

Important Information for PECO Electric Customers – Rates Changing January 1, 2022

Beginning with service provided January 1, 2022, changes will affect your monthly electric bill. The Pennsylvania Public Utility Commission (PUC) recently approved a rate increase, which supports customer-focused investments in electric infrastructure to prevent outages, clean energy technology, and expanded bill assistance programs.

For a residential customer using 700 kilowatt-hours (kWh) per month, this results in a total increase of \$6.39 to the typical monthly bill, from \$105.01 to \$111.40, or 6.09%. The enclosed bill reflects this change.

Here are the details:

Distribution Charges: The PUC has granted PECO a \$132 million rate increase to its distribution service charges, effective January 1, 2022. The Distribution Charges (including the Customer Charge) for a typical residential customer using 700 kWh per month is \$62.25. The Distribution Charges (including the Customer Charge) for a typical small commercial customer using 10,000 kWh per month is \$233.24.

Additional rate changes include:

Distribution System Improvement Charge (DSIC): The DSIC allows PECO to accelerate the modernization of the electric distribution system. The DSIC will decrease from a value of 1.20% to a value of 0%.

- This change will result in a \$0.64 reduction per month for a typical residential customer using 700 kWh.
- This change will result in a \$2.72 reduction per month for a typical small commercial customer and a \$37.37 reduction per month for a typical large commercial customer.

Universal Service Fund Charge (USFC): This credit recovers the costs associated with PECO's low-income programs. The USFC is a credit of 0.175 cents per kWh.

- This change will result in a credit of \$1.23 per month for a typical residential customer using 700 kWh, which is included in the Distribution Charges.

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 increase by 0.002 cents to 6.390 cents per kWh.

- The charge is \$44.73 per month for a typical residential customer using 700 kWh of electricity per month.

The generation charges for small commercial customers will increase by 0.002 cents to 5.749 cents per kWh.

- The charge is \$574.90 per month for a typical small commercial customer using 10,000 kWh of electricity per month.

For pricing associated with PECO's Time-Of-Use Generation Charge option, visit the Smart Energy section of peco.com.

State Tax Adjustment: The State Tax Adjustment Surcharge (STA) will increase from a credit value of 0.02% to a credit value of 0.01%.

(over)

- This charge will result in \$0.01 decrease per month for a typical residential customer using 700 kWh per month.
- This charge will result in \$0.03 decrease per month for a typical small commercial customer using 10,000 kWh per month.

Rate R – Residential Monthly Billed Charges

Customer Charge	\$10.53
Generation Charges	\$0.06390 per kWh
Transmission Charges	\$0.00633 per kWh
Distribution Charges	\$0.07388 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 for January 1, 2022

Customer Charge	\$10.53 *
Generation Charges	
700 kWh @ \$0.06390	\$44.73
Transmission Charges	
700 kWh @ \$0.00633	\$4.43
Distribution Charges	
700 kWh @ \$0.07388	\$51.72 *
Subtotal	<u>\$111.41</u>
STA (-0.01% x \$62.25*)	<u>(\$0.01)</u>
TOTAL	\$111.40

* State Tax Adjustment applies to the 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 (7326).

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

For bill assistance visit peco.com/help.



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