17)
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
85			PECO Electric 3590 NJ						
86			PECO Electric 3590 PA						
87			Sub-total Electric - Transmission						
88									
89			Sub-total 403.0 Depreciation Expense		\$268,901	\$15,117	\$253,783	\$15,117	\$284,018
90			Sub-total Electric - Transmission						
91									
92	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	FDG_PECO_C_CIMS:PECO - Common - CIMS	1.0000	\$9,454	\$27	\$9,427	\$27	\$9,481
93			PECO - BIDA - Smart Energy Services	1.0000	55	1	54	1	55
94			PECO - Distribution - ADMS	0.8763	3,626	20	3,606	20	3,646
95			PECO - Distribution - IT	0.8763	1,753	536	1,217	536	2,289
96			PECO - Transmission - IT	0.8763	542	61	481	61	603
97			PECO Com 3030-Apollo SW	0.8763	652		652		652
98			PECO Com 3030-BIDA Customer Project	0.8763	88		88		88
99			PECO Com 3030-BIDA-AMI Ph2 SW	0.8763	1,442		1,442		1,442
100			PECO Com 3030-CIS Transformation SW	0.8763	81		81		81
101			PECO Com 3030-Cloud Serv 3 yr	0.8763	4,092	114	3,978	114	4,205
102			PECO Com 3030-Cloud Serv 5 yr	0.8763	1,743		1,743		1,743
103			PECO Com 3030-Common MDM SW	0.8763	154		154		154
104			PECO Com 3030-EU Digital Program We	0.8763	1,340		1,340		1,340
105			PECO Com 3030-EU oneMDS SW	0.8763	3,552		3,552		3,552
106			PECO Com 3030-IT Cust Mobile App SW	0.8763	75		75		75
107			PECO Com 3030-IVR System PA	0.8763	107		107		107
109			PECO Com 3030-Misc 5 yr FR PA	0.8763	6,663	1,414	5,249	1,414	8,077
110			PECO Com 3030-Misc 5 yr PA	0.8763	40		40		40
111			PECO Com 3030-Mobile Dispatch Mappi	0.8763	3,938		3,938		3,938
112			PECO Com 3030-OBIEE Migration SW	0.8763	186		186		186
113			PECO Com 3030-PECO RNI Upgrade SW	0.8763	(0)		(0)		(0)
114			PECO Elec 303 SM AMOS PA	1.0000	111		111		111
115			PECO Elec 303-BIDA Grid T&D Domain	0.8763	1,574		1,574		1,574
116			PECO Elec 303-CFP - Outage SW D	1.0000	566		566		566
117			PECO Elec 303-EMS Implementation Pr						
118			PECO Elec 303-EU Custom Analytics S	1.0000	158		158		158
119			PECO Elec 303-EU Load Forecast SW	1.0000	723		723		723
120			PECO Elec 303-EU Ratings DB SW D	1.0000	12		12		12
121			PECO Elec 303-EU Ratings DB SW T						
122			PECO Elec 303-EU TOA Implementation						
123			PECO Elec 303-PECO RNI Upgrade SW D	1.0000	591		591		591
124			PECO Elec 303-SES IV D SW	1.0000	2,364		2,364		2,364
125			PECO Elec 3030-Cloud Serv 3 yr	0.8763	28		28		28
126			PECO Elec 3030-Cloud Serv 5 yr	0.8763	549		549		549
127			PECO Electric 303 Misc 5 FR PA	0.8763	3,839		3,839		3,839

PECO Electric Operations
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(12)	(13)	(14)	(15)	(16)	(17)	
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
128			Sub-total Electric - Intangible Plant		\$50,096	\$2,172	\$47,924	\$2,172	\$52,269
129									
130			Sub-total 404.0 Amort. of Limited-Term Electric Plant		\$50,096	\$2,172	\$47,924	\$2,172	\$52,269
131									
132			Total		\$318,997	\$17,290	\$301,707	\$17,290	\$336,287
133			Sub-total Electric - Intangible Plant		\$50,096	\$2,172	\$47,924	\$2,172	\$52,269
134									
135			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.		\$50,096	\$2,172	\$47,924	\$2,172	\$52,269

PECO Electric Operations
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 D-18 Income Taxes

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Line No.	Description	Reference	(1) Present Rates	(2) Rate Increase	(3) Proposed Rates	(4)
1	Revenue		\$2,908,189	\$465,038	\$3,373,227	
2	Operating Expenses		2,533,736	32,966	2,566,702	
3	OIBIT	L1 - L2	\$374,453	\$432,072	\$806,525	
4						
5	Rate Base		\$8,855,637		\$8,855,637	
6	Weighted Cost of Debt		2.130%		2.130%	
7	Synchronized Interest Expense	L5 * L6	\$188,625		\$188,625	
8	Base Taxable Income	L3 - L7	\$185,828	\$432,072	\$617,900	
9						
10	State Accelerated Tax Depreciation		\$367,105		\$367,105	
11	Pro Forma Book Depreciation		336,287		336,287	
12	State Tax Depreciation (Over) Under Book	L11 - L10	(\$30,819)		(\$30,819)	
13	Regulatory Asset Programs M-1, Pension and Post Retirement & Other		(24,323)		(24,323)	
14	Other Property Basis Adjustments (CIAC/ICM)		(58,325)		(58,325)	
15	Removal Costs/Software		(7,598)		(7,598)	
16	AFUDC Equity		(26,536)		(26,536)	
17	Permanent Adjustments		4,315		4,315	
18	Repair Deduction		(210,100)		(210,100)	
19						
20	State Taxable Income	L8 + SUM (L12 to L18)	(\$167,557)	\$432,072	\$264,515	
21						
22	State Income Tax Rate		7.99%	7.99%	7.99%	
23	State Income Tax Benefit / (Expense) before Net Operating Loss	- (L22 * L20)	\$13,388	(\$34,523)	(\$21,135)	
24	Net Operating Loss Utilization %		40.00%	40.00%	40.00%	
25	Net Operating Loss Utilization	- L24 * L23	(5,355)	13,809	8,454	
26	State Income Tax Benefit / (Expense)	L23 + L25	\$8,033	(\$20,714)	(\$12,681)	
27						
28	Federal Accelerated Tax Depreciation		\$357,203		\$357,203	
29	Pro Forma Book Depreciation		336,287		336,287	
30	Federal Tax Deducts (Over) Under Book	L29 - L28	(\$20,916)		(\$20,916)	
31	Regulatory Asset Programs M-1		(24,323)		(24,323)	
32	Other Property Basis Adjustments (CIAC/ICM)		(58,325)		(58,325)	
33	Removal Costs/Software		(7,598)		(7,598)	
34	AFUDC Equity		(26,536)		(26,536)	
35	Permanent Adjustments		4,315		4,315	
36	Repair Deduction		(210,100)		(210,100)	
37	Federal NOL					
38	Federal Taxable Income	L8 + L26 + SUM (L30 to L37)	(\$149,622)	\$411,358	\$261,737	
39						
40	Federal Income Tax Rate %		21.00%	21.00%	21.00%	
41	Federal Income Tax Benefit / (Expense) before Deferred and Adjustments	-	\$31,421	(\$86,385)	(\$54,965)	
42	Corporate Alternative Minimum Tax		(\$45,820)		(\$45,820)	
43	Total Tax Benefit / (Expense) before Deferred Income Tax	L26 + L41 + L42	(\$6,367)	(\$107,099)	(\$113,465)	
44						

PECO Electric Operations
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 (\$ in Thousands)
 D-18 Income Taxes

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Line No.	Description	Reference	Present Rates	Rate Increase	Proposed Rates
45	DEFERRED INCOME TAXES				
46	Deferred Taxes on Timing Differences- Federal		(\$23,082)	\$2,900	(20,182)
47	Deferred Taxes on Timing Differences- State		(6,604)		(6,604)
48	Deferred Taxes on State NOL		5,355	(13,809)	(8,454)
49	Excess Deferred Amortization		6,987		6,987
50	Excess Deferred Amortization - State (Net of Federal)		232		232
51	Deferred Taxes on Federal NOL				
52	Federal Income Tax Expense on Flow Through Adjustment		(4,194)		(4,194)
53	Corporate Alternative Minimum Tax		45,820		45,820
54	Deferred Income Taxes Benefit / (Expense)	SUM L46 to L53	\$24,515	(\$10,909)	\$13,606
55					
56	Net Income Tax Benefit / (Expense)	L43 + L54	\$18,148	(\$118,008)	(\$99,859)
57					
58	Other Income Tax Adjustments				
59	Amortization of Investment Tax Credit		\$15		\$15
60					
61	Combined Income Tax Benefit / (Expense)	SUM L56 to L59	\$18,163	(\$118,008)	(\$99,845)
62					
63	Federal Income Tax Benefit / (Expense)	L41 + L46 + L49 + L51 + L52 + L59	\$11,147	(\$83,485)	(\$72,338)
64	State Income Tax Benefit / (Expense)	L26 + L47 + L48 + L50	\$7,016	(\$34,523)	(\$27,507)
65	Total Income Tax Benefit / (Expense)	L63 + L64	\$18,163	(\$118,008)	(\$99,845)

PECO Electric Operations
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 (\$ in Thousands)
 Section 1301.1(b) Differential

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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Line No.	Description	Reference	2018	2019	2020	2021	2022	Average
1	PECO Consolidated Taxable Income		\$149,524	\$191,310	(\$22,448)	\$33,306	\$135,993	
2								
3								
4	Consolidated Income Companies Taxable Income		\$1,005,422	\$931,575	\$937,098	\$1,705,766	\$816,851	
5								
6								
7	Taxable Income Percentage to PECO	L1 / L4	14.87%	20.54%		1.95%	16.65%	
8								
9								
10	Consolidated Companies Loss		\$ (85,736)	\$ (162,524)	\$ (249,053)	\$ (575,746)	\$ (108,853)	
11								
12								
13	PECO Allocation of Loss	L7 * L10	\$ (12,750)	\$ (33,376)	\$ -	\$ (11,242)	\$ (18,122)	
14								
15								
16	Electric Percentage		106.61%	125.46%	-88.07%	376.30%	158.98%	
17								
18								
19	Loss Allocable to Electric	L13 * L16	(\$13,593)	(\$41,874)		(\$42,303)	(\$28,809)	
20								
21								
22								
23	Average for 2018 to 2022	Average L19						(25,316)
24								
25								
26	Tax Rate							21.00%
27								
28	Section 1301.1(b) Differential	L23 * L26						\$ (5,316)

PECO Electric Operations
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 (\$ in Thousands)
 D-19 Conversion Factor

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(1)

(2)

Line No.	Description	Reference	Utility
1	<u>GROSS REVENUE CONVERSION FACTOR</u>		
2	GROSS REVENUE FACTOR		1.000000
3	Forfeited Discounts Amount		12,224
4	Total Customer Revenue		2,949,296
5	Shopping Revenue		1,082,504
6	LPC REVENUE	L3 / (L4 + L5)	0.003032
7	GROSS RECEIPTS TAX		(0.059000)
8	UNCOLLECTIBLE EXPENSES	D-10	(0.009708)
9	PUC / OCA & SBA ASSESSMENT AS A % OF REVENUE		(0.002397)
10			
11			
12	NET REVENUES	L2 + L6 + L7 + L8 + L9	0.931927
13			
14	STATE INCOME TAX RATE		7.990%
15			
16	STATE INCOME TAX FACTOR	-	(0.074461)
17			
18	FACTOR AFTER STATE TAXES	L12 + L16	0.857466
19			
20	FEDERAL INCOME TAX RATE		21.000%
21			
22	FEDERAL INCOME TAX FACTOR	-	(0.180068)
23			
24			
25	NET OPERATING INCOME FACTOR	L18 + L22	0.677398
26			
27	GROSS REVENUE CONVERSION FACTOR	1 / L25	1.476236
28			
29	Combined Income Tax Factor on Gross Revenues	- L16 - L22	25.453%
30			
31			
32	<u>INCOME TAX FACTOR</u>		
33			
34	GROSS REVENUE FACTOR	L2	1.000000
35			
36	STATE INCOME TAX RATE		7.990%
37			
38	STATE INCOME TAX FACTOR	- L34 * L36	(0.079900)
39			
40			
41	FACTOR AFTER STATE TAXES	L34 + L38	0.920100
42			
43	FEDERAL INCOME TAX RATE		21.000%
44			
45	FEDERAL INCOME TAX FACTOR	- L41 * L43	(0.193221)
46			
47	NET OPERATING INCOME FACTOR	L41 + L45	0.726879
48			
49			
50	GROSS REVENUE CONVERSION FACTOR	1 / L47	1.375745
51			
52			
53	Combined Income Tax Factor On Taxable Income	L34 - L47	27.312%

PECO Exhibit MJT-2:

Principal Accounting Exhibit – Future Test Year ending December 31, 2024

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FTY Ending December 2024
(\$ in Thousands)
A-1 Overall Summary

Line No.	Description	Reference	(1) Present Rates	(2) Revenue Increase	(3) Total
1	<u>MEASURE OF VALUE</u>				
2	Utility Plant	C-2	\$10,240,148		\$10,240,148
3	Accumulated Depreciation	C-3	2,161,844		2,161,844
4	Common Plant - Net of Accum Depr	C-8	554,582		554,582
5	Net Plant in service	L2 - L3 + L4	\$8,632,886		\$8,632,886
6					
7	Working Capital	C-1	\$222,289		\$222,289
8	Accum Deferred Income Taxes	C-1	(595,742)		(595,742)
9	Customer Deposits	C-1	(57,291)		(57,291)
10	Customer Advances for Construction	C-1	(2,889)		(2,889)
11	Materials and Supplies	C-1	30,350		30,350
12	Accum Deferred Income Taxes - Reg Liability	C-1	(281,253)		(281,253)
13					
14	TOTAL RATE BASE	SUM L5 to L12	\$7,948,351		\$7,948,351
15					
16	<u>OPERATING REVENUES AND EXPENSES</u>				
17	Base Customer Charges	D-5	\$1,757,401	\$356,463	\$2,113,864
18	Electric Cost Revenue	D-5	\$1,128,674		1,128,674
19	Other Operating Revenues	D-5	\$46,402	995	47,398
20	Total Revenues	SUM L17 to L19	\$2,932,477	\$357,459	\$3,289,936
21					
22	Operating Expenses	D-1	\$2,547,038	\$25,346	\$2,572,384
23					
24	OIBIT	L20 - L22	\$385,439	\$332,112	\$717,551
25					
26	Income Taxes @ Eff Inc Tax Rate	D-18	\$797		\$797
27	Income Taxes @ Statutory Rates	D-18		(\$92,019)	(\$92,019)
28					
29	NET OPERATING INCOME	SUM L24 to L27	\$386,236	\$240,094	\$626,330
30					
31	RATE OF RETURN	L29 / L14	4.86%		7.88%
32					
33	<u>REVENUE INCREASE REQUIRED</u>				
34	Rate of Return at Present Rates	L31	4.86%		
35					
36	Rate of Return Required	B-7	7.88%		
37					
38	Change in ROR	L36 - L34	3.02%		
39					
40	Change in Operating Income	L14 * L38	\$240,094		
41					
42	Gross Revenue Conversion Factor	D-19	1.485		
43					
44	Change in Revenues	L40 * L42	\$356,463		
45					
46	<u>RETURN ON COMMON EQUITY</u>				
47	Common Equity Ratio	B-7	53.40%		
48	Common Equity Rate Base	L14 * L47	\$4,244,419		
49	NET OPERATING INCOME	L29	\$386,236		
50	Synchronized Interest Expense	D-18	\$161,352		
51	NET OPERATING INCOME - COMMON EQUITY	L49 - L50	\$224,885		
52	RATE OF RETURN ON COMMON EQUITY	L51 / L48	5.30%		

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)

Exhibit MJT-2
 Schedule B-1
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total - PECO
1	Utility Plant		
2	Utility Plant (101-106, 108, 114)		\$18,248,650
3	Construction Work In Progress (107)		649,862
4	Total Utility Plant	L2 + L3	\$18,898,512
5	Less: Accum. Prov. for Depr. and Amort. (108, 110, 111, 115)		4,525,430
6	Net Utility Plant	L4 - L5	\$14,373,082
7			
8	Other Property and Investments		
9	Non-Utility Property (121)		\$11,249
10	Less: Accum. Prov. for Depr. and Amort. (122)		1,385
11	Invest in Assoc Company (123)		7,447
12	Other Investments (124-129, 175-176)		27,679
13	Total Other Property and Investments	SUM L9 to L12	\$44,990
14			
15	Current and Accrued Assets		
16	Cash & Other Temporary Investments (131-136)		\$25,000
17	Customer Accounts Receivable (142)		453,358
18	Other Accounts Receivable (143)		35,952
19	Accum. Prov. for Uncollectible (144)		(93,617)
20	Receivables from Assoc. Comp. (146)		
21	Fuel Stock (151)		36,209
22	Plant Materials & Supplies (154)		67,547
23	Prepayments (165)		20,246
24	Accrued Utility Revenues (173)		196,892
25	Miscellaneous Current & Accrued Assets (174)		90,803
26	Total Current and Accrued Assets	SUM L16 to L25	\$832,391
27			
28	Deferred Debits		
29	Unamortized Debt Expense (181)		\$46,779
30	Other Regulatory Assets (182.3)		957,139
31	Miscellaneous Deferred Debits (186)		740,509
32	Unamortized Loss on Reacquired Debt (189)		710
33	Accumulated Deferred Income Taxes (190)		(0)
34	Total Deferred Debits	SUM L29 to L33	\$1,745,138
35			
36	TOTAL ASSETS	L6+L13+L26+L34	\$16,995,600

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-2 Income Statement Summary

Exhibit MJT-2
 Schedule B-2
 Witness: Michael J. Trzaska
 Page 4 of 99

Line No.	Category	Description	(1) FTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	Total Operating Revenues	Customer & Distribution Revenues	\$1,653,580		\$1,653,580
2		Electric Cost Revenue	1,128,674		1,128,674
3		Transmission - All Classes	202,352		202,352
4		Other Revenues	305,262	\$258,860	46,402
5		Total Operating Revenues	\$3,289,867	\$258,860	\$3,031,007
6					
7	Total Operating Expenses	Operation & Maintenance Expenses	\$2,161,097	\$85,791	\$2,075,306
8		Depreciation & Amortization Expense	328,780	46,630	282,149
9		Amortization of Regulatory Expense	11,196		11,196
10		Taxes Other Than Income Taxes - Other	203,621	4,434	199,187
11		Total Operating Expenses	\$2,704,694	\$136,856	\$2,567,838
12					
13	Net Utility Operating Income Before Income Tax		\$585,173	\$122,004	\$463,169

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-2 Income Statement Detail

Exhibit MJT-2
 Schedule B-2
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) FTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	Operating Revenues	Customer & Distribution Revenues	Residential	440.0	\$930,799		\$930,799
2			Residential - House Heating	440.1	177,985		177,985
3			C & I Small	442.0	295,923		295,923
4			C & I Large	442.1	218,153		218,153
5			Street Lighting	444.0	8,345		8,345
6			Railroads & Railways	446.0	22,374		22,374
7			Intercompany	448.0			
8			Transmission - All Classes		202,352		202,352
9					Sub-total - Customer & Distribution Revenues		\$1,855,931
10							
11	Electric Cost Revenue		Residential	440.0	\$726,764		\$726,764
12			Residential - House Heating	440.1	188,794		188,794
13			C & I Small	442.0	160,260		160,260
14			C & I Large	442.1	52,012		52,012
15			Street Lighting	444.0	845		845
16			Intercompany	448.0			
17			Sub-total - Electric Cost Revenue		\$1,128,674	\$1,128,674	
18							
19	Other Operating Revenues		Forfeited Discounts	450.0	\$11,428		\$11,428
20			Miscellaneous Service Revenues	451.0	3,684		3,684
21			Rent For Electric Property	454.0	32,595	\$10,574	22,021
22			Other Electric Revenues	456.0	9,270		9,270
23			Transmission of Electricity for Others	456.1	248,286	248,286	
24			Sub-total - Other Operating Revenues		\$305,262	\$258,860	\$46,402
25							
26			TOTAL OPERATING REVENUES		\$3,289,867	\$258,860	\$3,031,007
27							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-2 Income Statement Detail

Exhibit MJT-2
 Schedule B-2
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) FTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
28	Operating Expenses	Operation & Maintenance Expenses	Purchased Power	555.0	\$1,057,282		\$1,057,282
29			Operation & Supervision	560.0	8,620	\$8,620	
30			Load Dispatching	561.0			
31			Scheduling, System Control & Dispatch	561.4	95,200		95,200
32			Transmission Service Studies	561.6			
33			Generation Service Studies	561.7			
34			Reliability, Planning & Standard Development	561.8	94,118		94,118
35			Station Expense	562.0	459	459	
36			Overhead Lines	563.0	577	577	
37			Underground Lines Expense	564.0			
38			Miscellaneous Expense	566.0	17,236	17,236	
39			Rents	567.0	15,794	15,794	
40			Maintenance of Structures	569.0	(35)	(35)	
41			Maintenance of Computer Hardware	569.1	102	102	
42			Maintenance of Computer Software	569.2	102	102	
43			Maintenance of Communication Equipment	569.3	145	145	
44			Maintenance of Station Equipment	570.0	13,529	13,529	
45			Maintenance of Overhead Lines	571.0	11,013	11,013	
46			Maintenance of Underground Lines	572.0	207	207	
47			Maintenance of Misc Transmission Plant	573.0	10,714	10,714	
48			Operation & Supervision	580.0	1,216		1,216
49			Load Dispatching	581.0			
50			Station Expenses	582.0	767		767
51			Overhead Lines Expenses	583.0	16,441		16,441
52			Underground Lines Expense	584.0	13,832		13,832
53			Meter Expenses	586.0	7,433		7,433
54			Customer Installations Expense	587.0	13,661		13,661
55			Miscellaneous Expense	588.0	85,996		85,996
56			Rents	589.0	3,438		3,438
57			Maintenance of Structures	591.0	6,274		6,274
58			Maintenance of Station Equipment	592.0	17,567		17,567
59			Maintenance of Overhead Lines	593.0	178,544		178,544
60			Maintenance of Underground Lines	594.0	36,485		36,485

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) FTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
61			Maintenance of Line Transformers	595.0	2,266		2,266
62			Maintenance of Street Lighting & Signal Systems	596.0	1,858		1,858
63			Maintenance of Misc. Distribution	598.0	19,498		19,498
64			Supervision	901.0			
65			Meter Reading	902.0	916		916
66			Customer Records and Collection	903.0	101,136		101,136
67			Uncollectible Accounts	904.0	37,131		37,131
68			Miscellaneous Customer Accounts	905.0	3,458		3,458
69			Customer Assistance	908.0	108,961		108,961
70			Informational & Instructional	909.0	1,320		1,320
71			Miscellaneous Customer & Informational	910.0	937		937
72			Demonstrating & Selling	912.0	400		400
73			Miscellaneous Sales	916.0			
74			Administrative and General Salaries	920.0	21,527	(7,177)	28,705
75			Office Supplies and Expenses	921.0	5,932	1,608	4,324
76			Administrative Expenses Transferred-Credit	922.0			
77			Outside Service Employed	923.0	94,821	9,812	85,009
78			Property Insurance	924.0	807	90	717
79			Injuries & Damages	925.0	11,178	71	11,108
80			Employee Pensions and Benefits	926.0	22,928	1,697	21,231
81			Regulatory Commission Expenses	928.0	9,133	288	8,845
82			Duplicate Charges-Credit	929.0	(1,507)	(509)	(997)
83			Miscellaneous General Expenses	930.2	3,042	573	2,468
84			Maintenance of General Plant	935.0	8,641	877	7,763
85			Sub-total - O&M Expenses		\$2,161,097	\$85,791	\$2,075,306
86							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) FTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
87		Depreciation & Amortization Expense	Depreciation & Amortization Expense	403.0	\$272,353	\$37,633	\$234,720
88				404.0	56,427	8,998	47,429
89			Sub-total - Depreciation & Amortization Expense		\$328,780	\$46,630	\$282,149
90							
91		Amortization of Regulatory Expense	Amortization of Regulatory Expense	407.3	\$11,196		\$11,196
92			Sub-total - Amortization of Regulatory Expense		\$11,196		\$11,196
93							
94		Taxes Other Than Income Taxes - Other	Taxes Other Than Income Taxes - Other	408.1	\$203,621	\$4,434	\$199,187
95			Sub-total -Taxes Other Than Income Taxes - Other		\$203,621	\$4,434	\$199,187
96							
97			TOTAL OPERATING EXPENSES		\$2,704,694	\$136,856	\$2,567,838
98							
99			NET UTILITY OPERATING INCOME BEFORE INCOME TAX		\$585,173	\$122,004	\$463,169
100							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-3 Operating Revenues

Exhibit MJT-2
 Schedule B-3
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) FTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	OPERATING REVENUE	Customer & Distribution Revenue	Residential	440.0	\$930,799		\$930,799
2			Residential - House Heating	440.1	177,985		177,985
3			C & I Small	442.0	295,923		295,923
4			C & I Large	442.1	218,153		218,153
5			Railroads & Railways	446.0	8,345		8,345
6			Street Lighting	444.0	22,374		22,374
7			Intercompany	448.0			
8			Transmission - All Classes		202,352		202,352
9				Sub-total - Customer & Distribution Revenue			\$1,855,931
10							
11		Electric Cost Revenue	Residential	440.0	\$726,764		\$726,764
12			Residential - House Heating	440.1	188,794		188,794
13			C & I Small	442.0	160,260		160,260
14			C & I Large	442.1	52,012		52,012
15			Railroads & Railways	444.0			
16			Street Lighting	446.0	845		845
17			Intercompany	448.0			
18			Sub-total - Electric Cost Revenue			\$1,128,674	\$1,128,674
19							
20			TOTAL OPERATING REVENUE		\$2,984,605	\$2,984,605	
21							
22	OTHER REVENUE	Other Operating Revenue	Forfeited Discounts	450.0	\$11,428		\$11,428
23			Miscellaneous Service Revenues	451.0	3,684		3,684
24			Sub-total - Other Operating Revenue			\$15,111	\$15,111
25							
26		Other Electric Revenue	Rent For Electric Property	454.0	\$32,595	\$10,574	\$22,021
27			Other Electric Revenues	456.0	9,270		9,270
28			Transmission of Electricity for Others	456.1	248,286	248,286	
29			Sub-total - Other Electric Revenue			\$290,151	\$258,860
30							
31			TOTAL OTHER REVENUE		\$305,262	\$258,860	\$46,402
32							
33			TOTAL REVENUE		\$3,289,867	\$258,860	\$3,031,007

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-4 O+M Expenses

Line No.	Category	Description	Account	Account	(1) FTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	POWER SUPPLY EXPENSES	Power Supply	Purchased Power		555.0	\$1,057,282	\$1,057,282
2			TOTAL POWER SUPPLY EXPENSES			<u>\$1,057,282</u>	<u>\$1,057,282</u>
3							
4	TRANSMISSION EXPENSE	Transmission Operations	Operation & Supervision		560.0	\$8,620	\$8,620
5			Load Dispatching		561.0		
6			Scheduling, System Control & Dispatch		561.4	95,200	95,200
7			Transmission Service Studies		561.6		
8			Generation Service Studies		561.7		
9			Reliability, Planning & Standard Development		561.8	94,118	94,118
10			Station Expense		562.0	459	459
11			Overhead Lines		563.0	577	577
12			Underground Lines Expense		564.0		
13			Miscellaneous Expense		566.0	17,236	17,236
14			Rents		567.0	15,794	15,794
15			Sub-total Transmission Operations	SUM L4 to L14	\$232,003	\$42,686	\$189,317
16							
17		Transmission Maintenance	Maintenance of Structures		569.0	(\$35)	(\$35)
18			Maintenance of Computer Hardware		569.1	102	102
19			Maintenance of Computer Software		569.2	102	102
20			Maintenance of Communication Equipment		569.3	145	145
21			Maintenance of Station Equipment		570.0	13,529	13,529
22			Maintenance of Overhead Lines		571.0	11,013	11,013
23			Maintenance of Underground Lines		572.0	207	207
24			Maintenance of Misc Transmission Plant		573.0	10,714	10,714
25			Sub-total Transmission Maintenance	SUM L17 to L24	\$35,776	\$35,776	
26							
27			TOTAL TRANSMISSION EXPENSE	L15 + L25	<u>\$267,779</u>	<u>\$78,461</u>	<u>\$189,317</u>
28							
29	DISTRIBUTION EXPENSE	Distribution Operations	Operation & Supervision		580.0	\$1,216	\$1,216
30			Load Dispatching		581.0		
31			Station Expenses		582.0	767	767
32			Overhead Lines Expenses		583.0	16,441	16,441
33			Underground Lines Expense		584.0	13,832	13,832
34			Meter Expenses		586.0	7,433	7,433
35			Customer Installations Expense		587.0	13,661	13,661
36			Miscellaneous Expense		588.0	85,996	85,996
37			Rents		589.0	3,438	3,438
38			Sub-total Distribution Operations	SUM L29 to L37	\$142,784		\$142,784
39							
40		Distribution Maintenance	Maintenance of Structures		591.0	6,274	6,274
41			Maintenance of Station Equipment		592.0	17,567	17,567
42			Maintenance of Overhead Lines		593.0	178,544	178,544
43			Maintenance of Underground Lines		594.0	36,485	36,485
44			Maintenance of Line Transformers		595.0	2,266	2,266
45			Maintenance of Street Lighting & Signal Systems		596.0	1,858	1,858
46			Maintenance of Misc. Distribution		598.0	19,498	19,498

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-4 O+M Expenses

Line No.	Category	Description	Account	Account	FTY Amount	Non-Jurisdictional	Jurisdictional
47			Sub-total Distribution Maintenance	SUM L40 to L46	\$262,492		\$262,492
48							
49			TOTAL DISTRIBUTION EXPENSE	L38 + L47	\$405,275		\$405,275
50							
51	CUSTOMER ACCOUNTS	Customer Accounts	Supervision	901.0			
52			Meter Reading	902.0	916		916
53			Customer Records and Collection	903.0	101,136		101,136
54			Uncollectible Accounts	904.0	37,131		37,131
55			Miscellaneous Customer Accounts	905.0	3,458		3,458
56			TOTAL CUSTOMER ACCOUNTS	SUM L51 to L55	\$142,641		\$142,641
57							
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	Customer Assistance	908.0	\$108,961		\$108,961
59			Informational & Instructional	909.0	1,320		1,320
60			Miscellaneous Customer & Informational	910.0	937		937
61			TOTAL CUSTOMER SERVICE & INFORMATION	SUM L58 to L60	\$111,218		\$111,218
62							
63	SALES	Sales Expense	Demonstrating & Selling	912.0	\$400		\$400
64			Miscellaneous Sales	916.0			
65			TOTAL SALES EXPENSE	SUM L63 to L64	\$400		\$400
66							
67	ADMINISTRATION & GENERAL	A&G Operations	Administrative and General Salaries	920.0	\$21,527	(\$7,177)	\$28,705
68			Office Supplies and Expenses	921.0	5,932	\$1,608	4,324
69			Administrative Expenses Transferred-Credit	922.0			
70			Outside Service Employed	923.0	94,821	\$9,812	85,009
71			Property Insurance	924.0	807	\$90	717
72			Injuries & Damages	925.0	11,178	\$71	11,108
73			Employee Pensions and Benefits	926.0	22,928	\$1,697	21,231
74			Regulatory Commission Expenses	928.0	9,133	\$288	8,845
75			Duplicate Charges-Credit	929.0	(1,507)	(\$509)	(997)
76			Miscellaneous General Expenses	930.2	3,042	\$573	2,468
77			Sub-total A&G Operations	SUM L67 to L76	\$167,861	\$6,452	\$161,408
78							
79		A&G Maintenance	Maintenance of General Plant	935.0	8,641	877	7,763
80							
81			TOTAL ADMINISTRATION & GENERAL	L77 + L79	\$176,501	\$7,330	\$169,171
82							
83			TOTAL O&M EXPENSE	L2+L27+L49+L56+L61+L65+L81	\$2,161,097	\$85,791	\$2,075,306
84							
85			TOTAL OPERATIONS EXPENSE		\$1,862,830	\$50,016	\$1,812,814
86			TOTAL MAINTENANCE EXPENSE		298,267	35,776	262,492
87			TOTAL O&M EXPENSE	L85 + L86	\$2,161,097	\$85,791	\$2,075,306
				ck	\$914,498		\$828,706

PECO Electric Operations Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands) B-4 O+M Exp. - A+G Detail

Exhibit MJT-2
 Schedule B-4
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) FTY Amount	(2) Percent to Non-Jurisdiction	(3) Non-Jurisdictional	(4) Jurisdictional
31	General	A&G Operations	Administrative and General Salaries	920.0		12.3730%		
32			Office Supplies and Expenses	921.0	24	12.3730%	3	21
33			Administrative Expenses Transferred-Credit	922.0		12.3730%		
34			Outside Service Employed	923.0		12.3730%		
35			Property Insurance	924.0		12.3730%		
36			Injuries and Damages	925.0		12.3730%		
37			Employee Pensions and Benefits	926.0		12.3730%		
38			Regulatory Commission Expenses	928.0		12.3730%		
39			Duplicate Charges-Credit	929.0		12.3730%		
40			Miscellaneous General Expenses	930.2	0	12.3730%	0	0
41			Sub-total A&G Operations - General	SUM L31 to L40	<u>\$24</u>		<u>\$3</u>	<u>\$21</u>
42								
43		A&G Maintenance	Maintenance of General Plant	935.0	\$0	12.3730%	\$0	\$0
44			ADMINISTRATION & GENERAL - GENERAL	L41 + L43	<u>\$24</u>		<u>\$3</u>	<u>\$21</u>
45								
46	TOTAL	A&G Operations	Administrative and General Salaries	920.0	\$21,527		(\$7,177)	\$28,705
47			Office Supplies and Expenses	921.0	5,932		1,608	4,324
48			Administrative Expenses Transferred-Credit	922.0				
49			Outside Service Employed	923.0	94,821		9,812	85,009
50			Property Insurance	924.0	807		90	717
51			Franchise Requirements	925.0	11,178		71	11,108
52			Employee Pensions and Benefits	926.0	22,928		1,697	21,231
53			Regulatory Commission Expenses	928.0	9,133		288	8,845
54			Duplicate Charges-Credit	929.0	(1,507)		(509)	(997)
55			Miscellaneous General Expenses	930.2	3,042		573	2,468
56			Sub-total A&G Operations - TOTAL	SUM L46 to L55	<u>\$167,861</u>		<u>\$6,452</u>	<u>\$161,408</u>
57								
58		A&G Maintenance	Maintenance of General Plant	935.0	\$8,641		\$877	\$7,763
59			ADMINISTRATION & GENERAL - TOTAL	L56 + L58	<u>\$176,501</u>		<u>\$7,330</u>	<u>\$169,171</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-5 Taxes Details

Exhibit MJT-2
 Schedule B-5
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)
Line No.	Description	Percentage	Total	Transmission Elimination	Distribution
1	Public Utility Real Tax (PURTA) Total Expense	17.825%	\$6,924	(\$1,234)	\$5,690
2	Use Tax Accrued	17.825%	2,443	(435)	2,007
3	Real Estate Tax Accrued	17.825%	5,842	(1,041)	4,800
4	Miscellaneous TOTI	12.373%			
5	Payroll Tax Accrued	12.373%	13,927	(1,723)	12,204
6	Gross Receipt Tax		174,486		174,486
7	Total		\$203,621	(\$4,434)	\$199,187

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)

Exhibit MJT-2
 Schedule B-6
 Witness: Michael J. Trzaska
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Line No.	Type of Bond Issue	Bond Issue	Reference	Amount Outstanding	Percent to Total	Effectivel nterest Rate	Average Weighted Cost Rate	Annualized Cost
1	First & Refunding Mortgage Bonds - Fixed Rate	PECO - FMB - \$350 - 3.15% - Due 10-15-2025		\$350,000		3.29%		
2					5.87%		0.19%	
3		PECO - FMB - \$75 - 5.90% - Due 5-1-2034		75,000		6.00%		
4					1.26%		0.08%	
5		PECO - FMB - \$300 - 5.95% - Due 10-1-2036		300,000		6.04%		
6					5.03%		0.30%	
7		PECO - FMB - \$175 - 5.70% - Due 3-15-2037		175,000		5.81%		
8					2.94%		0.17%	
9		PECO - FMB - \$250 - 4.80% - Due 10-15-2043		250,000		4.89%		
10					4.20%		0.21%	
11		PECO - FMB - \$300 - 4.15% - Due 10-1-2044		300,000		4.21%		
12					5.03%		0.21%	
13		PECO - FMB - \$325 - 3.70% - Due 9-15-2047		325,000		3.77%		
14					5.45%		0.21%	
15		PECO - FMB - \$650 - 3.90% - Due 3-1-2048		650,000		4.08%		
16					10.91%		0.45%	
17		PECO - FMB - \$325 - 3.00% - Due 9-15-2049		325,000		3.10%		
18					5.45%		0.17%	
19		PECO - FMB - \$350 - 2.80% - Due 6-15-2050		350,000		2.86%		
20					5.87%		0.17%	
21		PECO - FMB - \$375 - 3.05% - Due 3-15-2051		375,000		3.11%		
22					6.29%		0.20%	
23		PECO - FMB - \$375 - 2.85% - Due 9-15-2051		375,000		2.90%		
24					6.29%		0.18%	
25		PECO - FMB - \$350 - 4.60% - Due 5-15-2052		350,000		4.71%		
26					5.87%		0.28%	
27		PECO - FMB - \$425 - 4.375% - Due 8-15-2052		425,000		4.46%		
28					7.13%		0.32%	
29		PECO - FMB - \$575 - 4.90% - Due 6-15-2033		575,000		5.03%		
30					9.65%		0.49%	
31		PECO - FMB - \$575 - 5.46% - Due 9-1-54		575,000		5.53%		
32					9.65%		0.53%	
33								
34		Sub-total Mortgage Bonds	SUM L1 to L32	\$5,775,000	96.91%		4.16%	
35								
36	Trust Preferred Capital Securities	PECO - TOPRS - \$80.5 - 7.38% - Due 4-6-2028		\$80,521		7.46%		
37					1.35%		0.10%	
38		PECO - TOPRS - \$0.8 - Var (6.75%) - Due 4-6-2028		805		6.75%		
39					0.01%			
40		PECO - TOPRS - \$103 - 5.75% - Due 6-15-2033		103,093		5.88%		
41					1.73%		0.10%	
42								
43		Sub-total Capital Securities	SUM L36 to L41	\$184,419	3.09%		0.20%	
44								
45		Total Long-Term Debt	L34 + L43	\$5,959,419	100.00%		4.36%	
46								
47		Adjustments for Tenders & Calls		(589)				
48								
49		Net Long-Term Debt	L45 + L47	\$5,958,830				
50								
51		Annualized Cost		259,831				
52								
53		Adjustment for Tenders & Calls Reacquired		68				
54								
55		Total	L51 + L53	\$259,899			<u>4.36%</u>	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 B-7 Rate of Return

Exhibit MJT-2
 Schedule B-7
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Description	Capitalization	Capitalization Ratio	Embedded Cost	Return %
1					
2	Long-Term Debt	\$5,958,830	46.60%	4.36%	2.03%
3					
4	Common Equity	\$6,829,258	53.40%	10.95%	5.85%
5					
6	Total	<u>\$12,788,087</u>	<u>100.00%</u>		<u>7.88%</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-1 Measures of Value

Exhibit MJT-2
 Schedule C-1
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Description	Reference	FTY Amount	Non-Jurisdictional	Jurisdictional
1	Utility Plant	C-2	\$12,423,195	\$2,183,047	\$10,240,148
2	Accumulated Depreciation	C-3	2,812,336	650,492	2,161,844
3	Common Plant	C-8	554,582		554,582
4	Net Plant in Service	L1 - L2 + L3	\$10,165,441	\$1,532,555	\$8,632,886
5					
6	Working Capital	C-4	\$222,289		\$222,289
7	Accumulated Deferred Income Taxes	C-6	(595,742)		(595,742)
8	Customer Deposits	C-7	(57,291)		(57,291)
9	Customer Advances for Construction	C-9	(2,889)		(2,889)
10	Material & Supplies	C-11	30,350		30,350
11	ADIT - Reg Liability	C-12	(281,253)		(281,253)
12	Total Measures of Value	SUM L4 to L11	\$9,480,905	\$1,532,555	\$7,948,351

