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AN EXELON COMPANY

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February 27, 2026

Via E-Filing

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

RE: PECO Energy Company's Electric Asset Optimization Plan Docket Nos. P-2020-3020974 and P-2025-3056987

Dear Secretary Homsher:

Enclosed for filing in the above referenced matters is PECO Energy Company's Electric Annual Asset Optimization Plan.

If you have any questions regarding this filing, please do not hesitate to contact me at 215-841-5777.

Sincerely,

cc: Parties of Record

PECO ENERGY COMPANY

ANNUAL ASSET OPTIMIZATION PLAN FOR 2025 - ELECTRIC OPERATIONS

Docket Nos. P-2020-3020974 and P-2025-3056987

PECO ENERGY COMPANY
ANNUAL ASSET OPTIMIZATION PLAN FOR 2025 - ELECTRIC
Docket Nos. P-2020-3020974 and P-2025-3056987

I. INTRODUCTION

On February 14, 2012, Governor Corbett signed into law Act 11 of 2012 (“Act 11”), which amended the Pennsylvania Public Utility Code in several respects, including the addition of Subchapter B (66 Pa. C.S. §§ 1350-1360). Act 11 authorized the Pennsylvania Public Utility Commission (“PUC” or “Commission”) to approve a distribution system improvement charge (“DSIC”) upon petition by an electric distribution company, a natural gas distribution company, a water utility, or a wastewater utility. A DSIC authorizes a utility to recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property that is part of the utility’s distribution system. The DSIC allows utilities to recover the costs of DSIC-eligible property that is placed in service between base rate cases and, therefore, is not included in the existing revenue requirement being recovered in the utility’s base rates.

In addition, Subchapter B sets forth various requirements that must be satisfied by a qualifying utility in order to establish a DSIC and to recover the reasonable and prudent costs to repair, improve or replace eligible property.

On August 2, 2012, the Commission entered its *Final Implementation Order in Implementation of Act 11 of 2012* at Docket No. M-2012-2293611 (“Implementation Order”). The Implementation Order sets forth the Commission's expectations with regard to: 1) a Long Term Infrastructure Improvement Plan (“LTIIIP”), which must be filed as a precursor to a request to establish a DSIC (66 Pa.C.S. § 1352); and 2) Annual Asset Optimization Plans (“AAO Plans”

or “AAOP”), which must be filed each year by a utility that has an approved DSIC and LTIIIP (66 Pa.C.S. § 1356).

According to the Implementation Order, AAO Plans are intended to provide an overall status report regarding a utility's progress in making infrastructure improvements pursuant to a Commission-approved LTIIIP (Implementation Order at 30). AAO Plans are expected to: 1) demonstrate LTIIIP compliance and progress; and 2) identify a utility's near-term construction projects that will be funded by the DSIC, consistent with the LTIIIP.

On May 22, 2014, 52 Pa. Code Section 121.6 was adopted, which requires AAO Plan elements to include: (1) a description of all eligible property repaired, improved and replaced in the immediately preceding 12-month period pursuant to the utility's LTIIIP; and (2) a detailed description of all the facilities to be improved in the upcoming 12 months.

II. PECO’s Electric LTIIIP

A. LTIIIP I (2016-2020)

On March 27, 2015, PECO filed for *Approval of its Electric Long Term Infrastructure Improvement Plan and to Establish a Distribution System Improvement Charge for its Electric Operations* at Docket No. P-2015-2471423. PECO’s LTIIIP was a five-year plan spanning the years 2016-2020. It was designed to accelerate infrastructure improvements in order to enhance system resiliency and reliability. The plan consisted of three main project areas and a fourth category related to unreimbursed facility relocations: 1) Storm Hardening and Resiliency Measures; 2) Underground Cable Replacements; 3) Building Substation Retirements; and 4) Facility Relocations. During the 5-year LTIIIP period, PECO’s increased expenditures were anticipated to amount to \$324.3 million, with \$274.3 million for the above reliability projects and \$50 million for facility relocation work as permitted by 66 Pa. Code Section 1351 (definition

of “eligible property”). On October 22, 2015, the PUC approved PECO’s electric LTIIIP and DSIC petition.¹ PECO’s LTIIIP I plan ended on December 31, 2020.

