Exelon.
Business Services Company

Legal Department

2301 Market Street/S23-1
P.O. Box 8699
Philadelphia, PA 19101-8699

Telephone 215.841.4000
Fax 215.568.3389
www.exeloncorp.com

Direct Dial: 215.841.5974

September 12, 2011

Via E-Filing and Overnight Mail

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

Re: Smart Meter Procurement and Installation
Docket No. M-2009-2092655

Dear Secretary Chiavetta:

Enclosed for filing are the original and three copies of the Reply Comments of PECO Energy Company to the July 8, 2011 Tentative Order in the above-captioned proceeding.

Copies have been served as indicated on the attached Certificate of Service.

Very truly yours,

Jeanne J. Dworetzky
Counsel for PECO Energy Company

JJD/adz
Enc.

Cc: Kriss Brown, Law Bureau (kribrown@state.pa.us)
Annunciata E, Marino, Bureau of Fixed Utility Services (annmarino@state.pa.us)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SMART METER PROCUREMENT AND INSTALLATION PLAN	:	**DOCKET NO. M-2009-2092655**

CERTIFICATE OF SERVICE

I, Jeanne J. Dworetzky, hereby certify and affirm that I have this day served a true and correct copy of the **Reply Comments of PECO Energy Company** regarding the July 8, 2011 Tentative Order electronically upon the following:

Tanya J. McCloskey
Senior Assistant Consumer Advocate
Darryl Lawrence
Assistant Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
tmccloskey@paoca.org

William Lloyd
Small Business Advocate
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101
willloyd@pa.gov

Johnnie Simms
Bureau of Investigation & Enforcement
Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
400 North Street, 2nd Floor West
Harrisburg, PA 17105-3265
josimms@pa.gov

Kriss Brown
Law Bureau
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120
kribrown@pa.gov

Annunciata E. Marino
Bureau of Fixed Utility Services
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120
annmarino@pa.gov

Jeanne J. Dworetzky

Jeanne J. Dworetzky (Pa. No. 62389)
Exelon Business Services Company
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699
Phone: 215.841.5974
Fax: 215.568.3389
E-mail: jeanne.dworetzky@exeloncorp.com

Dated: September 12, 2011

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SMART METER PROCUREMENT AND INSTALLATION	:	**Docket No. M-2009-209655**

REPLY COMMENTS OF PECO ENERGY COMPANY
REGARDING THE JULY 8, 2011 TENTATIVE ORDER

Pursuant to the July 8, 2011 Tentative Order entered by the Pennsylvania Public Utility Commission (the "Commission") in the above-captioned docket, PECO Energy Company ("PECO" or the "Company") hereby submits its Reply Comments to the Initial Comments filed in response to the Tentative Order.

PECO believes that the Initial Comments reflect substantial consensus among electric distribution companies ("EDCs") on many of the issues addressed by the Tentative Order, including the need for implementation timelines to reflect scheduled technology deployments under an EDC's smart meter plan, the importance of avoiding the creation of uncertainty associated with implementation of those Commission-approved plans, and inherent problems in the scope of work the Commission has proposed for the Electronic Data Exchange Working Group ("EDEWG"). With respect to EDEWG, PECO agrees with all other comments – including those of EDEWG's leadership – in concluding that the Commission's proposed EDEWG review of EDC systems and operational costs are beyond EDEWG's existing expertise and resources. Consistent with its Initial Comments, PECO believes that the Commission should clarify that approved EDC smart meter plans are not subject to revision by EDEWG or otherwise amended in the absence of formal proceedings, and that any process to develop a statewide solution is sufficiently robust and incorporates expertise and input from key stakeholders.