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-2 Utility Plant

Exhibit MJT-2
 Schedule C-2
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Category	Account	Reference	FTY Amount	Non-Jurisdictional	Jurisdictional
1	<u>Intangible Plant</u>	E301 - Organization Costs				
2		E302 - Franchises and Consents		\$163	\$20	\$143
3		E303 - Misc Intangible Plant		157,937	31,474	126,462
4		Sub-total Intangible Plant	SUM L1 to L3	\$158,100	\$31,495	\$126,605
5						
6	<u>Transmission Plant</u>	E350 - Land and Land Rights		\$75,731	\$75,731	
7		E352 - Structures and Improvements		109,041	109,041	
8		E353 - Station Equipment		1,067,955	1,067,955	
9		E354 - Towers and Fixtures		293,214	293,214	
10		E355 - Poles and Fixtures		34,029	34,029	
11		E356 - Overhead Conductors, Devices		329,344	329,344	
12		E357 - Underground Conduit		59,161	59,161	
13		E358 - Undergrnd Conductors, Devices		140,124	140,124	
14		E359 - Roads and Trails		2,745	2,745	
15		E359.1 - ARO Costs Transmission Plt		503	503	
16		Sub-total Transmission Plant	SUM L6 to L15	\$2,111,848	\$2,111,848	
17						
18	<u>Distribution Plant</u>	E360 - Land and Land Rights		\$54,159		\$54,159
19		E361 - Structures and Improvements		232,091		232,091
20		E362 - Station Equipment		1,325,637		1,325,637
21		E364 - Poles, Towers and Fixtures		1,326,010		1,326,010
22		E365 - Overhead Conductors, Devices		2,164,605		2,164,605
23		E366 - Underground Conduit		904,829		904,829
24		E367 - Undergrnd Conductors, Devices		2,041,850		2,041,850
25		E368 - Line Transformers		852,034		852,034
26		E369 - Services		485,460		485,460
27		E370 - Meters		358,053		358,053
28		E371 - Installs on Customer Premiss		13,772		13,772
29		E373 - Street Lighting, Signal Systems		71,334		71,334
30		E374 - ARO Costs Distribution Plant		2,523		2,523
31		Sub-total Distribution Plant	SUM L18 to L30	\$9,832,357		\$9,832,357
32						
33	<u>General Plant</u>	E389 - Land and Land Rights		\$1,063	\$132	\$932
34		E390 - Structures and Improvements		50,953	6,304	44,648
35		E391 - Office Furniture, Equipment		25,847	3,198	22,649
36		E392 - Transportation Equipment				
37		E393 - Stores Equipment		44	5	39
38		E394 - Tools, Shop, Garage Equipment		54,560	6,751	47,810
39		E395 - Laboratory Equipment		203	25	178
40		E396 - Power Operated Equipment				
41		E397 - Communication Equipment		185,578	22,962	162,616
42		E398 - Miscellaneous Equipment		703	87	616
43		E399 - Other Tangible Property				
44		E399.1 - ARO Costs General Plant		1,937	240	1,698
45		Sub-total General Plant	SUM L33 to L44	\$320,889	\$39,704	\$281,185
46						
47		Total	L4+L16+L31+L45	\$12,423,195	\$2,183,047	\$10,240,148

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-2 Additions to Plant

Exhibit MJT-2
 Schedule C-2
 Witness: Michael J. Trzaska
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(1)

Line No.	Category	Account	Additions to Plant
1	Intangible Plant	E303 - Misc Intangible Plant	\$51,220
2		Sub-total Intangible Plant	<u>\$51,220</u>
3			
4	Transmission Plant	E350 - Land and Land Rights	(\$0)
5		E352 - Structures and Improvements	7,618
6		E353 - Station Equipment	61,811
7		E354 - Towers and Fixtures	2,002
8		E355 - Poles and Fixtures	4,433
9		E356 - Overhead Conductors, Devices	51,238
10		E357 - Underground Conduit	16,994
11		E358 - Undergrnd Conductors, Devics	13,943
12		E359 - Roads and Trails	124
13		Sub-total Transmission Plant	<u>\$158,162</u>
14			
15	Distribution Plant	E361 - Structures and Improvements	\$23,940
16		E362 - Station Equipment	81,716
17		E364 - Poles, Towers and Fixtures	185,693
18		E365 - Overhead Conductors, Devices	232,637
19		E366 - Underground Conduit	140,257
20		E367 - Undergrnd Conductors, Devics	257,973
21		E368 - Line Transformers	93,872
22		E369 - Services	18,140
23		E370 - Meters	11,232
24		E373 - Street Lighting,Signal System	5,777
25		Sub-total Distribution Plant	<u>\$1,051,237</u>
26			
27	General Plant	E390 - Structures and Improvements	\$63
28		E391 - Office Furniture, Equipment	2,467
29		E394 - Tools, Shop, Garage Equipmnt	2,577
30		E397 - Communication Equipment	4,606
31		E398 - Miscellaneous Equipment	16
32		Sub-total General Plant	<u>\$9,729</u>
33			
34		Total	<u><u>\$1,270,347</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-2 Plant Retirements

Exhibit MJT-2
 Schedule C-2
 Witness: Michael J. Trzaska
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(1)

Line No.	Category	Account	Plant Retirements
1	<u>Intangible Plant</u>	E303 - Misc Intangible Plant	(\$56,605)
2		Sub-total Intangible Plant	<u>(\$56,605)</u>
3			
4	<u>Transmission Plant</u>	E352 - Structures and Improvements	(\$73)
5		E353 - Station Equipment	(3,590)
6		E354 - Towers and Fixtures	(103)
7		E355 - Poles and Fixtures	(0)
8		E356 - Overhead Conductors, Devices	(72)
9		E357 - Underground Conduit	(7)
10		E358 - Undergrnd Conductors, Devics	(38)
11		E359.1 - ARO Costs Transmission Plt	(1)
12		Sub-total Transmission Plant	<u>(\$3,884)</u>
13			
14	<u>Distribution Plant</u>	E361 - Structures and Improvements	(\$669)
15		E362 - Station Equipment	(3,172)
16		E364 - Poles, Towers and Fixtures	(20,980)
17		E365 - Overhead Conductors, Devices	(16,652)
18		E366 - Underground Conduit	(835)
19		E367 - Undergrnd Conductors, Devics	(17,858)
20		E368 - Line Transformers	(16,468)
21		E369 - Services	(198)
22		E370 - Meters	(196)
23		E373 - Street Lighting,Signal Systm	(715)
24		E374 - ARO Costs Distribution Plt	(170)
25		Sub-total Distribution Plant	<u>(\$77,913)</u>
26			
27	<u>General Plant</u>	E390 - Structures and Improvements	(\$70)
28		E391 - Office Furniture, Equipment	(7,198)
29		E393 - Stores Equipment	(1)
30		E394 - Tools, Shop, Garage Equipmnt	(1,060)
31		E395 - Laboratory Equipment	(52)
32		E397 - Communication Equipment	(2,098)
33		E398 - Miscellaneous Equipment	(25)
34		E399.1 - ARO Costs General Plt	(21)
35		Sub-total General Plant	<u>(\$10,525)</u>
36			
37		Total	<u><u>(\$148,926)</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-2 Plant Pro Forma Adjustments

Exhibit MJT-2
 Schedule C-2
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	Account	FTY Amount	Utility Allocation Factor	Allocated to Utility	Jurisdictional Allocation Factor	Allocated to Jurisdiction	Allocated to Non Jurisdiction
85	General Plant	E389 - Land and Land Rights	\$1,063	100.00%	\$1,063	87.63%	\$932	\$132
86			\$1,063		\$1,063		\$932	\$132
87								
88		E390 - Structures and Improvements	50,953	100.00%	50,953	87.63%	44,648	6,304
89			50,953		50,953		44,648	6,304
90								
91		E391 - Office Furniture, Equipment	25,847	100.00%	25,847	87.63%	22,649	3,198
92			25,847		25,847		22,649	3,198
93								
94		E393 - Stores Equipment	44	100.00%	44	87.63%	39	5
95			44		44		39	5
96								
97		E394 - Tools, Shop, Garage Equipment	54,560	100.00%	54,560	87.63%	47,810	6,751
98			54,560		54,560		47,810	6,751
99								
100		E395 - Laboratory Equipment	203	100.00%	203	87.63%	178	25
101			203		203		178	25
102								
103		E397 - Communication Equipment	185,578	100.00%	185,578	87.63%	162,616	22,962
104			185,578		185,578		162,616	22,962
105								
106		E398 - Miscellaneous Equipment	703	100.00%	703	87.63%	616	87
107			703		703		616	87
108								
109		E399.1 - ARO Costs General Plant	1,937	100.00%	1,937	87.63%	1,698	240
110			1,937		1,937		1,698	240
111								
112		Sub-total General Plant	\$320,889		\$320,889		\$281,185	\$39,704
113								
114								
115		Total	\$12,423,195		\$12,423,195		\$10,240,148	\$2,183,047

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FTY Ending December 2024
(\$ in Thousands)
C-3 Accumulated Depreciation

Exhibit MJT-2
Schedule C-3
Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)
Line No.	Category	Account	Reference	FTY Amount	Non-Jurisdictional	Jurisdictional
1	Intangible Plant	E301 - Organization Costs				
2		E302 - Franchises and Consents				
3		E303 - Misc Intangible Plant		\$74,902	\$20,034	\$54,868
4		Sub-total Intangible Plant	SUM L1 to L3	\$74,902	\$20,034	\$54,868
5						
6	Transmission Plant	E350 - Land and Land Rights		(\$0)	(\$0)	
7		E352 - Structures and Improvements		29,502	29,502	
8		E353 - Station Equipment		252,533	252,533	
9		E354 - Towers and Fixtures		176,479	176,479	
10		E355 - Poles and Fixtures		3,983	3,983	
11		E356 - Overhead Conductors, Devices		96,379	96,379	
12		E357 - Underground Conduit		2,942	2,942	
13		E358 - Undergrnd Conductors, Devices		49,370	49,370	
14		E359 - Roads and Trails		2,219	2,219	
15		E359.1 - ARO Costs Transmission Plt		93	93	
16		Sub-total Transmission Plant	SUM L6 to L15	\$613,500	\$613,500	
17						
18	Distribution Plant	E360 - Land and Land Rights		\$310		310
19		E361 - Structures and Improvements		49,480		\$49,480
20		E362 - Station Equipment		516,939		516,939
21		E364 - Poles, Towers and Fixtures		87,236		87,236
22		E365 - Overhead Conductors, Devices		299,650		299,650
23		E366 - Underground Conduit		187,827		187,827
24		E367 - Undergrnd Conductors, Devices		197,197		197,197
25		E368 - Line Transformers		178,996		178,996
26		E369 - Services		204,892		204,892
27		E370 - Meters		216,089		216,089
28		E371 - Installs on Customer Premises		11,229		11,229
29		E373 - Street Lighting, Signal Systems		34,982		34,982
30		E374 - ARO Costs Distribution Plant		2,046		2,046
31		Sub-total Distribution Plant	SUM L18 to L30	\$1,986,873		\$1,986,873
32						
33	General Plant	E389 - Land and Land Rights				
34		E390 - Structures and Improvements		\$17,123	\$2,119	\$15,004
35		E391 - Office Furniture, Equipment		14,452	1,788	12,664
36		E392 - Transportation Equipment				
37		E393 - Stores Equipment		29	4	25
38		E394 - Tools, Shop, Garage Equipmnt		22,935	2,838	20,098
39		E395 - Laboratory Equipment		184	23	161
40		E396 - Power Operated Equipment				
41		E397 - Communication Equipment		80,740	9,990	70,750
42		E398 - Miscellaneous Equipment		(204)	(25)	(178)
43		E399 - Other Tangible Property				
44		E399.1 - ARO Costs General Plt		1,804	223	1,581
45		Sub-total General Plant	SUM L33 to L44	\$137,062	\$16,959	\$120,103
46						
47		Total	L4+L16+L31+L45	\$2,812,336	\$650,492	\$2,161,844

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-3 Accum Depr Pro Forma Adj

Exhibit MJT-2
 Schedule C-3
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	Account	FTY Amount	Utility Allocation Factor	Allocated to Utility	Jurisdictional Allocation Factor	Allocated to Jurisdiction	Allocated to Non Jurisdiction
83	General Plant	E389 - Land and Land Rights						
84								
85								
86		E390 - Structures and Improvements	\$17,123	100.00%	\$17,123	87.63%	\$15,004	\$2,119
87			\$17,123		\$17,123		\$15,004	\$2,119
88								
89		E391 - Office Furniture, Equipment	14,452	100.00%	14,452	87.63%	12,664	1,788
90			14,452		14,452		12,664	1,788
91								
92		E393 - Stores Equipment	29	100.00%	29	87.63%	25	4
93			29		29		25	4
94								
95		E394 - Tools, Shop, Garage Equipmnt	22,935	100.00%	22,935	87.63%	20,098	2,838
96			22,935		22,935		20,098	2,838
97								
98		E395 - Laboratory Equipment	184	100.00%	184	87.63%	161	23
99			184		184		161	23
100								
101		E397 - Communication Equipment	80,740	100.00%	80,740	87.63%	70,750	9,990
102			80,740		80,740		70,750	9,990
103								
104		E398 - Miscellaneous Equipment	(204)	100.00%	(204)	87.63%	(178)	(25)
105			(204)		(204)		(178)	(25)
106								
107		E399.1 - ARO Costs General Plt	1,804	100.00%	1,804	87.63%	1,581	223
108			1,804		1,804		1,581	223
109								
110		Sub-total General Plant	\$137,062		\$137,062		\$120,103	\$16,959
111								
112		Total	\$2,812,336		\$2,812,336		\$2,161,844	\$650,492

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-3 Cost of Removal

Exhibit MJT-2
 Schedule C-3
 Witness: Michael J. Trzaska
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			(1)	(2)
Line No.	Category	Account	Reference	FTY Amount
1	Electric - Intangible Plant	E303 - Misc Intangible Plant		(\$0)
2		Sub-total Electric - Intangible Plant		(\$0)
3				
4	Electric - Transmission	E350 - Land and Land Rights		\$0
5		E352 - Structures and Improvements		123
6		E353 - Station Equipment		2,704
7		E354 - Towers and Fixtures		177
8		E355 - Poles and Fixtures		76
9		E356 - Overhead Conductors, Devices		1,462
10		E357 - Underground Conduit		850
11		E358 - Undergrnd Conductors, Devics		1,172
12		E359 - Roads and Trails		4
13		Sub-total Electric - Transmission	SUM L4 to L12	\$6,569
14				
15	Electric - Distribution	E361 - Structures and Improvements		\$1,110
16		E362 - Station Equipment		5,746
17		E364 - Poles, Towers and Fixtures		16,669
18		E365 - Overhead Conductors, Devices		19,073
19		E366 - Underground Conduit		4,267
20		E367 - Undergrnd Conductors, Devics		20,169
21		E368 - Line Transformers		897
22		E369 - Services		708
23		E370 - Meters		207
24		E373 - Street Lighting, Signal Systems		114
25		Sub-total Electric - Distribution	SUM L15 to L24	\$68,960
26				
27	Electric - General Plant	E390 - Structures and Improvements		\$95
28		E391 - Office Furniture, Equipment		60
29		E394 - Tools, Shop, Garage Equipmnt		14
30		E397 - Communication Equipment		556
31		E398 - Miscellaneous Equipment		93
32		Sub-total Electric - General Plant	SUM L27 to L31	\$818
33				
34		Total	Lines 2+13+25+32	\$76,347

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 CWC Summary

Exhibit MJT-2
 Schedule C-4
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	FTY Expenses	(Lead)/Lag Days	Dollar-Days
1	Working Capital Requirement				
2					
3	Revenue Lag Days			51.95	
4					
5	<u>Expense Lag Days</u>				
6	Payroll (Dist Only)		\$168,294	13.58	\$2,285,995
7	Pension Expense		4,396	(168.00)	(738,607)
8	Commodity Purchased - [A]		1,048,667	35.67	37,402,456
9	Commodity Purchased - [B]		8,615	12.50	107,692
10	PJM Transmission Purchased - By-passable		94,863	12.50	1,185,792
11	PJM Transmission Purchased - Non By-passable		94,454	12.50	1,180,674
12	Other Expenses		563,898	40.07	22,596,545
13	Sub-Total O&M	SUM L6 to L12	<u>\$1,983,188</u>		<u>\$64,020,547</u>
14					
15	Payment to Suppliers		\$1,107,648	37.87	\$41,950,771
16					
17	Total O&M and POR Payments	L13 + L15	<u>\$3,090,836</u>		<u>\$105,971,318</u>
18					
19	O&M Expense / POR Payment Lag Days			34.29	
20					
21	Net Lead/(Lag) Days	L3 - L19		17.66	
22					
23	Days in Current Year			365	
24					
25	Operating Expenses Per Day		<u>\$8,468</u>		
26					
27	Working Capital for O&M Expense		\$149,579		
28					
29	Average Prepayments		\$8,636		
30	Accrued Taxes		\$81,526		
31	Interest Payments		(17,451)		
32					
33	Total Working Capital Requirement	SUM L27 to L31	<u>\$222,289</u>		
34					
35	Pro Forma O&M Expense		\$2,031,256		
36	Uncollectible Expense		48,068		
37	Pro Forma Cash O&M Expense	L35 - L36	<u>\$1,983,188</u>		

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 Revenue Lag

Exhibit MJT-2
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)
Line No.	Description	Reference	Accounts Receivable Balance End of Month	Total Monthly Billing Revenue	A/R Turnover	Days Lag
1	Annual Number of Days					<u>365</u>
2						
3	December		\$402,842			
4	January		453,446	\$378,637		
5	February		445,195	329,190		
6	March		411,718	303,032		
7	April		408,197	278,953		
8	May		340,718	260,453		
9	June		347,805	288,753		
10	July		409,252	373,500		
11	August		386,093	404,999		
12	September		398,390	381,298		
13	October		308,580	293,722		
14	November		285,129	267,091		
15	December		<u>341,788</u>	<u>320,380</u>		
16						
17	Total	SUM L3 to L15	<u>\$4,939,151</u>	<u>\$3,880,008</u>		
18						
19	Average A/R Balance		<u>13</u>			
20						
21	Factor		<u>\$379,935</u>	<u>\$3,880,008</u>	10.21	35.74
22						
23	Collection Days Lag					35.74
24						
25	Billing and Revenue Recording Days Lag					1.00
26						
27	Billing Lag (Average Period)	365 / 12. * 0.5				<u>15.21</u>
28						
29	Total Revenue Lag Days	L23 + L25 + L27				<u>51.95</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 O + M Lag for CWC

Exhibit MJT-2
 Schedule C-4
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Category	Description	Reference	Payment Date	Mid-point of Service Period	Expense Amount	(Lead)/Lag Days	Dollar Days
1	PAYROLL	Union & Non-Union Payroll				\$160,224		
2		Paid Twice Per Month					13.58	
3		Weighted Payroll Dollar Value						\$2,176,372
4								
5		Payroll Lag	SUM L1 to L3			<u>\$160,224</u>	13.58	<u>\$2,176,372</u>
6								
7	PENSION PAYMENTS	First Payment						
8		Second Payment						
9		Third Payment						
10		Fourth Payment						
11		Final Payment		1/15/2024	7/1/2024	\$2,878	(168.00)	(\$483,504)
12								
13		Sub-total	SUM L7 to L11			<u>\$2,878</u>		<u>(\$483,504)</u>
14								
15		Lag Days for Pension Payment					<u>(168.00)</u>	
16								
17	PURCHASE COMMODITY COSTS	Payment Lag - Contract Purchases					35.67	
18		Payment Lag - Spot Market/PJM Purchases					12.50	
19		Payment Lag - Payment to Suppliers					37.87	
20								
21								
22	OTHER O & M EXPENSES	January				\$16,812		\$651,478
23		April				26,471		1,077,737
24		July				25,711		1,175,140
25		October				22,699		769,982
26								
27		Lag Days for Other Expenses	SUM L22 to L25			<u>\$91,693</u>	40.07	<u>\$3,674,337</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 General Disbursements Lag

Exhibit MJT-2
 Schedule C-4
 Witness: M. J. Trzaska
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Line No.	Months	Description	(1) Number of CDs	(2) Cash Disbursements	(3) Dollar-Days	(4) Expense Lag Days
1	January	Total Disbursements for Month	19,206	\$337,934		
2		Total Disbursements for Expenses	1,354	\$16,812	\$651,478	38.75
3						
4	April	Total Disbursements for Month	33,541	\$241,401		
5		Total Disbursements for Expenses	2,115	\$26,471	\$1,077,737	40.71
6						
7	July	Total Disbursements for Month	29,010	\$256,674	-	
8		Total Disbursements for Expenses	1,842	\$25,711	\$1,175,140	45.70
9						
10	October	Total Disbursements for Month	22,765	\$232,356	-	
11		Total Disbursements for Expenses	1,978	\$22,699	\$769,982	33.92
12	<u>TOTAL FOUR TEST MONTHS</u>					
13						
14	Total Test Month Expense Disbursement		7,289	\$91,693	\$3,674,337	40.07

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 Tax Expense Lag Dollars

Exhibit MJT-2
 Schedule C-4
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Description	Description	Payment Date	Mid Point Date	Lead/(Lag) Payment Days	Total Payment Amount	Payment Percentage	Payment Amount	Weighted Dollar Days
1	FEDERAL INCOME TAX	First Payment	4/15/2024	7/1/2024	77	\$118,890	25.00%	\$29,723	\$2,288,641
2		Second Payment	6/17/2024	7/1/2024	14	118,890	25.00%	29,723	416,117
3		Third Payment	9/16/2024	7/1/2024	(77)	118,890	25.00%	29,723	(2,288,641)
4		Fourth Payment	12/16/2024	7/1/2024	(168)	118,890	25.00%	29,723	(4,993,399)
5		Sub-total FEDERAL INCOME TAX					100.00%	\$118,890	(\$4,577,282)
6									
7	STATE INCOME TAX	First Payment	3/15/2024	7/1/2024	108	\$12,742	25.00%	\$3,186	\$344,044
8		Second Payment	6/17/2024	7/1/2024	14	12,742	25.00%	3,186	44,598
9		Third Payment	9/16/2024	7/1/2024	(77)	12,742	25.00%	3,186	(245,291)
10		Fourth Payment	12/16/2024	7/1/2024	(168)	12,742	25.00%	3,186	(535,180)
11		Sub-total STATE INCOME TAX					100.00%	\$12,742	(\$391,828)
12									
13	PURTA	First Payment	5/1/2024	7/1/2024	61	\$5,690	100.00%	\$5,690	\$347,061
14		Subtotal PURTA					100.00%	\$5,690	\$347,061
15									
16	PA CAPITAL STOCK TAX	First Payment							
17		Second Payment							
18		Third Payment							
19		Fourth Payment							
20		Sub-total PA CAPITAL STOCK TAX							
21									
22	PA PROPERTY TAX	First Payment	6/9/2024	7/1/2024	22	\$4,800	100.00%	\$4,800	\$105,608
23		Second Payment							
24		Sub-total PA PROPERTY TAX					100.00%	\$4,800	\$105,608
25									
26	GROSS RECEIPTS TAX	First Payment	3/15/2024	7/1/2024	108	\$168,117	100.00%	\$168,117	\$18,156,598
27		Sub-total GROSS RECEIPTS TAX					100.00%	\$168,117	\$18,156,598

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 Tax Expense Net Lag Days

Exhibit MJT-2
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Description	Total Payment Amount	Weighted Dollar Days	Payment Lead/(Lag) Days	Revenue Lag Days	Net Payment Lead/(Lag) Days	Net Payment Lead/(Lag) Dollars Days	Average Daily Amount for Working Capital
1	FEDERAL INCOME TAX	\$118,890	(\$4,577,282)	(38.50)	51.95	13.45	\$1,599,022	\$4,381
2	STATE INCOME TAX	\$12,742	(\$391,828)	(30.75)	51.95	21.20	\$270,132	\$740
3	PURTA	\$5,690	\$347,061	61.00	51.95	112.95	\$642,630	\$1,761
4	PA CAPITAL STOCK TAX							
5	PA PROPERTY TAX	\$4,800	\$105,608	22.00	51.95	73.95	\$354,984	\$973
6	GROSS RECEIPTS TAX	\$168,117	\$18,156,598	108.00	51.95	159.95	\$26,890,181	\$73,672

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 Interest Payments

Exhibit MJT-2
 Schedule C-4
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Jurisdictional
1	Measures of Value at End of FTY		\$7,948,351
2	Long-Term Debt Ratio		46.60%
3	Embedded Cost of Long-Term Debt		<u>4.36%</u>
4	Pro Forma Interest Expense	L1 * L2 * L3	\$161,491
5	Days in Curent Year		366
6	Daily Amount	L4 / L5	\$441
7	Days to Mid-Point of Interest Payments	L5 / 4	91.50
8	Less: Revenue Lag Days	C-4	<u>51.95</u>
9	Interest Payment Lag Days	L8 - L7	<u>(39.55)</u>
10	Total Interest for Working Capital	L6 * L9	<u><u>(\$17,451)</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 Prepayments

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Line No.	Description	Reference	EPRI Dues	EEl Dues	EAP Membership Dues	Prepaid Rents & Pole Attachments	PUC Assessment Electric	Land Leasing	Maintenance	IT License & Maintenance	Business Support Systems	VEBA Adjust	Facilities Contracts	IT License & Maintenance	Fleet Activities	IT License & Maintenance	Customer Experience	Postage	Total Prepayment	
1	December					\$331	\$3,893	\$194		\$32	\$217	\$2,394	\$0	\$96	\$448	\$71	\$327	\$1,247		
2	January			\$573		788	3,032			(\$0)	469	2,394	(18)	88	465	51	285	816		
3	February			521		745	2,425			\$356	424	2,394	(35)	80	420	170	372	701		
4	March			469		558	1,819	188		\$324	333	3,157	157	88	420	254	305	662		
5	April		\$304	417	\$237	392	1,213		244	\$291	544	3,157	139	80	433	112	276	728		
6	May		203	365	138	212	606		195	\$259	453	3,157	122	72	428	159	243	731		
7	June		203	313	118	170	0	181	195	\$227	226	3,584	105	119	422	294	223	739		
8	July		203	261	99	641	5,155		195	\$204	467	3,584	87	111	441	562	277	760		
9	August		203	208	79	453	4,495		195	\$240	486	3,584	70	103	441	761	214	685		
10	September		101	156	59	624	5,779	175	195	\$201	513	3,775	52	136	399	623	146	664		
11	October		101	104	39	469	5,205		195	\$161	491	3,775	35	128	404	561	92	664		
12	November			52	20	284	4,630		195	\$405	363	3,775	17	120	438	500	59	712		
13	December			0		234	4,055	168	195	\$82	283	4,879	0	153	451	248	573	777		
14																				
15	Total	SUM L1 to L13	\$1,319	\$3,440	\$788	\$5,900	\$42,307	\$906	\$1,804	\$2,782	\$5,270	\$43,611	\$731	\$1,376	\$5,610	\$4,367	\$3,392	\$9,886		
16																				
17	Distribution Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	67.41%	67.41%	67.41%	67.41%	74.50%	74.50%	74.50%		
18																				
19	Distribution Amount	L15 * L17	\$1,319	\$3,440	\$788	\$5,900	\$42,307	\$906	\$1,804	\$2,782	\$5,270	\$29,399	\$493	\$927	\$3,782	\$3,254	\$2,527	\$7,365		
20																				
21	Number of Months	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13		
22																				
23	Monthly Average	L19 / L21	\$101	\$265	\$61	\$454	\$3,254	\$70	\$139	\$214	\$405	\$2,261	\$38	\$71	\$291	\$250	\$194	\$567		
24																				
25	Rate Case Amount																			\$8,636

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-4 Energy Lag

Exhibit MJT-2
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)
Line No.	Description	Midpoint of Prior Month Service Period to end of Month	Payment Date Month after Service Period	Additional Weekend or Holidays Extending Payment Date	Lag Days	Average
1	<u>Contract Purchases in FTY</u>					
2	January	15.50	19.00	3.00	37.50	
3	February	15.50	19.00	1.00	35.50	
4	March	14.50	19.00	1.00	34.50	
5	April	15.50	19.00	2.00	36.50	
6	May	15.00	19.00	1.00	35.00	
7	June	15.50	19.00	1.00	35.50	
8	July	15.00	19.00	2.00	36.00	
9	August	15.50	19.00	1.00	35.50	
10	September	15.50	19.00	1.00	35.50	
11	October	15.00	19.00	2.00	36.00	
12	November	15.50	19.00	1.00	35.50	
13	December	15.00	19.00	1.00	35.00	
14	Payment Lag - Contract Purchases					35.67
15						
16	<u>Spot Market Purchases in FTY and PJM Transmission Purchased</u>					
17		Service Period	Units	Service Period of Days	Lag Days	Total
18						
19	Service Period Weekly	Wed . to Tues.	Days	7.00		
20						
21	Days from Midpoint to End of Service				3.50	
22						
23	Payment Due on Friday of each Week				9.00	
24	Payment Lag - Spot Market/PJM Purchases					12.50
25						
26	<u>Payments to Suppliers</u>					
27		Payment Lag Days	Revenue Percentage	Weighted Lag Days	Lag Days	Total
28						
29	Residential	25.00	33%	8.33		
30	Nonresidential	20.00	67%	13.34		
31	Weighted Lag Days				21.67	
32						
33	Billing and Revenue Recording Days Lag				1.00	
34						
35	Billing Lag (Average Period)	365 / 12. * 0.5			15.21	
36						
37	Total POR Payment Lag Days	L31 + L33 + L35				37.87

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FTY Ending December 2024
(\$ in Thousands)
C-5 Reserved

Exhibit MJT-2
Schedule C-5
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-6 ADIT - A/C #282

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 Schedule C-6
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Test Year	Description	Reference	Total Amount	Percent to Utility	Utility Amount	Distribution Amount
1	HTY	ADIT - CIAC		(\$18,074)	100.00%	(\$18,074)	(\$18,074)
2		ADIT - Common Plant		69,010	100.00%	69,010	43,626
3		ADIT - Electric Common Plant		35,732	100.00%	35,732	29,362
4		ADIT - Electric Distribution		619,210	100.00%	619,210	619,210
5		ADIT - Corp. Alternative Minimum Tax		(60,332)	100.00%	(60,332)	(60,332)
6		Sub-total	SUM L1 to L5	\$645,546		\$645,546	\$613,793
7							
8	FTY	DIT - CIAC		(\$5,056)	100.00%	(\$5,056)	(\$5,056)
9		DIT - Common Plant			100.00%		63.22%
10		DIT - Electric Common Plant			100.00%		82.17%
11		DIT - Electric Distribution		35,217	100.00%	35,217	35,217
12		DIT - Corp. Alternative Minimum Tax		(48,211)	100.00%	(48,211)	(48,211)
13		Sub-total	SUM L8 to L12	(\$18,050)		(\$18,050)	(\$18,050)
14							
15		Total	L6 + L13 + L20	\$627,496		\$627,496	\$595,742

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-7 Customer Deposits

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 Schedule C-7
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	Residential	Non-Residential	Total
		(1)	(2)	(3)	(4)
1	December		\$18,802	\$31,587	\$50,388
2	January		18,976	32,487	51,463
3	February		19,166	33,197	52,363
4	March		19,446	33,844	53,290
5	April		20,077	34,307	54,384
6	May		20,877	35,117	55,994
7	June		21,538	35,642	57,179
8	July		22,060	36,988	59,048
9	August		22,549	38,022	60,571
10	September		22,772	38,782	61,555
11	October		23,058	39,358	62,416
12	November		23,276	39,646	62,922
13	December		23,215	39,988	63,203
14					
15	Total	SUM L1 to L13	\$275,812	\$468,965	\$744,777
16					
17	Average Monthly Balance	L15 / 13	\$21,216	\$36,074	\$57,291
18					
19	<u>HTY Deposits by Customer Classification</u>				
20	Residential				\$21,216
21	Small C&I				30,886
22	Large C&I				5,183
23	Other				5
24					
25	Total	SUM L20 to L23			\$57,291

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-8 Common Plant

Exhibit MJT-2
 Schedule C-8
 Witness: Michael J. Trzaska
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Line No.	Category	Account	Reference	(1) FTY Amount	(2) Allocated to Non Jurisdiction	(3) Allocated to Jurisdiction	(4)
1	Common Plant in Service:						
2							
3		E301 - Organization Costs		\$677	\$221	\$456	
4							
5		E303 - Misc Intangible Plant		\$318,316	\$94,761	\$223,555	
6							
7		E389 - Land and Land Rights		\$6,783	\$2,211	\$4,573	
8							
9		E390 - Structures and Improvements		\$409,398	\$133,417	\$275,981	
10		E391 - Office Furniture, Equipment		76,600	24,963	51,637	
11		E392 - Transportation Equipment		213,002	69,414	143,588	
12		E393 - Stores Equipment		1,255	409	846	
13		E394 - Tools, Shop, Garage Equipmnt		2,348	765	1,583	
14		E396 - Power Operated Equipment		185	60	125	
15		E397 - Communication Equipment		147,623	48,108	99,515	
16		E398 - Miscellaneous Equipment		1,175	383	792	
17		E399 - Other Tangible Property					
18		E399.1 - ARO Costs General Plant		916	299	618	
19		Sub Total - General Plant	SUM L9 to L18	\$852,502	\$277,818	\$574,683	
20		Total Common Plant in Service	SUM L3+L5+L7+L19	\$1,178,278	\$375,011	\$803,267	
21							
22	Common Plant Accumulated Depreciation:						
23							
24		E301 - Organization Costs					
25							
26		E303 - Misc Intangible Plant		\$120,854	\$38,611	\$82,243	
27							
28		E389 - Land and Land Rights					
29							
30		E390 - Structures and Improvements		\$70,146	\$22,860	\$47,286	
31		E391 - Office Furniture, Equipment		28,248	9,206	19,042	
32		E392 - Transportation Equipment		102,106	33,275	68,831	
33		E393 - Stores Equipment		309	101	208	
34		E394 - Tools, Shop, Garage Equipmnt		898	292	605	
35		E396 - Power Operated Equipment		185	60	125	
36		E397 - Communication Equipment		44,465	14,490	29,974	
37		E398 - Miscellaneous Equipment		906	295	611	
38		E399 - Other Tangible Property					
39		E399.1 - ARO Costs General Plant		(358)	(117)	(242)	
40		Sub Total - General Plant	SUM L30 to L39	\$246,904	\$80,463	\$166,442	
41		Total Common Plant Accum Depreciation	SUM L24+L26+L28+L40	\$367,758	\$119,074	\$248,685	
42							
43		Net Common Plant	L20 - L41	\$810,519	\$255,937	\$554,582	
44							
45							
46		Common Plant in Service to Utility	L20	\$1,178,278	\$375,011	\$803,267	
47		Common Plant Accum Depreciation to Utility	L41	367,758	119,074	248,685	
48		Net Common Plant to Utility	L46 - L47	\$810,519	\$255,937	\$554,582	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-9 Customer Advances For Construction

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 Schedule C-9
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(1)

(2)

Line No.	Description	Reference	Total
1	<u>HTY 13-Month Average</u>		
2	December		\$2,662
3	January		2,509
4	February		2,978
5	March		3,239
6	April		3,066
7	May		2,900
8	June		2,423
9	July		2,393
10	August		2,049
11	September		3,859
12	October		3,861
13	November		2,764
14	December		2,855
15			
16	13-Month Total	SUM L2 to L14	\$37,557
17			
18			
19	Average Monthly Balance	L16 / 13	\$2,889

PECO Electric Operations
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 Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-11 Materials and Supplies

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 Schedule C-11
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)
Line No.	Description	Reference	Materials & Supplies	Undistributed Stores Expense	Total
1	HTY 13-Month Average				
2	December		\$29,564	(\$0)	\$29,564
3	January		30,031	(191)	29,840
4	February		28,319	(372)	27,947
5	March		26,573	(1,490)	25,083
6	April		26,183	(1,111)	25,072
7	May		26,568	(1,460)	25,108
8	June		27,575	(1,693)	25,882
9	July		28,584	(1,197)	27,387
10	August		33,678	(1,126)	32,553
11	September		34,598	(1,077)	33,522
12	October		34,602	(660)	33,943
13	November		36,708	(686)	36,023
14	December		39,019	0	39,019
15					
16	Total	SUM L2 to L14	\$402,003	(\$11,061)	\$390,942
17					
18	Distribution Expense Allocation Factor		100.00%	67.41%	
19					
20	Allocation to Distribution	L16 * L18	\$402,003	(\$7,457)	
21					
22	Average Monthly Balance	L20 / 13	\$30,923	(\$574)	\$30,350

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 C-12 ADIT - Reg Liability

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 Schedule C-12
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Test Year	Description	Reference	Total Amount	Percent to Utility	Utility Amount	Percent to Distribution	Distribution Amount
1	HTY	ADIT - Distribution		\$288,276	100.00%	\$288,276	100.00%	\$288,276
2		ADIT - CIAC			100.00%		100.00%	
3		Sub-total HTY	L1 + L2	288,276		288,276		288,276
4								
5	FTY	DIT - Distribution		(\$7,023)	100.00%	(\$7,023)	100.00%	(\$7,023)
6		DIT - CIAC			100.00%		100.00%	
7		Sub-total FTY	L5 + L6	(7,023)		(7,023)		(7,023)
8								
9		Total	L3 + L7 + L11	\$281,253		\$281,253		\$281,253

PECO Electric Operations
Before The Pennsylvania Public Utility
Commission
FTY Ending Dec. 2024
(\$ in Thousands)
D-1 Present and Proposed Rates

Exhibit MJT-2
Schedule D-1
Witness: Michael J. Trzaska
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Line No.	Category	Description	Reference	(1) Pro Forma Adjusted at Present Rates	(2) Proposed Rate Increase	(3)	(4) Adjusted Amounts with Proposed Rate Increase
1	Operating Revenues	Residential		\$1,633,045			\$1,633,045
2		Residential - House Heating		361,503			361,503
3		C & I Small		424,227			424,227
4		C & I Large		234,998			234,998
5		Railroads & Railways		7,218			7,218
6		Street Lighting		22,731			22,731
7		Intercompany					
8		Transmission - All Classes		202,352			202,352
9		Forfeited Discounts		11,428	\$995		12,423
10		Miscellaneous Service Revenues		3,684			3,684
11		Rent For Electric Property		22,021			22,021
12		Other Electric Revenues		9,270			9,270
13		Revenue Increase			\$356,463		356,463
14		Total Operating Revenues	SUM L1 to L13	\$2,932,477	\$357,459		\$3,289,936
15							
16	Operating Expenses	Power Supply		\$1,057,282			\$1,057,282
17		Transmission Expense		189,317			189,317
18		Distribution Expense		425,355			425,355
19		Customer Accounts Expense		158,932	\$3,461		162,392
20		Customer Service and Information Expense		20,605			20,605
21		Sales Expense		412			412
22		Administrative & General		179,353	854		180,208
23		Sub-total O&M Expense	SUM L16 to L22	\$2,031,256	\$4,315		\$2,035,571
24							
25		Depreciation & Amortization Expense		\$311,601			\$311,601
26		Amortization of Regulatory Expense		10,749			10,749
27		Taxes Other Than Income Taxes - Other		\$193,432	\$21,031		\$214,464
28		Total Operating Expenses	SUM L23 to L27	\$2,547,038	\$25,346		\$2,572,384
29							
30	Net Operating Income - BIT		L14 - L28	\$385,439	\$332,112		\$717,551

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FTY Ending December 2024
(\$ in Thousands)
D-2 Adjusted Present Rates

Exhibit MJT-2
Schedule D-2
Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Category	Description	Reference	FTY Amount Pre Adjustments	Adjustments Sub-Total	Pro Forma Adjusted at Present Rates
1	Operating Revenues	Residential		\$1,657,562	(\$24,517)	\$1,633,045
2		Residential - House Heating		366,779	(5,276)	361,503
3		C & I Small		456,183	(31,956)	424,227
4		C & I Large		270,165	(35,166)	234,998
5		Railroads & Railways		8,345	(1,127)	7,218
6		Street Lighting		23,219	(488)	22,731
7		Intercompany				
8		Transmission - All Classes		202,352		202,352
9		Forfeited Discounts		11,428		11,428
10		Miscellaneous Service Revenues		3,684		3,684
11		Rent For Electric Property		22,021		22,021
12		Other Electric Revenues		9,270		9,270
13		Revenue Increase				
14		Total Operating Revenues	SUM L1 to L13	\$3,031,007	(\$98,530)	\$2,932,477
15						
16	Operating Expenses	Power Supply		\$1,057,282		\$1,057,282
17		Transmission Expense		189,317		189,317
18		Distribution Expense		405,275	\$20,080	425,355
19		Customer Accounts Expense		142,641	16,291	158,932
20		Customer Service and Information Expense		111,218	(90,613)	20,605
21		Sales Expense		400	11	412
22		Administrative & General		169,171	10,182	179,353
23		Sub-total O&M Expense	SUM L16 to L22	\$2,075,306	(\$44,050)	\$2,031,256
24						
25		Depreciation & Amortization Expense		\$282,149	\$29,452	\$311,601
26		Amortization of Regulatory Expense		11,196	(448)	10,749
27		Taxes Other Than Income Taxes - Other		199,187	(5,754)	193,432
28		Total Operating Expenses	SUM L23 to L27	\$2,567,838	(\$20,800)	\$2,547,038
29						
30	Net Operating Income - BIT		L14 - L28	\$463,169	(\$77,730)	\$385,439

