



An Exelon Company

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March 31, 2017

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

Re: PECO Energy Company Compliance Filing Supplement No. 39 to Tariff Electric Pa. PUC No. 5, Issued March 31, 2017, Effective June 1, 2017 Docket No. M-2015-2515691

Dear Secretary Chiavetta:

In accordance with the Revised Act 129 Plan Phase III Energy Efficiency and Conservation Plan (EE&C Plan) approved by the Commission's Opinion and Order entered May 19, 2016, PECO Energy Company ("PECO") hereby submits this Compliance Filing - Supplement No. 39 to Tariff Electric Pa. PUC No. 5. This filing contains the tariff pages reflecting revised incentive credits and program dates for the Residential Direct Load Control Program Rider (RDLC) and the Commercial/Industrial Direct Load Control Program Rider (DLC).

As part of the approved EE&C Plan, PECO anticipated that the incentive credits would range from \$0 to \$40 for the June through September summer control season. PECO is setting the credits at \$10 per month or \$40 for the summer starting June 1, 2017. The revised credits align with market conditions related to the load reduction benefits the program will provide in support of PA Act 129. Going forward the incentives are subject to change on an annual basis dependent upon future market conditions relating to the program and its participants.

Thank you for your assistance in this matter and if you have any questions, do not hesitate to call me at (215) 841-5777.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Webster".

Copies to: C. Walker-Davis, Director, Office of Special Assistants
P. Diskin, Director, Bureau of Technical Utility Services
K. Monaghan, Director, Bureau of Audits
R. A. Kanaskie, Director, Bureau of Investigation & Enforcement
Office of Consumer Advocate
Office of Small Business Advocate
McNeese, Wallace & Nurick

PECO Energy Company

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street

Philadelphia, Pennsylvania 19101

For List of Communities Served, See Page 4.

Issued March 31, 2017

Effective June 1, 2017

**ISSUED BY: C. L. Adams – President & CEO
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19101**

NOTICE

LIST OF CHANGES MADE BY THIS SUPPLEMENT

COMMERCIAL/INDUSTRIAL DIRECT LOAD CONTROL PROGRAM (DLC) RIDER - 1st Revised Page 75

Reflects revised credits and program dates in accordance with the Phase III Energy Efficiency and Conservation Plan at Docket No. M-2015-2515691.

RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (RDLC) RIDER - 1st Revised Page 86 and 1st Revised Page 87

Reflects revised credits and program dates in accordance with the Phase III Energy Efficiency and Conservation Plan at Docket No. M-2015-2515691.

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COMMERCIAL/INDUSTRIAL DIRECT LOAD CONTROL PROGRAM (DLC) RIDER (continued)

INSTALLATION.

The PCT(s) is (are) an enabling technology necessary to participate in the (DLCP). The PCT(s) will be installed by the Company at its' sole expense (not to exceed the scope necessary to remove the old thermostat(s), and install the new PCT(s)). The Company will warrant the PCT(s) and installation for a period of one year from the date of original installation. After such time, the customer is responsible for any maintenance of the device and battery replacement, when (if required) to ensure the unit continues to operate. The participant is responsible for maintaining a safe operating environment for such device(s).

TESTING & VERIFICATION.

The Company is allowed to inspect the PCT(s) at any time during normal business hours and without notice to insure such device(s) is (are) fully operational, and the participant grants the Company permission to enter upon its premises to conduct such inspections. If, in the course of such inspection, the Company determines that the participant interfered with the functionality of the device(s) in any way, (a) the participant is immediately removed from the (DLCP) and service hereunder is terminated, with such termination effective as of the date of the installation of such device(s) or of the most recent passing inspection, whichever is more recent; (b) all credits previously given to such participant since such effective termination date are immediately reimbursed by such participant to the Company; and (c) such participant is not eligible to take service hereunder or participate in the (DLCP) for a period of not less three (3) calendar years following such effective termination date.

For a situation in which the Company performs excessive maintenance or replacement of any remote control device(s) due to vandalism or other cause, the Company may remove the participant for which such device(s) is (are) provided from the (DLCP) and terminate service hereunder to such participant. In such situation, the Company may deny future participation in the (DLCP) to such participant.

COMPENSATION.

The Company provides a credit to the participant on each bill issued for the Summer Period (June through September for a total of 4 monthly credits), as defined in the Definitions part of the General Terms and Conditions of the Company's Schedule of Rates. The credit applied to such participant's bill corresponds with the Program option selected by such participant.

