

# Earnings Conference Call 2<sup>nd</sup> Quarter 2011

July 27, 2011



# Cautionary Statements Regarding Forward-Looking Information

ZEON-FIN-21

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Except for the historical information contained herein, certain of the matters discussed in this communication constitute “forward-looking statements” within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, both as amended by the Private Securities Litigation Reform Act of 1995. Words such as “may,” “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “forecast,” and words and terms of similar substance used in connection with any discussion of future plans, actions, or events identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding benefits of the proposed merger of Exelon Corporation (Exelon) and Constellation Energy Group, Inc. (Constellation), integration plans and expected synergies, the expected timing of completion of the transaction, anticipated future financial and operating performance and results, including estimates for growth. These statements are based on the current expectations of management of Exelon and Constellation, as applicable. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this communication regarding the proposed merger. For example, (1) the companies may be unable to obtain shareholder approvals required for the merger; (2) the companies may be unable to obtain regulatory approvals required for the merger, or required regulatory approvals may delay the merger or result in the imposition of conditions that could have a material adverse effect on the combined company or cause the companies to abandon the merger; (3) conditions to the closing of the merger may not be satisfied; (4) an unsolicited offer of another company to acquire assets or capital stock of Exelon or Constellation could interfere with the merger; (5) problems may arise in successfully integrating the businesses of the companies, which may result in the combined company not operating as effectively and efficiently as expected; (6) the combined company may be unable to achieve cost-cutting synergies or it may take longer than expected to achieve those synergies; (7) the merger may involve unexpected costs, unexpected liabilities or unexpected delays, or the effects of purchase accounting may be different from the companies’ expectations; (8) the credit ratings of the combined company or its subsidiaries may be different from what the companies expect; (9) the businesses of the companies may suffer as a result of uncertainty surrounding the merger; (10) the companies may not realize the values expected to be obtained for properties expected or required to be divested; (11) the industry may be subject to future regulatory or legislative actions that could adversely affect the companies; and (12) the companies may be adversely affected by other economic, business, and/or competitive factors. Other unknown or unpredictable factors could also have material adverse effects on future results, performance or achievements of Exelon or the combined company.

# Cautionary Statements Regarding Forward-Looking Information (Continued)

Discussions of some of these other important factors and assumptions are contained in Exelon's and Constellation's respective filings with the Securities and Exchange Commission (SEC), and available at the SEC's website at [www.sec.gov](http://www.sec.gov), including: (1) Exelon's 2010 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; (2) Exelon's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011 (to be filed on July 27, 2011) in (a) Part II, Other Information, ITEM 1A. Risk Factors, (b) Part I, Financial Information, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, Financial Information, ITEM 1. Financial Statements: Note 13; (3) Constellation's 2010 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 12; and (4) Constellation's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011 in (a) Part II, Other Information, ITEM 5. Other Information, (b) Part I, Financial Information, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, Financial Information, ITEM 1. Financial Statements: Notes to Consolidated Financial Statements, *Commitments and Contingencies*. These risks, as well as other risks associated with the proposed merger, are more fully discussed in the preliminary joint proxy statement/prospectus included in the Registration Statement on Form S-4 that Exelon filed with the SEC on June 27, 2011 in connection with the proposed merger. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this communication may not occur. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this communication. Neither Exelon nor Constellation undertake any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this communication.

## Additional Information and Where to Find It

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. On June 27, 2011, Exelon filed with the SEC a Registration Statement on Form S-4 that included a preliminary joint proxy statement/prospectus and other relevant documents to be mailed by Exelon and Constellation to their respective security holders in connection with the proposed merger of Exelon and Constellation.

