

August 9, 2024

**Via E-File**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105

**RE: PA Public Utility Commission v. PECO Energy Company  
Docket No. R-2024-3048767**

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Dear Secretary Chiavetta:

Enclosed please find copies of a: (1) Joint Petition for Complete Settlement with Appendices A - F; and (2) Motion for Admission of Testimony and Exhibits, with reference to the above matter.

Please do not hesitate to contact me if you require additional information. Thank you.

Respectfully submitted,

*Shane P. Simon*

Shane P. Simon

SPS/cf  
Encls.

CC: per Certificate of Service

**CERTIFICATE OF SERVICE**

I, Shane P. Simon, Esquire, hereby certify that I am on this day serving copies of a Joint Petition for Complete Settlement and Motion for Admission of Testimony and Exhibits upon the participants listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant):

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Dated: August 9, 2024

By: /s/ Shane P. Simon  
Shane P. Simon, Esquire  
PA Attorney No.: 319643

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY** :  
**COMMISSION** :  
 : **Docket No. R-2024-3048767**  
v. :  
 :  
**PECO ENERGY COMPANY** :

**JOINT PETITION FOR COMPLETE SETTLEMENT**

**TO ADMINISTRATIVE LAW JUDGE F. JOSEPH BRADY:**

**I. INTRODUCTION**

PECO Energy Company (“PECO” or the “Company”), the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”), and the Office of Consumer Advocate (“OCA”) (hereinafter referred to individually as “Party” or collectively as “Settling Parties”),<sup>1</sup> hereby submit this Joint Petition for Complete Settlement (“Joint Petition” or “Settlement”) and respectfully request that:

1. Administrative Law Judge F. Joseph Brady (the “ALJ” or “ALJ Brady”) recommend that the Commission approve this Settlement and all of its terms and conditions, and that the Commission grant such approval, without modification;

2. ALJ Brady recommend that the Commission authorize PECO to file a tariff supplement to reflect rates and terms consistent with this Settlement applicable to the Section 1307(f) Purchased Gas Cost rate investigation at Docket No. R-2024-3048767 to be effective for

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<sup>1</sup> The Office of the Small Business Advocate (“OSBA”) and the Philadelphia Area Industrial Energy Users Group (“PAIEUG”) also participated in this proceeding and have authorized the Settling Parties to represent their non-opposition to this Joint Petition for Complete Settlement.

service rendered on and after December 1, 2024, subject to quarterly adjustments as permitted by the Commission's regulations and that the Commission grant such authorization;

3. Based on the data and testimony submitted in this case, ALJ Brady recommend, and the Commission make, the Findings of Fact and Conclusions of Law proposed at Sections IV and V, respectively, below; and

4. The Commission terminate its investigation at Docket No. R-2024-3048767, including dismissal of the Complaint filed by OCA at Docket No. C-2024-3049088.

## **II. BACKGROUND**

5. On April 30, 2024, pursuant to 66 Pa. C.S. § 1307(f) and 52 Pa. Code § 53.64, PECO submitted data, as required by the Commission's regulations, in advance of its annual Purchased Gas Cost rate filing ("Advance Filing"). The Advance Filing consisted of Sections 1 through 22, which respond to information requests in the Commission's regulations at 52 Pa. Code § 53.64.

6. On May 16, 2024, PAIEUG filed a Petition to Intervene, which was unopposed, and which ALJ Brady granted during the telephonic pre-hearing conference on June 24, 2024.

7. On May 17, 2024, OCA entered its appearance in this case and also filed a Formal Complaint and Public Statement (Docket No. C-2024-3049088).

8. On May 22, 2024, OSBA entered its appearance in this case.

9. On May 31, 2024, PECO filed its Purchased Gas Cost No. 41 rate to become effective for service rendered on and after December 1, 2024 ("PGC 41 Filing"). PECO made the PGC 41 Filing pursuant to 66 Pa. C.S. § 1307(f), which authorizes certain natural gas distribution companies to make annual purchased gas cost filings with the Commission to reflect increases or decreases in their natural gas costs. Pursuant to 66 Pa. C.S. § 1307(f)(3), the Company's PGC 41

Filing included a reconciliation of expenses previously incurred and revenues received. In support of its PGC 41 Filing, PECO submitted supporting data and information, including the Direct Testimony of witnesses: Suzette E. Adams (PECO Statement No. 1); Scott J. Hughes (PECO Statement No. 2); Julie S. Drezner (PECO Statement No. 3); and Anthony P. DiFelice (PECO Statement No. 4), along with accompanying exhibits.

10. On June 6, 2024, I&E entered its appearance in this case.

11. As required by 52 Pa. Code § 53.68, PECO provided public notice of the proposed PGC No. 41 rate through bill inserts and newspaper publications in PECO's service territory.

12. On June 24, 2024, a telephonic prehearing conference was held before ALJ Brady whereby the Parties agreed to a procedural schedule for the submission of further written testimony and conducting evidentiary hearings, as set forth in the Prehearing Order, which ALJ Brady issued on July 16, 2024.

13. The Parties engaged in discovery issued by OCA and I&E. PECO responded to multiple formal, written data requests, many with multiple subparts, and also responded to informal data and information requests.

14. On July 10, 2024, OCA filed the Direct Testimony of Jerome D. Mierzwa (OCA Statement No. 1).

15. No other party filed any direct testimony.

16. The Settling Parties were able to reach a settlement to resolve all issues in this proceeding. As part of the Settlement, the Settling Parties agreed to waive cross-examination of all witnesses and to move for the admission of testimony and exhibits by stipulation, as set forth in Paragraph 25, *infra*.

### III. SETTLEMENT

The terms of the Settlement are as follows:

#### 17. Purchased Gas Cost Rates

(a) Attached as Appendix A to this Joint Petition are the rates and underlying cost data resulting from the Settlement that are applicable to the Commodity Charge (“CC”), the Gas Cost Adjustment Charge (“GCA”), the Balancing Charge (“BC”), and the Balancing Service Charge (“BSC”). These rates are predicated on the Company’s current gas cost projections and are the same as originally filed in this proceeding. To the extent that actual experience and changes in forecasted natural gas prices and demand would alter the CC, GCA and the BSC rates, PECO reserves the right to file quarterly adjustments to be effective September 1, 2024, December 1, 2024, and thereafter in accordance with 52 Pa. Code § 53.64.<sup>2</sup>

(b) PECO reserves the right to update the Rate Transportation Service-Firm (“TS-F”) standby sales service demand charge, as shown in Appendix A, Exhibit APD-1, to be effective December 1, 2024, to the extent that actual experience and changes in forecasted natural gas prices and demand may alter these rates.

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<sup>2</sup> Pursuant to the terms of the settlement of the Company’s gas base rate case at Docket No. R-2008-2028394 (the “2008 Gas Base Rate Case”), the BC may be updated and revised only as part of PECO’s annual PGC filing.

**18. Balancing Charge Rate**

(a) Under the terms of the 2008 Gas Base Rate Case Settlement, PECO is required to update the Balancing Charge as part of its annual Section 1307(f) filing. As set forth in Exhibit JSD-1 accompanying PECO Statement No. 3, the Direct Testimony of Julie S. Drezner in the PGC 41 Filing (and also included in Appendix A), PECO proposed a Balancing Charge of \$0.0225 per Mcf to become effective on December 1, 2024, which is \$0.0022 per Mcf less than the currently effective Balancing Charge.

(b) The Settling Parties have agreed to adopt PECO's as-filed Balancing Charge. Accordingly, the Balancing Charge, effective December 1, 2024 will be \$0.0225 per Mcf.

(c) As part of this Settlement, PECO will investigate and prepare a study of the feasibility of including applicable storage-related costs in the calculation of its High Volume Transportation ("HVT") balancing charge, as set forth in the Testimony of Jerome D. Mierzwa (OCA St. No. 1) pp. 4-6. PECO will provide a copy of the study which shall explain how the investigation was conducted and report the results of this investigation in its next PGC filing (PGC 42) in the pre-filing made on or about April 30, 2025. PECO will provide all workpapers and calculations supporting the study at the time of pre-filing to all parties to this proceeding.

**19. Retainage Rate**

(a) In accordance with Paragraph 18 of the 2023 Joint Petition for Complete Settlement,<sup>3</sup> the retainage volume adjustment for transportation service customers for the 12 months beginning December 1, 2023 and ending November 30, 2024 is 3.0%, which was

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<sup>3</sup> See *Pennsylvania Pub. Util. Comm'n. v. PECO Energy Co.*, Docket No. R-2023-3040285, Order Adopting Joint Petition for Complete Settlement, dated October 19, 2023 (hereinafter referred to as the "2023 Joint Petition").

calculated based on the weighted three-year average of LUGF plus the portion of Company-use gas attributable to preheater gate station usage for the period ending June 30, 2023.

(b) PECO also agreed that the retainage volume adjustment for the twelve-month period ending November 30, 2025 would be calculated based on the weighted three-year average of LUGF plus the portion of Company-use natural gas attributable to preheater gate station usage for the period ending June 30, 2024.

(c) The Settling Parties have agreed to adopt the retainage rate of 3.4%, which was calculated in accordance with the requirements in the 2023 Joint Petition (as shown below), for the period ending November 30, 2025. Attached as Appendix B are the associated tariff pages.

<b>Adjusted Retainage Calculation for 2024 PGC - Pre-Heater Company Use Added Back In</b>				
	<b>Sendout in MCF + Pre- Heater Fuel</b>	<b>Billed Sales in MCF</b>	<b>Retainage Rate</b>	<b>Pre-Heater Company Use</b>
<b>36 months ending 6/30/2024</b>	<b>242,627,572</b>	<b>234,270,694</b>	<b>3.4%</b>	<b>293,496</b>

## 20. Gas Price Hedging

(a) PECO has complied with the terms of the Ratable Hedging Program for all hedges made through April 2024 and will continue to do so. Pursuant to the Ratable Hedging Program’s execution schedule and since the Company’s reporting in last year’s PGC proceeding, PECO issued Requests for Proposals (“RFPs”) for six execution periods through March 2024 (these periods appear in yellow highlight in Exhibit SJH-1 accompanying PECO Statement No. 2, the Direct Testimony of Scott J. Hughes, in the PGC 41 Filing, whereas those periods highlighted in blue reflect the same information as reported in prior years’ PGC proceedings). PECO entered into transactions with the respondents who could provide supply at

the lowest cost for the specified volumes on a fixed price basis.<sup>4</sup> For the period April 2023 through March 2024, PECO purchased 5.44 MMDth of hedged gas under the program at a weighted average cost of \$4.9812 per Dth as reflected in the table below (*see* Table SJH-1 in PECO Statement No. 2, the Direct Testimony of Scott J. Hughes, in the PGC 41 Filing).

(b) Accordingly, PECO’s purchases under the Ratable Hedging Program through March 2024 have been in compliance with the Ratable Hedging Program execution schedule.

<b>Ratable Hedging Program Executed Hedges April 2023 through March 2024</b>			
<b>Execution Month</b>	<b>DTH</b>	<b>\$/DTH</b>	<b>Total \$</b>
July 2023	1,818,000	\$5.4372	\$9,884,850
November 2023	1,812,000	\$5.4600	\$9,893,520
March 2024	1,812,000	\$4.0450	\$7,329,540
<b>Total</b>	<b>5,442,000</b>	<b>\$4.9812</b>	<b>\$27,107,910</b>

(c) In the PGC 41 Filing, PECO requested that the Ratable Hedging Program be extended for an additional year, as modified in the 2020 Joint Petition,<sup>5</sup> whereby hedging associated with summer purchases was eliminated on a going forward basis. Extending the program for an additional year (“Year 11”) will add Winter periods with volumes at the same bifurcated volumetric level, and with execution periods similar to those used in prior years.

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<sup>4</sup> There is an execution period shown on Exhibit SJH-1 highlighted in grey. This simply reflects that for the Year 6 Summer, August 2020, execution period, PECO did not receive the requisite three respondents to its RFP, and therefore did not make the hedges for that period. The additional dark grey highlighting indicates summer months during which PECO no longer hedges gas.

<sup>5</sup> *See Pennsylvania Pub. Util. Comm’n. v. PECO Energy Co.*, Docket No. R-2020-019661, Order Adopting Joint Petition for Complete Settlement, dated October 8, 2020 (hereinafter referred to as the “2020 Joint Petition”).

(d) Specifically, the Settling Parties have agreed to extend the Ratable Hedging program for an additional year, which will continue with the current winter hedging schedule of 36,000 Dth/day.

(e) The revised Ratable Hedging Program execution schedule is attached as Appendix C.

**21. Renewable Natural Gas (“RNG”)**

(a) PECO will continue pursuing reliable sources of RNG supply via interconnections with RNG producers to bring RNG onto PECO’s gas system.

(b) Should PECO acquire RNG, it will do so in a manner that is consistent with its least-cost procurement strategy for natural gas, *e.g.*, it will pursue the least cost RNG, and will undertake commercially reasonable efforts to minimize the cost impact to PECO’s PGC customers from the costs associated with purchasing RNG.

**22. Lost And Unaccounted for Gas (“LUFG”) Monitoring And Reporting**

While no further LUFG reporting obligations are required, consistent with its reporting in prior PGC proceedings, in the PGC 41 Filing PECO has voluntarily reported a three-year weighted average for the periods ending March 31, 2024 and June 30, 2024, consistent with the previous reporting mechanism set forth in the 2015 Joint Petition for Complete Settlement.<sup>6</sup>

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<sup>6</sup> See *Pennsylvania Pub. Util. Comm’n. v. PECO Energy Co.*, Docket No. R-2015-2480969, Order Adopting Joint Petition for Complete Settlement, dated October 22, 2015 (hereinafter referred to as the “2015 Joint Petition”).

**PECO LUFG Calculation 2022-2024 PGC (3-Year Average)**

	<b><u>Sendout in Mcf</u></b>	<b><u>Billed Sales in Mcf</u></b>	<b><u>LUFG</u></b>
12 Months Ending 3/31/22	88,449,680	84,691,996	4.2%
12 Months Ending 3/31/23	86,824,606	84,280,413	2.9%
12 Months Ending 3/31/24	84,316,700	82,592,318	2.0%
36 Months Ending 3/31/24	259,590,986	251,564,727	3.1%

	<b><u>Sendout in Mcf</u></b>	<b><u>Billed Sales in Mcf</u></b>	<b><u>LUFG</u></b>
12 Months Ending 6/30/22	89,110,220	85,950,211	3.5%
12 Months Ending 6/30/23	84,884,281	82,956,376	2.3%
12 Months Ending 6/30/24	84,814,048	81,832,437	3.5%
36 Months Ending 6/30/24	258,808,549	250,739,024	3.1%

**23. Off-System Sales/Capacity Release Sharing**

Pursuant to the 2023 Joint Petition, the off-system sharing mechanism was extended at the 25% rate through November 30, 2026. In the instant proceeding, the Settling Parties agree that PECO will further extend the off-system sharing mechanism through November 30, 2027.

**24. Interest Rate for Over- and Under-Collections**

In compliance with Paragraph 24(b) of the 2017 Joint Petition for Complete Settlement,<sup>7</sup> PECO applied the prime rate in effect sixty (60) days prior to the annual PGC filing date to the monthly over- and under-collections for the PGC period December 1, 2023 through November 30, 2024. Going forward, as previously agreed, PECO will use the prime rate for commercial borrowing in effect 60 days prior to the annual PGC filing (which occurs on or before June 1 of each year) to determine interest on the monthly over- and under-collections through November 30 of the year in which the PGC filing is made.

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<sup>7</sup> See *Pennsylvania Pub. Util. Comm'n. v. PECO Energy Co.*, Docket No. R-2017-2602611, Order Adopting Joint Petition for Complete Settlement, dated October 5, 2017 (hereinafter referred to as the “2017 Joint Petition”).