B. LTIIIP II (2021-2025)

On July 22, 2020, PECO filed for *Approval of its [Second] Electric Long Term Infrastructure Improvement Plan* at Docket No. P-2020-3020974 (“LTIIIP II”). PECO’s LTIIIP II was a five-year plan spanning the years 2021-2025. It was designed to accelerate infrastructure improvements in order to enhance system resiliency and reliability. The plan consisted of three main project areas and a fourth category related to unreimbursed facility relocations: 1) Storm Hardening and Resiliency; 2) Underground Cable Replacements; 3) Substation Switchgear Replacement; and 4) Facility Relocations. During the five-year LTIIIP II period, PECO’s increased expenditures were estimated to be \$1.43 billion, with \$1.36 billion for the above reliability projects and \$75 million for facility relocation work. On November 19, 2020, the PUC approved PECO’s electric LTIIIP II Plan. PECO’s LTIIIP II plan ended on December 31, 2025.

C. LTIIIP III (2026-2030)

On August 20, 2025, PECO filed for *Approval of its [Third] Electric Long-Term Infrastructure Improvement Plan* at Docket No. P-2025-3056987 (“LTIIIP III”). PECO’s LTIIIP III is a five-year plan spanning the years 2026-2030. It is designed to accelerate infrastructure improvements in order to enhance system resiliency and reliability. The plan consists of four main project areas and a fifth category related to unreimbursed facility relocations: 1) Storm

¹ The DSIC was approved subject to two issues referred to the Office of Administrative Law Judge for hearing: 1) whether the DSIC should apply to transmission voltage rates; and 2) what revenues associated with PECO’s tariff riders should be recovered through the DSIC. (*See* the Commission’s Opinion and Order, issued October 22, 2015, in Docket No. P-2015-2471423). On September 21, 2017, the Commission approved the Joint Petition for Settlement, which resolved the issues described above.

Hardening and Resiliency; 2) Underground Cable Replacements; 3) Substation Switchgear Replacement; 4) Smart Meter Replacement; and 5) Facility Relocations. During the five-year LTIIIP III period, PECO’s increased expenditures are estimated to be \$2.07 billion, with \$1.97 billion for the above reliability projects and \$100 million for facility relocation work. On December 18, 2025, the PUC approved PECO’s electric LTIIIP III Plan.

PECO hereby provides its AAO Plan for 2025 and is filing copies of this AAO Plan with the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and other interested parties in Docket Nos. P-2020-3020974 and P-2025-3056987.

III. REQUIRED ELEMENTS OF THE AAO PLAN

A. Description of all Eligible Property Repaired, Improved, and Replaced in the Immediately Preceding 12-Month Period Pursuant to PECO's LTIIIP II

Exhibit A² attached hereto provides summary data with respect to projects that were completed in LTIIIP II year 2025 for: 1) Storm Hardening and Resiliency Programs, 2) Underground Cable Replacement Programs, 3) Substation Switchgear Replacement Program, and 4) Facility Relocations (as specified below). In 2025, PECO spent approximately \$290.0 million on the LTIIIP II program areas described below compared to \$295.0 million estimated in the LTIIIP II for 2025 (excluding Facility Relocations), which included execution of all 2025 projects, as well as substantial efforts to continue engineering and construction on planned 2026 electric LTIIIP III projects – primarily for the Building Substation and Switchgear Replacement Programs. PECO met or exceeded its 2025 scope commitments for the majority of planned LTIIIP II work categories (i.e., Customers Experiencing Multiple Interruptions (“CEMI”) Areas, CEMI Targeted Circuits, Aerial Infrastructure Resiliency (“AIR”) Areas, AIR Targeted Assets,

² Exhibit A also details estimated LTIIIP III spend in 2026.

