

NATURAL GAS RATES TO CHANGE BEGINNING JUNE 1, 2020

Beginning June 1, 2020, natural gas rates for PECO residential customers will decrease by 5.547 cents per 100 cubic feet (Ccf) of gas. The decrease is the result of a decrease in projected natural gas charges.

With these changes the monthly natural gas bill for a residential customer using an average of 80 Ccf (hundreds of cubic feet) of natural gas will decrease by \$4.43 per month, from \$83.45 to \$79.02, or by about 5.3%. The monthly bill for a commercial customer using an average of 400 Ccf of natural gas (Rate GC — General Service — Commercial and Industrial) will decrease by \$21.95 per month, from \$387.71 to \$365.76, or by about 5.7%.

The impact on your bill will depend on the actual amount of natural gas you use.

NOTICE OF PROPOSED ANNUAL NATURAL GAS COST RATE CHANGE EFFECTIVE DECEMBER 1, 2020

On or around June 1 of each year, as directed by the Pennsylvania Public Utility Commission (PUC), PECO makes a Purchased Gas Cost (PGC) filing with the PUC, submitting the company's projection of natural gas prices for the following year. This notice describes the company's request, the PUC's role and what actions you can take.

After reconciling previous collections with projected natural gas charges, PECO is now proposing a decrease in natural gas rates for residential customers beginning December 1, 2020, by 1.021 cents per Ccf from the June 1, 2020 rate. Overall, there will be an annual decrease of approximately \$4.8 million for all customers.

If PECO's entire request is approved, the total monthly bill for a residential customer (Rate GR - General Service - Residential) using an average of 80 Ccf of natural gas would decrease by \$0.80 per month, from \$79.02 to \$78.22, or by approximately 1.0%. The total monthly bill for a commercial customer using an average of 400 Ccf of natural gas (Rate GC - General Service — Commercial and Industrial) would decrease by \$4.23 per month, from \$365.76 to \$361.53, or by approximately 1.2%.

The overall impact on your bill will depend on the amount of natural gas you use.

Again, these changes are subject to PUC approval. If requested, PECO can tell you how your bill may change. If you purchase the natural gas you use from another competitive supplier, the price you pay will depend on the price and terms of your contract with your supplier.

These proposed prices are based on current wholesale market prices. PECO continuously monitors market prices and may adjust prices on a quarterly basis (March 1, June 1, September 1 and December 1).

The charges requested by the company may be found in PECO Gas Service Tariff Number 3. You may examine the material filed with

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the PUC which explains the requested decrease and the reasons for it. As a result of the stay-at-home orders issued by the Governor and Philadelphia's Mayor due to the ongoing COVID-19 pandemic, PECO's Headquarters in Philadelphia is closed. A copy of this material can be viewed online at <https://www.peco.com/MyAccount/MyBillUsage/Pages/ProposedGas.aspx>.

The PUC may schedule hearings to determine proper rates. The company has the burden of proof to demonstrate that the proposed charges are reasonable. After its review, the PUC may grant all, some or none of the request.

As COVID-19 has spread throughout Pennsylvania and with the Governor's state-of-emergency declaration, the PUC staff is working remotely until further notice and will continue to provide services to you. The PUC is answering emails and receiving electronic mail. **Please do not send USPS mail since the PUC's offices are closed.**

To challenge PECO's request to change its rates you can do one of the following:

- Register a Formal Complaint — If you would like to file a formal complaint against a utility company's proposed rate change, you may fill out a Formal Complaint Form at https://www.puc.pa.gov/general/onlineforms/pdf/official_complaint_form_final.pdf. Filing this form will make you a party to a legal proceeding or case. **Please note this filing form includes directions for submission that includes U.S. Mail, which the PUC is not accepting at this time. Complainants are required to include an email address during the pandemic.** If you do not wish to be a party to the case, consider filing a Comment Form. If no formal complaints are filed, the PUC may grant all, some or none of the request without holding a hearing before a judge. The effective date of the new rates will be December 1, 2020.
- Register a Comment — If you wish to register your objection or comment to a proposed rate change by your utility company, you may fill out a Comment Form. Sometimes there is information in these complaints/comments that makes the PUC aware of problems with the company's service or management. This information can be helpful when the PUC investigates the rate request.
- In addition, a public input hearing may be scheduled to give consumers an opportunity to provide testimony to the Commission and what you think of the proposed rate change.

For more information, call the PUC at **1-800-692-7380**.

Questions

For more information on any of these changes visit [peco.com/rates](https://www.peco.com/rates) or call **1-800-494-4000**. Small business customers can call PECO's Business Customer Service Team at **1-800-220-PECO (7326)**. Large business customers can contact their account representative directly.



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