

Moody's Annual Meeting Exelon, Exelon Generation, and PECO

New York, New York
May 16th, 2013



Introductions

Jack Thayer – EVP and CFO, Exelon

Ken Cornew – EVP and Chief Commercial Officer, Exelon; President and CEO, Constellation

Jorge Acevedo – VP, Finance, Exelon Generation

Phil Barnett – SVP, CFO and Treasurer, PECO

Dick Webster – VP, Regulatory Policy and Strategy, PECO

Stacie Frank – SVP and Treasurer, Exelon

Shane Smith – Assistant Treasurer and Director, Corporate and Project Finance

Cortt Cousino – Manager, Treasury Planning and Credit Analysis

Andy Hamari – Principal Analyst, Treasury Planning and Credit Analysis

Agenda

- Introductions (Jack Thayer)
- Exelon Overview (Jack Thayer)
- Exelon Financial Update (Jack Thayer)
- Financing Plan and Liquidity Update (Stacie Frank)
- Commercial Overview (Ken Cornew)
- Nuclear / Power Overview and ExGen Financial Update (Jorge Acevedo)
- PECO Overview (Phil Barnett)
- PECO Regulatory Stewardship (Dick Webster)
- PECO Financial Update (Phil Barnett)
- Closing Comments (Jack Thayer)

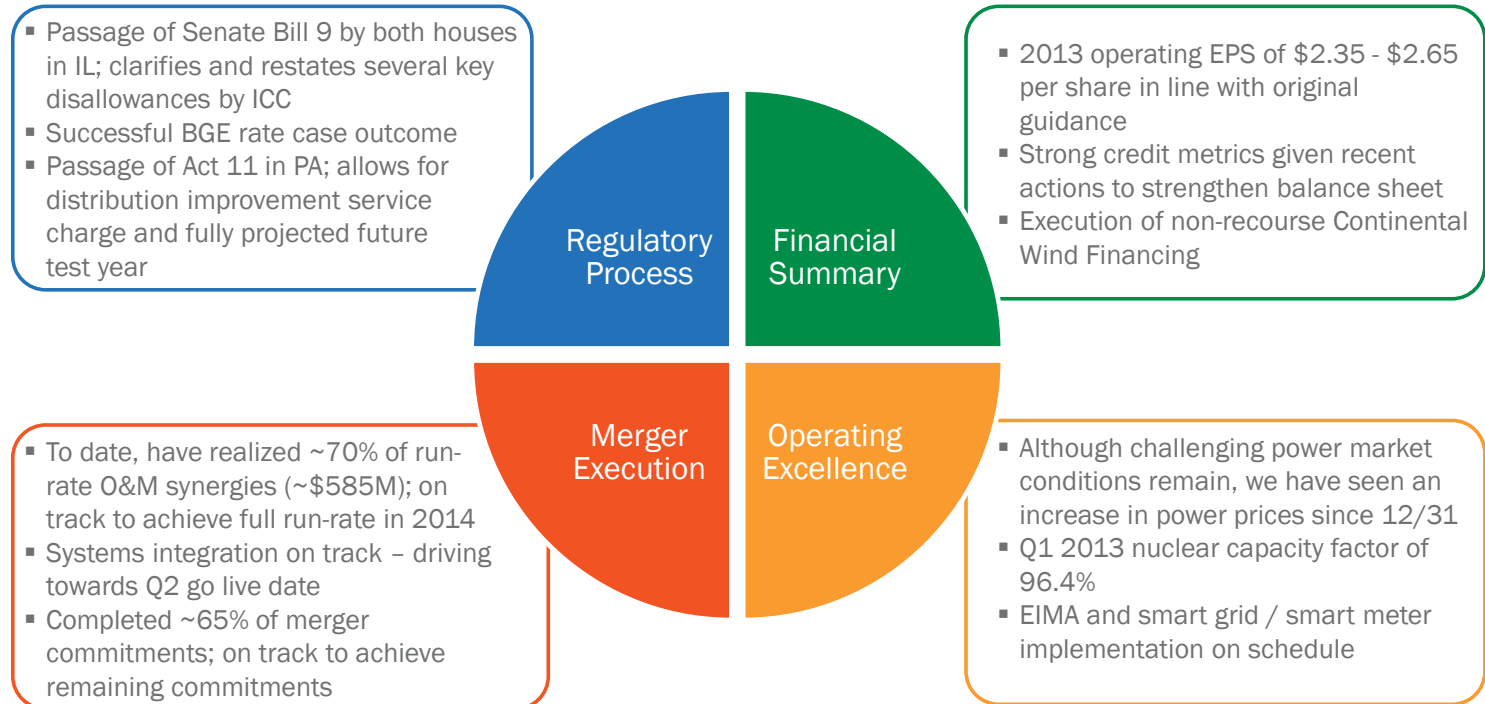
Exelon Overview

Jack Thayer

EVP and CFO, Exelon

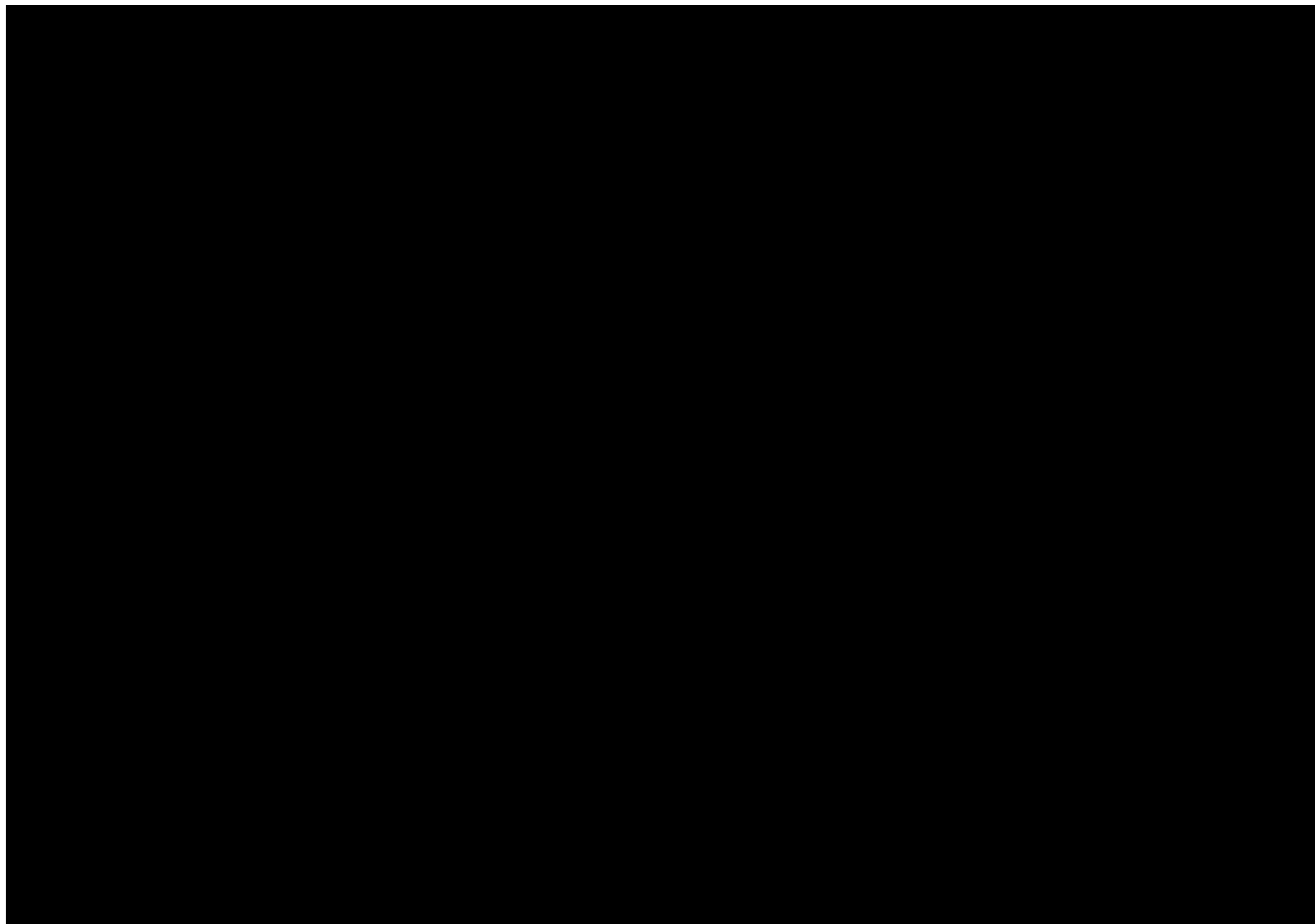


2013 Update



2013 Expectations:

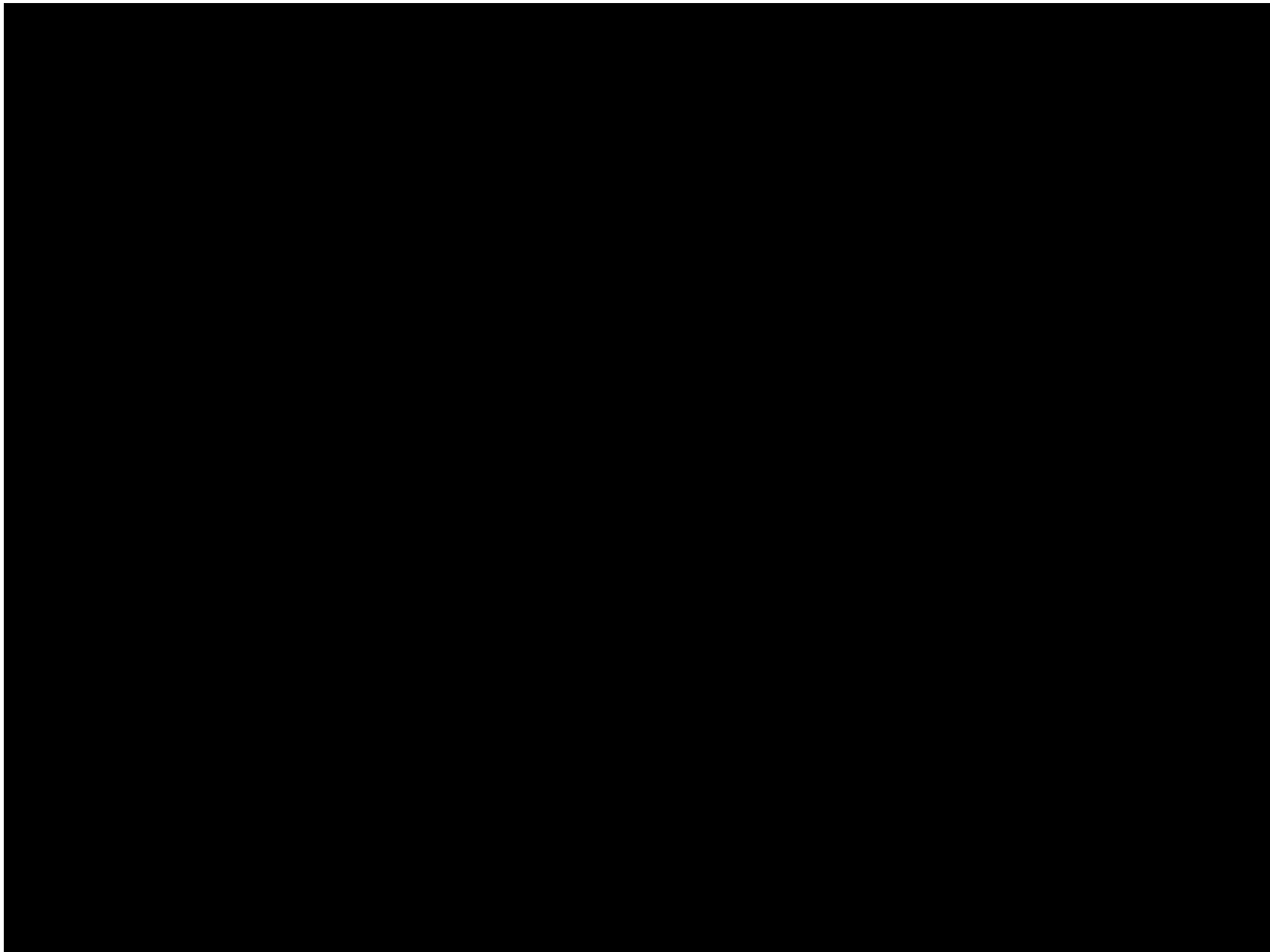
- Expect to deliver full-year 2013 operating earnings within guidance range of \$2.35 - \$2.65/share
- Strengthen credit metrics and balance sheet via reduced debt issuances / refinancings
- Complete remaining integration activities, primarily IT related