Programmable Communicating Thermostat Option: \$10.00 per bill per installed device for the summer billing period

(C)

The participant shall begin receiving the bill credit on the next appropriate bill cycle following a complete enrollment in the program. The total annual credit shall not exceed \$40.00 per PCT installed. Consistent with the terms in this tariff, incentives will be paid through October 31, 2020.

(C)

The credit provided in accordance with this rider is separately stated on the participant's bill.

MISCELLANEOUS GENERAL PROVISIONS.

The Company is not liable for any damage or injury, including any consequential damage, resulting from the intentional or unintentional interruption of the operation of the participant's central air conditioning unit.

Provisions contained in this rider do not serve to modify the Company's rights contained in the General Terms and Conditions of the Company's Schedule of Rates.

TERMS OF CONTRACT.

The initial term of participation within this program shall end on May 31, 2021, but extended participation is possible, but predicated on future regulatory directives as yet to be determined. As Company is providing the enabling technology device, PCT(s), for participation, there is an early termination provision (upon thirty days' written notice by either party). The Company reserves the right to modify the terms of this Rider at any time. Participants who have elected to terminate, can return to the program, but must wait 12 months before being permitted to do so.

(C)

(C) Denotes Change

PECO Energy Company

RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (RDLC) RIDER (continued)

During an event under the electric water heater control option, the Company is allowed to control the participant's electric water heater for the full duration of the event.

A participant commences service hereunder on the date the Company inspects and approves the functionality of the participant's AC compressor(s) and/or electric water heater and installs the remote control device(s).

INSTALLATION.

The Company or its agent installs the remote control device(s) used to cycle the AC compressor(s) and/or electric water heater(s), and the Company owns, operates, and maintains such device(s). The participant is responsible for maintaining a safe operating environment for such device(s). For a situation in which the participant replaces its AC compressor(s) and/or water heaters, the participant is responsible for providing the Company with adequate notice so that the Company has time to schedule the removal of such device(s) from the AC compressor(s) and/or water heater(s) being removed and the installation of such device(s) on the replacement AC compressor(s) and/or electric water heater(s).

TESTING & VERIFICATION.

The Company is allowed to inspect the remote control device(s) at any time and without notice to insure such device(s) is (are) fully operational, and the participant grants the Company permission to enter upon its premises to conduct such inspections. If, in the course of such inspection, the Company determines that the participant interfered with the functionality of the device(s) in any way, (a) the participant is immediately removed from the (DLCP) and service hereunder is terminated, with such termination effective as of the date of the installation of such device(s) or of the most recent passing inspection, whichever is more recent; (b) all credits previously given to such participant since such effective termination date are immediately reimbursed by such participant to the Company; and (c) such participant is not eligible to take service hereunder or participate in the (DLCP) for a period of not less three (3) calendar years following such effective termination date.

For a situation in which the Company performs excessive maintenance or replacement of any remote control device(s) due to vandalism or other cause, the Company may remove the participant for which such device(s) is (are) provided from the (DLCP) and terminate service hereunder to such participant. In such situation, the Company may deny future participation in the (DLCP) to such participant.

COMPENSATION.

The Company provides a credit to the participant on each bill issued for the Summer Period (June 1 through September 30) for a total of 4 monthly credits. The credit applied to such participant's bill corresponds with the Program option selected by such participant.

Central AC Compressor Cycling Credit: \$10.00 per bill per installed device for the summer billing period (C)

Electric Water Heater Control Credit: \$10.00 per bill per installed device for the summer billing period (C)

The participant shall begin receiving the bill credit on the next appropriate bill cycle following a complete enrollment in the program. The participant shall receive the applicable bill credit for each device installed. The total annual credit shall not exceed (a) \$40.00 per device installed on an AC compressor, and (b) \$40.00 per device installed on an electric water heater. (C)
Consistent with the terms in this tariff, incentives will be paid through October 31, 2020.

(C) Denotes Change

RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (DLC) RIDER (continued)

The credit provided in accordance with this rider is separately stated on the participant's bill.

MISCELLANEOUS GENERAL PROVISIONS.

The Company or its agent will certify a participant's equipment prior to installation of a load control device. Any equipment determined to not meet the certification standards will be ineligible to participate in the DLCP. Eligible equipment includes fully functional central air conditioning systems and electric water heaters in good condition that are compatible with the load control technology used for the program. Window air conditioning units are not eligible for participation

The Company is not liable for any damage or injury, including any consequential damage, resulting from the intentional or unintentional interruption of the operation of the participant's AC compressor(s) and/or water heater(s). Only CAC units are eligible for program participation. Window mounted air conditioners do not qualify.

Provisions contained in this rider do not serve to modify the Company's rights contained in the General Terms and Conditions of the Company's Schedule of Rates.