I. SPECIFIC COMMENTS

A. Meter-Level Interval Usage Data Should Be Made Available Upon Request

No electric generation suppliers ("EGSs") filed comments in response to the Tentative Order regarding the appropriate method or timeline for making historical interval usage data or bill quality usage data available at the meter level. PECO currently provides interval usage data at the account level, which facilitates billing for some of PECO's largest customers where multiple meters are linked to a single account.[1] Meter level data may not be as helpful as account level information for billing purposes with respect to such customers. Because the actual interest in receiving more voluminous meter level data remains unclear, PECO believes that it would be prudent to offer historical interval usage data and bill quality interval data at the meter level only upon request to allow customers and EGSs to select the most appropriate level of data for their circumstances. However, PECO also agrees with other EDCs that the implementation timeframes for providing interval data solutions should be extended, in light of the both the need for adequate development time and the need for coordination with each EDC's scheduled technology deployments. *See* Comments of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company ("FirstEnergy"), p. 5; PPL Electric Utilities Corp. ("PPL") Comments, pp. 7, 9; Duquesne Light Company ("Duquesne") Comments, pp. 6-7; Energy Association of Pennsylvania ("EAP") Comments, p. 5.

[1] This does not appear to be the case for all EDCs; in its Initial Comments, FirstEnergy states that account level and meter level are generally the same because delivery is commonly provided through a single meter. FirstEnergy Comments, pp. 6-7.

B. The Scope Of The Commission's Charge To EDEWG Exceeds EDEWG's Capabilities

In the Tentative Order, the Commission tasks EDEWG with a variety of standardization efforts, including: (1) estimating system and operational costs for each required functionality for each EDC; and (2) reviewing the availability and costs of a statewide solution for each required functionality. Reports outlining EDEWG's findings on these topics are due within 90 days of entry of a Final Order. *See* Tentative Order, p. 9.

PECO agrees with EDEWG and other EDCs that EDEWG is not equipped to perform these tasks. *See* EDEWG Comments, p. 3; FirstEnergy Comments, pp. 8-9; PPL Comments, p. 15; EAP Comments, pp. 7-8. EDEWG is comprised of technical experts who perform their duties on a volunteer basis; the group does not have experience or expertise regarding financial analysis or broad policy planning. Therefore, without additional resources and additional expertise and input from a broad group of stakeholders, EDEWG is not the appropriate body to perform cost analysis of smart meter functionalities or develop statewide policy recommendations for the Commission. Even if EDEWG had the requisite expertise, 90 days is simply too short a timeframe to develop meaningful findings for Commission review.

C. EDC Implementation Of Any New Standards Should Be Accomplished Through A Focused Plan Amendment Process And Not A Reevaluation Of Approved Smart Meter Plans

PECO and other EDCs have spent a significant amount of time and money to begin implementation of their approved smart meter plan, including extensive information technology work and pilot programs. *See* PECO Comments, pp. 1-2, 10; Duquesne Comments, p. 3; EAP Comments, p. 7. PECO agrees with PPL that any new data exchange or access requirements should be incorporated into each EDC's plan in a manner that is coordinated with existing implementation efforts and assures cost recovery. *See* PPL Comments, pp. 8, 9, 13-15.

Furthermore, any new requirements should be incorporated only through a formal plan amendment proceeding that does not subject an EDC's entire smart meter plan to review and reevaluation. Uncertainty regarding an EDC's ability to proceed with implementation under its existing plan will likely complicate and delay ongoing efforts, possibly increasing costs and extending deployment timeframes. A formal amendment process will ensure that adequate consideration is given to each EDC's implementation schedule. The Commission should clarify in its Final Order that incorporation of new standards will be accomplished through a focused amendment proceeding that will not subject entire smart meter plans to review and revision.

II. CONCLUSION

PECO appreciates the opportunity to participate in this important proceeding and urges the Commission to adopt the Company's proposed clarifications and recommendations as set forth in its Initial Comments and in these Reply Comments.

Respectfully submitted,

Anthony E. Gay (Pa. No. 74624)
Jeanne J. Dworetzky (Pa. No. 62389)
Exelon Business Services Company
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699
Phone: 215.841.4635
Fax: 215.568.3389
anthony.gay@exeloncorp.com
jeanne.dworetzky@exeloncorp.com

September 12, 2011

For PECO Energy Company