

Q. I-A-1 Provide corporate history including dates of original incorporation, subsequent mergers and/or acquisitions. Indicate all counties and cities and other governmental subdivisions to which service is provided and total population in area served.

A. I-A-1 Please refer to Attachment I-A-1(a).

## A. CORPORATE HISTORY

PECO Energy Company, as it exists today, is the result of a series of corporate mergers, acquisitions and operational transformations. The following history explains the transactions relating to PECO's current natural gas distribution operations.

### 1. Corporate Ownership

On October 27, 1902, The Philadelphia Electric Company was incorporated, and its gas distribution business was the result of a number of gas distribution business acquisitions and consolidations within southeastern Pennsylvania.

On February 24, 1928, Philadelphia Electric Company became a wholly owned subsidiary of the United Gas Improvement Company (now known as "UGI Corporation" or "UGI"). Philadelphia Electric Company maintained this subsidiary status until its divestiture from UGI in 1943.

Philadelphia Electric Company was incorporated on October 31, 1929, in connection with the merger of The Philadelphia Electric Company, Philadelphia Suburban Gas and Electric Company and Counties Gas and Electric Company. Following this merger, Philadelphia Electric Company did not undergo any significant corporate activities affecting its gas distribution operations until October 2000.

On October 20, 2000, in accordance with the final order of the Pennsylvania Public Utility Commission ("Commission") at Docket No. A-110550F0147, entered June 22, 2000, PECO Energy Company became an indirect, wholly owned subsidiary of Exelon Corporation ("Exelon") by operation of the merger between PECO Energy Company and Unicom Corporation. Exelon is a utility holding company whose primary business focus is electric and gas distribution, electric generation and wholesale electric transactions.

On January 1, 2001, in accordance with the Commission's final order at Docket No. A-110550F0147, PECO transferred its electric generation business to Exelon Generation, LLC as part of a corporate restructuring and Exelon Business Services Company ("EBSC"), a shared services provider, was created. PECO subsequently entered into a Commission-approved General Services Agreement with EBSC for the provision of shared services through cost-based, negotiated, service level arrangements. A corporate organization chart showing PECO's corporate relationship to Exelon and its other subsidiaries may be found in response to Defined Filing Requirement II-A-24.

### 2. Gas Operations

All of PECO's predecessor gas and electric companies held letters, patents and other rights issued by the Commonwealth of Pennsylvania, which allowed for the provision of natural gas service. These instruments and authorities were ultimately transferred, by operation of law, to PECO Energy. Upon passage of the Public Service Company law

and the Public Utility Code, PECO's gas service territory rights were grandfathered or acquired through the issuance of certificates of public convenience by the Commission.

**B. LISTING OF GOVERNMENTAL SUBDIVISIONS  
AND TOTAL POPULATION SERVED**

PECO's natural gas service is supplied in an area of approximately 1,900 square miles in southeastern Pennsylvania, adjacent to the City of Philadelphia, with a population of approximately 2.5 million, as follows (based on census totals through April 2010):

<b>Bucks County</b>	<b><u>Total Population</u></b>
<b>Boroughs:</b>	
Bristol	9,726
Chalfont	4,009
Doylestown	8,380
Dublin	2,158
Hulmeville	1,003
Ivyland	1,041
Langhorne	1,622
Langhorne Manor	1,442
Morrisville	8,728
New Britain	3,152
New Hope	2,528
Newtown	2,248
Penndel	2,328
Telford	4,872
Tullytown	1,872
Yardley	2,434
<b>First Class Township:</b>	
Bristol	54,582
<b>Second Class Township:</b>	
Bedminster	6,574
Bensalem	60,427
Bridgeton	1,277
Buckingham	20,075
Doylestown	17,565
Falls	34,300
Hilltown	15,029
Lower Makefield	35,559
Lower Southampton	18,909
Middletown	45,436
New Britain	11,070

Newtown	19,299
Northampton	39,726
Plumstead	12,442
Solebury	8,692
Tinicum	3,995
Upper Makefield	8,190
Upper Southampton	15,152
Warminster	32,682
Warrington	23,418
Warwick	14,437
West Rockhill	5,256
Wrightstown	2,995
<b>Population - Bucks</b>	<b>625,249</b>