Circuit Rebuilds Enabling Unit Substation Retirements, and Underground Residential Development (“URD”) cable replacements). The Main Stem Cable Replacement Program is still recovering from previously experienced material delays in 2023 during the COVID-19 pandemic and underground external utility conflicts that caused permitting issues in 2024. Furthermore, PECO did not meet the scope commitment as outlined in the original LTIIIP II target. Lastly, the Overbrook Building Substation Retirement experienced an increase in scope due to blocked ducts requiring about 2 miles of additional civil design and construction. PECO did not meet the 2025 scope commitment for the Building Substation Retirement Program; however, PECO will continue civil and aerial construction for the Overbrook with the plan to complete the retirement of Overbrook Building Substation by end of 2026.

Additionally, the programs outlined within LTIIIP II have supported and increased job opportunities within Southeastern Pennsylvania. The following equivalent full-time employees and contracting resources gained employment due to LTIIIP II Programs:

	PECO Equivalent Full-Time Employees	Equivalent Full-Time Contracting Resources
1/1/2021 – 12/31/2021	46	140
1/1/2022 – 12/31/2022	67	184
1/1/2023 – 12/31/2023	65	159
1/1/2024 – 12/31/2024	78	233
1/1/2025 – 12/31/2025	86	257

1. Storm Hardening and Resiliency Programs

a. Customers Experiencing Multiple Interruptions (“CEMI”) Programs

i. CEMI Areas

As shown in Exhibit A, PECO met its 2025 LTIIIP II goals for CEMI Areas. The LTIIIP II estimated that PECO would complete between eight and thirteen CEMI Areas projects, and actual results were eight. The CEMI Areas projects were completed in the following locations:

County	Number of Projects
Bucks	1
Chester	3
Delaware	4

The projects reduced the impact of storm conditions in these counties and involved: 1) replacing open wire and self-supporting cable installations with three-phase and single-phase spacer cable installations; 2) installing tree-resistant wire in heavily vegetated areas; 3) conversion and retirement of obsolete equipment; and 4) extending 34kV and 13kV facilities to create sectionalizing loops. In addition, PECO began preliminary CEMI Areas work planned for 2026 (i.e., detailed project design, vegetation management, and preliminary construction) in Bucks, Chester, Delaware, and Montgomery counties. In 2025, PECO spent \$11.7 million on these CEMI Areas projects compared to the \$13.8 million estimated in the LTIIIP II.

ii. CEMI Targeted Circuits

As shown in Exhibit A, PECO met its 2025 LTIIIP II goals for CEMI Targeted Circuits. The LTIIIP II estimated that PECO would complete three to four CEMI Targeted Circuits projects and the actual results were three. The CEMI Targeted Circuits projects were completed in the following locations:

County	Number of Projects
Chester	3

The projects reduced the impact of storm conditions in this county and involved: 1) installing sectionalizing devices; and 2) installing aerial cable & tree-resistant wire in heavily vegetated areas. In 2025, PECO spent \$3.8 million on these CEMI Targeted Circuits projects compared to the \$7.4 million estimated in the LTIIIP II. Lastly, starting in 2026, the CEMI Targeted Circuits Program will be absorbed into the CEMI Areas Program under LTIIIP III.

b. Aerial Infrastructure Resiliency (“AIR”) Programs

i. AIR Areas

As shown in Exhibit A, PECO met its 2025 LTIIIP II goals for AIR Areas. The LTIIIP II estimated that PECO would complete between two and five AIR Areas projects and actual results were five. The AIR Areas projects were completed in the following locations:

County	Number of Projects
Bucks	1
Chester	2
Montgomery	1
Philadelphia	1

The projects reduced the impact of storm conditions in these counties and involved replacing crossarms, poles, insulators, connectors, and cutouts.³ The replaced infrastructure is designed to withstand wind and ice loading consistent with the Grade B construction guidelines defined by the National Electric Safety Code. Additionally, PECO began preliminary AIR Areas work planned for 2026 (i.e., detailed project design, vegetation management, and preliminary construction) in Chester and Montgomery counties. In 2025, PECO spent \$4.7 million on these AIR Areas projects compared to the \$5.3 million estimated in the LTIIIP II.