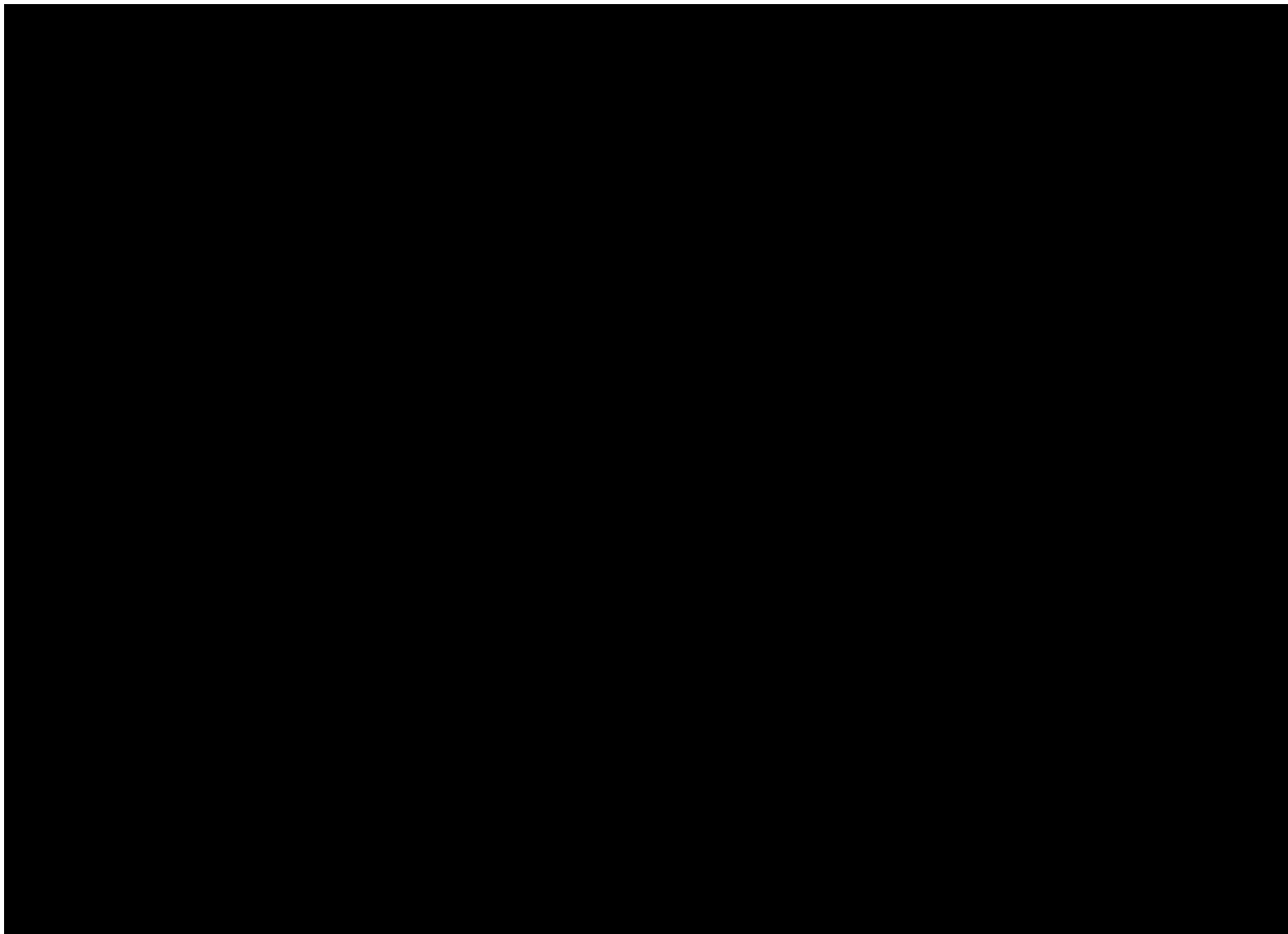


Exelon's Financial Priorities Remain Focused and Disciplined

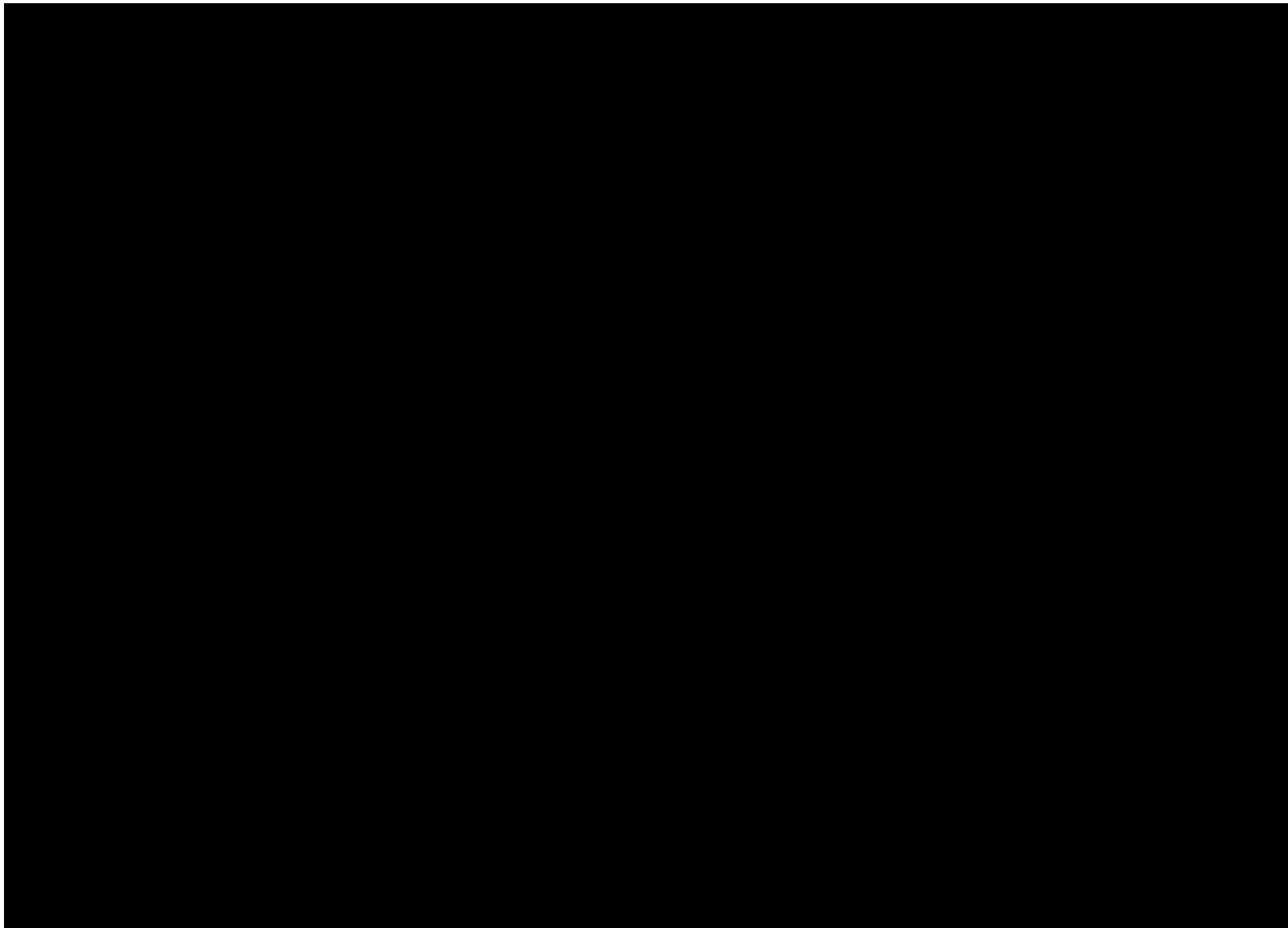
| Financial Priorities | |
|-------------------------------------|--|
| #1: Remain investment grade | <ul style="list-style-type: none"> ▪ Maintain key credit metrics above target ranges under both market and stress conditions to maintain investment grade ratings ▪ Value of maintaining investment grade: <ul style="list-style-type: none"> ▪ Increases ability to participate in commercial business opportunities ▪ Lowers collateral requirements ▪ Reliable and cost efficient access to the capital markets ▪ Increases business and financial flexibility |
| #2: Creating value for shareholders | <p>Cash from Operations (less) Base CapEx / Nuclear Fuel (less) <u>Dividend</u> equals Available Cash and Balance Sheet Capacity</p> <p>Use remaining cash flow and capacity to invest in growth and return value to shareholders</p> |

Exelon continues to message to both internal and external stakeholders that maintaining investment grade ratings is our top financial priority. Exelon has a strong track record that proves its commitment to this goal