<b>Chester County</b>	
<b>City</b>	
Coatesville	13,100
<b>Boroughs:</b>	
Atglen	1,406
Avondale	1,265
Downingtown	7,891
Elverson	1,225
Honey Brook	1,713
Kennett Square	6,072
Malvern	2,998
Modena	535
Oxford	5,077
Parkesburg	3,593
Phoenixville	16,440
South Coatesville	1,303
Spring City	3,323
West Chester	18,461
West Grove	2,854
<b>First Class Townships</b>	
Caln	13,817
<b>Second Class Townships</b>	
Birmingham	4,208
Charlestown	5,671
East Bradford	9,942
East Brandywine	6,742
East Caln	4,838
East Coventry	6,636
East Fallowfield	7,449
East Goshen	18,026
East Marlborough	7,026
East Nantmeal	1,803
East Nottingham	8,650
East Pikeland	7,079
Easttown	10,477
East Vincent	6,821
East Whiteland	10,650
Elk	1,681
Franklin	4,352
Highland	1,272

Honey Brook	7,647
Kennett	7,565
London Britain	3,139
Londonderry	2,149
London Grove	7,475
Lower Oxford	5,200
New Garden	11,984
Newlin	1,285
New London	5,631
North Coventry	7,866
Penn	5,364
Pennsbury	3,604
Pocopson	4,582
Sadsbury	3,570
Schuykill	8,516
South Coventry	2,604
Thornbury	3,017
Tredyffrin	29,332
Upper Oxford	2,484
Upper Uwchlan	11,227
Uwchlan	18,088
Valley	6,794
Wallace	3,458
Warwick	2,507
West Bradford	12,223
West Brandywine	7,394
West Caln	9,014
West Fallowfield	2,566
West Goshen	21,866
West Marlborough	814
West Nantmeal	2,170
West Nottingham	2,722
West Pikeland	4,024
West Sadsbury	2,444
Westtown	10,827
West Vincent	4,567
West Whiteland	18,274
Willistown	10,497

**Population - Chester**

**498,886**

<b>Delaware County</b>	
<b>City:</b>	
Chester	33,972
<b>Boroughs:</b>	
Aldan	4,162
Brookhaven	8,006
Chester Heights	2,531
Clifton Heights	6,652
Collingdale	8,786
Colwyn	2,546
Darby	10,687
East Lansdowne	2,668
Eddystone	2,410
Folcroft	6,606
Glenolden	7,153
Lansdowne	10,620
Marcus Hook	2,397
Media	5,327
Millbourne	913
Morton	2,669
Norwood	5,890
Parkside	2,328
Prospect Park	6,454
Ridley Park	7,002
Rose Valley	913
Rutledge	784
Sharon Hill	5,697
Swarthmore	6,194
Trainer	1,828
Upland	3,239
Yeadon	11,443
<b>First Class Townships:</b>	
Aston	16,592
Darby	9,264
Lower Chichester	3,469
Marple	23,428
Nether Providence	13,706
Ridley	30,768
Springfield	24,211
Tinicum	4,091
Upper Chichester	16,738
Upper Darby	82,795

<b>Second Class Townships:</b>	
Bethel	8,791
Chadds Ford	3,640
Chester	3,940
Concord	17,231
Edgmont	3,987
Haverford	48,491
Middletown	15,807
Newtown	12,216
Radnor	31,531
Thornbury	8,028
Upper Providence	10,142
<b>Population - Delaware</b>	<b>558,979</b>

<b>Lancaster County</b>	
<b>Borough:</b>	
Christiana	1,168
<b>Second Class Townships:</b>	
Sadsbury	3,395
Salisbury	11,062
<b>Population - Lancaster</b>	<b>15,625</b>



<b>Montgomery County</b>	
<b>Boroughs:</b>	
Ambler	6,417
Bridgeport	4,554
Bryn Athyn	1,375
Collegeville	5,089
Conshohocken	7,833
East Greenville	2,951
Green Lane	508
Hatboro	7,360
Hatfield	3,290
Jenkintown	4,422
Lansdale	16,269
Narberth	4,282
Norristown	34,324
North Wales	3,229
Pennsburg	3,843
Pottstown	22,377
Red Hill	2,383
Rockledge	2,543
Royersford	4,752
Schwenksville	1,385
Souderton	6,618
Telford	2,665
Trappe	3,509
West Conshohocken	1,320
<b>First Class Townships</b>	
Abington	55,310
Cheltenham	36,793
Hatfield	17,249
Lower Merion	57,825
Lower Moreland	12,982
Lower Pottsgrove	12,059
Plymouth	16,525
Springfield	19,418
Upper Dublin	25,569
Upper Gwynedd	15,552
Upper Moreland	24,015
Upper Pottsgrove	5,315
West Norriton	15,663
West Pottsgrove	3,874

