GAS RATES TO CHANGE BEGINNING JANUARY 1, 2021

Beginning with service provided January 1, 2021, changes will affect your monthly gas bill. For a residential customer using 80 cubic feet (Ccf) per month, the effect of these approved changes is a total decrease of $1.36 to the typical monthly bill, from $73.33 to $71.97, or 1.85%. For a commercial customer using 400 Ccf per month, the bill will decrease by $5.92, from $337.04 to $331.12, or 1.76%. The enclosed bill reflects these changes. Here are the details:

**Federal Tax Adjustment (FTA):** The FTA refunds the years 2018, 2019 and estimated 2020 tax savings to gas customers as a result of the Tax Cuts and Jobs Act that was effective on January 1, 2018 and projected tax savings for the first half of year 2021. The new adjustment is a credit value of 1.10%. Compared to the previous charge of 1.74%, the new adjustment will result in a $1.22 decrease including the Distribution System Improvement Charge (DSIC) effect for a typical residential customer using 80 Ccf per month. For a commercial customer using 400 Ccf per month, the decrease will be $5.31 including the DSIC effect on the monthly bill.

**State Tax Adjustment (STA):** The STA will change from a credit of 0.36% to a credit of 0.55%. This change will result in a $0.14 decrease for the monthly bill of a typical residential customer using 80 Ccf of gas per month and a $0.61 decrease on the monthly bill for a commercial customer using 400 Ccf per month.

**Rate GR – Residential Monthly Billed Charges**

<table>
<thead>
<tr>
<th>Customer Charge</th>
<th>$11.75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Supply Charges</td>
<td>$0.37503 per Ccf</td>
</tr>
<tr>
<td>Distribution Charges</td>
<td>$0.36463 per Ccf</td>
</tr>
<tr>
<td>Balancing Service Charges</td>
<td>$0.03529 per Ccf</td>
</tr>
<tr>
<td>Gas Cost Adjustment Charges</td>
<td>-$0.03676 per Ccf</td>
</tr>
</tbody>
</table>

Minimum Charge: The minimum charge per month will be the Customer Charge. The Distribution System Improvement Charge, Federal Tax Adjustment and State Tax Adjustment apply to this rate.

(over)
Bill Calculation for Rate GR Residential Service Customer Using 80 Ccf Per Month

Customer Charge $11.75
Natural Gas Supply Charges
  80 Ccf @ $0.37503 $30.00
Distribution Charges
  80 Ccf @ $0.36463 $29.17
Balancing Service Charges
  80 Ccf @ $0.03529 $2.82
Gas Cost Adjustment Charges
  80 Ccf @ -$0.03676 ($2.94)
FTA (-1.10% x ($11.75+$29.17)) ($0.45)
DSIC (5.0% x ($11.75 + $29.17 - $0.45)) $2.02
Subtotal $72.37
STA (-0.55% x $72.37) ($0.40)
TOTAL $71.97

Questions
For more information on any of these changes visit 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 the account representative listed on their bill.