

Responses to Questions in 52 Pa. Code Section 53.52(a)**1. The specific reason for each change.**

PECO Energy Company (“PECO” or the “Company”) is proposing tariff changes to implement its fifth proposed default service program (“DSP V”), which includes the Company’s proposed new time-of-use (“TOU”) rate options and PECO’s plan (“Plan”) to allow customers enrolled in the Company’s Customer Assistance Program (“CAP”) to purchase competitive generation supply from an electric generation supplier (“EGS”). The Company’s DSP V is being filed in compliance with the Commission’s regulations at Title 52 Pa. Code Section 54.185.

2. The total number of customers served by the utility.

The total number of electric customers served by PECO was 1,661,605 as of December 31, 2019.

3. A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.

Residential and small commercial customers are potentially affected due to proposed tariff changes to introduce TOU rate options under the Generation Supply Adjustment. Other limited changes are explained in PECO Statement No. 2, the direct testimony of Joseph A. Bisti.

4. The effect of the change on the utility’s customers.

The primary effect of the proposed changes is to implement new time-of-use rate options for eligible residential and commercial default service customers, which will potentially reduce their electric bill. The tariff changes also will allow CAP customers to purchase competitive generation supply from an EGS. All of the proposed tariff changes and their potential effects are discussed in detail in PECO Statement No. 2.

5. The effect, whether direct or indirect, of the proposed change on the utility’s revenue and expenses.

The effects of the proposed tariff changes on PECO’s revenues and expenses cannot be determined at this time and will depend upon the implementation of PECO’s procurement plan that is approved as part of this filing and the market prices in effect when generation supply service is procured. The effects of those tariff changes on PECO’s revenues and expenses will also depend on the final Plan design and TOU rate design approved by the Commission.

6. The effect of the change on the service rendered by the utility.

PECO does not expect the proposed tariff changes to affect service.

7. A list of factors considered by the utility.

The changes are being made to comply with the Commission's Default Service Regulations and Policy Statement, the Commission's February 28, 2019 Proposed Policy Statement Order in Docket No. M-2018-3006578 – Electric Distribution Company Default Service Plans – Customer Assistance Program Shopping, the January 23, 2020 Letter of Rosemary A. Chiavetta in Docket No. M-2019-3007101 – Investigation into Default Service and PJM Interconnection, LLC Settlement Reforms, and the April 6, 2017 Letter of Rosemary A. Chiavetta in Docket No. P-2016-2526672 – Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2017 through May 31, 2017. PECO Statement No. 2, the direct testimony of Mr. Bisti, discusses the reasons for all of the proposed tariff changes.

8. Studies undertaken by the utility in order to draft its proposed change.

No specific studies were undertaken.

9. Customer polls taken and other documents, which indicate customer acceptance and desire for the proposed change.

No customer polls were taken.

10. Plans the utility has for introducing or implementing the changes with respect to its customers.

The Company's Petition requesting approval of its DSP V summarizes how the Company proposes to implement the changes and references specific testimony being filed with the Petition that provides further details about DSP V and how it will be implemented.

11. F.C.C., or FERC or Commission Orders or rulings applicable to the filings.

The following orders and PUC guidance are applicable to this filing:

Docket No. M-2018-3006578 – Electric Distribution Company Default Service Plans – Customer Assistance Program Shopping (Proposed Policy Statement Order entered Feb. 28, 2019)

Docket No. P-2016-2534980 - Petition of PECO Energy Company for Approval of Its Default Service Program for the Period June 1, 2017 to May 31, 2021 (Opinion and Order entered Dec. 8, 2016).

Docket No. I-2011-2237952 - Investigation of Pennsylvania's Retail Electricity Market: End State of Default Service (Order entered Feb. 15, 2013).

Docket No. M-2019-3007101 – Investigation into Default Service and PJM Interconnection, LLC Settlement Reforms (Secretarial Letter issued January 23, 2020)

Docket No. P-2016-2526672 – Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2017 through May 31, 2017 (Secretarial Letter issued Apr. 6, 2017)