<b>Second Class Townships</b>	
East Norriton	13,590
Franconia	13,064
Horsham	26,147
Limerick	18,074
Lower Frederick	4,840
Lower Gwynedd	11,405
Lower Providence	25,436
Lower Salford	14,959
Marlborough	3,178
Montgomery	24,790
Perkiomen	9,139
Salford	2,504
Skippack	13,715
Towamencin	17,578
Upper Frederick	3,523
Upper Hanover	6,464
Upper Merion	28,395
Upper Providence	21,219
Upper Salford	3,299
Whitemarsh	17,349
Whitpain	18,875
Worcester	9,750
<b>Population - Montgomery</b>	<b>799,874</b>

Q. I-A-2 Provide a schedule showing the measures of value and the rates of return at the original cost and trended original cost measures of value at the spot, three-year and five-year average price levels. All claims made on this exhibit should be cross-referenced to appropriate exhibits. Provide a schedule similar to the one listed above, reflecting respondent's final claim in its previous rate case.

A. I-A-2 Refer to PECO Statement No. 3, the direct testimony of Michael J. Trzaska, and Exhibit MJT-1, Schedule A-1, Exhibit MJT-2, Schedule A-1 and Exhibit MJT-3, Schedule A-1, for original cost information.

The Company has not prepared any trended original cost calculations, and, therefore, none are being provided, in accordance with 52 Pa. Code Section 53.51(c).

- Q. I-A-3 Provide a description of depreciation methods utilized in calculating annual depreciation amounts and depreciation reserves, together with discussion of all factors which were considered in arriving at estimates of service life and dispersion by account. Provide dates of all field inspections and facilities visited.
- A. I-A-3 Refer to PECO Exhibit CF-4, which is PECO's 2018 Depreciation Study Calculated Annual Depreciation Accruals Related to Gas Plant as of December 31, 2018.

- Q. I-A-4 Set forth, in exhibit form, charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized.
- a. If any utility plant was excluded from the measures of value because it was deemed not to be “used and useful” in the public service, supply a detailed description of each item of property.
  - b. Provide surviving original cost at test year end by vintage by account and include applicable depreciation reserves and annuities.
    - (i) These calculations should be provided for plant in service as well as other categories of plant, including, but not limited, to contributions in aid of construction, customers’ advances for construction, and anticipated retirements associated with any construction work in progress claims (if applicable).
- A. I-A-4 Refer to PECO Exhibit CF-4, which is PECO’s 2018 Depreciation Study Calculated Annual Depreciation Accruals Related to Gas Plant as of December 31, 2018.
- a. No utility plant was excluded from the measures of value.
  - b. Refer to PECO Exhibits CF-2 and CF-3, which are PECO’s Estimated Annual Depreciation Accruals Related to Utility Plant in Service at June 31, 2021 and 2022, respectively, for the calculation of depreciable test year end data by account. Refer to Attachment SDR-RR-17(c) for non-depreciable test year data by account. PECO does not forecast test year end balances at a vintage level.

Q. I-A-5 Provide a comparison of respondent's calculated depreciation reserve v. book reserve by account at end of test year.

A. I-A-5 Not applicable. In its final order at Docket No. R-870629, the Pennsylvania Public Utility Commission approved PECO's use of the book reserve remaining life method of depreciation and also approved PECO's adjusted book reserve as the measure of accrued depreciation for ratemaking. Accordingly, PECO's claim for the depreciated original cost of utility plant in service is based on its book reserve, and a calculated depreciation reserve is not employed.

- Q. I-A-6                      Supply a schedule by account and depreciable group showing the survivor curve and annual accrual rate estimated to be appropriate:
- a.    For the purposes of this filing.
  - b.    For the purposes of the most recent rate increase filing prior to the current proceedings.
    - (i)   Supply a comprehensive statement of any changes made in method of depreciation and in selection of average service lives and dispersion.
- A. I-A-6                      a.    Refer to PECO Exhibit CF-4, which is PECO's 2018 Depreciation Study Calculated Annual Depreciation Accruals Related to Gas Plant as of December 31, 2018.
- b.    Refer to Exhibit JA-3, which is PECO's 2008 PECO Electric, Gas, and Common Plant Service Life Study, filed as part of PECO's 2010 Gas base case proceeding (Docket No. R-2010-2161592).
    - (i)   Refer to PECO Exhibits CF-4 and JA-3 which include a discussion of the methods used for depreciation and the selection of average service lives and dispersion.