Non-public
information

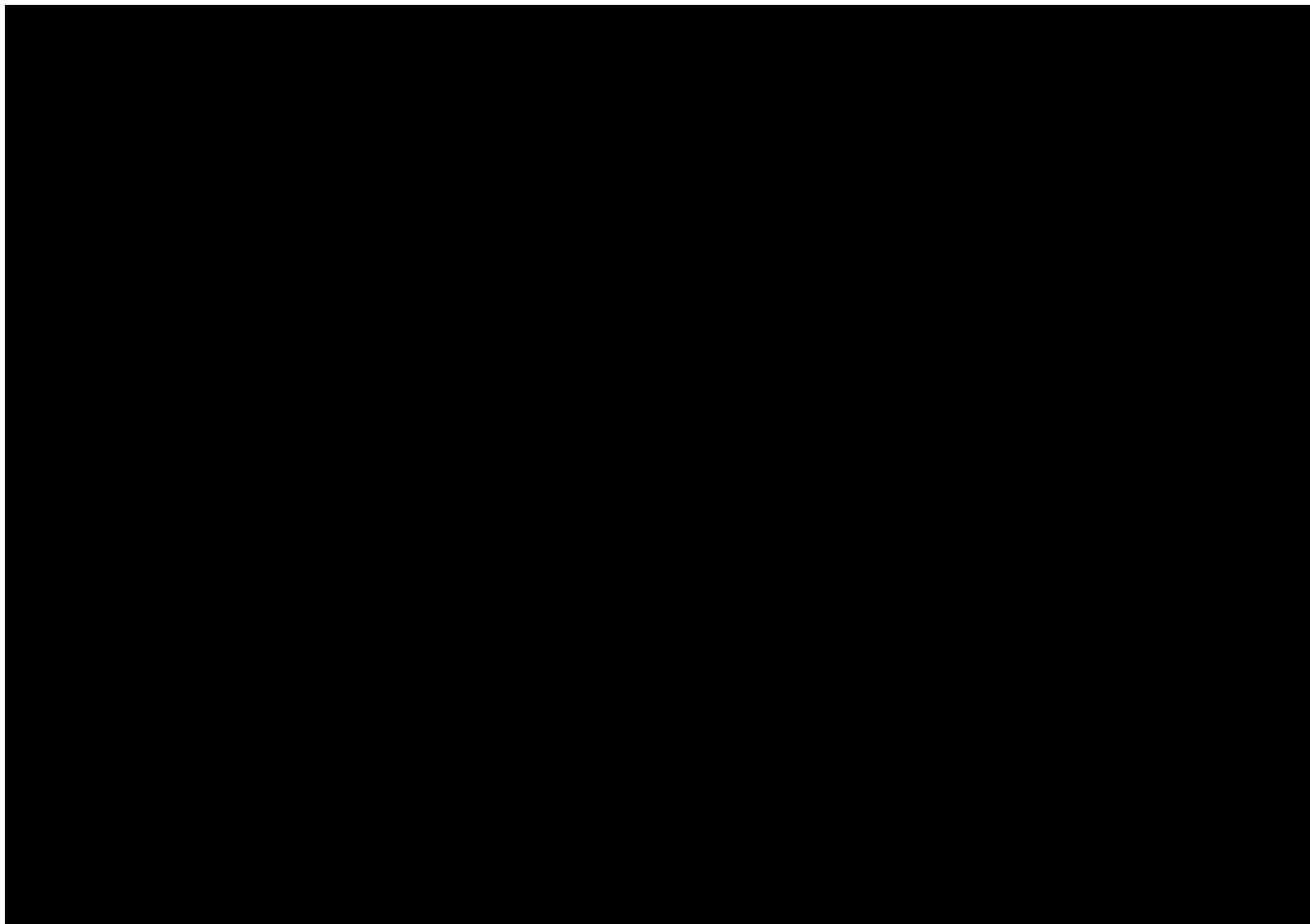


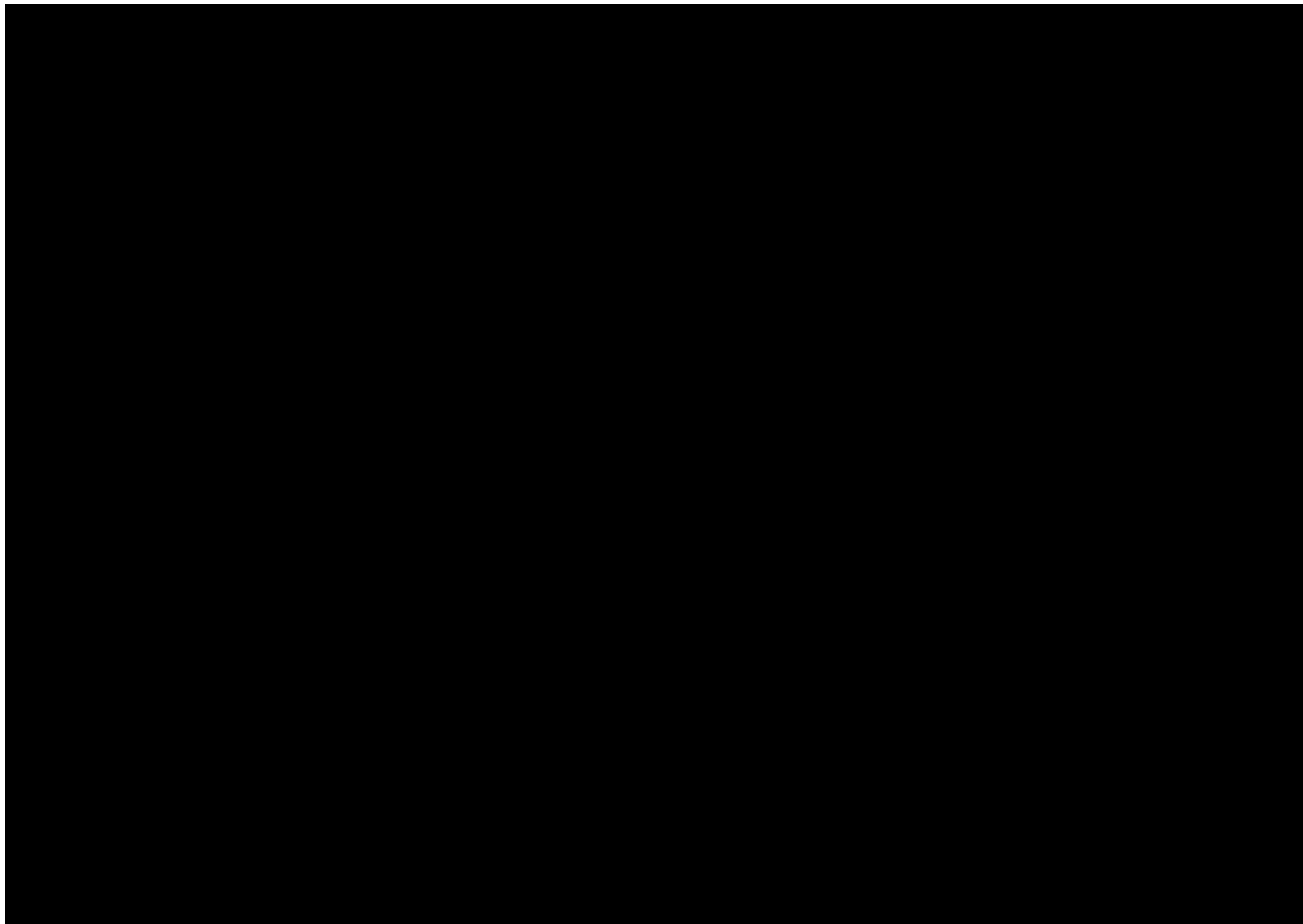
Exelon Financial Update

Jack Thayer

EVP and CFO, Exelon





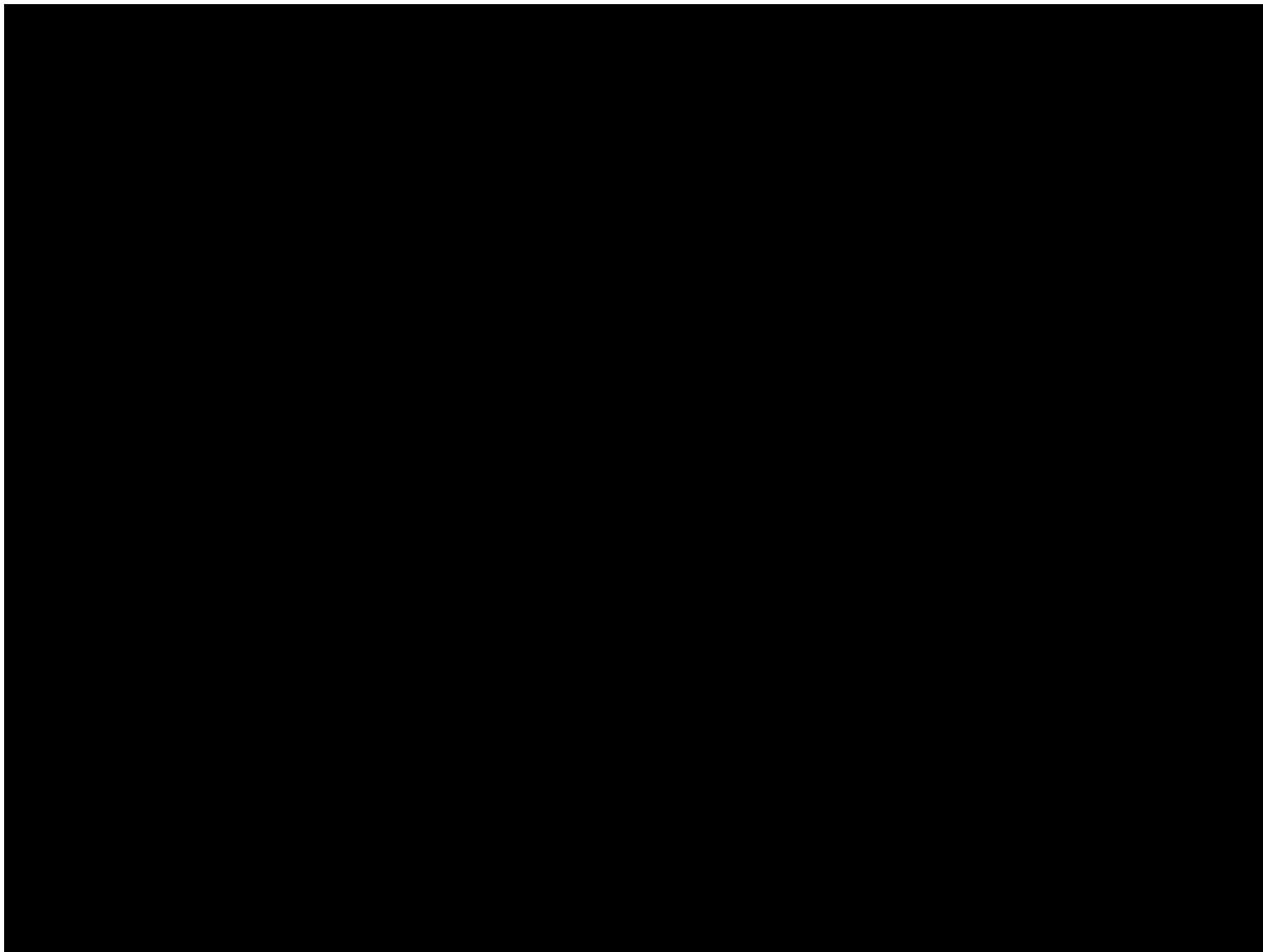


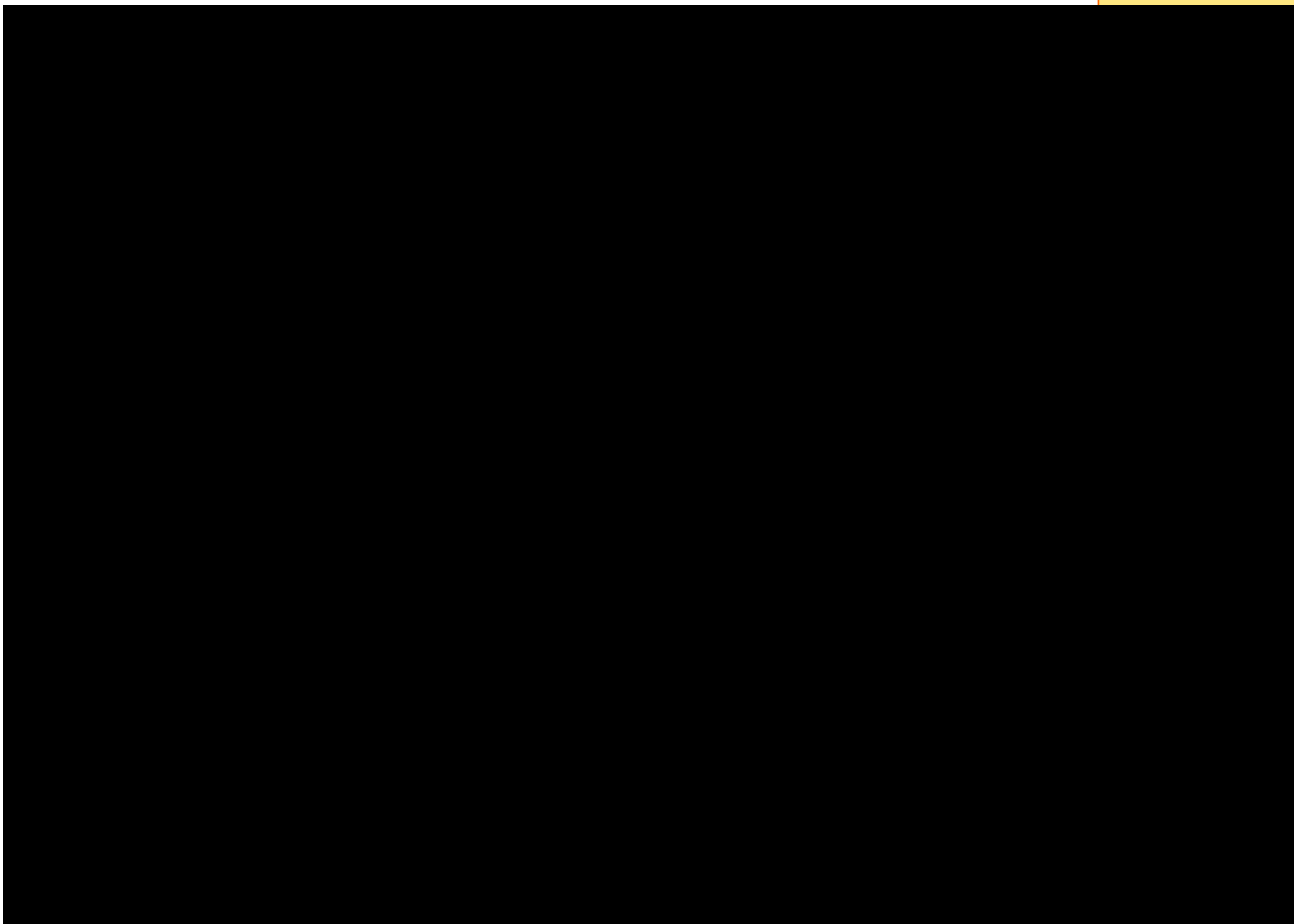
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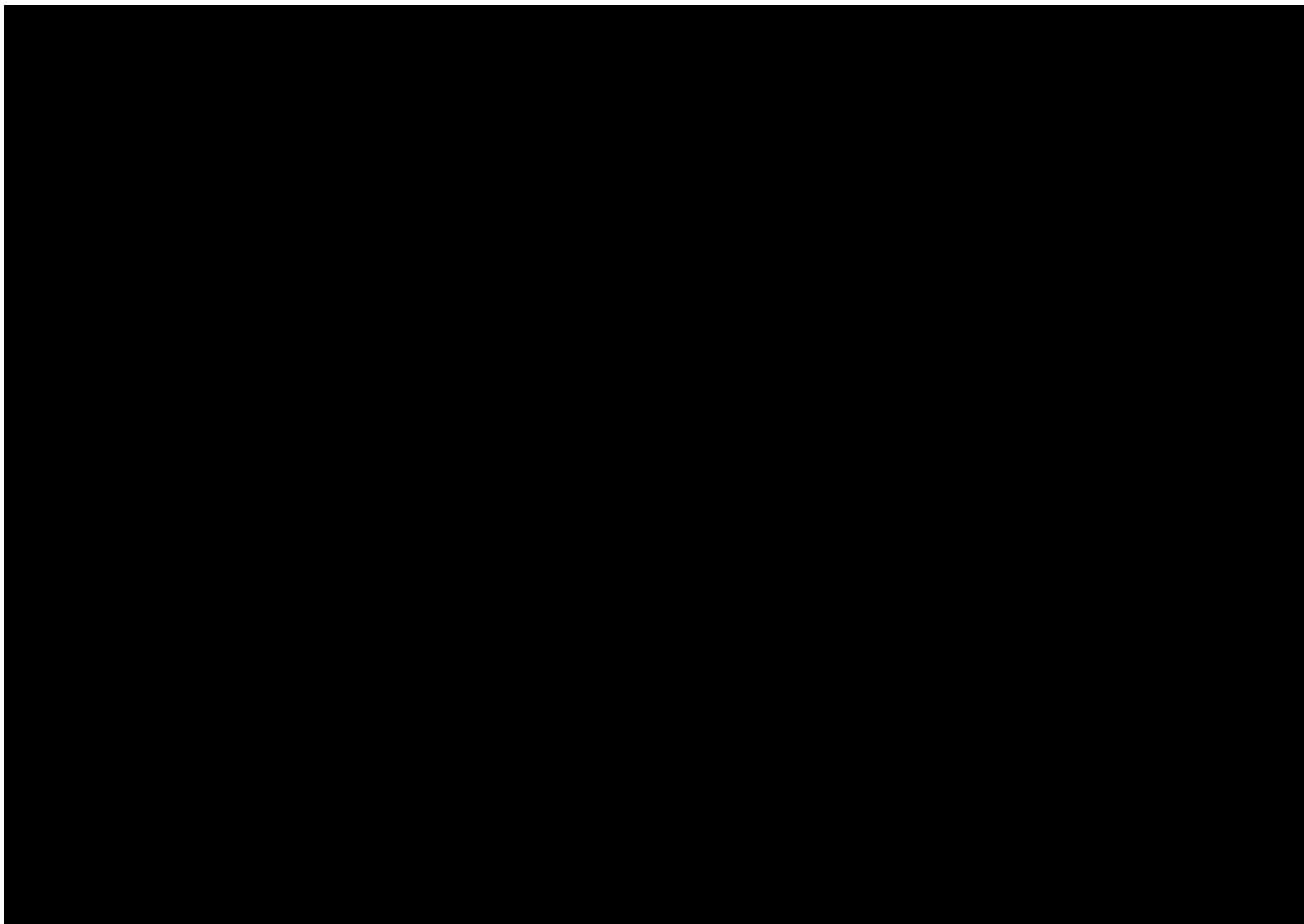
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Financing Plan and Liquidity Update

Stacie Frank

SVP and Treasurer, Exelon



2013 Projected Sources and Uses of Cash

(\$ in millions)



| | | | | | |
|---|-------|---------|-------|---------|--------------|
| Beginning Cash Balance⁽¹⁾ | | | | | 1,575 |
| Cash Flow from Operations ⁽²⁾ | 625 | 1,375 | 625 | 3,375 | 5,825 |
| CapEx (excluding other items below): | (550) | (1,300) | (400) | (1,025) | (3,300) |
| Nuclear Fuel | n/a | n/a | n/a | (1,000) | (1,000) |
| Dividend ⁽³⁾ | | | | | (1,250) |
| Nuclear Upgrades | n/a | n/a | n/a | (125) | (125) |
| Wind | n/a | n/a | n/a | – | – |
| Solar | n/a | n/a | n/a | (550) | (550) |
| Upstream | n/a | n/a | n/a | (25) | (25) |
| Utility Smart Grid/Smart Meter | (125) | (100) | (175) | n/a | (400) |
| Net Financing (excluding Dividend): | | | | | |
| Debt Issuances ⁽⁴⁾ | 300 | 250 | 350 | – | 900 |
| Debt Retirements ⁽⁵⁾ | (400) | (250) | (300) | (450) | (1,400) |
| Project Finance/Federal Financing Bank Loan | n/a | n/a | n/a | 1,025 | 1,025 |
| Other ⁽⁶⁾ | 50 | 100 | (75) | (25) | 75 |
| Ending Cash Balance⁽¹⁾ | | | | | 1,350 |

(1) Exelon beginning cash balance as of 12/31/12. Excludes counterparty collateral activity.

(2) Cash Flow from Operations primarily includes net cash flows provided by operating activities and net cash flows used in investing activities other than capital expenditures.

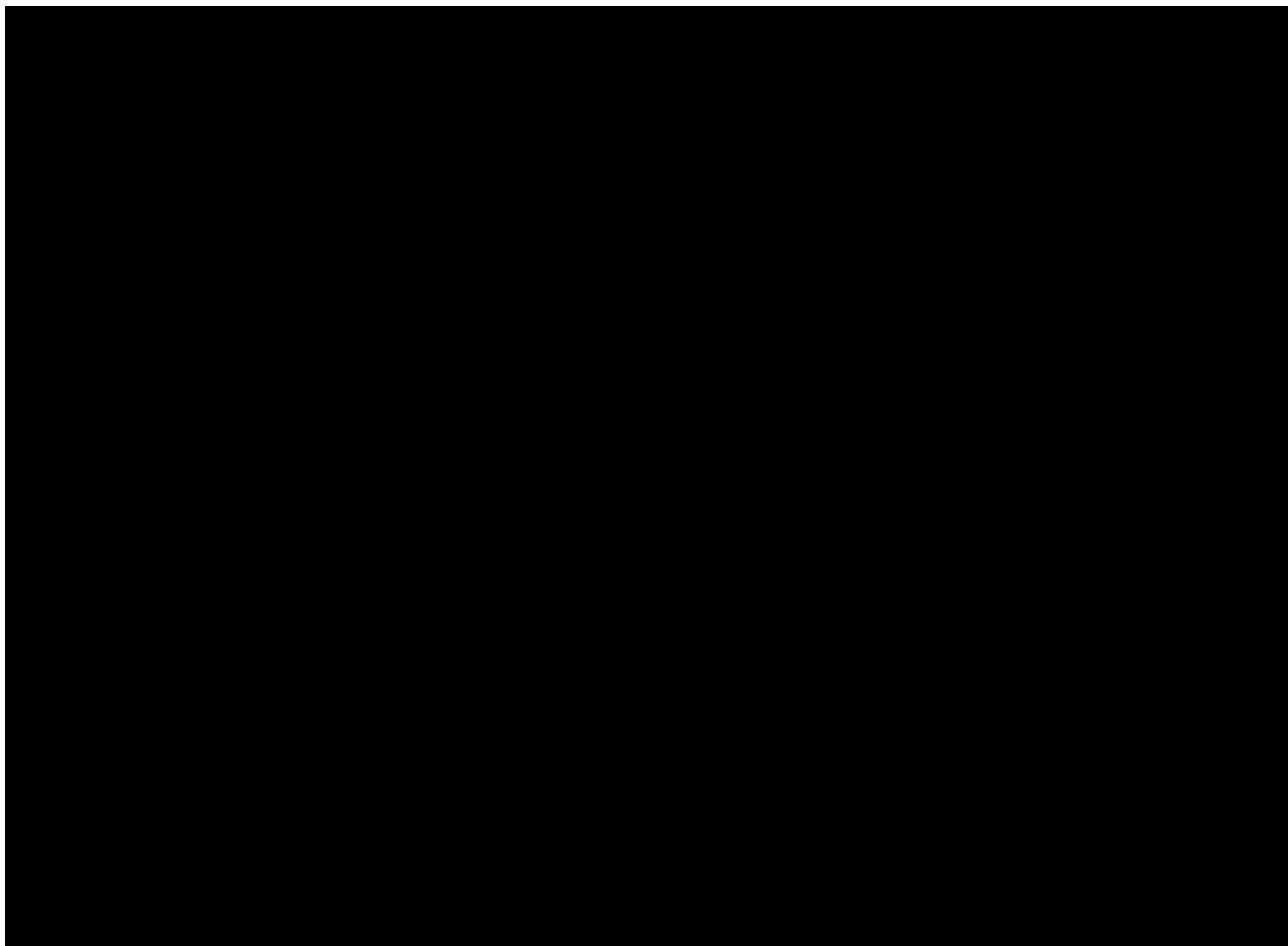
(3) Dividends are subject to declaration by the Board of Directors.

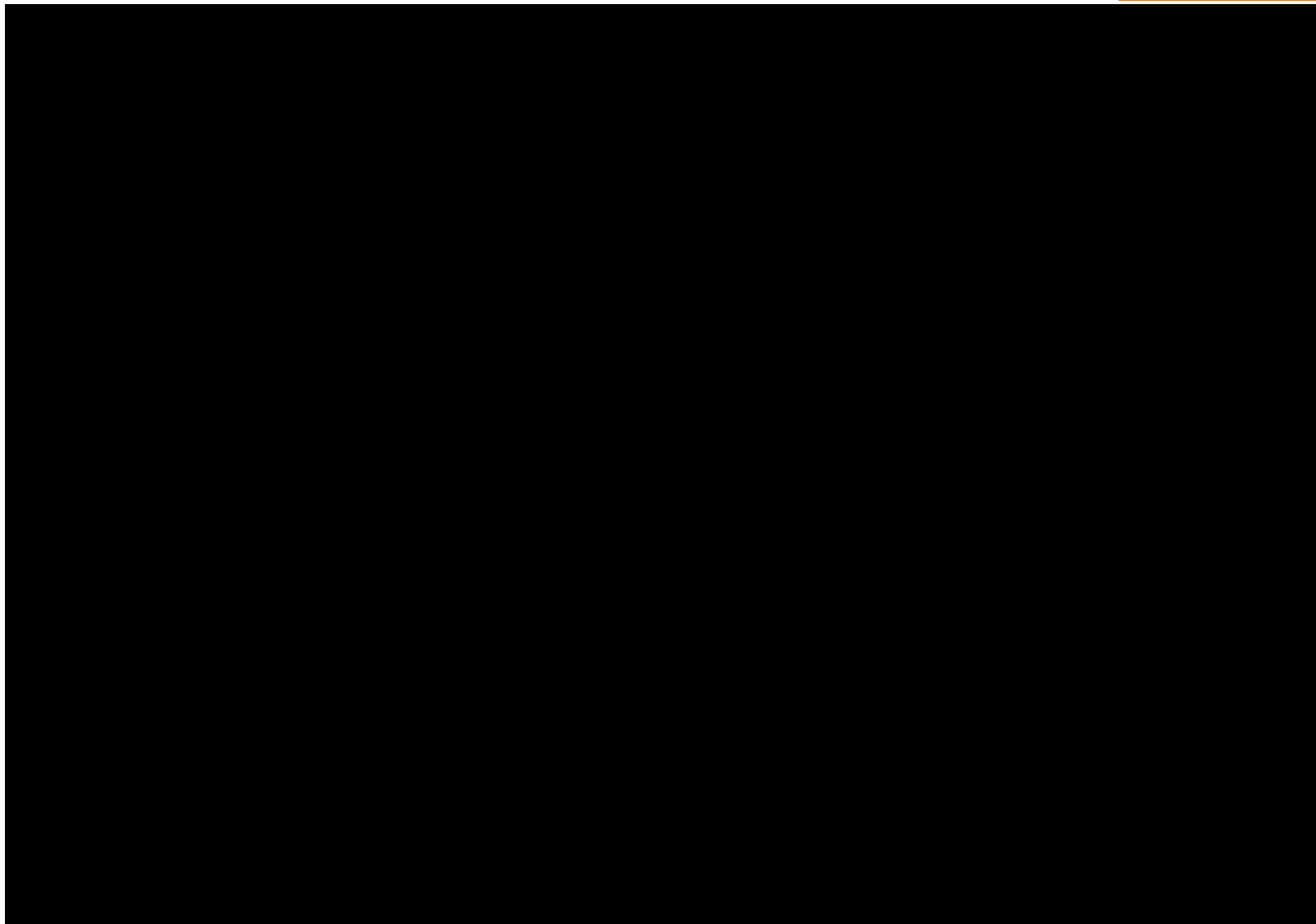
(4) Excludes PECO's \$210 million Accounts Receivable (A/R) Agreement with Bank of Tokyo. PECO's A/R Agreement was extended in accordance with its terms through August 30, 2013.