TERMS OF CONTRACT.

The initial term of participation within this program shall end on May 31, 2021, but extended participation is possible, but predicated on future regulatory directives as yet to be determined. The Company reserves the right to modify the terms of this Rider at any time. Participants who have elected to terminate, can return to the program, but must wait 12 months before being permitted to do so.

(C)

(C) Denotes Change

PECO Energy Company

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street

Philadelphia, Pennsylvania 19101

For List of Communities Served, See Page 4.

Issued ~~March 31, 2017~~

Effective ~~June 1, 2017~~

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**ISSUED BY: C. L. Adams – President & CEO
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19101**

NOTICE

PECO Energy Company

Supplement No. 33 to
Tariff Electric Pa. P.U.C. No. 5
Thirty-Ninth Revised Page No. 1
Supersedes Thirty-Eighth Revised Page No. 1

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LIST OF CHANGES MADE BY THIS SUPPLEMENT

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Reflects revised credits and program dates in accordance with the Phase III Energy Efficiency and Conservation Plan at Docket No. M-2015-2515691.

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RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (RDLC) RIDER - 1st Revised Page 86 and 1st Revised Page 87

Reflects revised credits and program dates in accordance with the Phase III Energy Efficiency and Conservation Plan at Docket No. M-2015-2515691.

Deleted: Provision for the Recovery of Consumer Education Plan Costs - 3rd Revised Page No. 39

Clean-up pages which reflect changes effective April 1, 2017.

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Rate R - Residence Service - 12th Revised Page No. 48

Clean-up pages which reflect changes effective April 1, 2017.

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Rate RH - Residential Heating Service - 12th Revised Page No. 49

Clean-up pages which reflect changes effective April 1, 2017.

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Rate GS - General Service - 13th Revised Page No. 53

Clean-up pages which reflect changes effective April 1, 2017.

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Supplement No. 39 to
Tariff Electric PA. P.U.C. No. 6
First Revised Page No. 3
Superseding Original Page No. 3

PECO Energy Company

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Issued March 31, 2017

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PECO Energy Company

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COMMERCIAL/INDUSTRIAL DIRECT LOAD CONTROL PROGRAM (DLC) RIDER (continued)

INSTALLATION.

The PCT(s) is (are) an enabling technology necessary to participate in the (DLCP). The PCT(s) will be installed by the Company at its' sole expense (not to exceed the scope necessary to remove the old thermostat(s), and install the new PCT(s)). The Company will warrant the PCT(s) and installation for a period of one year from the date of original installation. After such time, the customer is responsible for any maintenance of the device and battery replacement, when (if required) to ensure the unit continues to operate. The participant is responsible for maintaining a safe operating environment for such device(s).

TESTING & VERIFICATION.

The Company is allowed to inspect the PCT(s) at any time during normal business hours and without notice to insure such device(s) is (are) fully operational, and the participant grants the Company permission to enter upon its premises to conduct such inspections. If, in the course of such inspection, the Company determines that the participant interfered with the functionality of the device(s) in any way, (a) the participant is immediately removed from the (DLCP) and service hereunder is terminated, with such termination effective as of the date of the installation of such device(s) or of the most recent passing inspection, whichever is more recent; (b) all credits previously given to such participant since such effective termination date are immediately reimbursed by such participant to the Company; and (c) such participant is not eligible to take service hereunder or participate in the (DLCP) for a period of not less three (3) calendar years following such effective termination date.

For a situation in which the Company performs excessive maintenance or replacement of any remote control device(s) due to vandalism or other cause, the Company may remove the participant for which such device(s) is (are) provided from the (DLCP) and terminate service hereunder to such participant. In such situation, the Company may deny future participation in the (DLCP) to such participant.

COMPENSATION.

The Company provides a credit to the participant on each bill issued for the Summer Period (June through September for a total of 4 monthly credits), as defined in the Definitions part of the General Terms and Conditions of the Company's Schedule of Rates. The credit applied to such participant's bill corresponds with the Program option selected by such participant.

Programmable Communicating Thermostat Option: \$10.00 per bill per installed device for the summer billing period

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The participant shall begin receiving the bill credit on the next appropriate bill cycle following a complete enrollment in the program. The total annual credit shall not exceed \$40.00 per PCT installed. Consistent with the terms in this tariff, incentives will be paid through October 31, 2020.

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The credit provided in accordance with this rider is separately stated on the participant's bill.

MISCELLANEOUS GENERAL PROVISIONS.

The Company is not liable for any damage or injury, including any consequential damage, resulting from the intentional or unintentional interruption of the operation of the participant's central air conditioning unit.

