

ICC Docket No. 10-0467

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests**

PL 4.01 – 4.11

Date Received: July 27, 2010

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REQUEST NO. PL 4.10:

Please answer the following concerning the reference in Table D1 on p. 12 of ComEd Ex. 16.0 to 80% of revenue collected through fixed charges:

- a. Please provide for both (1) the Residential classes and (2) the Watt-Hour classes the percent of fixed costs only to be recovered from fixed charges for each of the three phase-in periods.
- b. Please provide a detailed explanation of how the percentages were calculated in response to part a of this question.
- c. Please provide a copy of all workpapers relied on to develop the answer to part a of this question.
- d. Is the Company aware of any gas or electric utility in Illinois that the Commission has accepted residential customer charges that are designed to recover 80% of the delivery service revenue requirement for the residential class?
- e. If the answer to part d is yes, please identify all electric and gas utilities in Illinois that the Company is aware of where that the Commission has accepted residential customer charges that are designed to recover 80% of the delivery service revenue requirement for the residential class.

SUPPLEMENTAL RESPONSE:

A. Original Response Based upon ComEd's Proposed Tariffs in Direct Testimony

ComEd has revised this response to provide updates to references to ComEd's revised direct testimony.

For the proposed residential Single Family Delivery Class, \$1,021,213,609 of ComEd's embedded costs are attributable to the class. Of that amount \$993,402,864 (97.3%) are related to costs that are fixed in nature, while \$27,810,745 (2.7%) are related to costs associated with the Illinois Electricity Distribution Tax and vary with usage.

For the proposed residential Multi Family Delivery Class, \$298,391,164 of ComEd's embedded costs are attributable to the class. Of that amount \$290,741,219 (97.4%) are related to costs that are fixed in nature, while \$7,649,945 (2.6%) are related to costs associated with the Illinois Electricity Distribution Tax and vary with usage.

For the nonresidential Watt-Hour Delivery Class, \$28,550,887 of ComEd's embedded costs are attributable to the class. Of that amount \$27,882,937 (97.7%) are related to costs that are fixed in nature, while \$667,950 (2.3%) are related to costs associated with the Illinois Electricity Distribution Tax and vary with usage.

- a. At the proposed 60/40 step of the SFV phase in for the residential Single Family Delivery Class, ComEd recovers \$612,305,789 (62%) of its \$993,402,864 fixed costs through the application of fixed charges while 38% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 60/40 step of the SFV phase in for the residential Multi Family Delivery Class, ComEd recovers \$179,120,605 (62%) of its \$290,741,219 fixed costs through the application of fixed charges while 38% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 60/40 step of the SFV phase in for the nonresidential Watt-Hour Delivery Class, ComEd recovers \$17,136,332 (61%) of its \$27,882,937 fixed costs through the application of fixed charges while 39% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 70/30 step of the SFV phase in for the residential Single Family Delivery Class, ComEd recovers \$714,447,546 (72%) of its \$993,402,864 fixed costs through the application of fixed charges while 28% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 70/30 step of the SFV phase in for the residential Multi Family Delivery Class, ComEd recovers \$209,161,209 (72%) of its \$290,741,219 fixed costs through the application of fixed charges while 28% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 70/30 step of the SFV phase in for the nonresidential Watt-Hour Delivery Class, ComEd recovers \$20,002,055 (72%) of its \$27,882,937 fixed costs through the application of fixed charges while 28% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 80/20 step of the SFV phase in for the residential Single Family Delivery Class, ComEd recovers \$816,589,304 (82%) of its \$993,402,864 fixed costs through the application of fixed charges while 18% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 80/20 step of the SFV phase in for the residential Multi Family Delivery Class, ComEd recovers \$238,780,682 (82%) of its \$290,741,219 fixed costs through the application of fixed charges while 18% of its fixed costs are recovered through the variable per kWh DFC.

At the proposed 80/20 step of the SFV phase in for the nonresidential Watt-Hour Delivery Class, ComEd recovers \$22,879,381 (82%) of its \$27,882,937 fixed costs through the application of fixed charges while 18% of its fixed costs are recovered through the variable per kWh DFC.

Please note that part (A)(a) of this supplemental response provides, as requested, the **percent of fixed costs** proposed to be recovered from fixed charges, which is different from what is provided in Table D1 at page 10 of ComEd Ex. 16.0 Revised. Table D1 provides the **percent of revenue (total costs)** proposed to be recovered from fixed charges.