(5) Excludes BGE's current portion of its rate stabilization bonds

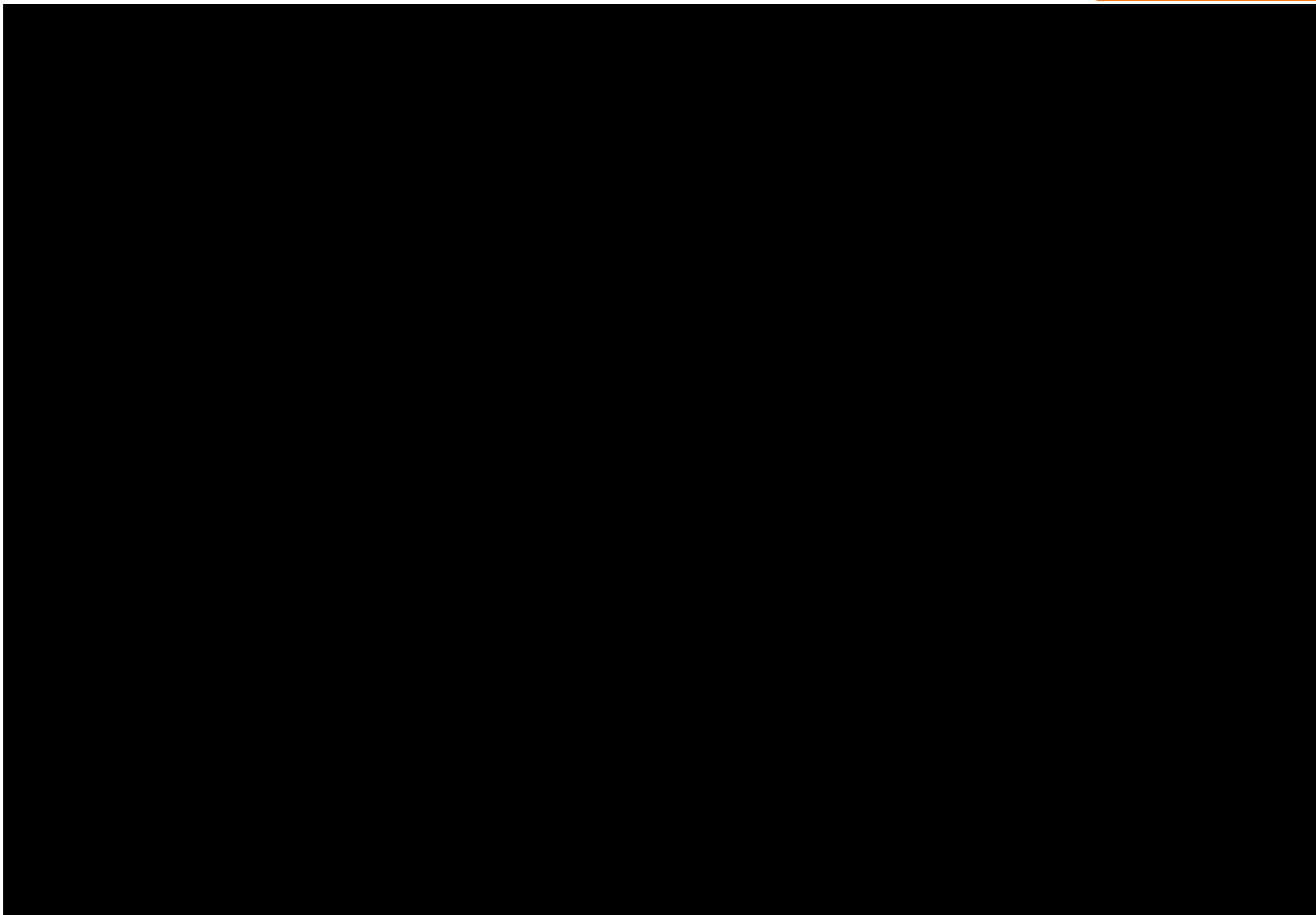
(6) "Other" includes proceeds from options, redemption of PECO preferred stock and expected changes in short-term debt.

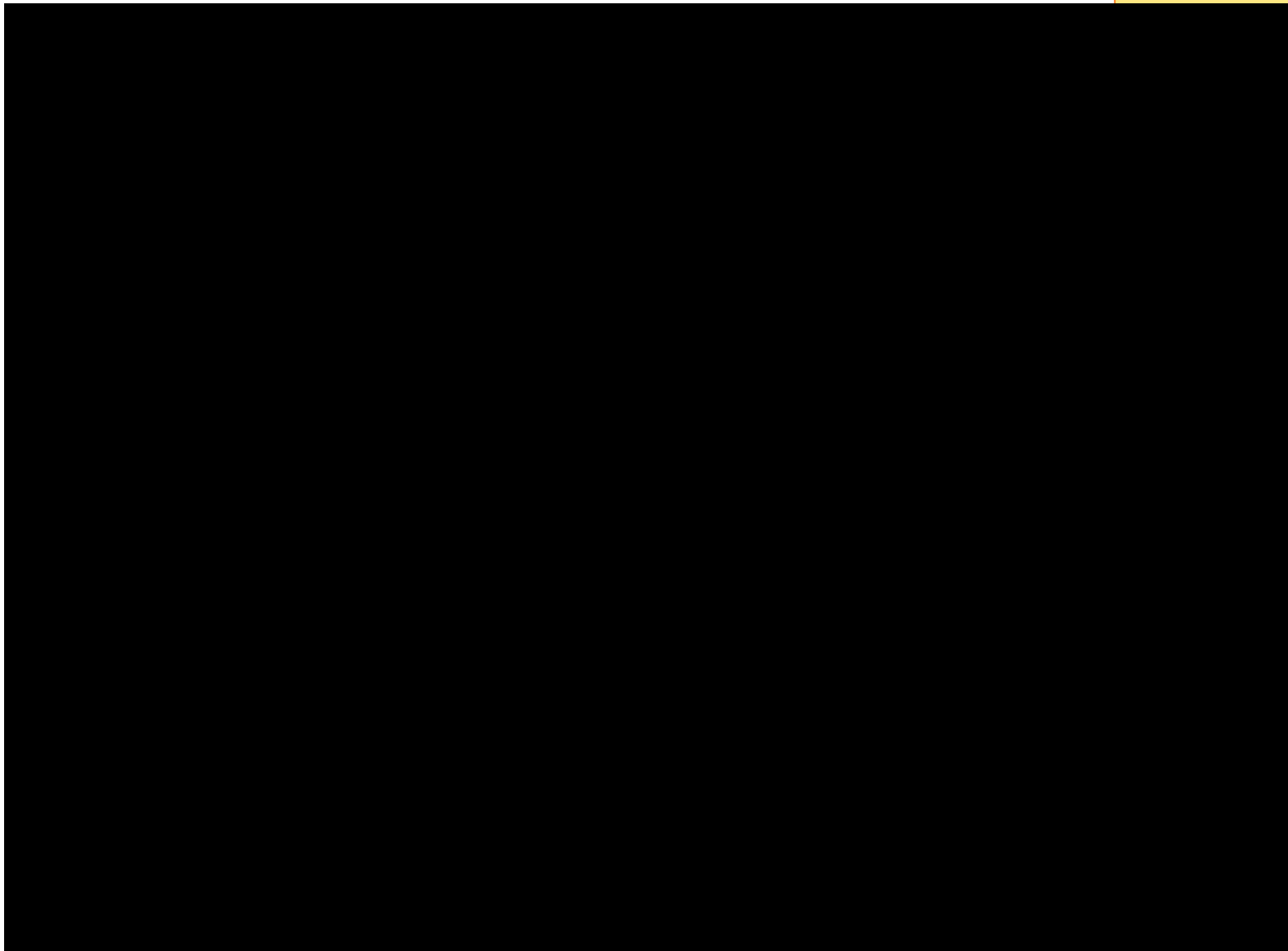
(7) Includes cash flow activity from Holding Company, eliminations, and other corporate entities.

