



An Exelon Company

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PECO
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June 14, 2013

JUN 14 2013

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

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**SUBJECT: PECO Energy Company Implementation of Smart Meter Cost Recovery
Surcharge Mechanism at Docket No. M-2009-2123944**

Dear Secretary Chiavetta:

PECO Energy is permitted to file quarterly adjustments to the Smart Meter Cost Recovery Surcharge Mechanism, which are allowed to go into effect on 15 days notice. As provided for in the Commission's Final Order at Docket No. M-2009-2123944 the rate will only be updated if the rate changes by more than 5%. PECO has recalculated the rate and determined that it would change rates by less than 5%. Therefore, the Company will not be changing its Smart Meter Cost Recovery Surcharge on July 1, 2013.

This letter transmits for filing with the Commission PECO Energy's quarterly update including:

Exhibit 1 – Smart Meter Projected Costs for July 1, 2013 to September 30, 2013

Note that the projected recoverable Smart Meter Program Costs as shown in Exhibit 1 pages 1 and 2, exclude depreciation and return associated with the Sensus meters.

Please direct any questions regarding the above to Richard A. Schlesinger at 215-841-5771.

Sincerely,

Richard G. Webster, Jr. / RAS

Copies to:

C. Walker-Davis, Director, Office of Special Assistants
P. T. Diskin, Director, Bureau of Technical Utility Services
M. C. Lesney, Director, Bureau of Audits
J. E. Simms, Director, Bureau of Investigation & Enforcement
Office of Consumer Advocate
Office of Small Business Advocate
McNees, Wallace & Nurick

Exhibit 1
PECO Energy Smart Meter Project
Projected Costs for July 1, 2013 to September 30, 2013

Smart Meter Cost Recovery (\$M)

Line	Forecast 3Q 2013			
	Jul	Aug	Sep	
1	Period 2 (7/1/11 to 6/30/12) Overcollection	\$ (0.78)	\$ (0.78)	\$ (0.78)
2	2013 O&M to be Recovered	2.30	2.30	2.61
3	2013 Depreciation	1.52	1.58	1.64
4	2013 Capital Revenue Requirement	1.25	1.36	1.47
5	2013 Benefits/Avoided Costs	(0.35)	(0.42)	(0.49)
6	Total Revenue Requirement	\$ 3.94	\$ 4.04	\$ 4.46
7	Quarterly Revenue Requirement (\$M)	\$ 12.44		
	Quarterly Revenue Requirement by class:			
8	Res	\$ 11.27		
9	SCI	\$ 1.14		
10	LCI	\$ 0.03		
	Estimated Monthly Rate:			
11	Res (¢/kWh)	0.32		
12	SCI (\$/customer)	\$ 2.71		
13	LCI (\$/customer)	\$ 3.09		

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<u>Line</u>		<u>In effect</u>	<u>In effect</u>	<u>Forecasted</u>	
	Estimated Monthly Rate:	1Q 2013	2Q 2013	3Q 2013	
1	Res (¢/kWh)	0.31	0.31	0.32	
2	SCI (\$/customer)	\$ 2.27	\$ 2.27	\$ 2.71	
3	LCI (\$/customer)	\$ 2.65	\$ 2.65	\$ 3.09	
					%
	Average Customer monthly bill with surcharge:				change
4	Res (500 kWh usage)	\$81.49	\$86.01	\$ 86.07	0.0006
5	SCI (10,000 kWh usage)	\$1,121.77	\$1,277.69	\$ 1,278.13	0.0003
6	LCI (200,000 kWh usage)	\$18,642.01	\$14,181.99	\$ 14,182.43	0.0000

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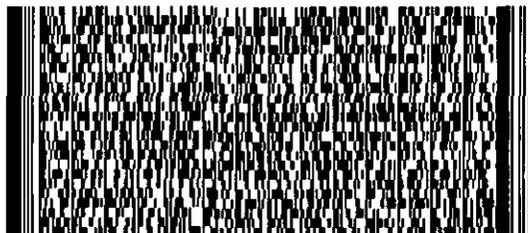
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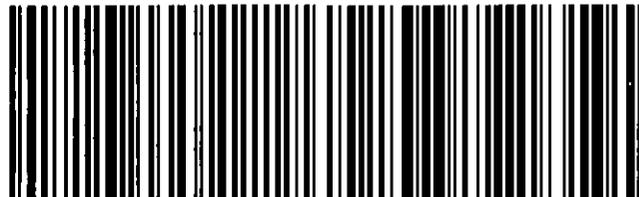
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