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(2) (3) (4) (5) (6) (7) (8)

Line No.	Category	Description	Description	FTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act 129 Lost Revenue	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization
1	Operating Revenues	Residential	Elec Cost	\$726,764							
2			Cust & Dist	930,799	1,305	(1,498)	(1,883)	(22,941)		501	
3			Sub-total Residential	\$1,657,562	\$1,305	(\$1,498)	(\$1,883)	(\$22,941)		\$501	
4											
5		Residential - House Heating	Elec Cost	\$188,794							
6			Cust & Dist	177,985	969	(184)	(394)	(5,815)		147	
7			Sub-total Residential - House Heating	\$366,779	\$969	(\$184)	(\$394)	(\$5,815)		\$147	
8											
9		C & I Small	Elec Cost	\$160,260							
10			Cust & Dist	295,923	618		(1,138)	(31,587)		152	
11			Sub-total C & I Small	\$456,183	\$618		(\$1,138)	(\$31,587)		\$152	
12											
13		C & I Large	Elec Cost	\$52,012							
14			Cust & Dist	218,153			(791)	(34,500)		125	
15			Sub-total C & I Large	\$270,165			(\$791)	(\$34,500)		\$125	
16											
17		Railroads & Railways	Cust & Dist	\$8,345				(1,127)			
18			Sub-total Railroads & Railways	\$8,345				(\$1,127)			
19											
20		Street Lighting	Elec Cost	\$845							
21			Cust & Dist	22,374				(488)			
22			Sub-total Street Lighting	\$23,219				(\$488)			
23											
24		Intercompany	Elec Cost								
25			Cust & Dist								
26			Sub-total Interdepartmental								
27											
28		Transmission - All Classes	Transmission - All Classes	\$202,352							
29			Sub-total Transmission - All Classes	\$202,352							
30											
31		Forfeited Discounts	Forfeited Discounts	\$11,428							
32			Sub-total Forfeited Discounts	\$11,428							
33											
34		Miscellaneous Service Revenues	Miscellaneous Service Revenues	\$3,684							
35			Sub-total Miscellaneous Service Revenues	\$3,684							
36											
37		Rent For Electric Property	Rent For Electric Property	\$22,021							
38			Sub-total Rent For Electric Property	\$22,021							
39											
40		Other Electric Revenues	Other Electric Revenues	\$9,270							
41			Sub-total Other Electric Revenues	\$9,270							
42											
43		Revenue Increase	Revenue Increase								
44			Sub-total Revenue Increase								
45											
46			Total Operating Revenues	\$3,031,007	\$2,892	(\$1,682)	(\$4,207)	(\$96,458)		\$925	
47											
48	Operating Expenses	Power Supply	Purchased Power	\$1,057,282							

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(2) (3) (4) (5) (6) (7) (8)

Line No.	Category	Description	Description	FTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act 129 Lost Revenue	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization
97		Customer Service and Information	Customer Assistance	\$108,961				(\$90,706)			
98			Informational & Instructional	1,320							
99			Miscellaneous Customer & Informational	937							
100			Sub-total Customer Service & Information	\$111,218				(\$90,706)			
101											
102	Sales		Demonstrating & Selling	\$400							
103			Miscellaneous Sales								
104			Sub-total Sales	\$400							
105											
106	Administrative & General		Administrative and General Salaries	\$28,705							
107			Office Supplies and Expenses	4,324							
108			Administrative Expenses Transferred-Credit								
109			Outside Service Employed	85,009							
110			Property Insurance	717							
111			Injuries & Damages	11,108							
112			Employee Pensions and Benefits	21,231							
113			Regulatory Commission Expenses	8,845							
114			Duplicate Charges-Credit	(997)							
115			Miscellaneous General Expenses	2,468							
116			Maintenance of General Plant	7,763							
117			Sub-total Administrative & General	\$169,171							
118											
119			Total O&M Expense	\$2,075,306				(\$90,706)			
120											
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense	\$282,149							
122			Sub-total Depreciation & Amortization Expense	\$282,149							
123											
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense	\$11,196							
125			Sub-total Amortization of Regulatory Expense	\$11,196							
126											
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other	\$199,187							
128			Sub-total Taxes Other Than Income Taxes - Other	\$199,187							
129											
130			Total Operating Expenses	\$2,567,838				(\$90,706)			
131											
132	Net Operating Income Before Income Tax			\$463,169	\$2,892	(\$1,682)	(\$4,207)	(\$5,752)		\$925	

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(10) (11) (12) (13) (14) (15) (16)

Line No.	Category	Description	Description	D-6 Salary & Wages	D-7 Rate Case Expense	D-8 Adjustments for Employee Benefits	D-9 Adjustments for Pension	D-10 Uncollectible Accounts	D-11 IJJA Reg Asset	D-12 Customer Deposit Interest	D-13 Storm
97		Customer Service and Information	Customer Assistance	\$82							
98			Informational & Instructional								
99			Miscellaneous Customer & Informational	11							
100			Sub-total Customer Service & Information	\$93							
101											
102	Sales		Demonstrating & Selling	\$11							
103			Miscellaneous Sales								
104			Sub-total Sales	\$11							
105											
106	Administrative & General		Administrative and General Salaries	\$1,251							
107			Office Supplies and Expenses								
108			Administrative Expenses Transferred-Credit								
109			Outside Service Employed								
110			Property Insurance								
111			Injuries & Damages	88							
112			Employee Pensions and Benefits	2		414	6,160				
113			Regulatory Commission Expenses		1,200						
114			Duplicate Charges-Credit								
115			Miscellaneous General Expenses	3							
116			Maintenance of General Plant	65							
117			Sub-total Administrative & General	\$1,409	\$1,200	\$414	\$6,160				
118											
119			Total O&M Expense	\$8,070	\$1,200	\$414	\$6,160	\$10,937		\$3,572	\$15,346
120											
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense								
122			Sub-total Depreciation & Amortization Expense								
123											
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense						(\$448)		
125			Sub-total Amortization of Regulatory Expense						(\$448)		
126											
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other								
128			Sub-total Taxes Other Than Income Taxes - Other								
129											
130			Total Operating Expenses	\$8,070	\$1,200	\$414	\$6,160	\$10,937	(\$448)	\$3,572	\$15,346
131											
132	Net Operating Income Before Income Tax			(\$8,070)	(\$1,200)	(\$414)	(\$6,160)	(\$10,937)	\$448	(\$3,572)	(\$15,346)

PECO Electric Operations
 Before The Pennsylvania Public Utility
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 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(17) (18) (19) (20) (21) (22)

Line No.	Category	Description	Description	D-14 Other Adjustments	D-15 OPEN	D-16 Taxes Other Than Income	D-17 Depreciation Annualization	Adjustments Sub-total	Pro Forma Adjusted at Present Rates
1	Operating Revenues	Residential	Elec Cost						\$726,764
2			Cust & Dist					(24,517)	906,282
3			Sub-total Residential					(\$24,517)	\$1,633,045
4									
5		Residential - House Heating	Elec Cost						\$188,794
6			Cust & Dist					(5,276)	172,709
7			Sub-total Residential - House Heating					(\$5,276)	\$361,503
8									
9		C & I Small	Elec Cost						\$160,260
10			Cust & Dist					(31,956)	263,968
11			Sub-total C & I Small					(\$31,956)	\$424,227
12									
13		C & I Large	Elec Cost						\$52,012
14			Cust & Dist					(35,166)	182,986
15			Sub-total C & I Large					(\$35,166)	\$234,998
16									
17		Railroads & Railways	Cust & Dist					(\$1,127)	\$7,218
18			Sub-total Railroads & Railways					(\$1,127)	\$7,218
19									
20		Street Lighting	Elec Cost						\$845
21			Cust & Dist					(488)	21,886
22			Sub-total Street Lighting					(\$488)	\$22,731
23									
24		Intercompany	Elec Cost						
25			Cust & Dist						
26			Sub-total Interdepartmental						
27									
28		Transmission - All Classes	Transmission - All Classes						\$202,352
29			Sub-total Transmission - All Classes						\$202,352
30									
31		Forfeited Discounts	Forfeited Discounts						\$11,428
32			Sub-total Forfeited Discounts						\$11,428
33									
34		Miscellaneous Service Revenues	Miscellaneous Service Revenues						\$3,684
35			Sub-total Miscellaneous Service Revenues						\$3,684
36									
37		Rent For Electric Property	Rent For Electric Property						\$22,021
38			Sub-total Rent For Electric Property						\$22,021
39									
40		Other Electric Revenues	Other Electric Revenues						\$9,270
41			Sub-total Other Electric Revenues						\$9,270
42									
43		Revenue Increase	Revenue Increase						
44			Sub-total Revenue Increase						
45									
46			Total Operating Revenues					(\$98,530)	\$2,932,477
47									
48	Operating Expenses	Power Supply	Purchased Power						\$1,057,282

PECO Electric Operations
Before The Pennsylvania Public Utility
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FTY Ending Dec. 2024
(\$ in Thousands)
D-3 Adjustments to Net Operating Income

(17) (18) (19) (20) (21) (22)

Line No.	Category	Description	Description	D-14 Other Adjustments	D-15 OPEN	D-16 Taxes Other Than Income	D-17 Depreciation Annualization	Adjustments Sub-total	Pro Forma Adjusted at Present Rates
97		Customer Service and Information	Customer Assistance					(\$90,624)	\$18,337
98			Informational & Instructional						1,320
99			Miscellaneous Customer & Informational					11	947
100			Sub-total Customer Service & Information					(\$90,613)	\$20,605
101									
102	Sales		Demonstrating & Selling					\$11	\$412
103			Miscellaneous Sales						
104			Sub-total Sales					\$11	\$412
105									
106	Administrative & General		Administrative and General Salaries					\$1,251	\$29,956
107			Office Supplies and Expenses						4,324
108			Administrative Expenses Transferred-Credit						
109			Outside Service Employed						85,009
110			Property Insurance						717
111			Injuries & Damages					88	11,196
112			Employee Pensions and Benefits					6,575	27,805
113			Regulatory Commission Expenses					1,200	10,045
114			Duplicate Charges-Credit						(997)
115			Miscellaneous General Expenses	1,000				1,003	3,471
116			Maintenance of General Plant					65	7,828
117			Sub-total Administrative & General	\$1,000				\$10,182	\$179,353
118									
119			Total O&M Expense	\$957				(\$44,050)	\$2,031,256
120									
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense				\$29,452	\$29,452	\$311,601
122			Sub-total Depreciation & Amortization Expense				\$29,452	\$29,452	\$311,601
123									
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense					(\$448)	\$10,749
125			Sub-total Amortization of Regulatory Expense					(\$448)	\$10,749
126									
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other			(\$5,754)		(\$5,754)	\$193,432
128			Sub-total Taxes Other Than Income Taxes - Other			(\$5,754)		(\$5,754)	\$193,432
129									
130			Total Operating Expenses	\$957		(\$5,754)	\$29,452	(\$20,800)	\$2,547,038
131									
132	Net Operating Income Before Income Tax			(\$957)		\$5,754	(\$29,452)	(\$77,730)	\$385,439

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-4 Expense Adjustment Summary

Line No.	Category	Description	Account	(1) FTY Amount Pre Adjustments	(2) D-5D Energy Efficiency Program Expense	(3) D-6 Salary & Wages	(4) D-7 Rate Case Expense	(5) D-8 Adjustments for Employee Benefits	(6) D-9 Adjustments for Pension	(7) D-10 Uncollectible Accounts	(8) D-11 IJJA Reg Asset
49			Sub-total DISTRIBUTION EXPENSE	\$405,275		\$4,734					
50											
51	CUSTOMER ACCOUNTS	Customer Accounts	901.0 Supervision								
52			902.0 Meter Reading	\$916		0					
53			903.0 Customer Records and Collection	101,136		1,786					
54			904.0 Uncollectible Accounts	37,131						10,937	
55			905.0 Miscellaneous Customer Accounts Expenses.	3,458		38					
56			Sub-total Customer Accounts	\$142,641		\$1,824				\$10,937	
57											
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	908.0 Customer Assistance	\$108,961	(\$90,706)	\$82					
59			909.0 Informational & Instructional	1,320							
60			910.0 Miscellaneous Customer & Informational	937		11					
61			Sub-total Customer Service & Information	\$111,218	(\$90,706)	\$93					
62											
63	SALES	Sales	912.0 Demonstrating & Selling	\$400		\$11					
64			916.0 Miscellaneous Sales								
65			Sub-total Sales	\$400		\$11					
66											
67	ADMINISTRATION & GENERAL	A&G Operations	920.0 Administrative and General Salaries	\$28,705		\$1,251					
68			921.0 Office Supplies and Expenses	4,324							
69			922.0 Administrative Expenses Transferred-Credit								
70			923.0 Outside Service Employed	85,009							
71			924.0 Property Insurance	717							
72			925.0 Injuries & Damages	11,108		88					
73			926.0 Employee Pensions and Benefits	21,231		2		414	6,160		
74			928.0 Regulatory Commission Expenses	8,845			1,200				
75			929.0 Duplicate Charges-Credit	(997)							
76			930.2 Miscellaneous General Expenses	2,468		3					
77			Sub-total A&G Operations	\$161,408		\$1,344	\$1,200	\$414	\$6,160		
78											
79		A&G Maintenance	935.0 Maintenance of General Plant	\$7,763		\$65					
80											
81			Sub-total ADMINISTRATION & GENERAL	\$169,171		\$1,409	\$1,200	\$414	\$6,160		
82											
83	DEPRECIATION & AMORTIZATION EXPENSE	Depreciation & Amortization Expense	403.0 Depreciation Expense.	\$234,720							
84			404.0 Amort. Of Limited-Term Electric Plant.	47,429							
85			Sub-total Depreciation & Amortization Expense	\$282,149							
86											
87	AMORTIZATION OF REGULATORY EXPENSE	Amortization of Regulatory Expense	407.3 Regulatory Debits.	\$11,196							(\$448)
88			Sub-total Amortization of Regulatory Expense	\$11,196							(\$448)
89											
90	TAXES OTHER THAN INCOME TAXES	Taxes Other Than Income Taxes - Other	408.1 Taxes Other Than Income Taxes, Utility Operating Income.	\$199,187							
91			Sub-total Taxes Other Than Income Taxes - Other	\$199,187							
92											
93			Total	\$2,567,838	(\$90,706)	\$8,070	\$1,200	\$414	\$6,160	\$10,937	(\$448)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-4 Expense Adjustment Summary

Line No.	Category	Description	Account	(9) D-12 Customer Deposit Interest	(10) D-13 Storm	(12) D-14 Other Adjustments	(13) D-15 OPEN	(14) D-16 Taxes Other Than Income	(15) D-17 Depreciation Annualization	(15) Adjustments Sub- total	(16) Pro Forma Adjusted at Present Rates
49			Sub-total DISTRIBUTION EXPENSE		\$15,346					\$20,080	\$425,355
50											
51	CUSTOMER ACCOUNTS	Customer Accounts	901.0 Supervision								
52			902.0 Meter Reading							\$0	\$916
53			903.0 Customer Records and Collection							\$1,786	102,922
54			904.0 Uncollectible Accounts							10,937	48,068
55			905.0 Miscellaneous Customer Accounts Expenses.	3,572		(43)				3,568	7,026
56			Sub-total Customer Accounts	\$3,572		(\$43)				\$16,291	\$158,932
57											
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	908.0 Customer Assistance							(\$90,624)	\$18,337
59			909.0 Informational & Instructional								1,320
60			910.0 Miscellaneous Customer & Informational							11	947
61			Sub-total Customer Service & Information							(\$90,613)	\$20,605
62											
63	SALES	Sales	912.0 Demonstrating & Selling							\$11	\$412
64			916.0 Miscellaneous Sales								
65			Sub-total Sales							\$11	\$412
66											
67	ADMINISTRATION & GENERAL	A&G Operations	920.0 Administrative and General Salaries							\$1,251	\$29,956
68			921.0 Office Supplies and Expenses								4,324
69			922.0 Administrative Expenses Transferred-Credit								
70			923.0 Outside Service Employed								85,009
71			924.0 Property Insurance								717
72			925.0 Injuries & Damages							88	11,196
73			926.0 Employee Pensions and Benefits							6,575	27,805
74			928.0 Regulatory Commission Expenses							1,200	10,045
75			929.0 Duplicate Charges-Credit								(997)
76			930.2 Miscellaneous General Expenses			1,000				1,003	3,471
77			Sub-total A&G Operations			\$1,000				\$10,117	\$171,525
78											
79		A&G Maintenance	935.0 Maintenance of General Plant							\$65	\$7,828
80											
81			Sub-total ADMINISTRATION & GENERAL			\$1,000				\$10,182	\$179,353
82											
83	DEPRECIATION & AMORTIZATION EXPENSE	Depreciation & Amortization Expense	403.0 Depreciation Expense.						\$16,989	\$16,989	\$251,710
84			404.0 Amort. Of Limited-Term Electric Plant.						12,462	12,462	59,891
85			Sub-total Depreciation & Amortization Expense						\$29,452	\$29,452	\$311,601
86											
87	AMORTIZATION OF REGULATORY EXPENSE	Amortization of Regulatory Expense	407.3 Regulatory Debits.							(\$448)	\$10,749
88			Sub-total Amortization of Regulatory Expense							(\$448)	\$10,749
89											
90	TAXES OTHER THAN INCOME TAXES	Taxes Other Than Income Taxes - Other	408.1 Taxes Other Than Income Taxes, Utility Operating Income.					(\$5,754)		(\$5,754)	\$193,432
91			Sub-total Taxes Other Than Income Taxes - Other					(\$5,754)		(\$5,754)	\$193,432
92											
93			Total	\$3,572	\$15,346	\$957		(\$5,754)	\$29,452	(\$20,800)	\$2,547,038

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-5 Revenue Adjustment Summary

Exhibit MJT-2
 Schedule D-5
 Witness: Michael J. Trzaska
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Line No.	Category	Category	Description	Account	(1) FTY Amount Pre Adjustments	(2) D-5A Revenue Annualization	(3) D-5B CAP Revenue Credits and Adjustments	(4) D-5C Act - 129 Lost Revenue Due To Load Reduction	(5) D-5D Energy Efficiency Program Cost Recovery	(6) D-5E OPEN	(7) D-5F Leap Year Adjustment	(8) D-5G Weather Normalization	(9) Adjustments Sub-total	(10) Pro Forma Adjusted at Present Rates
1	<i>OPERATING REVENUE</i>	Customer & Distribution Revenue	Residential	440.0	\$930,799	\$1,305	(\$1,498)	(\$1,883)	(\$22,941)		\$501		(\$24,517)	\$906,282
2			Residential - House Heating	440.1	177,985	969	(184)	(394)	(5,815)		147		(5,276)	172,709
3			C & I Small	442.0	295,923	618		(1,138)	(31,587)		152		(31,956)	263,968
4			C & I Large	442.1	218,153			(791)	(34,500)		125		(35,166)	182,986
5			Railroads & Railways	446.0	8,345				(1,127)				(1,127)	7,218
6			Street Lighting	444.0	22,374				(488)				(488)	21,886
7			Intercompany	448.0										
8			Transmission - All Classes		202,352									202,352
9			Sub-total - Customer & Distribution Revenues		\$1,855,931	\$2,892	(\$1,682)	(\$4,207)	(\$96,458)		\$925		(\$98,530)	\$1,757,401
10														
11		Electric Cost Revenue	Residential	440.0	\$726,764									\$726,764
12			Residential - House Heating	440.1	188,794									188,794
13			C & I Small	442.0	160,260									160,260
14			C & I Large	442.1	52,012									52,012
15			Railroads & Railways	446.0										
16			Street Lighting	444.0	845									845
17			Intercompany	448.0										
18			Sub-total - Electric Cost Revenue		\$1,128,674									\$1,128,674
19														
20			Total OPERATING REVENUE		\$2,984,605	\$2,892	(\$1,682)	(\$4,207)	(\$96,458)		\$925		(\$98,530)	\$2,886,075
21														
22	<i>OTHER REVENUE</i>	Other Electric Revenue	Rent For Electric Property	454.0	\$22,021									\$22,021
23			Other Electric Revenues	456.0	9,270									9,270
24			Transmission of Electricity for Others	456.1										
25			Sub-total - Other electric Revenue		\$31,291									\$31,291
26														
27		Other Operating Revenue	Forfeited Discounts	450.0	\$11,428									\$11,428
28			Miscellaneous Service Revenues	451.0	3,684									3,684
29			Sub-total - Other Operating Revenue		\$15,111									\$15,111
30														
31			Total OTHER REVENUE		\$46,402									\$46,402
32														
33			Total REVENUE		\$3,031,007	\$2,892	(\$1,682)	(\$4,207)	(\$96,458)		\$925		(\$98,530)	\$2,932,477

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-5A Revenue Annualization

Exhibit MJT-2
 Schedule D-5A
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5) (6)

Line No.	Description	Reference	440000: Residential Sales	440001: Residential Heating Sales	442001: C&I Sales- Small	442002: C&I Sales- Large	C & I Total
1	Total FTY Revenues		\$1,768,739	\$395,893	\$488,957	\$298,215	\$787,172
2	Commodity Billings in Revenues		(837,940)	(217,907)	(193,033)	(80,063)	(273,096)
3	Weather Adjustment						
4	Total Reconcilable Surcharge in Revenues		(16,550)	(4,151)	(27,064)	(26,056)	(53,120)
5	Revenues Net of Commodity - Margin	SUM L1 to L4	\$914,249	\$173,834	\$268,859	\$192,097	\$460,956
6							
7	Average Monthly Customers in FTY		1,334,031	201,708	156,062	3,110	159,172
8							
9	Average Annual Margin Per Customer	L5 / L7	\$0.685	\$0.862	\$1.723	\$61.767	\$2.896
10							
11	Number of Customers at end of FTY		1,335,935	202,832	156,421	3,110	159,531
12							
13	Increase in Customers during FTY	L11 - L7	1,904	1,124	359		359
14							
15	Annualization of Revenue	L9 * L13	\$1,305	\$969	\$618		\$618

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-5B CAP Revenue Credits and Adjustments

Exhibit MJT-2
 Schedule D-5B
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	(1) 440000: Residential Sales	(2) 440001: Residential Heating Sales
1	CAP Discount		(\$121,394)	(\$14,867)
2				
3				
4	<u>ANNUALIZATION TO YEAR END CUSTOMERS</u>			
5				
6	Annual CAP Customers		1,353,900	170,244
7	Average Monthly CAP Customers		112,825	14,187
8	Average Annual CAP Discount Per Customer	L1 / L7	(\$1.076)	(\$1.048)
9				
10	CAP Customers at End of FTY		114,381	14,383
11	Increase of CAP Customers	L10 - L7	1,556	196
12				
13	Gross Decrease / (Increase) in CAP Discount	L8 * L11	(\$1,674)	(\$205)
14	Write-Offs & Working Capital Factor		10.5%	10.5%
15	Reflect Impact in Write-Offs and Working Capital	- L13 * L14	\$176	\$22
16				
17	Net Decrease / (Increase) in CAP Discount	L13 + L15	(\$1,498)	(\$184)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-5C Act 129 - Lost Revenue Due to Load Reduction

Exhibit MJT-2
 Schedule D-5C
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5)

Line No.	Description	Reference	2024 Revenue Loss	2025 Revenue Loss	2026 Revenue Loss Over 2025	Recovery of Incremental Revenue Loss
1	<u>Revenue Impact in 2024 - Included in FTY Year Budget</u>					
2	Residential		(\$4,135)			
3	Residential Heaing		(865)			
4	Small C&I		(3,123)			
5	Large C&I		(1,716)			
6	Total	SUM L2 to L5	(\$9,839)			
7						
8	<u>Target Revenue Impact in 2025</u>					
9	Residential			(\$7,902)		
10	Residential Heaing			(1,652)		
11	Small C&I			(5,399)		
12	Large C&I			(3,299)		
13	Total	SUM L9 to L12		(\$18,252)		
14						
15	<u>Incremental Revenue Impact Over FTY Budget</u>					
16	Residential	L9 - L2			(\$3,767)	
17	Residential Heaing	L10 - L3			(788)	
18	Small C&I	L11 - L4			(2,276)	
19	Large C&I	L12 - L5			(1,583)	
20	Total	SUM L16 to L19			(\$8,413)	
21						
22	<u>Average Annual Incremental Revenue Not in FTY Budget</u>					
23	Residential	L16 / 2				(\$1,883)
24	Residential Heaing	L17 / 2				(394)
25	Small C&I	L18 / 2				(1,138)
26	Large C&I	L19 / 2				(791)
27	Total	SUM L23 to L26				(\$4,207)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-5D Revenue - Energy Efficiency Program Cost Recovery

Exhibit MJT-2
 Schedule D-5D
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Account / Description	Reference	Total
1	440000: Residential Sales		(\$22,941)
2	440001: Residential Heating Sales		(5,815)
3	442001: C&I Sales-Small		(31,587)
4	442002: C&I Sales-Large		(34,500)
5	444000: Public Street/Highway Lighting		(488)
6	446000: Sales-Railroad/Railway		(1,127)
7	Reduction in Retail Revenue	SUM L1 to L6	<u>(\$96,458)</u>
8			
9	O&M Expense		(\$90,706)

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FTY Ending December 2024
(\$ in Thousands)
D-5E Reserved

Exhibit MJT-2
Schedule D-5E
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-5F Leap Year Revenue Normalization

Exhibit MJT-2
 Schedule D-5F
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Reference	440000: Residential Sales	440001: Residential Heating Sales	442001: C&I Sales-Small	442002: C&I Sales-Large	C & I Total
1	Revenue in February of FTY		\$56,119	\$16,517	\$17,041	\$13,951	\$30,992
2	Days in February of FTY		28	28	28	28	
3	Average Daily Revenue in February	L1 / L2	\$2,004	\$590	\$609	\$498	
4	Average Days in February		28.25	28.25	28.25	28.25	
5	Difference in Days	L4 - L2	0.25	0.25	0.25	0.25	
6							
7	Leap Year Adjustment	L3 * L5	\$501	\$147	\$152	\$125	\$277

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
FTY Ending December 2024
(\$ in Thousands)
D-5G Weather Normalization

Exhibit MJT-2
Schedule D-5G
Witness: Michael J. Trzaska
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(1)

Line No.	Account	Total
1	Residential Sales	
2	Residential Heating Sales	
3	C&I Sales-Small	
4	C&I Sales-Large	
5		
6	Total	<u> </u> <u> </u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-6 S + W Pro Forma

Exhibit MJT-2
 Schedule D-6
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)
Line No.	Description	Reference	Union	Non-Union
1	Number of Employees @ HTY - Union/Non-Union		1,044	1,168
2	Number of Employees @ HTY - Total		2,213	2,213
3	Percentage of Employees @ HTY	L1 / L2	47.20%	52.80%
4	Distribution of Budget S&W Expense		\$75,632	\$84,592
5				
6	<u>Annualize March 1 Wage Increase for FTY</u>			
7	Number of Months TY			2
8	Rate for Increase TY		2.50%	3.00%
9	Total Wage Increase TY	(L4 * L7 * L8) / 12		\$423
10		L4 + L9	\$75,632	\$85,015
11				
12	<u>Annualize January 1 and March 1, 2025 Wage Increase</u>			
13	Number of Months		12	12
14	Rate for Increase		2.50%	3.00%
15	Total Adjustment	(L10 * L13 * L14) / 12	\$1,891	\$2,550
16				
17	Annualized S&W Including Wage Increases	L10 + L15	\$77,523	\$87,565

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-6 S + W Pro Forma

Exhibit MJT-2
 Schedule D-6
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Amount
1	Distribution of S&W Expense		\$160,224
2			
3	Annualized S&W Including Wage Increases		\$165,088
4			
5	<u>Adjustment for Union Contract</u>		
6	Union Contract Payment		\$1,303
7	Union Contract Payment % for Utility		77.49%
8	Union Contract Payment for Utility	L6 * L7	\$1,010
9	Union Contract Payment Normalization Period		6
10	Union Contract Payment Normalized	L8 / L9	\$168
11			
12	Adjusted S&W for Employees in FTY	L3 + L10	\$165,256
13			
14	<u>Pro Forma For New Employees</u>		
15	Number of Employees @ FTY		2,340
16	Average Number of Employees in FTY - Total		2,298
17	Annualization for Number of Employees	L15 - L16	42
18	Annual S&W per Employee	L12 / L16	\$71.9
19	Annualization of S&W for New Employees	L17 * L18	\$3,038
20			
21	Pro Forma FTY S&W	L12 + L19	\$168,294
22			
23	<u>Pro Forma Increase in S&W</u>	L21 - L1	<u>\$8,070</u>
24			
25	S&W Pro Forma Factor	L23 / L1	5.04%

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-6 S Summary

Exhibit MJT-2
 Schedule D-6
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Account	(1) Jurisdictional Payroll Amount	(2) Pro Forma Payroll Adjustment	(3) Total Adjusted Payroll
1	Operations	Power Supply Expenses	555.0 Purchased Power.			
2			Sub-total Power Supply Expenses			
3						
4		Transmission Expense	560.0 Operation & Supervision			
5			561.0 Load Dispatching			
6			561.4 Scheduling, System Control & Dispatch			
7			561.6 Transmission Service Studies			
8			561.7 Generation Service Studies			
9			561.8 Reliability, Planning & Standard Development			
10			562.0 Station Expense			
11			563.0 Overhead Lines			
12			564.0 Underground Lines Expense			
13			566.0 Miscellaneous Expense			
14			567.0 Rents			
15			569.0 Maintenance of Structures			
16			569.1 Maintenance of Computer Hardware			
17			569.2 Maintenance of Computer Software			
18			569.3 Maintenance of Communication Equipment			
19			570.0 Maintenance of Station Equipment			
20			571.0 Maintenance of Overhead Lines			
21			572.0 Maintenance of Underground Lines			
22			573.0 Maintenance of Misc Transmission Plant			
23			Sub-total Transmission Expense			
24						
25		Distribution Expense	580.0 Operation & Supervision	\$985	\$50	\$1,034
26			581.0 Load Dispatching			
27			582.0 Station Expense	50	3	53
28			583.0 Overhead Lines Expenses	2,955	149	3,103
29			584.0 Underground Lines Expense	2,434	123	2,557
30			586.0 Meter Expenses	2,530	127	2,657
31			587.0 Customer Installations Expense	6,129	309	6,437
32			588.0 Miscellaneous Expense	6,901	348	7,249
33			589.0 Rents			
34			591.0 Maintenance of Structures	1,284	65	1,349
35			592.0 Maintenance of Station Equipment	8,456	426	8,882
36			593.0 Maintenance of Overhead Lines	41,472	2,089	43,561
37			594.0 Maintenance of Underground Lines	16,185	815	17,001
38			595.0 Maintenance of Line Transformers	474	24	498
39			596.0 Maintenance of Street Lighting & Signal Systems	99	5	104
40			598.0 Maintenance of Misc. Distribution	4,027	203	4,230
41			Sub-total Distribution Operations	\$93,980	\$4,734	\$98,714
42						

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-6 S Summary

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 Schedule D-6
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					(1)	(2)	(3)
Line No.	Category	Description	Account	Jurisdictional Payroll Amount	Pro Forma Payroll Adjustment	Total Adjusted Payroll	
43	Customer Accounts		901.0 Supervision				
44			902.0 Meter Reading	0	\$0	0	
45			903.0 Customer Records and Collection	\$35,450	\$1,786	\$37,236	
46			904.0 Uncollectible Accounts.				
47			905.0 Miscellaneous Customer Accounts Expenses.	757	38	795	
48			Sub-total Customer Accounts	\$36,208	\$1,824	\$38,031	
49							
50	Customer Service & Information		908.0 Customer Assistance	\$1,638	\$82	\$1,720	
51			909.0 Informational & Instructional				
52			910.0 Miscellaneous Customer & Informational	210	11	220	
53			Sub-total Customer Service & Information	\$1,847	\$93	\$1,940	
54							
55	Sales		912.0 Demonstrating & Selling	\$219	\$11	\$230	
56			916.0 Miscellaneous Sales				
57			Sub-total Sales	\$219	\$11	\$230	
58							
59	Administration & General		920.0 Administrative and General Salaries	\$24,843	\$1,251	\$26,095	
60			921.0 Office Supplies and Expenses				
61			922.0 Administrative Expenses Transferred-Credit				
62			923.0 Outside Service Employed				
63			924.0 Property Insurance				
64			925.0 Injuries & Damages	1,747	88	1,835	
65			926.0 Employee Pensions and Benefits	33	2	35	
66			928.0 Regulatory Commission Expenses				
67			929.0 Duplicate Charges-Credit				
68			930.2 Miscellaneous General Expenses	60	3	64	
69			935.0 Maintenance of General Plant	1,286	65	1,351	
70			Sub-total Administration & General	\$27,970	\$1,409	\$29,379	
71							
72			Total	\$160,224	\$8,070	\$168,294	
73							
74			Percent Increase			5.04%	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-7 Rate Case Expense

Exhibit MJT-2
 Schedule D-7
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Amount
1	EXPENDITURES UP TO PERIOD END OF HTY		
2	External Legal and Consultants		\$3
3	Staff Augmentation, Materials, IT Costs, Travel, Copies, etc.		\$6
4	Total Recorded Up To Period End of HTY	SUM L2 to L3	<u>\$9</u>
5			
6	EXPENDITURES IN FTY		
7	External Legal and Consultants		\$1,997
8	Materials, IT Costs, Travel, Copies, etc.		394
9	Total Expenditure Expected in FTY	SUM L7 to L8	<u>\$2,391</u>
10			
11	Total Rate Case Expense	L4 + L9	\$2,400
12			
13	Amortization Period		<u>2</u>
14	Annual Amortization Amount	L11 / L13	<u>\$1,200</u>
15			
16	Annual Amortization Amount Included in Budget		
17	Pro Forma Adjustment for Annual Amortization	L14 - L16	<u><u>\$1,200</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-8 Employee Benefit

Exhibit MJT-2
 Schedule D-8
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Jurisdictional Amount
1	<u>Number of Employees</u>		
2	Employees at Eleven Months Prior		2,246
3	Employees at Ten Months Prior		2,250
4	Employees at Nine Months Prior		2,245
5	Employees at Eight Months Prior		2,277
6	Employees at Seven Months Prior		2,283
7	Employees at Six Months Prior		2,285
8	Employees at Five Months Prior		2,305
9	Employees at Four Months Prior		2,312
10	Employees at Three Months Prior		2,340
11	Employees at Two Months Prior		2,340
12	Employees at One Month Prior		2,347
13	Employees at End of FTY		2,340
14			
15	Average Monthly Employees in FTY	AVERAGE L2 to L13	2,298
16	Additional Employees in FTY		42
17			
18	<u>Employee Benefits</u>		
19	Total Benefits Expensed		\$22,496
20	Number of Employees for Budget		2,298
21	Budget Expense Per Employee	L19 / L20	\$10
22	Additional Employees for Annualization	L16	42
23	Total Benefits Pro Forma Adjustment	L21 * L22	<u><u>\$414</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-9 Pension Costs

Exhibit MJT-2
 Schedule D-9
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Total - PECO
1	Pension Contribution for Four Years Prior to FTY		\$18,006
2	Pension Contribution for Three Years Prior to FTY		17,267
3	Pension Contribution for Two Years Prior to FTY		15,222
4	Pension Contribution for One Year Prior to FTY		1,408
5	Pension Contribution for FTY		2,878
6			
7	Average Pension Contribution	Average L1 to L5	\$10,956
8			
9	Percent to Electric Distribution		77.49%
10	Total Amount to Electric Distribution	L7 * L9	\$8,490
11	Pension Capitalization Factor		48.21%
12	Pension Contribution To Be Capitalized	L10 * L11	4,093
13	Pension Contribution To Be Expensed	L10 - L12	\$4,396
14	FPFTY Distribution Pension Expense		(1,763)
15	Additional Pension Expense	L13 - L14	\$6,160

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-11 IIJA Regulatory Asset

Exhibit MJT-2
 Schedule D-11
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	Actual IIJA Related Incremental Costs in 2022 and 2023		\$411
2	Amortization Years		<u>2</u>
3	Pro Forma Adjustment Amount	L1 / L2	<u>\$205</u>
4	Remove Estimated IIJA Related Incremental Costs in 2025		<u>(653)</u>
5	Total Pro Forma Adjustment Amount	L3 + L4	<u>(\$448)</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-12 Customer Deposit Interest

Exhibit MJT-2
 Schedule D-12
 Witness: Michael J. Trzaska
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Line No.	Description	Description	Reference	Interest Rate	Deposit Amount	Interest on Deposit Amount	Interest Sub Total	Interest Total
1	Residential	Monthly Interest Rate		<u>0.667%</u>				
2								
3	January				18,976	127		
4	February				19,166	128		
5	March				19,446	130		
6	April				20,077	134		
7	May				20,877	139		
8	June				21,538	144		
9	July				22,060	147		
10	August				22,549	150		
11	September				22,772	152		
12	October				23,058	154		
13	November				23,276	155		
14	December				23,215	155		
15	Total Residential		SUM Col 4 L3 to L14				<u>\$1,713</u>	
16								
17	Non-Residential	Monthly Interest Rate		<u>0.425%</u>				
18								
19	January				32,487	138		
20	February				33,197	141		
21	March				33,844	144		
22	April				34,307	146		
23	May				35,117	149		
24	June				35,642	151		
25	July				36,988	157		
26	August				38,022	162		
27	September				38,782	165		
28	October				39,358	167		
29	November				39,646	168		
30	December				39,988	170		
31	Total Non-Residential		SUM Col 4 L19 to L30				<u>\$1,859</u>	
32								
33	Interest on Customer Deposits		Col 5 L15 + L31					<u><u>\$3,572</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-13 Storm Expense Normalization

Exhibit MJT-2
 Schedule D-13
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Reference	Tri- State CPI Factor	Inflation Factor	Expense In Year	Amount for Average	Total
1	4/1/2019 - 3/31/2020		-	1.22448	\$32,500	\$39,796	
2	4/1/2020 - 3/31/2021		0.00696	1.22448	\$118,822	\$145,495	
3	4/1/2021 - 3/31/2022		0.05645	1.21602	\$56,495	\$68,699	
4	4/1/2022 - 3/31/2023		0.07555	1.15105	\$17,144	\$19,734	
5	4/1/2023 - 3/31/2024		0.03888	1.07019	\$67,284	\$72,006	
6	2024		0.01671	1.03014			
7							
8	Average Storm Restoration Expense at 2025 cost levels	AVERAGE L1 to L5					\$69,146
9							
10	FTY Budget						\$53,800
11							
12	Pro Forma Adjustment for Storm Expense Normalization	L9 - L11					\$15,346

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-14 Other Adjustments

Exhibit MJT-2
 Schedule D-14
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	Final Tax Accounting Repair Credit (TARC) - Electric		
2	Residential		(36)
3	Small C&I		(14)
4	Large C&I		(9)
5	Street Lighting		(3)
6	Sub-total TARC Credit	SUM L2 to L5	<u>(62)</u>
7	Final Federal Tax Adjustment Credit (FTAC) - Electric		
8	Residential		(\$37)
9	Small C&I		(1)
10	Street Lighting		(0)
11	Large C&I & Railroads		15
12	Sub-total FTAC Credit	SUM L8 to L11	<u>(23)</u>
13	Total TARC and FTAC Credit	L6 + L12	<u>(86)</u>
14	Amortization Years		2
15	Pro Forma Adjustment Amount	L13 / L14	<u>(43)</u>
16			
17	EV Incentive Rebates		<u>\$1,000</u>

PECO Gas Operations
Before The Pennsylvania Public Utility Commission
FTY Ending December 2024
(\$ in Thousands)
D-15 Reserved

Exhibit MJT-2
Schedule D-15
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-16 TOTI - Summary

Exhibit MJT-2
 Schedule D-16
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Transmission Percentage / Reference	Total Electric	Transmission Elimination	Distribution	Pro Forma Adjustments	Pro Forma Tax Expense
1	Public Utility Real Tax (PURTA) Total Expense	17.825%	\$6,924	(\$1,234)	\$5,690		\$5,690
2	Use Tax Accrued	17.825%	2,443	(435)	2,007		2,007
3	Real Estate Tax Accrued	17.825%	5,842	(1,041)	4,800		4,800
4	Miscellaneous TOTI	12.373%					
5	Payroll Tax Accrued	12.373%	13,927	(1,723)	12,204	615	12,819
6	Sub-total TOTI - Other	SUM L1 to L5	\$29,135	(\$4,434)	\$24,701	\$615	\$25,316
7							
8	Gross Receipt Tax		\$174,486		\$174,486	(\$6,369)	\$168,117
9							
10	Total	L6 + L8	\$203,621	(\$4,434)	\$199,187	(\$5,754)	\$193,432

