

Proposed Changes to Gas Service Tariff No. 4

Information furnished with the filing of rate changes under
52 Pa. Code, Section 53.52

(a) Applicable to changes in terms and conditions of service rendered.

(a)(1) The specific reason for each change.

The specific reasons for the rate increase are summarized in the Company's Statement of Reasons, which is included as part of the Company's filing.

(a)(2) The total number of customers served by the utility.

The total number of customers on PECO's system as of July 31, 2020 is 534,331.

(a)(3) A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.

All customers as of July 31, 2020 in the following tariff subdivisions will be affected by the proposed change, as follows:

<u>Tariff Rate</u>	<u>Customers</u>
GR	489,460 (1)
GC	44,099
L	4
IS	2
MV-F	15
MV-I	2
TCS	31
TS-F	471
TS-I	247

Note (1) GR customers include 19,853 CAP customers.

(a)(4) The effect of the change on the utility's customers.

Refer to PECO Statement No. 7, the Direct Testimony of Joseph A. Bisti and accompanying exhibits.

(a)(5) The effect, whether direct or indirect, of the proposed change on the utility's revenue and expenses.

The proposed changes will increase total revenues to reflect the Company's revenue requirement, including increases in the Company's expenses. For details on specific changes, see the Direct Testimony of Michael J. Trzaska, PECO Statement No. 3.

(a)(6) The effect of the change on the service rendered by the utility.

No changes are expected in the service rendered by the Company. The proposed change will enable the Company to recover its costs and earn a fair return on its investment in used and useful property and, in that way, will facilitate the Company's on-going efforts to maintain and enhance its levels of safety, reliability and customer service.

(a)(7) A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement as to why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of the tariff change seeking a general rate increase as defined in 66 Pa.C.S. Section 1308 (relating to voluntary changes in rates).

The changes being made to rate design are discussed in the Direct Testimony of Joseph A. Bisti, PECO Statement No. 7. PECO Statement No. 8, the Direct Testimony of Richard A. Schlesinger, discusses changes to Rules and Regulations, certain Tariff Rates and Riders, Section 1307 surcharge mechanisms and miscellaneous revisions that are set forth in the proposed tariff.

(a)(8) Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of tariff change seeking a general rate increase defined in Pa.C.S. Section 1308.

No studies were undertaken.

(a)(9) Customer polls taken and other documents, which indicate customer acceptance and desire for the proposed change.

No customer polls were conducted.

(a)(10) Plans the utility has for introducing or implementing the changes with respect to its customers.

The Company plans to implement the changes upon approval by the Commission. The methods of notification to the customers will include a press release, paid advertisements in major local newspapers, posting at PECO's Customer Solution Center and a bill insert.

(a)(11) F.C.C., or FERC or Commission orders or rulings applicable to the filings.

No FERC or Commission orders or rulings are directly applicable. To the extent that any FERC or Commission order or ruling may be relevant, it is discussed in the direct testimony submitted as part of the Company's filing.

(b) Applicable to changes in rates.

(b) (1) Specific reasons for each change

Refer to the Company's Statement of Reasons included with this filing.

(b) (2) Utility's operating income statement ending not more than 120 days prior to filing date - historic year

Refer to PECO Statement No. 3, Exhibit MJT-3, Schedules B-2 to B-5.

(b) (3) Number of customers, by tariff subdivision, whose bills will be increased

Refer to response to 53.52 (a)(3) for the number of customers whose bills will be increased.

(b)(4) Total increases, in dollars, by tariff subdivision, projected to an annual basis

Refer to PECO Statement No. 7, Exhibit JAB-4, for the requested information.

(b)(5) Number of customers, by tariff subdivision, whose bills will be decreased

None.

(b) (6) Total decreases, in dollars, by tariff subdivision, projected to an annual basis

None.

(c) Applicable to changes where increase for any tariff subdivision exceeds 3% of utility's operating revenue OR bills of more than 5% of customers will increase.

(c)(1) Rate of return for historic year and anticipated for future year.

Refer to PECO Statement No. 3, Exhibits MJT-1, MJT-2 and MJT-3, Schedule A-1.

(c)(2) Detailed balance sheet at the end of the historic year.

Refer to PECO Statement No. 3, Exhibit MJT-3, Schedule B-1.

(c)(3) Summary, by detailed plant accounts, of book value of property of utility at end of historic year

Refer to PECO Statement No. 3, Exhibit MJT-3, Schedule C-2.

(c)(4) Respective amount of the depreciation reserve applicable to each detailed plant account

Refer to PECO Statement No. 3, Exhibits MJT-1, MJT-2 and MJT-3, Schedule C-3.

(c)(5) Statement of operating income, setting forth the operating revenues and expenses by detailed accounts - historic year

Refer to PECO Statement No. 3, Exhibit MJT-3, Schedules B-2 to B-5.

(c)(6) Description of any major change in the operating or financial condition of utility occurring between the date of the balance sheet at end of the historic year and filing date

Refer to PECO Statement No. 2, the Direct Testimony of Robert J. Stefani, for a discussion of the Company's financial condition, including the impact of the COVID-19 pandemic.