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

SUBJECT: 2018 Electric Distribution Rate Case Commitment - Vegetation Management Ash Tree Removal and Expense by Year, Docket No. R-2018-3000164

Dear Secretary Chiavetta:

This filing contains PECO's 2019 status report required by the Joint Petition for Settlement of Rate Investigation, Docket No. R-2018-3000164, entered October 9, 2018. Per the settlement, the Company agreed to submit annual reports to the Bureau of Technical Utility Services, Bureau of Investigation and Enforcement, Office of Consumer Advocate and Office of Small Business Advocate that detail the number of ash trees removed per year and average cost per ash tree by year, along with a total breakdown of vegetation management expense by year. Yearly reporting will continue until the next electric base rate case is filed.

The following attachment is included in support of the filing:

Attachment 1 – Vegetation Management 2019 Ash Tree Removal and Expenses

As shown in Attachment 1, the 2019 Vegetation Budget was \$47.5M while the actual spend was \$44.2M. PECO plans to spend an additional \$3.5M in 2020 to make up for this difference.

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,



Copies to: P. T. Diskin, Director, Bureau of Technical Utility Services
R. A. Kanaskie, Director, Bureaus of Investigation & Enforcement
Office of Consumer Advocate
Office of Small Business Advocate

PECO Vegetation Management
2019 Ash Tree Removal and Expenses

Emerald Ash Borer Tree Removal Program

2019 Program Target Removals	2019 Program Actual Removals	2019 Budget per 2018 Rate Case	2019 Actual	Average Cost per Tree Removal
3,000	3,391	\$5.0M	\$5.0M	\$1,474

Vegetation Management Expense

Category	2019 Budget per 2018 Rate Case	2019 Actual
Preventive Maintenance*	\$38.0M	\$32.0M
Corrective/Emergent Maintenance	\$9.5M	\$12.2M
Totals	\$47.5M	\$44.2M

*The Preventive Maintenance Expense category includes Budget and Actual spend for the Emerald Ash Borer Tree Removal Program.