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-16 TOTI - Gross Receipts Pro Forma

Exhibit MJT-2
 Schedule D-16
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Total
1	GROSS RECEIPTS TAX PRO FORMA AT PRESENT RATE		
2			
3	Residential		\$1,633,045
4	Residential Heating		361,503
5	Small C&I		424,227
6	Large C&I		234,998
7	Railroads & Railways		7,218
8	Street Lighting & Highway		22,731
9	Interdepartmental Sales - Electric		
10	Transmission		202,352
11	Sub-total	SUM L3 to L10	\$2,886,075
12			
13	Forfeited Discounts - Electric		\$11,428
14	Uncollectible Accounts		(48,068)
15	COVID-19 Related Incremental Bad Debt Expense		
16	Sub-total	SUM L13 to L15	(\$36,640)
17			
18	Total FTY at Present Rates	L11 + L16	\$2,849,435
19			
20	Gross Receipts Tax Rate		5.90%
21			
22	Pro Forma Gross Receipts Expense at Present Rates	L18 * L20	\$168,117
23			
24	FTY Budget		\$174,486
25			
26	Net Adjustment	L22 - L24	(\$6,369)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIP	\$1,894	\$398	\$1,496	\$398	\$2,291
2			PECO Elec 3650 PA LTIP	3,041	490	2,551	490	3,530
3			PECO Elec 3660 PA LTIP	2,977	805	2,172	805	3,782
4			PECO Elec 3670 PA LTIP	4,353	850	3,503	850	5,204
5			PECO Elec 3705 SM UD RES PA	9,577		9,577		9,577
6			PECO Elec 3706 Non DOE Rcv PA	2,210		2,210		2,210
7			PECO Elec 3707 SM RES PA	5,546	107	5,439	107	5,654
8			PECO Elec 3708 SM SCI PA	825	3	822	3	829
9			PECO Elec 3709 SM LCI PA	1,161	22	1,139	22	1,184
10			PECO Elec Dist-ARC EXP PA	(42)		(42)		(42)
11			PECO Electric 3611 PA	1,639	159	1,479	159	1,798
12			PECO Electric 3612 PA	2,655	161	2,494	161	2,816
13			PECO Electric 3613 PA	197	0	197	0	198
14			PECO Electric 3620 PA	22,932	1,120	21,812	1,120	24,052
15			PECO Electric 3640 PA	25,288	2,194	23,094	2,194	27,481
16			PECO Electric 3650 PA	40,141	2,733	37,408	2,733	42,874
17			PECO Electric 3660 PA	9,666	1,046	8,620	1,046	10,712
18			PECO Electric 3670 PA	35,887	2,711	33,175	2,711	38,598
19			PECO Electric 3680 PA	18,403	1,214	17,190	1,214	19,617
20			PECO Electric 3691 PA	3,659	172	3,487	172	3,830
21			PECO Electric 3692 PA	4,959	70	4,889	70	5,029
22			PECO Electric 3701 PA	160	14	146	14	174
23			PECO Electric 3710 PA	4		4		4
24			PECO Electric 3730 PA	770	24	746	24	795
25			PECO Electric 3731 PA	73	0	73	0	73
26			PECO Electric 3732 PA	968	51	917	51	1,019
27			PECO Electric 3733 PA	34		34		34
28			Sub-total Electric - Distribution	\$198,979	\$14,344	\$184,635	\$14,344	\$213,323
29			Sub-total Electric - Distribution	\$198,979	\$14,344	\$184,635	\$14,344	\$213,323
30								
31		Common - General Plant	PECO Common 3901 PA	\$4,118	\$127	\$3,990	\$127	\$4,245
32			PECO Common 3902 IL	16		16		16
33			PECO Common 3902 PA	3,818	1,031	2,787	1,031	4,849
34			PECO Common 3903 PA	91	28	63	28	119
35			PECO Common 3911 PA	13		13		13
36			PECO Common 3912 PA	2,256	81	2,175	81	2,337
37			PECO Common 3913 IL	1,039	144	895	144	1,184
38			PECO Common 3913 PA	8,106	1,341	6,764	1,341	9,447
39			PECO Common 3930 PA	98	2	96	2	100
40			PECO Common 3941 PA	1		1		1
41			PECO Common 3942 PA	66		66		66
42			PECO Common 3970 PA	6,577	494	6,083	494	7,071

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
43			PECO Common 3980 PA	84		84		84
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	12		12		12
45			PECO Elec 3919 SM Comp Equip IL	24		24		24
46			PECO Elec 3919 SM Comp Equip MD	8		8		8
47			PECO Elec 3919 SM Comp Equip NC	5		5		5
48			PECO Elec 3919 SM Comp Equip PA	7		7		7
49			PECO Elec 3949 SM Tools PA	6		6		6
50			PECO Elec 3979 SM Comm Equip PA	2,560	24	2,535	24	2,584
51			PECO Electric 3901 PA	794	5	789	5	800
52			PECO Electric 3902 PA	395	3	392	3	399
53			PECO Electric 3903 PA	8		8		8
54			PECO Electric 3911 PA	0		0		0
55			PECO Electric 3912 PA	67	2	64	2	69
56			PECO Electric 3913 PA	5,192	139	5,053	139	5,331
57			PECO Electric 3930 PA	4		4		4
58			PECO Electric 3940 PA	3,603	145	3,458	145	3,748
59			PECO Electric 3951 PA	11		11		11
60			PECO Electric 3952 PA	1		1		1
61			PECO Electric 3970 PA	7,753	193	7,560	193	7,946
62			PECO Electric 3980 PA	72	6	66	6	78
63			Sub-total Electric - General Plant	\$46,804	\$3,768	\$43,036	\$3,768	\$50,573
64			Sub-total Electric - General Plant	\$46,804	\$3,768	\$43,036	\$3,768	\$50,573
65								
66		Electric - Transmission	PECO Electric 3521 PA	\$397	\$1	\$396	\$1	\$398
67			PECO Electric 3522 MD	1		1		1
68			PECO Electric 3522 NJ	0		0		0
69			PECO Electric 3522 PA	1,593	93	1,501	93	1,686
70			PECO Electric 3523 NJ	0		0		0
71			PECO Electric 3523 PA	49		49		49
72			PECO Electric 3530 NJ	65		65		65
73			PECO Electric 3530 PA	18,458	780	17,678	780	19,238
74			PECO Electric 3540 DE	91		91		91
75			PECO Electric 3540 MD	52		52		52
76			PECO Electric 3540 NJ	216		216		216
77			PECO Electric 3540 PA	3,114	26	3,087	26	3,140
78			PECO Electric 3550 PA	522	55	468	55	577
79			PECO Electric 3560 DE	5		5		5
80			PECO Electric 3560 MD	12		12		12
81			PECO Electric 3560 NJ	139	10	129	10	150
82			PECO Electric 3560 PA	4,818	627	4,191	627	5,445
83			PECO Electric 3570 PA	864	216	648	216	1,080
84			PECO Electric 3580 PA	2,206	183	2,023	183	2,389

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
85			PECO Electric 3590 NJ	4		4		4
86			PECO Electric 3590 PA	26	2	25	2	28
87			Sub-total Electric - Transmission	\$32,633	\$1,992	\$30,641	\$1,992	\$34,626
88								
89			Sub-total 403.0 Depreciation Expense	\$278,416	\$20,105	\$258,312	\$20,105	\$298,521
90			Sub-total Electric - Transmission	\$32,633	\$1,992	\$30,641	\$1,992	\$34,626
91								
92	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	FDG_PECO_C_CIMS:PECO - Common - CIMS	\$10,909	\$10,909		\$10,909	\$21,819
93			PECO - BIDA - Smart Energy Services	43	43		43	85
94			PECO - Distribution - ADMS	2,211	2,211		2,211	4,421
95			PECO - Distribution - IT	427	427		427	853
96			PECO - Transmission - IT	136	136		136	273
97			PECO Com 3030- North Star RE SW	391		391		391
98			PECO Com 3030-Apollo SW	967		967		967
99			PECO Com 3030-BIDA Customer Project	849		849		849
100			PECO Com 3030-BIDA-AMI Ph2 SW	2,139		2,139		2,139
101			PECO Com 3030-CIS Transformation SW	204		204		204
102			PECO Com 3030-Cloud Serv 3 yr	4,143	2,109	2,034	2,109	6,252
103			PECO Com 3030-Cloud Serv 5 yr	3,358		3,358		3,358
104			PECO Com 3030-Common MDM SW	2,040		2,040		2,040
105			PECO Com 3030-Cust Appt Sched SW	436		436		436
106			PECO Com 3030-EU Dig Strat EPay SW	164		164		164
107			PECO Com 3030-EU Digital Program We	2,002		2,002		2,002
108			PECO Com 3030-EU oneMDS SW	5,269		5,269		5,269
109			PECO Com 3030-Fusion Mig Non-MDM SW	33		33		33
110			PECO Com 3030-I Sign Up and Move	466		466		466
111			PECO Com 3030-IT Cust Mobile App SW	112		112		112
112			PECO Com 3030-IVR System PA	159		159		159
113			PECO Com 3030-Lease IT SW	14		14		14
114			PECO Com 3030-Misc 5 yr FR PA	6,164	652	5,512	652	6,816
115			PECO Com 3030-Misc 5 yr PA	60		60		60
116			PECO Com 3030-Mobile Dispatch Mappi	5,842		5,842		5,842
117			PECO Com 3030-OBIEE Migration SW	801		801		801
118			PECO Com 3030-PECO RNI Upgrade SW	(0)		(0)		(0)
119			PECO Com 3030-Robotic Process Auto	63		63		63
120			PECO Elec 303 EV-FC	32		32		32
121			PECO Elec 303 SLC	51		51		51
122			PECO Elec 303 SM AMOS PA	379		379		379
123			PECO Elec 303-BIDA Grid T&D Domain	1,797		1,797		1,797
124			PECO Elec 303-CFP - Outage SW D	566		566		566
125			PECO Elec 303-Dist Auto Ntwk Upg Hi	477		477		477
126			PECO Elec 303-EMS Implementation Pr	3,321		3,321		3,321

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
127			PECO Elec 303-EU Custom Analytics S	278		278		278
128			PECO Elec 303-EU Digital Solar Tool	177		177		177
129			PECO Elec 303-EU Load Forecast SW	723		723		723
130			PECO Elec 303-EU Ratings DB SW D	12		12		12
131			PECO Elec 303-EU Ratings DB SW T	155		155		155
132			PECO Elec 303-EU TOA Implementation	893		893		893
133			PECO Elec 303-PECO RNI Upgrade SW D	1,380		1,380		1,380
134			PECO Elec 303-SES IV D SW	2,364		2,364		2,364
135			PECO Elec 3030 - BIDA Smart Energy A (Original)	38		38		38
136			PECO Elec 3030-Cloud Serv 3 yr	254		254		254
137			PECO Elec 3030-Cloud Serv 5 yr	759		759		759
138			PECO Electric 303 Misc 5 FR PA	4,382		4,382		4,382
139			Sub-total Electric - Intangible Plant	\$67,439	\$16,487	\$50,952	\$16,487	\$83,925
140								
141			Sub-total 404.0 Amort. of Limited-Term Electric Plant	\$67,439	\$16,487	\$50,952	\$16,487	\$83,925
142								
143			Total	\$345,855	\$36,592	\$309,263	\$36,592	\$382,446
144			Sub-total Electric - Intangible Plant	\$67,439	\$16,487	\$50,952	\$16,487	\$83,925
145								
146			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.	\$67,439	\$16,487	\$50,952	\$16,487	\$83,925

PECO Electric Operations
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(6)	(7)	(8)	(9)	(10)	(11)
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIIIP	1.0000	\$1,894	\$398	\$1,496	\$398	\$2,291
2			PECO Elec 3650 PA LTIIIP	1.0000	3,041	490	2,551	490	3,530
3			PECO Elec 3660 PA LTIIIP	1.0000	2,977	805	2,172	805	3,782
4			PECO Elec 3670 PA LTIIIP	1.0000	4,353	850	3,503	850	5,204
5			PECO Elec 3705 SM UD RES PA	1.0000	9,577		9,577		9,577
6			PECO Elec 3706 Non DOE Rcv PA	1.0000	2,210		2,210		2,210
7			PECO Elec 3707 SM RES PA	1.0000	5,546	107	5,439	107	5,654
8			PECO Elec 3708 SM SCI PA	1.0000	825	3	822	3	829
9			PECO Elec 3709 SM LCI PA	1.0000	1,161	22	1,139	22	1,184
10			PECO Elec Dist-ARC EXP PA	1.0000	(42)		(42)		(42)
11			PECO Electric 3611 PA	1.0000	1,639	159	1,479	159	1,798
12			PECO Electric 3612 PA	1.0000	2,655	161	2,494	161	2,816
13			PECO Electric 3613 PA	1.0000	197	0	197	0	198
14			PECO Electric 3620 PA	1.0000	22,932	1,120	21,812	1,120	24,052
15			PECO Electric 3640 PA	1.0000	25,288	2,194	23,094	2,194	27,481
16			PECO Electric 3650 PA	1.0000	40,141	2,733	37,408	2,733	42,874
17			PECO Electric 3660 PA	1.0000	9,666	1,046	8,620	1,046	10,712
18			PECO Electric 3670 PA	1.0000	35,887	2,711	33,175	2,711	38,598
19			PECO Electric 3680 PA	1.0000	18,403	1,214	17,190	1,214	19,617
20			PECO Electric 3691 PA	1.0000	3,659	172	3,487	172	3,830
21			PECO Electric 3692 PA	1.0000	4,959	70	4,889	70	5,029
22			PECO Electric 3701 PA	1.0000	160	14	146	14	174
23			PECO Electric 3710 PA	1.0000	4		4		4
24			PECO Electric 3730 PA	1.0000	770	24	746	24	795
25			PECO Electric 3731 PA	1.0000	73	0	73	0	73
26			PECO Electric 3732 PA	1.0000	968	51	917	51	1,019
27			PECO Electric 3733 PA	1.0000	34		34		34
28			Sub-total Electric - Distribution		\$198,979	\$14,344	\$184,635	\$14,344	\$213,323
29			Sub-total Electric - Distribution		\$198,979	\$14,344	\$184,635	\$14,344	\$213,323
30									
31		Common - General Plant	PECO Common 3901 PA	0.7693	\$3,168	\$98	\$3,070	\$98	\$3,265
32			PECO Common 3902 IL	0.7693	12		12		12
33			PECO Common 3902 PA	0.7693	2,937	793	2,144	793	3,730
34			PECO Common 3903 PA	0.7693	70	22	48	22	92
35			PECO Common 3911 PA	0.7693	10		10		10
36			PECO Common 3912 PA	0.7693	1,735	62	1,673	62	1,798
37			PECO Common 3913 IL	0.7693	800	111	688	111	911
38			PECO Common 3913 PA	0.7693	6,236	1,032	5,204	1,032	7,268
39			PECO Common 3930 PA	0.7693	75	2	74	2	77
40			PECO Common 3941 PA	0.7693	1		1		1
41			PECO Common 3942 PA	0.7693	51		51		51
42			PECO Common 3970 PA	0.7693	5,060	380	4,680	380	5,440

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			(6)	(7)	(8)	(9)	(10)	(11)	
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
43			PECO Common 3980 PA	0.7693	65		65		65
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	1.0000	12		12		12
45			PECO Elec 3919 SM Comp Equip IL	1.0000	24		24		24
46			PECO Elec 3919 SM Comp Equip MD	1.0000	8		8		8
47			PECO Elec 3919 SM Comp Equip NC	1.0000	5		5		5
48			PECO Elec 3919 SM Comp Equip PA	1.0000	7		7		7
49			PECO Elec 3949 SM Tools PA	1.0000	6		6		6
50			PECO Elec 3979 SM Comm Equip PA	1.0000	2,560	24	2,535	24	2,584
51			PECO Electric 3901 PA	1.0000	794	5	789	5	800
52			PECO Electric 3902 PA	1.0000	395	3	392	3	399
53			PECO Electric 3903 PA	1.0000	8		8		8
54			PECO Electric 3911 PA	1.0000	0		0		0
55			PECO Electric 3912 PA	1.0000	67	2	64	2	69
56			PECO Electric 3913 PA	1.0000	5,192	139	5,053	139	5,331
57			PECO Electric 3930 PA	1.0000	4		4		4
58			PECO Electric 3940 PA	1.0000	3,603	145	3,458	145	3,748
59			PECO Electric 3951 PA	1.0000	11		11		11
60			PECO Electric 3952 PA	1.0000	1		1		1
61			PECO Electric 3970 PA	1.0000	7,753	193	7,560	193	7,946
62			PECO Electric 3980 PA	1.0000	72	6	66	6	78
63			Sub-total Electric - General Plant			\$40,741	\$37,722	\$3,019	\$43,760
64			Sub-total Electric - General Plant			\$40,741	\$37,722	\$3,019	\$43,760
65									
66		Electric - Transmission	PECO Electric 3521 PA	1.0000	\$397	\$1	\$396	\$1	\$398
67			PECO Electric 3522 MD	1.0000	1		1		1
68			PECO Electric 3522 NJ	1.0000	0		0		0
69			PECO Electric 3522 PA	1.0000	1,593	93	1,501	93	1,686
70			PECO Electric 3523 NJ	1.0000	0		0		0
71			PECO Electric 3523 PA	1.0000	49		49		49
72			PECO Electric 3530 NJ	1.0000	65		65		65
73			PECO Electric 3530 PA	1.0000	18,458	780	17,678	780	19,238
74			PECO Electric 3540 DE	1.0000	91		91		91
75			PECO Electric 3540 MD	1.0000	52		52		52
76			PECO Electric 3540 NJ	1.0000	216		216		216
77			PECO Electric 3540 PA	1.0000	3,114	26	3,087	26	3,140
78			PECO Electric 3550 PA	1.0000	522	55	468	55	577
79			PECO Electric 3560 DE	1.0000	5		5		5
80			PECO Electric 3560 MD	1.0000	12		12		12
81			PECO Electric 3560 NJ	1.0000	139	10	129	10	150
82			PECO Electric 3560 PA	1.0000	4,818	627	4,191	627	5,445
83			PECO Electric 3570 PA	1.0000	864	216	648	216	1,080
84			PECO Electric 3580 PA	1.0000	2,206	183	2,023	183	2,389

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				(6)	(7)	(8)	(9)	(10)	(11)
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
85			PECO Electric 3590 NJ	1.0000	4		4		4
86			PECO Electric 3590 PA	1.0000	26	2	25	2	28
87			Sub-total Electric - Transmission		\$32,633	\$1,992	\$30,641	\$1,992	\$34,626
88									
89			Sub-total 403.0 Depreciation Expense		\$272,353	\$19,355	\$252,998	\$19,355	\$291,708
90			Sub-total Electric - Transmission		\$32,633	\$1,992	\$30,641	\$1,992	\$34,626
91									
92	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	FDG_PECO_C_CIMS:PECO - Common - CIMS	0.7450	\$8,128	\$8,128		\$8,128	\$16,256
93			PECO - BIDA - Smart Energy Services	1.0000	43	43		43	85
94			PECO - Distribution - ADMS	1.0000	2,211	2,211		2,211	4,421
95			PECO - Distribution - IT	1.0000	427	427		427	853
96			PECO - Transmission - IT	1.0000	136	136		136	273
97			PECO Com 3030- North Star RE SW	0.7693	301		301		301
98			PECO Com 3030-Apollo SW	0.7693	744		744		744
99			PECO Com 3030-BIDA Customer Project	0.7693	653		653		653
100			PECO Com 3030-BIDA-AMI Ph2 SW	0.7693	1,645		1,645		1,645
101			PECO Com 3030-CIS Transformation SW	0.7693	157		157		157
102			PECO Com 3030-Cloud Serv 3 yr	0.7693	3,187	1,623	1,564	1,623	4,809
103			PECO Com 3030-Cloud Serv 5 yr	0.7693	2,584		2,584		2,584
104			PECO Com 3030-Common MDM SW	0.7693	1,570		1,570		1,570
105			PECO Com 3030-Cust Appt Sched SW	0.7693	335		335		335
106			PECO Com 3030-EU Dig Strat EPay SW	0.7693	126		126		126
107			PECO Com 3030-EU Digital Program We	0.7693	1,540		1,540		1,540
108			PECO Com 3030-EU oneMDS SW	0.7693	4,053		4,053		4,053
109			PECO Com 3030-Fusion Mig Non-MDM SW	0.7693	25		25		25
110			PECO Com 3030-I Sign Up and Move	0.7693	359		359		359
111			PECO Com 3030-IT Cust Mobile App SW	0.7693	86		86		86
112			PECO Com 3030-IVR System PA	0.7693	122		122		122
113			PECO Com 3030-Lease IT SW	0.7693	11		11		11
114			PECO Com 3030-Misc 5 yr FR PA	0.7693	4,742	502	4,241	502	5,244
115			PECO Com 3030-Misc 5 yr PA	0.7693	46		46		46
116			PECO Com 3030-Mobile Dispatch Mappi	0.7693	4,494		4,494		4,494
117			PECO Com 3030-OBIEE Migration SW	0.7693	616		616		616
118			PECO Com 3030-PECO RNI Upgrade SW	0.7693	(0)		(0)		(0)
119			PECO Com 3030-Robotic Process Auto	0.7693	49		49		49
120			PECO Elec 303 EV-FC	1.0000	32		32		32
121			PECO Elec 303 SLC	1.0000	51		51		51
122			PECO Elec 303 SM AMOS PA	1.0000	379		379		379
123			PECO Elec 303-BIDA Grid T&D Domain	1.0000	1,797		1,797		1,797
124			PECO Elec 303-CFP - Outage SW D	1.0000	566		566		566
125			PECO Elec 303-Dist Auto Ntwk Upg Hi	1.0000	477		477		477
126			PECO Elec 303-EMS Implementation Pr	1.0000	3,321		3,321		3,321

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				(6)	(7)	(8)	(9)	(10)	(11)	
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)	
127			PECO Elec 303-EU Custom Analytics S	1.0000	278		278		278	
128			PECO Elec 303-EU Digital Solar Tool	1.0000	177		177		177	
129			PECO Elec 303-EU Load Forecast SW	1.0000	723		723		723	
130			PECO Elec 303-EU Ratings DB SW D	1.0000	12		12		12	
131			PECO Elec 303-EU Ratings DB SW T	1.0000	155		155		155	
132			PECO Elec 303-EU TOA Implementation	1.0000	893		893		893	
133			PECO Elec 303-PECO RNI Upgrade SW D	1.0000	1,380		1,380		1,380	
134			PECO Elec 303-SES IV D SW	1.0000	2,364		2,364		2,364	
135			PECO Elec 3030 - BIDA Smart Energy A (Original)	1.0000	38		38		38	
136			PECO Elec 3030-Cloud Serv 3 yr	1.0000	254		254		254	
137			PECO Elec 3030-Cloud Serv 5 yr	1.0000	759		759		759	
138			PECO Electric 303 Misc 5 FR PA	1.0000	4,382		4,382		4,382	
139			Sub-total Electric - Intangible Plant			\$56,427	\$13,068	\$43,358	\$13,068	\$69,495
140										
141			Sub-total 404.0 Amort. of Limited-Term Electric Plant			\$56,427	\$13,068	\$43,358	\$13,068	\$69,495
142										
143			Total			\$328,780	\$32,423	\$296,356	\$32,423	\$361,203
144			Sub-total Electric - Intangible Plant			\$56,427	\$13,068	\$43,358	\$13,068	\$69,495
145										
146			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.			\$56,427	\$13,068	\$43,358	\$13,068	\$69,495

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				(12)	(13)	(14)	(15)	(16)	(17)
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIIP	1.0000	\$1,894	\$398	\$1,496	\$398	\$2,291
2			PECO Elec 3650 PA LTIIP	1.0000	\$3,041	490	2,551	490	3,530
3			PECO Elec 3660 PA LTIIP	1.0000	\$2,977	805	2,172	805	3,782
4			PECO Elec 3670 PA LTIIP	1.0000	\$4,353	850	3,503	850	5,204
5			PECO Elec 3705 SM UD RES PA	1.0000	\$9,577		9,577		9,577
6			PECO Elec 3706 Non DOE Rcv PA	1.0000	\$2,210		2,210		2,210
7			PECO Elec 3707 SM RES PA	1.0000	\$5,546	107	5,439	107	5,654
8			PECO Elec 3708 SM SCI PA	1.0000	\$825	3	822	3	829
9			PECO Elec 3709 SM LCI PA	1.0000	\$1,161	22	1,139	22	1,184
10			PECO Elec Dist-ARC EXP PA						
11			PECO Electric 3611 PA	1.0000	\$1,639	159	1,479	159	1,798
12			PECO Electric 3612 PA	1.0000	\$2,655	161	2,494	161	2,816
13			PECO Electric 3613 PA	1.0000	\$197	0	197	0	198
14			PECO Electric 3620 PA	1.0000	\$22,932	1,120	21,812	1,120	24,052
15			PECO Electric 3640 PA	1.0000	\$25,288	2,194	23,094	2,194	27,481
16			PECO Electric 3650 PA	1.0000	\$40,141	2,733	37,408	2,733	42,874
17			PECO Electric 3660 PA	1.0000	\$9,666	1,046	8,620	1,046	10,712
18			PECO Electric 3670 PA	1.0000	\$35,887	2,711	33,175	2,711	38,598
19			PECO Electric 3680 PA	1.0000	\$18,403	1,214	17,190	1,214	19,617
20			PECO Electric 3691 PA	1.0000	\$3,659	172	3,487	172	3,830
21			PECO Electric 3692 PA	1.0000	\$4,959	70	4,889	70	5,029
22			PECO Electric 3701 PA	1.0000	\$160	14	146	14	174
23			PECO Electric 3710 PA	1.0000	\$4		4		4
24			PECO Electric 3730 PA	1.0000	\$770	24	746	24	795
25			PECO Electric 3731 PA	1.0000	\$73	0	73	0	73
26			PECO Electric 3732 PA	1.0000	\$968	51	917	51	1,019
27			PECO Electric 3733 PA	1.0000	\$34		34		34
28			Sub-total Electric - Distribution		\$199,020	\$14,344	\$184,676	\$14,344	\$213,365
29			Sub-total Electric - Distribution		\$199,020	\$14,344	\$184,676	\$14,344	\$213,365
30									
31		Common - General Plant	PECO Common 3901 PA	0.8763	\$2,776	\$86	\$2,690	\$86	\$2,861
32			PECO Common 3902 IL	0.8763	11		11		11
33			PECO Common 3902 PA	0.8763	2,574	695	1,878	695	3,269
34			PECO Common 3903 PA	0.8763	61	19	42	19	80
35			PECO Common 3911 PA	0.8763	8		8		8
36			PECO Common 3912 PA	0.8763	1,521	54	1,466	54	1,575
37			PECO Common 3913 IL	0.8763	701	97	603	97	798
38			PECO Common 3913 PA	0.8763	5,464	904	4,560	904	6,368
39			PECO Common 3930 PA	0.8763	66	1	65	1	67
40			PECO Common 3941 PA	0.8763	1		1		1
41			PECO Common 3942 PA	0.8763	45		45		45
42			PECO Common 3970 PA	0.8763	4,434	333	4,101	333	4,767

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			(12)	(13)	(14)	(15)	(16)	(17)		
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)	
43			PECO Common 3980 PA	0.8763	57		57		57	
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	0.8763	11		11		11	
45			PECO Elec 3919 SM Comp Equip IL	0.8763	21		21		21	
46			PECO Elec 3919 SM Comp Equip MD	0.8763	7		7		7	
47			PECO Elec 3919 SM Comp Equip NC	0.8763	4		4		4	
48			PECO Elec 3919 SM Comp Equip PA	0.8763	7		7		7	
49			PECO Elec 3949 SM Tools PA	0.8763	6		6		6	
50			PECO Elec 3979 SM Comm Equip PA	0.8763	2,243	21	2,222	21	2,264	
51			PECO Electric 3901 PA	0.8763	696	5	691	5	701	
52			PECO Electric 3902 PA	0.8763	347	3	344	3	350	
53			PECO Electric 3903 PA	0.8763	7		7		7	
54			PECO Electric 3911 PA	0.8763	0		0		0	
55			PECO Electric 3912 PA	0.8763	58	2	56	2	60	
56			PECO Electric 3913 PA	0.8763	4,550	122	4,428	122	4,672	
57			PECO Electric 3930 PA	0.8763	3		3		3	
58			PECO Electric 3940 PA	0.8763	3,157	127	3,030	127	3,285	
59			PECO Electric 3951 PA	0.8763	10		10		10	
60			PECO Electric 3952 PA	0.8763	0		0		0	
61			PECO Electric 3970 PA	0.8763	6,794	169	6,625	169	6,963	
62			PECO Electric 3980 PA	0.8763	63	5	58	5	68	
63			Sub-total Electric - General Plant			\$35,700	\$2,645	\$33,055	\$2,645	\$38,345
64			Sub-total Electric - General Plant			\$35,700	\$2,645	\$33,055	\$2,645	\$38,345
65										
66		Electric - Transmission	PECO Electric 3521 PA							
67			PECO Electric 3522 MD							
68			PECO Electric 3522 NJ							
69			PECO Electric 3522 PA							
70			PECO Electric 3523 NJ							
71			PECO Electric 3523 PA							
72			PECO Electric 3530 NJ							
73			PECO Electric 3530 PA							
74			PECO Electric 3540 DE							
75			PECO Electric 3540 MD							
76			PECO Electric 3540 NJ							
77			PECO Electric 3540 PA							
78			PECO Electric 3550 PA							
79			PECO Electric 3560 DE							
80			PECO Electric 3560 MD							
81			PECO Electric 3560 NJ							
82			PECO Electric 3560 PA							
83			PECO Electric 3570 PA							
84			PECO Electric 3580 PA							

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			(12)	(13)	(14)	(15)	(16)	(17)	
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
85			PECO Electric 3590 NJ						
86			PECO Electric 3590 PA						
87			Sub-total Electric - Transmission						
88									
89			Sub-total 403.0 Depreciation Expense		\$234,720	\$16,989	\$217,731	\$16,989	\$251,710
90			Sub-total Electric - Transmission						
91									
92	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	FDG_PECO_C_CIMS:PECO - Common - CIMS	1.0000	\$8,128	\$8,128		\$8,128	\$16,256
93			PECO - BIDA - Smart Energy Services	1.0000	43	43		43	85
94			PECO - Distribution - ADMS	0.8763	1,937	1,937		1,937	3,874
95			PECO - Distribution - IT	0.8763	374	374		374	748
96			PECO - Transmission - IT	0.8763	120	120		120	239
97			PECO Com 3030- North Star RE SW	0.8763	264		264		264
98			PECO Com 3030-Apollo SW	0.8763	652		652		652
99			PECO Com 3030-BIDA Customer Project	0.8763	572		572		572
100			PECO Com 3030-BIDA-AMI Ph2 SW	0.8763	1,442		1,442		1,442
101			PECO Com 3030-CIS Transformation SW	0.8763	138		138		138
102			PECO Com 3030-Cloud Serv 3 yr	0.8763	2,793	1,422	1,371	1,422	4,214
103			PECO Com 3030-Cloud Serv 5 yr	0.8763	2,264		2,264		2,264
104			PECO Com 3030-Common MDM SW	0.8763	1,375		1,375		1,375
105			PECO Com 3030-Cust Appt Sched SW	0.8763	294		294		294
106			PECO Com 3030-EU Dig Strat EPay SW	0.8763	111		111		111
107			PECO Com 3030-EU Digital Program We	0.8763	1,349		1,349		1,349
108			PECO Com 3030-EU oneMDS SW	0.8763	3,552		3,552		3,552
109			PECO Com 3030-Fusion Mig Non-MDM SW	0.8763	22		22		22
110			PECO Com 3030-I Sign Up and Move	0.8763	314		314		314
111			PECO Com 3030-IT Cust Mobile App SW	0.8763	75		75		75
112			PECO Com 3030-IVR System PA	0.8763	107		107		107
113			PECO Com 3030-Lease IT SW	0.8763	9		9		9
114			PECO Com 3030-Misc 5 yr FR PA	0.8763	4,155	439	3,716	439	4,595
115			PECO Com 3030-Misc 5 yr PA	0.8763	40		40		40
116			PECO Com 3030-Mobile Dispatch Mappi	0.8763	3,938		3,938		3,938
117			PECO Com 3030-OBIEE Migration SW	0.8763	540		540		540
118			PECO Com 3030-PECO RNI Upgrade SW	0.8763	(0)		(0)		(0)
119			PECO Com 3030-Robotic Process Auto	0.8763	43		43		43
120			PECO Elec 303 EV-FC	1.0000	32		32		32
121			PECO Elec 303 SLC	1.0000	51		51		51
122			PECO Elec 303 SM AMOS PA	1.0000	379		379		379
123			PECO Elec 303-BIDA Grid T&D Domain	0.8763	1,574		1,574		1,574
124			PECO Elec 303-CFP - Outage SW D	1.0000	566		566		566
125			PECO Elec 303-Dist Auto Ntwk Upg Hi	1.0000	477		477		477
126			PECO Elec 303-EMS Implementation Pr						

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending Dec. 2024
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(12)	(13)	(14)	(15)	(16)	(17)	
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
127			PECO Elec 303-EU Custom Analytics S	1.0000	278		278		278
128			PECO Elec 303-EU Digital Solar Tool	1.0000	177		177		177
129			PECO Elec 303-EU Load Forecast SW	1.0000	723		723		723
130			PECO Elec 303-EU Ratings DB SW D	1.0000	12		12		12
131			PECO Elec 303-EU Ratings DB SW T						
132			PECO Elec 303-EU TOA Implementation						
133			PECO Elec 303-PECO RNI Upgrade SW D	1.0000	1,380		1,380		1,380
134			PECO Elec 303-SES IV D SW	1.0000	2,364		2,364		2,364
135			PECO Elec 3030 - BIDA Smart Energy A (Original)	1.0000	38		38		38
136			PECO Elec 3030-Cloud Serv 3 yr	0.8763	223		223		223
137			PECO Elec 3030-Cloud Serv 5 yr	0.8763	665		665		665
138			PECO Electric 303 Misc 5 FR PA	0.8763	3,839		3,839		3,839
139			Sub-total Electric - Intangible Plant		\$47,429	\$12,462	\$34,967	\$12,462	\$59,891
140									
141			Sub-total 404.0 Amort. of Limited-Term Electric Plant		\$47,429	\$12,462	\$34,967	\$12,462	\$59,891
142									
143			Total		\$282,149	\$29,452	\$252,698	\$29,452	\$311,601
144			Sub-total Electric - Intangible Plant		\$47,429	\$12,462	\$34,967	\$12,462	\$59,891
145									
146			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.		\$47,429	\$12,462	\$34,967	\$12,462	\$59,891

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-18 Income Taxes

Exhibit MJT-2
 Schedule D-18
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	(1) Present Rates	(2) Rate Increase	(3) Proposed Rates	(4)
1	Revenue		\$2,932,477	\$357,459	\$3,289,936	
2	Operating Expenses		2,547,038	25,346	2,572,384	
3	OIBIT	L1 - L2	\$385,439	\$332,112	\$717,551	
4						
5	Rate Base		\$7,948,351		\$7,948,351	
6	Weighted Cost of Debt		2.030%		2.030%	
7	Synchronized Interest Expense	L5 * L6	\$161,352		\$161,352	
8	Base Taxable Income	L3 - L7	\$224,087	\$332,112	\$556,200	
9						
10	State Accelerated Tax Depreciation		\$349,847		\$349,847	
11	Pro Forma Book Depreciation		311,601		311,601	
12	State Tax Depreciation (Over) Under Book	L11 - L10	(\$38,245)		(\$38,245)	
13	Regulatory Asset Programs M-1, Pension and Post Retirement & Other		(2,156)		(2,156)	
14	Other Property Basis Adjustments (CIAC/ICM)		(56,196)		(56,196)	
15	Removal Costs/Software		(7,116)		(7,116)	
16	AFUDC Equity		(24,787)		(24,787)	
17	Permanent Adjustments		4,245		4,245	
18	Repair Deduction		(181,800)		(181,800)	
19						
20	State Taxable Income	L8 + SUM (L12 to L18)	(\$81,968)	\$332,112	\$250,145	
21						
22	State Income Tax Rate		8.49%	8.49%	8.49%	
23	State Income Tax Benefit / (Expense) before Net Operating Loss	- (L22 * L20)	\$6,959	(\$28,196)	(\$21,237)	
24	Net Operating Loss Utilization %		40.00%	40.00%	40.00%	
25	Net Operating Loss Utilization	- L24 * L23	(2,784)	11,279	8,495	
26	State Income Tax Benefit / (Expense)	L23 + L25	\$4,175	(\$16,918)	(\$12,742)	
27						
28	Federal Accelerated Tax Depreciation		\$311,358		\$311,358	
29	Pro Forma Book Depreciation		311,601		311,601	
30	Federal Tax Deducts (Over) Under Book	L29 - L28	\$243		\$243	
31	Regulatory Asset Programs M-1		(2,156)		(2,156)	
32	Other Property Basis Adjustments (CIAC/ICM)		(56,196)		(56,196)	
33	Removal Costs/Software		(7,116)		(7,116)	
34	AFUDC Equity		(24,787)		(24,787)	
35	Permanent Adjustments		4,245		4,245	
36	Repair Deduction		(181,800)		(181,800)	
37	Federal NOL					
38	Federal Taxable Income	L8 + L26 + SUM (L30 to L37)	(\$39,303)	\$315,195	\$275,891	
39						
40	Federal Income Tax Rate %		21.00%	21.00%		
41	Federal Income Tax Benefit / (Expense) before Deferred and Adjustments	-	\$8,254	(\$66,191)	(\$57,937)	
42	Corporate Alternative Minimum Tax		(\$48,211)		(\$48,211)	
43	Total Tax Benefit / (Expense) before Deferred Income Tax	L26 + L41 + L42	(\$35,782)	(\$83,109)	(\$118,890)	
44						

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-18 Income Taxes

Exhibit MJT-2
 Schedule D-18
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	Present Rates	Rate Increase	Proposed Rates
45	DEFERRED INCOME TAXES				
46	Deferred Taxes on Timing Differences- Federal		(\$13,241)	\$2,368	(10,873)
47	Deferred Taxes on Timing Differences- State		(4,954)		(4,954)
48	Deferred Taxes on State NOL		2,784	(11,279)	(8,495)
49	Excess Deferred Amortization		6,987		6,987
50	Excess Deferred Amortization - State (Net of Federal)		232		232
51	Deferred Taxes on Federal NOL				
52	Federal Income Tax Expense on Flow Through Adjustment		(3,454)		(3,454)
53	Corporate Alternative Minimum Tax		48,211		48,211
54	Deferred Income Taxes Benefit / (Expense)	SUM L46 to L53	\$36,564	(\$8,910)	\$27,654
55					
56	Net Income Tax Benefit / (Expense)	L43 + L54	\$783	(\$92,019)	(\$91,236)
57					
58	Other Income Tax Adjustments				
59	Amortization of Investment Tax Credit		\$15		\$15
60					
61	Combined Income Tax Benefit / (Expense)	SUM L56 to L59	\$797	(\$92,019)	(\$91,221)
62					
63	Federal Income Tax Benefit / (Expense)	L41 + L46 + L49 + L51 + L52 + L59	(\$1,439)	(\$63,822)	(\$65,262)
64	State Income Tax Benefit / (Expense)	L26 + L47 + L48 + L50	\$2,237	(\$28,196)	(\$25,960)
65	Total Income Tax Benefit / (Expense)	L63 + L64	\$797	(\$92,019)	(\$91,221)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 Section 1301.1(b) Differential

Exhibit MJT-2
 Schedule D-18
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Line No.	Description	Reference	2018	2019	2020	2021	2022	Average
1	PECO Consolidated Taxable Income		\$149,524	\$191,310	(\$22,448)	\$33,306	\$135,993	
2								
3								
4	Consolidated Income Companies Taxable Income		\$1,005,422	\$931,575	\$937,098	\$1,705,766	\$816,851	
5								
6								
7	Taxable Income Percentage to PECO	L1 / L4	14.87%	20.54%		1.95%	16.65%	
8								
9								
10	Consolidated Companies Loss		\$ (85,736)	\$ (162,524)	\$ (249,053)	\$ (575,746)	\$ (108,853)	
11								
12								
13	PECO Allocation of Loss	L7 * L10	\$ (12,750)	\$ (33,376)	\$ -	\$ (11,242)	\$ (18,122)	
14								
15								
16	Electric Percentage		106.61%	125.46%	-88.07%	376.30%	158.98%	
17								
18								
19	Loss Allocable to Electric	L13 * L16	(\$13,593)	(\$41,874)		(\$42,303)	(\$28,809)	
20								
21								
22								
23	Average for 2018 to 2022	Average L19						(25,316)
24								
25								
26	Tax Rate							21.00%
27								
28	Section 1301.1(b) Differential	L23 * L26						\$ (5,316)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 FTY Ending December 2024
 (\$ in Thousands)
 D-19 Conversion Factor

