

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	:	
On Its Own Motion	:	
	:	
-vs-	:	14-0313
	:	
Commonwealth Edison Company	:	
	:	
Reconciliation of revenues collected	:	
under PORCB Rider with actual and	:	
prudent associated costs.	:	

ORDER COMMENCING RECONCILIATION PROCEEDING

By the Commission:

In the final order entered in Docket No. 10-0138 on December 15, 2010, the Commission approved, with modifications, the tariffs under which Commonwealth Edison Company ("ComEd"), as an electric utility with more than 100,000 customers, would make available to retail electric suppliers consolidated billing ("CB") and purchase of receivables ("POR") services, as required by Section 16-118 of the Public Utilities Act.

ComEd subsequently filed with the Commission tariff sheets establishing Rider PORCB, Purchase of Receivables with Consolidated Billing. Under the provisions of the Rider, after each POR Application Period, the company is to conduct an internal audit of its costs for the previous period and its recoveries of those costs under Rider PORCB and an associated tariff, Rider RCA, Retail Customer Assessments. Rider PORCB specifies the costs and adjustments that the audit must examine. Rider PORCB requires the company to prepare a report summarizing the results of the audit. The report must also address RES participation under the rider, costs associated with the program, and associated revenues and write-offs. Finally, the Rider directs the company to submit the audit and report to the Commission within 60 days following the end of the relevant POR Application Period.

As required by Rider PORCB, ComEd submitted to the Commission its verified First POR Application Period Reconciliation Report on February 27, 2014. The Report consists of two documents: a financial summary, "Rider PORCB Reconciliation Report for the First POR Application Period of January 1, 2011 through December 31, 2013," and an internal audit report, "2014 ComEd Rider Purchase of Receivables with Consolidated Billing Review."

Rider PORCB provides that within 90 days of the Company's filing of the required report, the Commission may initiate a docketed PORCB reconciliation proceeding. At the conclusion of the proceeding, the Commission will determine the amount, if any, to be included in a reconciliation adjustment to the POR Adjustment or the CB Adjustment determined in accordance with the provisions in Rider RCA to (i) correct for errors in the POR Adjustment or CB Adjustment calculated and applied to the previous POR Application Period, (ii) correct for an improperly applied POR Adjustment or CB Adjustment during the previous POR Application Period, (iii) allow only prudently incurred costs to be recovered, and (iv) reconcile the revenue resulting from the application of the discounted receivables, POR Adjustment and CB Adjustment during the previous POR Application Period to various costs and expenses as defined and specified by the Rider that were incurred during the previous POR Application Period. The reconciliation adjustment ordered by the Commission is determined to the extent that the items listed are not already reflected in the applicable balancing factor determined by the company. After the Commission determines the appropriate reconciliation adjustment, the Company must revise its POR Adjustment or CB Adjustment, as applicable, to reflect the ordered reconciliation adjustment in accordance with an order entered by the Commission that provides the terms under which the ordered reconciliation adjustment is to be reflected in the POR or CB adjustment.

All prehearing conferences shall be scheduled in the Commission's offices at 160 North LaSalle Street, Suite C-800, Chicago, or at 527 East Capitol Avenue, Springfield.

The Commission is not barred from establishing further guidelines, procedures, rules, or regulations for continuing the hearings.

The Commission, having considered the above and being fully advised in the premises, is of the opinion and finds as follows:

- (1) that Commonwealth Edison Company is engaged in the sale of electricity for public use and is a public utility as defined in Section 3—105 of the Public Utilities Act;
- (2) that Commonwealth Edison Company should be made a respondent to this proceeding;
- (3) that it has jurisdiction over the subject matter of this proceeding and the respondent hereto;
- (4) that the recitals set forth in the prefatory portion of this Order are hereby adopted as findings of fact;
- (5) that a reconciliation proceeding should be initiated as described in the prefatory portion of this Order.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that a proceeding be initiated to conduct a reconciliation of the amounts specified in

Commonwealth Edison Company's Rider PORCB as specified in the Rider and in the prefatory portion of this Order.

IT IS FURTHER ORDERED that Commonwealth Edison Company be made the Respondent to this proceeding.

IT IS FURTHER ORDERED that Respondent be, and the same is hereby, directed to appear before the Commission for a prehearing conference, pursuant to written notice from the Administrative Law Judge, which will follow, and subsequently to present evidence to show the reconciliation of revenues collected under Rider PORCB with costs incurred in connection with proper activities as defined in the company's tariffs, all as is more fully described hereinabove.

IT IS FURTHER ORDERED that Respondent be, and the same is hereby, directed to provide notice and to file copies of said evidence with the Commission as hereinbefore indicated.

IT IS FURTHER ORDERED that Respondent provide to the Chief Clerk of the Commission, no more than seven business days after the date of this Order, a complete list of all municipalities within which the Respondent provides service. The list shall include all such municipalities irrespective of whether the municipality itself is a customer of the Respondent, and irrespective of whether all or merely a portion of the residents and other entities within the municipality are customers of the Respondent. The purpose of this ordering paragraph is to allow the Commission to fulfill the notice requirements of Section 10—108 of the Public Utilities Act.

IT IS FURTHER ORDERED that the Chief Clerk be, and is hereby, directed to serve a copy of this Order on the designated agent of Commonwealth Edison Company.

IT IS FURTHER ORDERED that failure of the respondent to appear as ordered may result in the imposition of penalties pursuant to Section 5—202 of the Public Utilities Act.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10—113 of the Public Utilities Act and 83 Ill. Adm. Code Section 200.880, this Order is not final and is not subject to the Administrative Review Law.

By order of the Commission this 16th day of April, 2014.

(SIGNED) DOUGLAS P. SCOTT

Chairman