³ A cutout is a combination of a fuse and switch used to protect overhead primary power feeder lines and taps from surges and overloads.

ii. AIR Targeted Assets

As shown in Exhibit A, PECO exceeded its 2025 LTIIIP II goals for AIR Targeted Assets. The LTIIIP II estimated that PECO would replace between 6,600 and 7,600 assets and actual results were 8,466 assets.⁴ The AIR Targeted Assets replacements were completed in the following locations:

County	Number of Assets Replaced
Bucks	523
Chester	926
Delaware	530
Montgomery	608
Philadelphia	5,875
York	4

The projects reduced the impact of storm conditions in these counties and involved replacing poles, crossarms, insulators, connectors, switches, and cutouts. Additionally, PECO began preliminary AIR Targeted Assets work planned for 2026 (i.e., detailed project design, vegetation management, and preliminary construction) in Bucks, Chester, Delaware, Montgomery, Philadelphia, and York counties. In 2025, PECO spent \$30.4 million on these AIR Targeted Assets replacements compared to the \$71.0 million estimated in the LTIIIP II.

iii. Building Substation Retirement

As part of the electric LTIIIP II, PECO has committed to accelerating the retirement of obsolete building substations and all associated equipment operating at 4kV. In 2025, PECO did not meet its goal of retiring the Overbrook 4kV Building Substation in Philadelphia County due to an increase in civil design and construction scope (i.e., 2 miles of additional civil work needed to complete retirement). In 2026, PECO is continuing civil and aerial construction for the

⁴ The annual asset ranges initially filed with PECO's LTIIIP II Plan were based on the number of poles. Consistent with the 2021 AAOP, the Company included qualifying aerial infrastructure as part of the asset count and will continue this practice in future AAOPs.

Overbrook substation with the plan to retire by the end of 2026. Overall reliability will be improved by creating new 13kV alternative circuit supplies, installing new reclosers, and retiring obsolete equipment. In 2025, PECO spent \$33.1 million on Building Substation Retirements compared to the \$14.0 million estimated in the LTIIIP II.

iv. Circuit Rebuild Enabling Unit Substation Retirements

As shown in Exhibit A, PECO exceeded its LTIIIP II goal for Circuit Rebuild Enabling Unit Substation Retirements. The LTIIIP II estimated that PECO would rebuild eight to ten circuits supplied by unit substations and actual results were seventeen. The retirements were completed in the following locations:

County	Number of Units Retired
Delaware	5
Montgomery	2
Philadelphia	10

The circuits associated with these substations were rebuilt and converted to 13kV or 34kV. Additionally, PECO began substantial preliminary Circuit Rebuild work for 2026 (i.e., detailed project design, vegetation management, civil construction, and electrical construction) in Chester, Delaware, Montgomery, and Philadelphia counties. In 2025, PECO spent \$61.3 million on all Circuit Rebuild work compared to the \$46.0 million estimated in the LTIIIP II.

2. Underground Cable Replacement Programs

a. Main Stem Cable Replacements

PECO did not meet its originally filed LTIIIP II goal for 2025 due to remaining impacts of supply chain delays experienced in 2023 during the global COVID-19 pandemic and underground external utility conflicts that caused permitting issues in 2024. The LTIIIP II filing originally estimated that PECO would replace between 40 and 50 miles of Main Stem cable, and

the actual results were approximately 24 miles. Main Stem cable was replaced in the following locations:

County	Miles Replaced
Bucks	4.5
Chester	0.3
Delaware	1.9
Montgomery	6.5
Philadelphia	10.9

Additionally, PECO began preliminary Main Stem work planned for 2026 (i.e., detailed project design, material procurements, and preliminary civil construction) in Chester, Delaware, Montgomery, and Philadelphia counties. For 2025, PECO spent \$54.8 million on its Main Stem cable replacements compared to the \$45.0 million estimated in the LTIIIP II, due to the execution of 2025 commitments and proactive civil construction for 2026 projects.