Provisions contained in this rider do not serve to modify the Company's rights contained in the General Terms and Conditions of the Company's Schedule of Rates.

TERMS OF CONTRACT.

The initial term of participation within this program shall end on May 31, 2021, but extended participation is possible, but predicated on future regulatory directives as yet to be determined. As Company is providing the enabling technology device, PCT(s), for participation, there is an early termination provision (upon thirty days' written notice by either party). The Company reserves the right to modify the terms of this Rider at any time. Participants who have elected to terminate, can return to the program, but must wait 12 months before being permitted to do so.

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Issued March 31, 2017

Effective June 1, 2017

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PECO Energy Company
RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (RDLC) RIDER (continued)

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During an event under the electric water heater control option, the Company is allowed to control the participant's electric water heater for the full duration of the event.

A participant commences service hereunder on the date the Company inspects and approves the functionality of the participant's AC compressor(s) and/or electric water heater and installs the remote control device(s).

INSTALLATION.

The Company or its agent installs the remote control device(s) used to cycle the AC compressor(s) and/or electric water heater(s), and the Company owns, operates, and maintains such device(s). The participant is responsible for maintaining a safe operating environment for such device(s). For a situation in which the participant replaces its AC compressor(s) and/or water heaters, the participant is responsible for providing the Company with adequate notice so that the Company has time to schedule the removal of such device(s) from the AC compressor(s) and/or water heater(s) being removed and the installation of such device(s) on the replacement AC compressor(s) and/or electric water heater(s).

TESTING & VERIFICATION.

The Company is allowed to inspect the remote control device(s) at any time and without notice to insure such device(s) is (are) fully operational, and the participant grants the Company permission to enter upon its premises to conduct such inspections. If, in the course of such inspection, the Company determines that the participant interfered with the functionality of the device(s) in any way, (a) the participant is immediately removed from the (DLCP) and service hereunder is terminated, with such termination effective as of the date of the installation of such device(s) or of the most recent passing inspection, whichever is more recent; (b) all credits previously given to such participant since such effective termination date are immediately reimbursed by such participant to the Company; and (c) such participant is not eligible to take service hereunder or participate in the (DLCP) for a period of not less three (3) calendar years following such effective termination date.

For a situation in which the Company performs excessive maintenance or replacement of any remote control device(s) due to vandalism or other cause, the Company may remove the participant for which such device(s) is (are) provided from the (DLCP) and terminate service hereunder to such participant. In such situation, the Company may deny future participation in the (DLCP) to such participant.

COMPENSATION.

The Company provides a credit to the participant on each bill issued for the Summer Period (June 1 through September 30) for a total of 4 monthly credits. The credit applied to such participant's bill corresponds with the Program option selected by such participant.

Central AC Compressor Cycling Credit: \$0.00 per bill per installed device for the summer billing period

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Electric Water Heater Control Credit: \$1.00 per bill per installed device for the summer billing period

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The participant shall begin receiving the bill credit on the next appropriate bill cycle following a complete enrollment in the program. The participant shall receive the applicable bill credit for each device installed. The total annual credit shall not exceed (a) \$0.00 per device installed on an AC compressor, and (b) \$4.00 per device installed on an electric water heater. Consistent with the terms in this tariff, incentives will be paid through October 31, 2020.

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Issued March 31, 2017

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PECO Energy Company

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RESIDENTIAL DIRECT LOAD CONTROL PROGRAM (DLC) RIDER (continued)

The credit provided in accordance with this rider is separately stated on the participant's bill.

MISCELLANEOUS GENERAL PROVISIONS.

The Company or its agent will certify a participant's equipment prior to installation of a load control device. Any equipment determined to not meet the certification standards will be ineligible to participate in the DLCP. Eligible equipment includes fully functional central air conditioning systems and electric water heaters in good condition that are compatible with the load control technology used for the program. Window air conditioning units are not eligible for participation.

The Company is not liable for any damage or injury, including any consequential damage, resulting from the intentional or unintentional interruption of the operation of the participant's AC compressor(s) and/or water heater(s). Only CAC units are eligible for program participation. Window mounted air conditioners do not qualify.

Provisions contained in this rider do not serve to modify the Company's rights contained in the General Terms and Conditions of the Company's Schedule of Rates.

TERMS OF CONTRACT.

The initial term of participation within this program shall end on May 31, 2021, but extended participation is possible, but predicated on future regulatory directives as yet to be determined. The Company reserves the right to modify the terms of this Rider at any time. Participants who have elected to terminate, can return to the program, but must wait 12 months before being permitted to do so.

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