## 25. Admission of Evidence

The Parties agree to waive cross-examination of each other's witnesses and that the testimony and exhibits identified in sections (a) and (b) below may be admitted into evidence by stipulation and motion. To that end, the Parties have prepared, and are filing, a separate Motion, with attached Stipulation, requesting that ALJ Brady admit such testimony and exhibits into the record:

(a) PECO's Advance Filing consisting of Sections 1-22, which was filed with the Commission and served on April 30, 2024, as explained in Paragraph No. 5, *supra*;

(b) PECO Statement Nos. 1, 2, 3, and 4 with accompanying Exhibits (SJH-1; JSD-1 and JSD-2; and APD-1 through APD-4), which were filed with the Commission and served on May 31, 2024, as explained in Paragraph No. 9, *supra*; and

(c) OCA Statement No. 1, which was served on July 10, 2023, as explained in Paragraph No. 14, *supra*.

## IV. PROPOSED FINDINGS OF FACT

As a consequence of the Settlement terms and conditions set forth in Section III above and supported by the PGC 41 Filing, exhibits and testimony submitted for admission in the record, the Settling Parties request that the ALJ and the Commission make the following findings of fact and such other findings and conclusions as may be required or appropriate:

26. PECO operates a natural gas distribution system in the southeastern portion of Pennsylvania subject to the jurisdiction of the Commission. (PECO St. 1, p. 3).

27. PECO's gas purchasing policy is designed to achieve a reasonable balance of long and short-term gas purchases that assures system supply reliability at the least cost. (PECO St. 1, p. 7).

28. The details of PECO's actual gas purchases for the twelve months ending March 31, 2024 are presented in Section 1 of PECO's Advance Filing. (PECO Adv. Filing § 1).

29. PECO receives almost all of its gas supply directly into its distribution system from Texas Eastern Transmission, LP ("Texas Eastern"), Transcontinental Gas Pipe Line Corporation ("Transco"), Adelphia Gateway, and Eastern Shore Natural Gas Company. (PECO St. 1, p. 4). Evidence of record shows that firm transportation contracts with these pipelines provide PECO the ability to purchase gas supplies directly from producers and marketers and to use firm transportation capacity on the pipelines for delivery of the gas to PECO. (PECO St. 1, pp. 4, 7-8; PECO Adv. Filing §§ 2, 3 and 8). PECO also obtains natural gas storage services from Eastern Gas Transmission and Storage, Inc., Texas Eastern, and Transco. (PECO St. 1, p. 4). Evidence of record shows that PECO has purchased all of its requirements on competitive terms. (PECO St. 1, pp. 8-11).

30. PECO participated in significant rulemaking, rate and certificate proceedings before the Federal Energy Regulatory Commission ("FERC") concerning interstate natural gas pipeline company rates and conditions of service that affect its costs and, therefore, its customers' costs. PECO also participated in major FERC proceedings of the interstate pipelines from which it receives transportation and storage service. (PECO Adv. Filing § 5). PECO's efforts in this regard directly reduced costs for its PGC customers (PECO St. 3, pp. 9-11).

31. In the past year, PECO renewed several storage and transportation service agreements, after unsuccessfully soliciting competitive alternatives (PECO St. 3, pp. 6-8).

32. PECO continued to review pipeline open seasons and capacity to determine whether participation in a project could help PECO meet its projections for increased firm demand

or offer a reliable least-cost alternative to an existing transportation or storage contract nearing expiration. (PECO St. 3, p. 9).

33. During the historic period, PECO did not purchase natural gas from any affiliated interest. (PECO St. 1, p. 5).

34. PECO did not withhold supplies or capacity from the market. (PECO St. 1, p. 5).

35. Projected natural gas costs, as reflected in this Settlement, are based on peak-day capacity requirements at a 0-degree design day temperature, as fully set forth in the record. (PECO Adv. Filing § 16; PECO St. 1, p. 7).

#### **V. PROPOSED CONCLUSIONS OF LAW**

36. This proceeding is a consolidation of two reviews that the Commission is required to undertake pursuant to Sections 1307(f) and 1318 of the Public Utility Code (66 Pa. C.S. §§ 1307(f) and 1318) (hereinafter, Section 1307(f) and Section 1318, respectively). Specifically, under Section 1307(f), the Commission must determine whether PECO met the standards of Section 1318 with regard to the natural gas costs PECO incurred during an historic twelve-month period. In addition, because PECO filed a tariff proposing a new rate reflecting a change in its natural gas costs, the Commission must determine whether the specific findings of Section 1318 can be made with regard to the period that rates will be in effect (the “Application Period”). This finding is a condition precedent to the Commission’s approval of PECO’s proposed rates. *See* 66 Pa. C.S. § 1318. The provisions of Section 1318(a) are applicable to all gas utilities that recover their natural gas costs pursuant to Section 1307(f).

##### **(a) Historic Reconciliation Period Standards**

(i) With respect to PECO’s natural gas purchases and purchasing practices during the twelve-month historic reconciliation period ended March 31, 2024,

it is requested that the Commission find that PECO met the standards set out in Section 1318 and required by Section 1307(f)(5) as to all actual purchased natural gas costs in the historic period. It is also requested that the Commission find, pursuant to Section 1307(f)(5) and based upon the evidence presented in this case, that during the twelve months ended March 31, 2024: (1) PECO met the requirements of Section 1318(a) by pursuing a least-cost fuel procurement policy, consistent with its obligation to provide safe, adequate and reliable service to its customers; and (2) PECO met the requirements of Section 1318(b) relating to its purchases of natural gas, transportation services and storage services from affiliates.

(b) Projected and Interim Period Findings

(i) With respect to the twelve-month period beginning December 1, 2024, which is when the proposed rates agreed to by the Settling Parties in this Settlement would be in effect, it is requested that the Commission make the findings concerning PECO's natural gas purchasing policies and practices required by Section 1318, including those in subsections (a)(1) through (a)(4) and (b)(1) through (b)(3) thereof, based upon information presently available and the evidence of record in this proceeding.

(ii) The Settling Parties agree that PECO's projected natural gas purchases and projected natural gas purchasing policies will comply with the standards of Section 1318 and that their assessment is supported by the evidence of record in this proceeding relating to such projected purchases and natural gas purchasing policies. Nevertheless, it is expressly understood and agreed that the findings relating to the rate to become effective December 1, 2024 are made solely for the purpose of setting prospective rates that shall be subject to the standards of Section 1318 and to further review in an appropriate future proceeding. Paragraph 36(b) of the Joint Petition is not intended to limit or prevent in any way present or future complainants from

reviewing, after such projected natural gas purchases actually have been made and natural gas purchasing practices actually have been implemented, whether PECO's natural gas purchases and natural gas purchasing practices have, in fact, complied with the standards of Section 1318. If, in an appropriate future proceeding, natural gas purchases and natural gas purchasing practices relating to the period December 1, 2024 through November 30, 2025 are challenged, the Commission's findings in this Paragraph 36(b) of the Joint Petition shall pose no bar to the examination of such purchases and practices including, but not limited to, disallowance of, or reductions to, such costs during the one-year period commencing December 1, 2023.

(iii) The Settling Parties agree that future examination of the natural gas costs relating to the period April 1, 2024 through November 30, 2025 shall be permitted to determine whether PECO's experienced and projected natural gas purchases and natural gas purchasing practices complied with the standards set forth in Section 1318 and the terms of prior settlements, and that the Commission's adoption of the findings under this Paragraph 36(b) of the Joint Petition shall not be construed to limit or prevent any disallowance or reduction of such costs that are otherwise permitted.

## **VI. CONDITIONS OF SETTLEMENT**

37. The Settling Parties acknowledge and agree that this Settlement shall have the same force and effect as if the Parties fully litigated this proceeding.

38. This Settlement is conditioned upon the Commission's approval of terms and conditions contained herein without modification. If the Commission modifies the Settlement, any Party may elect to withdraw from this Settlement and may proceed with litigation, and, in such event, this Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all Parties within five (5) business days after the entry of an order modifying the Settlement. This Settlement is proposed

by the Settling Parties to settle all issues in the instant proceeding and is made without any admission against, or prejudice to, any position that any Party to this Settlement may adopt during any subsequent litigation of this or any other proceeding.

39. If the Commission does not approve the Settlement and the proceedings continue to hearing, the Parties reserve their respective rights to present additional testimony and to conduct full cross-examination, briefing and argument.

40. The Commission's approval of this Settlement shall not be construed to represent approval of any Party's position on any issue, except to the extent required to effectuate the terms and agreements of this Settlement, in this and future proceedings.

41. It is understood and agreed among the Settling Parties that this Settlement is the result of compromises and does not necessarily represent the position(s) that would be advanced by any Party if this proceeding were fully litigated.

42. This Settlement is being presented only in the context of this Section 1307(f) proceeding in an effort to resolve outstanding issues in a manner that is fair and reasonable. The Settlement is the product of compromise. With the exception of matters identified in Sections III and IV as they relate to this proceeding and for the specific time periods set forth therein should the Commission approve this Settlement without modification, this Settlement is presented without prejudice to any position which any of the Parties may have advanced and without prejudice to the position any of the Parties may advance in the future on the merits of the issues.

43. The Settling Parties prepared and attached to this Settlement, as Appendices D-G respectively, statements in support setting forth the bases upon which they believe the Settlement is fair, just and reasonable and is, therefore, in the public interest.

**WHEREFORE**, the Settling Parties, by their respective counsel, respectfully request that Administrative Law Judge F. Joseph Brady and the Commission approve this Settlement, including all terms and conditions thereof, and that the Commission enter an order consistent with this Settlement resolving and terminating the proceeding and resolving all outstanding complaints.

*Shane P. Simon*

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Dated: August 9, 2024

## **APPENDIX A**

**Rates and Cost Data Applicable To  
The Commodity Charge (“CC”),  
The Gas Cost Adjustment Charge (“GCA”),  
The Balancing Service Charge (“BSC”) and  
The Balancing Charge (“BC”)**

**Exhibit APD-1**

## Changes in Preliminary PGC Rate Prices Effective December 1, 2024

Rates GR, CAP, GC, L, OL and MV-F  
(Values in \$ per Mcf)

		<u>03/01/24</u> Unbundled <u>Rates</u>	Change in <u>Rates</u>	<u>12/01/24</u> Unbundled <u>Rates</u>	
<b><u>Rates GR and CAP</u></b>					
	CC	\$4.4203	(\$0.0817)	\$4.3386	
	GCA	(\$0.0468)	\$0.1961	\$0.1493	
	BSC	<u>\$0.3843</u>	<u>(\$0.0595)</u>	<u>\$0.3248</u>	
	Total	\$4.7578	\$0.0549	\$4.8127	
<b><u>Rates GC</u></b>					
	CC	\$4.4075	(\$0.0814)	\$4.3261	
	GCA	(\$0.0468)	\$0.1961	\$0.1493	
	BSC	<u>\$0.3843</u>	<u>(\$0.0595)</u>	<u>\$0.3248</u>	
	Total	\$4.7450	\$0.0552	\$4.8002	
<b><u>Rates OL, L and MV-F</u></b>					
	CC	\$4.4036	(\$0.0814)	\$4.3222	
	GCA	(\$0.0468)	\$0.1961	\$0.1493	
	BSC	<u>\$0.3843</u>	<u>(\$0.0595)</u>	<u>\$0.3248</u>	
	Total	\$4.7411	\$0.0552	\$4.7963	
<b>Rate OL</b>					
	(1.5 MCF)	<b>CC</b>	\$6.6054	(\$0.1221)	\$6.4833
	(1.7 MCF)		\$7.4861	(\$0.1384)	\$7.3477
	(2.1 MCF)		\$9.2476	(\$0.1710)	\$9.0766
	(2.4 MCF)		\$10.5686	(\$0.1953)	\$10.3733
	(1.5 MCF)	<b>GCA</b>	(\$0.0702)	\$0.2942	\$0.2240
	(1.7 MCF)		(\$0.0796)	\$0.3334	\$0.2538
	(2.1 MCF)		(\$0.0983)	\$0.4118	\$0.3135
	(2.4 MCF)		(\$0.1123)	\$0.4706	\$0.3583
	(1.5 MCF)	<b>BSC</b>	\$0.5765	(\$0.0893)	\$0.4872
	(1.7 MCF)		\$0.6533	(\$0.1011)	\$0.5522
	(2.1 MCF)		\$0.8070	(\$0.1249)	\$0.6821
	(2.4 MCF)		\$0.9223	(\$0.1428)	\$0.7795
<b>Rate L</b>					
	First 50% of Usage	<b>CC</b>	\$4.4036	(\$0.0814)	\$4.3222
	Additional Use		\$4.4036	(\$0.0814)	\$4.3222
	First 50% of Usage	<b>GCA</b>	(\$0.0468)	\$0.1961	\$0.1493
	Additional Use		(\$0.0468)	\$0.1961	\$0.1493
	First 50% of Usage	<b>BSC</b>	\$0.3843	(\$0.0595)	\$0.3248
	Additional Use		\$0.3843	(\$0.0595)	\$0.3248
<b>Standby Sales Demand Charge Under Rate TS-F</b>			\$19.15	\$1.1600	\$20.31
<b>Unit Credit for Rate TS-F Standby Sales Purchases</b>			\$0.63	\$0.0400	\$0.67
<b>Balancing Charge-Transportation</b>			\$0.0247	(\$0.0022)	\$0.0225

**Exhibit APD-2**

**Exhibit APD-2**

PGC No. 41 Calculation Including Gas Procurement Charge (GPC) and Merchant Function Charge (MFC)  
 Application Period : December 1, 2024 through November 30, 2025  
 Computation Period : December 1, 2024 through November 30, 2025  
 \$/Mcf

		<u>Rates GR and CAP</u>	<u>Rate GC</u>	<u>Rates OL, L and MV-F</u>
<b>CC Including GPC</b>	Exhibit APD-3, Page 1	\$4.3205	\$4.3205	\$4.3205
x				
Write-Off Factor (a)		0.42%	0.13%	0.04%
=				
<b>MFC</b>		<u>\$0.0181</u>	<u>\$0.0056</u>	<u>\$0.0017</u>
<b>CC Including GPC and MFC</b>		\$4.3386	\$4.3261	\$4.3222
<b>GCA</b>	Exhibit APD-3, Page 1	\$0.1493	\$0.1493	\$0.1493
<b>BSC</b>	Exhibit APD-4, Page 1	<u>\$0.3248</u>	<u>\$0.3248</u>	<u>\$0.3248</u>
<b>Total PGC</b>		\$4.8127	\$4.8002	\$4.7963

(a) From Docket No. R-2022-3031113, the 2022 PECO Gas Distribution Base Rate Case

**Exhibit APD-3**

Computation of Sales Service Cost Adjustment No. 41  
 Application and Computation Period : 12 Months  
 December 1, 2024 Through November 30, 2025

1. Projected Commodity Charge Excluding Gas Procurement Charge (GPC)	\$291,890,012	Pg. 2	\$4.2819 /Mcf
GPC From Docket No. R-2022-3031113			<u>\$0.0386</u> /Mcf
<b>Total CC = Commodity Charge Including GPC</b>			<b>\$4.3205</b> /Mcf
2. E = Experienced and Estimated Net Over/(Under)			
a. Commodity Cost Over / (Under)	(\$9,092,745)	Pg. 2	(\$0.1789) /Mcf
b. Rate IS Profit Monies	\$1,219	Pg. 5	\$0.0000 /Mcf
c. Net Interest on Item a.	(\$745,390)	Pg. 6	(\$0.0147) /Mcf
d. Supplier Refunds (Including Interest)	<u>\$2,250,387</u>	Pg. 8	<u>\$0.0443</u> /Mcf
Experienced Net Over/Under Collections - GCA	(\$7,586,529)		(\$0.1493) /Mcf
3. S = Projected Sales for Computation Period CC	68,167,987	mcf	
4. S = Projected Sales for Computation Period GCA	50,811,719	mcf	
<b>GCA Charge / (Credit) to Customers</b>			<b>\$0.1493</b> /Mcf