b. Underground Residential Development (“URD”) Cable Replacements

As shown in Exhibit A, PECO met its 2025 LTIIIP II goal for URD cable replacements. The LTIIIP II estimated that PECO would replace 165 to 185 miles of URD cable, and the actual results were approximately 166 miles. URD cable replacements occurred in the following locations:

County	Miles Replaced
Bucks	68.3
Chester	49.9
Delaware	15.3
Montgomery	29.4
Philadelphia	2.7

PECO also began URD work planned for 2026 (i.e., detailed project design and preliminary construction) in Bucks, Chester, Delaware, Montgomery, and Philadelphia counties.

In 2025, PECO spent \$80.4 million on URD cable replacements compared to the \$92.0 million estimated in the LTIIIP II.

3. Switchgear Replacement Program

As part of the LTIIIP II filing, PECO selected the Crescentville substation switchgear project to fulfill the commitment to complete the replacement of two to three units for an estimated total cost of \$21.0 million (\$0.5 million in 2025). As discussed in the prior year's AAO Plan, for Crescentville, the scope addition of replacing substation transformer foundations and the unsuitable soil conditions led to an increased cost and timeline. The total revised cost of the project was estimated to be \$39.3 million and included the completion of four units. In 2025, PECO spent \$9.8 million to continue construction for the switchgear and transformer replacement. PECO plans to complete the two switchgear replacements originally included in the LTIIIP II filing by the end of 2026 with the remaining two switchgears expected to be replaced by the end of 2027.

4. Facility Relocation

Facility Relocations involve unreimbursed costs related to highway relocation projects that are eligible for recovery under 66 Pa. Code. Sections 1351 and 1353. These costs arise when PECO moves its facilities at the direction of the State, Municipality, or other Governmental Agency performing public or roadway improvement projects within its Right of Way. Because these projects are reactive in nature, PECO's LTIIIP II did not include a projected number of relocations. PECO continued design efforts and the relocation of its facilities in support of PennDOT's improvements along the I-95 corridor (approximately \$1.4 million) and State Route 3010 (approximately \$9.5 million) through the Philadelphia area. Within Montgomery County, in support of the rehabilitation of Ridge Pike, PECO spent approximately

\$1.2 million in design and construction costs. In Delaware County, PECO spent approximately \$2.6 million on the roadway widening on SR 322. Approximately \$8.4 million was spent on smaller type PennDOT, County and Municipal projects throughout PECO's service territory.

In 2025, PECO spent \$23.1 million on Facility Relocations compared to the \$15.0 million estimated in the LTIIIP II filing (and the \$30.7 million estimated based on projects scheduled at the time of the filing of the prior year's AAOP).

B. Description of the Facilities to be Improved in the Upcoming 12-Month Period (2026)

PECO expects to meet or exceed its LTIIIP III goals/targets for 2026 (as specified below and in Exhibit A). As filed, PECO estimated a total of approximately \$351.6 million for LTIIIP III projects (including Facility Relocation) in 2026. From an overall financial perspective, PECO now estimates that it will spend approximately \$428.6 million on the following LTIIIP III projects in 2026.

1. Storm Hardening and Resiliency Programs

a. Customers Experiencing Multiple Interruptions (CEMI) Areas Program

PECO expects that it will meet or exceed its goal to complete between 15 and 20 CEMI Areas projects in 2026, with an LTIIIP III-filed amount of \$24.9 million and at an estimated cost of \$29.9 million. The majority of the 2026 CEMI Areas projects will be in Bucks, Chester, Delaware, and Montgomery counties. These projects will incorporate (but are not limited to) the following solutions: 4kV to 13kV or 34kV conversions, spacer cable, automated switching devices, tree wire installations, and Hendrix installations.

