ELECTRIC RATES TO CHANGE BEGINNING OCTOBER 1, 2020

Beginning with service provided October 1, 2020, the following change will affect your monthly electric bill. For a residential customer using 700 kilowatt-hours (kWh) per month, the effect of this approved change is a total increase of $0.04 to the typical monthly bill, from $100.57 to $100.61, or 0.04%. The enclosed bill reflects this change. Here are the details:

Distribution System Improvement Charge (DSIC): The DSIC, which is shown as a separate line item on your bill, allows PECO to accelerate the modernization of the distribution system through the installation, replacement and relocation of electric equipment and facilities. The DSIC will increase from a value of 0.08% to a value of 0.14%. This change will result in an increase of $0.04 per month for a typical residential customer using 700 kWh per month. This change will result in an increase of $0.13 per month for small commercial customers and a $2.03 for large commercial customers.

Rate R – Residential Monthly Billed Charges

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$9.98</td>
</tr>
<tr>
<td>Generation Charges</td>
<td>$0.05852 per kWh</td>
</tr>
<tr>
<td>Transmission Charges</td>
<td>$0.00517 per kWh</td>
</tr>
<tr>
<td>Distribution Charges</td>
<td>$0.06558 per kWh</td>
</tr>
</tbody>
</table>

Minimum Charge: The minimum charge per month will be the Customer Charge. State Tax Adjustment applies to this rate.

Bill Calculation for Rate R Residential Service Customer Using 700 kWh per month for October 2020

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$9.98*</td>
</tr>
<tr>
<td>Generation Charges (700 kWh)</td>
<td>$40.96</td>
</tr>
<tr>
<td>Transmission Charges (700 kWh)</td>
<td>$3.62</td>
</tr>
<tr>
<td>Distribution Charges (700 kWh)</td>
<td>$45.91*</td>
</tr>
<tr>
<td>DSIC (0.14% x ($9.98 + $43.84**))</td>
<td>$0.08*</td>
</tr>
<tr>
<td>FTAC (0.10% x ($9.98 + $45.91))</td>
<td>$0.06*</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$100.61</td>
</tr>
<tr>
<td>STA (0.00% x ($9.98* + $45.91* + $0.08* + $0.06*))</td>
<td>$0.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$100.61</td>
</tr>
</tbody>
</table>

* State Tax Adjustment applies to the Customer Charge, Distribution Charges, DSIC and the Federal Tax Adjustment.
** For calculating the DSIC $0.00295/kWh is removed from the Distribution Charges.

(over)
Customers who purchase the electricity they use from a competitive electric generation supplier would not pay PECO’s Generation and Transmission Charges listed above. Instead they would pay the charges of the competitive electric generation supplier they have chosen.

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.