

Responses to the Questions in 52 Pa. Code, Section 53.52(a)

(a)(1) The specific reason for each change

PECO is proposing to revise its Electric Service Tariff to implement its Phase IV Energy Efficiency and Conservation Plan (EE&C) Plan, as required by the Commission's Implementation Order at Docket No. M-2020-3015228.

(a)(2) The total number of customers served by the utility.

As of September 3, 2020, PECO Energy served 1,672,517 electric customers.

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

The bills of 1,672,517 of PECO customers will be affected by the tariff revisions proposed in connection with the implementation of PECO's Phase IV EE&C Plan. By rate class, the number of affected customers breaks down as follows:

Residential:	1,505,080
Commercial:	154,183
Industrial:	3,110
Lighting:	10,144

(a)(4) The effect of the change on the utility's customers.

The applicable variable distribution charges of residential customers (which currently contain the energy efficiency charge), the existing, separately stated energy efficiency charges for small commercial and industrial customers, and the applicable distribution charges for lighting customers will be revised to reflect Phase IV EE&C Plan costs consistent with the terms of the Company's Phase IV Provision for Recovery of Energy Efficiency and Conservation Program Costs (EEPC) established under Section 1307 of the Public Utility Code and the revisions to the EEPC proposed in this filing.

(a)(5) The effect, whether direct or indirect, of the proposed change on the utility's revenue and expenses.

PECO will incur additional, incremental administrative and infrastructure costs and operating expenses associated with developing and implementing its Phase IV EE&C Plan. Revenues are projected to decrease over the five-year term of the Phase IV Plan (June 1, 2021 through May 31, 2026) due to decreased demand and energy sales.

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

None.

(a)(7) A list of factors considered by the utility in its determination to make a change. The list shall include a comprehensive statement as to why these factors were chosen

and the relative importance of each. This subsection does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. CS 1308.

PECO is required to submit a Phase IV EE&C by the Commission's Implementation Order entered at Docket No. M-2020-3015228.

- (a)(8) Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of the tariff change seeking a general rate increase as defined in 66 Pa. C.S. 1308.**

PECO did not perform any studies in order to develop the proposed Phase IV EE&C Plan. Instead PECO challenged the Conservation Service Providers bidding under PECO's Act 129 RFP to leverage their market expertise in the design and delivery of programs to achieve the energy savings goals while delivering a premium customer and market participant experience.

- (a)(9) Customer polls taken and other documents, which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernable public opposition, an explanation of why the change is in the public interest shall be provided.**

See the above response to (a)(8).

- (a)(10) Plans the utility has for introducing or implementing the changes with respect to ratepayers.**

PECO plans to communicate to customers in a multi-faceted way. PECO will issue a press release explaining that it has filed its Phase IV Plan for PUC approval. The current PECO Smart Ideas campaign will be amended to include information about the enhanced features of PECO's existing EE&C programs and to introduce the new programs in PECO's Phase IV Plan. In addition, the Company will continue to maintain robust relationships with contractors, retailers, design firms, and distributors across the energy efficiency value chain. PECO will expand and innovate its grassroots customer education and enrollment efforts to inform customers about how the programs in its Phase IV Plan can help them save money by reducing their energy use. PECO will use a multi-channeled approach to communicate existing program changes well in advance of implementing those changes in order to avoid customer confusion and to promote customer satisfaction. The communication channels will vary by program and may include, but not be limited to, bill inserts, newsletters (energy@home for residential customers), energy@work for commercial customers), web communications, direct mail (USPS) and email, community outreach initiatives, earned and paid media including social channels and digital ad placements.

(a)(11) F.C.C., FERC, or Commission orders or ruling applicable to the filing.

The following Act 129 Phase IV orders at Docket M-2020-3015228 are applicable to the filing:

- Energy Efficiency and Conservation (EEC) Program Implementation Order
- Final EEC Plan Template Secretarial Letter

The following orders are also applicable:

- Docket No. M-2019-3006868 – 2019 Total Resource Cost Final Order
- Docket No. M-2019-3006867– 2021 Technical Reference Manual Final Order and Associated Errata
- Docket No. M-2019-3006866 – SWE Baseline Studies
- Docket No. M-2008-2074154 – Final Order - Registry of Conservation Service Providers