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 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Utility
1	<u>GROSS REVENUE CONVERSION FACTOR</u>		
2	GROSS REVENUE FACTOR		1.000000
3	Forfeited Discounts Amount		11,428
4	Total Customer Revenue		2,984,605
5	Shopping Revenue		1,107,648
6	LPC REVENUE	L3 / (L4 + L5)	0.002793
7	GROSS RECEIPTS TAX		(0.059000)
8	UNCOLLECTIBLE EXPENSES	D-10	(0.009708)
9	PUC / OCA & SBA ASSESSMENT AS A % OF REVENUE		(0.002397)
10			
11			
12	NET REVENUES	L2 + L6 + L7 + L8 + L9	0.931688
13			
14	STATE INCOME TAX RATE		8.490%
15			
16	STATE INCOME TAX FACTOR	-	(0.079100)
17			
18	FACTOR AFTER STATE TAXES	L12 + L16	0.852588
19			
20	FEDERAL INCOME TAX RATE		21.000%
21			
22	FEDERAL INCOME TAX FACTOR	-	(0.179043)
23			
24			
25	NET OPERATING INCOME FACTOR	L18 + L22	0.673544
26			
27	GROSS REVENUE CONVERSION FACTOR	1 / L25	1.484684
28			
29	Combined Income Tax Factor on Gross Revenues	- L16 - L22	25.814%
30			
31			
32	<u>INCOME TAX FACTOR</u>		
33			
34	GROSS REVENUE FACTOR	L2	1.000000
35			
36	STATE INCOME TAX RATE		8.490%
37			
38	STATE INCOME TAX FACTOR	- L34 * L36	(0.084900)
39			
40			
41	FACTOR AFTER STATE TAXES	L34 + L38	0.915100
42			
43	FEDERAL INCOME TAX RATE		21.000%
44			
45	FEDERAL INCOME TAX FACTOR	- L41 * L43	(0.192171)
46			
47	NET OPERATING INCOME FACTOR	L41 + L45	0.722929
48			
49			
50	GROSS REVENUE CONVERSION FACTOR	1 / L47	1.383262
51			
52			
53	Combined Income Tax Factor On Taxable Income	L34 - L47	27.707%

PECO Exhibit MJT-3:

Principal Accounting Exhibit – Historic Test Year ended December 31, 2023

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 A-1 Overall Summary

Line No.	Description	Reference	(1) Present Rates	(2) Revenue Increase	(3) Total
1	<u>MEASURE OF VALUE</u>				
2	Utility Plant	C-2	\$9,276,705		\$9,276,705
3	Accumulated Depreciation	C-3	2,139,325		2,139,325
4	Common Plant - Net of Accum Depr	C-8	435,320		435,320
5	Net Plant in service	L2 - L3 + L4	\$7,572,701		\$7,572,701
6					
7	Working Capital	C-1	\$219,251		\$219,251
8	Accum Deferred Income Taxes	C-1	(613,793)		(613,793)
9	Customer Deposits	C-1	(57,291)		(57,291)
10	Customer Advances for Construction	C-1	(2,889)		(2,889)
11	Materials and Supplies	C-1	30,350		30,350
12	Accum Deferred Income Taxes - Reg Liability	C-1	(288,276)		(288,276)
13					
14	TOTAL RATE BASE	SUM L5 to L12	\$6,860,054		\$6,860,054
15					
16	<u>OPERATING REVENUES AND EXPENSES</u>				
17	Base Customer Charges	D-5	\$1,743,302	\$131,874	\$1,875,176
18	Electric Cost Revenue	D-5	\$1,141,275		1,141,275
19	Other Operating Revenues	D-5	\$50,097	551	50,648
20	Total Revenues	SUM L17 to L19	\$2,934,674	\$132,425	\$3,067,099
21					
22	Operating Expenses	D-1	\$2,471,689	\$9,377	\$2,481,066
23					
24	OIBIT	L20 - L22	\$462,986	\$123,048	\$586,033
25					
26	Income Taxes @ Eff Inc Tax Rate	D-18	(\$17,056)		(\$17,056)
27	Income Taxes @ Statutory Rates	D-18		(\$34,579)	(\$34,579)
28					
29	NET OPERATING INCOME	SUM L24 to L27	\$445,929	\$88,469	\$534,398
30					
31	RATE OF RETURN	L29 / L14	6.50%		7.79%
32					
33	<u>REVENUE INCREASE REQUIRED</u>				
34	Rate of Return at Present Rates	L31	6.50%		
35					
36	Rate of Return Required	B-7	7.79%		
37					
38	Change in ROR	L36 - L34	1.29%		
39					
40	Change in Operating Income	L14 * L38	\$88,469		
41					
42	Gross Revenue Conversion Factor	D-19	1.491		
43					
44	Change in Revenues	L40 * L42	\$131,874		
45					
46	<u>RETURN ON COMMON EQUITY</u>				
47	Common Equity Ratio	B-7	52.99%		
48	Common Equity Rate Base	L14 * L47	\$3,635,143		
49	NET OPERATING INCOME	L29	\$445,929		
50	Synchronized Interest Expense	D-18	\$136,515		
51	NET OPERATING INCOME - COMMON EQUITY	L49 - L50	\$309,414		
52	RATE OF RETURN ON COMMON EQUITY	L51 / L48	8.51%		

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)

Exhibit MJT-3
 Schedule B-1
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total - PECO
1	Utility Plant		
2	Utility Plant (101-106, 108, 114)		\$16,364,069
3	Construction Work In Progress (107)		884,592
4	Total Utility Plant	L2 + L3	\$17,248,662
5	Less: Accum. Prov. for Depr. and Amort. (108, 110, 111, 115)		4,108,917
6	Net Utility Plant	L4 - L5	\$13,139,744
7			
8	Other Property and Investments		
9	Non-Utility Property (121)		\$13,257
10	Less: Accum. Prov. for Depr. and Amort. (122)		1,321
11	Invest in Assoc Company (123)		(20,325)
12	Other Investments (124-129, 175-176)		27,679
13	Total Other Property and Investments	SUM L9 to L12	\$19,290
14			
15	Current and Accrued Assets		
16	Cash & Other Temporary Investments (131-136)		\$44,405
17	Customer Accounts Receivable (142)		342,083
18	Other Accounts Receivable (143)		116,656
19	Accum. Prov. for Uncollectible (144)		(102,633)
20	Receivables from Assoc. Comp. (146)		2,361
21	Fuel Stock (151)		50,589
22	Plant Materials & Supplies (154)		67,119
23	Prepayments (165)		19,523
24	Accrued Utility Revenues (173)		184,653
25	Miscellaneous Current & Accrued Assets (174)		38,560
26	Total Current and Accrued Assets	SUM L16 to L25	\$763,315
27			
28	Deferred Debits		
29	Unamortized Debt Expense (181)		\$43,162
30	Other Regulatory Assets (182.3)		919,812
31	Miscellaneous Deferred Debits (186)		717,805
32	Unamortized Loss on Reacquired Debt (189)		
33	Accumulated Deferred Income Taxes (190)		278,338
34	Total Deferred Debits	SUM L29 to L33	\$1,959,118
35			
36	TOTAL ASSETS	L6+L13+L26+L34	\$15,881,468

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)

Exhibit MJT-3
Schedule B-1
Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total - PECO
37	<u>Proprietary Capital</u>		
38	Common Stock Issued (201)		\$1,423,004
39	Preferred Stock Issued (204)		
40	Other Paid-In Capital (208-211)		2,627,435
41	Capital Stock Expense (214)		(87)
42	Retained Earnings (215, 215.2, 216)		5,436,968
43	Unappropriated Undistributed Subsidiary Earnings (216.1)		(3,419,976)
44	Accum Other Comprehensive Income (219)		2,176
45	Total Propriety Capital & Margins	SUM L38 to L44	\$6,069,521
46			
47	<u>Long Term Debt</u>		
48	Bonds (221)		\$5,200,000
49	Advances from Associated Companies (223)		184,419
50	Other Long-Term Debt (224)		
51	Unamortized Premium on LTD (225)		
52	Unamortized Discount on LTD (226)		(24,352)
53	Total Long-Term Debt	SUM L48 to L52	\$5,360,066
54			
55	<u>Other Non-Current Liabilities</u>		
56	Obligations under Capital Leases (227)		
57	Accum. Prov for Injuries & Damages (228.2)		\$36,915
58	Accum. Prov for Pensions & Benefits (228.3)		303,421
59	Accum. Miscellaneous Operating Prov (228.4)		16,430
60	Asset Retirement Obligation (230)		26,348
61	Total Other Non-Current Liabilities	SUM L56 to L60	\$383,115
62			
63	<u>Current and Accrued Liabilities</u>		
64	Notes Payable (231)		\$164,783
65	Accounts Payable (232)		508,750
66	Notes Payable to Assoc. Companies (233)		
67	Accounts Payable to Assoc. Companies (234)		40,237
68	Customer Deposits (235)		78,872
69	Taxes Accrued (236)		64,430
70	Interest Accrued (237)		49,878
71	Dividends Declared (238)		
72	Tax Collections Payable (241)		38
73	Misc Current & Accrued Liabilities (242)		151,816
74	Total Current & Accrued Liabilities	SUM L64 to L73	\$1,058,804
75			
76	<u>Other Deferred Credits</u>		
77	Customer Advances for Construction (252)		\$4,172
78	Other Deferred Credits (253)		1,521
79	Other Regulatory Liabilities (254)		404,351
80	Deferred Investment Tax Credit (255)		332
81	Unamortized Gain on Reacquired Debt (257)		788
82	Accumulated Deferred Income Taxes (281-283)		2,598,799
83	Total Other Deferred Credits	SUM L77 to L82	\$3,009,962
84			
85	TOTAL LIABILITIES AND OTHER CREDITS	L45+L53+L61+L74+L83	\$15,881,468

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-2 Income Statement Summary

Exhibit MJT-3
 Schedule B-2
 Witness: Michael J. Trzaska
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Line No.	Category	Description	(1) HTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	Total Operating Revenues	Customer & Distribution Revenues	\$1,544,095		\$1,544,095
2		Electric Cost Revenue	1,141,363		1,141,363
3		Transmission - All Classes	209,772		209,772
4		Other Revenues	306,983	\$256,885	50,097
5		Total Operating Revenues	\$3,202,212	\$256,885	\$2,945,327
6					
7	Total Operating Expenses	Operation & Maintenance Expenses	\$2,106,374	\$79,962	\$2,026,412
8		Depreciation & Amortization Expense	302,761	44,619	258,142
9		Amortization of Regulatory Expense			
10		Taxes Other Than Income Taxes - Other	193,733	4,284	189,450
11		Total Operating Expenses	\$2,602,868	\$128,865	\$2,474,003
12					
13	Net Utility Operating Income Before Income Tax		\$599,344	\$128,020	\$471,324

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-2 Income Statement Detail

Exhibit MJT-3
 Schedule B-2
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) HTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	Operating Revenues	Customer & Distribution Revenues	Residential	440.0	\$875,808		\$875,808
2			Residential - House Heating	440.1	156,268		156,268
3			C & I Small	442.0	292,195		292,195
4			C & I Large	442.1	190,530		190,530
5			Street Lighting	444.0	8,117		8,117
6			Railroads & Railways	446.0	21,011		21,011
7			Intercompany	448.0	166		166
8			Transmission - All Classes		209,772		209,772
9					Sub-total - Customer & Distribution Revenues		\$1,753,867
10							
11	Electric Cost Revenue		Residential	440.0	\$745,840		\$745,840
12			Residential - House Heating	440.1	176,253		176,253
13			C & I Small	442.0	193,399		193,399
14			C & I Large	442.1	24,714		24,714
15			Street Lighting	444.0	1,069		1,069
16			Sales for Resale	447.0	87		87
17			Intercompany	448.0			
18			Sub-total - Electric Cost Revenue		\$1,141,363		\$1,141,363
19							
20	Other Operating Revenues		Forfeited Discounts	450.0	\$16,337		\$16,337
21			Miscellaneous Service Revenues	451.0	4,933		4,933
22			Rent For Electric Property	454.0	32,628	\$10,633	21,995
23			Other Electric Revenues	456.0	6,833		6,833
24			Transmission of Electricity for Others	456.1	246,253	246,253	
25			Sub-total - Other Operating Revenues		\$306,983	\$256,885	\$50,097
26							
27			TOTAL OPERATING REVENUES		\$3,202,212	\$256,885	\$2,945,327
28							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) HTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
29	Operating Expenses	Operation & Maintenance Expenses	Purchased Power	555.0	\$1,073,543		\$1,073,543
30			Operation & Supervision	560.0	9,058	\$9,058	
31			Load Dispatching	561.0			
32			Scheduling, System Control & Dispatch	561.4	99,062		99,062
33			Transmission Service Studies	561.6			
34			Generation Service Studies	561.7			
35			Reliability, Planning & Standard Development	561.8	97,936		97,936
36			Station Expense	562.0	341	341	
37			Overhead Lines	563.0	434	434	
38			Underground Lines Expense	564.0			
39			Miscellaneous Expense	566.0	14,504	14,504	
40			Rents	567.0	12,104	12,104	
41			Maintenance of Structures	569.0	19	19	
42			Maintenance of Computer Hardware	569.1	99	99	
43			Maintenance of Computer Software	569.2	99	99	
44			Maintenance of Communication Equipment	569.3	127	127	
45			Maintenance of Station Equipment	570.0	9,137	9,137	
46			Maintenance of Overhead Lines	571.0	8,378	8,378	
47			Maintenance of Underground Lines	572.0	76	76	
48			Maintenance of Misc Transmission Plant	573.0	7,720	7,720	
49			Operation & Supervision	580.0	1,231		1,231
50			Load Dispatching	581.0			
51			Station Expenses	582.0	678		678
52			Overhead Lines Expenses	583.0	14,558		14,558
53			Underground Lines Expense	584.0	10,968		10,968
54			Meter Expenses	586.0	6,495		6,495
55			Customer Installations Expense	587.0	12,458		12,458
56			Miscellaneous Expense	588.0	79,400		79,400
57			Rents	589.0	3,535		3,535
58			Maintenance of Structures	591.0	4,942		4,942
59			Maintenance of Station Equipment	592.0	17,606		17,606
60			Maintenance of Overhead Lines	593.0	146,409		146,409
61			Maintenance of Underground Lines	594.0	36,176		36,176

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) HTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
62			Maintenance of Line Transformers	595.0	2,061		2,061
63			Maintenance of Street Lighting & Signal Systems	596.0	1,539		1,539
64			Maintenance of Misc. Distribution	598.0	17,980		17,980
65			Supervision	901.0			
66			Meter Reading	902.0	622		622
67			Customer Records and Collection	903.0	94,383		94,383
68			Uncollectible Accounts	904.0	42,082		42,082
69			Miscellaneous Customer Accounts	905.0	3,726		3,726
70			Customer Assistance	908.0	92,332		92,332
71			Informational & Instructional	909.0	897		897
72			Miscellaneous Customer & Informational	910.0	738		738
73			Demonstrating & Selling	912.0	318		318
74			Miscellaneous Sales	916.0			
75			Administrative and General Salaries	920.0	28,386	3,923	24,463
76			Office Supplies and Expenses	921.0	6,136	1,118	5,018
77			Administrative Expenses Transferred-Credit	922.0			
78			Outside Service Employed	923.0	96,807	10,030	86,778
79			Property Insurance	924.0	856	95	761
80			Injuries & Damages	925.0	17,418	46	17,372
81			Employee Pensions and Benefits	926.0	17,303	1,638	15,665
82			Regulatory Commission Expenses	928.0	7,776	63	7,712
83			Duplicate Charges-Credit	929.0	(1,475)	(132)	(1,343)
84			Miscellaneous General Expenses	930.2	2,923	628	2,295
85			Maintenance of General Plant	935.0	6,477	458	6,019
86			Sub-total - O&M Expenses		\$2,106,374	\$79,962	\$2,026,412
87							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-2 Income Statement Detail

Line No.	Category	Description	Description	Account	(1) HTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
88		Depreciation & Amortization Expense	Depreciation & Amortization Expense	403.0	\$251,766	\$35,462	\$216,304
89				404.0	50,995	9,157	41,838
90			Sub-total - Depreciation & Amortization Expense		\$302,761	\$44,619	\$258,142
91							
92		Amortization of Regulatory Expense	Amortization of Regulatory Expense	407.3			
93			Sub-total - Amortization of Regulatory Expense				
94							
95		Taxes Other Than Income Taxes - Other	Taxes Other Than Income Taxes - Other	408.1	\$193,733	\$4,284	\$189,450
96			Sub-total -Taxes Other Than Income Taxes - Other		\$193,733	\$4,284	\$189,450
97							
98			TOTAL OPERATING EXPENSES		\$2,602,868	\$128,865	\$2,474,003
99							
100			NET UTILITY OPERATING INCOME BEFORE INCOME TAX		\$599,344	\$128,020	\$471,324
101							

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-3 Operating Revenues

Exhibit MJT-3
 Schedule B-3
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Description	Account	(1) HTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	OPERATING REVENUE	Customer & Distribution Revenue	Residential	440.0	\$875,808		\$875,808
2			Residential - House Heating	440.1	156,268		156,268
3			C & I Small	442.0	292,195		292,195
4			C & I Large	442.1	190,530		190,530
5			Railroads & Railways	446.0	8,117		8,117
6			Street Lighting	444.0	21,011		21,011
7			Intercompany	448.0	166		166
8			Transmission - All Classes		209,772		209,772
9			Sub-total - Customer & Distribution Revenue		<u>\$1,753,867</u>		<u>\$1,753,867</u>
10							
11		Electric Cost Revenue	Residential	440.0	\$745,840		\$745,840
12			Residential - House Heating	440.1	176,253		176,253
13			C & I Small	442.0	193,399		193,399
14			C & I Large	442.1	24,714		24,714
15			Railroads & Railways	444.0			
16			Street Lighting	446.0	1,069		1,069
17			Sales for Resale	447.0	87		87
18			Intercompany	448.0			
19			Sub-total - Electric Cost Revenue		<u>\$1,141,363</u>		<u>\$1,141,363</u>
20							
21			TOTAL OPERATING REVENUE		<u>\$2,895,230</u>		<u>\$2,895,230</u>
22							
23	OTHER REVENUE	Other Operating Revenue	Forfeited Discounts	450.0	\$16,337		\$16,337
24			Miscellaneous Service Revenues	451.0	4,933		4,933
25			Sub-total - Other Operating Revenue		<u>\$21,270</u>		<u>\$21,270</u>
26							
27		Other Electric Revenue	Rent For Electric Property	454.0	\$32,628	\$10,633	\$21,995
28			Other Electric Revenues	456.0	6,833		6,833
29			Transmission of Electricity for Others	456.1	246,253	246,253	
30			Sub-total - Other Electric Revenue		<u>\$285,713</u>	<u>\$256,885</u>	<u>\$28,828</u>
31							
32			TOTAL OTHER REVENUE		<u>\$306,983</u>	<u>\$256,885</u>	<u>\$50,097</u>
33							
34			TOTAL REVENUE		<u><u>\$3,202,212</u></u>	<u><u>\$256,885</u></u>	<u><u>\$2,945,327</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-4 O+M Expenses

Exhibit MJT-3
 Schedule B-4
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Account	Account	(1) HTY Amount	(2) Non-Jurisdictional	(3) Jurisdictional
1	POWER SUPPLY EXPENSES	Power Supply	Purchased Power		555.0	\$1,073,543	\$1,073,543
2			TOTAL POWER SUPPLY EXPENSES			<u>\$1,073,543</u>	<u>\$1,073,543</u>
3							
4	TRANSMISSION EXPENSE	Transmission Operations	Operation & Supervision		560.0	\$9,058	\$9,058
5			Load Dispatching		561.0		
6			Scheduling, System Control & Dispatch		561.4	99,062	99,062
7			Transmission Service Studies		561.6		
8			Generation Service Studies		561.7		
9			Reliability, Planning & Standard Development		561.8	97,936	97,936
10			Station Expense		562.0	341	341
11			Overhead Lines		563.0	434	434
12			Underground Lines Expense		564.0		
13			Miscellaneous Expense		566.0	14,504	14,504
14			Rents		567.0	12,104	12,104
15			Sub-total Transmission Operations	SUM L4 to L14	\$233,439	\$36,442	\$196,997
16							
17		Transmission Maintenance	Maintenance of Structures		569.0	\$19	\$19
18			Maintenance of Computer Hardware		569.1	99	99
19			Maintenance of Computer Software		569.2	99	99
20			Maintenance of Communication Equipment		569.3	127	127
21			Maintenance of Station Equipment		570.0	9,137	9,137
22			Maintenance of Overhead Lines		571.0	8,378	8,378
23			Maintenance of Underground Lines		572.0	76	76
24			Maintenance of Misc Transmission Plant		573.0	7,720	7,720
25			Sub-total Transmission Maintenance	SUM L17 to L24	\$25,654	\$25,654	
26							
27			TOTAL TRANSMISSION EXPENSE	L15 + L25	<u>\$259,093</u>	<u>\$62,096</u>	<u>\$196,997</u>
28							
29	DISTRIBUTION EXPENSE	Distribution Operations	Operation & Supervision		580.0	\$1,231	\$1,231
30			Load Dispatching		581.0		
31			Station Expenses		582.0	678	678
32			Overhead Lines Expenses		583.0	14,558	14,558
33			Underground Lines Expense		584.0	10,968	10,968
34			Meter Expenses		586.0	6,495	6,495
35			Customer Installations Expense		587.0	12,458	12,458
36			Miscellaneous Expense		588.0	79,400	79,400
37			Rents		589.0	3,535	3,535
38			Sub-total Distribution Operations	SUM L29 to L37	\$129,321		\$129,321
39							
40		Distribution Maintenance	Maintenance of Structures		591.0	4,942	4,942
41			Maintenance of Station Equipment		592.0	17,606	17,606
42			Maintenance of Overhead Lines		593.0	146,409	146,409
43			Maintenance of Underground Lines		594.0	36,176	36,176
44			Maintenance of Line Transformers		595.0	2,061	2,061
45			Maintenance of Street Lighting & Signal Systems		596.0	1,539	1,539
46			Maintenance of Misc. Distribution		598.0	17,980	17,980

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-4 O+M Expenses

Line No.	Category	Description	Account	Account	HTY Amount	Non-Jurisdictional	Jurisdictional
47			Sub-total Distribution Maintenance	SUM L40 to L46	\$226,712		\$226,712
48							
49			TOTAL DISTRIBUTION EXPENSE	L38 + L47	\$356,034		\$356,034
50							
51	CUSTOMER ACCOUNTS	Customer Accounts	Supervision	901.0			
52			Meter Reading	902.0	622		622
53			Customer Records and Collection	903.0	94,383		94,383
54			Uncollectible Accounts	904.0	42,082		42,082
55			Miscellaneous Customer Accounts	905.0	3,726		3,726
56			TOTAL CUSTOMER ACCOUNTS	SUM L51 to L55	\$140,812		\$140,812
57							
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	Customer Assistance	908.0	\$92,332		\$92,332
59			Informational & Instructional	909.0	897		897
60			Miscellaneous Customer & Informational	910.0	738		738
61			TOTAL CUSTOMER SERVICE & INFORMATION	SUM L58 to L60	\$93,967		\$93,967
62							
63	SALES	Sales Expense	Demonstrating & Selling	912.0	\$318		\$318
64			Miscellaneous Sales	916.0			
65			TOTAL SALES EXPENSE	SUM L63 to L64	\$318		\$318
66							
67	ADMINISTRATION & GENERAL	A&G Operations	Administrative and General Salaries	920.0	\$28,386	\$3,923	\$24,463
68			Office Supplies and Expenses	921.0	6,136	\$1,118	5,018
69			Administrative Expenses Transferred-Credit	922.0			
70			Outside Service Employed	923.0	96,807	\$10,030	86,778
71			Property Insurance	924.0	856	\$95	761
72			Injuries & Damages	925.0	17,418	\$46	17,372
73			Employee Pensions and Benefits	926.0	17,303	\$1,638	15,665
74			Regulatory Commission Expenses	928.0	7,776	\$63	7,712
75			Duplicate Charges-Credit	929.0	(1,475)	(\$132)	(1,343)
76			Miscellaneous General Expenses	930.2	2,923	\$628	2,295
77			Sub-total A&G Operations	SUM L67 to L76	\$176,131	\$17,408	\$158,722
78							
79		A&G Maintenance	Maintenance of General Plant	935.0	6,477	458	6,019
80							
81			TOTAL ADMINISTRATION & GENERAL	L77 + L79	\$182,608	\$17,867	\$164,741
82							
83			TOTAL O&M EXPENSE	L2+L27+L49+L56+L61+L65+L81	\$2,106,374	\$79,962	\$2,026,412
84							
85			TOTAL OPERATIONS EXPENSE		\$1,854,007	\$54,308	\$1,799,699
86			TOTAL MAINTENANCE EXPENSE		252,366	25,654	226,712
87			TOTAL O&M EXPENSE	L85 + L86	\$2,106,374	\$79,962	\$2,026,412

PECO Electric Operations Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands) B-4 O+M Exp. - A+G Detail

Exhibit MJT-3
 Schedule B-4
 Witness: Michael J. Trzaska
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					(1)	(2)	(3)	(4)
Line No.	Category	Description	Description	Account	HTY Amount	Percent to Non-Jurisdiction	Non-Jurisdictional	Jurisdictional
31	General	A&G Operations	Administrative and General Salaries	920.0		12.3730%		
32			Office Supplies and Expenses	921.0		12.3730%		
33			Administrative Expenses Transferred-Credit	922.0		12.3730%		
34			Outside Service Employed	923.0		12.3730%		
35			Property Insurance	924.0		12.3730%		
36			Injuries and Damages	925.0		12.3730%		
37			Employee Pensions and Benefits	926.0		12.3730%		
38			Regulatory Commission Expenses	928.0		12.3730%		
39			Duplicate Charges-Credit	929.0		12.3730%		
40			Miscellaneous General Expenses	930.2		12.3730%		
41			Sub-total A&G Operations - General	SUM L31 to L40				
42								
43		A&G Maintenance	Maintenance of General Plant	935.0	\$32	12.3730%	\$4	\$28
44			ADMINISTRATION & GENERAL - GENERAL	L41 + L43	\$32		\$4	\$28
45								
46	TOTAL	A&G Operations	Administrative and General Salaries	920.0	\$28,386		\$3,923	\$24,463
47			Office Supplies and Expenses	921.0	6,136		1,118	5,018
48			Administrative Expenses Transferred-Credit	922.0				
49			Outside Service Employed	923.0	96,807		10,030	86,778
50			Property Insurance	924.0	856		95	761
51			Injuries & Damages	925.0	17,418		46	17,372
52			Employee Pensions and Benefits	926.0	17,303		1,638	15,665
53			Regulatory Commission Expenses	928.0	7,776		63	7,712
54			Duplicate Charges-Credit	929.0	(1,475)		(132)	(1,343)
55			Miscellaneous General Expenses	930.2	2,923		628	2,295
56			Sub-total A&G Operations - TOTAL	SUM L46 to L55	\$176,131		\$17,408	\$158,722
57								
58		A&G Maintenance	Maintenance of General Plant	935.0	\$6,477		\$458	\$6,019
59			ADMINISTRATION & GENERAL - TOTAL	L56 + L58	\$182,608		\$17,867	\$164,741

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-5 Taxes Details

Exhibit MJT-3
 Schedule B-5
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)
Line No.	Description	Percentage	Total	Transmission Elimination	Distribution
1	Public Utility Real Tax (PURTA) Total Expense	17.825%	\$6,819	(\$1,216)	\$5,604
2	Use Tax Accrued	17.825%	2,345	(418)	1,927
3	Real Estate Tax Accrued	17.825%	5,664	(1,010)	4,655
4	Miscellaneous TOTI	12.373%	46	(6)	41
5	Payroll Tax Accrued	12.373%	13,211	(1,635)	11,576
6	Gross Receipt Tax		165,647		165,647
7	Total		\$193,733	(\$4,284)	\$189,450

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)

Exhibit MJT-3
 Schedule B-6
 Witness: Michael J. Trzaska
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Line No.	Type of Bond Issue	Bond Issue	Reference	Amount Outstanding	Percent to Total	Effective Interest Rate	Average Weighted Cost Rate	Annualized Cost
1	First & Refunding Mortgage Bonds - Fixed Rate	PECO - FMB - \$350 - 3.15% - Due 10-15-2025		\$350,000		3.29%		
2					6.50%		0.21%	
3		PECO - FMB - \$75 - 5.90% - Due 5-1-2034		75,000		6.00%		
4					1.39%		0.08%	
5		PECO - FMB - \$300 - 5.95% - Due 10-1-2036		300,000		6.04%		
6					5.57%		0.34%	
7		PECO - FMB - \$175 - 5.70% - Due 3-15-2037		175,000		5.81%		
8					3.25%		0.19%	
9		PECO - FMB - \$250 - 4.80% - Due 10-15-2043		250,000		4.89%		
10					4.64%		0.23%	
11		PECO - FMB - \$300 - 4.15% - Due 10-1-2044		300,000		4.21%		
12					5.57%		0.23%	
13		PECO - FMB - \$325 - 3.70% - Due 9-15-2047		325,000		3.77%		
14					6.04%		0.23%	
15		PECO - FMB - \$650 - 3.90% - Due 3-1-2048		650,000		4.08%		
16					12.07%		0.49%	
17		PECO - FMB - \$325 - 3.00% - Due 9-15-2049		325,000		3.10%		
18					6.04%		0.19%	
19		PECO - FMB - \$350 - 2.80% - Due 6-15-2050		350,000		2.86%		
20					6.50%		0.19%	
21		PECO - FMB - \$375 - 3.05% - Due 3-15-2051		375,000		3.11%		
22					6.96%		0.22%	
23		PECO - FMB - \$375 - 2.85% - Due 9-15-2051		375,000		2.90%		
24					6.96%		0.20%	
25		PECO - FMB - \$350 - 4.60% - Due 5-15-2052		350,000		4.71%		
26					6.50%		0.31%	
27		PECO - FMB - \$425 - 4.375% - Due 8-15-2052		425,000		4.46%		
28					7.89%		0.35%	
29		PECO - FMB - \$575 - 4.90% - Due 6-15-2033		575,000		5.03%		
30					10.68%		0.54%	
31								
32		Sub-total Mortgage Bonds	SUM L1 to L30	\$5,200,000	96.57%		4.00%	
33								
34	Trust Preferred Capital Securities	PECO - TOPRS - \$80.5 - 7.38% - Due 4-6-2028		\$80,521		7.46%		
35					1.50%		0.11%	
36		PECO - TOPRS - \$0.8 - Var (6.75%) - Due 4-6-2028		805		6.75%		
37					0.01%			
38		PECO - TOPRS - \$103 - 5.75% - Due 6-15-2033		103,093		5.88%		
39					1.91%		0.11%	
40								
41		Sub-total Capital Securities	SUM L34 to L39	\$184,419	3.43%		0.22%	
42								
43		Total Long-Term Debt	L32 + L41	\$5,384,419	100.00%		4.22%	
44								
45		Adjustments for Tenders & Calls		(864)				
46								
47		Net Long-Term Debt	L43 + L45	\$5,383,555				
48								
49		Annualized Cost		227,222				
50								
51		Adjustment for Tenders & Calls Reacquired		341				
52								
53		Total	L49 + L51	\$227,563			4.23%	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 B-7 Rate of Return

Exhibit MJT-3
 Schedule B-7
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Description	Capitalization	Capitalization Ratio	Embedded Cost	Return %
1					
2	Long-Term Debt	\$5,383,555	47.01%	4.23%	1.99%
3					
4	Common Equity	\$6,069,521	52.99%	10.95%	5.80%
5					
6	Total	<u>\$11,453,075</u>	<u>100.00%</u>		<u>7.79%</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-1 Measures of Value

Exhibit MJT-3
 Schedule C-1
 Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Description	Reference	HTY Amount	Non-Jurisdictional	Jurisdictional
1	Utility Plant	C-2	\$11,301,773	\$2,025,068	\$9,276,705
2	Accumulated Depreciation	C-3	2,763,339	624,014	2,139,325
3	Common Plant	C-8	435,320		435,320
4	Net Plant in Service	L1 - L2 + L3	\$8,973,755	\$1,401,054	\$7,572,701
5					
6	Working Capital	C-4	\$219,251		\$219,251
7	Accumulated Deferred Income Taxes	C-6	(613,793)		(613,793)
8	Customer Deposits	C-7	(57,291)		(57,291)
9	Customer Advances for Construction	C-9	(2,889)		(2,889)
10	Material & Supplies	C-11	30,350		30,350
11	ADIT - Reg Liability	C-12	(288,276)		(288,276)
12	Total Measures of Value	SUM L4 to L11	\$8,261,108	\$1,401,054	\$6,860,054

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)
C-2 Utility Plant

Exhibit MJT-3
Schedule C-2
Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Category	Account	Reference	HTY Amount	Non-Jurisdictional	Jurisdictional
1	<u>Intangible Plant</u>	E301 - Organization Costs				
2		E302 - Franchises and Consents		\$163	\$20	\$143
3		E303 - Misc Intangible Plant		163,322	27,676	135,646
4		Sub-total Intangible Plant	SUM L1 to L3	\$163,485	\$27,696	\$135,789
5						
6	<u>Transmission Plant</u>	E350 - Land and Land Rights		\$75,731	\$75,731	
7		E352 - Structures and Improvements		101,496	101,496	
8		E353 - Station Equipment		1,009,734	1,009,734	
9		E354 - Towers and Fixtures		291,316	291,316	
10		E355 - Poles and Fixtures		29,596	29,596	
11		E356 - Overhead Conductors, Devices		278,178	278,178	
12		E357 - Underground Conduit		42,173	42,173	
13		E358 - Undergrnd Conductors, Devices		126,219	126,219	
14		E359 - Roads and Trails		2,621	2,621	
15		E359.1 - ARO Costs Transmission Plt		504	504	
16		Sub-total Transmission Plant	SUM L6 to L15	\$1,957,570	\$1,957,570	
17						
18	<u>Distribution Plant</u>	E360 - Land and Land Rights		\$54,159		\$54,159
19		E361 - Structures and Improvements		208,819		208,819
20		E362 - Station Equipment		1,247,093		1,247,093
21		E364 - Poles, Towers and Fixtures		1,161,298		1,161,298
22		E365 - Overhead Conductors, Devices		1,948,621		1,948,621
23		E366 - Underground Conduit		765,407		765,407
24		E367 - Undergrnd Conductors, Devices		1,801,734		1,801,734
25		E368 - Line Transformers		774,629		774,629
26		E369 - Services		467,518		467,518
27		E370 - Meters		347,017		347,017
28		E371 - Installs on Customer Premiss		13,772		13,772
29		E373 - Street Lighting, Signal Systems		66,273		66,273
30		E374 - ARO Costs Distribution Plant		2,693		2,693
31		Sub-total Distribution Plant	SUM L18 to L30	\$8,859,034		\$8,859,034
32						
33	<u>General Plant</u>	E389 - Land and Land Rights		\$1,063	\$132	\$932
34		E390 - Structures and Improvements		50,959	6,305	44,654
35		E391 - Office Furniture, Equipment		30,578	3,783	26,794
36		E392 - Transportation Equipment				
37		E393 - Stores Equipment		45	6	39
38		E394 - Tools, Shop, Garage Equipment		53,044	6,563	46,481
39		E395 - Laboratory Equipment		255	32	224
40		E396 - Power Operated Equipment				
41		E397 - Communication Equipment		183,070	22,651	160,419
42		E398 - Miscellaneous Equipment		712	88	624
43		E399 - Other Tangible Property				
44		E399.1 - ARO Costs General Plant		1,958	242	1,716
45		Sub-total General Plant	SUM L33 to L44	\$321,685	\$39,802	\$281,883
46						
47		Total	L4+L16+L31+L45	\$11,301,773	\$2,025,068	\$9,276,705

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-2 Additions to Plant

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 Schedule C-2
 Witness: Michael J. Trzaska
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(1)

Line No.	Category	Account	Additions to Plant
1	Intangible Plant	E303 - Misc Intangible Plant	
2		Sub-total Intangible Plant	
3			
4	Transmission Plant	E350 - Land and Land Rights	
5		E352 - Structures and Improvements	
6		E353 - Station Equipment	
7		E354 - Towers and Fixtures	
8		E355 - Poles and Fixtures	
9		E356 - Overhead Conductors, Devices	
10		E357 - Underground Conduit	
11		E358 - Undergrnd Conductors, Devics	
12		E359 - Roads and Trails	
13		Sub-total Transmission Plant	
14			
15	Distribution Plant	E361 - Structures and Improvements	
16		E362 - Station Equipment	
17		E364 - Poles, Towers and Fixtures	
18		E365 - Overhead Conductors, Devices	
19		E366 - Underground Conduit	
20		E367 - Undergrnd Conductors, Devics	
21		E368 - Line Transformers	
22		E369 - Services	
23		E370 - Meters	
24		E373 - Street Lighting,Signal Systm	
25		Sub-total Distribution Plant	
26			
27	General Plant	E390 - Structures and Improvements	
28		E391 - Office Furniture, Equipment	
29		E394 - Tools, Shop, Garage Equipmnt	
30		E397 - Communication Equipment	
31		E398 - Miscellaneous Equipment	
32		Sub-total General Plant	
33			
34		Total	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-2 Plant Retirements

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 Schedule C-2
 Witness: Michael J. Trzaska
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(1)

Line No.	Category	Account	Plant Retirements
1	<u>Intangible Plant</u>	E303 - Misc Intangible Plant	
2		Sub-total Intangible Plant	
3			
4	<u>Transmission Plant</u>	E352 - Structures and Improvements	
5		E353 - Station Equipment	
6		E354 - Towers and Fixtures	
7		E355 - Poles and Fixtures	
8		E356 - Overhead Conductors, Devices	
9		E357 - Underground Conduit	
10		E358 - Undergrnd Conductors, Devics	
11		E359.1 - ARO Costs Transmission Plt	
12		Sub-total Transmission Plant	
13			
14	<u>Distribution Plant</u>	E361 - Structures and Improvements	
15		E362 - Station Equipment	
16		E364 - Poles, Towers and Fixtures	
17		E365 - Overhead Conductors, Devices	
18		E366 - Underground Conduit	
19		E367 - Undergrnd Conductors, Devics	
20		E368 - Line Transformers	
21		E369 - Services	
22		E370 - Meters	
23		E373 - Street Lighting,Signal Systm	
24		E374 - ARO Costs Distribution Plt	
25		Sub-total Distribution Plant	
26			
27	<u>General Plant</u>	E390 - Structures and Improvements	
28		E391 - Office Furniture, Equipment	
29		E393 - Stores Equipment	
30		E394 - Tools, Shop, Garage Equipmnt	
31		E395 - Laboratory Equipment	
32		E397 - Communication Equipment	
33		E398 - Miscellaneous Equipment	
34		E399.1 - ARO Costs General Plt	
35		Sub-total General Plant	
36			
37		Total	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-2 Plant Pro Forma Adjustments

Exhibit MJT-3
 Schedule C-2
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	Account	HTY Amount	Utility Allocation Factor	Allocated to Utility	Jurisdictional Allocation Factor	Allocated to Jurisdiction	Allocated to Non Jurisdiction
85	General Plant	E389 - Land and Land Rights	\$1,063	100.00%	\$1,063	87.63%	\$932	\$132
86			\$1,063		\$1,063		\$932	\$132
87								
88		E390 - Structures and Improvements	50,959	100.00%	50,959	87.63%	44,654	6,305
89			50,959		50,959		44,654	6,305
90								
91		E391 - Office Furniture, Equipment	30,578	100.00%	30,578	87.63%	26,794	3,783
92			30,578		30,578		26,794	3,783
93								
94		E393 - Stores Equipment	45	100.00%	45	87.63%	39	6
95			45		45		39	6
96								
97		E394 - Tools, Shop, Garage Equipment	53,044	100.00%	53,044	87.63%	46,481	6,563
98			53,044		53,044		46,481	6,563
99								
100		E395 - Laboratory Equipment	255	100.00%	255	87.63%	224	32
101			255		255		224	32
102								
103		E397 - Communication Equipment	183,070	100.00%	183,070	87.63%	160,419	22,651
104			183,070		183,070		160,419	22,651
105								
106		E398 - Miscellaneous Equipment	712	100.00%	712	87.63%	624	88
107			712		712		624	88
108								
109		E399.1 - ARO Costs General Plant	1,958	100.00%	1,958	87.63%	1,716	242
110			1,958		1,958		1,716	242
111								
112		Sub-total General Plant	\$321,685		\$321,685		\$281,883	\$39,802
113								
114								
115		Total	\$11,301,773		\$11,301,773		\$9,276,705	\$2,025,068

