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March 28, 2018

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

**SUBJECT: 2015 Electric Distribution Rate Case Commitment - Enhanced Vegetation Management Status Report, Docket No. R-2015-2468981**

Dear Secretary Chiavetta:

This filing contains PECO's status report required by paragraph A.15.7 of the Joint Petition for Settlement of Rate Investigation, Docket No. R-2015-2468981, entered September 10, 2015. The Settlement provides for recovery of \$7.0 million in annual operating expenses (\$7.6 million inclusive of Gross Receipt Tax expense) requested by PECO for increased Vegetation Management. This is the last report of two as required by the settlement.

PECO, recognizing that the majority of customers who experience multiple outages are located within 34kV supply areas of the PECO service territory, determined that accelerating the vegetation management maintenance of 34kV circuits would be an efficient use of the additional \$7 million provided in the rate case at Docket R-2015-2468981.

Another reliability concern is diseased or decaying trees. The removal of dead, diseased or decaying trees that could uproot or break and damage PECO wires will improve system resiliency, especially during storms. Therefore, in 2017, in addition to accelerating vegetation management on 34kV circuits, PECO substantially increased the number of planned priority tree removals.

Preliminary results from 2017 show a SAIFI performance improvement of 0.59 for the accelerated 34kV circuits.

Per the settlement, this status report is being provided to the Office of Consumer Advocate and The Bureau of Investigation and Enforcement.

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The following attachment is included in support of the filing:

- Attachment 1 – Vegetation Management 2017 Scorecard

Thank you for your assistance in this matter and please direct any questions regarding the above to Rich Schlesinger, Manager, Retail Rates at (215) 841-5771.

Sincerely,



Richard G. Webster, Jr.  
Vice President  
Regulatory Policy & Strategy

Copies to: R. A. Kanaskie, Director, Bureaus of Investigation & Enforcement  
Office of Consumer Advocate

Enclosures

## PECO

### Veg Mgmt - 2017 Scorecard

#### Priority Tree Removals

5Yr Average Tree Removals	2017 Program Results
1,791	3,437

#### Reliability Improvements to 34kV Circuits Worked in 2017

Project	2012-2016 Customer Interruptions	2012-2016 Annualized SAIFI	2017 Customer Interruptions	2017 SAIFI	SAIFI Benefit
Accelerated 34kV maintenance	825,011	1.50	99,741	0.90	-0.59

#### Financial Tracker

2017 Program	2017 Budget	2017 Actual
Pull forward 34kV	\$9.88M	\$9.85M
Priority Tree Removals	\$4.68M	\$4.94M
<b>Totals</b>	<b>\$14.56M</b>	<b>\$14.79M</b>