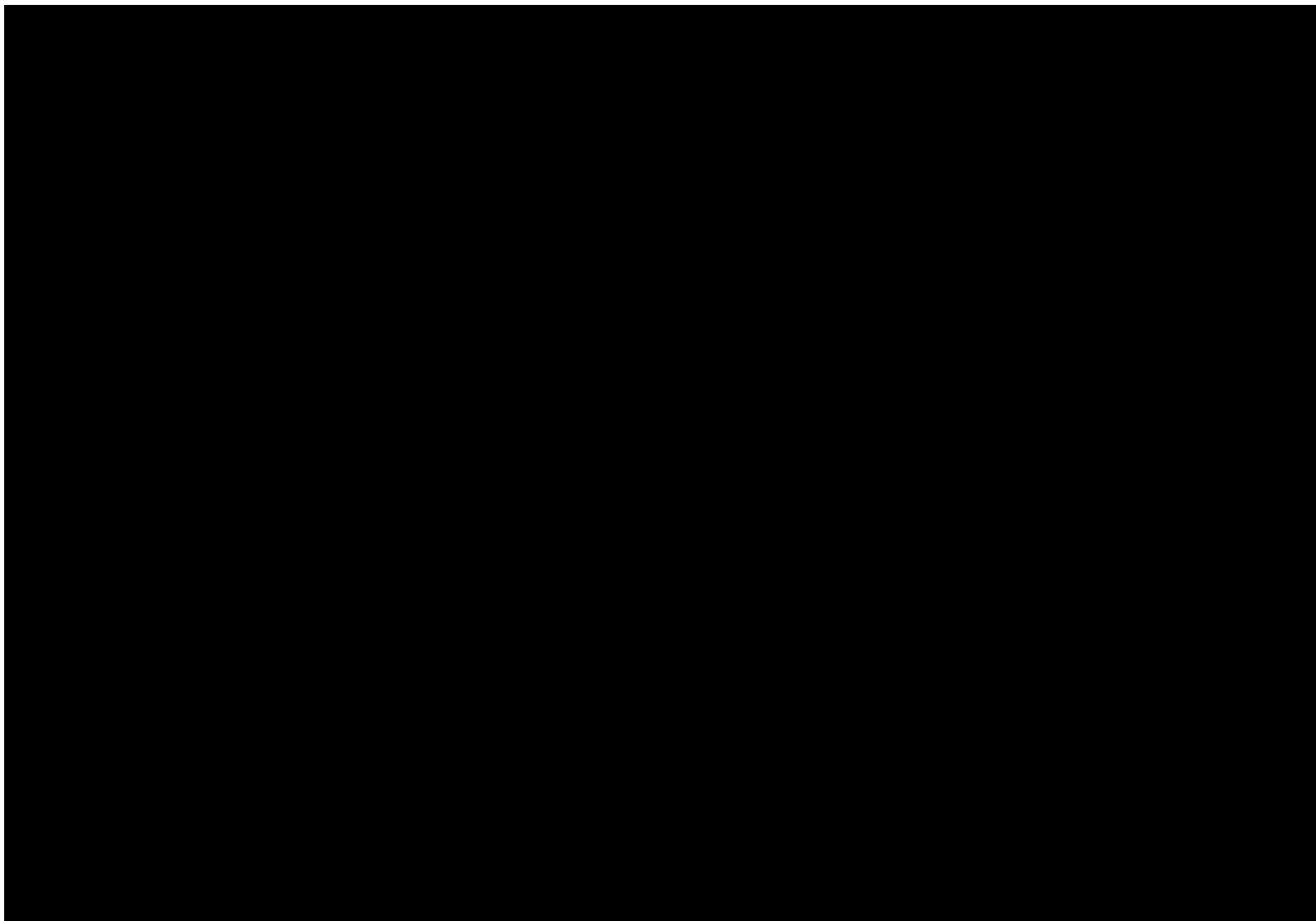


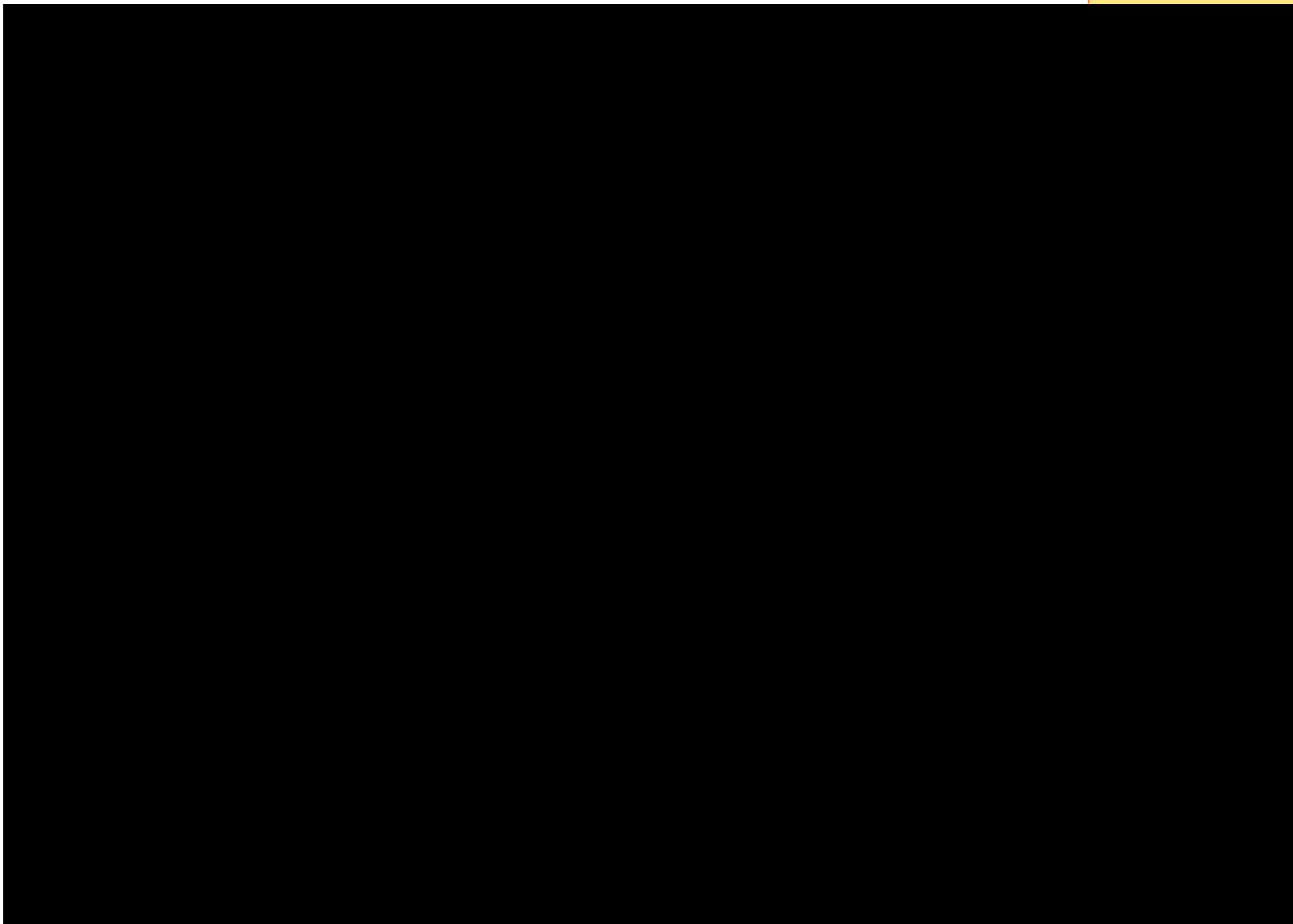


Non-public information







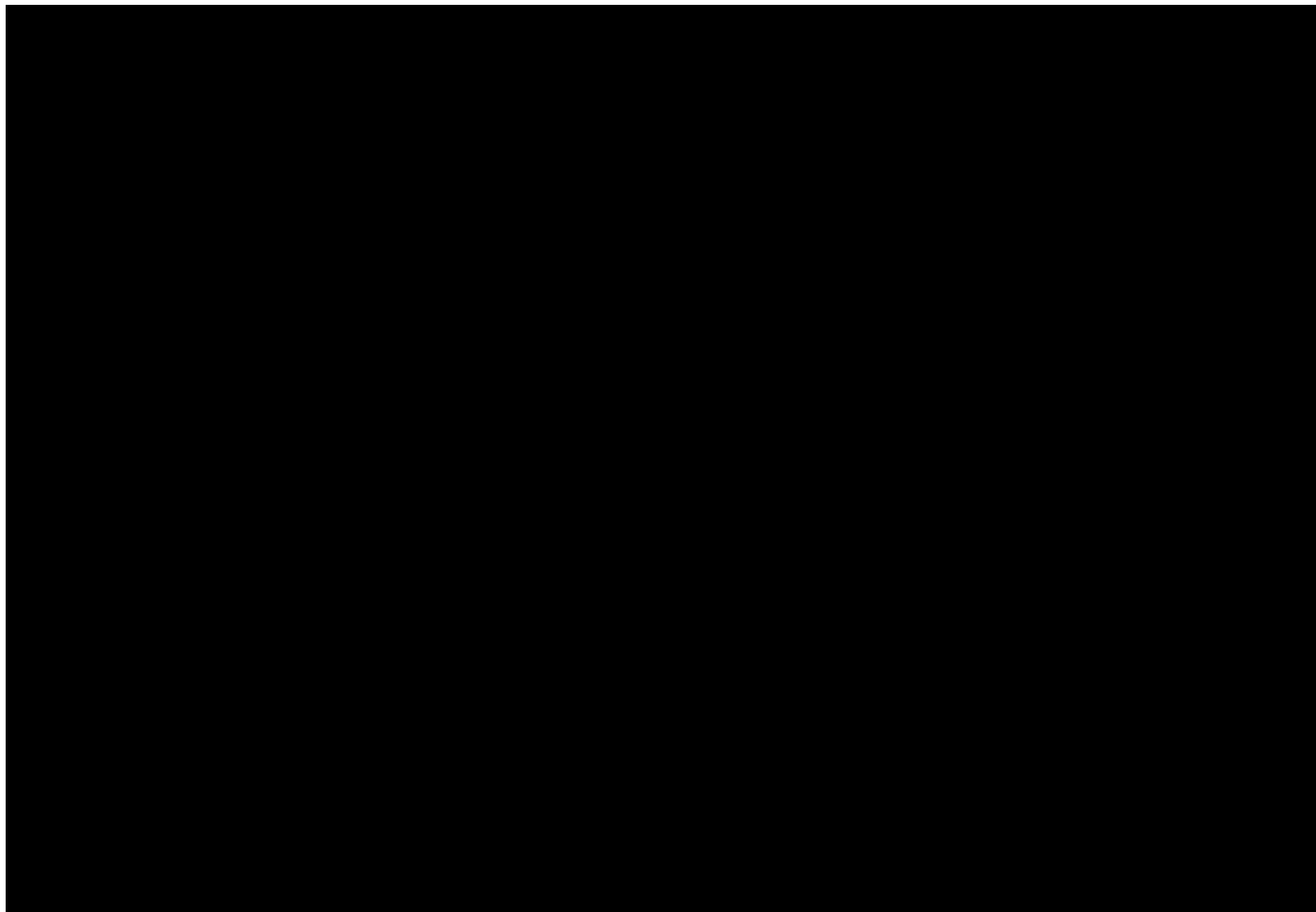


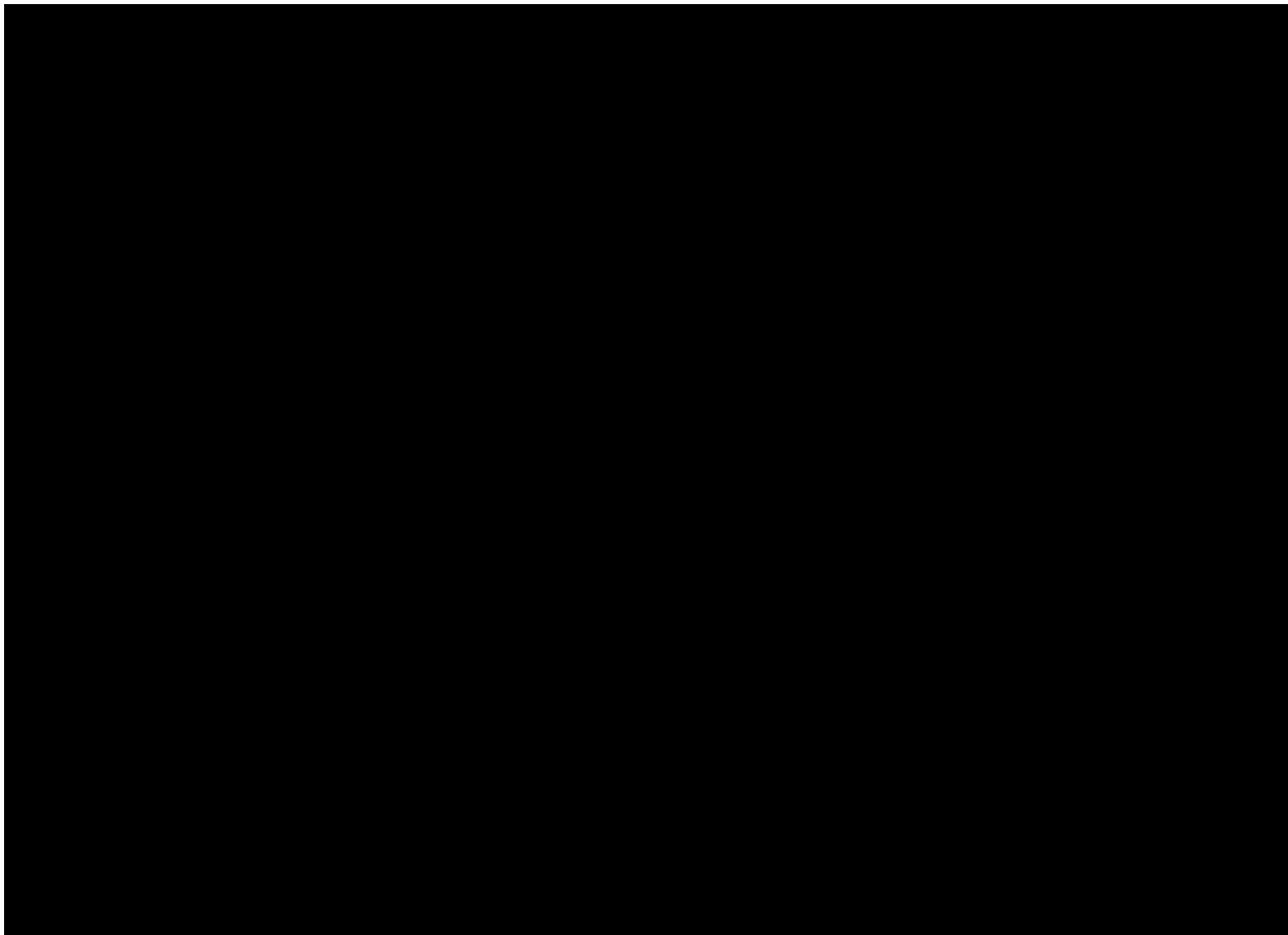
Commercial Overview

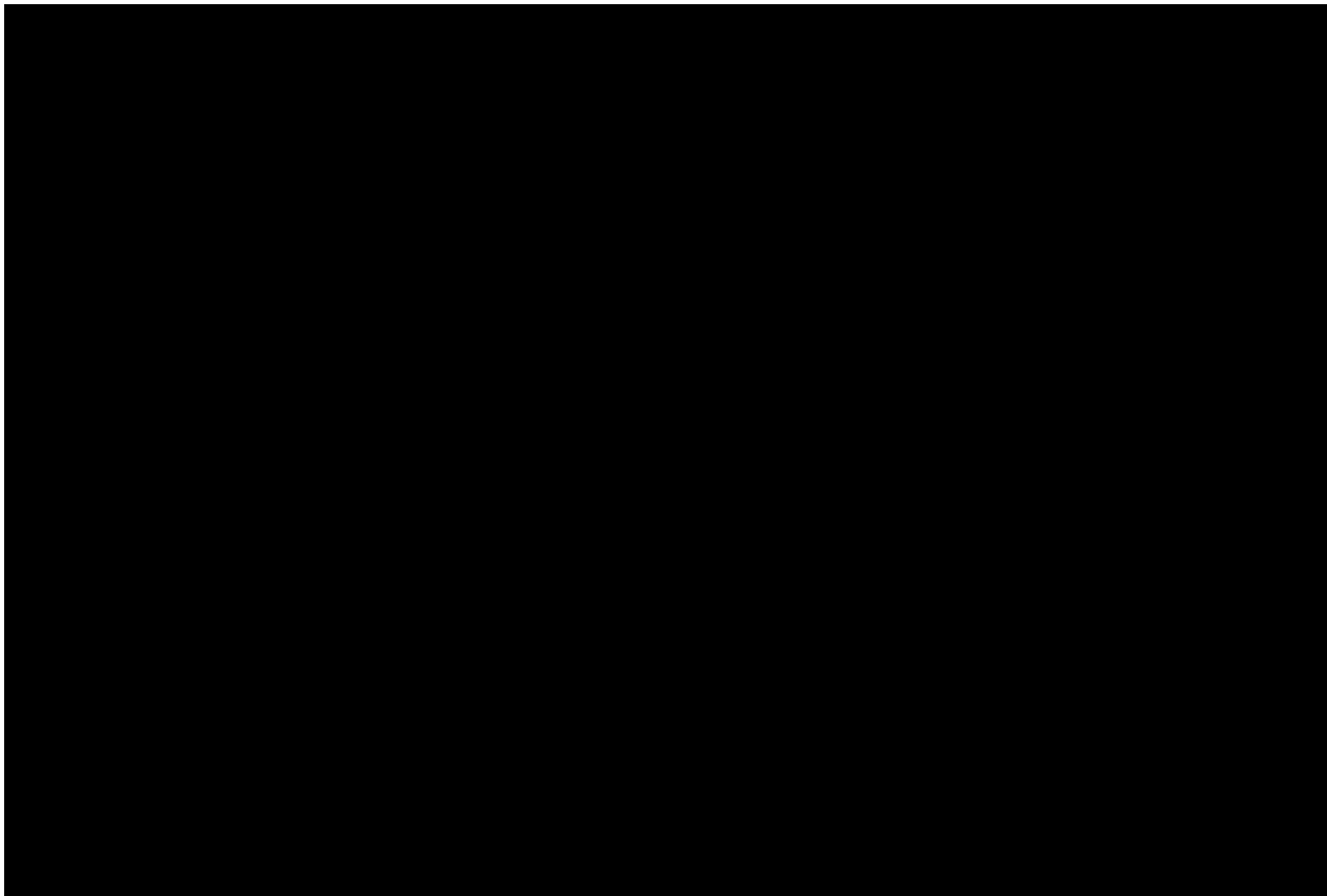
Ken Cornew

EVP and Chief Commercial Officer, Exelon and
President and CEO, Constellation









Portfolio Management Strategy

Strategic Policy Alignment

- Aligns hedging program with financial policies and financial outlook
 - Establish minimum hedge targets to meet financial objectives of the company (dividend, credit rating)
 - Hedge enough commodity risk to meet future cash requirements and maintain investment grade ratings under a stress scenario

Three-Year Ratable Hedging

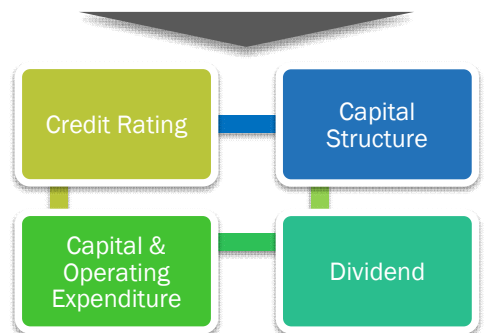
- Ensure stability in near-term cash flows and earnings
 - Disciplined approach to hedging
 - Tenor aligns with customer preferences and market liquidity
 - Multiple channels to market that allow to maximize margins
 - Large open position in outer years to benefit from price upside

Bull / Bear Program

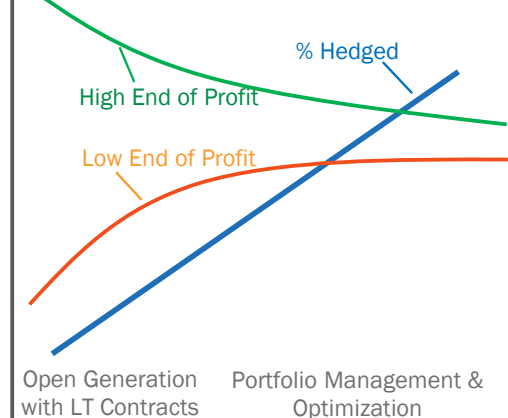
- Ability to exercise fundamental market views to create value within the ratable framework
 - Modified timing of hedges versus purely ratable
 - Cross commodity hedging (heat rate positions, options, etc.)
 - Delivery locations, regional and zonal spread relationships

