

NOTICE OF PROPOSED ANNUAL NATURAL GAS COST RATE CHANGE EFFECTIVE DECEMBER 1, 2019

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.

Due to the reconciliation of collections for previous natural gas purchases partially offset by an increase in projected natural gas charges, PECO is proposing to decrease natural gas rates for residential customers, beginning December 1, 2019, by 19.288 cents per Ccf from the current rate. Overall, there will be an annual decrease of approximately \$89.5 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 \$15.38 per month, from \$96.80 to \$81.42, or by approximately 15.9%.

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

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 \$76.74 per month, from \$455.81 to \$379.07, or by approximately 16.8%.

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 the PUC which explains the requested decrease and the reasons for it. A copy of this material is kept at PECO Headquarters, located at 2301 Market Street, Philadelphia, PA 19103.

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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.

There are two ways to challenge PECO's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you ensure yourself the opportunity to take part in hearings about the price decrease request. All complaints should be filed with the PUC. 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, 2019.
2. You can send the PUC a letter telling them why you object to the requested price decrease. Sometimes there is information in these letters 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.

Complaint forms can also be accessed at the PUC website in Adobe Acrobat format: https://www.puc.state.pa.us/general/onlineforms/pdf/official_complaint_form_final.pdf.

Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265. For more information, call the PUC at **1-800-692-7380**.

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 their account representative directly.



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