Month	Exclusions							Allocation Factor Calculation					
	cost of cgs gas (a)	Cost of Reg IS Cust. Gas (a)	Cost of Indtpt. IS Gas (a)	Cost of TCS Gas (b)	Cost of MV-I Gas (a)	Rate NGS Exclusion (c)	Total Exclusions (7)	Interdept. Firm Mef (1)	CC Sales Mef (2)	Total Applicable Sales Mef (3) = (1) + (2)	Allocation Factor (4) = (2)/(3)	GCA Sales Mef (5)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(1)	(2)	(3) = (1) + (2)	(4) = (2)/(3)	(5)	
Dec	\$0	\$51,177	\$0	\$13,724	\$632	\$0	\$65,533	Dec	5,098	6,537,888	6,542,986	0.99922085	6,537,888
Jan '23	\$0	\$30,157	\$0	\$74,314	\$381	\$0	\$104,852	Jan '23	2,646	8,224,493	8,227,139	0.99967838	8,224,493
Feb	\$0	\$3,445	\$0	\$87,937	\$20	\$0	\$91,402	Feb	4,947	7,693,270	7,698,217	0.99935738	7,693,270
March	\$0	\$7,856	\$0	\$14,468	\$281	\$0	\$22,605	March	3,261	5,493,108	5,496,369	0.99940670	5,493,108
April	\$0	\$1,880	\$0	\$23,674	\$112	\$0	\$25,666	April	1,365	3,934,905	3,936,270	0.99965323	3,934,905
May	\$0	\$143	\$0	\$13,066	\$101	\$0	\$13,310	May	924	2,111,741	2,112,665	0.99956264	2,111,741
June	\$0	\$38	\$0	\$41,333	\$23	\$0	\$41,394	June	158	1,228,302	1,228,460	0.99987138	1,228,302
July	\$0	\$10	\$0	\$55,772	\$10	\$0	\$55,792	July	158	955,581	955,739	0.99983468	955,581
Aug	\$0	\$2,658	\$0	\$0	\$9	\$0	\$2,667	Aug	49	848,934	848,983	0.99994228	848,934
Sept	\$0	(\$2,938)	\$0	\$250	\$11	\$0	(\$2,677)	Sept	237	877,916	878,153	0.99973012	877,916
Oct	\$0	\$24,624	\$0	(\$22,965)	\$163	\$0	\$1,822	Oct	641	1,253,524	1,254,165	0.99948890	1,253,524
Nov	\$0	\$3,463	\$0	\$5,016	\$107	\$0	\$8,586	Nov	2,060	2,763,315	2,765,375	0.99925507	2,763,315
12 Months	\$0	\$122,513	\$0	\$306,589	\$1,850	\$0	\$430,952	12 Months	21,544	41,922,977	41,944,521		41,922,977
12 Months -Nov 30, 2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0						

(a) CGS, IS, Eddystone IS and MV-I Sales Volumes x Commodity Price Excl. TOP , CGS incl. Off-Peak Reservation Charge  
 (b) TCS Sales Volume x (Commodity Price Excl TOP + TCS Fixed Commodity Cost Component)  
 (c) Demand portion based on Rate CGS Firm Reservation Supply Charge / 30.41 x NGS Sales Volume,  
 Commodity portion based on Weighted Average Commodity Cost of Gas x NGS Sales Volume

Month	Exclusions							Allocation Factor Calculation					
	cost of cgs gas (a)	Cost of Reg IS Cust. Gas (a)	Cost of Indtpt. IS Gas (a)	Cost of TCS Gas (b)	Cost of MV-I Gas (a)	Rate NGS Exclusion (c)	Total Exclusions (7)	Interdept. Firm Mef (1)	CC Sales Mef (2)	Total Applicable Sales Mef (3) = (1) + (2)	Allocation Factor (4) = (2)/(3)	GCA Sales Mef (5)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(1)	(2)	(3) = (1) + (2)	(4) = (2)/(3)	(5)	
Dec	\$0	\$32,285	\$0	\$44,107	\$190	\$0	\$76,582	Dec	2,517	6,098,923	6,101,440	0.99958747	6,098,923
Jan '24	\$0	\$13,622	\$0	\$37,669	\$410	\$0	\$51,701	Jan '24	6,562	8,043,336	8,049,898	0.99918483	8,043,336
Feb	\$0	\$22,174	\$0	\$22,092	\$114	\$0	\$44,380	Feb	0	7,107,764	7,107,764	1.00000000	7,107,764
March	\$0	\$0	\$0	\$0	\$216	\$0	\$216	March	4,858	6,606,635	6,611,493	0.99926522	6,606,635
April	\$0	\$0	\$0	\$0	\$86	\$0	\$86	April	3,746	4,125,640	4,129,386	0.99909284	4,125,640
May (est)	\$0	\$2,124	\$0	\$31,607	\$48	\$0	\$33,779	May (est)	924	2,741,532	2,742,456	0.99966308	1,764,236
June (est)	\$0	\$2,315	\$0	\$22,315	\$55	\$0	\$24,685	June (est)	158	1,809,285	1,809,443	0.99991268	1,170,136
July (est)	\$0	\$2,658	\$0	\$13,478	\$59	\$0	\$16,195	July (est)	158	1,614,054	1,614,212	0.99990212	1,087,572
Aug (est)	\$0	\$2,644	\$0	\$13,403	\$63	\$0	\$16,110	Aug (est)	49	1,575,319	1,575,368	0.99996890	1,114,335
Sept (est)	\$0	\$2,356	\$0	\$11,376	\$58	\$0	\$13,790	Sept (est)	237	1,684,137	1,684,374	0.99985929	1,179,448
Oct (est)	\$0	\$2,233	\$0	\$7,006	\$54	\$0	\$9,293	Oct (est)	641	3,207,864	3,208,505	0.99980022	2,553,900
Nov (est)	\$0	\$3,192	\$0	\$15,221	\$83	\$0	\$18,496	Nov (est)	2,060	6,513,293	6,515,353	0.99968382	5,308,563
12 Months	\$0	\$85,603	\$0	\$218,274	\$1,436	\$0	\$305,313	12 Months	21,910	51,127,781	51,149,691		46,160,487
12 Months -Nov 30, 2025	\$0	\$41,662	\$0	\$515,330	\$996	\$0	\$557,988						

(a) CGS, IS, Eddystone IS and MV-I Sales Volumes x Commodity Price Excl. TOP , CGS incl. Off-Peak Reservation Charge  
 (b) TCS Sales Volume x (Commodity Price Excl TOP + TCS Fixed Commodity Cost Component)  
 (c) Demand portion based on Rate CGS Firm Reservation Supply Charge / 30.41 x NGS Sales Volume,  
 Commodity portion based on Weighted Average Commodity Cost of Gas x NGS Sales Volume

	CC Appl. Sales In Month (1)	CC Gas Rates (Excl GRT) (2)	CC Revenues (3) = (1) x (2)	GCA Appl. Sales In Month (4)	Prior Pd. O/(U) Adjust. Rate (5)	Prior Pd. O/(U) Adjust. Revenue (6) = (4) x (5)	Total Revenues Recovered In Base Rates (7) = (3) + (6)
Dec bef 12/1	3,346,941	\$7.6921	\$25,745,005	3,346,941	\$0.4791	\$1,603,519	\$27,348,524
Dec aft 12/1	3,190,947	\$7.0529	\$22,505,430	3,190,947	\$0.1888	\$602,451	\$23,107,881
Jan '23 bef 12/1	-	\$7.6921	\$0		\$0.4791	\$0	\$0
Jan '23 aft 12/1	8,224,493	\$7.0529	\$58,006,527	8,224,493	\$0.1888	\$1,552,784	\$59,559,311
Feb	7,693,270	\$7.0502	\$54,239,092	7,693,270	\$0.1896	\$1,458,644	\$55,697,736
March	5,493,108	\$6.1688	\$33,885,885	5,493,108	\$0.4369	\$2,399,939	\$36,285,824
April	3,934,905	\$5.4618	\$21,491,664	3,934,905	\$0.6353	\$2,499,845	\$23,991,509
May	2,111,741	\$5.4618	\$11,533,907	2,111,741	\$0.6353	\$1,341,589	\$12,875,496
June	1,228,302	\$5.1612	\$6,339,512	1,228,302	\$0.6300	\$773,830	\$7,113,342
July	955,581	\$4.7174	\$4,507,858	955,581	\$0.6221	\$594,467	\$5,102,325
Aug	848,934	\$4.7174	\$4,004,761	848,934	\$0.6221	\$528,122	\$4,532,883
Sept	877,916	\$4.7174	\$4,141,481	877,916	\$0.6221	\$546,152	\$4,687,633
Oct	1,253,524	\$4.7174	\$5,913,374	1,253,524	\$0.6221	\$779,817	\$6,693,191
Nov	2,763,315	\$4.7174	\$13,035,662	2,763,315	\$0.6221	\$1,719,058	\$14,754,720
12 Months	41,922,977		\$265,350,158	41,922,977		\$16,400,217	\$281,750,375

## SSC Revenues

	CC Appl. Sales In Month (1)	CC Gas Rates (Excl GRT) (2)	CC Revenues (3) = (1) x (2)	GCA Appl. Sales In Month (4)	Prior Pd. O/(U) Adjust. Rate (5)	Prior Pd. O/(U) Adjust. Revenue (6) = (4) x (5)	Total Revenues Recovered In Base Rates (7) = (3) + (6)
Dec bef 12/1	3,497,732	\$4.7174	\$16,500,201	3,497,732	\$0.6221	\$2,175,939	\$18,676,140
Dec aft 12/1	2,601,191	\$4.2347	\$11,015,264	2,601,191	(\$0.1076)	(\$279,888)	\$10,735,376
Jan '24 bef 12/1	-	\$4.7174	\$0		\$0.6221	\$0	\$0
Jan '24 aft 12/1	8,043,336	\$4.2354	\$34,066,745	8,043,336	(\$0.1066)	(\$857,420)	\$33,209,325
Feb	7,107,764	\$4.2347	\$30,099,248	7,107,764	(\$0.1076)	(\$764,795)	\$29,334,453
March	6,606,635	\$4.2882	\$28,330,572	6,606,635	\$0.0582	\$384,506	\$28,715,078
April	4,125,640	\$4.3632	\$18,000,992	4,125,640	\$0.2908	\$1,199,736	\$19,200,728
May (est)	2,741,532	\$4.3632	\$11,961,851	1,764,236	\$0.2908	\$513,040	\$12,474,891
June (est)	1,809,285	\$4.3632	\$7,894,271	1,170,136	\$0.2908	\$340,275	\$8,234,546
July (est)	1,614,054	\$4.3632	\$7,042,439	1,087,572	\$0.2908	\$316,266	\$7,358,705
Aug (est)	1,575,319	\$4.3632	\$6,873,432	1,114,335	\$0.2908	\$324,049	\$7,197,481
Sept (est)	1,684,137	\$4.3632	\$7,348,226	1,179,448	\$0.2908	\$342,983	\$7,691,209
Oct (est)	3,207,864	\$4.3632	\$13,996,553	2,553,900	\$0.2908	\$742,674	\$14,739,227
Nov (est)	6,513,293	\$4.3632	\$28,418,800	5,308,563	\$0.2908	\$1,543,730	\$29,962,530
12 Months	51,127,781		\$221,548,594	46,160,487		\$5,981,095	\$227,529,689

IS Profits

	Gross	IS Gas	Unauth.	"Net"	Reg IS		Total	Increase	Profit to Be	Applicable	IS Profit	IS Profits	Cumulative
	Gross	IS Gas	Unauth.	"Net"	Reg IS		Total	Increase	Profit to Be	Applicable	IS Profit	IS Profits	Cumulative
	Reg IS	Penalty	IS Gas	IS Reg	Sales	Commodity	Reg IS	In Taxable	Returned	GCA	Return	Distributed	Over/(Under)
	Revenue	Revenue	Revenue	Revenue	Mcf	Cost/Mcf	Cost of Gas	Income	To Customers	Sales	Rate	to Custs.	Reconciliation
	(1)	(2)	(3)	(4) =	(5)	(6)	(7) =	(8) =	(9) =	(10)	(11)	(12) =	(13) =
				(1)-(2)-(3)			(5) x (6)	(4) - (7)	(8) x 0% (a)			(10) x (11)	(9) - (12)
Balance													(\$5,330)
- Nov. 30, 2022													
Dec bef 12/1										3,346,941	(\$0.0007)	(\$2,343)	(\$2,987)
Dec aft 12/1	\$52,498	\$0	\$0	\$52,498	6,401	\$7.9952	\$51,177	\$1,321	\$0	3,190,947	(\$0.0001)	(\$319)	(\$2,668)
Jan '23 bef 12/1										0	(\$0.0007)	\$0	(\$2,668)
Jan '23 aft 12/1	\$42,443	\$0	\$0	\$42,443	4,434	\$6.8013	\$30,157	\$12,286	\$0	8,224,493	(\$0.0001)	(\$822)	(\$1,846)
Feb	\$5,244	\$0	\$0	\$5,244	506	\$6.8078	\$3,445	\$1,799	\$0	7,693,270	(\$0.0001)	(\$769)	(\$1,077)
March	\$14,562	\$0	\$0	\$14,562	1,593	\$4.9317	\$7,856	\$6,706	\$0	5,493,108	(\$0.0001)	(\$549)	(\$528)
April	\$5,595	\$0	\$0	\$5,595	655	\$2.8698	\$1,880	\$3,715	\$0	3,934,905	(\$0.0001)	(\$393)	(\$135)
May	\$628	\$0	\$0	\$628	64	\$2.2334	\$143	\$485	\$0	2,111,741	(\$0.0001)	(\$211)	\$76
June	\$363	\$0	\$0	\$363	23	\$1.6560	\$38	\$325	\$0	1,228,302	(\$0.0001)	(\$123)	\$199
July	\$272	\$0	\$0	\$272	8	\$1.2926	\$10	\$262	\$0	955,581	(\$0.0001)	(\$96)	\$295
Aug	\$13,619	\$0	\$0	\$13,619	2,042	\$1.3015	\$2,658	\$10,961	\$0	848,934	(\$0.0001)	(\$85)	\$380
Sept	(\$9,887)	\$0	\$0	(\$9,887)	(1,567)	\$1.8752	(\$2,938)	(\$6,949)	\$0	877,916	(\$0.0001)	(\$88)	\$468
Oct	\$53,459	\$0	\$0	\$53,459	7,567	\$3.2541	\$24,624	\$28,835	\$0	1,253,524	(\$0.0001)	(\$125)	\$593
Nov	\$7,126	\$0	\$0	\$7,126	941	\$3.6797	\$3,463	\$3,663	\$0	2,763,315	(\$0.0001)	(\$276)	\$869
12 Months	\$185,922	\$0	\$0	\$185,922	22,667		\$122,513	\$63,409	\$0	41,922,977		(\$6,199)	\$6,199
Balance													\$869
at Nov 30, 2023													