Align Hedging & Financials

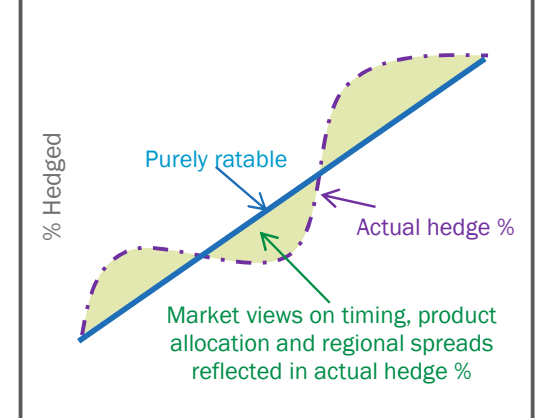
Establishing Minimum Hedge Targets



Portfolio Management Over Time



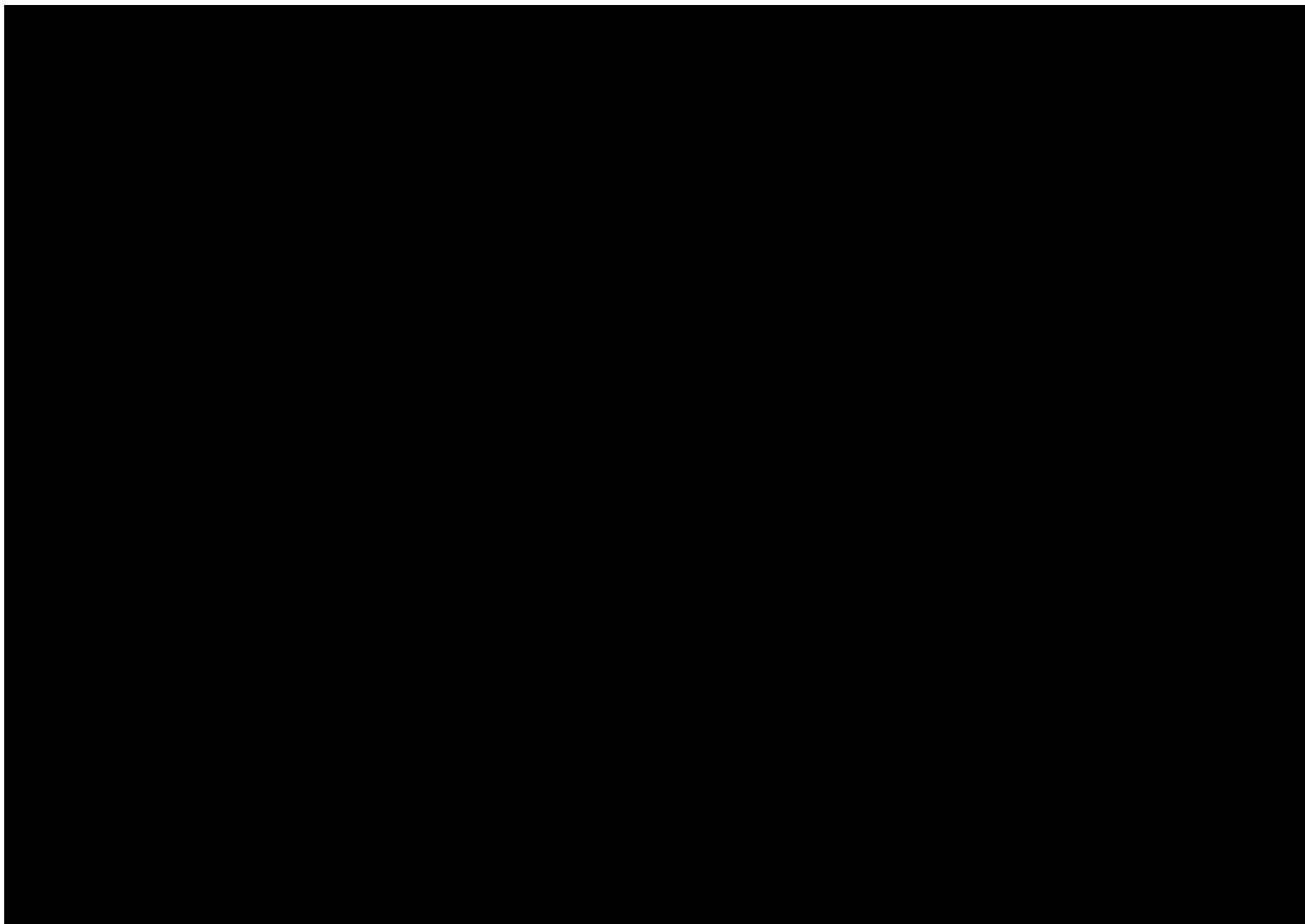
Exercising Market Views

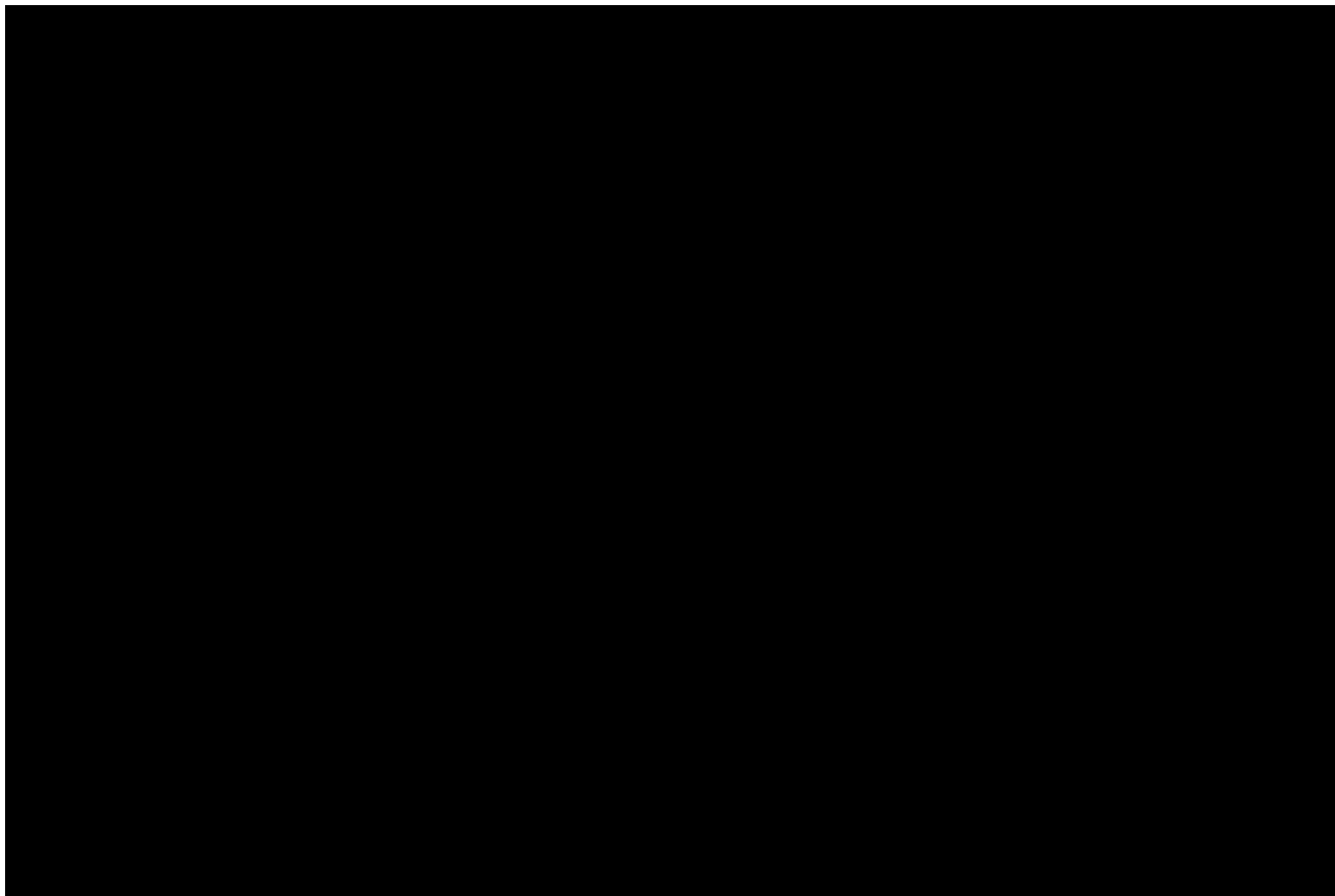


Protect Balance Sheet

Ensure Earnings Stability

Create Value





Creating Value in a Low Commodity Price Environment

- The competitive advantage of our platform is the scale and scope of the business across the energy value chain
- Exelon is well positioned for any power market recovery

| | Market Forces | | Constellation Actions |
|--------------------|---|---|--|
| Generation Focused | <ul style="list-style-type: none"> ▪ EPA Regulation ▪ Natural gas price ▪ Power demand ▪ Power market design (ERCOT and PJM) ▪ PTC (Production Tax Credit) ▪ Subsidized generation ▪ RGGI Proposed Changes ▪ Technological Innovation | ➔ | <ul style="list-style-type: none"> ▪ Flexible hedging strategy ▪ Selection of products (i.e. sell gas instead of power) ▪ Regulatory advocacy ▪ Portfolio optimization (short, medium and long-term) – physical presence provides increased optimization opportunities ▪ Effective channel management |
| Customer Focused | <ul style="list-style-type: none"> ▪ Deregulation of non-competitive states ▪ Hyper competitive retail market | ➔ | <ul style="list-style-type: none"> ▪ New product and service bundles ▪ Cross-selling products ▪ Disciplined pricing ▪ Regulatory advocacy |

Constellation's platform provides opportunities to create value in this low commodity price environment

RGGI = Regional Greenhouse Gas Initiative

Nuclear / Power Overview and ExGen Financial Update

Jorge Acevedo

VP, Finance, Exelon Generation

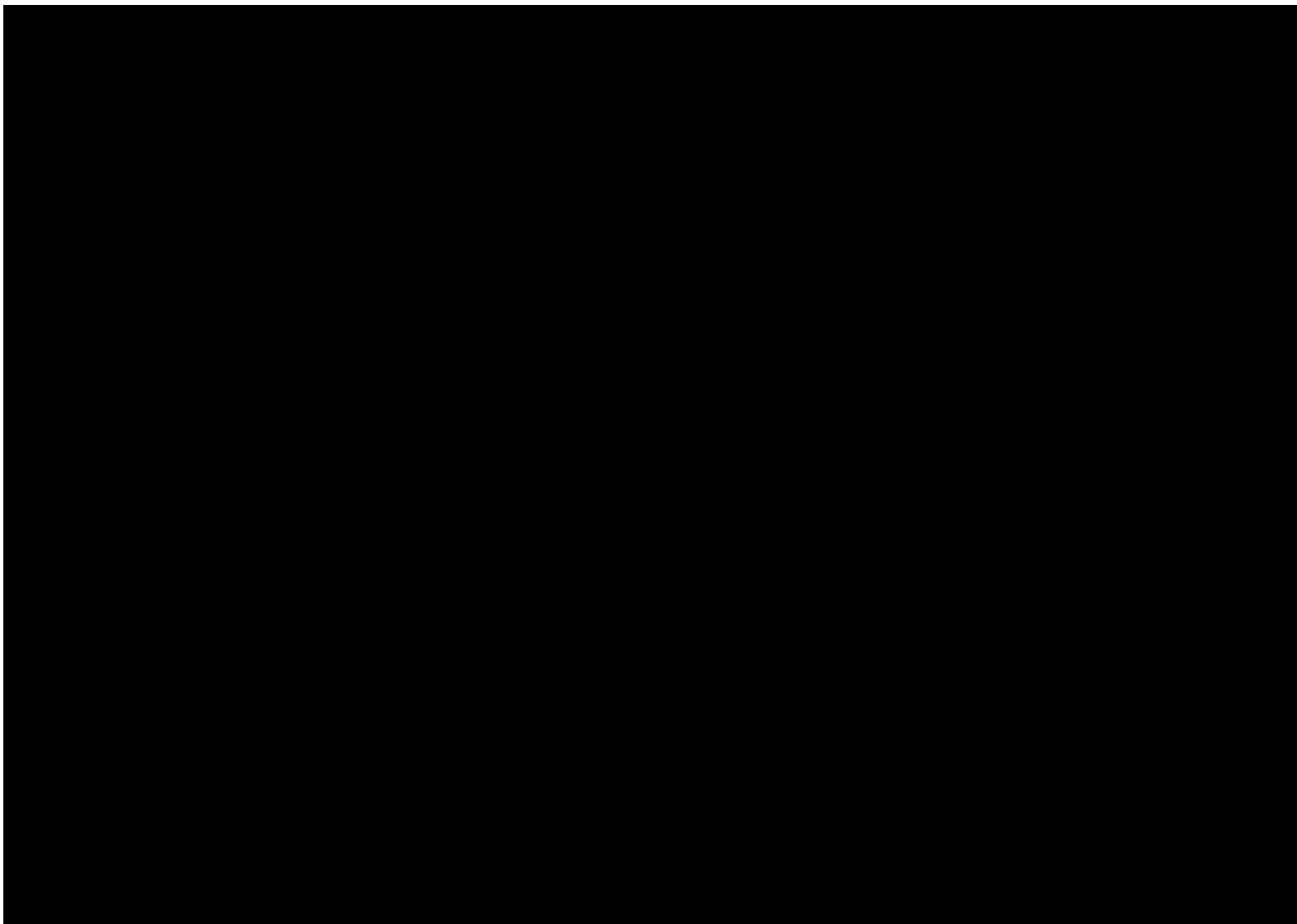


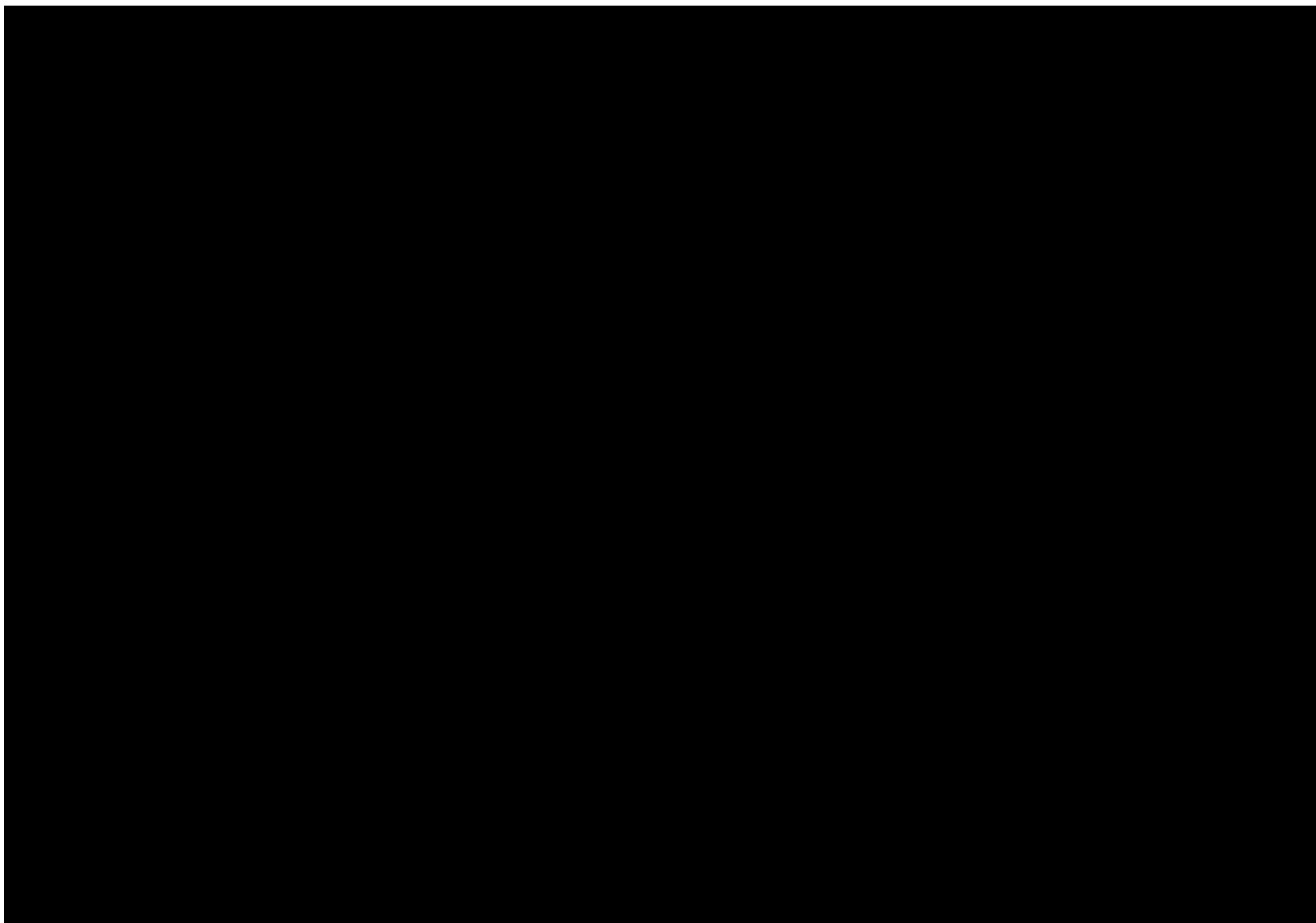
Non-public information

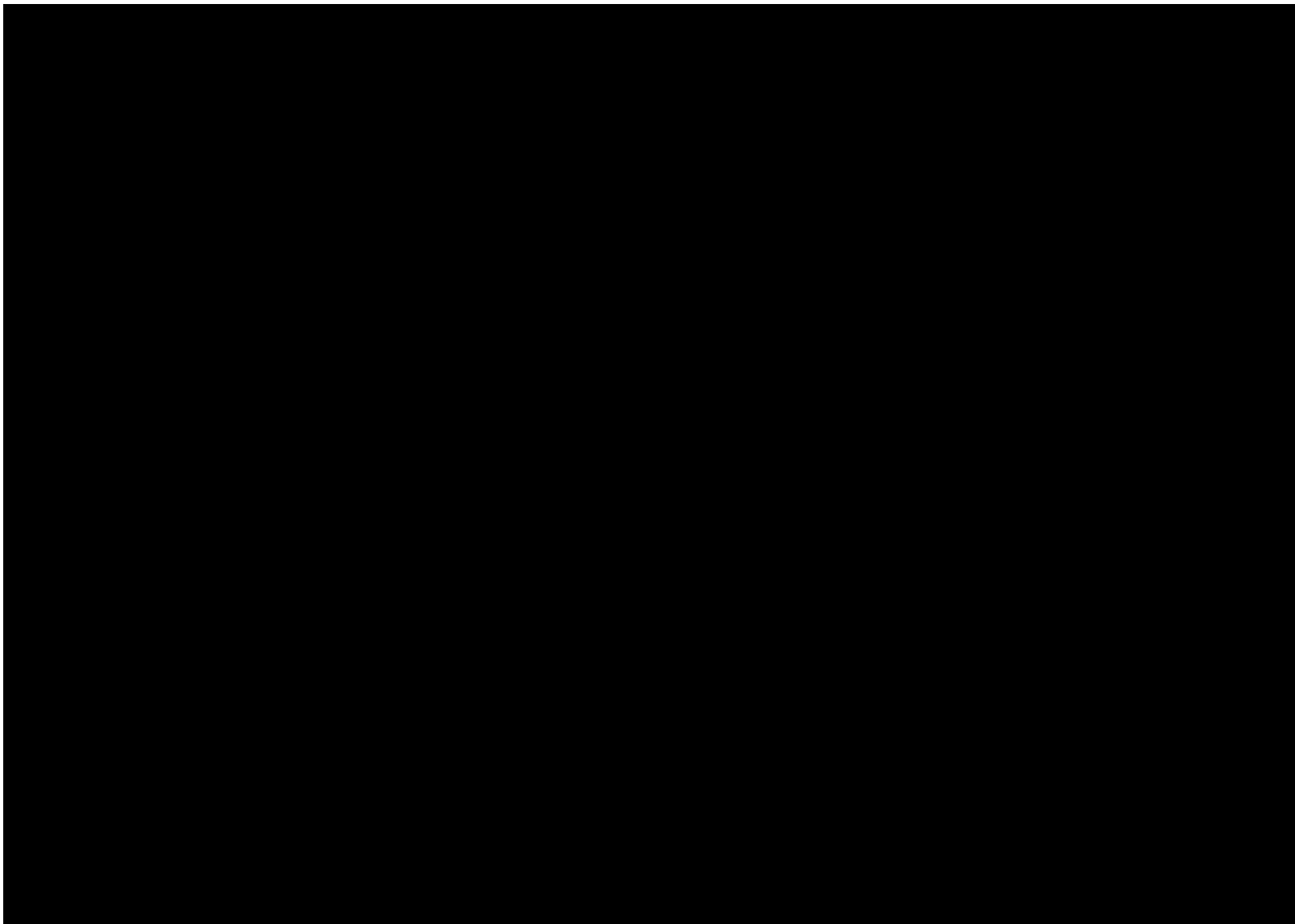
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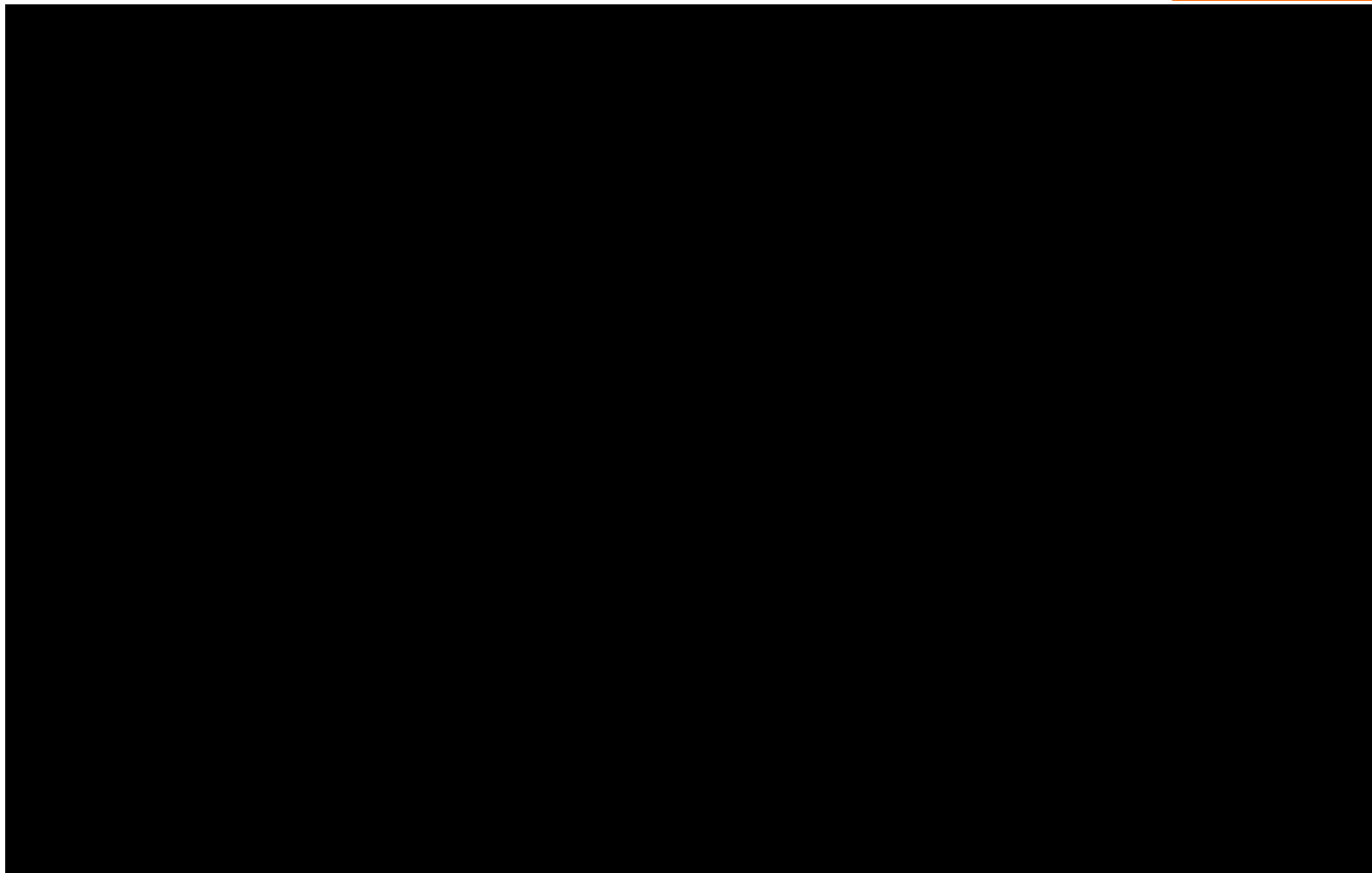




