



OFFICE OF CONSUMER ADVOCATE
COMMONWEALTH OF PENNSYLVANIA
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923

IRWIN A. POPOWSKY
Consumer Advocate

717-783-5048
(Fax) 717-783-7152

May 7, 2010

Re: Pennsylvania Public Utility Commission
v.
PECO Energy Company – Electric Division
Docket No. R-2010-2161575

Dear Consumer Colleague:

On March 31, 2010, PECO Energy Company – Electric Division (PECO Electric or Company) filed a request with the Public Utility Commission (PUC) to increase the level of rates that it charges for providing electric distribution service to its customers. PECO Electric provides electric distribution service to approximately 1.6 million retail customers in Bucks, Chester, Delaware, Montgomery, Philadelphia and York counties in southeastern Pennsylvania.

If the Company's rate increase request is granted, PECO Electric will be permitted to recover an estimated increase of \$316 million in its annual operating revenues. This would represent a 7% overall increase. The total bill for a residential customer using 500 kWh per month would increase by \$8.27 from \$81.53 to \$89.80 per month, or 10.1%.

During the next several months, the Office of Consumer Advocate (OCA) will represent the interests of consumers and will participate fully in this case. We have retained expert witnesses to review the Company's filing, including all costs and expenses claimed. We will also review the basis of PECO Electric's claimed increase, including operation and maintenance expenses, capital expenditures, taxes and the allocation of costs among customer classes.

We have filed a Formal Complaint, and have asked the PUC to suspend the proposed rate increase, pending a thorough investigation of the PECO Electric request. We asked the PUC to hold evidentiary hearings to examine the reasonableness of the Company's current rates and its proposed increase in rates.

The OCA will also request that the PUC schedule public input hearings, if you desire an opportunity to express your views on the proposed rate increase. Requests for a public input hearing will be granted if the PUC determines that there is substantial interest. If you want a hearing in your area, please contact the OCA as soon as possible.

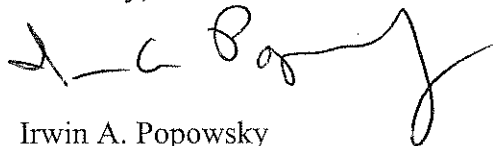
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If the PUC schedules such hearings, we will notify you of the date, time and location so you will have an opportunity to come forward and express your views on PECO Electric's proposed increase.

The Office of Consumer Advocate will be represented in this proceeding by Tanya J. McCloskey, Senior Assistant Consumer Advocate and Candis A. Tunilo, Assistant Consumer Advocate.

If you need additional information, please do not hesitate to contact me or my Consumer Liaison, Heather Yoder at (717) 783-5048 or toll-free at 800-684-6560. Also, if you are aware of any relevant information regarding PECO's proposed rate increase or quality of service, please contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "I. A. Popowsky". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Irwin A. Popowsky
Consumer Advocate