

PECO 2021 RATE INCREASE REQUEST

PUBLIC INPUT HEARING TOPICS GUIDANCE

PECO has filed for a very large rate increase of \$246 million, which will be approximately 10% for the average residential customer. This case will determine the size and form of the rate increase requested by PECO in both the service charge and the volumetric rate for all classes of customers. PECO states that the rate increase is necessary in order to pay for increased investment in its distribution infrastructure and to cover its increased delinquencies that occurred during the extended Covid-19 moratorium on shutoffs.

Four telephonic public hearing sessions have been scheduled for June 8th and 9th at 1 pm and 6 pm each day. If you are a PECO customer you can testify. To register online for the June 8, 2021 Hearings: 1 p.m.: <https://bit.ly/3wdlz3y>; 6 p.m.: <https://bit.ly/3whmY9v> or for the June 9, 2021 Hearings: 1 p.m.: <https://bit.ly/3yfHE3t>; 6 p.m.: <https://bit.ly/3fnmliq> If you want to testify, you must register by Friday, June 4, 2021.

Topics within the scope of the public input hearing include, but are not limited to PECO's:

1. Justification of the need for the rate increase due to improvements in the distribution infrastructure. PECO has not provided a detailed grid modernization plan or an Integrated Distribution Plan to show how the anticipated growth in electric vehicles, beneficial electrification as well as growth in the number of customers will be met by a comprehensive distribution plan that maximizes the benefits of expansion in Distributed Energy Resources (DER), energy efficiency (EE), battery storage, Time of Use (TOU) rates and Demand Management.
2. Justification of the need for the rate increase due to increased customer delinquencies due to the extended terminations moratorium during the Covid-19 pandemic. PECO has not shown the level of support from the federal government, specifically the Low Income Home Energy Assistance Program (LIHEAP) that will offset its delinquency from low income customers.
3. Plan to electrify transportation and improve electric vehicle charging infrastructure. PECO has not provided a detailed and comprehensive plan to improve electric vehicle (EV) infrastructure, demonstrating the ability to meet both state and federal plans to increase EV use to at least 30% by 2030.

The following issues will be important to stress in public testimony:

- PECO must provide a comprehensive plan to insure that its infrastructure investments maximize reliability, resilience, and environmental benefits while minimizing rate impacts.

- Given the urgency of reducing our greenhouse gas emissions, PECO's plan should demonstrate that as nuclear plants are retired, they are replaced with solar and other forms of clean, zero carbon energy.
- PA and its Electric Distribution Companies, including PECO are falling behind our neighboring states in the transition to a clean energy future. PECO has apparently not done comprehensive planning. PECO is not on track to meet the goals of the Biden or Wolf administrations in terms of greenhouse gas reductions. The utility is not coordinating and collaborating adequately with the clean energy industry or key stakeholders.
- The electrification of transportation will rapidly increase the need for new generation. It is critical that this additional electricity be clean, renewable energy and not more gas. What is PECO's plan for transportation electrification?
 - EVs need to include school buses and public transit fleets in order to improve air quality and public health, especially in low income communities

The sharp increase in the monthly service charge disproportionately impacts low income customers and has not been justified.

- Motivations for why your municipality/institution/company set goals for transitioning to 100% renewable energy
- Public health benefits of increasing renewable energy like wind and solar in the grid to reduce air pollution from fossil fuel burning power plants and ground water pollution from coal and gas extraction
- Energy storage will increase grid stability, particularly when paired with distributed solar
- Stress the multiple values of solar energy and storage to PECO and its customers:
 - Offsets peak load
 - Increases reliability and resilience on the distribution system, especially important as climate change worsens
 - Clean, renewable energy reduces greenhouse gas emissions and helps meet PA and national climate action goals
 - Creates local jobs
 - Reduces congestion

- Is essential to meet the 100% renewable energy goals adopted by Philadelphia and numerous townships in PA – representing 50% of PECO's customers