(a) From Docket No. R-2020-3018929 and Docket No. R-2021-3025629

IS Profits

	Gross	IS Gas	Unauth.	"Net"	Reg IS		Total	Increase	Profit to Be	Applicable	IS Profit	IS Profits	Cumulative
	Gross	IS Gas	Unauth.	"Net"	Reg IS		Total	Increase	Profit to Be	Applicable	IS Profit	IS Profits	Cumulative
	Reg IS	Penalty	IS Gas	IS Reg	Sales	Commodity	Reg IS	In Taxable	Returned	GCA	Return	Distributed	Over/(Under)
	Revenue	Revenue	Revenue	Revenue	Mcf	Cost/Mcf	Cost of Gas	Income	To Customers	Sales	Rate	to Custs.	Reconciliation
	(1)	(2)	(3)	(4) =	(5)	(6)	(7) =	(8) =	(9) =	(10)	(11)	(12) =	(13) =
				(1)-(2)-(3)			(5) x (6)	(4) - (7)	(8) x 0% (a)			(10) x (11)	(9) - (12)
Balance													\$869
- Nov. 30, 2023													
Dec bef 12/1										3,497,732	(\$0.0001)	(\$350)	\$1,219
Dec aft 12/1	\$85,443	\$0	\$0	\$85,443	10,012	\$3.2246	\$32,285	\$53,158	\$0	2,601,191	\$0.0000	\$0	\$1,219
Jan '24 bef 12/1										0	(\$0.0001)	\$0	\$1,219
Jan '24 aft 12/1	\$7,095	\$0	\$0	\$7,095	931	\$14.6321	\$13,622	(\$6,527)	\$0	8,043,336	\$0.0000	\$0	\$1,219
Feb	\$35,935	\$0	\$0	\$35,935	5,054	\$4.3875	\$22,174	\$13,761	\$0	7,107,764	\$0.0000	\$0	\$1,219
March	\$0	\$0	\$0	\$0	0	\$3.4775	\$0	\$0	\$0	6,606,635	\$0.0000	\$0	\$1,219
April	\$0	\$0	\$0	\$0	0	\$2.1930	\$0	\$0	\$0	4,125,640	\$0.0000	\$0	\$1,219
May (est)	\$5,956	\$0	\$0	\$5,956	1,370	\$1.5500	\$2,124	\$3,832	\$0	1,764,236	\$0.0000	\$0	\$1,219
June (est)	\$6,148	\$0	\$0	\$6,148	1,370	\$1.6900	\$2,315	\$3,833	\$0	1,170,136	\$0.0000	\$0	\$1,219
July (est)	\$6,490	\$0	\$0	\$6,490	1,370	\$1.9400	\$2,658	\$3,832	\$0	1,087,572	\$0.0000	\$0	\$1,219
Aug (est)	\$6,477	\$0	\$0	\$6,477	1,370	\$1.9300	\$2,644	\$3,833	\$0	1,114,335	\$0.0000	\$0	\$1,219
Sept (est)	\$6,189	\$0	\$0	\$6,189	1,370	\$1.7200	\$2,356	\$3,833	\$0	1,179,448	\$0.0000	\$0	\$1,219
Oct (est)	\$6,066	\$0	\$0	\$6,066	1,370	\$1.6300	\$2,233	\$3,833	\$0	2,553,900	\$0.0000	\$0	\$1,219
Nov (est)	\$7,025	\$0	\$0	\$7,025	1,370	\$2.3300	\$3,192	\$3,833	\$0	5,308,563	\$0.0000	\$0	\$1,219
12 Months	\$172,822	\$0	\$0	\$172,822	25,587		\$85,603	\$87,219	\$0	46,160,487		(\$350)	\$350
Balance													\$1,219
at Nov 30, 2024													

(a) From Docket No. R-2020-3018929 and Docket No. R-2021-3025629



Month	GCA Applicable Sales (1)	PUC Adj. Factor \$/Mcf (2)	PUC Adjust. Revenues Retrnd To Custs. (3) = (1) x (2)	
Balance				(\$1,311)
- Nov. 30, 2022				
Dec bef 12/1	3,346,941	\$0.0000	\$0	(\$1,311)
Dec aft 12/1	3,190,947	\$0.0000	\$0	(\$1,311)
Jan '23 bef 12/1	-	\$0.0000	\$0	(\$1,311)
Jan '23 aft 12/1	8,224,493	\$0.0000	\$0	(\$1,311)
Feb	7,693,270	\$0.0000	\$0	(\$1,311)
March	5,493,108	\$0.0000	\$0	(\$1,311)
April	3,934,905	\$0.0000	\$0	(\$1,311)
May	2,111,741	\$0.0000	\$0	(\$1,311)
June	1,228,302	\$0.0000	\$0	(\$1,311)
July	955,581	\$0.0000	\$0	(\$1,311)
Aug	848,934	\$0.0000	\$0	(\$1,311)
Sept	877,916	\$0.0000	\$0	(\$1,311)
Oct	1,253,524	\$0.0000	\$0	(\$1,311)
Nov	2,763,315	\$0.0000	\$0	(\$1,311)
12 Months	41,922,977		\$0	
Balance at Nov 30, 2023				(\$1,311)

Month	GCA Applicable Sales (1)	PUC Adj. Factor \$/Mcf (2)	PUC Adjust. Revenues Retrnd To Custs. (3) = (1) x (2)	
Balance				(\$1,311)
- Nov. 30, 2023				
Dec bef 12/1	3,497,732	\$0.0000	\$0	(\$1,311)
Dec aft 12/1	2,601,191	\$0.0000	\$0	(\$1,311)
Jan '24 bef 12/1	-	\$0.0000	\$0	(\$1,311)
Jan '24 aft 12/1	8,043,336	\$0.0000	\$0	(\$1,311)
Feb	7,107,764	\$0.0000	\$0	(\$1,311)
March	6,606,635	\$0.0000	\$0	(\$1,311)
April	4,125,640	\$0.0000	\$0	(\$1,311)
May (est)	1,764,236	\$0.0000	\$0	(\$1,311)
June (est)	1,170,136	\$0.0000	\$0	(\$1,311)
July (est)	1,087,572	\$0.0000	\$0	(\$1,311)
Aug (est)	1,114,335	\$0.0000	\$0	(\$1,311)
Sept (est)	1,179,448	\$0.0000	\$0	(\$1,311)
Oct (est)	2,553,900	\$0.0000	\$0	(\$1,311)
Nov (est)	5,308,563	\$0.0000	\$0	(\$1,311)
12 Months	46,160,487		\$0	
Balance at Nov 30, 2024				(\$1,311)



Month	Gross Cost of Gas Excl. TOP (1)	Total Exclusions (2)	Net Cost of Gas (3) = (1) - (2)	Allocation Factor (4)	Recoverable Cost of Gas (5) = (3) x (4)
Balance					
- Nov. 30, 2024					
Dec (est)	\$38,542,550	\$49,181	\$38,493,369	0.99975996	\$38,484,129
Jan '25 (est)	\$49,395,550	\$90,037	\$49,305,513	0.99949618	\$49,280,672
Feb (est)	\$43,164,300	\$97,544	\$43,066,756	1.00000000	\$43,066,756
March (est)	\$35,577,800	\$87,893	\$35,489,907	0.99947111	\$35,471,137
April (est)	\$20,216,300	\$58,985	\$20,157,315	0.99925326	\$20,142,263
May (est)	\$14,757,300	\$46,606	\$14,710,694	0.99966442	\$14,705,757
June (est)	\$12,297,300	\$32,811	\$12,264,489	0.99991335	\$12,263,426
July (est)	\$12,337,300	\$20,853	\$12,316,447	0.99990309	\$12,315,253
Aug (est)	\$12,141,300	\$20,623	\$12,120,677	0.99996921	\$12,120,304
Sept (est)	\$11,748,300	\$17,741	\$11,730,559	0.99986070	\$11,728,925
Oct (est)	\$15,328,300	\$12,575	\$15,315,725	0.99980228	\$15,312,697
Nov (est)	\$27,030,300	\$23,139	\$27,007,161	0.99968647	\$26,998,693
12 Months	\$292,536,600	\$557,988	\$291,978,612		\$291,890,012

	CC Appl. Sales In Month (1)	CC Gas Rates (Excl GRT) (2)	CC Revenues (3) = (1) x (2)
Dec bef 12/1	5,379,003	\$4.3632	\$23,469,666
Dec aft 12/1	5,104,340	\$4.2819	\$21,856,274
Jan '25 bef 12/1	-	\$4.3632	\$0
Jan '25 aft 12/1	13,017,998	\$4.2819	\$55,741,767
Feb (est)	11,165,429	\$4.2819	\$47,809,250
March (est)	9,180,357	\$4.2819	\$39,309,369
April (est)	5,012,713	\$4.2819	\$21,463,935
May (est)	2,752,522	\$4.2819	\$11,786,026
June (est)	1,823,243	\$4.2819	\$7,806,943
July (est)	1,630,199	\$4.2819	\$6,980,347
Aug (est)	1,591,425	\$4.2819	\$6,814,321
Sept (est)	1,701,174	\$4.2819	\$7,284,257
Oct (est)	3,241,308	\$4.2819	\$13,878,956
Nov (est)	6,568,277	\$4.2819	\$28,124,704
12 Months	68,167,987		\$292,325,815

Month	CC Portion of SSC Revenue (1)	Recoverable Cost of Gas (2)	Current Over/(Under) Collection for Interest (3) = (1) - (2)
Balance			
- Nov. 30, 2024			
Dec bef 12/1			
Dec aft 12/1	\$45,325,940	\$38,484,129	\$6,841,811
Jan '25 bef 12/1			
Jan '25 aft 12/1	\$55,741,767	\$49,280,672	\$6,461,095
Feb (est)	\$47,809,250	\$43,066,756	\$4,742,494
March (est)	\$39,309,369	\$35,471,137	\$3,838,232
April (est)	\$21,463,935	\$20,142,263	\$1,321,672
May (est)	\$11,786,026	\$14,705,757	(\$2,919,731)
June (est)	\$7,806,943	\$12,263,426	(\$4,456,483)
July (est)	\$6,980,347	\$12,315,253	(\$5,334,906)
Aug (est)	\$6,814,321	\$12,120,304	(\$5,305,983)
Sept (est)	\$7,284,257	\$11,728,925	(\$4,444,668)
Oct (est)	\$13,878,956	\$15,312,697	(\$1,433,741)
Nov (est)	\$28,124,704	\$26,998,693	\$1,126,011
12 Months	\$292,325,815	\$291,890,012	\$435,803

**Exhibit APD-4**

Computation of Balancing Service Cost Adjustment No. 41  
Application and Computation Period : 12 Months  
December 1, 2024 Through November 30, 2025

1. C = Projected Cost of Gas for Application Period	\$26,408,521	Pg. 2	\$0.3874 /Mcf
2. E = Experienced and Estimated Net Over/(Under)			
a. Balancing Over / (Under)	\$2,640,891	Pg. 2	\$0.0387 /Mcf
b. Miscellaneous Surcharge Monies	\$1,034,448	Pg. 5	\$0.0152 /Mcf
c. Net Interest on Item a.	\$593,436	Pg. 6	\$0.0087 /Mcf
d. Supplier Refunds (Including Interest)	<u>\$2,041</u>	Pg. 7	<u>\$0.0000</u> /Mcf
Experienced Net Over/(Under) Collections	\$4,270,816		\$0.0626 /Mcf
3. C - E	\$22,137,705		\$0.3248 /Mcf
4. S = Projected Sales for Computation Period	68,167,987	mcf	
<b>Charge / (Credit) to Customers</b>			<b>\$0.3248 /Mcf</b>

Over/(Under) Collections

Exhibit APD-4  
Page 2

Month	Gross Cost of Storage (1)	Total Exclusions (2)	Net Cost of Storage (3) = (1) - (2)	Allocation Factor (4)	Recoverable Cost (5) = (3) x (4)	BSC Revenues In Base (6)	Monthly Over/(Under) Collection (7) = (6) - (5)	Cumulative Total (8)
Balance	-Nov 30, 2022							(\$911,479)
Dec	\$2,643,188	\$25,127	\$2,618,061	0.99942853	\$2,616,565	\$4,638,358	\$2,021,793	\$1,110,314
Jan '23	\$2,680,550	\$33,273	\$2,647,277	0.99976352	\$2,646,651	\$6,471,327	\$3,824,676	\$4,934,990
Feb	\$2,606,166	\$33,787	\$2,572,379	0.99951594	\$2,571,134	\$5,908,295	\$3,337,161	\$8,272,151
March	\$2,550,415	\$27,013	\$2,523,402	0.99958039	\$2,522,343	\$4,406,183	\$1,883,840	\$10,155,991
April	\$2,244,364	\$29,096	\$2,215,268	0.99975379	\$2,214,723	\$3,093,952	\$879,229	\$11,035,220
May	\$2,119,795	\$28,353	\$2,091,442	0.99970097	\$2,090,817	\$1,724,300	(\$366,517)	\$10,668,703
June	\$2,127,861	\$34,775	\$2,093,086	0.99991540	\$2,092,909	\$872,473	(\$1,220,436)	\$9,448,267
July	\$2,114,726	\$37,640	\$2,077,086	0.99989340	\$2,076,865	\$493,082	(\$1,583,783)	\$7,864,484
Aug	\$2,136,965	\$25,768	\$2,111,197	0.99996259	\$2,111,118	\$435,810	(\$1,675,308)	\$6,189,176
Sept	\$2,124,862	\$25,651	\$2,099,211	0.99982861	\$2,098,851	\$459,992	(\$1,638,859)	\$4,550,317
Oct	\$2,118,583	\$20,164	\$2,098,419	0.99966407	\$2,097,714	\$634,621	(\$1,463,093)	\$3,087,224
Nov	\$2,129,251	\$24,821	\$2,104,430	0.99948112	\$2,103,338	\$1,320,168	(\$783,170)	\$2,304,054
12 Months	\$27,596,726	\$345,468	\$27,251,258		\$27,243,028	\$30,458,561	\$3,215,533	
12 Months -Nov 30, 2024	\$25,906,860	\$294,337	\$25,612,523		\$25,605,531			

Over/(Under) Collections

Exhibit APD-4  
Page 2

Month	Gross Cost of Storage (1)	Total Exclusions (2)	Net Cost of Storage (3) = (1) - (2)	Allocation Factor (4)	Recoverable Cost (5) = (3) x (4)	BSC Revenues In Base (6)	Monthly Over/(Under) Collection (7) = (6) - (5)	Cumulative Total (8)
Balance	-Nov 30, 2023							\$2,304,054
Dec	\$2,101,934	\$26,721	\$2,075,213	0.99970230	\$2,074,595	\$3,110,210	\$1,035,615	\$3,339,669
Jan '24	\$2,176,115	\$24,632	\$2,151,483	0.99940813	\$2,150,210	\$4,601,633	\$2,451,423	\$5,791,092
Feb	\$2,217,872	\$20,892	\$2,196,980	1.00000000	\$2,196,980	\$4,076,411	\$1,879,431	\$7,670,523
March	\$2,168,234	\$16,983	\$2,151,251	0.99947034	\$2,150,112	\$3,802,513	\$1,652,401	\$9,322,924
April	\$2,179,705	\$20,599	\$2,159,106	0.99936098	\$2,157,726	\$2,425,372	\$267,646	\$9,590,570
May (est)	\$2,149,000	\$28,044	\$2,120,956	0.99966308	\$2,120,241	\$1,134,994	(\$985,247)	\$8,605,323
June (est)	\$2,128,000	\$25,680	\$2,102,320	0.99991268	\$2,102,136	\$749,044	(\$1,353,092)	\$7,252,231
July (est)	\$2,149,000	\$24,940	\$2,124,060	0.99990212	\$2,123,852	\$668,218	(\$1,455,634)	\$5,796,597
Aug (est)	\$2,149,000	\$24,296	\$2,124,704	0.99996890	\$2,124,638	\$652,182	(\$1,472,456)	\$4,324,141
Sept (est)	\$2,128,000	\$23,407	\$2,104,593	0.99985929	\$2,104,297	\$697,233	(\$1,407,064)	\$2,917,077
Oct (est)	\$2,149,000	\$26,519	\$2,122,481	0.99980022	\$2,122,057	\$1,328,055	(\$794,002)	\$2,123,075
Nov (est)	\$2,211,000	\$31,624	\$2,179,376	0.99968382	\$2,178,687	\$2,696,503	\$517,816	\$2,640,891
12 Months	\$25,906,860	\$294,337	\$25,612,523		\$25,605,531	\$25,942,368	\$336,837	
12 Months -Nov 30, 2025	\$26,791,000	\$375,385	\$26,415,615		\$26,408,521			