Q. I-A-7 Provide a table, showing the cumulative depreciated original cost by year of installation for utility plant in service at the end of the test year (depreciable plant only) as claimed in the measures of value, in the following form:

- a. Year installed.
- b. Original cost—the total surviving cost associated with each installation year from all plant accounts.
- c. Calculated depreciation reserve—the calculated depreciation reserve associated with each installation year from all plant accounts.
- d. Depreciated original cost — (Column B minus Column C).
- e. Total—cumulation year by year of the figures from Column D.
- f. Column E divided by the total of the figure in Column D.

A. I-A-7 Test year end balances are not forecasted at a vintage level. Refer to PECO Exhibit CF-3 and the direct testimony of Caroline Fulginiti for the calculations employed to develop the original cost of utility plant as well as the reserves by account at the end of the test year.



- Q. I-A-8 Provide a description of the trending methodology which was utilized. Identify all indexes which were used (include all backup workpapers) and the reasons particular indexes were chosen. If indexes were spliced, indicate which years were utilized in any splices. If indexes were composited, show all supporting calculations. Include any analysis made to “test” the applicability of any indexes.
- a. Supply a comprehensive statement of any changes made in the selection of trend factors or in the methodology used in the current rate filing compared to the most recent previous rate filing.
- A. I-A-8 Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

- Q. I-A-9 Provide an exhibit indicating the spot trended original cost at test year end by vintage by account and include applicable depreciation reserves. Include totals by account for all other trended measures of value.
- A. I-A-9 Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

Q. I-A-10                    Supply an exhibit indicating the percentages of undepreciated original cost which were trended with the following indexes:

- a. Boeckh
- b. Handy-Whitman
- c. Indexes developed from suppliers' prices.
- d. Indexes developed from company records and company price histories.
- e. Construction equipment.
- f. Government statistical releases.

A. I-A-10                    Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

Q. I-A-11. Provide a table, showing the cumulative trended depreciated original cost (at the spot price level) by year of installation for utility plant in service at the end of the test year (depreciable plant only) as claimed in the measures of value, in the following form:

- a. Year installed.
- b. Trended original cost (at the spot price level)—the total surviving cost associated with each installation year from all plant accounts.
- c. Trended calculated depreciation reserve—the calculated depreciation reserve associated with each installation year from all plant accounts.
- d. Depreciated trended original cost—(Column B minus Column C).
- e. Total—cumulation year by year of the figures from Column D.
- f. Column E divided by the total of the figures in Column D.

A. I-A-11 Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

Q. I-A-12                    If a claim is made for construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the test year and anticipated in-service dates. Indicate if any of the construction work in progress will result in insurance recoveries, reimbursements, or retirements of existing facilities. Describe in exact detail the necessity of each project claimed if not detailed on the summary page from the work order. Include final completion date and estimated total amounts to be spent on each project.

[These exhibits should be updated at the conclusion of these proceedings.]

A. I-A-12                    Not applicable. The Company is not making a claim for construction work in progress.

- Q. I-A-13                    If a claim is made for non-revenue producing construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the test year and anticipated in-service dates. Indicate if any of the construction work in progress will result in insurance recoveries, reimbursements, or retirements of existing facilities. Describe in exact detail the necessity of each project claimed if not detailed on the summary page from the work order. Include final completion date and estimated total amounts to be spent on each project.
- [These exhibits should be updated at the conclusion of these proceedings.]
- A. I-A-13                    Not applicable. The Company is not making a claim for non-revenue producing construction work in progress.

Q. I-A-14                    If a claim is made for plant held for future use, supply the following:

- a. A brief description of the plant or land site and its cost.
- b. Expected date of use for each item claimed.
- c. Explanation as to why it is necessary to acquire each item in advance of its date of use.
- d. Date when each item was acquired.
- e. Date when each item was placed in plant held for future use.

A. I-A-14                    Not applicable. The Company is not making a claim for plant held for future use.

Q. I-A-15            If materials and supplies comprise part of the cash working capital claim, attach an exhibit showing the actual book balances for materials and supplies by month for the thirteen months prior to the end of the test year. Explain any abrupt changes in monthly balances.