## Additional Information and Where to Find It

These materials are not yet final and may be amended. WE URGE INVESTORS AND SECURITY HOLDERS TO READ THE PRELIMINARY JOINT PROXY STATEMENT/PROSPECTUS AND THE DEFINITIVE JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS WHEN THEY BECOME AVAILABLE, BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION about Exelon, Constellation and the proposed merger. Investors and security holders will be able to obtain these materials (when they are available) and other documents filed with the SEC free of charge at the SEC's website, [www.sec.gov](http://www.sec.gov). In addition, a copy of the preliminary joint proxy statement/prospectus and definitive joint proxy statement/prospectus (when it becomes available) may be obtained free of charge from Exelon Corporation, Investor Relations, 10 South Dearborn Street, P.O. Box 805398, Chicago, Illinois 60680-5398, or from Constellation Energy Group, Inc., Investor Relations, 100 Constellation Way, Suite 600C, Baltimore, MD 21202. Investors and security holders may also read and copy any reports, statements and other information filed by Exelon, or Constellation, with the SEC, at the SEC public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 or visit the SEC's website for further information on its public reference room.

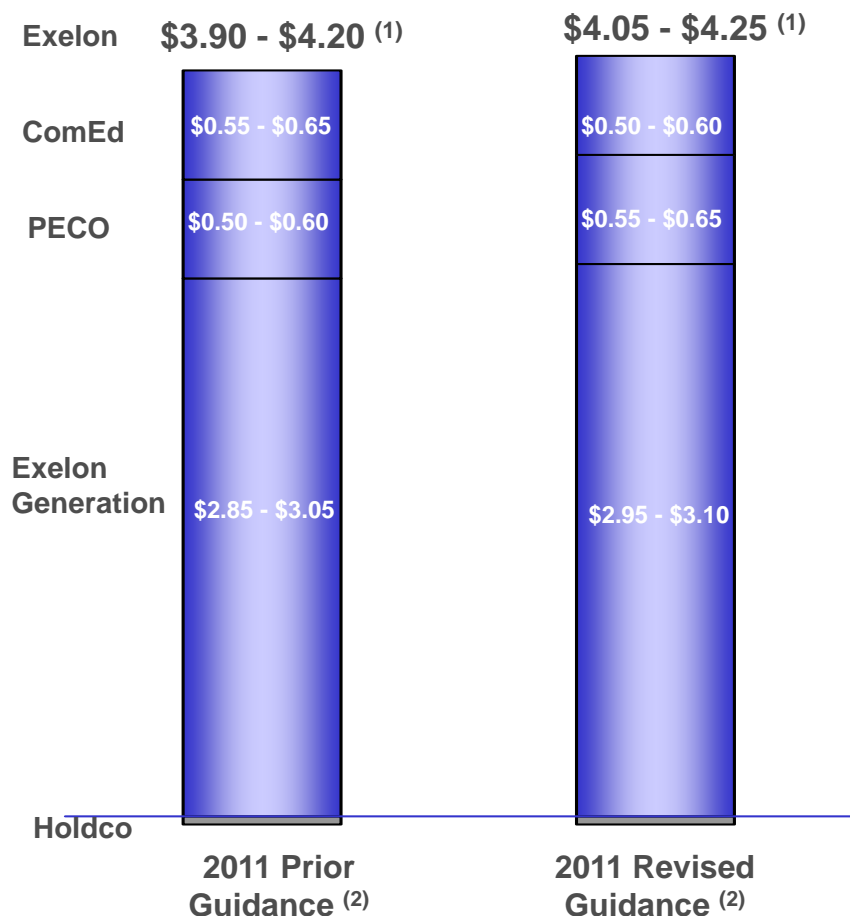
### Participants in the Merger Solicitation

Exelon, Constellation, and their respective directors, executive officers and certain other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Exelon's directors and executive officers is available in its proxy statement filed with the SEC by Exelon on March 24, 2011 in connection with its 2011 annual meeting of shareholders, and information regarding Constellation's directors and executive officers is available in its proxy statement filed with the SEC by Constellation on April 15, 2011 in connection with its 2011 annual meeting of shareholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, is contained in the preliminary joint proxy statement/prospectus and will be contained in the definitive joint proxy statement/prospectus.

### Use of Non-GAAP Financial Measures

This presentation includes references to adjusted (non-GAAP) operating earnings and non-GAAP cash flows that exclude the impact of certain factors. We believe that these adjusted operating earnings and cash flows are representative of the underlying operational results of the Companies. Please refer to the appendix to this presentation for a reconciliation of adjusted (non-GAAP) operating earnings to GAAP earnings. Please refer to the footnotes of the following slides for a reconciliation of non-GAAP cash flows to GAAP cash flows.