Exclusions				
Month	Standby Sales Service (1)	Cost of TCS Gas (a) (2)	Rate NGS Exclusion (b) (3)	Total Exclusions (4) = (1) + (2) + (3)
Dec	\$24,279	\$848	\$0	\$25,127
Jan '23	\$26,975	\$6,298	\$0	\$33,273
Feb	\$25,529	\$8,258	\$0	\$33,787
March	\$25,680	\$1,333	\$0	\$27,013
April	\$25,834	\$3,262	\$0	\$29,096
May	\$25,846	\$2,507	\$0	\$28,353
June	\$25,569	\$9,206	\$0	\$34,775
July	\$25,259	\$12,381	\$0	\$37,640
Aug	\$25,768	\$0	\$0	\$25,768
Sept	\$25,590	\$61	\$0	\$25,651
Oct	\$24,798	(\$4,634)	\$0	\$20,164
Nov	\$24,183	\$638	\$0	\$24,821
12 Months	\$305,310	\$40,158	\$0	\$345,468
12 Months -Nov 30, 2024	\$0	\$0	\$0	\$0

Allocation Factor Calculation				
	Interdept. Firm Mcf (1)	BSC Sales Mcf (2)	Total Applicable Sales Mcf (3) = (1) + (2)	Allocation Factor (4) = (2)/(3)
Dec	5,098	8,915,764	8,920,862	0.99942853
Jan '23	2,646	11,186,391	11,189,037	0.99976352
Feb	4,947	10,214,894	10,219,841	0.99951594
March	3,261	7,768,307	7,771,568	0.99958039
April	1,365	5,542,730	5,544,095	0.99975379
May	924	3,089,037	3,089,961	0.99970097
June	158	1,867,451	1,867,609	0.99991540
July	158	1,482,063	1,482,221	0.99989340
Aug	49	1,309,918	1,309,967	0.99996259
Sept	237	1,382,605	1,382,842	0.99982861
Oct	641	1,907,488	1,908,129	0.99966407
Nov	2,060	3,968,045	3,970,105	0.99948112
12 Months	21,544	58,634,693	58,656,237	
(a) TCS Sales Volume x TCS Fixed Cost Storage Component				
(b) Based on C factor portion of Balancing Service Charge (BSC) x NGS Sales Volume				

Exclusions				
Month	Standby Sales Service (1)	Cost of TCS Gas (a) (2)	Rate NGS Exclusion (b) (3)	Total Exclusions (4) = (1) + (2) + (3)
Dec	\$21,914	\$4,807	\$0	\$26,721
Jan '24	\$21,062	\$3,570	\$0	\$24,632
Feb	\$18,333	\$2,559	\$0	\$20,892
March	\$16,983	\$0	\$0	\$16,983
April	\$20,599	\$0	\$0	\$20,599
May (est)	\$22,402	\$5,642	\$0	\$28,044
June (est)	\$21,898	\$3,782	\$0	\$25,680
July (est)	\$22,845	\$2,095	\$0	\$24,940
Aug (est)	\$22,206	\$2,090	\$0	\$24,296
Sept (est)	\$21,500	\$1,907	\$0	\$23,407
Oct (est)	\$25,305	\$1,214	\$0	\$26,519
Nov (est)	\$29,529	\$2,095	\$0	\$31,624
12 Months	\$264,576	\$29,761	\$0	\$294,337
12 Months -Nov 30, 2025	\$325,250	\$50,135	\$0	\$375,385

Allocation Factor Calculation				
	Interdept. Firm Mcf (1)	BSC Sales Mcf (2)	Total Applicable Sales Mcf (3) = (1) + (2)	Allocation Factor (4) = (2)/(3)
Dec	2,517	8,452,307	8,454,824	0.99970230
Jan '24	6,562	11,080,263	11,086,825	0.99940813
Feb	0	9,813,218	9,813,218	1.00000000
March	4,858	9,167,098	9,171,956	0.99947034
April	3,746	5,858,386	5,862,132	0.99936098
May (est)	924	2,741,532	2,742,456	0.99966308
June (est)	158	1,809,285	1,809,443	0.99991268
July (est)	158	1,614,054	1,614,212	0.99990212
Aug (est)	49	1,575,319	1,575,368	0.99996890
Sept (est)	237	1,684,137	1,684,374	0.99985929
Oct (est)	641	3,207,864	3,208,505	0.99980022
Nov (est)	2,060	6,513,293	6,515,353	0.99968382
12 Months	21,910	63,516,755	63,538,665	
(a) TCS Sales Volume x TCS Fixed Cost Storage Component				
(b) Based on C factor portion of Balancing Service Charge (BSC) x NGS Sales Volume				

BSC Revenues

	BSC Appl. Sales mcf (1)	Cost of Gas Rates (Excl GRT) (2)	Cost of Gas Revenues (3) = (1) x (2)	Prior Pd. O/(U) Adjust. Rate (4)	Prior Pd. O/(U) Adjust. Revenue (5) = (1) x (4)	Total Revenues Recovered In Base Rates (6) = (3) + (5)
Dec bef 12/1	4,564,247	\$0.4639	\$2,117,354	\$0.0008	\$3,651	\$2,121,005
Dec aft 12/1	4,351,517	\$0.5799	\$2,523,445	(\$0.0014)	(\$6,092)	\$2,517,353
Jan '23 bef 12/1	-	\$0.4639	\$0	\$0.0008	\$0	\$0
Jan '23 aft 12/1	11,186,391	\$0.5799	\$6,486,988	(\$0.0014)	(\$15,661)	\$6,471,327
Feb	10,214,894	\$0.5798	\$5,922,596	(\$0.0014)	(\$14,301)	\$5,908,295
March	7,768,307	\$0.5598	\$4,348,698	\$0.0074	\$57,485	\$4,406,183
April	5,542,730	\$0.5437	\$3,013,582	\$0.0145	\$80,370	\$3,093,952
May	3,089,037	\$0.5437	\$1,679,509	\$0.0145	\$44,791	\$1,724,300
June	1,867,451	\$0.4526	\$845,208	\$0.0146	\$27,265	\$872,473
July	1,482,063	\$0.3180	\$471,296	\$0.0147	\$21,786	\$493,082
Aug	1,309,918	\$0.3180	\$416,554	\$0.0147	\$19,256	\$435,810
Sept	1,382,605	\$0.3180	\$439,668	\$0.0147	\$20,324	\$459,992
Oct	1,907,488	\$0.3180	\$606,581	\$0.0147	\$28,040	\$634,621
Nov	3,968,045	\$0.3180	\$1,261,838	\$0.0147	\$58,330	\$1,320,168
12 Months	58,634,693		\$30,133,317		\$325,244	\$30,458,561

BSC Revenues

	BSC Appl. Sales mcf (1)	Cost of Gas Rates (Excl GRT) (2)	Cost of Gas Revenues (3) = (1) x (2)	Prior Pd. O/(U) Adjust. Rate (4)	Prior Pd. O/(U) Adjust. Revenue (5) = (1) x (4)	Total Revenues Recovered In Base Rates (6) = (3) + (5)
Dec bef 12/1	4,847,398	\$0.3180	\$1,541,473	\$0.0147	\$71,257	\$1,612,730
Dec aft 12/1	3,604,909	\$0.4605	\$1,660,061	(\$0.0451)	(\$162,581)	\$1,497,480
Jan '24 bef 12/1	-	\$0.3180	\$0	\$0.0147	\$0	\$0
Jan '24 aft 12/1	11,080,263	\$0.4603	\$5,100,245	(\$0.0450)	(\$498,612)	\$4,601,633
Feb	9,813,218	\$0.4605	\$4,518,987	(\$0.0451)	(\$442,576)	\$4,076,411
March	9,167,098	\$0.4560	\$4,180,197	(\$0.0412)	(\$377,684)	\$3,802,513
April	5,858,386	\$0.4498	\$2,635,102	(\$0.0358)	(\$209,730)	\$2,425,372
May (est)	2,741,532	\$0.4498	\$1,233,141	(\$0.0358)	(\$98,147)	\$1,134,994
June (est)	1,809,285	\$0.4498	\$813,816	(\$0.0358)	(\$64,772)	\$749,044
July (est)	1,614,054	\$0.4498	\$726,001	(\$0.0358)	(\$57,783)	\$668,218
Aug (est)	1,575,319	\$0.4498	\$708,578	(\$0.0358)	(\$56,396)	\$652,182
Sept (est)	1,684,137	\$0.4498	\$757,525	(\$0.0358)	(\$60,292)	\$697,233
Oct (est)	3,207,864	\$0.4498	\$1,442,897	(\$0.0358)	(\$114,842)	\$1,328,055
Nov (est)	6,513,293	\$0.4498	\$2,929,679	(\$0.0358)	(\$233,176)	\$2,696,503
12 Months	63,516,755		\$28,247,702		(\$2,305,334)	\$25,942,368







Month	Gross Cost of Storage (1)	Total Exclusions (2)	Net Cost of Storage (3) = (1) - (2)	Allocation Factor (4)	Recoverable Cost (5) = (3) x (4)
Balance	-Nov 30, 2024				
Dec (est)	\$2,232,000	\$37,628	\$2,194,372	0.99975996	\$2,193,845
Jan '25 (est)	\$2,232,000	\$42,599	\$2,189,401	0.99949618	\$2,188,298
Feb (est)	\$2,168,000	\$40,659	\$2,127,341	1.00000000	\$2,127,341
March (est)	\$2,232,000	\$40,853	\$2,191,147	0.99947111	\$2,189,988
April (est)	\$2,218,000	\$31,587	\$2,186,413	0.99925326	\$2,184,780
May (est)	\$2,243,000	\$27,623	\$2,215,377	0.99966442	\$2,214,634
June (est)	\$2,218,000	\$24,886	\$2,193,114	0.99991335	\$2,192,924
July (est)	\$2,243,000	\$24,645	\$2,218,355	0.99990309	\$2,218,140
Aug (est)	\$2,243,000	\$24,296	\$2,218,704	0.99996921	\$2,218,636
Sept (est)	\$2,218,000	\$23,205	\$2,194,795	0.99986070	\$2,194,489
Oct (est)	\$2,243,000	\$26,322	\$2,216,678	0.99980228	\$2,216,240
Nov (est)	\$2,301,000	\$31,082	\$2,269,918	0.99968647	\$2,269,206
12 Months	\$26,791,000	\$375,385	\$26,415,615		\$26,408,521

BSC Revenues

	BSC Appl. Sales mcf (1)	Cost of Gas Rates (Excl GRT) (2)	Cost of Gas Revenues (3) = (1) x (2)
Dec bef 12/1 (est)	5,379,003	\$0.4498	\$2,419,476
Dec aft 12/1 (est)	5,104,340	\$0.3874	\$1,977,421
Jan '25 bef 12/1 (est)	-	\$0.4498	\$0
Jan '25 aft 12/1 (est)	13,017,998	\$0.3874	\$5,043,173
Feb (est)	11,165,429	\$0.3874	\$4,325,487
March (est)	9,180,357	\$0.3874	\$3,556,470
April (est)	5,012,713	\$0.3874	\$1,941,925
May (est)	2,752,522	\$0.3874	\$1,066,327
June (est)	1,823,243	\$0.3874	\$706,324
July (est)	1,630,199	\$0.3874	\$631,539
Aug (est)	1,591,425	\$0.3874	\$616,518
Sept (est)	1,701,174	\$0.3874	\$659,035
Oct (est)	3,241,308	\$0.3874	\$1,255,683
Nov (est)	6,568,277	\$0.3874	\$2,544,550
12 Months	68,167,987		\$26,743,928

Interest on Revenues to be Returned to Customers

Month	CC Portion of BSC Revenue	Recoverable Cost of Gas	Current Over/(Under) Collection for Interest
	(1)	(2)	(3) = (1) - (2)
Balance			
-Nov 30, 2024			
Dec bef 12/1 (est)			
Dec aft 12/1 (est)	\$4,396,897	\$2,193,845	\$2,203,052
Jan '25 bef 12/1 (est)			
Jan '25 aft 12/1 (est)	\$5,043,173	\$2,188,298	\$2,854,875
Feb (est)	\$4,325,487	\$2,127,341	\$2,198,146
March (est)	\$3,556,470	\$2,189,988	\$1,366,482
April (est)	\$1,941,925	\$2,184,780	(\$242,855)
May (est)	\$1,066,327	\$2,214,634	(\$1,148,307)
June (est)	\$706,324	\$2,192,924	(\$1,486,600)
July (est)	\$631,539	\$2,218,140	(\$1,586,601)
Aug (est)	\$616,518	\$2,218,636	(\$1,602,118)
Sept (est)	\$659,035	\$2,194,489	(\$1,535,454)
Oct (est)	\$1,255,683	\$2,216,240	(\$960,557)
Nov (est)	\$2,544,550	\$2,269,206	\$275,344
12 Months	\$26,743,928	\$26,408,521	\$335,407

**Exhibit JSD-1**

<b>2024 Balancing Charges</b>			
Annual Cost for Storage (PECO PGC 40, Section 7, Page 1)			\$ 31,570,000
Aggregate Imbalances for TS Customers			
	Aggregate Daily Excess Deliveries	Aggregate Daily Deficient Deliveries	
Dec-22	52,041	73,244	
Jan-23	31,278	52,746	
Feb-23	73,799	69,655	
Mar-23	41,223	50,508	
Apr-23	52,378	43,910	
May-23	46,324	34,833	
Jun-23	25,815	40,097	
Jul-23	44,433	45,471	
Aug-23	34,311	56,079	
Sep-23	20,843	71,704	
Oct-23	27,168	69,714	
Nov-23	47,044	87,971	
Total	496,657	695,932	
Total Aggregate 12 Month Daily TS Imbalance in MCF			1,192,589
Projected Annual PGC Volume in MCF			68,253,410
Percentage of Storage Cost applicable to PGC customers (Agg Imbal/projected vol)			1.75%
Annual Storage Cost Applicable to Transportation Customers 1.75% of \$ 31,570,000			\$ 551,621
Revenue From Excess Delivery Penalty Charge for Dec 22 through Nov 23 in mcf			76,105      \$ 0.25      \$ 19,026.25
Calculation of the Proposed Adjusted Balancing Charges			
Storage Cost applicable to Transportation Customers			\$ 532,595
Divided by TS MCF Actual Dec 22 through Nov 23			23,652,714
Balancing Charge per MCF			\$ 0.0225

**APPENDIX B**

**Pro Forma Tariff Pages  
Retainage Volume Adjustment Rate**

**PECO Energy Company**

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Natural Gas Supplier Coordination Tariff – The Tariff, setting forth the basic requirements for interactions and coordination between the Company, as the natural gas distribution company, and Suppliers necessary for maintaining the delivery of Competitive Natural Gas Supply from Suppliers to their Low Volume Transportation Customers under the Company's Gas Choice program.

Principal Office - The Company's Main Office Building located at 2301 Market Street, Philadelphia, Pa. 19103.

Property line - The division line between land held in, or for, private use, and land in which the public or the Company has a right of use; or the division line between separately owned or occupied land.

Sales Service Cost ("SSC") - Cost of commodity and non-storage interstate pipeline firm transportation capacity to delivery such commodity to the city gate for Low Volume Sales Customers.

Rate - The rates are CAP, GR, GC, OL, L, MV-F, MV-I, IS, TCS, TS-I, TS-F, and NGS or the successors thereto.

Separate NGS Billing ("Dual Billing") – Separate Billing by an NGS of its charges for gas supply service.