[Explain method of determining claim if other than that described above.]

A. I-A-15            Materials and supplies are included as part of the rate base. Refer to Schedule C-11 of Exhibits MJT-1, MJT-2 and MJT-3.



Q. I-A-16            If fuel stocks comprise part of the cash working capital claim, provide an exhibit showing the actual book balances (quantity and price) for the fuel inventories by type of fuel for the thirteen months prior to the end of the test year by location, station, etc.

[Explain the method of determining claim if other than that described above.]

A. I-A-16            Refer to Attachment I-A-16(a) for schedules showing the monthly actual book balances for the fuel inventories by type of fuel (underground storage, LNG, propane) for the 13 months ending June 30, 2020.



- Q. I-A-17                    Regardless of whether a claim for net negative or positive salvage is made, attach an exhibit showing gross salvage, cost of removal, and net salvage for the test year and four previous years by account.
- A. I-A-17                    Refer to Attachment I-A-17(a), which shows the period ending June 30, 2017-2022 net salvage (Cost of Removal, net of Salvage) that has been, or is expected to be, closed to the Accumulated Reserve. The 2021 and 2022 net salvage amounts are based on a three-year average of experienced net salvage for the period ending June 30, 2018 – 2020.

PECO Energy Company  
 Net Salvage  
 For the Period ending June 30, 2017-2022

Product Class	Depr Group	Values	Year (period ending June 30th)					
			2017	2018	2019	2020	2021	2022
Common	PECO Common 3901 PA	Sum of Cost of Removal	(493,896)	(617,050)	(697,659)	(3,079,839)	(1,464,849)	(1,464,849)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(493,896)	(617,050)	(697,659)	(3,079,839)	(1,464,849)	(1,464,849)
	PECO Common 3902 PA	Sum of Cost of Removal	(170,321)	(399,860)	(549,802)	(965,121)	(638,261)	(638,261)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(170,321)	(399,860)	(549,802)	(965,121)	(638,261)	(638,261)
	PECO Common 3912 PA	Sum of Cost of Removal	(35,843)	(133,278)	(1,103,003)	(1,995,873)	(1,077,385)	(1,077,385)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(35,843)	(133,278)	(1,103,003)	(1,995,873)	(1,077,385)	(1,077,385)
	PECO Common 3913 PA	Sum of Cost of Removal	-	(16,688)	(1,608)	(9,862)	(9,386)	(9,386)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	(16,688)	(1,608)	(9,862)	(9,386)	(9,386)
	PECO Common 3921 PA	Sum of Cost of Removal	-	-	-	(3)	(1)	(1)
		Sum of Salvage	6,850	-	-	-	-	-
		Sum of Net Salvage	6,850	-	-	(3)	(1)	(1)
	PECO Common 3922 PA	Sum of Cost of Removal	(4,024)	(5,490)	(3,510)	(2,523)	(3,841)	(3,841)
		Sum of Salvage	163,350	189,571	134,850	85,450	136,624	136,624