b. Aerial Infrastructure Resiliency Programs

i. AIR Areas

PECO expects that it will meet or exceed its goal to complete between one and three AIR Areas projects in 2026, with an LTIP III-filed amount of \$1.9 million and an estimated cost of \$4.0 million. The 2026 AIR Areas projects will be in Bucks, Chester, Montgomery, and Philadelphia counties. These projects will focus on the replacement of aerial infrastructure, including poles, overhead conductors, crossarms, insulators, connectors, and cutouts in areas served by one or more circuits.

ii. AIR Targeted Assets

PECO expects that it will meet or exceed its goal to replace between 10,000 and 12,000 assets under the AIR Targeted Assets Program in 2026, with an LTIP III-filed amount of \$49.8 million and at an estimated cost of \$56.4 million. The 2026 AIR Targeted Assets are focused across the entire PECO service territory. The asset replacements focus on aerial infrastructure, including poles, crossarms, insulators, connectors, switches, and cutouts.

iii. Building Substation Retirement

In 2026, PECO will continue construction on the multi-year Overbrook Building Substation project that began in LTIP II with the goal to retire by end of 2026, with an LTIP III-filed amount of \$22.5 million and at an estimated cost of approximately \$27.0 million. This work will include completing underground & overhead electrical construction and converting all load from the building substation.

iv. Circuit Rebuild Enabling Unit Substation Retirements

PECO expects that it will meet or exceed its LTIP III goal to retire between 15 and 25 unit substations and rebuild the associated circuits (i.e., obsolete 4 kV circuits) in 2026, with an LTIP III-filed amount of \$72.3 million and at an estimated cost of approximately \$84.8 million. These projects will be in Chester, Delaware, Montgomery, and Philadelphia counties.

2. Underground Cable Replacement

a. Main Stem Cable Replacements

PECO expects that it will meet or exceed its goal to replace between 15 and 30 miles of Main Stem cable in 2026, with an LTIP III filed amount of \$33.1 million and at an estimated cost of \$40.0 million. PECO will replace Main Stem primary cable and infrastructure in Chester, Delaware, Montgomery, and Philadelphia counties.

b. Underground Residential Development Cable Replacements

PECO expects that it will meet or exceed its goal to replace between 220 and 300 miles of URD cable in 2026, with an LTIP III-filed amount of \$106.3 million and at an estimated cost of \$127.1 million. PECO will upgrade URD systems in Bucks, Chester, Delaware, Montgomery, and Philadelphia counties.

3. Switchgear Replacement Program

PECO's LTIP III-filed amount was \$10.3 million, and the Company estimates that it will spend \$16.2 million in 2026 for the expanded scope of the Substation Switchgear Replacement Program that began in LTIP II to continue construction for the two switchgear busses to be replaced by the end of 2026 and two additional switchgear busses to be replaced by the end of 2027.

4. Smart Meter Replacement Program

PECO expects that it will meet or exceed its goal to replace between 40,000 and 60,000 meters in 2026, with an LTIP III-filed amount of \$10.5 million and at an estimated cost of \$12.5 million. PECO will replace meters in Bucks, Chester, Delaware, Montgomery, Philadelphia, and York counties.

5. Facility Relocation

For 2026, PECO's LTIP III-filed amount was \$20.0 million, and the Company estimates that it will spend \$30.7 million on Facility Relocations based on currently scheduled projects. A few key projects PECO will continue to work on in 2026 with PennDOT are: I-95 corridor improvements (approximately \$5.2 million), SR 3010 – Market Street Bridge (approximately \$6.7 million), and SR 7301 Byberry Rd over CSX (approximately \$2.5 million) throughout Philadelphia. PECO will continue to work on the SR 322 – Conchester Highway project (approximately \$1.4 million) within Delaware County and on Ridge Pike (approximately \$3.6 million) within Montgomery County.