Service - The distribution of gas for use by the Customer, including all things done by the Company in connection with such distribution.

Service-Supply Pipe - The pipe extending from the Company's supply main to a metered delivery point or, in the case of installations comprised exclusively of outdoor gas lights, to the first such light.

Summary Billing Accounts - An aggregate bill prepared at the option of the Company for Customers with multiple accounts that are related within the same partnership, association, corporation or governmental agency.

Supplier of Last Resort Service ("SLR Service" or "Sales Service") - Natural gas supply service provided by the Company as supplier-of-last-resort to residential, small commercial, small industrial and essential human needs Customers who: (1) do not choose a Supplier or chose to be served by their supplier of last resort; (2) who are refused service by a Supplier; (3) whose Supplier has defaulted or exited the system; or (4) who return to SLR service after having obtained Competitive Natural Gas Supply.

System Maintenance Order ("SMO") – operational directive issued by the Company in its sole discretion to protect the operational integrity of its systems in terms of line pressure and adequacy of supply, which orders directly affect the quantity of gas to be delivered on the same gas day or other near-term gas days and may require a Customer or class of Customers, or a Customer's natural gas supplier or agent, to maintain, decrease or increase the quantity of natural gas delivered to the Company's system.

Tariff – This Gas Service Tariff comprising the rates, rules and regulations that apply to the distribution of natural gas, including all things done by the Company in connection with such distribution and/or the supply of natural gas under Supplier of Last Resort (Sales) Service.

Transportation Service – Natural gas supply service provided to HVT Customers, by an alternative Natural Gas Supplier as further detailed in Rule 1.1 of the Gas Transportation Service General Terms and Conditions Section of this Tariff.

Variable Distribution Service Charge – The variable charges on a Mcf basis for the provision of unbundled distribution service, including all things done by the Company in connection with such distribution service.

Volume Adjustment - the current adjustable factor applied to all rate classes to account for: a) reduction for system losses of 3.4% and b) thermal correction, the latter being determined by dividing the daily average Btu content per cubic foot of gas for the Company's system by a reference Btu content of 1,000 Btu per cubic foot. (C)

(C) Denotes Change

**GAS TRANSPORTATION SERVICE - GENERAL TERMS AND CONDITIONS**

(Applicable to: Rate TS-I Gas Transportation Service-Interruptible and Rate TS-F Gas Transportation Service-Firm.)

**1. TRANSPORTATION SERVICE**

1.1 GENERAL. Transportation service shall consist of: the receipt of gas on behalf of a Customer; the transportation of gas through the Company's distribution facilities, and the delivery of equivalent quantities of gas to the Customer, adjusted for thermal correction and system losses where applicable.

Transportation service may also include Standby Sales Service to permit purchases of gas under one of the Company's retail sales rate schedules.

1.2 TERMS DEFINED. The following definitions shall apply throughout the transportation portion of this tariff:

RECEIVED/RECEIPT shall refer to gas tendered to the Company for the Customer's account at one or more of the interconnections between the Company and its interstate pipeline suppliers, or other specified location. The normal unit of measurement is the dekatherm or mmBtu.

DELIVERED/DELIVERY shall refer to gas tendered to the Customer by the Company at the Customer's specified location. The normal unit of measurement is the Mcf.

USE/USAGE shall refer to gas actually consumed by the Customer at the specified location as measured by the Company's meter in Mcf.

DEFICIENT DELIVERIES shall refer to occurrences in which the Customer uses more gas than the quantity of transportation gas tendered by the Company for delivery.

EXCESS DELIVERIES shall refer to occurrences in which the Customer uses less than the quantity of gas tendered by the Company for delivery.

1.3 VOLUME ADJUSTMENT. The quantity of transportation gas received into the Company's distribution system for the Customer's account shall be: (a) reduced by 3.4% for system losses; and (b) adjusted for thermal correction determined by dividing the daily average Btu content per cubic foot of gas for the Company's system by a reference Btu content of 1,000 Btu per cubic foot. Where the transported gas can be delivered directly to the Customer without commingling with other system supplies, no reduction for system losses shall be made, and the thermal correction shall be based on the daily average Btu content of the pipeline to which the Customer is directly connected. (C)

1.4 SUPPLY COST ADJUSTMENT. If the Company incurs any added gas supply cost in order to provide transportation service by displacement, or for other reasons, such additional cost will be charged to the Customer. Displacement occurs when a Customer, who is directly connected to one of the Company's pipeline suppliers, arranges for receipt of transportation gas on another pipeline to which the Customer is not directly connected. Revenues received by the Company in payment for added gas supply cost will be credited to firm sales Customers through the annual Sales Service Costs reconciliation (Section 1307[f]).

1.5 SERVICE AGREEMENT. The Customer will be required to execute a Transportation Service Agreement which will specify an initial Transportation Contract Quantity (TCQ) to be the maximum daily volume of gas, expressed in Mcf net of system losses where applicable, to be transported and delivered to the Customer. The agreement will also specify delivery locations, the election of Standby Sales Service, the commodity charge to be in effect for the term of the agreement, and any special provisions for service. The standard term for a Transportation Service Agreement shall be twelve months, unless the Company and the Customer agree to a shorter or longer term.

The TCQ shall not exceed the lower of (a) the capacity of the Company's metering and regulating equipment at the Customer's location; or (b) 110% of the maximum daily usage of the Customer during the twelve-month period prior to the execution of the Transportation Service Agreement, unless full documentation of new or additional gas usage capability is provided by the Customer. If a Customer chooses to designate an Agent to act on the Customer's behalf for scheduling, dispatching, billing and other administrative aspects of transportation service, such designation shall be made in the Transportation Service Agreement. The designation of an Agent shall not relieve the Customer of ultimate responsibility for payment for service or other obligations incurred under this tariff.

Every November 1 following execution of the Transportation Service Agreement, the Customer's TCQ shall be automatically adjusted by the Company to be 110% of the maximum daily usage of the Customer during the prior twelve-month period if such adjustment would raise or lower the customer TCQ by the higher of either 10 mcf or 10%. The TCQ may also be adjusted by mutual agreement of the Customer and the Company.

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**PECO Energy Company**

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PECO Energy Company

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(Applicable to: Rate TS-I Gas Transportation Service-Interruptible and Rate TS-F Gas Transportation Service-Firm.)

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Supplement No. ~~xx~~ To  
Tariff Gas Pa PUC No. 2S  
~~xxxx~~ Revised Page No. 7  
Supersedes ~~xxxx~~ Revised Page No. 7

PECO Energy Company

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**Volume Adjustment** - the current adjustable factor applied to all rate classes to account

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Issued ~~xxxx~~, 2024

Effective December 1, 2024

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**APPENDIX C**

**Ratable Hedging Program  
Execution Schedule**

Ratable Hedging Schedule

Appendix C  
PGC - 41

Year 8 Winter		Execution Periods					
	Total Daily	Nov '22	Mar '23	Jul '23	Nov '23	Mar '24	Jul '24
Delivery Month	Hedged DTH	24 Months Out	20 Months Out	16 Months Out	12 Months Out	8 Months Out	4 Months Out
Nov '24	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Dec '24	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Jan '25	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Feb '25	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Mar '25	36,000	6,000	6,000	6,000	6,000	6,000	6,000

Year 8 Winter		Execution Periods					
	Total Daily	Nov '23	Mar '24	Jul '24	Nov '24	Mar '25	Jul '25
Delivery Month	Hedged DTH	24 Months Out	20 Months Out	16 Months Out	12 Months Out	8 Months Out	4 Months Out
Nov '25	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Dec '25	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Jan '26	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Feb '26	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Mar '26	36,000	6,000	6,000	6,000	6,000	6,000	6,000

Year 10 Winter		Execution Periods					
	Total Daily	Nov '24	Mar '25	Jul '25	Nov '25	Mar '26	Jul '26
Delivery Month	Hedged DTH	24 Months Out	20 Months Out	16 Months Out	12 Months Out	8 Months Out	4 Months Out
Nov '26	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Dec '26	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Jan '27	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Feb '27	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Mar '27	36,000	6,000	6,000	6,000	6,000	6,000	6,000

Year 11 Winter		Execution Periods					
	Total Daily	Nov '25	Mar '26	Jul '26	Nov '26	Mar '27	Jul '27
Delivery Month	Hedged DTH	24 Months Out	20 Months Out	16 Months Out	12 Months Out	8 Months Out	4 Months Out
Nov '27	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Dec '27	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Jan '28	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Feb '28	36,000	6,000	6,000	6,000	6,000	6,000	6,000
Mar '28	36,000	6,000	6,000	6,000	6,000	6,000	6,000

**APPENDIX D**

**PECO Energy Company's  
Statement in Support**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>PENNSYLVANIA PUBLIC UTILITY COMMISSION</b>	:	
	:	
v.	:	<b>Docket No. R-2024-3048767</b>
	:	
<b>PECO ENERGY COMPANY</b>	:	

**PECO ENERGY COMPANY’S  
STATEMENT IN SUPPORT OF THE  
JOINT PETITION FOR COMPLETE SETTLEMENT**

PECO Energy Company (“PECO” or the “Company”) submits this Statement in Support with respect to the unopposed Joint Petition for Complete Settlement (“Joint Petition” or “Settlement”) in the above-captioned proceeding.<sup>1</sup> For the reasons stated herein and in the Joint Petition, PECO believes that the settlement embodied in the Joint Petition is fair and reasonable and in the public interest. PECO also believes that the settlement terms comply with and implement the Commission’s regulations in a just and reasonable manner. Additionally, by resolving all issues raised in this proceeding, this Settlement will avoid the time, expense and uncertainty of litigation. Therefore, PECO requests that Administrative Law Judge F. Joseph Brady and the Commission approve the Joint Petition, without modification, and make the findings required by Sections 1317 and 1318 of the Public Utility Code (66 Pa. C.S.A. §§ 1317 and 1318).

**I. BACKGROUND**

On April 30, 2024, pursuant to 66 Pa. C. S. § 1307(f) and 52 Pa. Code § 53.64, PECO submitted data, as required by the Commission’s regulations, in advance of its annual Purchased Gas Cost (“PGC”) rate filing (“Advance Filing”). The Advance Filing consists of Sections 1

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<sup>1</sup> The Joint Petitioners are PECO, the Office of Consumer Advocate (“OCA”), the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) (hereinafter referred to collectively as “Settling Parties”). The Office of Small Business Advocate (“OSBA”) and the Philadelphia Area Industrial Energy Users Group (“PAIEUG”) are not opposed to the Settlement.

through 22, which respond to information requests in the Commission’s regulations at 52 Pa. Code § 53.64.

On May 31, 2024, PECO filed its Purchased Gas Cost No. 40 rate to become effective for service rendered on and after December 1, 2024 (“PGC 41 Filing”). PECO made the PGC 41 Filing pursuant to 66 Pa. C.S. § 1307(f), which authorizes certain natural gas distribution companies to make annual purchased gas cost filings with the Commission to reflect increases or decreases in their natural gas costs. Pursuant to 66 Pa. C.S. § 1307(f)(3), the Company’s PGC 41 Filing included a reconciliation of expenses previously incurred and revenues received. In support of its PGC 41 Filing, PECO submitted supporting data and information including the Direct Testimonies of witnesses Suzette E. Adams (PECO Statement No. 1), Scott J. Hughes (PECO Statement No. 2), Julie S. Drezner (PECO Statement No. 3), and Anthony P. DiFelice (PECO Statement No. 4), and accompanying exhibits.

A. Direct Testimony of Suzette E. Adams

In its PGC 41 Filing, PECO made the following requests and proposals, in relevant part:

(i) Historic and Projected Natural Gas Purchases

The PGC 41 Filing proposed to recover the Company’s historic natural gas purchases as set forth in Section 1 of the Advance Information (PECO St. No. 1, pp. 4-6) and the Company’s projected gas purchases as set forth in Sections 6 and 7 of the Advance Information. (PECO St. No. 1, p. 6). According to Section 6 of the Advance Information, the total projected cost applicable to the PGC for the estimated period is \$120.228 million. (PECO St. No. 1, p. 6). According to Section 7 of the Advance Information, the total projected cost applicable to the PGC for the application period is approximately \$318.721 million. (PECO St. No. 1, p. 6).

(ii) Gas Purchase Policies and Practices

The PGC 40 Filing also sought acceptance of the Company’s least-cost procurement policy, which achieves a reasonable balance of long- and short-term natural gas purchases under different pricing approaches (designed to reduce price volatility risk) in order to achieve system supply reliability at the least-cost. (PECO St. No. 1, pp. 7-9). PECO’s procurement policy also incorporates use of its interstate transportation contracts to purchase supplies from geographically diverse locations that have substantial liquidity, and its peaking facilities. (PECO St. No. 1, pp. 9-12).

B. Direct Testimony of Scott J. Hughes

(i) Hedging Policy

Regarding its Ratable Hedging Program, the Company proposed extending the Ratable Hedging Program by an additional year. (PECO St. No. 2, pp. 5-6). In addition, as agreed in the 2020 Joint Petition for Complete Settlement (2020 Joint Petition),<sup>2</sup> PECO will no longer engage in hedging for summer purchases but will continue with its current winter hedging schedule. (PECO St. No. 2, p. 4).

(ii) Off-System Sales Sharing Mechanism

The PGC 41 Filing also proposed to extend the Company’s existing 25% off-system sales sharing mechanism through November 30, 2027. (PECO St. No. 2, p. 6).

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<sup>2</sup> See *Pennsylvania Public Utility Commission v. PECO Energy Company*, Docket No. R-2020-3019661, Order Adopting Joint Petition for Complete Settlement, dated October 8, 2020 (hereinafter referred to as the “2020 Joint Petition”).

C. Direct Testimony of Julie S. Drezner

(i) The Balancing Charge

The PGC 41 Filing proposed a Balancing Charge of \$0.0225 per Mcf to become effective on December 1, 2024 (\$0.0022 per Mcf less than the currently effective Balancing Charge). (PECO St. No. 3, p. 3).

D. Direct Testimony of Anthony P. DiFelice

(i) Proposed PGC Rates

The PGC 41 Filing described the development of the PGC rates to become effective December 1, 2024, and requested approval thereof. (PECO St. No. 4, pp. 4-9). The PGC rate is unbundled into the Sales Service Cost (“SSC”) and the Balancing Service Cost (“BSC”). (PECO St. No. 4, p. 9). The SSC is a charge to those customers purchasing gas supply from PECO. (PECO St. No. 4, p. 3). The BSC recovers costs associated with the operation of contract storage facilities and PECO’s peaking services from all of PECO’s low-volume customers. (PECO St. No. 4, p. 3).

## II. SETTLEMENT TERMS

The specific terms detailing the agreement of the Settling Parties is set forth in detail below:

**Purchased Gas Cost Rates** – PECO’s forecast of purchased natural gas costs and its purchased natural gas cost rates,<sup>3</sup> as originally filed, are accepted, subject to further adjustment in accordance with the Commission’s quarterly adjustment procedures as set forth in 52 Pa. Code § 53.64.

**Balancing Charge Rate** – The Company proposed a Balancing Charge of \$0.0225 per Mcf to become effective on December 1, 2024 (\$0.0022 per Mcf less than the currently effective

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<sup>3</sup> The Company’s PGC Rates are comprised of the Commodity Charge (“CC”), the Gas Cost Adjustment Charge (“GCA”), and the BSC.

Balancing Charge). The Settling Parties have agreed to adopt the as-filed Balancing Charge. Accordingly, the Balancing Charge, effective December 1, 2024, will be \$0.0225 per Mcf.