Conclusion / Q&A

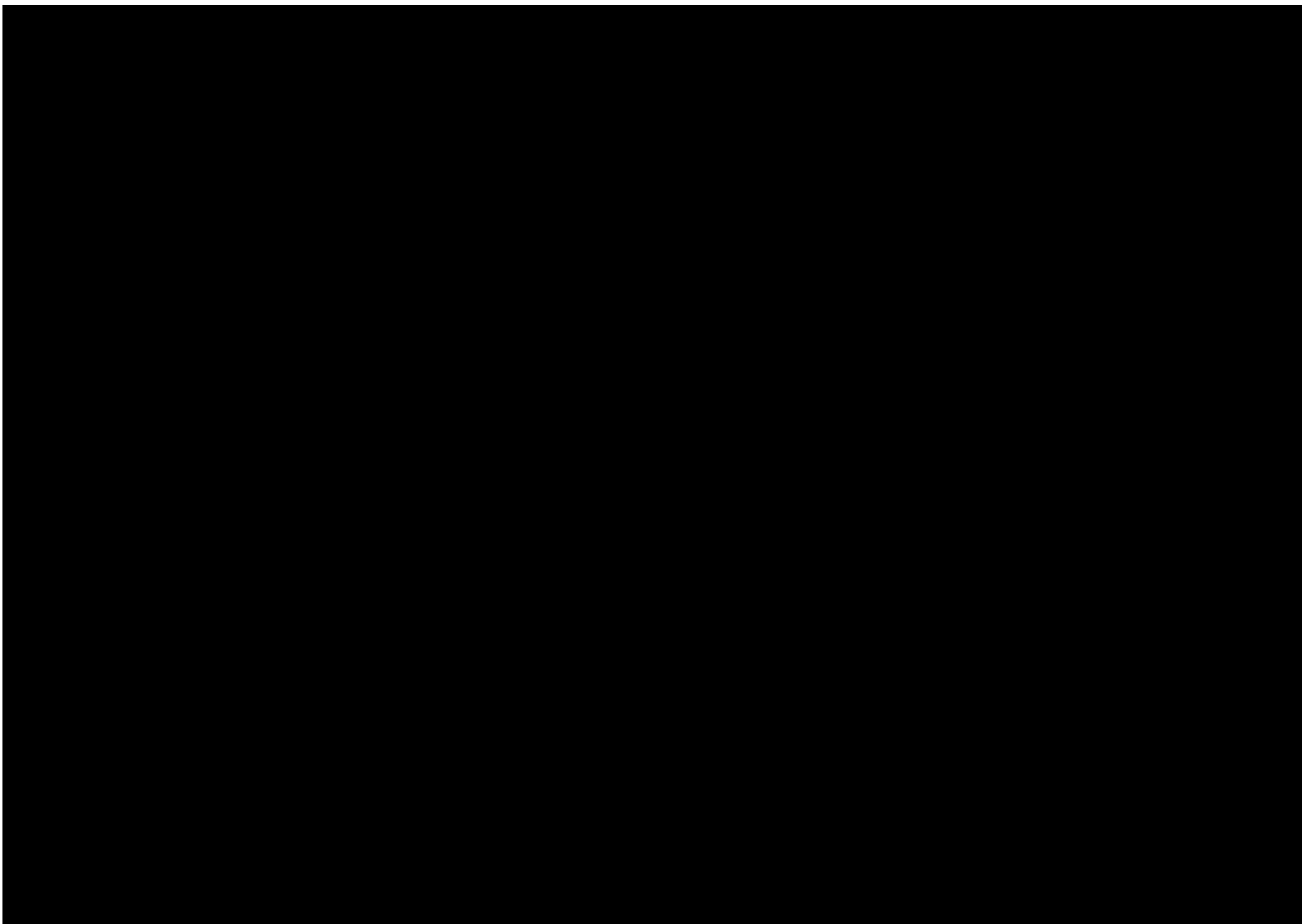
Jack Thayer – EVP and CFO, Exelon





Appendix

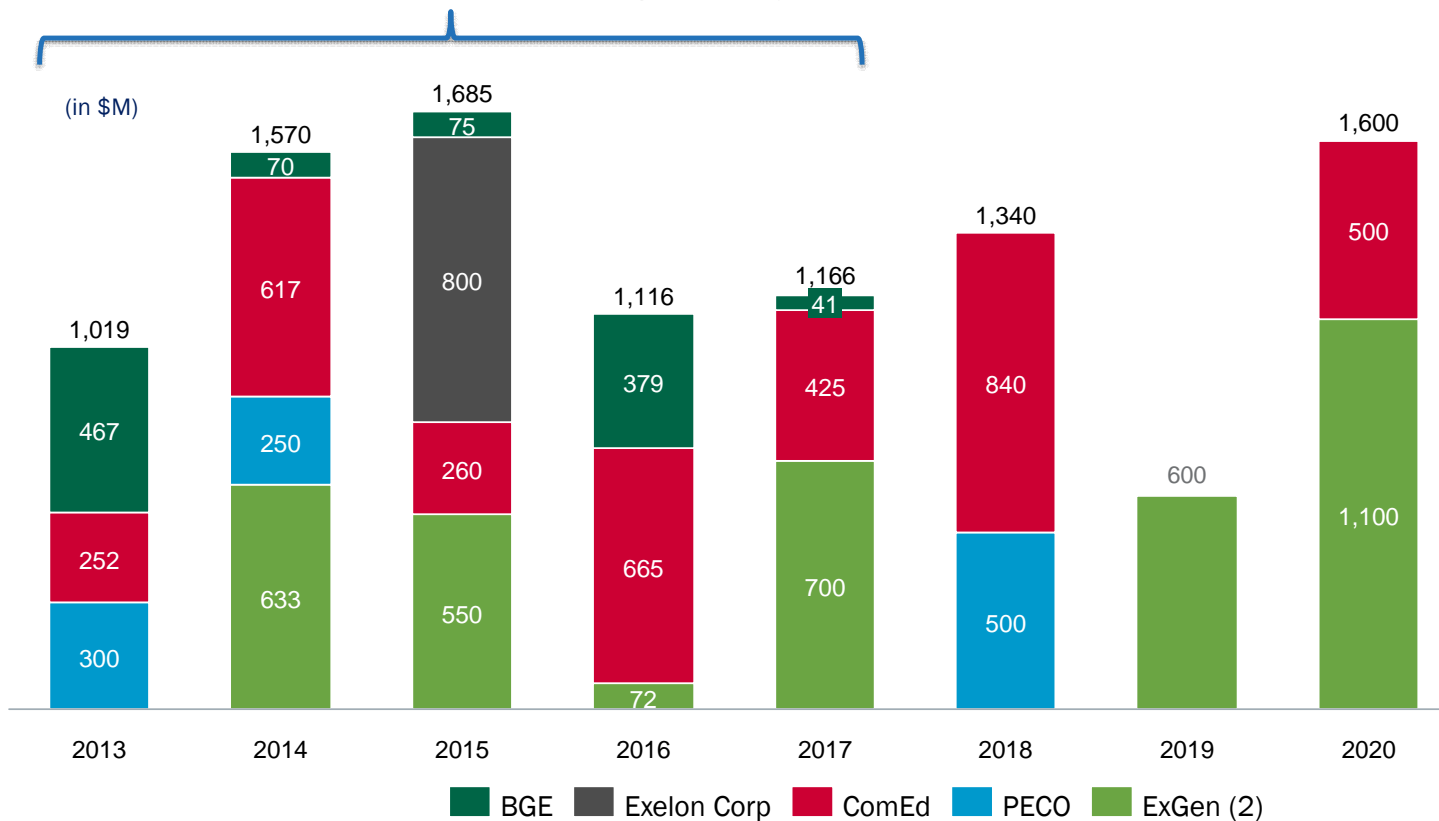




Debt Maturity Schedule

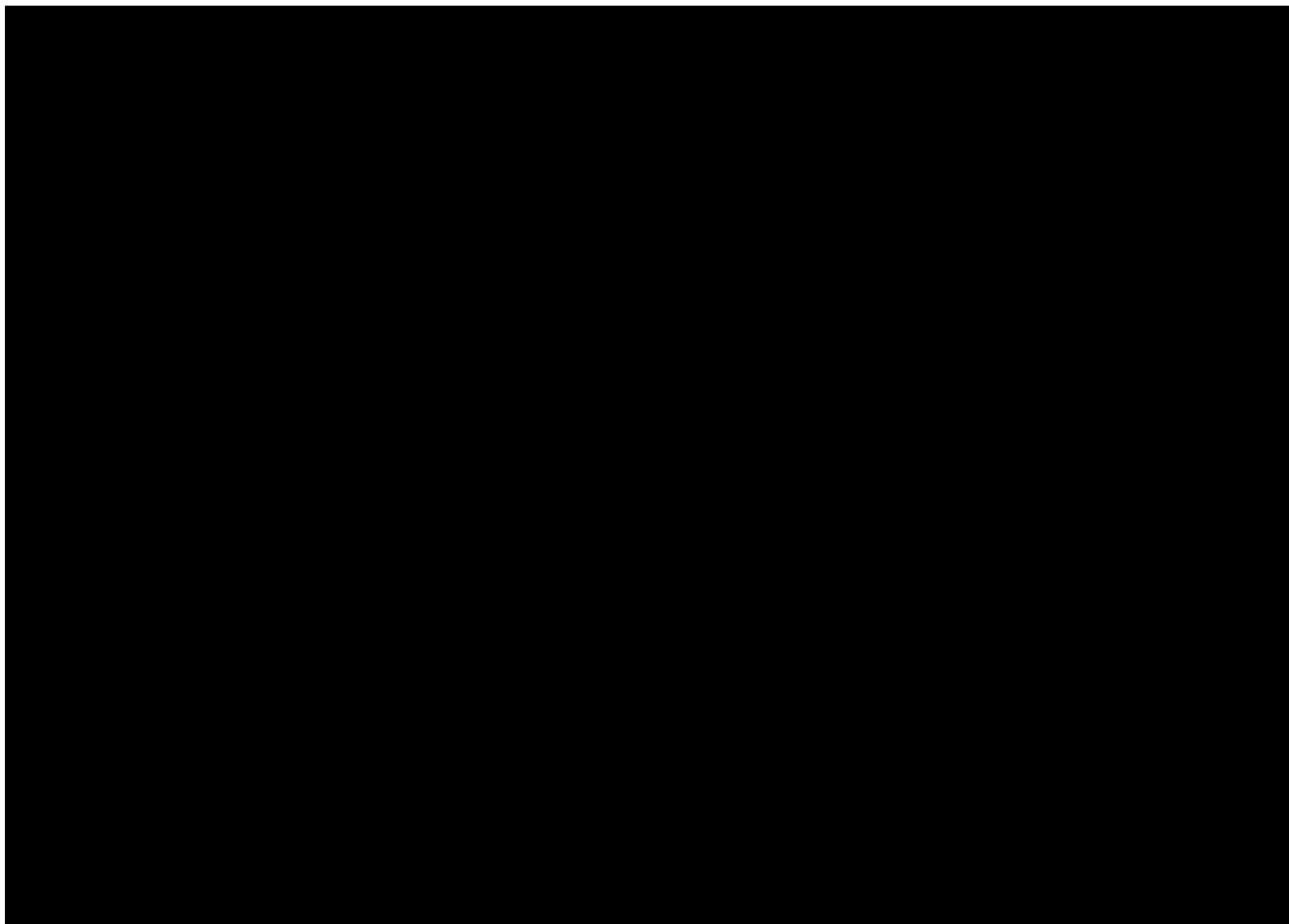
Debt Maturity Profile⁽¹⁾ (2013-2020)

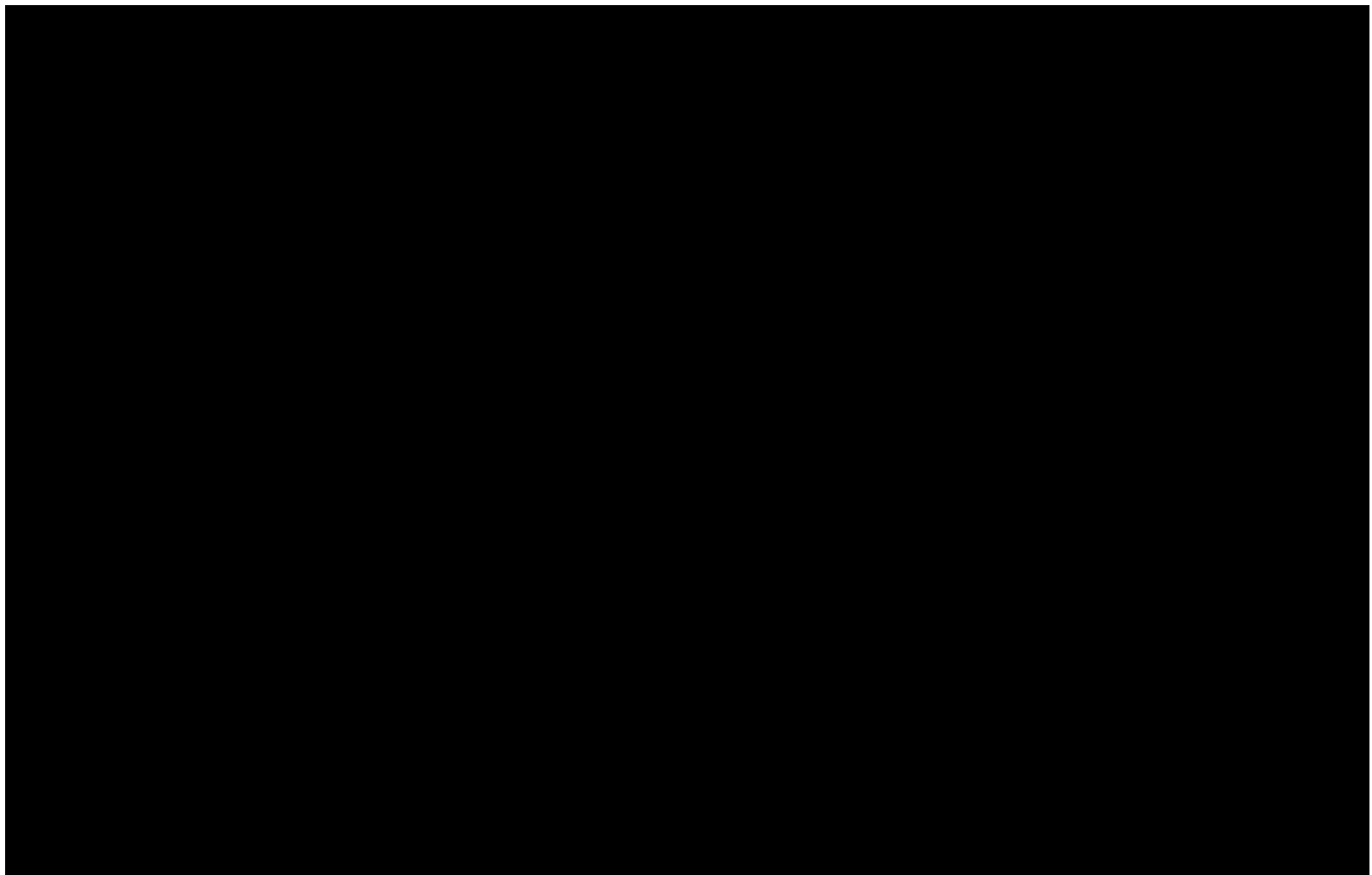
~58% of 2013 – 2017 debt maturities consist of regulated utility debt