		Sum of Net Salvage	159,326	184,081	131,340	82,928	132,783	132,783
	PECO Common 3923 PA	Sum of Cost of Removal	(899)	(2,535)	(3,105)	(4,783)	(3,474)	(3,474)
		Sum of Salvage	206,485	391,750	319,100	220,750	310,533	310,533
Sum of Net Salvage		205,586	389,215	315,995	215,968	307,059	307,059	
PECO Common 3924 PA	Sum of Cost of Removal	-	(15)	-	(3)	(6)	(6)	
	Sum of Salvage	-	8,000	-	-	2,667	2,667	
	Sum of Net Salvage	-	7,985	-	(3)	2,661	2,661	
PECO Common 3925 PA	Sum of Cost of Removal	(240)	(195)	(675)	(108)	(326)	(326)	
	Sum of Salvage	31,200	4,380	17,925	4,710	9,005	9,005	
	Sum of Net Salvage	30,960	4,185	17,250	4,603	8,679	8,679	
PECO Common 3926 PA	Sum of Cost of Removal	(45)	-	-	(3)	(1)	(1)	
	Sum of Salvage	38,000	-	250	-	83	83	
	Sum of Net Salvage	37,955	-	250	(3)	83	83	
PECO Common 3943 PA	Sum of Cost of Removal	-	-	-	-	-	-	
	Sum of Salvage	14,115	15,140	810	6,330	7,427	7,427	
	Sum of Net Salvage	14,115	15,140	810	6,330	7,427	7,427	
PECO Common 3970 PA	Sum of Cost of Removal	(3,039)	-	(4,292)	-	(1,431)	(1,431)	
	Sum of Salvage	-	-	-	-	-	-	
	Sum of Net Salvage	(3,039)	-	(4,292)	-	(1,431)	(1,431)	
<b>Common Sum of Cost of Removal</b>			<b>(708,308)</b>	<b>(1,175,111)</b>	<b>(2,363,654)</b>	<b>(6,058,114)</b>	<b>(3,198,960)</b>	<b>(3,198,960)</b>
<b>Common Sum of Salvage</b>			<b>460,000</b>	<b>608,841</b>	<b>472,935</b>	<b>317,240</b>	<b>466,339</b>	<b>466,339</b>
<b>Common Sum of Net Salvage</b>			<b>(248,308)</b>	<b>(566,270)</b>	<b>(1,890,719)</b>	<b>(5,740,874)</b>	<b>(2,732,621)</b>	<b>(2,732,621)</b>
Gas	PECO Gas 3050 PA	Sum of Cost of Removal	-	-	-	(9,484)	(3,161)	(3,161)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	-	(9,484)	(3,161)	(3,161)
	PECO Gas 3611 PA	Sum of Cost of Removal	-	-	(37,008)	-	(12,336)	(12,336)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	(37,008)	-	(12,336)	(12,336)
	PECO Gas 3612 PA	Sum of Cost of Removal	-	-	-	(13,049)	(4,350)	(4,350)
		Sum of Salvage	2,197	903	-	-	301	301
		Sum of Net Salvage	2,197	903	-	(13,049)	(4,048)	(4,048)
	PECO Gas 3631 PA	Sum of Cost of Removal	(32,078)	-	-	-	-	-
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(32,078)	-	-	-	-	-
	PECO Gas 3632 PA	Sum of Cost of Removal	-	-	-	(265,860)	(88,620)	(88,620)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	-	(265,860)	(88,620)	(88,620)
	PECO Gas 3633 PA	Sum of Cost of Removal	-	(54,670)	-	(308,675)	(121,115)	(121,115)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	(54,670)	-	(308,675)	(121,115)	(121,115)
	PECO Gas 3634 PA	Sum of Cost of Removal	-	-	-	(6,161)	(2,054)	(2,054)
		Sum of Salvage	-	-	-	-	-	-
Sum of Net Salvage		-	-	-	(6,161)	(2,054)	(2,054)	
PECO Gas 3635 PA	Sum of Cost of Removal	-	(8,062)	-	-	(2,687)	(2,687)	
	Sum of Salvage	-	-	-	-	-	-	
	Sum of Net Salvage	-	(8,062)	-	-	(2,687)	(2,687)	