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-3 Accumulated Depreciation

Exhibit MJT-3
 Schedule C-3
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)
Line No.	Category	Account	Reference	HTY Amount	Non-Jurisdictional	Jurisdictional
1	Intangible Plant	E301 - Organization Costs				
2		E302 - Franchises and Consents				
3		E303 - Misc Intangible Plant		\$110,293	\$16,924	\$93,369
4		Sub-total Intangible Plant	SUM L1 to L3	\$110,293	\$16,924	\$93,369
5						
6	Transmission Plant	E350 - Land and Land Rights		(\$0)	(\$0)	
7		E352 - Structures and Improvements		27,657	27,657	
8		E353 - Station Equipment		240,304	240,304	
9		E354 - Towers and Fixtures		173,286	173,286	
10		E355 - Poles and Fixtures		3,537	3,537	
11		E356 - Overhead Conductors, Devices		92,938	92,938	
12		E357 - Underground Conduit		2,935	2,935	
13		E358 - Undergrnd Conductors, Devices		48,375	48,375	
14		E359 - Roads and Trails		2,193	2,193	
15		E359.1 - ARO Costs Transmission Plt		63	63	
16		Sub-total Transmission Plant	SUM L6 to L15	\$591,289	\$591,289	
17						
18	Distribution Plant	E360 - Land and Land Rights		\$310		310
19		E361 - Structures and Improvements		46,767		46,767
20		E362 - Station Equipment		502,907		502,907
21		E364 - Poles, Towers and Fixtures		97,704		97,704
22		E365 - Overhead Conductors, Devices		292,180		292,180
23		E366 - Underground Conduit		180,287		180,287
24		E367 - Undergrnd Conductors, Devices		194,984		194,984
25		E368 - Line Transformers		177,957		177,957
26		E369 - Services		197,180		197,180
27		E370 - Meters		197,011		197,011
28		E371 - Installs on Customer Premises		10,659		10,659
29		E373 - Street Lighting, Signal Systems		33,965		33,965
30		E374 - ARO Costs Distribution Plant		2,141		2,141
31		Sub-total Distribution Plant	SUM L18 to L30	\$1,934,051		\$1,934,051
32						
33	General Plant	E389 - Land and Land Rights				
34		E390 - Structures and Improvements		\$16,090	\$1,991	\$14,099
35		E391 - Office Furniture, Equipment		16,394	2,028	14,366
36		E392 - Transportation Equipment				
37		E393 - Stores Equipment		25	3	22
38		E394 - Tools, Shop, Garage Equipmnt		20,399	2,524	17,875
39		E395 - Laboratory Equipment		225	28	197
40		E396 - Power Operated Equipment				
41		E397 - Communication Equipment		73,081	9,042	64,039
42		E398 - Miscellaneous Equipment		(158)	(20)	(138)
43		E399 - Other Tangible Property				
44		E399.1 - ARO Costs General Plt		1,649	204	1,445
45		Sub-total General Plant	SUM L33 to L44	\$127,706	\$15,801	\$111,905
46						
47		Total	L4+L16+L31+L45	\$2,763,339	\$624,014	\$2,139,325

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-3 Accum Depr Pro Forma Adj

Exhibit MJT-3
 Schedule C-3
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	Account	HTY Amount	Utility Allocation Factor	Allocated to Utility	Jurisdictional Allocation Factor	Allocated to Jurisdiction	Allocated to Non Jurisdiction
83	General Plant	E389 - Land and Land Rights						
84								
85								
86		E390 - Structures and Improvements	\$16,090	100.00%	\$16,090	87.63%	\$14,099	\$1,991
87			\$16,090		\$16,090		\$14,099	\$1,991
88								
89		E391 - Office Furniture, Equipment	16,394	100.00%	16,394	87.63%	14,366	2,028
90			16,394		16,394		14,366	2,028
91								
92		E393 - Stores Equipment	25	100.00%	25	87.63%	22	3
93			25		25		22	3
94								
95		E394 - Tools, Shop, Garage Equipmnt	20,399	100.00%	20,399	87.63%	17,875	2,524
96			20,399		20,399		17,875	2,524
97								
98		E395 - Laboratory Equipment	225	100.00%	225	87.63%	197	28
99			225		225		197	28
100								
101		E397 - Communication Equipment	73,081	100.00%	73,081	87.63%	64,039	9,042
102			73,081		73,081		64,039	9,042
103								
104		E398 - Miscellaneous Equipment	(158)	100.00%	(158)	87.63%	(138)	(20)
105			(158)		(158)		(138)	(20)
106								
107		E399.1 - ARO Costs General Plt	1,649	100.00%	1,649	87.63%	1,445	204
108			1,649		1,649		1,445	204
109								
110		Sub-total General Plant	\$127,706		\$127,706		\$111,905	\$15,801
111								
112		Total	\$2,763,339		\$2,763,339		\$2,139,325	\$624,014

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-3 Cost of Removal

Exhibit MJT-3
 Schedule C-3
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Category	Account	Reference	HTY Amount
1	Electric - Intangible Plant	E303 - Misc Intangible Plant		
2		Sub-total Electric - Intangible Plant		
3				
4	Electric - Transmission	E350 - Land and Land Rights		
5		E352 - Structures and Improvements		
6		E353 - Station Equipment		
7		E354 - Towers and Fixtures		
8		E355 - Poles and Fixtures		
9		E356 - Overhead Conductors, Devices		
10		E357 - Underground Conduit		
11		E358 - Undergrnd Conductors, Devics		
12		E359 - Roads and Trails		
13		Sub-total Electric - Transmission	SUM L4 to L12	
14				
15	Electric - Distribution	E361 - Structures and Improvements		
16		E362 - Station Equipment		
17		E364 - Poles, Towers and Fixtures		
18		E365 - Overhead Conductors, Devices		
19		E366 - Underground Conduit		
20		E367 - Undergrnd Conductors, Devics		
21		E368 - Line Transformers		
22		E369 - Services		
23		E370 - Meters		
24		E373 - Street Lighting, Signal Systems		
25		Sub-total Electric - Distribution	SUM L15 to L24	
26				
27	Electric - General Plant	E390 - Structures and Improvements		
28		E391 - Office Furniture, Equipment		
29		E394 - Tools, Shop, Garage Equipmnt		
30		E397 - Communication Equipment		
31		E398 - Miscellaneous Equipment		
32		Sub-total Electric - General Plant	SUM L27 to L31	
33				
34		Total	Lines 2+13+25+32	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 CWC Summary

Exhibit MJT-3
 Schedule C-4
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	HTY Expenses	(Lead)/Lag Days	Dollar-Days
1	Working Capital Requirement				
2					
3	Revenue Lag Days			51.95	
4					
5	<u>Expense Lag Days</u>				
6	Payroll (Dist Only)		\$157,493	13.58	\$2,139,285
7	Pension Expense		6,279	(167.00)	(1,048,654)
8	Commodity Purchased - [A]		1,064,866	35.38	37,669,635
9	Commodity Purchased - [B]		8,677	12.50	108,461
10	PJM Transmission Purchased - By-passable		94,863	12.50	1,185,792
11	PJM Transmission Purchased - Non By-passable		94,454	12.50	1,180,674
12	Other Expenses		533,419	40.07	21,375,196
13	Sub-Total O&M	SUM L6 to L12	<u>\$1,960,052</u>		<u>\$62,610,389</u>
14					
15	Payment to Suppliers		\$1,016,077	38.15	\$38,765,019
16					
17	Total O&M and POR Payments	L13 + L15	<u>\$2,976,129</u>		<u>\$101,375,408</u>
18					
19	O&M Expense / POR Payment Lag Days			34.06	
20					
21	Net Lead/(Lag) Days	L3 - L19		17.89	
22					
23	Days in Current Year			365	
24					
25	Operating Expenses Per Day		<u>\$8,154</u>		
26					
27	Working Capital for O&M Expense		\$145,844		
28					
29	Average Prepayments		\$8,636		
30	Accrued Taxes		\$79,460		
31	Interest Payments		(14,688)		
32					
33	Total Working Capital Requirement	SUM L27 to L31	<u>\$219,251</u>		
34					
35	Pro Forma O&M Expense		\$2,007,216		
36	Uncollectible Expense		47,164		
37	Pro Forma Cash O&M Expense	L35 - L36	<u>\$1,960,052</u>		

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 Revenue Lag

Exhibit MJT-3
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)
Line No.	Description	Reference	Accounts Receivable Balance End of Month	Total Monthly Billing Revenue	A/R Turnover	Days Lag
1	Annual Number of Days					<u>365</u>
2						
3	December		\$402,842			
4	January		453,446	\$378,637		
5	February		445,195	329,190		
6	March		411,718	303,032		
7	April		408,197	278,953		
8	May		340,718	260,453		
9	June		347,805	288,753		
10	July		409,252	373,500		
11	August		386,093	404,999		
12	September		398,390	381,298		
13	October		308,580	293,722		
14	November		285,129	267,091		
15	December		<u>341,788</u>	<u>320,380</u>		
16						
17	Total	SUM L3 to L15	<u>\$4,939,151</u>	<u>\$3,880,008</u>		
18						
19	Average A/R Balance		<u>13</u>			
20						
21	Factor		<u>\$379,935</u>	<u>\$3,880,008</u>	10.21	35.74
22						
23	Collection Days Lag					35.74
24						
25	Billing and Revenue Recording Days Lag					1.00
26						
27	Billing Lag (Average Period)	365 / 12. * 0.5				<u>15.21</u>
28						
29	Total Revenue Lag Days	L23 + L25 + L27				<u><u>51.95</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 O + M Lag for CWC

Exhibit MJT-3
 Schedule C-4
 Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Category	Description	Reference	Payment Date	Mid-point of Service Period	Expense Amount	(Lead)/Lag Days	Dollar Days
1	PAYROLL	Union & Non-Union Payroll				\$149,170		
2		Paid Twice Per Month					13.58	
3		Weighted Payroll Dollar Value						\$2,026,232
4								
5		Payroll Lag	SUM L1 to L3			<u>\$149,170</u>	13.58	<u>\$2,026,232</u>
6								
7	PENSION PAYMENTS	First Payment						
8		Second Payment						
9		Third Payment						
10		Fourth Payment						
11		Final Payment		1/15/2023	7/1/2023	\$1,408	(167.00)	(\$235,076)
12								
13		Sub-total	SUM L7 to L11			<u>\$1,408</u>		<u>(\$235,076)</u>
14								
15		Lag Days for Pension Payment					<u>(167.00)</u>	
16								
17	PURCHASE COMMODITY COSTS	Payment Lag - Contract Purchases					35.38	
18		Payment Lag - Spot Market/PJM Purchases					12.50	
19		Payment Lag - Payment to Suppliers					38.15	
20								
21								
22	OTHER O & M EXPENSES	January				\$16,812		\$651,478
23		April				26,471		1,077,737
24		July				25,711		1,175,140
25		October				22,699		769,982
26								
27		Lag Days for Other Expenses	SUM L22 to L25			<u>\$91,693</u>	40.07	<u>\$3,674,337</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 General Disbursements Lag

Exhibit MJT-3
 Schedule C-4
 Witness: M. J. Trzaska
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Line No.	Months	Description	(1) Number of CDs	(2) Cash Disbursements	(3) Dollar-Days	(4) Expense Lag Days
1	January	Total Disbursements for Month	19,206	\$337,934		
2		Total Disbursements for Expenses	1,354	\$16,812	\$651,478	38.75
3						
4	April	Total Disbursements for Month	33,541	\$241,401		
5		Total Disbursements for Expenses	2,115	\$26,471	\$1,077,737	40.71
6						
7	July	Total Disbursements for Month	29,010	\$256,674	-	
8		Total Disbursements for Expenses	1,842	\$25,711	\$1,175,140	45.70
9						
10	October	Total Disbursements for Month	22,765	\$232,356	-	
11		Total Disbursements for Expenses	1,978	\$22,699	\$769,982	33.92
12	<u>TOTAL FOUR TEST MONTHS</u>					
13						
14	Total Test Month Expense Disbursement		7,289	\$91,693	\$3,674,337	40.07

PECO Electric Operations
Before The Pennsylvania Public Utility
Commission
HTY Ending December 2023
(\$ in Thousands)
C-4 Tax Expense Lag Dollars

Exhibit MJT-3
Schedule C-4
Witness: Michael J. Trzaska
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			(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Description	Description	Payment Date	Mid Point Date	Lead/(Lag) Payment Days	Total Payment Amount	Payment Percentage	Payment Amount	Weighted Dollar Days
1	FEDERAL INCOME TAX	First Payment	4/17/2023	7/1/2023	75	\$75,027	25.00%	\$18,757	\$1,406,748
2		Second Payment	6/15/2023	7/1/2023	16	75,027	25.00%	18,757	300,106
3		Third Payment	9/15/2023	7/1/2023	(76)	75,027	25.00%	18,757	(1,425,505)
4		Fourth Payment	12/15/2023	7/1/2023	(167)	75,027	25.00%	18,757	(3,132,359)
5		Sub-total FEDERAL INCOME TAX					100.00%	\$75,027	(\$2,851,009)
6									
7	STATE INCOME TAX	First Payment	3/15/2023	7/1/2023	108	\$2,167	25.00%	\$542	\$58,502
8		Second Payment	6/15/2023	7/1/2023	16	2,167	25.00%	542	8,667
9		Third Payment	9/15/2023	7/1/2023	(76)	2,167	25.00%	542	(41,168)
10		Fourth Payment	12/15/2023	7/1/2023	(167)	2,167	25.00%	542	(90,461)
11		Sub-total STATE INCOME TAX					100.00%	\$2,167	(\$64,460)
12									
13	PURTA	First Payment	5/1/2023	7/1/2023	61	\$5,604	100.00%	\$5,604	\$341,823
14		Subtotal PURTA					100.00%	\$5,604	\$341,823
15									
16	PA CAPITAL STOCK TAX	First Payment							
17		Second Payment							
18		Third Payment							
19		Fourth Payment							
20		Sub-total PA CAPITAL STOCK TAX							
21									
22	PA PROPERTY TAX	First Payment	6/9/2023	7/1/2023	22	\$4,655	100.00%	\$4,655	\$102,404
23		Second Payment							
24		Sub-total PA PROPERTY TAX					100.00%	\$4,655	\$102,404
25									
26	GROSS RECEIPTS TAX	First Payment	3/15/2023	7/1/2023	108	\$168,371	100.00%	\$168,371	\$18,184,091
27		Sub-total GROSS RECEIPTS TAX					100.00%	\$168,371	\$18,184,091

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 Tax Expense Net Lag Days

Exhibit MJT-3
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Description	Total Payment Amount	Weighted Dollar Days	Payment Lead/(Lag) Days	Revenue Lag Days	Net Payment Lead/(Lag) Days	Net Payment Lead/(Lag) Dollars Days	Average Daily Amount for Working Capital
1	FEDERAL INCOME TAX	\$75,027	(\$2,851,009)	(38.00)	51.95	13.95	\$1,046,586	\$2,867
2	STATE INCOME TAX	\$2,167	(\$64,460)	(29.75)	51.95	22.20	\$48,101	\$132
3	PURTA	\$5,604	\$341,823	61.00	51.95	112.95	\$632,930	\$1,734
4	PA CAPITAL STOCK TAX							
5	PA PROPERTY TAX	\$4,655	\$102,404	22.00	51.95	73.95	\$344,214	\$943
6	GROSS RECEIPTS TAX	\$168,371	\$18,184,091	108.00	51.95	159.95	\$26,930,899	\$73,783

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 Interest Payments

Exhibit MJT-3
 Schedule C-4
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Jurisdictional
1	Measures of Value at End of HTY		\$6,860,054
2	Long-Term Debt Ratio		47.01%
3	Embedded Cost of Long-Term Debt		<u>4.23%</u>
4	Pro Forma Interest Expense	L1 * L2 * L3	\$136,414
5	Days in Curent Year		365
6	Daily Amount	L4 / L5	\$374
7	Days to Mid-Point of Interest Payments	L5 / 4	91.25
8	Less: Revenue Lag Days	C-4	<u>51.95</u>
9	Interest Payment Lag Days	L8 - L7	<u>(39.30)</u>
10	Total Interest for Working Capital	L6 * L9	<u><u>(\$14,688)</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 Prepayments

Exhibit MJT-3
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Line No.	Description	Reference	EPRI Dues	EEI Dues	EAP Membership Dues	Prepaid Rents & Pole Attachments	PUC Assessment Electric	Land Leasing	Maintenance	IT License & Maintenance	Business Support Systems	VEBA Adjust	Facilities Contracts	IT License & Maintenance	Fleet Activities	IT License & Maintenance	Customer Experience	Postage	Total Prepayment	
1	December					\$331	\$3,893	\$194		\$32	\$217	\$2,394	\$0	\$96	\$448	\$71	\$327	\$1,247		
2	January			\$573		788	3,032			(\$0)	469	2,394	(18)	88	465	51	285	816		
3	February			521		745	2,425			\$356	424	2,394	(35)	80	420	170	372	701		
4	March			469		558	1,819	188		\$324	333	3,157	157	88	420	254	305	662		
5	April		\$304	417	\$237	392	1,213		244	\$291	544	3,157	139	80	433	112	276	728		
6	May		203	365	138	212	606		195	\$259	453	3,157	122	72	428	159	243	731		
7	June		203	313	118	170	0	181	195	\$227	226	3,584	105	119	422	294	223	739		
8	July		203	261	99	641	5,155		195	\$204	467	3,584	87	111	441	562	277	760		
9	August		203	208	79	453	4,495		195	\$240	486	3,584	70	103	441	761	214	685		
10	September		101	156	59	624	5,779	175	195	\$201	513	3,775	52	136	399	623	146	664		
11	October		101	104	39	469	5,205		195	\$161	491	3,775	35	128	404	561	92	664		
12	November			52	20	284	4,630		195	\$405	363	3,775	17	120	438	500	59	712		
13	December			0		234	4,055	168	195	\$82	283	4,879	0	153	451	248	573	777		
14																				
15	Total	SUM L1 to L13	\$1,319	\$3,440	\$788	\$5,900	\$42,307	\$906	\$1,804	\$2,782	\$5,270	\$43,611	\$731	\$1,376	\$5,610	\$4,367	\$3,392	\$9,886		
16																				
17	Distribution Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	67.41%	67.41%	67.41%	67.41%	74.50%	74.50%	74.50%		
18																				
19	Distribution Amount	L15 * L17	\$1,319	\$3,440	\$788	\$5,900	\$42,307	\$906	\$1,804	\$2,782	\$5,270	\$29,399	\$493	\$927	\$3,782	\$3,254	\$2,527	\$7,365		
20																				
21	Number of Months	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	
22																				
23	Monthly Average	L19 / L21	\$101	\$265	\$61	\$454	\$3,254	\$70	\$139	\$214	\$405	\$2,261	\$38	\$71	\$291	\$250	\$194	\$567		
24																				
25	Rate Case Amount																			\$8,636

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-4 Energy Lag

Exhibit MJT-3
 Schedule C-4
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)	(5)
Line No.	Description	Midpoint of Prior Month Service Period to end of Month	Payment Date Month after Service Period	Additional Weekend or Holidays Extending Payment Date	Lag Days	Average
1	<u>Contract Purchases in HTY</u>					
2	January	15.50	19.00	1.00	35.50	
3	February	15.50	19.00	1.00	35.50	
4	March	14.00	19.00	1.00	34.00	
5	April	15.50	19.00	1.00	35.50	
6	May	15.00	19.00	2.00	36.00	
7	June	15.50	19.00	1.00	35.50	
8	July	15.00	19.00	1.00	35.00	
9	August	15.50	19.00	2.00	36.50	
10	September	15.50	19.00	1.00	35.50	
11	October	15.00	19.00	1.00	35.00	
12	November	15.50	19.00	1.00	35.50	
13	December	15.00	19.00	1.00	35.00	
14	Payment Lag - Contract Purchases					35.38
15						
16	<u>Spot Market Purchases in HTY and PJM Transmission Purchased</u>					
17		Service Period	Units	Service Period of Days	Lag Days	Total
18						
19	Service Period Weekly	Wed . to Tues.	Days	7.00		
20						
21	Days from Midpoint to End of Service				3.50	
22						
23	Payment Due on Friday of each Week				9.00	
24	Payment Lag - Spot Market/PJM Purchases					12.50
25						
26	<u>Payments to Suppliers</u>					
27		Payment Lag Days	Revenue Percentage	Weighted Lag Days	Lag Days	Total
28						
29	Residential	25.00	39%	9.72		
30	Nonresidential	20.00	61%	12.23		
31	Weighted Lag Days				21.94	
32						
33	Billing and Revenue Recording Days Lag				1.00	
34						
35	Billing Lag (Average Period)	365 / 12. * 0.5			15.21	
36						
37	Total POR Payment Lag Days	L31 + L33 + L35				38.15

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)
C-5 Reserved

Exhibit MJT-3
Schedule C-5
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-6 ADIT - A/C #282

Exhibit MJT-3
 Schedule C-6
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5) (6)

Line No.	Test Year	Description	Reference	Total Amount	Percent to Utility	Utility Amount	Percent to Distribution	Distribution Amount
1	HTY	ADIT - CIAC		(\$18,074)	100.00%	(\$18,074)	100.00%	(\$18,074)
2		ADIT - Common Plant		69,010	100.00%	69,010	63.22%	43,626
3		ADIT - Electric Common Plant		35,732	100.00%	35,732	82.17%	29,362
4		ADIT - Electric Distribution		619,210	100.00%	619,210	100.00%	619,210
5		ADIT - Corp. Alternative Minimum Tax		(60,332)	100.00%	(60,332)	100.00%	(60,332)
6		Total	SUM L1 to L5	\$645,546		\$645,546		\$613,793

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-7 Customer Deposits

Exhibit MJT-3
 Schedule C-7
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)	(4)
Line No.	Description	Reference	Residential	Non-Residential	Total
1	December		\$18,802	\$31,587	\$50,388
2	January		18,976	32,487	51,463
3	February		19,166	33,197	52,363
4	March		19,446	33,844	53,290
5	April		20,077	34,307	54,384
6	May		20,877	35,117	55,994
7	June		21,538	35,642	57,179
8	July		22,060	36,988	59,048
9	August		22,549	38,022	60,571
10	September		22,772	38,782	61,555
11	October		23,058	39,358	62,416
12	November		23,276	39,646	62,922
13	December		23,215	39,988	63,203
14					
15	Total	SUM L1 to L13	\$275,812	\$468,965	\$744,777
16					
17	Average Monthly Balance	L15 / 13	\$21,216	\$36,074	\$57,291
18					
19	<u>HTY Deposits by Customer Classification</u>				
20	Residential				\$21,216
21	Small C&I				30,886
22	Large C&I				5,183
23	Other				5
24					
25	Total	SUM L20 to L23			\$57,291

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-8 Common Plant

Exhibit MJT-3
 Schedule C-8
 Witness: Michael J. Trzaska
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Line No.	Category	Account	Reference	(1) HTY Amount	(2) Allocated to Non Jurisdiction	(3) Allocated to Jurisdiction	(4)
1	Common Plant in Service:						
2							
3		E301 - Organization Costs		\$677	\$221	\$456	
4							
5		E303 - Misc Intangible Plant		\$327,035	\$106,576	\$220,459	
6							
7		E389 - Land and Land Rights		\$6,783	\$2,211	\$4,573	
8							
9		E390 - Structures and Improvements		\$371,001	\$120,904	\$250,097	
10		E391 - Office Furniture, Equipment		71,621	23,340	48,281	
11		E392 - Transportation Equipment		196,641	64,083	132,559	
12		E393 - Stores Equipment		1,340	437	903	
13		E394 - Tools, Shop, Garage Equipmnt		2,552	832	1,720	
14		E396 - Power Operated Equipment		185	60	125	
15		E397 - Communication Equipment		128,703	41,943	86,761	
16		E398 - Miscellaneous Equipment		1,191	388	803	
17		E399 - Other Tangible Property					
18		E399.1 - ARO Costs General Plant		1,030	336	694	
19		Sub Total - General Plant	SUM L9 to L18	\$774,264	\$252,322	\$521,942	
20		Total Common Plant in Service	SUM L3+L5+L7+L19	\$1,108,760	\$361,329	\$747,430	
21							
22	Common Plant Accumulated Depreciation:						
23							
24		E301 - Organization Costs					
25							
26		E303 - Misc Intangible Plant		\$234,192	\$76,320	\$157,872	
27							
28		E389 - Land and Land Rights					
29							
30		E390 - Structures and Improvements		\$70,917	\$23,111	\$47,806	
31		E391 - Office Furniture, Equipment		25,843	8,422	17,421	
32		E392 - Transportation Equipment		91,386	29,781	61,604	
33		E393 - Stores Equipment		375	122	252	
34		E394 - Tools, Shop, Garage Equipmnt		961	313	648	
35		E396 - Power Operated Equipment		185	60	125	
36		E397 - Communication Equipment		38,627	12,588	26,039	
37		E398 - Miscellaneous Equipment		839	273	565	
38		E399 - Other Tangible Property					
39		E399.1 - ARO Costs General Plant		(331)	(108)	(223)	
40		Sub Total - General Plant	SUM L30 to L39	\$228,801	\$74,563	\$154,238	
41		Total Common Plant Accum Depreciation	SUM L24+L26+L28+L40	\$462,993	\$150,883	\$312,110	
42							
43		Net Common Plant	L20 - L41	\$645,767	\$210,446	\$435,320	
44							
45							
46		Common Plant in Service to Utility	L20	\$1,108,760	\$361,329	\$747,430	
47		Common Plant Accum Depreciation to Utility	L41	462,993	150,883	312,110	
48		Net Common Plant to Utility	L46 - L47	\$645,767	\$210,446	\$435,320	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-9 Customer Advances For Construction

Exhibit MJT-3
 Schedule C-9
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	<u>HTY 13-Month Average</u>		
2	December		\$2,662
3	January		2,509
4	February		2,978
5	March		3,239
6	April		3,066
7	May		2,900
8	June		2,423
9	July		2,393
10	August		2,049
11	September		3,859
12	October		3,861
13	November		2,764
14	December		2,855
15			
16	13-Month Total	SUM L2 to L14	\$37,557
17			
18			
19	Average Monthly Balance	L16 / 13	\$2,889

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-11 Materials and Supplies

Exhibit MJT-3
 Schedule C-11
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	(1) Materials & Supplies	(2) Undistributed Stores Expense	(3) Total
1	HTY 13-Month Average				
2	December		\$29,564	(\$0)	\$29,564
3	January		30,031	(191)	29,840
4	February		28,319	(372)	27,947
5	March		26,573	(1,490)	25,083
6	April		26,183	(1,111)	25,072
7	May		26,568	(1,460)	25,108
8	June		27,575	(1,693)	25,882
9	July		28,584	(1,197)	27,387
10	August		33,678	(1,126)	32,553
11	September		34,598	(1,077)	33,522
12	October		34,602	(660)	33,943
13	November		36,708	(686)	36,023
14	December		39,019	0	39,019
15					
16	Total	SUM L2 to L14	\$402,003	(\$11,061)	\$390,942
17					
18	Distribution Expense Allocation Factor		100.00%	67.41%	
19					
20	Allocation to Distribution	L16 * L18	\$402,003	(\$7,457)	
21					
22	Average Monthly Balance	L20 / 13	\$30,923	(\$574)	\$30,350

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 C-12 ADIT - Reg Liability

Exhibit MJT-3
 Schedule C-12
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5) (6)

Line No.	Test Year	Description	Reference	Total Amount	Percent to Utility	Utility Amount	Percent to Distribution	Distribution Amount
1	HTY	ADIT - Distribution		\$288,276	100.00%	\$288,276	100.00%	\$288,276
2		ADIT - CIAC			100.00%		100.00%	
3		Total	L1 + L2	<u>\$288,276</u>		<u>\$288,276</u>		<u>\$288,276</u>

PECO Electric Operations
Before The Pennsylvania Public Utility
Commission
HTY Ending Dec. 2023
(\$ in Thousands)
D-1 Present and Proposed Rates

Exhibit MJT-3
Schedule D-1
Witness: Michael J. Trzaska
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Line No.	Category	Description	Reference	(1) Pro Forma Adjusted at Present Rates	(2) Proposed Rate Increase	(3) Adjusted Amounts with Proposed Rate Increase	(4)
1	Operating Revenues	Residential		\$1,637,684		\$1,637,684	
2		Residential - House Heating		346,968		346,968	
3		C & I Small		460,634		460,634	
4		C & I Large		200,302		200,302	
5		Railroads & Railways		7,554		7,554	
6		Street Lighting		21,496		21,496	
7		Intercompany		166		166	
8		Transmission - All Classes		209,772		209,772	
9		Forfeited Discounts		16,337	\$551	16,888	
10		Miscellaneous Service Revenues		4,933		4,933	
11		Rent For Electric Property		21,995		21,995	
12		Other Electric Revenues		6,833		6,833	
13		Revenue Increase			\$131,874	131,874	
14		Total Operating Revenues	SUM L1 to L13	\$2,934,674	\$132,425	\$3,067,099	
15							
16	Operating Expenses	Power Supply		\$1,073,543		\$1,073,543	
17		Transmission Expense		196,997		196,997	
18		Distribution Expense		389,248		389,248	
19		Customer Accounts Expense		151,121	\$1,280	152,401	
20		Customer Service and Information Expense		15,422		15,422	
21		Sales Expense		328		328	
22		Administrative & General		180,559	316	180,875	
23		Sub-total O&M Expense	SUM L16 to L22	\$2,007,216	\$1,596	\$2,008,813	
24							
25		Depreciation & Amortization Expense		\$272,101		\$272,101	
26		Amortization of Regulatory Expense		(448)		(448)	
27		Taxes Other Than Income Taxes - Other		\$192,819	\$7,781	\$200,600	
28		Total Operating Expenses	SUM L23 to L27	\$2,471,689	\$9,377	\$2,481,066	
29							
30	Net Operating Income - BIT		L14 - L28	\$462,986	\$123,048	\$586,033	

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)
D-2 Adjusted Present Rates

Exhibit MJT-3
Schedule D-2
Witness: Michael J. Trzaska
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(1) (2) (3) (4)

Line No.	Category	Description	Reference	HTY Amount Pre Adjustments	Adjustments Sub-Total	Pro Forma Adjusted at Present Rates
1	Operating Revenues	Residential		\$1,621,648	\$16,036	\$1,637,684
2		Residential - House Heating		332,521	14,447	346,968
3		C & I Small		485,594	(24,960)	460,634
4		C & I Large		215,244	(14,942)	200,302
5		Railroads & Railways		8,117	(563)	7,554
6		Street Lighting		22,080	(584)	21,496
7		Intercompany		166		166
8		Transmission - All Classes		209,772		209,772
9		Forfeited Discounts		16,337		16,337
10		Miscellaneous Service Revenues		4,933		4,933
11		Rent For Electric Property		21,995		21,995
12		Other Electric Revenues		6,833		6,833
13		Revenue Increase				
14		Total Operating Revenues	SUM L1 to L13	\$2,945,240	(\$10,565)	\$2,934,674
15						
16	Operating Expenses	Power Supply		\$1,073,543		\$1,073,543
17		Transmission Expense		196,997		196,997
18		Distribution Expense		356,034	\$33,214	389,248
19		Customer Accounts Expense		140,812	10,308	151,121
20		Customer Service and Information Expense		93,967	(78,545)	15,422
21		Sales Expense		318	10	328
22		Administrative & General		164,741	15,818	180,559
23		Sub-total O&M Expense	SUM L16 to L22	\$2,026,412	(\$19,195)	\$2,007,216
24						
25		Depreciation & Amortization Expense		\$258,142	\$13,959	\$272,101
26		Amortization of Regulatory Expense			(448)	(448)
27		Taxes Other Than Income Taxes - Other		189,450	3,370	192,819
28		Total Operating Expenses	SUM L23 to L27	\$2,474,003	(\$2,314)	\$2,471,689
29						
30	Net Operating Income - BIT		L14 - L28	\$471,236	(\$8,251)	\$462,986

PECO Electric Operations
Before The Pennsylvania Public Utility
Commission
HTY Ending Dec. 2023
(\$ in Thousands)
D-3 Adjustments to Net Operating Income

(2) (3) (4) (5) (6) (7) (8)

Line No.	Category	Description	Description	HTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act 129 Lost Revenue	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization
1	Operating Revenues	Residential	Elec Cost	\$745,840							
2			Cust & Dist	875,808	2,121	3,155	(2,067)	(25,681)		433	38,076
3			Sub-total Residential	\$1,621,648	\$2,121	\$3,155	(\$2,067)	(\$25,681)		\$433	\$38,076
4											
5		Residential - House Heating	Elec Cost	\$176,253							
6			Cust & Dist	156,268	1,713	427	(432)	(6,066)		105	18,701
7			Sub-total Residential - House Heating	\$332,521	\$1,713	\$427	(\$432)	(\$6,066)		\$105	\$18,701
8											
9		C & I Small	Elec Cost	\$193,399							
10			Cust & Dist	292,195	598		(1,561)	(32,719)		141	8,582
11			Sub-total C & I Small	\$485,594	\$598		(\$1,561)	(\$32,719)		\$141	\$8,582
12											
13		C & I Large	Elec Cost	\$24,714							
14			Cust & Dist	190,530	575		(858)	(17,249)		123	2,467
15			Sub-total C & I Large	\$215,244	\$575		(\$858)	(\$17,249)		\$123	\$2,467
16											
17		Railroads & Railways	Cust & Dist	\$8,117							
18			Sub-total Railroads & Railways	\$8,117							
19											
20		Street Lighting	Elec Cost	\$1,069							
21			Cust & Dist	21,011							
22			Sub-total Street Lighting	\$22,080							
23											
24		Intercompany	Elec Cost								
25			Cust & Dist	166							
26			Sub-total Interdepartmental	\$166							
27											
28		Transmission - All Classes	Transmission - All Classes	\$209,772							
29			Sub-total Transmission - All Classes	\$209,772							
30											
31		Forfeited Discounts	Forfeited Discounts	\$16,337							
32			Sub-total Forfeited Discounts	\$16,337							
33											
34		Miscellaneous Service Revenues	Miscellaneous Service Revenues	\$4,933							
35			Sub-total Miscellaneous Service Revenues	\$4,933							
36											
37		Rent For Electric Property	Rent For Electric Property	\$21,995							
38			Sub-total Rent For Electric Property	\$21,995							
39											
40		Other Electric Revenues	Other Electric Revenues	\$6,833							
41			Sub-total Other Electric Revenues	\$6,833							
42											
43		Revenue Increase	Revenue Increase								
44			Sub-total Revenue Increase								
45											
46			Total Operating Revenues	\$2,945,240	\$5,007	\$3,583	(\$4,919)	(\$82,863)		\$803	\$67,825
47											
48	Operating Expenses	Power Supply	Purchased Power	\$1,073,543							

PECO Electric Operations
 Before The Pennsylvania Public Utility
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 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(2) (3) (4) (5) (6) (7) (8)

Line No.	Category	Description	Description	HTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act 129 Lost Revenue	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization
97		Customer Service and Information	Customer Assistance	\$92,332				(\$78,630)			
98			Informational & Instructional	897							
99			Miscellaneous Customer & Informational	738							
100			Sub-total Customer Service & Information	\$93,967				(\$78,630)			
101											
102	Sales		Demonstrating & Selling	\$318							
103			Miscellaneous Sales								
104			Sub-total Sales	\$318							
105											
106	Administrative & General		Administrative and General Salaries	\$24,463							
107			Office Supplies and Expenses	5,018							
108			Administrative Expenses Transferred-Credit								
109			Outside Service Employed	86,778							
110			Property Insurance	761							
111			Injuries & Damages	17,372							
112			Employee Pensions and Benefits	15,665							
113			Regulatory Commission Expenses	7,712							
114			Duplicate Charges-Credit	(1,343)							
115			Miscellaneous General Expenses	2,295							
116			Maintenance of General Plant	6,019							
117			Sub-total Administrative & General	\$164,741							
118											
119			Total O&M Expense	\$2,026,412				(\$78,630)			
120											
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense	\$258,142							
122			Sub-total Depreciation & Amortization Expense	\$258,142							
123											
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense								
125			Sub-total Amortization of Regulatory Expense								
126											
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other	\$189,450							
128			Sub-total Taxes Other Than Income Taxes - Other	\$189,450							
129											
130			Total Operating Expenses	\$2,474,003				(\$78,630)			
131											
132	Net Operating Income Before Income Tax			\$471,236	\$5,007	\$3,583	(\$4,919)	(\$4,233)		\$803	\$67,825

PECO Electric Operations
 Before The Pennsylvania Public Utility
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 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(9) (10) (11) (12) (13) (14) (15) (16)

Line No.	Category	Description	Description	D-6 Salary & Wages	D-7 Rate Case Expense	D-8 Adjustments for Employee Benefits	D-9 Adjustments for Pension	D-10 Uncollectible Accounts	D-11 IJJA Reg Asset	D-12 Customer Deposit Interest	D-13 Storm
97		Customer Service and Information	Customer Assistance	\$75							
98			Informational & Instructional								
99			Miscellaneous Customer & Informational	10							
100			Sub-total Customer Service & Information	\$85							
101											
102	Sales		Demonstrating & Selling	\$10							
103			Miscellaneous Sales								
104			Sub-total Sales	\$10							
105											
106	Administrative & General		Administrative and General Salaries	\$1,139							
107			Office Supplies and Expenses								
108			Administrative Expenses Transferred-Credit								
109			Outside Service Employed								
110			Property Insurance								
111			Injuries & Damages	82							
112			Employee Pensions and Benefits	2		500	11,829				
113			Regulatory Commission Expenses		1,200						
114			Duplicate Charges-Credit								
115			Miscellaneous General Expenses	2							
116			Maintenance of General Plant	63							
117			Sub-total Administrative & General	\$1,288	\$1,200	\$500	\$11,829				
118											
119			Total O&M Expense	\$8,321	\$1,200	\$500	\$11,829	\$5,083		\$3,572	\$27,972
120											
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense								
122			Sub-total Depreciation & Amortization Expense								
123											
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense						(\$448)		
125			Sub-total Amortization of Regulatory Expense						(\$448)		
126											
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other								
128			Sub-total Taxes Other Than Income Taxes - Other								
129											
130			Total Operating Expenses	\$8,321	\$1,200	\$500	\$11,829	\$5,083	(\$448)	\$3,572	\$27,972
131											
132	Net Operating Income Before Income Tax			(\$8,321)	(\$1,200)	(\$500)	(\$11,829)	(\$5,083)	\$448	(\$3,572)	(\$27,972)

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(17) (18) (19) (20) (21) (22)

Line No.	Category	Description	Description	D-14 Other Adjustments	D-15 OPEN	D-16 Taxes Other Than Income	D-17 Depreciation Annualization	Adjustments Sub-total	Pro Forma Adjusted at Present Rates
1	Operating Revenues	Residential	Elec Cost						\$745,840
2			Cust & Dist					16,036	891,844
3			Sub-total Residential					\$16,036	\$1,637,684
4									
5		Residential - House Heating	Elec Cost						\$176,253
6			Cust & Dist					14,447	170,715
7			Sub-total Residential - House Heating					\$14,447	\$346,968
8									
9		C & I Small	Elec Cost						\$193,399
10			Cust & Dist					(24,960)	267,235
11			Sub-total C & I Small					(\$24,960)	\$460,634
12									
13		C & I Large	Elec Cost						\$24,714
14			Cust & Dist					(14,942)	175,589
15			Sub-total C & I Large					(\$14,942)	\$200,302
16									
17		Railroads & Railways	Cust & Dist					(\$563)	\$7,554
18			Sub-total Railroads & Railways					(\$563)	\$7,554
19									
20		Street Lighting	Elec Cost						\$1,069
21			Cust & Dist					(584)	20,427
22			Sub-total Street Lighting					(\$584)	\$21,496
23									
24		Intercompany	Elec Cost						
25			Cust & Dist						166
26			Sub-total Interdepartmental						\$166
27									
28		Transmission - All Classes	Transmission - All Classes						\$209,772
29			Sub-total Transmission - All Classes						\$209,772
30									
31		Forfeited Discounts	Forfeited Discounts						\$16,337
32			Sub-total Forfeited Discounts						\$16,337
33									
34		Miscellaneous Service Revenues	Miscellaneous Service Revenues						\$4,933
35			Sub-total Miscellaneous Service Revenues						\$4,933
36									
37		Rent For Electric Property	Rent For Electric Property						\$21,995
38			Sub-total Rent For Electric Property						\$21,995
39									
40		Other Electric Revenues	Other Electric Revenues						\$6,833
41			Sub-total Other Electric Revenues						\$6,833
42									
43		Revenue Increase	Revenue Increase						
44			Sub-total Revenue Increase						
45									
46			Total Operating Revenues					(\$10,565)	\$2,934,674
47									
48	Operating Expenses	Power Supply	Purchased Power						\$1,073,543

