CHANGES IN YOUR ELECTRIC CHARGES

Beginning with service provided June 1, 2016, several changes will affect your monthly electric bill. For a residential customer using 700 kWh of electricity per month, the effect of all these approved changes is a decrease of $3.31 to the total monthly bill, from $111.86 to $108.55, or 2.96%. The enclosed bill reflects these changes. Here are the details:

**Generation Charges:** The costs to purchase electricity are passed along to customers at exactly the prices that PECO pays. The generation charges for residential customers will decrease by 0.554 cents to 6.829 cents per kWh beginning June 1, 2016. The charge is $47.80 per month for a typical residential customer using 700 kWh of electricity per month.

Beginning June 1, 2016, all commercial customers with demands between 100 kilowatts and 500 kilowatts, who are not already shopping with a competitive electric generation supplier, will be billed at hourly wholesale prices based on their hourly electric usage. For more information about shopping for a competitive electric generation supplier, visit the Customer Choice section of PECO’s website at peco.com/choice or call 1-800-494-4000. Customers also can visit the Pennsylvania Public Utility Commission’s customer choice website at papowerswitch.com.

**Transmission Charges:** The transmission charges for residential customers will increase by 0.068 cents to 0.648 cents per kWh effective June 1, 2016. The charge is $4.54 per month for a typical residential customer using 700 kWh of electricity per month.

**Distribution Charges:** The distribution charge reflects the Non-Bypassable Transmission Service Charge (“NBT”) which recovers certain regional power grid charges from all distribution customers. These charges were previously included in the Transmission Charges. The NBT charge for residential customers will decrease by 0.013 cents to 0.287 cents per kWh effective June 1, 2016. The charge is $2.01 per month for a typical residential customer using 700 kWh of electricity per month.

**Energy Efficiency Program Charge (EEPC):** This charge recovers the costs associated with state required energy efficiency and conservation programs. The EEPC charge (included in the Distribution Charges) for residential customers will increase by 0.025 cents to 0.375 cents per kWh effective June 1, 2016. The charge is $2.63 per month for a typical residential customer using 700 kWh of electricity per month.

(Over)
Rate R – Residential Monthly Billed Charges

Customer Charge $8.43
Generation Charges $0.06829 per kWh
Transmission Charges $0.00648 per kWh
Distribution Charges $0.06825 per kWh

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

Customer Charge $8.43 *
Generation Charges
700 kWh @ $0.06829 47.80
Transmission Charges
700 kWh @ $0.00648 4.54
Distribution Charges
700 kWh @ $0.06825 47.78 *

Subtotal $108.55
STA (0% x ($8.43* + $47.78*)) (0.00)
TOTAL $108.55

* State Tax Adjustment applies to Customer Charge and Distribution Charges.

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.

Large business customers can contact their account representative listed on their bill.