# 2011 Operating Earnings Guidance



- 2Q 2011 operating earnings of \$1.05/share
- Strong operating results in second quarter
  - Nuclear capacity factor of 89.6% largely due to a higher number of nuclear refueling outages
  - Strong operating results at utilities despite severe storms in ComEd service territory

**Updating 2011 operating earnings guidance to \$4.05 - \$4.25/share from \$3.90 - \$4.20/share <sup>(1)</sup>**

(1) Refer to Earnings Release Attachments for additional details and to the Appendix for a reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS.

(2) Earnings guidance for OpCos may not add up to consolidated EPS guidance.



# Status of Merger Approvals (as of 7/26/11)







Stakeholder	Status of Key Milestones	Filed	Approved
<b>Securities and Exchange Commission (SEC)</b> (File No. 333-175162)	<ul style="list-style-type: none"> <li>Filed S-4 Registration Statement June 27, 2011</li> <li>Shareholder approval anticipated in Q3 2011</li> </ul>	●	
<b>Department of Justice (DOJ)</b>	<ul style="list-style-type: none"> <li>Submitted Hart-Scott-Rodino filing on May 31, 2011 for review under U.S. antitrust laws</li> <li>Approval expected by January 2012</li> </ul>	●	
<b>Federal Energy Regulatory Commission (FERC)</b> (Docket No. EC 11-83)	<ul style="list-style-type: none"> <li>Filed merger approval application and related filings on May 20, 2011, which assesses market power-related issues</li> <li>Approval expected in Q4 2011</li> </ul>	●	
<b>Nuclear Regulatory Commission</b> (Docket Nos. 50-317, 50-318, 50-220, 50-410, 50-244, 72-8, 72-67)	<ul style="list-style-type: none"> <li>Filed for indirect transfer of Constellation Energy licenses on May 12, 2011</li> <li>Approval expected by January 2012</li> </ul>	●	
<b>Maryland PSC</b> (Case No. 9271)	<ul style="list-style-type: none"> <li>Filed for approval with the Maryland Public Service Commission on May 25, 2011</li> <li>Approval expected by January 2012</li> </ul>	●	
<b>New York PSC</b> (Case No. 11-E-0245)	<ul style="list-style-type: none"> <li>Filed for approval with the New York State Public Service Commission on May 17, 2011</li> <li>Approval expected in Q4 2011</li> </ul>	●	
<b>Texas PUC</b> (Case No. 39413)	<ul style="list-style-type: none"> <li>Filed for approval with the Public Utility Commission of Texas on May 17, 2011</li> <li>Approval expected in Q3 2011</li> </ul>	●	

# Maryland PSC Review Schedule

Significant Events	Date of Event
• Filing of Application	May 25, 2011
• Intervention Deadline	June 24, 2011
• Prehearing Conference	June 28, 2011
• Filing of Staff, Office of People Counsel and Intervenor Testimony	September 16, 2011
• Filing of Rebuttal Testimony	October 12, 2011
• Filing of Surrebuttal Testimony	October 26, 2011
• Status Conference	October 28, 2011
• Evidentiary Hearings	October 31, 2011 - November 10, 2011
• Public Comment Hearings	November 29, December 1 & December 5, 2011
• Filing of Initial Briefs	December 1, 2011
• Filing of Reply Briefs	December 15, 2011
• Decision Deadline	January 5, 2012