PECO Energy Company  
Net Salvage  
For the Period ending June 30, 2017-2022

Product Class	Depr Group	Values	Year (period ending June 30th)					
			2017	2018	2019	2020	2021	2022
PECO Gas 3751 PA		Sum of Cost of Removal	-	-	(42,723)	(26,489)	(23,071)	(23,071)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	(42,723)	(26,489)	(23,071)	(23,071)
PECO Gas 3752 PA		Sum of Cost of Removal	-	-	-	(13,245)	(4,415)	(4,415)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	-	(13,245)	(4,415)	(4,415)
PECO Gas 3753 PA		Sum of Cost of Removal	-	(3,995)	-	-	(1,332)	(1,332)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	(3,995)	-	-	(1,332)	(1,332)
PECO Gas 3761 PA		Sum of Cost of Removal	(921,551)	(1,307,827)	(2,406,634)	(4,374,467)	(2,696,309)	(2,696,309)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(921,551)	(1,307,827)	(2,406,634)	(4,374,467)	(2,696,309)	(2,696,309)
PECO Gas 3762 PA		Sum of Cost of Removal	(929,150)	(2,043,224)	(3,377,098)	(3,166,706)	(2,862,343)	(2,862,343)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(929,150)	(2,043,224)	(3,377,098)	(3,166,706)	(2,862,343)	(2,862,343)
PECO Gas 3763 PA		Sum of Cost of Removal	(154,518)	(215,820)	(469,554)	(659,067)	(448,147)	(448,147)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(154,518)	(215,820)	(469,554)	(659,067)	(448,147)	(448,147)
PECO Gas 3780 PA		Sum of Cost of Removal	(43,932)	(6,830)	(58,539)	(197,217)	(87,529)	(87,529)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(43,932)	(6,830)	(58,539)	(197,217)	(87,529)	(87,529)
PECO Gas 3790 PA		Sum of Cost of Removal	(5,052)	-	-	(22,284)	(7,428)	(7,428)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(5,052)	-	-	(22,284)	(7,428)	(7,428)
PECO Gas 3801 PA		Sum of Cost of Removal	(1,845,335)	(3,069,950)	(3,660,871)	(3,511,742)	(3,414,188)	(3,414,188)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(1,845,335)	(3,069,950)	(3,660,871)	(3,511,742)	(3,414,188)	(3,414,188)
PECO Gas 3802 PA		Sum of Cost of Removal	(208,049)	(211,709)	(110,188)	(487,626)	(269,841)	(269,841)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(208,049)	(211,709)	(110,188)	(487,626)	(269,841)	(269,841)
PECO Gas 3811 PA		Sum of Cost of Removal	-	-	-	(96)	(32)	(32)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	-	(96)	(32)	(32)
PECO Gas 3820 PA		Sum of Cost of Removal	495	-	-	-	-	-
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	495	-	-	-	-	-
PECO Gas 3901 PA		Sum of Cost of Removal	(16,145)	-	(20,206)	-	(6,735)	(6,735)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(16,145)	-	(20,206)	-	(6,735)	(6,735)
PECO Gas 3912 PA		Sum of Cost of Removal	-	-	-	(16,944)	(5,648)	(5,648)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	-	(16,944)	(5,648)	(5,648)
PECO Gas 3913 PA		Sum of Cost of Removal	(1,832)	-	-	-	-	-
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	(1,832)	-	-	-	-	-
PECO Gas 3940 PA		Sum of Cost of Removal	-	-	-	(68,031)	(22,677)	(22,677)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	-	(68,031)	(22,677)	(22,677)
PECO Gas 3970 PA		Sum of Cost of Removal	-	-	(7,600)	-	(2,533)	(2,533)
		Sum of Salvage	-	-	-	-	-	-
		Sum of Net Salvage	-	-	(7,600)	-	(2,533)	(2,533)
<b>Gas Sum of Cost of Removal</b>			<b>(4,157,148)</b>	<b>(6,922,087)</b>	<b>(10,190,421)</b>	<b>(13,147,142)</b>	<b>(10,086,550)</b>	<b>(10,086,550)</b>
<b>Gas Sum of Salvage</b>			<b>2,197</b>	<b>903</b>	<b>-</b>	<b>-</b>	<b>301</b>	<b>301</b>
<b>Gas Sum of Net Salvage</b>			<b>(4,154,951)</b>	<b>(6,921,184)</b>	<b>(10,190,421)</b>	<b>(13,147,142)</b>	<b>(10,086,249)</b>	<b>(10,086,249)</b>
<b>Total Sum of Cost of Removal</b>			<b>(4,865,455)</b>	<b>(8,097,199)</b>	<b>(12,554,075)</b>	<b>(19,205,257)</b>	<b>(13,285,510)</b>	<b>(13,285,510)</b>
<b>Total Sum of Salvage</b>			<b>462,197</b>	<b>609,744</b>	<b>472,935</b>	<b>317,240</b>	<b>466,640</b>	<b>466,640</b>
<b>Total Sum of Net Salvage</b>			<b>(4,403,258)</b>	<b>(7,487,454)</b>	<b>(12,081,140)</b>	<b>(18,888,017)</b>	<b>(12,818,870)</b>	<b>(12,818,870)</b>

Q. I-A-18 Explain in detail by statement or exhibit the appropriateness of claiming any additional items, not previously mentioned, in the measures of value.

A. I-A-18 Refer to PECO Statement No. 3, the direct testimony of Michael J. Trzaska, and Exhibits MJT-1, MJT-2 and MJT-3.

Schedules C-5, C-6, C-7, C-9, C-12 and C-13 of each exhibit include measure of value items for pension asset, accumulated deferred income taxes, customer deposits, customer advances for construction, accumulated deferred income taxes - regulatory liability and gas storage, respectively.