Further, PECO will investigate and prepare a study of the feasibility of including applicable storage-related costs in the calculation of its High Volume Transportation (“HVT”) balancing charge, as set forth in the Testimony of Jerome D. Mierzwa (OCA St. No. 1) pp. 4-6. PECO will provide a copy of the study which shall explain how the investigation was conducted and report the results of this investigation in its next PGC filing (PGC 42) in the pre-filing made on or about April 30, 2025. PECO will provide all workpapers and calculations supporting the study at the time of pre-filing to all parties to this proceeding.

**Retainage Volume Adjustment Rate** – In accordance with Paragraph 18 of the 2023 Joint Petition,<sup>4</sup> the retainage volume adjustment for transportation service customers for the 12 months beginning December 1, 2023 and ending November 30, 2024 is 3.0%, which was calculated based on the weighted three-year average of LUGF plus the portion of Company-use gas attributable to preheater gate station usage for the period ending June 30, 2023.

The Settling Parties agree that the retainage volume adjustment will be 3.4% for the 12 months beginning December 1, 2024 and ending November 30, 2025, as shown on the tariff pages attached to the Joint Petition as Appendix B.

**Gas Price Hedging** – The Company has complied with the terms of the Ratable Hedging Program for all hedges made through March 2024 and will continue to do so. In the PGC 41 Filing, PECO requested that the Ratable Hedging Program be extended for an additional year. Extending the program for an additional year (“Year 11”) will add Winter periods with volumes

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<sup>4</sup> See *Pennsylvania Public Utility Commission v. PECO Energy Company*, Docket No. R-2021-302629, Order Adopting Joint Petition for Complete Settlement, dated October 7, 2021 (hereinafter referred to as the 2021 Joint Petition).

at the same bifurcated volumetric level, and with execution periods similar to those used in prior years.

Specifically, the Settling Parties have agreed: (i) to extend the Ratable Hedging program for an additional year, which will continue with the current winter hedging schedule of 36,000 Dth/day. The revised Ratable Hedging Program execution schedule is attached to the Joint Petition as Appendix C.

**Renewable Natural Gas (“RNG”)** – PECO will continue pursuing reliable sources of RNG supply via interconnections with RNG producers to bring RNG onto PECO’s gas system. Based on PECO’s investigation into RNG supply, production, and pricing over the past year, it is anticipated that if PECO can procure RNG the price of bringing RNG onto PECO’s gas system will be higher than market-based pricing for natural gas. Should PECO acquire RNG, it will do so in a manner that is consistent with its least-cost procurement strategy for natural gas, *e.g.*, it will pursue the least cost RNG, and will undertake commercially reasonable efforts to minimize the cost impact to PECO’s PGC customers from the costs associated with purchasing RNG.

**Lost And Unaccounted For Gas Monitoring And Reporting** – Though not obligated to do so, the Company has voluntarily reported a three-year weighted average for the periods ending March 31, 2024, and June 30, 2024, consistent with the previous reporting mechanism set forth in the 2015 Joint Petition.<sup>5</sup> The Settling Parties have accepted the Company’s reported lost and unaccounted for gas (“LUFG”) percentages as being reasonable.

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<sup>5</sup> See *Pennsylvania Public Utility Commission v. PECO Energy Company*, Docket No. R-2015-2480969, Order Adopting Joint Petition for Complete Settlement, dated October 22, 2015 (hereinafter referred to as the 2015 Joint Petition).

**Off-System Sales/Capacity Release Sharing** – As agreed upon by the Settling Parties, PECO will extend the off-system sharing mechanism at 25% of margin revenues through November 30, 2027.

**Interest Rate for Over- and Under-Collections** – PECO applied the prime rate in effect for commercial borrowing 60 days prior to the annual PGC filing date to the monthly over- and under-collections for the PGC period December 1, 2023 through November 30, 2024. Going forward, as previously agreed, PECO will use the prime rate for commercial borrowing in effect 60 days prior to the annual PGC filing (which occurs on or before June 1 of each year) to determine interest on the monthly over- and under-collections through November 30 of the year in which the PGC filing is made.

Each of the above-referenced areas is described in further detail below.

Purchased Gas Cost Rates. The reasonableness of the Company's historical gas costs for the 12-month period ending March 31, 2024, is affirmed by the Settlement. (*See* Joint Petition, ¶ 36(a)(i)). Specifically, the Joint Petition concludes that PECO has satisfied the requirements of Section 1318 of the Public Utility Code by pursuing a least-cost fuel procurement policy, consistent with its obligation to provide safe, adequate and reliable natural gas distribution service to its customers, and that PECO has met the requirements of the Public Utility Code relating to affiliate purchases. The Settlement also provides a reasonable basis for calculating and setting the GCA, CC and BSC to become effective December 1, 2024. (*See* Joint Petition, ¶ 17(a) and Appendix A). These rates in dollars per Mcf are as follows:

	<b>Rates GR and CAP (\$/Mcf)</b>	<b>Rate GC (\$/Mcf)</b>	<b>Rates OL, L and MV-F (\$/Mcf)</b>
CC	\$4.3386	\$4.3261	\$4.3222
GCA	\$0.1493	\$0.1493	\$0.1493
BSC	\$0.3248	\$0.3248	\$0.3248
Total PGC Rate			
Effective <b>December 1, 2024</b>	\$4.8127	\$4.8002	\$4.7963

To the extent that actual experience and changes in forecasted natural gas prices and demand would alter such rates, PECO reserves the right to file quarterly adjustments to be effective September 1, 2024 and December 1, 2024, and thereafter in accordance with 52 Pa. Code § 53.64. For the December 1, 2024 filing, the PGC rates will be updated as noted above. As a result, the Settlement allows the Company to recover a reasonable estimate of its projected period purchased gas costs in a manner that protects the interests of the Company and its customers. Under Paragraph 36(b)(iii) of the Joint Petition, the Commission will continue to have the authority to review the actual costs incurred by the Company in a subsequent audit or Section 1307(f) proceeding.

As agreed in the Joint Petition, PECO reserves the right to update Rate TS-F (Gas Transportation Service-Firm) standby sales service demand charge, as shown in Appendix A of the Joint Petition (PECO St. No. 4, Exhibit APD-1), to become effective December 1, 2024, to the extent that actual experience and changes in forecasted natural gas prices and demand would alter those rates.

Balancing Charge Rate. Under the terms of the 2008 Base Rate Case Settlement, the Company is required to update the Balancing Charge as part of its annual 1307(f) filing. The Company proposed a Balancing Charge of \$0.0225 per Mcf to become effective on December 1, 2024, which is \$0.0022 per Mcf less than the currently effective Balancing Charge. (See Joint

Petition, ¶ 18(a) and Appendix A). The Settling Parties have agreed to adopt PECO's as-filed Balancing Charge. Accordingly, the Balancing Charge, effective December 1, 2024, will be \$0.0225 per Mcf. As noted above, PECO has agreed to certain research and reporting responsibilities in connection with the calculation of the HVT Balancing Charge in connection with the next PGC Filing (PGC 42).

Retainage. Some portion of the natural gas introduced into PECO's distribution system becomes LUFG. Transportation customers arrange to have natural gas delivered to PECO's "City Gate" for delivery to them through PECO's distribution system. PECO, like all other natural gas distribution companies, has tariff rules applicable to transportation service providing that some portion of the natural gas delivered to its City Gate will be deemed to be LUFG. The portion of the natural gas deemed to be LUFG for transported volumes is considered "retainage" and is expressed as a percentage.

In accordance with Paragraph 18 of the 2023 Joint Petition for Complete Settlement, the retainage volume adjustment for transportation service customers is 3.0% for the 12 months beginning December 1, 2023 and ending November 30, 2024. This figure was calculated based on the weighted three-year average of LUFG plus the portion of Company-use gas attributable to preheater gate station usage for the period ending June 30, 2023. The Company agreed in the 2020 Joint Petition that (i) the retainage volume adjustment for the twelve-month period ending November 30, 2022 would be calculated based on the weighted three-year average of LUFG plus the portion of Company-use natural gas attributable to preheater gate station usage for the period ending June 30, 2021, and (ii) Direct Pipeline customer sendout and volumes delivered would be removed from the retainage rate calculation on a going forward basis.

Accordingly, the retainage volume adjustment will be 3.4% for the 12 months beginning December 1, 2024 and ending November 30, 2025, as shown on the tariff pages attached to the Joint Petition as Appendix B. (Joint Petition, ¶ 19(a)).

Gas Price Hedging. PECO employs hedging as an additional tool to purchase natural gas on a basis that reasonably ensures system reliability at the least cost. (PECO St. No. 2, p. 3). PECO's current hedging program, the Ratable Hedging Program, was approved by the Commission as part of the settlement as set forth in 2016 Joint Petition for Complete Settlement,<sup>6</sup> and extended for an additional three years as part of the settlements as set forth in the 2017 Joint Petition for Complete Settlement,<sup>7</sup> 2018 Joint Petition for Complete Settlement,<sup>8</sup> and 2019 Joint Petition for Complete Settlement.<sup>9</sup> The program was extended further and modified to eliminate summer hedging in the 2020 Joint Petition. The program was extended, adding an additional year in each of the settlements as set forth in the 2021 Joint Petition, 2022 Joint Petition and 2023 Joint Petition.

PECO has complied with the terms of the Ratable Hedging Program for all hedges made through April 2024 and will continue to do so. (Joint Petition, ¶ 20(a)). In its PGC 41 Filing, the Company proposed that the current Ratable Hedging Program be extended for an additional year. The Settling Parties have agreed to extend the Ratable Hedging Program for an additional year,

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<sup>6</sup> See *Pennsylvania Public Utility Commission v. PECO Energy Company*, Docket No. R-2016-2545925, Order Adopting Joint Petition for Complete Settlement, dated October 6, 2016 (hereinafter referred to as the "2016 Joint Petition").

<sup>7</sup> See *Pennsylvania Public Utility Commission v. PECO Energy Company*, Docket No. R-2017-2602611, Order Adopting Joint Petition for Complete Settlement, dated October 5, 2017 (hereinafter referred to as the "2017 Joint Petition").

<sup>8</sup> See *Pennsylvania Public Utility Commission v. PECO Energy Company*, Docket No. R-2018-3001568, Order Adopting Joint Petition for Complete Settlement, dated October 4, 2018 (hereinafter referred to as the "2018 Joint Petition").

<sup>9</sup> See *Pennsylvania Public Utility Commission v. PECO Energy Company*, Docket No. 2019-3009624, Order Adopting Joint Petition for Complete Settlement, dated October 3, 2019 (hereinafter referred to as the "2019 Joint Petition").

which will continue with the current winter hedging schedule of 36,000 Dth/day. The revised Ratable Hedging Program execution schedule is attached as Appendix C to the Joint Petition.

Renewable Natural Gas (“RNG”). PECO will continue pursuing reliable sources of RNG supply via interconnections with RNG producers to bring RNG onto PECO’s gas system. Based on PECO’s investigation into RNG supply, production, and pricing over the past year, it is anticipated that if PECO can procure RNG the price of bringing RNG onto PECO’s gas system will be higher than market-based pricing for natural gas. Should PECO acquire RNG, it will do so in a manner that is consistent with its least-cost procurement strategy for natural gas, *e.g.*, it will pursue the least cost RNG, and will undertake commercially reasonable efforts to minimize the cost impact to PECO’s PGC customers from the costs associated with purchasing RNG.

Lost and Unaccounted For Gas Monitoring and Reporting. Though not required, PECO has voluntarily provided a three-year weighted average for the periods ending March 31, 2024 and June 30, 2024, consistent with the methodology set forth in Paragraph 20(c) of the 2015 Joint Petition for Complete Settlement, in the following tables:

**PECO LUGF Calculation 2022-2024 PGC (3-Year Average)**

	<b><u>Sendout in Mcf</u></b>	<b><u>Billed Sales in Mcf</u></b>	<b><u>LUGF</u></b>
12 Months Ending 3/31/22	88,449,680	84,691,996	4.2%
12 Months Ending 3/31/23	86,824,606	84,280,413	2.9%
12 Months Ending 3/31/24	84,316,700	82,592,318	2.0%
36 Months Ending 3/31/24	259,590,986	251,564,727	3.1%

	<b><u>Sendout in Mcf</u></b>	<b><u>Billed Sales in Mcf</u></b>	<b><u>LUGF</u></b>
12 Months Ending 6/30/22	89,110,220	85,950,211	3.5%
12 Months Ending 6/30/23	84,884,281	82,956,376	2.3%
12 Months Ending 6/30/24	84,814,048	81,832,437	3.5%
36 Months Ending 6/30/24	258,808,549	250,739,024	3.1%

Off-System Sales/Capacity Release Sharing. Under its currently approved sharing mechanism, PECO receives 25% of all margin revenues from off-system sales transactions and

capacity release transactions (PECO St. 2, p. 7). The Settling Parties have agreed, with respect to this proceeding, that PECO will be permitted to continue to receive 25% of all such margin revenues stated above through November 30, 2027. (Joint Petition, ¶ 23). This extension, from November 30, 2026 to November 30, 2027, will allow the Company to enter into longer term asset management agreements, which the Company believes, under certain conditions, will potentially provide for a larger reduction in gas costs (PECO St. 2, p. 7).

Interest Rate for Over- and Under-Collections. While PECO files its annual 1307(f) filing on or around June 1 of each year, the Company makes quarterly filings throughout the 12-month period to update rates to reflect actual experience and changes in supply and demand, consistent with 52 Pa. Code § 53.64. In compliance with § 1307(f)(5), 66 Pa. C.S.A. § 1307(f)(5), which requires that “[r]efunds to customers shall be made with and recoveries from customers shall include interest at the prime rate for commercial borrowing in effect 60 days prior to the tariff filing made under paragraph (1) . . . ,” and Paragraph 23(b) of the 2017 Joint Petition, PECO applied the prime rate in effect 60 days prior to the annual PGC filing date to the over- and under-collections for the PGC period December 1, 2023 through November 30, 2024. Going forward, as previously agreed, PECO will use the prime rate for commercial borrowing in effect 60 days prior to the annual PGC filing (which occurs on or before June 1 of each year) to determine interest on the over- and under-collections through November 30 of the year in which the PGC filing is made.

For example, if next year’s PGC filing were made on June 1, 2025, PECO would apply the prime rate for commercial borrowing in effect 60 days in advance of that date to determine the interest to be applied to over- and under-collections from December 1, 2024 through November 30, 2025.

### III. CONCLUSION

This Settlement achieves significant positive results, as summarized above. Each of the terms of the Settlement are consistent with PECO's obligation to provide safe, adequate and reliable natural gas distribution service to its customers. All of the positive results of this Settlement are achieved without requiring hearings, briefing and time consuming and expensive litigation.

For all of the foregoing reasons, PECO Energy Company supports the Joint Petition and respectfully requests that the Administrative Law Judge and the Commission approve it in its entirety and without modification.

Respectfully submitted,

*Shane P. Simon*

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Dated: August 9, 2024

**APPENDIX E**

**Office of Consumer Advocate's  
Statement in Support**



To assist in its review of the PECO filing, the OCA retained the services of Jerome D. Mierzwa, a principal in the firm Exeter Associates who has extensive experience in the natural gas industry generally and in reviewing Pennsylvania natural gas distribution company PGC filings. The OCA issued four sets of interrogatories to PECO in this matter and submitted the Direct Testimony of Mr. Mierzwa on July 10, 2024.

The parties began settlement discussions while discovery was ongoing and prior to the submission deadline for Rebuttal Testimony, the OCA determined that it would not be submitting rebuttal testimony as it had identified no further significant concerns with the PECO filing as modified by the parties during settlement discussions. Therefore, for the reasons set forth below, the OCA submits that the proposed Settlement is in the public interest and should be adopted by the Commission.

## **II. SETTLEMENT TERMS**

### **A. Purchased Gas Cost Rates (Settlement ¶ 17)**

The calculations and data supporting the totals are set forth in the Settlement at App. A. The Settlement notes these rates are predicated on the Company's current gas cost projections and are the same as originally filed in this proceeding. As the OCA's comprehensive review did not identify any issues or concerns with how these proposed charges were arrived at or calculated, the OCA has no objecting to their taking effect on December 1, 2024.