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

(17) (18) (19) (20) (21) (22)

Line No.	Category	Description	Description	D-14 Other Adjustments	D-15 OPEN	D-16 Taxes Other Than Income	D-17 Depreciation Annualization	Adjustments Sub-total	Pro Forma Adjusted at Present Rates
49			Sub-total Power Supply						\$1,073,543
50									
51		Transmission Expense	Operation & Supervision						
52			Load Dispatching						
53			Scheduling, System Control & Dispatch						99,062
54			Transmission Service Studies						
55			Generation Service Studies						
56			Reliability, Planning & Standard Development						97,936
57			Station Expense						
58			Overhead Lines						
59			Underground Lines Expense						
60			Miscellaneous Expense						
61			Rents						
62			Maintenance of Structures						
63			Maintenance of Computer Hardware						
64			Maintenance of Computer Software						
65			Maintenance of Communication Equipment						
66			Maintenance of Station Equipment						
67			Maintenance of Overhead Lines						
68			Maintenance of Underground Lines						
69			Maintenance of Misc Transmission Plant						
70			Sub-total Transmission Expense						196,997
71									
72		Distribution Expense	Operation & Supervision					\$48	\$1,279
73			Load Dispatching						
74			Station Expense						678
75			Overhead Lines Expenses					178	14,736
76			Underground Lines Expense					130	11,098
77			Meter Expenses					125	6,620
78			Customer Installations Expense					300	12,758
79			Miscellaneous Expense					341	79,740
80			Rents						3,535
81			Maintenance of Structures					61	5,002
82			Maintenance of Station Equipment					440	18,046
83			Maintenance of Overhead Lines					30,428	176,837
84			Maintenance of Underground Lines					916	37,092
85			Maintenance of Line Transformers					23	2,084
86			Maintenance of Street Lighting & Signal Systems					5	1,544
87			Maintenance of Misc. Distribution					219	18,198
88			Sub-total Distribution Expense					\$33,214	\$389,248
89									
90		Customer Accounts	Supervision						
91			Meter Reading					\$0	\$622
92			Customer Records and Collection					1,661	96,044
93			Uncollectible Accounts.					5,083	47,164
94			Miscellaneous Customer Accounts Expenses.					3,564	7,290
95			Sub-total Total Customer Accounts	(43)				\$10,308	\$151,121
96				(\$43)					

PECO Electric Operations
 Before The Pennsylvania Public Utility
 Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-3 Adjustments to Net Operating Income

Line No.	Category	Description	Description	D-14 Other Adjustments	D-15 OPEN	D-16 Taxes Other Than Income	D-17 Depreciation Annualization	Adjustments Sub-total	Pro Forma Adjusted at Present Rates
97		Customer Service and Information	Customer Assistance					(\$78,555)	\$13,777
98			Informational & Instructional						897
99			Miscellaneous Customer & Informational					10	748
100			Sub-total Customer Service & Information					(\$78,545)	\$15,422
101									
102	Sales		Demonstrating & Selling					\$10	\$328
103			Miscellaneous Sales						
104			Sub-total Sales					\$10	\$328
105									
106	Administrative & General		Administrative and General Salaries					\$1,139	\$25,603
107			Office Supplies and Expenses						5,018
108			Administrative Expenses Transferred-Credit						
109			Outside Service Employed						86,778
110			Property Insurance						761
111			Injuries & Damages					82	17,454
112			Employee Pensions and Benefits					12,331	27,996
113			Regulatory Commission Expenses					1,200	8,912
114			Duplicate Charges-Credit						(1,343)
115			Miscellaneous General Expenses	1,000				1,002	3,298
116			Maintenance of General Plant					63	6,082
117			Sub-total Administrative & General	\$1,000				\$15,818	\$180,559
118									
119			Total O&M Expense	\$957				(\$19,195)	\$2,007,216
120									
121	Depreciation & Amortization Expense		Depreciation & Amortization Expense				\$13,959	\$13,959	\$272,101
122			Sub-total Depreciation & Amortization Expense				\$13,959	\$13,959	\$272,101
123									
124	Amortization of Regulatory Expense		Amortization of Regulatory Expense					(\$448)	(\$448)
125			Sub-total Amortization of Regulatory Expense					(\$448)	(\$448)
126									
127	Taxes Other Than Income Taxes - Other		Taxes Other Than Income Taxes - Other			\$3,370		\$3,370	\$192,819
128			Sub-total Taxes Other Than Income Taxes - Other			\$3,370		\$3,370	\$192,819
129									
130			Total Operating Expenses	\$957		\$3,370	\$13,959	(\$2,314)	\$2,471,689
131									
132	Net Operating Income Before Income Tax			(\$957)		(\$3,370)	(\$13,959)	(\$8,251)	\$462,986

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-4 Expense Adjustment Summary

Line No.	Category	Description	Account	(1) HTY Amount Pre Adjustments	(2) D-5D Energy Efficiency Program Expense	(3) D-6 Salary & Wages	(4) D-7 Rate Case Expense	(5) D-8 Adjustments for Employee Benefits	(6) D-9 Adjustments for Pension	(7) D-10 Uncollectible Accounts	(8) D-11 IJJA Reg Asset
49			Sub-total DISTRIBUTION EXPENSE	\$356,034		\$5,244					
50											
51	CUSTOMER ACCOUNTS	Customer Accounts	901.0 Supervision								
52			902.0 Meter Reading	\$622		0					
53			903.0 Customer Records and Collection	94,383		1,661					
54			904.0 Uncollectible Accounts	42,082						5,083	
55			905.0 Miscellaneous Customer Accounts Expenses.	3,726		35					
56			Sub-total Customer Accounts	\$140,812		\$1,696				\$5,083	
57											
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	908.0 Customer Assistance	\$92,332	(\$78,630)	\$75					
59			909.0 Informational & Instructional	897							
60			910.0 Miscellaneous Customer & Informational	738		10					
61			Sub-total Customer Service & Information	\$93,967	(\$78,630)	\$85					
62											
63	SALES	Sales	912.0 Demonstrating & Selling	\$318		\$10					
64			916.0 Miscellaneous Sales								
65			Sub-total Sales	\$318		\$10					
66											
67	ADMINISTRATION & GENERAL	A&G Operations	920.0 Administrative and General Salaries	\$24,463		\$1,139					
68			921.0 Office Supplies and Expenses	5,018							
69			922.0 Administrative Expenses Transferred-Credit								
70			923.0 Outside Service Employed	86,778							
71			924.0 Property Insurance	761							
72			925.0 Injuries & Damages	17,372		82					
73			926.0 Employee Pensions and Benefits	15,665		2		500	11,829		
74			928.0 Regulatory Commission Expenses	7,712			1,200				
75			929.0 Duplicate Charges-Credit	(1,343)							
76			930.2 Miscellaneous General Expenses	2,295		2					
77			Sub-total A&G Operations	\$158,722		\$1,225	\$1,200	\$500	\$11,829		
78											
79		A&G Maintenance	935.0 Maintenance of General Plant	\$6,019		\$63					
80											
81			Sub-total ADMINISTRATION & GENERAL	\$164,741		\$1,288	\$1,200	\$500	\$11,829		
82											
83	DEPRECIATION & AMORTIZATION EXPENSE	Depreciation & Amortization Expense	403.0 Depreciation Expense.	\$216,304							
84			404.0 Amort. Of Limited-Term Electric Plant.	41,838							
85			Sub-total Depreciation & Amortization Expense	\$258,142							
86											
87	AMORTIZATION OF REGULATORY EXPENSE	Amortization of Regulatory Expense	407.3 Regulatory Debits.								(\$448)
88			Sub-total Amortization of Regulatory Expense								(\$448)
89											
90	TAXES OTHER THAN INCOME TAXES	Taxes Other Than Income Taxes - Other	408.1 Taxes Other Than Income Taxes, Utility Operating Income.	\$189,450							
91			Sub-total Taxes Other Than Income Taxes - Other	\$189,450							
92											
93			Total	\$2,474,003	(\$78,630)	\$8,323	\$1,200	\$500	\$11,829	\$5,083	(\$448)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-4 Expense Adjustment Summary

Line No.	Category	Description	Account	(9) D-12 Customer Deposit Interest	(10) D-13 Storm	(12) D-14 Other Adjustments	(13) D-15 OPEN	(14) D-16 Taxes Other Than Income	(15) D-17 Depreciation Annualization	(15) Adjustments Sub- total	(16) Pro Forma Adjusted at Present Rates
49			Sub-total DISTRIBUTION EXPENSE		\$27,972					\$33,216	\$389,250
50											
51	CUSTOMER ACCOUNTS	Customer Accounts	901.0 Supervision								
52			902.0 Meter Reading							\$0	\$622
53			903.0 Customer Records and Collection							\$1,661	96,044
54			904.0 Uncollectible Accounts							5,083	47,164
55			905.0 Miscellaneous Customer Accounts Expenses.	3,572		(43)				3,564	7,290
56			Sub-total Customer Accounts	\$3,572		(\$43)				\$10,308	\$151,121
57											
58	CUSTOMER SERVICE & INFORMATION	Customer Service & Information	908.0 Customer Assistance							(\$78,555)	\$13,777
59			909.0 Informational & Instructional								897
60			910.0 Miscellaneous Customer & Informational							10	748
61			Sub-total Customer Service & Information							(\$78,545)	\$15,422
62											
63	SALES	Sales	912.0 Demonstrating & Selling							\$10	\$328
64			916.0 Miscellaneous Sales								
65			Sub-total Sales							\$10	\$328
66											
67	ADMINISTRATION & GENERAL	A&G Operations	920.0 Administrative and General Salaries							\$1,139	\$25,603
68			921.0 Office Supplies and Expenses								5,018
69			922.0 Administrative Expenses Transferred-Credit								
70			923.0 Outside Service Employed								86,778
71			924.0 Property Insurance								761
72			925.0 Injuries & Damages							82	17,454
73			926.0 Employee Pensions and Benefits							12,331	27,996
74			928.0 Regulatory Commission Expenses							1,200	8,912
75			929.0 Duplicate Charges-Credit								(1,343)
76			930.2 Miscellaneous General Expenses			1,000				1,002	3,298
77			Sub-total A&G Operations			\$1,000				\$15,754	\$174,477
78											
79		A&G Maintenance	935.0 Maintenance of General Plant							\$63	\$6,082
80											
81			Sub-total ADMINISTRATION & GENERAL			\$1,000				\$15,818	\$180,559
82											
83	DEPRECIATION & AMORTIZATION EXPENSE	Depreciation & Amortization Expense	403.0 Depreciation Expense.						\$10,397	\$10,397	\$226,701
84			404.0 Amort. Of Limited-Term Electric Plant.						3,562	3,562	45,400
85			Sub-total Depreciation & Amortization Expense						\$13,959	\$13,959	\$272,101
86											
87	AMORTIZATION OF REGULATORY EXPENSE	Amortization of Regulatory Expense	407.3 Regulatory Debits.							(\$448)	(\$448)
88			Sub-total Amortization of Regulatory Expense							(\$448)	(\$448)
89											
90	TAXES OTHER THAN INCOME TAXES	Taxes Other Than Income Taxes - Other	408.1 Taxes Other Than Income Taxes, Utility Operating Income.					\$3,370		\$3,370	\$192,819
91			Sub-total Taxes Other Than Income Taxes - Other					\$3,370		\$3,370	\$192,819
92											
93			Total	\$3,572	\$27,972	\$957		\$3,370	\$13,959	(\$2,312)	\$2,471,691

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-5 Revenue Adjustment Summary

Exhibit MJT-3
 Schedule D-5
 Witness: Michael J. Trzaska
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				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Line No.	Category	Category	Description	Account	HTY Amount Pre Adjustments	D-5A Revenue Annualization	D-5B CAP Revenue Credits and Adjustments	D-5C Act - 129 Lost Revenue Due To Load Reduction	D-5D Energy Efficiency Program Cost Recovery	D-5E OPEN	D-5F Leap Year Adjustment	D-5G Weather Normalization	Adjustments Sub-total	Pro Forma Adjusted at Present Rates
1	<i>OPERATING REVENUE</i>	Customer & Distribution Revenue	Residential	440.0	\$875,808	\$2,121	\$3,155	(\$2,067)	(\$25,681)		\$433	\$38,076	\$16,036	\$891,844
2			Residential - House Heating	440.1	156,268	1,713	427	(432)	(6,066)		105	18,701	14,447	170,715
3			C & I Small	442.0	292,195	598		(1,561)	(32,719)		141	8,582	(24,960)	267,235
4			C & I Large	442.1	190,530	575		(858)	(17,249)		123	2,467	(14,942)	175,589
5			Railroads & Railways	446.0	8,117				(563)				(563)	7,554
6			Street Lighting	444.0	21,011				(584)				(584)	20,427
7			Intercompany	448.0	166									166
8			Transmission - All Classes		209,772									209,772
9			Sub-total - Customer & Distribution Revenues		\$1,753,867	\$5,007	\$3,583	(\$4,919)	(\$82,863)		\$803	\$67,825	(\$10,565)	\$1,743,302
10														
11		Electric Cost Revenue	Residential	440.0	\$745,840									\$745,840
12			Residential - House Heating	440.1	176,253									176,253
13			C & I Small	442.0	193,399									193,399
14			C & I Large	442.1	24,714									24,714
15			Railroads & Railways	446.0										
16			Street Lighting	444.0	1,069									1,069
17			Intercompany	448.0										
18			Sub-total - Electric Cost Revenue		\$1,141,275									\$1,141,275
19														
20			Total OPERATING REVENUE		\$2,895,142	\$5,007	\$3,583	(\$4,919)	(\$82,863)		\$803	\$67,825	(\$10,565)	\$2,884,577
21														
22	<i>OTHER REVENUE</i>	Other Electric Revenue	Rent For Electric Property	454.0	\$21,995									\$21,995
23			Other Electric Revenues	456.0	6,833									6,833
24			Transmission of Electricity for Others	456.1										
25			Sub-total - Other electric Revenue		\$28,828									\$28,828
26														
27		Other Operating Revenue	Forfeited Discounts	450.0	\$16,337									\$16,337
28			Miscellaneous Service Revenues	451.0	4,933									4,933
29			Sub-total - Other Operating Revenue		\$21,270									\$21,270
30														
31			Total OTHER REVENUE		\$50,097									\$50,097
32														
33			Total REVENUE		\$2,945,240	\$5,007	\$3,583	(\$4,919)	(\$82,863)		\$803	\$67,825	(\$10,565)	\$2,934,674

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-5A Revenue Annualization

Exhibit MJT-3
 Schedule D-5A
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5) (6)

Line No.	Description	Reference	440000: Residential Sales	440001: Residential Heating Sales	442001: C&I Sales- Small	442002: C&I Sales- Large	C & I Total
1	Total HTY Revenues		\$1,731,923	\$358,237	\$527,054	\$248,056	\$775,110
2	Commodity Billings in Revenues		(856,115)	(201,969)	(234,859)	(57,526)	(292,385)
3	Weather Adjustment		38,076	18,701	8,582	2,467	11,049
4	Total Reconcilable Surcharge in Revenues		(19,546)	(4,615)	(28,299)	(9,066)	(37,365)
5	Revenues Net of Commodity - Margin	SUM L1 to L4	\$894,338	\$170,353	\$272,478	\$183,931	\$456,409
6							
7	Average Monthly Customers in HTY		1,330,590	200,169	155,906	3,117	159,023
8							
9	Average Annual Margin Per Customer	L5 / L7	\$0.672	\$0.851	\$1.748	\$59.004	\$2.870
10							
11	Number of Customers at end of HTY		1,333,745	202,182	156,248	3,127	159,375
12							
13	Increase in Customers during HTY	L11 - L7	3,155	2,013	342	10	352
14							
15	Annualization of Revenue	L9 * L13	\$2,121	\$1,713	\$598	\$575	\$1,173

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-5B CAP Revenue Credits and Adjustments

Exhibit MJT-3
 Schedule D-5B
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	(1) 440000: Residential Sales	(2) 440001: Residential Heating Sales
1	CAP Discount		(\$123,885)	(\$16,782)
2				
3				
4	<u>ANNUALIZATION TO YEAR END CUSTOMERS</u>			
5				
6	Annual CAP Customers		1,355,844	163,920
7	Average Monthly CAP Customers		112,987	13,660
8	Average Annual CAP Discount Per Customer	L1 / L7	(\$1.096)	(\$1.229)
9				
10	CAP Customers at End of HTY		109,772	13,271
11	Increase of CAP Customers	L10 - L7	(3,215)	(389)
12				
13	Gross Decrease / (Increase) in CAP Discount	L8 * L11	\$3,525	\$478
14	Write-Offs & Working Capital Factor		10.5%	10.5%
15	Reflect Impact in Write-Offs and Working Capital	- L13 * L14	(\$370)	(\$50)
16				
17	Net Decrease / (Increase) in CAP Discount	L13 + L15	\$3,155	\$427

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-5C Act 129 - Lost Revenue Due to Load Reduction

Exhibit MJT-3
 Schedule D-5C
 Witness: Michael J. Trzaska
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(1) (2) (3) (4) (5)

Line No.	Description	Reference	2024 Revenue Loss	2025 Revenue Loss	2026 Revenue Loss Over 2025	Recovery of Incremental Revenue Loss
1	<u>Revenue Impact in 2024 - Included in HTY Year Budget</u>					
2	Residential		(\$4,912)			
3	Residential Heaing		(\$1,027)			
4	Small C&I		(\$4,154)			
5	Large C&I		(\$1,091)			
6	Total	SUM L2 to L5	(\$11,185)			
7						
8	<u>Target Revenue Impact in 2024</u>					
9	Residential			(\$9,047)		
10	Residential Heaing			(\$1,892)		
11	Small C&I			(\$7,277)		
12	Large C&I			(\$2,808)		
13	Total	SUM L9 to L12		(\$21,023)		
14						
15	<u>Incremental Revenue Impact Over HTY Budget</u>					
16	Residential	L9 - L2			(\$4,135)	
17	Residential Heaing	L10 - L3			(865)	
18	Small C&I	L11 - L4			(3,123)	
19	Large C&I	L12 - L5			(1,716)	
20	Total	SUM L16 to L19			(\$9,839)	
21						
22	<u>Average Annual Incremental Revenue Not in HTY Budget</u>					
23	Residential	L16 / 2				(\$2,067)
24	Residential Heaing	L17 / 2				(432)
25	Small C&I	L18 / 2				(1,561)
26	Large C&I	L19 / 2				(858)
27	Total	SUM L23 to L26				(\$4,919)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-5D Revenue - Energy Efficiency Program Cost Recovery

Exhibit MJT-3
 Schedule D-5D
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Account / Description	Reference	Total
1	440000: Residential Sales		(\$25,681)
2	440001: Residential Heating Sales		(6,066)
3	442001: C&I Sales-Small		(32,719)
4	442002: C&I Sales-Large		(17,249)
5	444000: Public Street/Highway Lighting		(584)
6	446000: Sales-Railroad/Railway		(563)
7	Reduction in Retail Revenue	SUM L1 to L6	<u>(\$82,863)</u>
8			
9	O&M Expense		(\$78,630)

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)
D-5E Reserved

Exhibit MJT-3
Schedule D-5E
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-5F Leap Year Revenue Normalization

Exhibit MJT-3
 Schedule D-5F
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Reference	440000: Residential Sales	440001: Residential Heating Sales	442001: C&I Sales-Small	442002: C&I Sales-Large	C & I Total
1	Revenue in February of HTY		\$48,533	\$11,758	\$15,777	\$13,812	\$29,589
2	Days in February of HTY		28	28	28	28	
3	Average Daily Revenue in February	L1 / L2	\$1,733	\$420	\$563	\$493	
4	Average Days in February		28.25	28.25	28.25	28.25	
5	Difference in Days	L4 - L2	0.25	0.25	0.25	0.25	
6							
7	Leap Year Adjustment	L3 * L5	\$433	\$105	\$141	\$123	\$264

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)
D-5G Weather Normalization

Exhibit MJT-3
Schedule D-5G
Witness: Michael J. Trzaska
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(1)

Line No.	Account	Total
1	Residential Sales	\$38,076
2	Residential Heating Sales	18,701
3	C&I Sales-Small	8,582
4	C&I Sales-Large	2,467
5		
6	Total	\$67,825

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-6 S + W Pro Forma

Exhibit MJT-3
 Schedule D-6
 Witness: Michael J. Trzaska
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		(1)	(2)	(3)
Line No.	Description	Reference	Union	Non-Union
1	Number of Employees @ HTY - Union/Non-Union		1,044	1,168
2	Number of Employees @ HTY - Total		2,213	2,213
3	Percentage of Employees @ HTY	L1 / L2	47.20%	52.80%
4	Distribution of Budget S&W Expense		\$70,415	\$78,756
5				
6	<u>Annualize March 1 Wage Increase for HTY</u>			
7	Number of Months TY			2
8	Rate for Increase TY		2.50%	3.00%
9	Total Wage Increase TY	(L4 * L7 * L8) / 12		\$394
10		L4 + L9	\$70,415	\$79,150
11				
12	<u>Annualize January 1 and March 1, 2024 Wage Increase</u>			
13	Number of Months		12	12
14	Rate for Increase		2.50%	3.00%
15	Total Adjustment	(L10 * L13) / 12	\$1,760	\$2,374
16				
17	Annualized S&W Including Wage Increases	L10 + L15	\$72,175	\$81,524

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-6 S + W Pro Forma

Exhibit MJT-3
 Schedule D-6
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Amount
1	Distribution of S&W Expense		\$149,170
2			
3	Annualized S&W Including Wage Increases		\$153,699
4			
5	<u>Adjustment for Union Contract</u>		
6	Union Contract Payment		\$1,303
7	Union Contract Payment % for Utility		77.49%
8	Union Contract Payment for Utility	L6 * L7	\$1,010
9	Union Contract Payment Normalization Period		6
10	Union Contract Payment Normalized	L8 / L9	\$168
11			
12	Adjusted S&W for Employees in HTY	L3 + L10	\$153,867
13			
14	<u>Pro Forma For New Employees</u>		
15	Number of Employees @ HTY		2,213
16	Average Number of Employees in HTY - Total		2,162
17	Annualization for Number of Employees	L15 - L16	51
18	Annual S&W per Employee	L12 / L16	\$71.2
19	Annualization of S&W for New Employees	L17 * L18	\$3,626
20			
21	Pro Forma HTY S&W	L12 + L19	\$157,493
22			
23	<u>Pro Forma Increase in S&W</u>	L21 - L1	<u>\$8,323</u>
24			
25	S&W Pro Forma Factor	L23 / L1	5.58%

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)
D-6 S Summary

Exhibit MJT-3
Schedule D-6
Witness: Michael J. Trzaska
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Line No.	Category	Description	Account	(1) Jurisdictional Payroll Amount	(2) Pro Forma Payroll Adjustment	(3) Total Adjusted Payroll
1	Operations	Power Supply Expenses	555.0 Purchased Power.			
2			Sub-total Power Supply Expenses			
3						
4		Transmission Expense	560.0 Operation & Supervision			
5			561.0 Load Dispatching			
6			561.4 Scheduling, System Control & Dispatch			
7			561.6 Transmission Service Studies			
8			561.7 Generation Service Studies			
9			561.8 Reliability, Planning & Standard Development			
10			562.0 Station Expense			
11			563.0 Overhead Lines			
12			564.0 Underground Lines Expense			
13			566.0 Miscellaneous Expense			
14			567.0 Rents			
15			569.0 Maintenance of Structures			
16			569.1 Maintenance of Computer Hardware			
17			569.2 Maintenance of Computer Software			
18			569.3 Maintenance of Communication Equipment			
19			570.0 Maintenance of Station Equipment			
20			571.0 Maintenance of Overhead Lines			
21			572.0 Maintenance of Underground Lines			
22			573.0 Maintenance of Misc Transmission Plant			
23			Sub-total Transmission Expense			
24						
25		Distribution Expense	580.0 Operation & Supervision	\$854	\$48	\$901
26			581.0 Load Dispatching			
27			582.0 Station Expense	44	2	46
28			583.0 Overhead Lines Expenses	3,199	178	3,377
29			584.0 Underground Lines Expense	2,336	130	2,466
30			586.0 Meter Expenses	2,232	125	2,357
31			587.0 Customer Installations Expense	5,385	300	5,685
32			588.0 Miscellaneous Expense	6,107	341	6,448
33			589.0 Rents			
34			591.0 Maintenance of Structures	1,084	61	1,145
35			592.0 Maintenance of Station Equipment	7,878	440	8,317
36			593.0 Maintenance of Overhead Lines	44,019	2,456	46,475
37			594.0 Maintenance of Underground Lines	16,420	916	17,336
38			595.0 Maintenance of Line Transformers	417	23	441
39			596.0 Maintenance of Street Lighting & Signal Systems	92	5	97
40			598.0 Maintenance of Misc. Distribution	3,919	219	4,138
41			Sub-total Distribution Operations	\$93,987	\$5,244	\$99,231
42						

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-6 S Summary

Exhibit MJT-3
 Schedule D-6
 Witness: Michael J. Trzaska
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Line No.	Category	Description	Account	(1) Jurisdictional Payroll Amount	(2) Pro Forma Payroll Adjustment	(3) Total Adjusted Payroll
43	Customer Accounts		901.0 Supervision			
44			902.0 Meter Reading	0	\$0	0
45			903.0 Customer Records and Collection	\$29,773	\$1,661	\$31,434
46			904.0 Uncollectible Accounts.			
47			905.0 Miscellaneous Customer Accounts Expenses.	623	35	658
48			Sub-total Customer Accounts	\$30,396	\$1,696	\$32,092
49						
50	Customer Service & Information		908.0 Customer Assistance	\$1,349	\$75	\$1,424
51			909.0 Informational & Instructional			
52			910.0 Miscellaneous Customer & Informational	172	10	182
53			Sub-total Customer Service & Information	\$1,521	\$85	\$1,606
54						
55	Sales		912.0 Demonstrating & Selling	\$180	\$10	\$190
56			916.0 Miscellaneous Sales			
57			Sub-total Sales	\$180	\$10	\$190
58						
59	Administration & General		920.0 Administrative and General Salaries	\$20,422	\$1,139	\$21,561
60			921.0 Office Supplies and Expenses			
61			922.0 Administrative Expenses Transferred-Credit			
62			923.0 Outside Service Employed			
63			924.0 Property Insurance			
64			925.0 Injuries & Damages	1,462	82	1,544
65			926.0 Employee Pensions and Benefits	27	2	29
66			928.0 Regulatory Commission Expenses			
67			929.0 Duplicate Charges-Credit			
68			930.2 Miscellaneous General Expenses	43	2	45
69			935.0 Maintenance of General Plant	1,132	63	1,195
70			Sub-total Administration & General	\$23,087	\$1,288	\$24,375
71						
72			Total	\$149,170	\$8,323	\$157,493
73						
74			Percent Increase			5.58%

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-7 Rate Case Expense

Exhibit MJT-3
 Schedule D-7
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Amount
1	EXPENDITURES UP TO PERIOD END OF HTY		
2	External Legal and Consultants		\$3
3	Staff Augmentation, Materials, IT Costs, Travel, Copies, etc.		\$6
4	Total Recorded Up To Period End of HTY	SUM L2 to L3	<u>\$9</u>
5			
6	EXPENDITURES IN FTY		
7	External Legal and Consultants		\$1,997
8	Materials, IT Costs, Travel, Copies, etc.		394
9	Total Expenditure Expected in FTY	SUM L7 to L8	<u>\$2,391</u>
10			
11	Total Rate Case Expense	L4 + L9	\$2,400
12			
13	Amortization Period		<u>2</u>
14	Annual Amortization Amount	L11 / L13	<u>\$1,200</u>
15			
16	Annual Amortization Amount Included in Budget		
17	Pro Forma Adjustment for Annual Amortization	L14 - L16	<u><u>\$1,200</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-8 Employee Benefit

Exhibit MJT-3
 Schedule D-8
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Jurisdictional Amount
1	<u>Number of Employees</u>		
2	Employees at Eleven Months Prior		2,103
3	Employees at Ten Months Prior		2,108
4	Employees at Nine Months Prior		2,129
5	Employees at Eight Months Prior		2,137
6	Employees at Seven Months Prior		2,137
7	Employees at Six Months Prior		2,141
8	Employees at Five Months Prior		2,145
9	Employees at Four Months Prior		2,165
10	Employees at Three Months Prior		2,229
11	Employees at Two Months Prior		2,218
12	Employees at One Month Prior		2,215
13	Employees at End of FTY		2,213
14			
15	Average Monthly Employees in HTY	AVERAGE L2 to L13	2,162
16	Additional Employees in HTY		51
17			
18	<u>Employee Benefits</u>		
19	Total Benefits Expensed		\$21,215
20	Number of Employees for Budget		2,162
21	Budget Expense Per Employee	L19 / L20	\$10
22	Additional Employees for Annualization	L16	51
23	Total Benefits Pro Forma Adjustment	L21 * L22	<u><u>\$500</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-9 Pension Costs

Exhibit MJT-3
 Schedule D-9
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total - PECO
1	Pension Contribution for Four Years Prior to HTY		\$26,339
2	Pension Contribution for Three Years Prior to HTY		18,006
3	Pension Contribution for Two Years Prior to HTY		17,267
4	Pension Contribution for One Year Prior to HTY		15,222
5	Pension Contribution for HTY		1,408
6			
7	Average Pension Contribution	Average L1 to L5	\$15,648
8			
9	Percent to Electric Distribution		77.49%
10	Total Amount to Electric Distribution	L7 * L9	<u>\$12,125</u>
11	Pension Capitalization Factor		<u>48.21%</u>
12	Pension Contribution To Be Capitalized	L10 * L11	<u>5,846</u>
13	Pension Contribution To Be Expensed	L10 - L12	<u>\$6,279</u>
14	FPFTY Distribution Pension Expense		<u>(5,550)</u>
15	Additional Pension Expense	L13 - L14	<u><u>\$11,829</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-11 IIJA Regulatory Asset

Exhibit MJT-3
 Schedule D-11
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	Actual IIJA Related Incremental Costs in 2022 and 2023		\$411
2	Amortization Years		<u>2</u>
3	Pro Forma Adjustment Amount	L1 / L2	<u>\$205</u>
4	Remove Estimated IIJA Related Incremental Costs in 2025		<u>(653)</u>
5	Total Pro Forma Adjustment Amount	L3 + L4	<u><u>(\$448)</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-12 Customer Deposit Interest

Exhibit MJT-3
 Schedule D-12
 Witness: Michael J. Trzaska
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Line No.	Description	Description	Reference	Interest Rate	Deposit Amount	Interest on Deposit Amount	Interest Sub Total	Interest Total
1	Residential	Monthly Interest Rate		<u>0.667%</u>				
2								
3	January				18,976	127		
4	February				19,166	128		
5	March				19,446	130		
6	April				20,077	134		
7	May				20,877	139		
8	June				21,538	144		
9	July				22,060	147		
10	August				22,549	150		
11	September				22,772	152		
12	October				23,058	154		
13	November				23,276	155		
14	December				23,215	155		
15	Total Residential		SUM Col 4 L3 to L14				<u>\$1,713</u>	
16								
17	Non-Residential	Monthly Interest Rate		<u>0.425%</u>				
18								
19	January				32,487	138		
20	February				33,197	141		
21	March				33,844	144		
22	April				34,307	146		
23	May				35,117	149		
24	June				35,642	151		
25	July				36,988	157		
26	August				38,022	162		
27	September				38,782	165		
28	October				39,358	167		
29	November				39,646	168		
30	December				39,988	170		
31	Total Non-Residential		SUM Col 4 L19 to L30				<u>\$1,859</u>	
32								
33	Interest on Customer Deposits		Col 5 L15 + L31					<u><u>\$3,572</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-13 Storm Expense Normalization

Exhibit MJT-3
 Schedule D-13
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Reference	Tri- State CPI Factor	Inflation Factor	Expense In Year	Amount for Average	Total
1	4/1/2019 - 3/31/2020		-	1.22448	\$32,500	\$39,796	
2	4/1/2020 - 3/31/2021		0.00696	1.22448	\$118,822	\$145,495	
3	4/1/2021 - 3/31/2022		0.05645	1.21602	\$56,495	\$68,699	
4	4/1/2022 - 3/31/2023		0.07555	1.15105	\$17,144	\$19,734	
5	4/1/2023 - 3/31/2024		0.03888	1.07019	\$67,284	\$72,006	
7							
8	Average Storm Restoration Expense at 2025 cost levels	AVERAGE L1 to L5					\$69,146
9							
10	HTY Budget						\$41,173
11							
12	Pro Forma Adjustment for Storm Expense Normalization	L9 - L11					<u>\$27,972</u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-14 Other Adjustments

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 Schedule D-14
 Witness: Michael J. Trzaska
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(1) (2)

Line No.	Description	Reference	Total
1	Final Tax Accounting Repair Credit (TARC) - Electric		
2	Residential		(36)
3	Small C&I		(14)
4	Large C&I		(9)
5	Street Lighting		(3)
6	Sub-total TARC Credit	SUM L2 to L5	<u>(62)</u>
7	Final Federal Tax Adjustment Credit (FTAC) - Electric		
8	Residential		(\$37)
9	Small C&I		(1)
10	Street Lighting		(0)
11	Large C&I & Railroads		<u>15</u>
12	Sub-total FTAC Credit	SUM L8 to L11	<u>(23)</u>
13	Total TARC and FTAC Credit	L6 + L12	<u>(86)</u>
14	Amortization Years		<u>2</u>
15	Pro Forma Adjustment Amount	L13 / L14	<u>(43)</u>
16			
17	EV Incentive Rebates		<u><u>1,000</u></u>

PECO Gas Operations
Before The Pennsylvania Public Utility Commission
HTY Ending December 2023
(\$ in Thousands)
D-15 Reserved

Exhibit MJT-3
Schedule D-15
Witness: Michael J. Trzaska
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PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-16 TOTI - Summary

Exhibit MJT-3
 Schedule D-16
 Witness: Michael J. Trzaska
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	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Transmission Percentage / Reference	Total Electric	Transmission Elimination	Distribution	Pro Forma Adjustments	Pro Forma Tax Expense
1	Public Utility Real Tax (PURTA) Total Expense	17.825%	\$6,819	(\$1,216)	\$5,604		\$5,604
2	Use Tax Accrued	17.825%	2,345	(418)	1,927		1,927
3	Real Estate Tax Accrued	17.825%	5,664	(1,010)	4,655		4,655
4	Miscellaneous TOTI	12.373%	46	(6)	41		41
5	Payroll Tax Accrued	12.373%	13,211	(1,635)	11,576	646	12,222
6	Sub-total TOTI - Other	SUM L1 to L5	\$28,086	(\$4,284)	\$23,802	\$646	\$24,448
7							
8	Gross Receipt Tax		\$165,647		\$165,647	\$2,724	\$168,371
9							
10	Total	L6 + L8	\$193,733	(\$4,284)	\$189,450	\$3,370	\$192,819

PECO Electric Operations
 Before The Pennsylvania Public Utility
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 HTY Ending December 2023
 (\$ in Thousands)
 D-16 TOTI - Gross Receipts Pro Forma

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 Schedule D-16
 Witness: Michael J. Trzaska
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(1)

(2)

Line No.	Description	Reference	Total
1	GROSS RECEIPTS TAX PRO FORMA AT PRESENT RATE		
2			
3	Residential		\$1,637,684
4	Residential Heating		346,968
5	Small C&I		460,634
6	Large C&I		200,302
7	Railroads & Railways		7,554
8	Street Lighting & Highway		21,496
9	Interdepartmental Sales - Electric		166
10	Transmission		<u>209,772</u>
11	Sub-total	SUM L3 to L10	<u>\$2,884,577</u>
12			
13	Forfeited Discounts - Electric		\$16,337
14	Uncollectible Accounts		(47,164)
15	COVID-19 Related Incremental Bad Debt Expense		
16	Sub-total	SUM L13 to L15	<u>(\$30,828)</u>
17			
18	Total HTY at Present Rates	L11 + L16	\$2,853,749
19			
20	Gross Receipts Tax Rate		<u>5.90%</u>
21			
22	Pro Forma Gross Receipts Expense at Present Rates	L18 * L20	\$168,371
23			
24	HTY Budget		\$165,647
25			
26	Net Adjustment	L22 - L24	<u><u>\$2,724</u></u>

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIP	\$1,229	\$216	\$1,012	\$216	\$1,445
2			PECO Elec 3650 PA LTIP	2,240	180	2,060	180	2,420
3			PECO Elec 3660 PA LTIP	1,473	423	1,050	423	1,896
4			PECO Elec 3670 PA LTIP	2,723	507	2,216	507	3,230
5			PECO Elec 3705 SM UD RES PA	10,189		10,189		10,189
6			PECO Elec 3706 Non DOE Rcv PA	2,351		2,351		2,351
7			PECO Elec 3707 SM RES PA	5,352	297	5,054	297	5,649
8			PECO Elec 3708 SM SCI PA	863	8	855	8	871
9			PECO Elec 3709 SM LCI PA	1,132	56	1,076	56	1,189
10			PECO Elec Dist-ARC EXP PA	(3)		(3)		(3)
11			PECO Electric 3611 PA	1,257	267	990	267	1,524
12			PECO Electric 3612 PA	2,553	115	2,438	115	2,668
13			PECO Electric 3613 PA	206	1	205	1	207
14			PECO Electric 3620 PA	21,678	233	21,445	233	21,911
15			PECO Electric 3640 PA	22,749	1,320	21,429	1,320	24,069
16			PECO Electric 3650 PA	36,963	1,972	34,991	1,972	38,935
17			PECO Electric 3660 PA	8,764	297	8,467	297	9,062
18			PECO Electric 3670 PA	32,674	1,318	31,356	1,318	33,992
19			PECO Electric 3680 PA	16,583	1,096	15,487	1,096	17,679
20			PECO Electric 3691 PA	3,453	114	3,339	114	3,568
21			PECO Electric 3692 PA	4,919	32	4,887	32	4,950
22			PECO Electric 3701 PA	145	7	138	7	152
23			PECO Electric 3710 PA	4		4		4
24			PECO Electric 3730 PA	884	7	877	7	892
25			PECO Electric 3731 PA	76	0	76	0	76
26			PECO Electric 3732 PA	925	(26)	951	(26)	900
27			PECO Electric 3733 PA	36		36		36
28			Sub-total Electric - Distribution	\$181,419	\$8,442	\$172,977	\$8,442	\$189,862
29			Sub-total Electric - Distribution	\$181,419	\$8,442	\$172,977	\$8,442	\$189,862
30								
31		Common - General Plant	PECO Common 3901 PA	\$4,133	(\$16)	\$4,149	(\$16)	\$4,117
32			PECO Common 3902 IL	17		17		17
33			PECO Common 3902 PA	2,453	289	2,164	289	2,742
34			PECO Common 3903 PA	57	5	52	5	62
35			PECO Common 3911 PA	13		13		13
36			PECO Common 3912 PA	2,125	102	2,023	102	2,228
37			PECO Common 3913 IL	1,056	65	991	65	1,120
38			PECO Common 3913 PA	7,239	1,461	5,778	1,461	8,700
39			PECO Common 3930 PA	104	9	95	9	113
40			PECO Common 3941 PA	2		2		2
41			PECO Common 3942 PA	66		66		66
42			PECO Common 3970 PA	5,691	139	5,552	139	5,830