# RPM Results: Favorable and As Expected

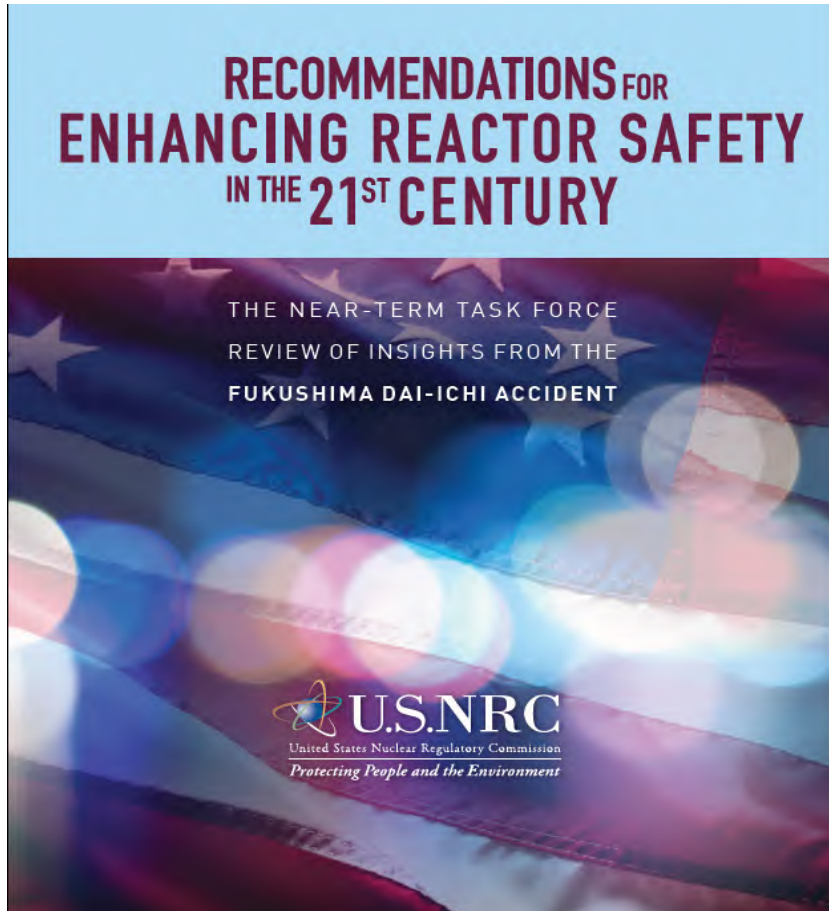


Factors Influencing RPM Auction (PY 14/15 vs. PY 13/14)	Expected Exelon Price Impact	Actual Price Impact	Actual Auction Results and Supplier Bidding Behavior
Cost of Environmental Upgrades and Higher Net ACRs for Coal Units			<ul style="list-style-type: none"> <li>3,237 MW reduction in offered capacity (coal/oil/gas)</li> <li>7,746 MW reduction in cleared capacity (coal/oil/gas)</li> </ul>
Import Transmission Limits and Objectives (muted impact on portfolio revenues due to regional diversification)			<ul style="list-style-type: none"> <li>Total revenue from PY 14/15 capacity auction close to PY 13/14 revenues for Exelon fleet</li> <li>Balanced portfolio, split evenly between east and west, reduces volatility in revenues due to transmission or demand changes.</li> </ul>
Demand Response Growth			<ul style="list-style-type: none"> <li>Increase in cleared DR (~4,836 MW) was close to internal estimates.</li> <li>Limited DR was capped, causing price separation for premium products</li> </ul>

**Auction results were in line with Exelon's expectations with EPA regulations being one of the primary drivers of bidding behavior**



# NRC Near-Term Task Force Recommendations



## Key Findings :

- U.S nuclear plants are safe
- No major changes to spent nuclear fuel storage and licensing

## Key Recommendations:

- Clarifying regulatory framework
- Ensuring protection and enhancing mitigation
- Strengthening emergency preparedness
- Improving efficiency of NRC programs

**Report is first step in systematic review that NRC will conduct; stakeholder input will be sought**

## Key Financial Messages



- **Higher than expected 2Q 2011 operating earnings of \$1.05/share <sup>(1)</sup>**
  - NDT funds special transfer tax deduction benefit of \$0.07 per share in 2Q; additional benefit of \$0.01 per share expected in second half of 2011
- **ICC approved revenue increase of \$143 million in ComEd's 2010 distribution rate case**
- **Expect to generate \$4.3 billion cash from operations in 2011**
- **Expect 3Q 2011 operating earnings of \$1.00 - \$1.10/share <sup>(1)</sup>**

