

PECO ENERGY CO
Form 8-K
March 26, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

March 26, 2009

Date of Report (Date of earliest event reported)

Exact Name of Registrant as Specified in Its Charter;

State of Incorporation; Address of Principal Executive

**Commission File
Number
000-16844**

**Offices; and Telephone Number
PECO ENERGY COMPANY**

**IRS Employer
Identification Number
23-0970240**

(a Pennsylvania corporation)

P.O. Box 8699

2301 Market Street

Philadelphia, Pennsylvania 19101-8699

(215) 841-4000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

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- “ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- “ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

On March 26, 2009, PECO Energy Company (PECO) issued \$250 million aggregate principal amount of its First and Refunding Mortgage Bonds, 5.00% Series due October 1, 2014. See Item 2.03 below for a description of those bonds and related agreements.

Section 2 Financial Information

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On March 26, 2009, PECO issued \$250 million aggregate principal amount of its First and Refunding Mortgage Bonds, 5.00% Series due October 1, 2014. The bonds were issued pursuant to PECO's First and Refunding Mortgage, dated as of May 1, 1923, as amended and supplemented and as further amended and supplemented by the One Hundred and Seventh Supplemental Indenture, dated as of March 15, 2009 (Supplemental Indenture). The Bonds were registered under the Securities Act of 1933, as amended, pursuant to a post-effective amendment to an automatic shelf registration statement on Form S-3 (Registration No. 333-146260-07), which became effective upon filing with the Securities and Exchange Commission on December 12, 2007.

The net proceeds of the bonds will be used to refinance short-term debt and for general corporate purposes.

The bonds carry an interest rate of 5.00% per annum, which is payable semi-annually on April 1 and October 1, commencing on October 1, 2009. The bonds are redeemable at any time at PECO's option at a make-whole redemption price calculated as provided in the Supplemental Indenture. A copy of the Supplemental Indenture, which establishes the terms of the bonds, is attached hereto as Exhibit 4.1 and is incorporated herein by reference.

In connection with the issuance of the bonds, Ballard Spahr Andrews & Ingersoll, LLP provided PECO with the legal opinions attached to this report as Exhibit 5.1 and Exhibit 8.1.

A copy of the Underwriting Agreement, dated March 19, 2009, among PECO and BNP Paribas Securities Corp., Loop Capital Markets, LLC, Morgan Stanley and Co. Incorporated and Wachovia Capital Markets, LLC is filed as Exhibit 1.1 to this report.

Section 9 Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are filed herewith and are exhibits to the Registration Statement on Form S-3, Registration No. 333-146260, as noted below:

| Exhibit No. | Registration Statement Exhibit No. | Description |
|-------------|------------------------------------|--|
| 1.1 | 1.1.4 | Underwriting Agreement dated March 19, 2009, among PECO and Banc and BNP Paribas Securities Corp., Loop Capital Markets, LLC, Morgan Stanley and Co. Incorporated and Wachovia Capital Markets, LLC. |
| 4.1 | 4.19.3 | One Hundred and Seventh Supplemental Indenture dated as of March 15, 2009 from PECO to U.S. Bank National Association, as trustee. |
| 5.1 | 5.2.3 | Exhibit 5 Opinion dated March 26, 2009 of Ballard Spahr Andrews & Ingersoll, LLP. |
| 8.1 | 8.1.4 | Exhibit 8 Opinion dated March 26, 2009 of Ballard Spahr Andrews & Ingersoll, LLP. |

* * * * *

This Current Report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. The factors that could cause actual results to differ materially from these forward-looking statements include those discussed herein as well as those discussed in (1) PECO's 2008 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 18; and (2) other factors discussed in filings with the Securities and Exchange Commission by PECO. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this Current Report. PECO undertakes no obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this Current Report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PECO ENERGY COMPANY

/s/ Phillip S. Barnett
Phillip S. Barnett
Senior Vice President and Chief Financial Officer
PECO Energy Company

March 26, 2009

EXHIBIT INDEX

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