- b. As provided in the first three paragraphs in part (A) of this supplemental response to this data request, ComEd identified the portion of its embedded costs that are fixed in nature and the portion of its embedded costs that vary with electricity usage for each of the three delivery classes identified in this data request. Please also see ComEd Ex. 14.0 Revised at 10:204 - 205 and 12:239 - 247. Then at each of the SFV phase in steps for each of the three delivery classes addressed in this data request, ComEd identified the amount that it recovers through the application of fixed charges. ComEd then divided this recovery amount by the total fixed cost amount for the class to determine the percentage of fixed costs it would recover through the application of fixed charges. In all cases, ComEd continues to recover a portion of its fixed costs through the application of variable per kWh DFCs.
- c. Please see ComEd Ex. 16.2
- d. Yes.
- e. Please see ComEd Ex. 14.0 Revised at 13:266 – 14:287.

B. Response Based upon Exemplar Tariffs in Supplemental Direct Testimony

Pursuant to ComEd's agreement with Staff, ComEd is providing supplemental responses to this data request related to ComEd's revised supplemental direct testimony.

For the proposed residential Single Family Delivery Class, \$992,151,167 of the exemplar embedded costs are attributable to the class. Of that amount \$964,340,251 (97.2%) are related to costs that are fixed in nature, while \$27,810,916 (2.8%) are related to costs associated with the Illinois Electricity Distribution Tax and vary with usage.

For the proposed residential Multi Family Delivery Class, \$293,850,574 of the exemplar embedded costs are attributable to the class. Of that amount \$286,200,592 (97.4%) are related to costs that are fixed in nature, while \$7,649,982 (2.6%) are related to costs associated with the Illinois Electricity Distribution Tax and vary with usage.

For the nonresidential Watt-Hour Delivery Class, \$28,157,421 of the exemplar embedded costs are attributable to the class. Of that amount \$27,489,470 (97.6%) are related to costs that are fixed in nature, while \$667,951 (2.4%) are related to costs associated with the Illinois Electricity Distribution Tax and vary with usage.

- a. Under the exemplar rate design, at the 60/40 step of the SFV phase in for the residential Single Family Delivery Class, ComEd recovers \$596,507,863 (62%) of the \$964,340,251 fixed costs through the application of fixed charges while 38% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 60/40 step of the SFV phase in for the residential Multi Family Delivery Class, ComEd recovers \$176,453,449 (62%) of the \$286,200,592 fixed costs through the application of fixed charges while 38% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 60/40 step of the SFV phase in for the nonresidential Watt-Hour Delivery Class, ComEd recovers \$16,881,085 (61%) of the \$27,489,470 fixed costs through the application of fixed charges while 39% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 70/30 step of the SFV phase in for the residential Single Family Delivery Class, ComEd recovers \$695,108,707 (72%) of the \$964,340,251 fixed costs through the application of fixed charges while 28% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 70/30 step of the SFV phase in for the residential Multi Family Delivery Class, ComEd recovers \$205,932,546 (72%) of the \$286,200,592 fixed costs through the application of fixed charges while 28% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 70/30 step of the SFV phase in for the nonresidential Watt-Hour Delivery Class, ComEd recovers \$19,723,604 (72%) of the \$27,489,470 fixed costs through the application of fixed charges while 28% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 80/20 step of the SFV phase in for the residential Single Family Delivery Class, ComEd recovers \$793,437,172 (82%) of the \$964,340,251 fixed costs through the application of fixed charges while 18% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 80/20 step of the SFV phase in for the residential Multi Family Delivery Class, ComEd recovers \$235,411,642 (82%) of the \$286,200,592 fixed costs through the application of fixed charges while 18% of the fixed costs are recovered through the variable per kWh DFC.

Under the exemplar rate design, at the 80/20 step of the SFV phase in for the nonresidential Watt-Hour Delivery Class, ComEd recovers \$22,577,726 (82%) of the \$27,489,470 fixed costs through the application of fixed charges while 18% of the fixed costs are recovered through the variable per kWh DFC.

Please note that part (B)(a) of this supplemental response provides, as requested, the **percent of fixed costs** that would be recovered from exemplar fixed charges, which is different from what is provided in Table D1 at page 10 of ComEd Ex. 16.0 Revised. Table D1 provides the **percent of revenue (total costs)** proposed to be recovered from fixed charges.

- b. As provided in the first three paragraphs of part (B) of this supplemental response to this data request, ComEd identified the portion of the exemplar embedded costs that are fixed in nature and the portion of the exemplar embedded costs that vary with electricity usage for each of the three delivery classes identified in this data request. Please also see ComEd Ex. 14.0 Revised at 10:204 - 205 and 12:239 - 247. Then at each of the SFV phase in steps for each of the three delivery classes addressed in this data request, ComEd identified the amount that it would recover through the application of exemplar fixed charges. ComEd then divided this recovery amount by the total fixed cost amount for the class to determine the percentage of fixed costs it would recover through the application of the exemplar fixed charges. In all cases, ComEd would continue to recover a portion of fixed costs through the application of exemplar variable per kWh DFCs.
- c. Please see ComEd Ex. 21.1.
- d. Yes.
- e. Please see ComEd Ex. 14.0 Revised at 13:266-14:287.