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PECO
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October 29, 2021

Via E-Filing

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

SUBJECT: PECO Natural Gas Rate Case Commitment Response for Capital Expenditures, Plant Additions and Retirements, Docket No. R-2020-3018929

Dear Secretary Chiavetta:

In accordance with the PUC Opinion and Order entered June 22, 2021 at Docket No. R-2020-3018929, PECO is providing the following responses which are required on or before October 31, 2021. The responses are being provided to the Bureau of Technical Utility Services and the Bureau of Investigation and Enforcement. The responses provide an update to PECO Exhibits MJT-1 and MJT-2, Schedule C-2, which include actual capital expenditures, plant additions, and retirements by month from July 1, 2020 through June 30, 2021.

Due to the ongoing COVID-19 pandemic, PECO's office personnel are working remotely. Accordingly, PECO will not have its usual access to photocopying and U.S. mail, among other services. PECO requests that all communications with PECO be transmitted by email.

If you have any questions regarding this matter, please call me at 215-841-5777.

Sincerely,



Copies to: P. T. Diskin, Director, Bureau of Technical Utility Services (e-mail only)
R. A. Kanaskie, Director, Bureaus of Investigation & Enforcement (e-mail only)

PECO Natural Rate Case Commitment Response for Capital Expenditures, Plant Additions and Retirements, Docket No. R-2020-3018929

Requirement from June 22, 2021 Order at pages 71-72:

The Company will provide the Commission’s Bureau of Technical Utility Services (“TUS”) and I&E with an update to PECO Exhibits MJT-1 and MJT-2, Schedule C-2, no later than October 31, 2021, which should include actual capital expenditures, plant additions, and retirements by month from July 1, 2020 through June 30, 2021.

Responses:

Total Gas Capital Expenditures for the 12-month period ended June 30, 2021 were approximately \$345M (including allocated Common Expenditures) as detailed below. This compares to the future-test-year (FTY) rate case budget of \$338M as set forth in PECO’s Supplemental Data Request Attachment SDR-ROR-14(a).

PECO’s Gas Capital Expenditures were over-budget for the 12-month period ended June 30, 2021 by approximately \$7 million primarily due to Gas New Business spend. The excess spend in Gas Capital Expenditures (relative to FTY rate case budget) demonstrates PECO’s ongoing commitment to invest in its system for the benefit of customers. These dollars will become Capital Additions as projects are closed out and put in service. The forecast of Capital Additions is dependent upon the completion and close out of projects. While it is directly correlated to the Gas Capital Expenditures made, some external factors (example: timely receipt of third-party invoices) can delay a project’s completion notwithstanding that the capital expenditure has been made.

PECO Energy Company
Monthly Gas CapEx
July 1, 2020 through June 30, 2021 Actuals
(in millions)

	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	YTD
Gas	\$ 26.0	\$ 25.2	\$ 26.0	\$ 31.0	\$ 27.0	\$ 37.1	\$ 19.3	\$ 19.2	\$ 29.7	\$ 31.2	\$ 33.5	\$ 39.2	\$ 344.6

Total Gas Capital Additions for the 12-month period ended June 30, 2021 were approximately \$255M as detailed below. This compares to the FTY rate case budget of \$292M as sort forth in PECO Exhibit MJT-2, Schedule C-2.

PECO Gas Capital Additions were under-budget for the 12-month period ended June 30, 2021 by approximately \$37M due to the timing of capital projects placed into service within our Natural Gas Long Term Infrastructure Improvement Plan. PECO remains committed to deliver the fully-projected-future-test-year rate case budget of Capital Additions. In fact, the (\$37M) negative variance in Capital Additions at June 30, 2021 has been reduced to (\$17M) with projects placed into service through September 30, 2021.

PECO Natural Rate Case Commitment Response for Capital Expenditures, Plant Additions and Retirements, Docket No. R-2020-3018929

**PECO Energy Company
Monthly Capital Additions
July 1, 2020 through June 30, 2021 Actuals
(in millions)**

	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	YTD
Gas Plant	\$ 12.3	\$ 9.5	\$ 8.1	\$ 25.6	\$ 50.0	\$ 35.2	\$ 24.7	\$ 6.5	\$ 16.7	\$ 19.9	\$ 21.4	\$ 21.7	\$ 251.6
Intangible Plant	-	(0.1)	0.1	3.2	(0.0)	0.0	-	-	-	-	-	-	3.2
Gas Total	\$ 12.3	\$ 9.4	\$ 8.2	\$ 28.8	\$ 49.9	\$ 35.2	\$ 24.7	\$ 6.5	\$ 16.7	\$ 19.9	\$ 21.4	\$ 21.7	\$ 254.8

Total Gas Retirements for the 12-month period ended June 30, 2021 were approximately \$15M as detailed below. This compares to the FTY rate case budget of \$17M as set forth in in PECO Exhibit MJT-2, Schedule C-2.

**PECO Energy Company
Monthly Capital Retirements
July 1, 2020 through June 30, 2021 Actuals
(in millions)**

	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	YTD
Gas Plant	\$ (0.3)	\$ (0.4)	\$ (1.2)	\$ (0.2)	\$ (0.2)	\$ (1.5)	\$ (0.4)	\$ (0.7)	\$ (2.6)	\$ (2.1)	\$ (1.5)	\$ (3.5)	\$ (14.6)
Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas Total	\$ (0.3)	\$ (0.4)	\$ (1.2)	\$ (0.2)	\$ (0.2)	\$ (1.5)	\$ (0.4)	\$ (0.7)	\$ (2.6)	\$ (2.1)	\$ (1.5)	\$ (3.5)	\$ (14.6)