



An Exelon Company

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**RECEIVED**

JUN 16 2011

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

June 16, 2011

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

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-2009-212394452 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, 2011.

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

Exhibit 1 – Smart Meter Projected Costs for July 1, 2011 to September 30, 2011

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

Would you please acknowledge receipt of the foregoing on the enclosed copy of this letter.

Sincerely,

Copies to: C. Walker-Davis, Director, Office of Special Assistants  
R. F. Wilson, Director, Bureau of Fixed Utility Services  
M. C. Lesney, Director, Bureau of Audits  
J. E. Simms, Director, Office of Trial Staff  
Office of Consumer Advocate  
Office of Small Business Advocate  
McNees, Wallace & Nurick

**Exhibit 1**  
**PECO Energy Smart Meter Project**  
**Projected Costs for**  
**July 1, 2011 to September 30, 2011**

**Smart Meter Cost Recovery (\$M)**

Line	Forecast 3Q 2011			
	Jul	Aug	Sep	
1	Deferred Costs (through June 2010)	\$ 0.24	\$ 0.24	\$ 0.24
2	2011 O&M to be Recovered	0.68	0.53	0.53
3	2011 Depreciation	0.54	0.54	0.54
4	2011 Capital Revenue Requirement	0.42	0.42	0.42
5	Total Revenue Requirement	\$ 1.88	\$ 1.73	\$ 1.73
6	Total Revenue Requirement (adj. for GRT)	\$ 1.99	\$ 1.84	\$ 1.83
7	<b>Quarterly Costs to be Recovered (\$M)</b>	<b>\$ 5.67</b>		
<b>Quarterly Cost Recovery by class:</b>				
8	Res	\$ 5.09		
9	SCI	\$ 0.56		
10	LCI	\$ 0.01		
<b>Estimated Monthly Rate:</b>				
11	Res (¢/kWh)	0.13		
12	SCI (\$/customer)	\$ 1.20		
13	LCI (\$/customer)	\$ 1.20		

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**Exhibit 1**  
**PECO Energy Smart Meter Project**  
**Quarterly Surcharge Comparison**

<u>Line</u>		<u>In effect</u>	<u>In effect</u>	<u>Forecasted</u>	
	<b>Estimated Monthly Rate:</b>	<b>1Q 2011</b>	<b>2Q 2011</b>	<b>3Q 2011</b>	
1	Res (¢/kWh)	0.10	0.10	0.13	
2	SCI (\$/customer)	\$ 0.79	\$ 0.79	\$ 1.20	
3	LCI (\$/customer)	\$ 0.79	\$ 0.79	\$ 1.20	
					<b>2Q to 3Q</b>
					<b>%</b>
	<b>Average Customer monthly bill with surcharge:</b>				<b>increase</b>
4	Res (500 kWh usage)	\$ 86.63	\$ 87.03	\$ 87.18	0.18%
5	SCI (10,000 kWh usage)	\$ 1,051.56	\$ 1,157.61	\$ 1,158.02	0.04%
6	LCI (200,000 kWh usage)	\$ 21,849.33	\$ 20,324.32	\$ 20,324.73	0.00%

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Company **PA PUBLIC UTILITY COMMISSION**

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4a Express Package Service

Packages up to 150 lbs.

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Next business morning\* Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
  - FedEx Standard Overnight  
Next business afternoon.\* Saturday Delivery NOT available.
  - FedEx First Overnight  
Earliest next business morning delivery to select locations.\* Saturday Delivery NOT available.
  - FedEx 2Day  
Second business day\* Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
  - FedEx Express Saver  
Third business day\* Saturday Delivery NOT available.
- \*FedEx Envelope rate not available. Minimum charge: One-pound rate. \*To most locations.

4b Express Freight Service

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- FedEx 1Day Freight\*  
Next business day\*\* Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
  - FedEx 2Day Freight  
Second business day.\* Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
  - FedEx 3Day Freight  
Third business day\*\* Saturday Delivery NOT available.
- \*Call for Confirmation. \*\*To most locations.

5 Packaging

- FedEx Envelope\*
  - FedEx Pak\*  
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  - FedEx Box
  - FedEx Tube
  - Other
- \*Declared value limit \$500.

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- SATURDAY Delivery  
Not available for FedEx Standard Overnight, FedEx First Overnight, FedEx Express Saver, or FedEx 3Day Freight.
- HOLD Weekday at FedEx Location  
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- HOLD Saturday at FedEx Location  
Available ONLY for FedEx Priority Overnight and FedEx 2Day to select locations.

Does this shipment contain dangerous goods?

One box must be checked.

- No
  - Yes As per attached Shipper's Declaration.
  - Yes Shipper's Declaration not required.
  - Dry Ice Dry Ice, 9, UN 1845 \_\_\_\_\_ x \_\_\_\_\_ kg
- Dangerous goods (including dry ice) cannot be shipped in FedEx packaging.  Cargo Aircraft Only

7 Payment

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Obtain Recip. Acct. No.

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Total Weight

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Credit Card Auth.

Your liability is limited to \$100 unless you declare a higher value. See the current FedEx Service Guide for details.

8 Residential Delivery Signature Options

If you require a signature, check Direct or Indirect.

- No Signature Required  
Package may be left without obtaining a signature for delivery.
- Direct Signature  
Someone at recipient's address may sign for delivery. Fee applies.
- Indirect Signature  
If no one is available at recipient's address, someone at a neighboring address may sign for delivery. Fee applies.

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