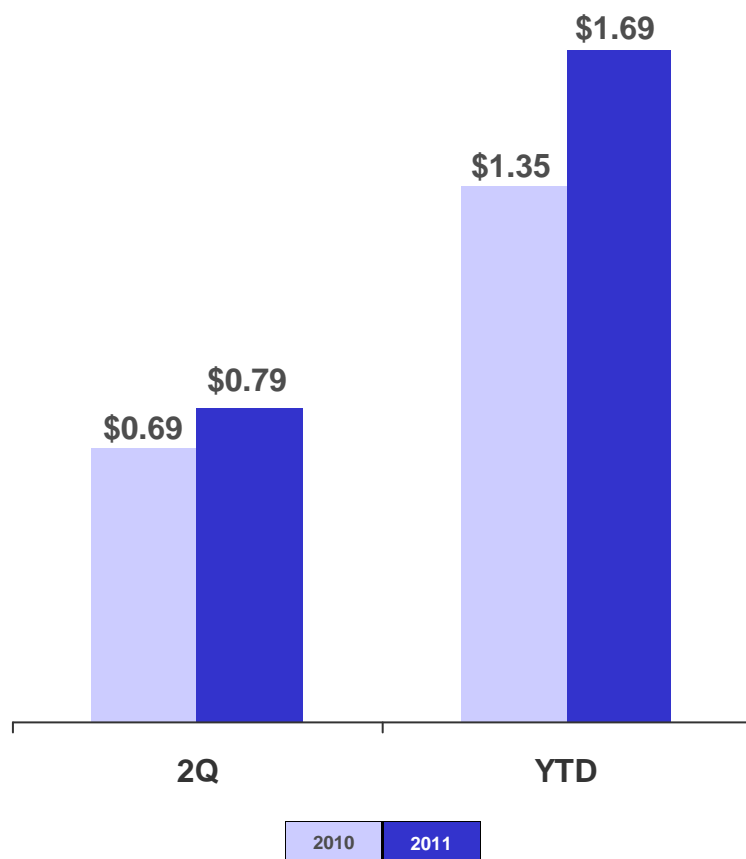
Note: NDT = Nuclear Decommissioning Trust

(1) Refer to Earnings Release Attachments for additional details and to the Appendix for a reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS.

# Exelon Generation Operating EPS Contribution

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## Key Drivers – 2Q11 vs. 2Q10 <sup>(1)</sup>

- Higher margins due to expiration of the PECO PPA: \$0.15
- Favorable market/portfolio conditions: \$0.07 <sup>(2)</sup>
- NDT funds special transfer tax deduction: \$0.07
- Higher O&M costs, including planned nuclear refueling outages: \$(0.07)
- Nuclear volume: \$(0.05)
- Higher nuclear fuel costs: \$(0.02)
- Higher depreciation and interest expense: \$(0.03)

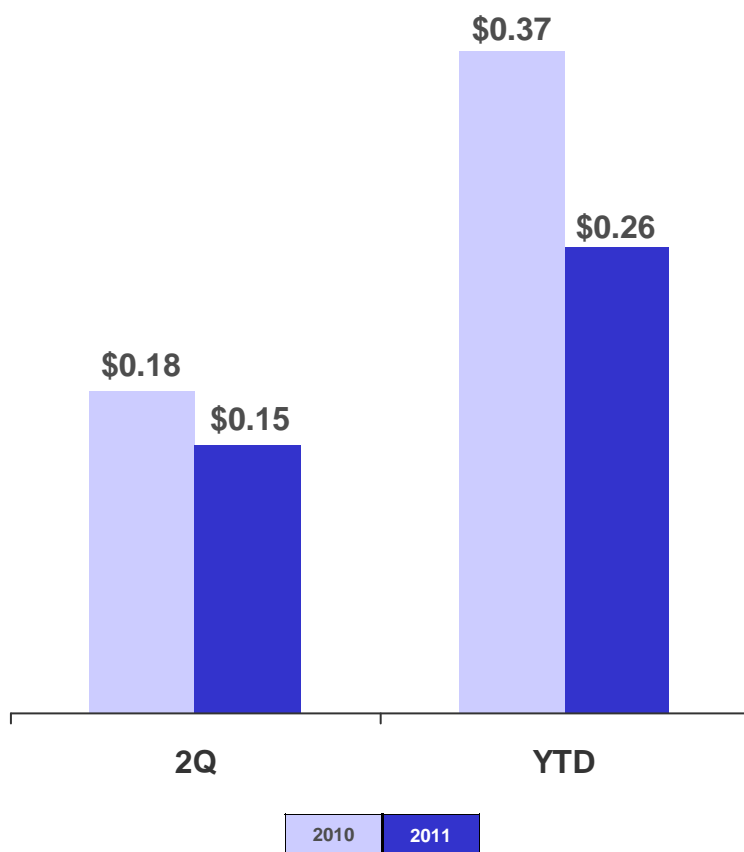
Outage Days <sup>(3)</sup>	2Q10	2Q11
Refueling	44	103
Non-refueling	15	24

