



## PECO Rate Increase

*By Robert W. Gundlach, Jr.*

Philadelphia-based electric supplier, PECO, has filed for a natural gas rate increase. The request, described in the attached [PECO press release](#), seeks a rate hike of \$98.3 million. The hike would raise PECO's already high natural gas rates by more than 10 percent. The first rate case brought by PECO in many years, the request seeks to recover costs associated with infrastructure improvements and renewable energy projects. If past is prologue, a key issue in the case will be how the rate increase, as ultimately determined through litigation and/or settlement, will be allocated between the various classes of users on the PECO system. Historically, consumers' counsel has advocated that large energy users assume a disproportionate share of the increase vis-à-vis residential and small commercial end users.

Efforts have begun to form a group of large PECO customers to intervene in the case before the Pennsylvania Public Utilities Commission. Fox Rothschild has considerable experience in utility rate cases and played a significant role in the defeat of the Exelon/PSEG merger.

We are reaching out to clients who are large users of natural gas on the PECO system to discuss possible participation in an intervention group. If enough companies or organizations express interest, we will convene a meeting at Fox's Philadelphia office in the near future to discuss next steps.

For more information about this issue, contact Robert Gundlach at 215.918.3636 or [rgundlach@foxrothschild.com](mailto:rgundlach@foxrothschild.com).



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