Further, the Settlement provides that PECO reserves the right to file quarterly adjustments to be effective September 1, 2024, December 1, 2024, March 1, 2025, and June 1, 2025, in accordance with 52 Pa. Code § 53.65, to account for variations due to actual experience and changes in forecasted natural gas prices and demand that would alter the above rates. The OCA

recognizes that such changes may occur and understands that they may need to be reflected in upcoming quarterly filings.

**B. Balancing Charge Rate (Settlement ¶ 18)**

PECO will set a balancing charge of \$0.0225 per Mcf to become effective on December 1, 2024. The proposed balancing charge is \$0.0022 less per Mcf than the currently effective balancing charge. PECO St. No. 3 at 3. As discussed in OCA's Direct Testimony, PECO provides firm transportation service under which customers arrange with a third-party for the purchase and delivery of the gas supplies needed to meet their daily requirements to the PECO system. The quantity of gas delivered to PECO on a daily basis to serve a transportation customer will inevitably vary from the quantity of gas used by a transportation customer. PECO provides balancing services to address the differences in daily deliveries and usage . OCA St. No. 1 at 4. PECO provides both High Volume Transportation (HVT) and Low Volume Transportation (LVT) balancing services with different balancing requirements and balancing charges. *Id.*

Mr. Mierzwa testified that he had two main concerns with the PECO's HVT balancing charge calculation relating to the exclusion of storage-related costs. *Id.* at 5. First, Mr. Mierzwa testified that it is unreasonable that the HVT balancing charge calculation excludes from the annual storage costs the fuel retention charges that PECO is assessed under the transportation arrangements it utilizes to deliver gas to and from storage. Second, Mr. Mierzwa testified that it is unreasonable that the HVT balancing charge calculation excludes the fuel retention charges that PECO is assessed on the gas it injects into and withdraws from storage. As to the exclusion of these fuel retention charges, Mr. Mierzwa testified that it is reasonable that all storage-related costs be included in the HVT balancing charge calculation. *Id.* at 5-6.

Mr. Mierzwa testified that he was awaiting the receipt of discovery responses before he could make a firm recommendation on revising the HVT balancing charge and reserved the right to supplement in the rebuttal phase once the information was received.

The settlement addresses the concerns set forth in Mr. Mierzwa's direct testimony because PECO agreed to investigate and prepare a study of the feasibility of including applicable storage-related costs in the calculation of its HVT balancing charge calculation. PECO will provide a copy of the study which shall explain how the investigation was conducted and report the results of this investigation in its next PGC filing in the pre-filing made on or about April 30, 2025. PECO will provide all workpapers and calculations supporting the study at the time of pre-filing to all parties to this proceeding. Having included the parameters of a future investigation and study with workpapers and calculations at the time of the next pre-filing, the OCA finds the proposed Charge to be reasonable.

**C. Retainage Rate (Settlement ¶ 19)**

PECO will continue use of the agreed upon retainage calculation (as set forth in Paragraph 19 of the 2023 Joint Petition for Complete Settlement) for the period ending November 30, 2024. *See* PECO St. No. 2 at 8. Information concerning the new retainage rate of 3.4% and supporting calculations for the PGC application period is set forth in the Settlement at ¶ 19(c). Based upon the OCA's review, the OCA finds the rate to be accurate and reasonable.

**D. Gas Price Hedging (Settlement ¶ 20)**

The Settlement provides that PECO will extend the Ratable Hedging program for an additional year ("Year 11"), which will continue with the current winter hedging schedule of 36,000 Dth/day. *See* PECO St. No. 2 at 6; Table SJH-2. Hedging allows PECO to purchase natural gas on a basis that reasonably ensures system reliability at the least cost. *Id.* at 3. The OCA supports

the continuation of this program as a strategy to mitigate the effects of price volatility in the natural gas market in PECO's gas supply procurement process. As such, the OCA continues to support PECO's hedging program, and it will continue to monitor PECO's use of strategies that could increase its effectiveness in countering price volatility.

**E. Renewable Natural Gas (RNG) (Settlement ¶ 21)**

PECO will continue pursuing reliable sources of RNG supply via interconnections with RNG producers to bring RNG onto PECO's gas system. Should PECO acquire RNG, it will do so in a manner that is consistent with its least-cost procurement strategy for natural gas, *e.g.*, it will pursue the least cost RNG, and will undertake commercially reasonable efforts to minimize the cost impact to PECO's PGC customers from the costs associated with purchasing RNG.

The OCA supports development of RNG as an energy resource and further supports its incorporation into the purchased gas portfolios of Pennsylvania's natural gas utilities, provided it is compatible with the quality and other technical specifications established by the utilities for use on their systems and provided a utility's purchase of RNG is consistent with a least cost fuel procurement policy as mandated by the Public Utility Code, 66 Pa. C.S. § 1318. In the instant Settlement, PECO commits that any purchase of RNG would comport with its least cost fuel procurement obligations and undertake efforts towards minimizing costs. With these safeguards in place, and in recognition that the OCA does not waive its ability to challenge costs that are inconsistent with least cost procurement, the OCA supports this provision of the Settlement.

**F. Lost and Unaccounted-for Gas Monitoring and Reporting (Settlement ¶ 22)**

PECO reported its three-year weighted average Lost and Unaccounted-for Gas (LUFG) rate for the 36-month period ending June 30, 2024 as 3.1%. *See* Settlement at ¶ 22, Table. The OCA observes that while PECO's June 30, 2024 average falls slightly above the 3.0% LUFG

maximum prescribed in 52 Pa. Code § 59.111, the OCA will continue to review PECO's LUFG percentages to ensure that PGC customers are not charged unwarranted costs. Further, as part of Settlement, PECO agreed to continue this reporting in its next PGC.

**G. Off-System Sales/Capacity Release Sharing (Settlement ¶ 23)**

PECO will extend the off-system sharing mechanism at the 25% rate through November 30, 2027. *See* PECO Statement No. 2 at 6. PECO submitted that it believes, under certain circumstances, the per-Dth value of transportation and storage capacity released under a longer term Asset Management Agreement has the potential to provide reduction in natural gas costs. *Id.* The OCA supported such sharing mechanisms over the years and finds the PECO 25% share to offer a reasonable incentive of the Company to continue to seek out opportunities to make off system sales and releases of capacity, thus the OCA supports the extension of the off-system sharing mechanism through November 30, 2027.

**H. Interest Rate for Over- and Under- Collections (Settlement ¶ 24)**

PECO will continue to use the prime rate effective sixty (60) days prior to the date of filing, which occurs on or before June 1 of each year, to determine interest on the monthly over- and under-collections through November 30 of the year in which the PGC filing is made. *See* PECO St. No. 4 at 15. This method of determining the interest rate on over- and under-collections is consistent with the method prescribed in Section 1307(f)(5) of the Public Utility Code, 66 Pa. C.S. § 1307(f)(5). As such, the OCA supports this provision of the Settlement which ensures that PGC customers are appropriately refunded in the event that overpayment may occur.

### III. CONCLUSION

In consideration of the enumerated elements of the Settlement described above, the OCA finds the Settlement to be in the public interest, and for that reason, submits that its terms and conditions should be approved by the Administrative Law Judge and the Commission.

Respectfully Submitted,

/s/ Emily A. Farren

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Date: August 9, 2024

**APPENDIX F**

**Commission's Bureau of Investigation and Enforcement's  
Statement in Support**



## **I. INTRODUCTION**

On April 30, 2024, PECO submitted its prefiling information in support of its annual reconciliation of purchased gas costs (“PGC”).

On May 16, 2024, PAIEUG filed a Petition to Intervene, which was subsequently granted. On May 17, 2024, OCA filed a Complaint and Public Statement. On May 22, 2024, OSBA filed its Notice of Appearance. On June 6, 2024, I&E filed its Notice of Appearance.

On May 31, 2024, PECO made its Annual Purchased Gas Cost Rate filing in accordance with Section 1307(f) of the Public Utility Code.

A telephonic Prehearing Conference was held on June 24, 2024 before Administrative Law Judge F. Joseph Brady (“ALJ”) during which a procedural schedule was established and evidentiary hearings were scheduled on July 29-30, 2024.

The hearings on July 29-30, 2024 were cancelled upon notification that the Joint Petitioners reached a full settlement of all issues as set forth in the Joint Petition. A Motion and Stipulation for Admission of Testimony and Exhibits was filed on August 9, 2024.

## **II. LEGAL STANDARD**

I&E serves as the prosecutory bureau for purposes of representing the public interest in ratemaking and service matters before the Office of Administrative Law Judge.<sup>1</sup> By representing the public interest in rate proceedings before the Commission,

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<sup>1</sup> *Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852, p. 5 (Order Entered August 11, 2011).

I&E works to balance the interests of customers, utilities, and the regulated community as a whole to ensure that a utility's rates are just, reasonable, and nondiscriminatory.<sup>2</sup> In negotiated settlements, it is incumbent upon I&E to identify how amicable resolution of any such proceeding may benefit the public interest and to ensure that the public interest is served.

“The prime determinant in the consideration of a proposed Settlement is whether the settlement is in the public interest.”<sup>3</sup> The Commission has recognized that a settlement “reflects a compromise of the positions held by the parties of interest, which, arguably fosters and promotes the public interest.”<sup>4</sup>

Commission policy encourages settlements because, in the Commission's judgment, the results achieved from a negotiated settlement are often preferable to those achieved at the conclusion of a fully litigated proceeding.<sup>5</sup>

### **III. THE SETTLEMENT IS IN THE PUBLIC INTEREST**

The parties agree that, except as revised by the Settlement, the proposed rates and other approvals contained in PECO's PGC filing should be approved. Section 1318 of the Public Utility Code provides that “[n]o rates for a natural gas distribution utility shall be deemed just and reasonable unless the commission finds that the utility is pursuing a least cost fuel procurement policy, consistent with the utility's obligation to provide safe, adequate and reliable service to its customers.”<sup>6</sup>

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<sup>2</sup> See 66 Pa.C.S. §§ 1301(a), 1304.

<sup>3</sup> *Pennsylvania Public Utility Commission v. Philadelphia Electric Company*, 60 PA PUC 1, 22 (1985).

<sup>4</sup> *Pennsylvania Public Utility Commission v. C S Water and Sewer Associates*, 74 PA PUC 767, 771 (1991).

<sup>5</sup> See 52 Pa. Code §§ 5.231, 69.401.

<sup>6</sup> 66 Pa.C.S. § 1318(a).

I&E represents that the purchased gas costs that PECO incurred during the historic period adhered to a least cost fuel procurement policy. Adhering to a least cost procurement policy benefits ratepayers because least cost gas directly impacts customer gas bills and obligates the Company to provide safe, adequate and reliable service to its customers. While those costs are subject to review in a future PGC proceeding, I&E maintains that the Company's gas purchasing practices have satisfied its least cost procurement obligation and that ratepayers are protected in that PECO gains no unwarranted financial advantages through its projected gas purchases and projected gas purchasing policies. The rate changes contained in Table 1 of the Settlement are appropriate.

Additionally, I&E analyzed the Company's E-factor and found that it was calculated in accordance with established Commission practices. This review is critical because the proper calculation of the E-factor ensures that rates are adjusted appropriately. I&E is satisfied that the Company's E-factor calculation is appropriate and accurate.

#### **IV. CONCLUSION**

I&E represents that all issues have been satisfactorily resolved through discovery and discussions with the Company or are incorporated or considered in the resolution proposed in the Settlement. This Settlement exemplifies the benefits to be derived from a negotiated approach to resolving what can appear at first blush to be irreconcilable regulatory differences. The Joint Petitioners have carefully discussed and negotiated all issues raised in this proceeding, and specifically those addressed and resolved in this

Settlement. Further line-by-line identification of the ultimate resolution of the disputed issues beyond those presented in the Settlement is not necessary as I&E represents that the Settlement maintains the proper balance of the interests of all parties. I&E is satisfied that no further action is necessary and considers its investigation of this rate filing complete.

**WHEREFORE**, the Commission’s Bureau of Investigation and Enforcement represents that it supports the “Joint Petition for Complete Settlement” as being in the public interest and respectfully requests that Administrative Law Judge F. Joseph Brady recommend, and the Commission subsequently approve, the foregoing Settlement, including all terms and conditions contained therein.

Respectfully submitted,



Michael A. Podskoch, Jr.  
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Dated: August 9, 2024

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>PENNSYLVANIA PUBLIC UTILITY COMMISSION</b>	:	
v.	:	<b>Docket No. R-2024-3048767</b>
<b>PECO ENERGY COMPANY</b>	:	

**MOTION FOR ADMISSION  
OF TESTIMONY AND EXHIBITS**

**TO THE HONORABLE F. JOSEPH BRADY, ADMINISTRATIVE LAW JUDGE:**

The undersigned move for admission into the evidentiary record the statements and exhibits identified in the Stipulation for Admission of Testimony and Exhibits (“Stipulation”) attached hereto as Appendix A. This Motion and the Stipulation are being submitted in conjunction with the Joint Petition for Complete Settlement (“Joint Petition”) filed in this proceeding on August 9, 2024 and, specifically, Paragraph No. 25 thereof.

Pursuant to the Stipulation, all the parties to this proceeding have stipulated to the authenticity of the statements and exhibits listed therein and have waived cross-examination of the witnesses sponsoring those statements and exhibits, subject to the provisions of Paragraph Nos. 38 and 39 of the Joint Petition (which addresses further proceedings in the event the Commission were to disapprove the Settlement).

Accordingly, the parties to this proceeding request that Administrative Law Judge F. Joseph Brady grant this Motion and admit into the evidentiary record such statements and exhibits. Upon issuance of an Order granting this Motion, copies of the statements and exhibits listed in the Stipulation, together with verifications of all statements and exhibits, will be e-filed

with the Secretary of the Commission for entry into the evidentiary record in this case.

Respectfully submitted:

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and

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*Counsel for PECO Energy Company*

Dated: August 9, 2024

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**APPENDIX A**

**STIPULATION FOR ADMISSION  
OF TESTIMONY AND EXHIBITS**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>PENNSYLVANIA PUBLIC UTILITY COMMISSION</b>	:	
	:	
v.	:	<b>Docket No. R-2023-3040285</b>
	:	
<b>PECO ENERGY COMPANY</b>	:	

**STIPULATION FOR ADMISSION  
OF TESTIMONY AND EXHIBITS**

On August 9, 2024, a Joint Petition for Complete Settlement (“Joint Petition”) was filed with the Pennsylvania Public Utility Commission (“Commission”) at the above-referenced docket. The undersigned, being all of the parties to this proceeding, hereby stipulate to the authenticity of the following testimony and exhibits (the “Listed Statements and Exhibits”):

1. PECO’s Advance Filing consisting of Sections 1-22, which was filed with the Commission and served on April 30, 2024;
2. PECO Statement Nos. 1, 2, 3, 4 (and accompanying Exhibits SJH-1; JSD-1 and JSD-2; and APD-1 through APD-4), which were filed with the Commission and served on May 31, 2024; and
3. OCA Statement No. 1, which was served upon the parties on July 10, 2024.

Additionally, the parties to this proceeding acknowledge and agree that they waive cross-examination with respect to the Listed Statements and Exhibits, subject to the exception stated in Paragraph Nos. 38 and 39 of the Joint Petition, if the Commission were to reject the Settlement, and further stipulate that the Listed Statements and Exhibits should be admitted into the record in this case by Motion.

Accordingly, this Stipulation for Admission of Testimony and Exhibits is hereby executed by counsel for the respective parties set forth below.

Respectfully submitted:

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and

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Dated: August 9, 2024

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