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
43			PECO Common 3980 PA	84		84		84
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	18		18		18
45			PECO Elec 3919 SM Comp Equip IL	36		36		36
46			PECO Elec 3919 SM Comp Equip MD	13		13		13
47			PECO Elec 3919 SM Comp Equip NC	7		7		7
48			PECO Elec 3919 SM Comp Equip PA	11		11		11
49			PECO Elec 3949 SM Tools PA	7		7		7
50			PECO Elec 3979 SM Comm Equip PA	2,649	9	2,640	9	2,658
51			PECO Electric 3901 PA	802	9	793	9	810
52			PECO Electric 3902 PA	393	2	391	2	395
53			PECO Electric 3903 PA	5	4	1	4	8
54			PECO Electric 3911 PA	1		1		1
55			PECO Electric 3912 PA	64	5	59	5	69
56			PECO Electric 3913 PA	6,894	273	6,621	273	7,166
57			PECO Electric 3930 PA	4		4		4
58			PECO Electric 3940 PA	3,475	225	3,250	225	3,700
59			PECO Electric 3951 PA	13		13		13
60			PECO Electric 3952 PA	1		1		1
61			PECO Electric 3970 PA	7,628	122	7,505	122	7,750
62			PECO Electric 3980 PA	61	2	59	2	63
63			Sub-total Electric - General Plant	\$45,122	\$2,705	\$42,418	\$2,705	\$47,827
64			Sub-total Electric - General Plant	\$45,122	\$2,705	\$42,418	\$2,705	\$47,827
65								
66		Electric - Transmission	PECO Electric 3521 PA	\$402	(\$3)	\$406	(\$3)	\$399
67			PECO Electric 3522 MD	1		1		1
68			PECO Electric 3522 NJ	0		0		0
69			PECO Electric 3522 PA	1,458	19	1,439	19	1,477
70			PECO Electric 3523 NJ	0		0		0
71			PECO Electric 3523 PA	49	1	48	1	49
72			PECO Electric 3530 NJ	66		66		66
73			PECO Electric 3530 PA	17,720	203	17,518	203	17,923
74			PECO Electric 3540 DE	92		92		92
75			PECO Electric 3540 MD	52		52		52
76			PECO Electric 3540 NJ	217		217		217
77			PECO Electric 3540 PA	3,098	1	3,097	1	3,099
78			PECO Electric 3550 PA	421	19	402	19	440
79			PECO Electric 3560 DE	5		5		5
80			PECO Electric 3560 MD	12		12		12
81			PECO Electric 3560 NJ	127	37	90	37	164
82			PECO Electric 3560 PA	4,079	99	3,980	99	4,179
83			PECO Electric 3570 PA	633	379	253	379	1,012
84			PECO Electric 3580 PA	2,079	414	1,665	414	2,493

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
85			PECO Electric 3590 NJ	4		4		4
86			PECO Electric 3590 PA	24	(6)	30	(6)	19
87			Sub-total Electric - Transmission	\$30,540	\$1,163	\$29,377	\$1,163	\$31,703
88								
89			Sub-total 403.0 Depreciation Expense	\$257,081	\$12,310	\$244,772	\$12,310	\$269,391
90			Sub-total Electric - Transmission	\$30,540	\$1,163	\$29,377	\$1,163	\$31,703
91								
97	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	PECO Com 3030- North Star RE SW	\$447		\$447		\$447
98			PECO Com 3030-Apollo SW	685	685		685	1,369
99			PECO Com 3030-BIDA Customer Project	1,849		1,849		1,849
100			PECO Com 3030-BIDA-AMI Ph2 SW	2,139		2,139		2,139
101			PECO Com 3030-CIS Transformation SW	204		204		204
102			PECO Com 3030-Cloud Serv 3 yr	1,962	1,073	889	1,073	3,035
103			PECO Com 3030-Cloud Serv 5 yr	2,780	1,357	1,423	1,357	4,138
104			PECO Com 3030-Common MDM SW	8,309	219	8,090	219	8,528
105			PECO Com 3030-CTA PHI Consol SW	19		19		19
106			PECO Com 3030-Cust Appt Sched SW	615		615		615
107			PECO Com 3030-Digital Strat Platfor	123		123		123
108			PECO Com 3030-EU Dig Strat EPay SW	444		444		444
109			PECO Com 3030-EU Digital Program We	1,657	863	793	863	2,520
110			PECO Com 3030-EU oneMDS SW	2,759	2,759		2,759	5,518
111			PECO Com 3030-Fusion Mig Non-MDM SW	791		791		791
112			PECO Com 3030-I Sign Up and Move	1,568		1,568		1,568
113			PECO Com 3030-IT Cust Mobile App SW	102	67	35	67	169
114			PECO Com 3030-IVR System PA	127	98	29	98	226
115			PECO Com 3030-Lease IT SW	112		112		112
116			PECO Com 3030-Misc 5 yr FR PA	6,784	(2,595)	9,379	(2,595)	4,189
117			PECO Com 3030-Misc 5 yr PA	12	12		12	25
118			PECO Com 3030-Mobile Dispatch Mappi	5,842		5,842		5,842
119			PECO Com 3030-OBIEE Migration SW	1,099		1,099		1,099
120			PECO Com 3030-Oracle MW Upgrade SW	261		261		261
121			PECO Com 3030-Rev Req Filing SW	390		390		390
122			PECO Com 3030-Robotic Process Auto	89		89		89
123			PECO Com 3030-SCP Splunk SW	2		2		2
124			PECO Elec 303 Elec Configuration SW	551		551		551
125			PECO Elec 303 EV-FC	70		70		70
126			PECO Elec 303 NERC CIP Systems D PA	2		2		2
127			PECO Elec 303 NERC CIP Systems PA	17		17		17
128			PECO Elec 303 SLC	111		111		111
129			PECO Elec 303 SM AMOS PA	379		379		379
130			PECO Elec 303-BIDA Grid T&D Domain	1,762		1,762		1,762
131			PECO Elec 303-CFP - Outage SW D	86	86		86	172

PECO Electric Operations
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 D-17 Depreciation Adjustment

			(1)	(2)	(3)	(4)	(5)	
Line No.	Account	Plant Account	Depreciation Category	Depr on Existing Assets + Adds	Depr on Adds	Depr on Existing Assets	Annualize Current Yr Depr	Pro Forma Test Yr Depr
132			PECO Elec 303-CFP - Outage SW T	15	15		15	30
133			PECO Elec 303-Dist Auto Ntwk Upg Hi	763		763		763
134			PECO Elec 303-EMS Implementation Pr	3,321		3,321		3,321
135			PECO Elec 303-EU Custom Analytics S	278		278		278
136			PECO Elec 303-EU Digital Solar Tool	327		327		327
137			PECO Elec 303-EU Load Forecast SW	723		723		723
138			PECO Elec 303-EU Ratings DB SW D	12		12		12
139			PECO Elec 303-EU Ratings DB SW T	155		155		155
140			PECO Elec 303-EU TOA Implementation	995		995		995
141			PECO Elec 303-PECO RNI Upgrade SW D	1,380		1,380		1,380
142			PECO Elec 303-PECO TOU SW	1,370		1,370		1,370
143			PECO Elec 303-SES IV D SW	2,364		2,364		2,364
144			PECO Elec 3030 - BIDA Smart Energy A (Original)	459		459		459
145			PECO Elec 3030-Cloud Serv 3 yr	254		254		254
146			PECO Elec 3030-Cloud Serv 5 yr	443	91	352	91	534
147			PECO Electric 303 Misc 5 FR PA	3,484	384	3,099	384	3,868
148			Sub-total Electric - Intangible Plant	\$60,494	\$5,115	\$55,380	\$5,115	\$65,609
149								
150			Sub-total 404.0 Amort. of Limited-Term Electric Plant	\$60,494	\$5,115	\$55,380	\$5,115	\$65,609
151								
152			Total	\$317,576	\$17,424	\$300,151	\$17,424	\$335,000
153			Sub-total Electric - Intangible Plant	\$60,494	\$5,115	\$55,380	\$5,115	\$65,609
154								
155			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.	\$60,494	\$5,115	\$55,380	\$5,115	\$65,609

PECO Electric Operations
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(6)	(7)	(8)	(9)	(10)	(11)
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIIP	1.0000	\$1,229	\$216	\$1,012	\$216	\$1,445
2			PECO Elec 3650 PA LTIIP	1.0000	2,240	180	2,060	180	2,420
3			PECO Elec 3660 PA LTIIP	1.0000	1,473	423	1,050	423	1,896
4			PECO Elec 3670 PA LTIIP	1.0000	2,723	507	2,216	507	3,230
5			PECO Elec 3705 SM UD RES PA	1.0000	10,189		10,189		10,189
6			PECO Elec 3706 Non DOE Rcv PA	1.0000	2,351		2,351		2,351
7			PECO Elec 3707 SM RES PA	1.0000	5,352	297	5,054	297	5,649
8			PECO Elec 3708 SM SCI PA	1.0000	863	8	855	8	871
9			PECO Elec 3709 SM LCI PA	1.0000	1,132	56	1,076	56	1,189
10			PECO Elec Dist-ARC EXP PA	1.0000	(3)		(3)		(3)
11			PECO Electric 3611 PA	1.0000	1,257	267	990	267	1,524
12			PECO Electric 3612 PA	1.0000	2,553	115	2,438	115	2,668
13			PECO Electric 3613 PA	1.0000	206	1	205	1	207
14			PECO Electric 3620 PA	1.0000	21,678	233	21,445	233	21,911
15			PECO Electric 3640 PA	1.0000	22,749	1,320	21,429	1,320	24,069
16			PECO Electric 3650 PA	1.0000	36,963	1,972	34,991	1,972	38,935
17			PECO Electric 3660 PA	1.0000	8,764	297	8,467	297	9,062
18			PECO Electric 3670 PA	1.0000	32,674	1,318	31,356	1,318	33,992
19			PECO Electric 3680 PA	1.0000	16,583	1,096	15,487	1,096	17,679
20			PECO Electric 3691 PA	1.0000	3,453	114	3,339	114	3,568
21			PECO Electric 3692 PA	1.0000	4,919	32	4,887	32	4,950
22			PECO Electric 3701 PA	1.0000	145	7	138	7	152
23			PECO Electric 3710 PA	1.0000	4		4		4
24			PECO Electric 3730 PA	1.0000	884	7	877	7	892
25			PECO Electric 3731 PA	1.0000	76	0	76	0	76
26			PECO Electric 3732 PA	1.0000	925	(26)	951	(26)	900
27			PECO Electric 3733 PA	1.0000	36		36		36
28			Sub-total Electric - Distribution		\$181,419	\$8,442	\$172,977	\$8,442	\$189,862
29			Sub-total Electric - Distribution		\$181,419	\$8,442	\$172,977	\$8,442	\$189,862
30									
31		Common - General Plant	PECO Common 3901 PA	0.7693	\$3,179	(\$12)	\$3,192	(\$12)	\$3,167
32			PECO Common 3902 IL	0.7693	13		13		13
33			PECO Common 3902 PA	0.7693	1,887	223	1,665	223	2,110
34			PECO Common 3903 PA	0.7693	44	4	40	4	48
35			PECO Common 3911 PA	0.7693	10		10		10
36			PECO Common 3912 PA	0.7693	1,635	79	1,556	79	1,714
37			PECO Common 3913 IL	0.7693	812	50	763	50	862
38			PECO Common 3913 PA	0.7693	5,569	1,124	4,445	1,124	6,693
39			PECO Common 3930 PA	0.7693	80	7	73	7	87
40			PECO Common 3941 PA	0.7693	2		2		2
41			PECO Common 3942 PA	0.7693	51		51		51
42			PECO Common 3970 PA	0.7693	4,378	107	4,271	107	4,485

PECO Electric Operations
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(6)	(7)	(8)	(9)	(10)	(11)		
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)	
43			PECO Common 3980 PA	0.7693	65		65		65	
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	1.0000	18		18		18	
45			PECO Elec 3919 SM Comp Equip IL	1.0000	36		36		36	
46			PECO Elec 3919 SM Comp Equip MD	1.0000	13		13		13	
47			PECO Elec 3919 SM Comp Equip NC	1.0000	7		7		7	
48			PECO Elec 3919 SM Comp Equip PA	1.0000	11		11		11	
49			PECO Elec 3949 SM Tools PA	1.0000	7		7		7	
50			PECO Elec 3979 SM Comm Equip PA	1.0000	2,649	9	2,640	9	2,658	
51			PECO Electric 3901 PA	1.0000	802	9	793	9	810	
52			PECO Electric 3902 PA	1.0000	393	2	391	2	395	
53			PECO Electric 3903 PA	1.0000	5	4	1	4	8	
54			PECO Electric 3911 PA	1.0000	1		1		1	
55			PECO Electric 3912 PA	1.0000	64	5	59	5	69	
56			PECO Electric 3913 PA	1.0000	6,894	273	6,621	273	7,166	
57			PECO Electric 3930 PA	1.0000	4		4		4	
58			PECO Electric 3940 PA	1.0000	3,475	225	3,250	225	3,700	
59			PECO Electric 3951 PA	1.0000	13		13		13	
60			PECO Electric 3952 PA	1.0000	1		1		1	
61			PECO Electric 3970 PA	1.0000	7,628	122	7,505	122	7,750	
62			PECO Electric 3980 PA	1.0000	61	2	59	2	63	
63			Sub-total Electric - General Plant			\$39,807	\$2,231	\$37,576	\$2,231	\$42,037
64			Sub-total Electric - General Plant			\$39,807	\$2,231	\$37,576	\$2,231	\$42,037
65										
66		Electric - Transmission	PECO Electric 3521 PA	1.0000	\$402	(\$3)	\$406	(\$3)	\$399	
67			PECO Electric 3522 MD	1.0000	1		1		1	
68			PECO Electric 3522 NJ	1.0000	0		0		0	
69			PECO Electric 3522 PA	1.0000	1,458	19	1,439	19	1,477	
70			PECO Electric 3523 NJ	1.0000	0		0		0	
71			PECO Electric 3523 PA	1.0000	49	1	48	1	49	
72			PECO Electric 3530 NJ	1.0000	66		66		66	
73			PECO Electric 3530 PA	1.0000	17,720	203	17,518	203	17,923	
74			PECO Electric 3540 DE	1.0000	92		92		92	
75			PECO Electric 3540 MD	1.0000	52		52		52	
76			PECO Electric 3540 NJ	1.0000	217		217		217	
77			PECO Electric 3540 PA	1.0000	3,098	1	3,097	1	3,099	
78			PECO Electric 3550 PA	1.0000	421	19	402	19	440	
79			PECO Electric 3560 DE	1.0000	5		5		5	
80			PECO Electric 3560 MD	1.0000	12		12		12	
81			PECO Electric 3560 NJ	1.0000	127	37	90	37	164	
82			PECO Electric 3560 PA	1.0000	4,079	99	3,980	99	4,179	
83			PECO Electric 3570 PA	1.0000	633	379	253	379	1,012	
84			PECO Electric 3580 PA	1.0000	2,079	414	1,665	414	2,493	

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(6)	(7)	(8)	(9)	(10)	(11)
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
85			PECO Electric 3590 NJ	1.0000	4		4		4
86			PECO Electric 3590 PA	1.0000	24	(6)	30	(6)	19
87			Sub-total Electric - Transmission		\$30,540	\$1,163	\$29,377	\$1,163	\$31,703
88									
89			Sub-total 403.0 Depreciation Expense		\$251,766	\$11,836	\$239,930	\$11,836	\$263,602
90			Sub-total Electric - Transmission		\$30,540	\$1,163	\$29,377	\$1,163	\$31,703
91									
97	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	PECO Com 3030- North Star RE SW	0.7693	344		344		344
98			PECO Com 3030-Apollo SW	0.7693	527	527		527	1,053
99			PECO Com 3030-BIDA Customer Project	0.7693	1,423		1,423		1,423
100			PECO Com 3030-BIDA-AMI Ph2 SW	0.7693	1,645		1,645		1,645
101			PECO Com 3030-CIS Transformation SW	0.7693	157		157		157
102			PECO Com 3030-Cloud Serv 3 yr	0.7693	1,510	825	684	825	2,335
103			PECO Com 3030-Cloud Serv 5 yr	0.7693	2,139	1,044	1,095	1,044	3,183
104			PECO Com 3030-Common MDM SW	0.7693	6,392	168	6,224	168	6,560
105			PECO Com 3030-CTA PHI Consol SW	0.7693	14		14		14
106			PECO Com 3030-Cust Appt Sched SW	0.7693	473		473		473
107			PECO Com 3030-Digital Strat Platfor	0.7693	94		94		94
108			PECO Com 3030-EU Dig Strat EPay SW	0.7693	342		342		342
109			PECO Com 3030-EU Digital Program We	0.7693	1,274	664	610	664	1,939
110			PECO Com 3030-EU oneMDS SW	0.7693	2,122	2,122		2,122	4,245
111			PECO Com 3030-Fusion Mig Non-MDM SW	0.7693	609		609		609
112			PECO Com 3030-I Sign Up and Move	0.7693	1,207		1,207		1,207
113			PECO Com 3030-IT Cust Mobile App SW	0.7693	79	51	27	51	130
114			PECO Com 3030-IVR System PA	0.7693	98	76	22	76	174
115			PECO Com 3030-Lease IT SW	0.7693	86		86		86
116			PECO Com 3030-Misc 5 yr FR PA	0.7693	5,219	(1,996)	7,216	(1,996)	3,223
117			PECO Com 3030-Misc 5 yr PA	0.7693	10	10		10	19
118			PECO Com 3030-Mobile Dispatch Mappi	0.7693	4,494		4,494		4,494
119			PECO Com 3030-OBIEE Migration SW	0.7693	846		846		846
120			PECO Com 3030-Oracle MW Upgrade SW	0.7693	200		200		200
121			PECO Com 3030-Rev Req Filing SW	0.7693	300		300		300
122			PECO Com 3030-Robotic Process Auto	0.7693	68		68		68
123			PECO Com 3030-SCP Splunk SW	0.7693	2		2		2
124			PECO Elec 303 Elec Configuration SW	1.0000	551		551		551
125			PECO Elec 303 EV-FC	1.0000	70		70		70
126			PECO Elec 303 NERC CIP Systems D PA	1.0000	2		2		2
127			PECO Elec 303 NERC CIP Systems PA	1.0000	17		17		17
128			PECO Elec 303 SLC	1.0000	111		111		111
129			PECO Elec 303 SM AMOS PA	1.0000	379		379		379
130			PECO Elec 303-BIDA Grid T&D Domain	1.0000	1,762		1,762		1,762
131			PECO Elec 303-CFP - Outage SW D	1.0000	86	86		86	172

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(6)	(7)	(8)	(9)	(10)	(11)	
Line No.	Account	Plant Account	Depreciation Category	Utility Allocation Factor	Depr on Existing Assets + Adds (Utility)	Depr on Adds (Utility)	Depr on Existing Assets (Utility)	Annualize Current Yr Depr (Utility)	Pro Forma Test Yr Depr (Utility)
132			PECO Elec 303-CFP - Outage SW T	1.0000	15	15		15	30
133			PECO Elec 303-Dist Auto Ntwk Upg Hi	1.0000	763		763		763
134			PECO Elec 303-EMS Implementation Pr	1.0000	3,321		3,321		3,321
135			PECO Elec 303-EU Custom Analytics S	1.0000	278		278		278
136			PECO Elec 303-EU Digital Solar Tool	1.0000	327		327		327
137			PECO Elec 303-EU Load Forecast SW	1.0000	723		723		723
138			PECO Elec 303-EU Ratings DB SW D	1.0000	12		12		12
139			PECO Elec 303-EU Ratings DB SW T	1.0000	155		155		155
140			PECO Elec 303-EU TOA Implementation	1.0000	995		995		995
141			PECO Elec 303-PECO RNI Upgrade SW D	1.0000	1,380		1,380		1,380
142			PECO Elec 303-PECO TOU SW	1.0000	1,370		1,370		1,370
143			PECO Elec 303-SES IV D SW	1.0000	2,364		2,364		2,364
144			PECO Elec 3030 - BIDA Smart Energy A (Original)	1.0000	459		459		459
145			PECO Elec 3030-Cloud Serv 3 yr	1.0000	254		254		254
146			PECO Elec 3030-Cloud Serv 5 yr	1.0000	443	91	352	91	534
147			PECO Electric 303 Misc 5 FR PA	1.0000	3,484	384	3,099	384	3,868
148			Sub-total Electric - Intangible Plant		\$50,995	\$4,067	\$46,928	\$4,067	\$55,063
149									
150			Sub-total 404.0 Amort. of Limited-Term Electric Plant		\$50,995	\$4,067	\$46,928	\$4,067	\$55,063
151									
152			Total		\$302,761	\$15,903	\$286,858	\$15,903	\$318,665
153			Sub-total Electric - Intangible Plant		\$50,995	\$4,067	\$46,928	\$4,067	\$55,063
154									
155			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.		\$50,995	\$4,067	\$46,928	\$4,067	\$55,063

PECO Electric Operations
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(12)	(13)	(14)	(15)	(16)	(17)
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
1	403.0 Depreciation Expense.	Electric - Distribution	PECO Elec 3640 PA LTIIP	1.0000	\$1,229	\$216	\$1,012	\$216	\$1,445
2			PECO Elec 3650 PA LTIIP	1.0000	\$2,240	180	2,060	180	2,420
3			PECO Elec 3660 PA LTIIP	1.0000	\$1,473	423	1,050	423	1,896
4			PECO Elec 3670 PA LTIIP	1.0000	\$2,723	507	2,216	507	3,230
5			PECO Elec 3705 SM UD RES PA	1.0000	\$10,189		10,189		10,189
6			PECO Elec 3706 Non DOE Rcv PA	1.0000	\$2,351		2,351		2,351
7			PECO Elec 3707 SM RES PA	1.0000	\$5,352	297	5,054	297	5,649
8			PECO Elec 3708 SM SCI PA	1.0000	\$863	8	855	8	871
9			PECO Elec 3709 SM LCI PA	1.0000	\$1,132	56	1,076	56	1,189
10			PECO Elec Dist-ARC EXP PA						
11			PECO Electric 3611 PA	1.0000	\$1,257	267	990	267	1,524
12			PECO Electric 3612 PA	1.0000	\$2,553	115	2,438	115	2,668
13			PECO Electric 3613 PA	1.0000	\$206	1	205	1	207
14			PECO Electric 3620 PA	1.0000	\$21,678	233	21,445	233	21,911
15			PECO Electric 3640 PA	1.0000	\$22,749	1,320	21,429	1,320	24,069
16			PECO Electric 3650 PA	1.0000	\$36,963	1,972	34,991	1,972	38,935
17			PECO Electric 3660 PA	1.0000	\$8,764	297	8,467	297	9,062
18			PECO Electric 3670 PA	1.0000	\$32,674	1,318	31,356	1,318	33,992
19			PECO Electric 3680 PA	1.0000	\$16,583	1,096	15,487	1,096	17,679
20			PECO Electric 3691 PA	1.0000	\$3,453	114	3,339	114	3,568
21			PECO Electric 3692 PA	1.0000	\$4,919	32	4,887	32	4,950
22			PECO Electric 3701 PA	1.0000	\$145	7	138	7	152
23			PECO Electric 3710 PA	1.0000	\$4		4		4
24			PECO Electric 3730 PA	1.0000	\$884	7	877	7	892
25			PECO Electric 3731 PA	1.0000	\$76	0	76	0	76
26			PECO Electric 3732 PA	1.0000	\$925	(26)	951	(26)	900
27			PECO Electric 3733 PA	1.0000	\$36		36		36
28			Sub-total Electric - Distribution		\$181,423	\$8,442	\$172,980	\$8,442	\$189,865
29			Sub-total Electric - Distribution		\$181,423	\$8,442	\$172,980	\$8,442	\$189,865
30									
31		Common - General Plant	PECO Common 3901 PA	0.8763	\$2,786	(\$11)	\$2,797	(\$11)	\$2,775
32			PECO Common 3902 IL	0.8763	11		11		11
33			PECO Common 3902 PA	0.8763	1,654	195	1,459	195	1,849
34			PECO Common 3903 PA	0.8763	38	4	35	4	42
35			PECO Common 3911 PA	0.8763	9		9		9
36			PECO Common 3912 PA	0.8763	1,433	69	1,364	69	1,502
37			PECO Common 3913 IL	0.8763	712	44	668	44	755
38			PECO Common 3913 PA	0.8763	4,880	985	3,895	985	5,865
39			PECO Common 3930 PA	0.8763	70	6	64	6	76
40			PECO Common 3941 PA	0.8763	2		2		2
41			PECO Common 3942 PA	0.8763	45		45		45
42			PECO Common 3970 PA	0.8763	3,836	94	3,743	94	3,930

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
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 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(12)	(13)	(14)	(15)	(16)	(17)		
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)	
43			PECO Common 3980 PA	0.8763	57		57		57	
44		Electric - General Plant	PECO Elec 3919 SM Comp Equip ID	0.8763	16		16		16	
45			PECO Elec 3919 SM Comp Equip IL	0.8763	32		32		32	
46			PECO Elec 3919 SM Comp Equip MD	0.8763	11		11		11	
47			PECO Elec 3919 SM Comp Equip NC	0.8763	6		6		6	
48			PECO Elec 3919 SM Comp Equip PA	0.8763	10		10		10	
49			PECO Elec 3949 SM Tools PA	0.8763	6		6		6	
50			PECO Elec 3979 SM Comm Equip PA	0.8763	2,321	8	2,314	8	2,329	
51			PECO Electric 3901 PA	0.8763	702	8	695	8	710	
52			PECO Electric 3902 PA	0.8763	344	1	343	1	346	
53			PECO Electric 3903 PA	0.8763	4	3	1	3	7	
54			PECO Electric 3911 PA	0.8763	1		1		1	
55			PECO Electric 3912 PA	0.8763	56	4	52	4	60	
56			PECO Electric 3913 PA	0.8763	6,041	239	5,802	239	6,280	
57			PECO Electric 3930 PA	0.8763	4		4		4	
58			PECO Electric 3940 PA	0.8763	3,045	197	2,848	197	3,243	
59			PECO Electric 3951 PA	0.8763	12		12		12	
60			PECO Electric 3952 PA	0.8763	1		1		1	
61			PECO Electric 3970 PA	0.8763	6,684	107	6,577	107	6,791	
62			PECO Electric 3980 PA	0.8763	54	2	52	2	55	
63			Sub-total Electric - General Plant			\$34,882	\$1,955	\$32,927	\$1,955	\$36,836
64			Sub-total Electric - General Plant			\$34,882	\$1,955	\$32,927	\$1,955	\$36,836
65										
66		Electric - Transmission	PECO Electric 3521 PA							
67			PECO Electric 3522 MD							
68			PECO Electric 3522 NJ							
69			PECO Electric 3522 PA							
70			PECO Electric 3523 NJ							
71			PECO Electric 3523 PA							
72			PECO Electric 3530 NJ							
73			PECO Electric 3530 PA							
74			PECO Electric 3540 DE							
75			PECO Electric 3540 MD							
76			PECO Electric 3540 NJ							
77			PECO Electric 3540 PA							
78			PECO Electric 3550 PA							
79			PECO Electric 3560 DE							
80			PECO Electric 3560 MD							
81			PECO Electric 3560 NJ							
82			PECO Electric 3560 PA							
83			PECO Electric 3570 PA							
84			PECO Electric 3580 PA							

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 (\$ in Thousands)
 D-17 Depreciation Adjustment

				(12)	(13)	(14)	(15)	(16)	(17)
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
85			PECO Electric 3590 NJ						
86			PECO Electric 3590 PA						
87			Sub-total Electric - Transmission						
88									
89			Sub-total 403.0 Depreciation Expense		\$216,304	\$10,397	\$205,907	\$10,397	\$226,701
90			Sub-total Electric - Transmission						
91									
97	404.0 Amort. Of Limited-Term Electric Plant.	Electric - Intangible Plant	PECO Com 3030- North Star RE SW	0.8763	302		302		302
98			PECO Com 3030-Apollo SW	0.8763	462	462		462	923
99			PECO Com 3030-BIDA Customer Project	0.8763	1,247		1,247		1,247
100			PECO Com 3030-BIDA-AMI Ph2 SW	0.8763	1,442		1,442		1,442
101			PECO Com 3030-CIS Transformation SW	0.8763	138		138		138
102			PECO Com 3030-Cloud Serv 3 yr	0.8763	1,323	723	600	723	2,046
103			PECO Com 3030-Cloud Serv 5 yr	0.8763	1,874	915	959	915	2,789
104			PECO Com 3030-Common MDM SW	0.8763	5,601	147	5,454	147	5,749
105			PECO Com 3030-CTA PHI Consol SW	0.8763	13		13		13
106			PECO Com 3030-Cust Appt Sched SW	0.8763	415		415		415
107			PECO Com 3030-Digital Strat Platfor	0.8763	83		83		83
108			PECO Com 3030-EU Dig Strat EPay SW	0.8763	299		299		299
109			PECO Com 3030-EU Digital Program We	0.8763	1,117	582	535	582	1,699
110			PECO Com 3030-EU oneMDS SW	0.8763	1,860	1,860		1,860	3,719
111			PECO Com 3030-Fusion Mig Non-MDM SW	0.8763	533		533		533
112			PECO Com 3030-I Sign Up and Move	0.8763	1,057		1,057		1,057
113			PECO Com 3030-IT Cust Mobile App SW	0.8763	69	45	24	45	114
114			PECO Com 3030-IVR System PA	0.8763	86	66	20	66	152
115			PECO Com 3030-Lease IT SW	0.8763	75		75		75
116			PECO Com 3030-Misc 5 yr FR PA	0.8763	4,574	(1,749)	6,323	(1,749)	2,824
117			PECO Com 3030-Misc 5 yr PA	0.8763	8	8		8	17
118			PECO Com 3030-Mobile Dispatch Mappi	0.8763	3,938		3,938		3,938
119			PECO Com 3030-OBIEE Migration SW	0.8763	741		741		741
120			PECO Com 3030-Oracle MW Upgrade SW	0.8763	176		176		176
121			PECO Com 3030-Rev Req Filing SW	0.8763	263		263		263
122			PECO Com 3030-Robotic Process Auto	0.8763	60		60		60
123			PECO Com 3030-SCP Splunk SW	0.8763	2		2		2
124			PECO Elec 303 Elec Configuration SW	1.0000	551		551		551
125			PECO Elec 303 EV-FC	1.0000	70		70		70
126			PECO Elec 303 NERC CIP Systems D PA	1.0000	2		2		2
127			PECO Elec 303 NERC CIP Systems PA						
128			PECO Elec 303 SLC	1.0000	111		111		111
129			PECO Elec 303 SM AMOS PA	1.0000	379		379		379
130			PECO Elec 303-BIDA Grid T&D Domain	0.8763	1,544		1,544		1,544
131			PECO Elec 303-CFP - Outage SW D	1.0000	86	86		86	172

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending Dec. 2023
 (\$ in Thousands)
 D-17 Depreciation Adjustment

			(12)	(13)	(14)	(15)	(16)	(17)	
Line No.	Account	Plant Account	Depreciation Category	Functional Allocation Factor	Depr on Existing Assets + Adds (Function)	Depr on Adds (Function)	Depr on Existing Assets (Function)	Annualize Current Yr Depr (Function)	Pro Forma Test Yr Depr (Function)
132			PECO Elec 303-CFP - Outage SW T						
133			PECO Elec 303-Dist Auto Ntwk Upg Hi	1.0000	763		763		763
134			PECO Elec 303-EMS Implementation Pr						
135			PECO Elec 303-EU Custom Analytics S	1.0000	278		278		278
136			PECO Elec 303-EU Digital Solar Tool	1.0000	327		327		327
137			PECO Elec 303-EU Load Forecast SW	1.0000	723		723		723
138			PECO Elec 303-EU Ratings DB SW D	1.0000	12		12		12
139			PECO Elec 303-EU Ratings DB SW T						
140			PECO Elec 303-EU TOA Implementation						
141			PECO Elec 303-PECO RNI Upgrade SW D	1.0000	1,380		1,380		1,380
142			PECO Elec 303-PECO TOU SW	1.0000	1,370		1,370		1,370
143			PECO Elec 303-SES IV D SW	1.0000	2,364		2,364		2,364
144			PECO Elec 3030 - BIDA Smart Energy A (Original)	1.0000	459		459		459
145			PECO Elec 3030-Cloud Serv 3 yr	0.8763	223		223		223
146			PECO Elec 3030-Cloud Serv 5 yr	0.8763	388	80	308	80	468
147			PECO Electric 303 Misc 5 FR PA	0.8763	3,053	337	2,716	337	3,389
148			Sub-total Electric - Intangible Plant		\$41,838	\$3,562	\$38,276	\$3,562	\$45,400
149									
150			Sub-total 404.0 Amort. of Limited-Term Electric Plant		\$41,838	\$3,562	\$38,276	\$3,562	\$45,400
151									
152			Total		\$258,142	\$13,959	\$244,183	\$13,959	\$272,101
153			Sub-total Electric - Intangible Plant		\$41,838	\$3,562	\$38,276	\$3,562	\$45,400
154									
155			Sub-total 404.0 Amort. Of Limited-Term Electric Plant.		\$41,838	\$3,562	\$38,276	\$3,562	\$45,400

PECO Electric Operations
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 (\$ in Thousands)
 D-18 Income Taxes

Exhibit MJT-3
 Schedule D-18
 Witness: Michael J. Trzaska
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Line No.	Description	Reference	(1) Present Rates	(2) Rate Increase	(3) Proposed Rates	(4)
1	Revenue		\$2,934,674	\$132,425	\$3,067,099	
2	Operating Expenses		2,471,689	9,377	2,481,066	
3	OIBIT	L1 - L2	\$462,986	\$123,048	\$586,033	
4						
5	Rate Base		\$6,860,054		\$6,860,054	
6	Weighted Cost of Debt		1.990%		1.990%	
7	Synchronized Interest Expense	L5 * L6	\$136,515		\$136,515	
8	Base Taxable Income	L3 - L7	\$326,470	\$123,048	\$449,518	
9						
10	State Accelerated Tax Depreciation		\$348,439		\$348,439	
11	Pro Forma Book Depreciation		272,101		272,101	
12	State Tax Depreciation (Over) Under Book	L11 - L10	(\$76,338)		(\$76,338)	
13	Regulatory Asset Programs M-1, Pension and Post Retirement & Other		(71,911)		(71,911)	
14	Other Property Basis Adjustments (CIAC/ICM)		(33,099)		(33,099)	
15	Removal Costs/Software		(14,711)		(14,711)	
16	AFUDC Equity		(20,762)		(20,762)	
17	Permanent Adjustments		3,682		3,682	
18	Repair Deduction		(196,210)		(196,210)	
19						
20	State Taxable Income	L8 + SUM (L12 to L18)	(\$82,878)	\$123,048	\$40,169	
21						
22	State Income Tax Rate		8.99%	8.99%	8.99%	
23	State Income Tax Benefit / (Expense) before Net Operating Loss	- (L22 * L20)	\$7,451	(\$11,062)	(\$3,611)	
24	Net Operating Loss Utilization %		40.00%	40.00%	40.00%	
25	Net Operating Loss Utilization	- L24 * L23	(2,980)	4,425	1,444	
26	State Income Tax Benefit / (Expense)	L23 + L25	\$4,470	(\$6,637)	(\$2,167)	
27						
28	Federal Accelerated Tax Depreciation		\$326,784		\$326,784	
29	Pro Forma Book Depreciation		272,101		272,101	
30	Federal Tax Deducts (Over) Under Book	L29 - L28	(\$54,683)		(\$54,683)	
31	Regulatory Asset Programs M-1		(71,911)		(71,911)	
32	Other Property Basis Adjustments (CIAC/ICM)		(33,099)		(33,099)	
33	Removal Costs/Software		(14,711)		(14,711)	
34	AFUDC Equity		(20,762)		(20,762)	
35	Permanent Adjustments		3,682		3,682	
36	Repair Deduction		(196,210)		(196,210)	
37	Federal NOL					
38	Federal Taxable Income	L8 + L26 + SUM (L30 to L37)	(\$56,752)	\$116,411	\$59,658	
39						
40	Federal Income Tax Rate %		21.00%	21.00%	21.00%	
41	Federal Income Tax Benefit / (Expense) before Deferred and Adjustments	- (L38 * L40)	\$11,918	(\$24,446)	(\$12,528)	
42	Corporate Alternative Minimum Tax		(\$60,332)		(\$60,332)	
43	Total Tax Benefit / (Expense) before Deferred Income Tax	L26 + L41 + L42	(\$43,943)	(\$31,083)	(\$75,027)	
44						

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
 HTY Ending December 2023
 (\$ in Thousands)
 D-18 Income Taxes

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Line No.	Description	Reference	Present Rates	Rate Increase	Proposed Rates
45	DEFERRED INCOME TAXES				
46	Deferred Taxes on Timing Differences- Federal		(\$35,268)	\$929	(34,339)
47	Deferred Taxes on Timing Differences- State		(9,440)		(9,440)
48	Deferred Taxes on State NOL		2,980	(4,425)	(1,444)
49	Excess Deferred Amortization		6,791		6,791
50	Excess Deferred Amortization - State (Net of Federal)		232		232
51	Deferred Taxes on Federal NOL				
52	Federal Income Tax Expense on Flow Through Adjustment		1,246		1,246
53	Corporate Alternative Minimum Tax		60,332		60,332
54	Deferred Income Taxes Benefit / (Expense)	SUM L46 to L53	\$26,872	(\$3,496)	\$23,376
55					
56	Net Income Tax Benefit / (Expense)	L43 + L54	(\$17,072)	(\$34,579)	(\$51,651)
57					
58	Other Income Tax Adjustments				
59	Amortization of Investment Tax Credit		\$15		\$15
60					
61	Combined Income Tax Benefit / (Expense)	SUM L56 to L59	(\$17,056)	(\$34,579)	(\$51,635)
62					
63	Federal Income Tax Benefit / (Expense)	L41 + L46 + L49 + L51 + L52 + L59	(\$15,298)	(\$23,517)	(\$38,815)
64	State Income Tax Benefit / (Expense)	L26 + L47 + L48 + L50	(\$1,758)	(\$11,062)	(\$12,820)
65	Total Income Tax Benefit / (Expense)	L63 + L64	(\$17,056)	(\$34,579)	(\$51,635)

PECO Electric Operations
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 (\$ in Thousands)
 Section 1301.1(b) Differential

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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Line No.	Description	Reference	2018	2019	2020	2021	2022	Average
1	PECO Consolidated Taxable Income		\$149,524	\$191,310	(\$22,448)	\$33,306	\$135,993	
2								
3								
4	Consolidated Income Companies Taxable Income		\$1,005,422	\$931,575	\$937,098	\$1,705,766	\$816,851	
5								
6								
7	Taxable Income Percentage to PECO	L1 / L4	14.87%	20.54%		1.95%	16.65%	
8								
9								
10	Consolidated Companies Loss		\$ (85,736)	\$ (162,524)	\$ (249,053)	\$ (575,746)	\$ (108,853)	
11								
12								
13	PECO Allocation of Loss	L7 * L10	\$ (12,750)	\$ (33,376)	\$ -	\$ (11,242)	\$ (18,122)	
14								
15								
16	Electric Percentage		106.61%	125.46%	-88.07%	376.30%	158.98%	
17								
18								
19	Loss Allocable to Electric	L13 * L16	(\$13,593)	(\$41,874)		(\$42,303)	(\$28,809)	
20								
21								
22								
23	Average for 2018 to 2022	Average L19						(25,316)
24								
25								
26	Tax Rate							21.00%
27								
28	Section 1301.1(b) Differential	L23 * L26						\$ (5,316)

PECO Electric Operations
 Before The Pennsylvania Public Utility Commission
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 (\$ in Thousands)
 D-19 Conversion Factor

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(1)

(2)

Line No.	Description	Reference	Utility
1	<u>GROSS REVENUE CONVERSION FACTOR</u>		
2	GROSS REVENUE FACTOR		1.000000
3	Forfeited Discounts Amount		16,337
4	Total Customer Revenue		2,895,142
5	Shopping Revenue		1,016,077
6	LPC REVENUE	L3 / (L4 + L5)	0.004177
7	GROSS RECEIPTS TAX		(0.059000)
8	UNCOLLECTIBLE EXPENSES	D-10	(0.009708)
9	PUC / OCA & SBA ASSESSMENT AS A % OF REVENUE		(0.002397)
10			
11			
12	NET REVENUES	L2 + L6 + L7 + L8 + L9	0.933072
13			
14	STATE INCOME TAX RATE		8.990%
15			
16	STATE INCOME TAX FACTOR	-	(0.083883)
17			
18	FACTOR AFTER STATE TAXES	L12 + L16	0.849189
19			
20	FEDERAL INCOME TAX RATE		21.000%
21			
22	FEDERAL INCOME TAX FACTOR	-	(0.178330)
23			
24			
25	NET OPERATING INCOME FACTOR	L18 + L22	0.670859
26			
27	GROSS REVENUE CONVERSION FACTOR	1 / L25	1.490625
28			
29	Combined Income Tax Factor on Gross Revenues	- L16 - L22	26.221%
30			
31			
32	<u>INCOME TAX FACTOR</u>		
33			
34	GROSS REVENUE FACTOR	L2	1.000000
35			
36	STATE INCOME TAX RATE		8.990%
37			
38	STATE INCOME TAX FACTOR	- L34 * L36	(0.089900)
39			
40			
41	FACTOR AFTER STATE TAXES	L34 + L38	0.910100
42			
43	FEDERAL INCOME TAX RATE		21.000%
44			
45	FEDERAL INCOME TAX FACTOR	- L41 * L43	(0.191121)
46			
47	NET OPERATING INCOME FACTOR	L41 + L45	0.718979
48			
49			
50	GROSS REVENUE CONVERSION FACTOR	1 / L47	1.390861
51			
52			
53	Combined Income Tax Factor On Taxable Income	L34 - L47	28.102%