

Responses to the Questions in 52 Pa. Code, Section 53.52(a)

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

This tariff change is being made to implement the Company's Energy Efficiency and Conservation Plan (EE&C) Plan II as required by the Commission's Implementation Order at Docket No. M-2012- 2289411.

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

As of September 30, 2012, PECO Energy served 1,578,490 electric customers.

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

1,575,270 of PECO customers bills will be affected by the implementation of the EE&C Plan II. By rate class this breaks down as:

Residential:	1,416,894
Commercial:	148,471
Industrial:	3,108
Lighting:	6,797

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

The applicable distribution charge of residential customers (which contains the energy efficiency charge), the energy efficiency charges for small commercial and industrial customers, and the applicable distribution charges for lighting customers will include the Plan II EE&C costs.

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

PECO Energy will incur additional incremental administrative and infrastructure costs and expenses associated with development and implementation of the EE&C Plan II. Revenues are projected to decrease by approximately \$70M over the 3-year plan period due to decreased demand and energy sales.

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

None.

(a)(7) A list of factors considered by the utility in its determination to make a 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 a tariff change seeking a general rate increase as defined in 66 Pa. CS 1308.

PECO is required to submit an EE&C Plan II per the Commission's Implementation Order Docket No. M-2012- 2289411.

- (a)(8) Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of the tariff change seeking a general rate increase as defined in 66 Pa. C.S. 1308.**

PECO conducted a baseline study for its service territory which the Statewide Evaluator (SWE) integrated with the baseline studies the SWE conducted in the other EDC service territories to arrive at a statewide baseline. PECO also supported and collaborated with the SWE on the program potential study conducted to arrive at the cost effective potential in the PECO service territory. These studies played a pivotal role in the design of our Phase II EE&C plan..

- (a)(9) Customer polls taken and other documents, which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernable public opposition, an explanation of why the change is in the public interest shall be provided.**

First, PECO considered baseline study data from its Phase I, Program Year 2 results in designing its Phase II portfolio of programs. Secondly, available existing program research reports were influential in PECO's Phase II program design in order to ensure the use of program best practices and likelihood of consumer adoption. Lastly, PECO worked with its EE&C plan stakeholders to ensure proposed changes met the needs of each stakeholder's constituents.

- (a)(10) Plans the utility has for introducing or implementing the changes with respect to ratepayers.**

The Company plans to communicate to ratepayers with a multi-faceted approach. The Company will issue a press release announcing the filing of the Phase II Plan with the PUC emphasizing its pending approval status. The current PECO Smart Ideas campaign will be revised to include information regarding the enhanced features of existing EE&C programs as well an introduction to the new programs. In addition, the Company will continue its robust customer education and enrollment campaign for applicable programs informing customers how the programs can help them save energy and money. The company will utilize a multi channel approach to communicate existing program changes well in advance of implementation to mitigate customer confusion and ensure customer satisfaction. The communication channels will vary by program and may include but not be limited to the following: bill inserts, [energy@home](#), [energy@work](#), web communications, direct mail, grass roots initiative, earned media and paid media.

- (a)(11) F.C.C., FERC, or Commission orders or ruling applicable to the filing.**

The following orders are applicable to the filing:
Docket No. M-2008-2069887 - Energy Efficiency and Conservation Program Implementation Order
Docket No. M-2012- 2289411– Phase II Energy Efficiency and Conservation Program Implementation Order
Docket No. M-2009-2108601 – Order on TRC test
Docket No. M-00051865 and M-2012-2313373– Final Order and Technical Manual Update
Docket No. M-2008-2074154 – Final Order - Registry of Conservation Service Providers