(1) As of 12/31/12

(2) Includes \$550M in 2015 and 2020 of inter-company loan agreements between Exelon and Exelon Generation that mirror the terms and amounts of the third party obligations of Exelon





Exelon Generation Disclosures

March 31, 2013

Components of Gross Margin Categories

| Gross margin linked to power production and sales | | | Gross margin from other business activities | |
|---|---|---|---|--|
| Open Gross Margin | MtM of Hedges ⁽²⁾ | "Power" New Business | "Non Power" Executed | "Non Power" New Business |
| <ul style="list-style-type: none"> • Generation Gross Margin at current market prices, including capacity and ancillary revenues, nuclear fuel amortization and fossils fuels expense • Exploration and Production • Power Purchase Agreement (PPA) Costs and Revenues • Provided at a consolidated level for all regions (includes hedged gross margin for South, West and Canada⁽¹⁾) | <ul style="list-style-type: none"> • Mark to Market (MtM) of power, capacity and ancillary hedges, including cross commodity, retail and wholesale load transactions • Provided directly at a consolidated level for five major regions. Provided indirectly for each of the five major regions via Effective Realized Energy Price (EREP), reference price, hedge %, expected generation | <ul style="list-style-type: none"> • Retail, Wholesale planned electric sales • Portfolio Management new business • Mid marketing new business | <ul style="list-style-type: none"> • Retail, Wholesale executed gas sales • Load Response • Energy Efficiency • BGE Home • Distributed Solar | <ul style="list-style-type: none"> • Retail, Wholesale planned gas sales • Load Response • Energy Efficiency • BGE Home • Distributed Solar • Portfolio Management / origination fuels new business • Proprietary trading⁽³⁾ |

Margins move from new business to MtM of hedges over the course of the year as sales are executed

Margins move from "Non power new business" to "Non power executed" over the course of the year

(1) Hedged gross margins for South, West and Canada region will be included with Open Gross Margin, and no expected generation, hedge %, EREP or reference prices provided for this region.

(2) MtM of hedges provided directly for the five larger regions. MtM of hedges is not provided directly at the regional level but can be easily estimated using EREP, reference price and hedged MWh.

(3) Proprietary trading gross margins will remain within "Non Power" New Business category and not move to "Non Power" Executed category.

ExGen Disclosures

| Gross Margin Category (\$M) ^(1,2) | 2013 | 2014 | 2015 |
|---|----------------|----------------|----------------|
| Open Gross Margin (including South, West & Canada hedged GM) ⁽³⁾ | \$6,000 | \$6,350 | \$6,400 |
| Mark to Market of Hedges ^(3,4) | \$1,200 | \$400 | \$250 |
| Power New Business / To Go | \$350 | \$600 | \$800 |
| Non-Power Margins Executed ⁽⁵⁾ | \$300 | \$100 | \$50 |
| Non-Power New Business / To Go ⁽⁵⁾ | \$300 | \$500 | \$550 |
| Total Gross Margin | \$8,150 | \$7,950 | \$8,050 |

| Reference Prices ⁽⁶⁾ | 2013 | 2014 | 2015 |
|--|---------|---------|---------|
| Henry Hub Natural Gas (\$/MMbtu) | \$3.92 | \$4.23 | \$4.30 |
| Midwest: NiHub ATC prices (\$/MWh) | \$32.49 | \$32.99 | \$33.72 |
| Mid-Atlantic: PJM-W ATC prices (\$/MWh) | \$39.74 | \$40.54 | \$41.43 |
| ERCOT-N ATC Spark Spread (\$/MWh) <i>HSC Gas, 7.2HR, \$2.50 VOM</i> | \$7.12 | \$8.53 | \$8.48 |
| New York: NY Zone A (\$/MWh) | \$38.16 | \$37.55 | \$38.02 |
| New England: Mass Hub ATC Spark Spread(\$/MWh) <i>ALQN Gas, 7.5HR, \$0.50 VOM</i> | \$2.66 | \$4.51 | \$3.73 |

(1) Gross margin does not include revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners and entities consolidated solely as a result of the application of FIN 46R.

(2) Gross margin rounded to nearest \$50M.

(3) Includes CENG Joint Venture.

(4) Mark to Market of Hedges assumes mid-point of hedge percentages.

(5) Any changes to new business estimates for our non-power business is presented as revenue less costs of sales.

(6) Based on March 31, 2013 market conditions.

ExGen Disclosures

| Generation and Hedges | 2013 | 2014 | 2015 |
|--|----------------|----------------|----------------|
| <u>Exp. Gen (GWh) ⁽¹⁾</u> | 216,900 | 213,800 | 208,000 |
| Midwest | 97,600 | 97,100 | 96,500 |
| Mid-Atlantic ⁽²⁾ | 74,700 | 72,400 | 70,200 |
| ERCOT | 15,600 | 17,800 | 18,100 |
| New York ⁽²⁾ | 14,100 | 11,800 | 9,300 |
| New England | 14,900 | 14,700 | 13,900 |
| <u>% of Expected Generation Hedged ⁽³⁾</u> | 98-101% | 70-73% | 33-36% |
| Midwest | 98-101% | 69-72% | 32-35% |
| Mid-Atlantic ⁽²⁾ | 99-102% | 73-76% | 41-44% |
| ERCOT | 93-96% | 66-69% | 24-27% |
| New York ⁽²⁾ | 101-104% | 74-77% | 36-39% |
| New England | 98-101% | 61-64% | 14-17% |
| <u>Effective Realized Energy Price (\$/MWh) ⁽⁴⁾</u> | | | |
| Midwest | \$37.50 | \$35.00 | \$35.00 |
| Mid-Atlantic ⁽²⁾ | \$49.00 | \$46.00 | \$48.00 |
| ERCOT ⁽⁵⁾ | \$9.00 | \$7.00 | \$6.00 |
| New York ⁽²⁾ | \$34.00 | \$36.00 | \$45.00 |
| New England ⁽⁵⁾ | \$4.50 | \$4.00 | \$3.00 |

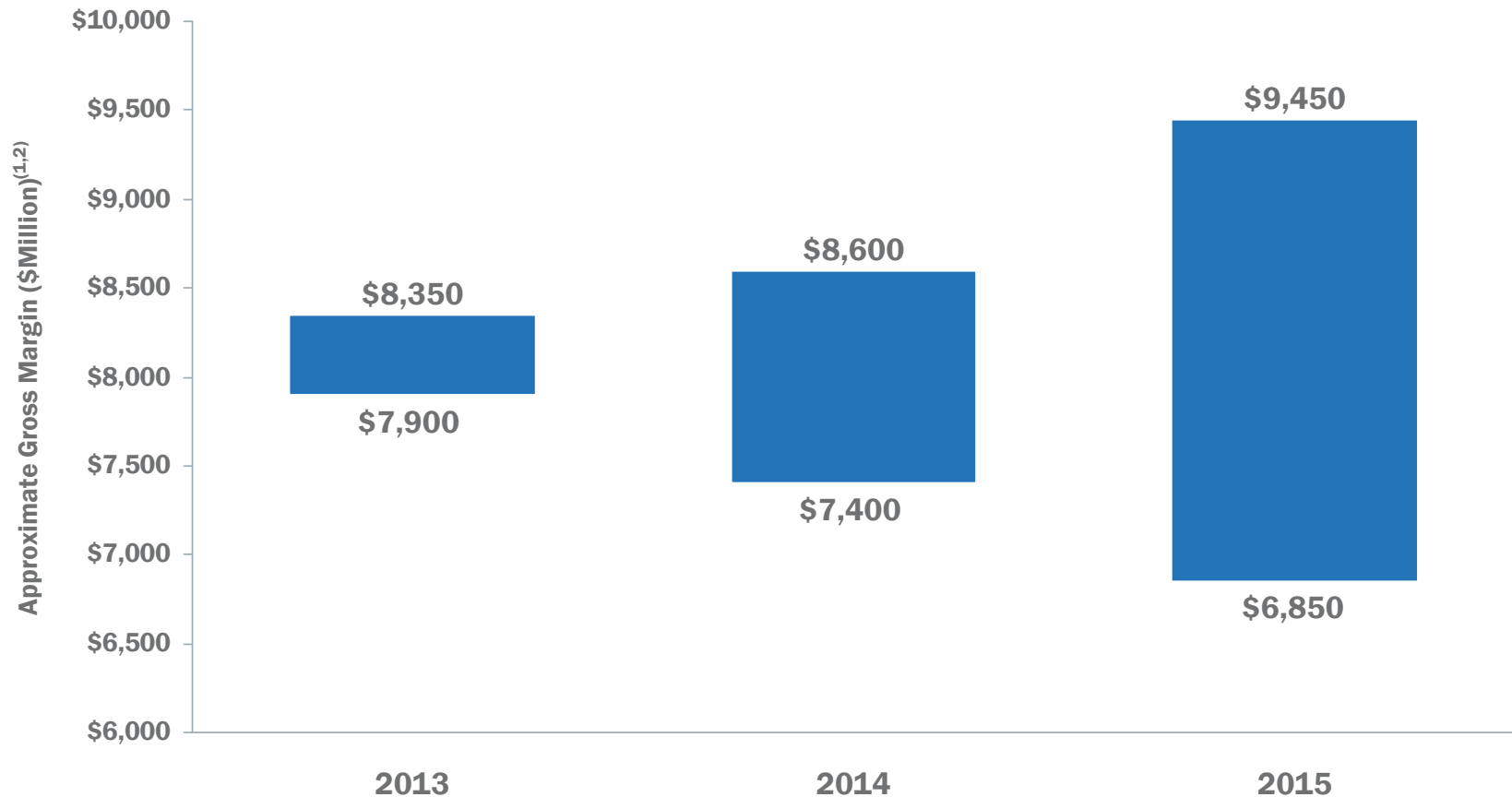
(1) Expected generation represents the amount of energy estimated to be generated or purchased through owned or contracted for capacity. Expected generation is based upon a simulated dispatch model that makes assumptions regarding future market conditions, which are calibrated to market quotes for power, fuel, load following products, and options. Expected generation assumes 12 refueling outages in 2013 and 14 refueling outages in 2014 and 2015 at Exelon-operated nuclear plants, Salem and CENG. Expected generation assumes capacity factors of 93.9%, 93.8%, and 93.3% in 2013, 2014 and 2015 at Exelon-operated nuclear plants excluding Salem and CENG. These estimates of expected generation in 2013, 2014 and 2015 do not represent guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years. (2) Includes CENG Joint Venture. (3) Percent of expected generation hedged is the amount of equivalent sales divided by expected generation. Includes all hedging products, such as wholesale and retail sales of power, options and swaps. Uses expected value on options. (4) Effective realized energy price is representative of an all-in hedged price, on a per MWh basis, at which expected generation has been hedged. It is developed by considering the energy revenues and costs associated with our hedges and by considering the fossil fuel that has been purchased to lock in margin. It excludes uranium costs and RPM capacity revenue, but includes the mark-to-market value of capacity contracted at prices other than RPM clearing prices including our load obligations. It can be compared with the reference prices used to calculate open gross margin in order to determine the mark-to-market value of Exelon Generation's energy hedges. (5) Spark spreads shown for ERCOT and New England.

ExGen Hedged Gross Margin Sensitivities

| Gross Margin Sensitivities (With Existing Hedges) ^(1, 2) | 2013 | 2014 | 2015 |
|---|----------|----------|----------|
| Henry Hub Natural Gas (\$/Mmbtu) | | | |
| + \$1/Mmbtu | \$15 | \$285 | \$425 |
| - \$1/Mmbtu | \$(5) | \$(225) | \$(370) |
| NiHub ATC Energy Price | | | |
| + \$5/MWh | \$5 | \$180 | \$375 |
| - \$5/MWh | \$(5) | \$(170) | \$(375) |
| PJM-W ATC Energy Price | | | |
| + \$5/MWh | \$5 | \$115 | \$220 |
| - \$5/MWh | \$0 | \$(115) | \$(215) |
| NYPP Zone A ATC Energy Price | | | |
| + \$5/MWh | \$0 | \$20 | \$30 |
| - \$5/MWh | \$0 | \$(20) | \$(30) |
| Nuclear Capacity Factor ⁽³⁾ | | | |
| +/- 1% | +/- \$35 | +/- \$45 | +/- \$50 |

(1) Based on March 31, 2012 market conditions and hedged position. Gas price sensitivities are based on an assumed gas-power relationship derived from an internal model that is updated periodically. Power prices sensitivities are derived by adjusting the power price assumption while keeping all other prices inputs constant. Due to correlation of the various assumptions, the hedged gross margin impact calculated by aggregating individual sensitivities may not be equal to the hedged gross margin impact calculated when correlations between the various assumptions are also considered. (2) Sensitivities based on commodity exposure which includes open generation and all committed transactions. (3) Includes CENG Joint Venture.

Exelon Generation Hedged Gross Margin Upside/Risk



(1) Represents an approximate range of expected gross margin, taking into account hedges in place, between the 5th and 95th percent confidence levels assuming all unhedged supply is sold into the spot market. Approximate gross margin ranges are based upon an internal simulation model and are subject to change based upon market inputs, future transactions and potential modeling changes. These ranges of approximate gross margin in 2014 and 2015 do not represent earnings guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years. The price distributions that generate this range are calibrated to market quotes for power, fuel, load following products, and options as of December 31, 2012 (2) Gross Margin Upside/Risk based on commodity exposure which includes open generation and all committed transactions.

Illustrative Example of Modeling Exelon Generation 2014 Gross Margin

| Row | Item | Midwest | Mid-Atlantic | ERCOT | New York | New England | South, West & Canada |
|-------------|--|--|---------------|----------------|----------------|-------------|----------------------|
| (A) | Start with fleet-wide open gross margin | <div> <div></div> <div>\$6.35 billion</div> <div></div> </div> | | | | | |
| (B) | Expected Generation (TWh) | 97.1 | 72.4 | 17.8 | 11.8 | 14.7 | |
| (C) | Hedge % (assuming mid-point of range) | 70.5% | 74.5% | 67.5% | 75.5% | 62.5% | |
| (D=B*C) | Hedged Volume (TWh) | 68.5 | 53.9 | 12.0 | 8.9 | 9.2 | |
| (E) | Effective Realized Energy Price (\$/MWh) | \$35.00 | \$46.00 | \$7.00 | \$36.00 | \$4.00 | |
| (F) | Reference Price (\$/MWh) | \$32.99 | \$40.54 | \$8.53 | \$37.55 | \$4.51 | |
| (G=E-F) | Difference (\$/MWh) | \$2.01 | \$5.46 | (\$1.53) | \$(1.55) | \$0.51 | |
| (H=D*G) | Mark-to-market value of hedges (\$ million) ⁽¹⁾ | \$140 million | \$300 million | (\$20) million | \$(15) million | \$0 million | |
| (I=A+H) | Hedged Gross Margin (\$ million) | \$6,750 million | | | | | |
| (J) | Power New Business / To Go (\$ million) | \$600 million | | | | | |
| (K) | Non-Power Margins Executed (\$ million) | \$100 million | | | | | |
| (L) | Non- Power New Business / To Go (\$ million) | \$500 million | | | | | |
| (N=I+J+K+L) | Total Gross Margin | \$7,950 million | | | | | |

(1) Mark-to-market rounded to the nearest \$5 million.