EXHIBIT A

LTIP II

<i>Million \$</i>	<i>2025 LTIP</i>	<i>2025 Actual</i>
CEMI Areas	\$13.8	\$11.7
CEMI Targeted Circuits	\$7.4	\$3.8
AIR Areas	\$5.3	\$4.7
AIR Targeted Assets	\$71.0	\$30.4
Building Substation Retirement	\$14.0	\$33.1
Circuit Rebuild for Unit Substation Retirements	\$46.0	\$61.3
Main Stem Cable Replacement	\$45.0	\$54.8
URD Cable Replacement	\$92.0	\$80.4
Switchgear Replacement Program	\$0.5	\$9.8
Facility Relocation*	\$15.0	\$23.1
Total	\$310.0	\$313.1

<i>Units</i>	<i>2025 LTIP</i>	<i>2025 Actual</i>
CEMI Areas (Projects)	8 – 13	8
CEMI Targeted Circuits (Projects)	3 – 4	3
AIR Areas (Projects)	2 – 5	5
AIR Targeted Assets (Assets)	6,600 – 7,600	8,466
Building Substation Retirement (Buildings)	1	0
Circuit Rebuild for Unit Substation Retirements (Units)	8 – 10	17
Main Stem Cable Replacement (Miles)	40 – 50	24.1
URD Cable Replacement (Miles)	165 – 185	165.6
Switchgear Replacement Program (Switchgears)	0	0
Facility Relocation*	0	0

*The eligible property, type of work, and schedules comprising facility relocation projects are driven by the construction plans of PennDOT, the Pennsylvania Turnpike Commission, and local municipalities.

LTIIIP III

<i>Million \$</i>	<i>2026 LTIIIP</i>	<i>2026 Forecast</i>
CEMI Areas	\$24.9	\$29.9
AIR Areas	\$1.9	\$4.0
AIR Targeted Assets	\$49.8	\$56.4
Building Substation Retirement*	\$22.5	\$27.0
Circuit Rebuild for Unit Substation Retirements	\$72.3	\$84.8
Main Stem Cable Replacement	\$33.1	\$40.0
URD Cable Replacement	\$106.3	\$127.1
Switchgear Replacement Program	\$10.3	\$16.2
Meter Replacement Program	\$10.5	\$12.5
Facility Relocation**	\$20.0	\$30.7
Total	\$351.6	\$428.6

<i>Units</i>	<i>2026 LTIIIP</i>	<i>2026 Forecast</i>
CEMI Areas (Projects)	15 – 20	15 – 20
AIR Areas (Projects)	1 – 3	1 – 3
AIR Targeted Assets (Assets)	10,000 – 12,000	10,000 – 12,000
Building Substation Retirement* (Buildings)	0	1
Circuit Rebuild for Unit Substation Retirements (Units)	15 – 25	15 – 25
Main Stem Cable Replacement (Miles)	15 – 30	15 – 30
URD Cable Replacement (Miles)	220 – 300	220 – 300
Switchgear Replacement Program (Switchgears)	2	2
Meter Replacement Program (Meters)	40,000 – 60,000	40,000 – 60,000
Facility Relocation**	0	0

*The Overbrook Building Substation Retirement was originally scheduled to complete in 2025 under LTIIIP II. However, due to additional civil scope, this project is now expected to be completed in 2026 under LTIIIP III.

**The eligible property, type of work, and schedules comprising facility relocation projects are driven by the construction plans of PennDOT, the Pennsylvania Turnpike Commission, and local municipalities.

VERIFICATION

I, Iris Boci, hereby declare that I am the Vice President of Technical Services for PECO Energy Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Pleading are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. § 4904 pertaining to false statements to authorities.

Date: February 27, 2026

Iris Boci

Iris Boci
Vice President of Technical Services

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF PECO ENERGY :
COMPANY FOR APPROVAL OF :
ITS ELECTRIC LONG TERM : Docket Nos. P-2020-3020974
INFRASTRUCTURE : and P-2025-3056987
IMPROVEMENT PLAN :

CERTIFICATE OF SERVICE

I certify and affirm that I have this day served a copy of the *2025 Annual Asset Optimization Plan relating to PECO Energy Company's Electric Long Term Infrastructure Improvement Plan*, in the above-referenced dockets, on the following persons in the matter specified with the requirements of 52 Pa. Code § 1.54:

VIA ELECTRONIC MAIL

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