(1) Refer to the Earnings Release Attachments for additional details and to the Appendix for a reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS.

(2) Favorable market/portfolio conditions include: \$0.02 Wind, \$0.02 Hydro volume and \$0.03 higher realized prices in Mid-Atlantic

(3) Outage days exclude Salem.

# ComEd Operating EPS Contribution



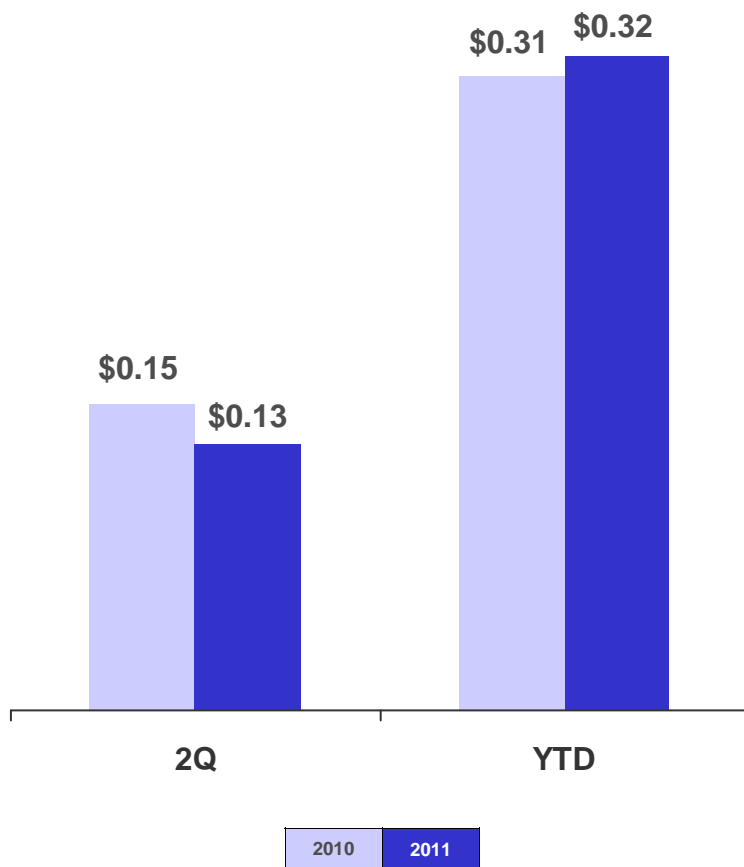
## Key Drivers – 2Q11 vs. 2Q10 <sup>(1)</sup>

- IL distribution tax refund recorded in 2010: \$(0.02)
- Higher O&M costs: \$(0.02)
- Higher depreciation and interest expense: \$(0.02)
- One-time impacts of distribution rate case order: \$0.03
- Electric distribution rates: \$0.01

	<u>2Q10 Actual</u>	<u>2Q11 Actual</u>	<u>Normal</u>
Heating Degree-Days	519	823	766
Cooling Degree-Days	312	237	224

(1) Refer to the Earnings Release Attachments for additional details and to the Appendix for a reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS.

# PECO Operating EPS Contribution



## Key Drivers – 2Q11 vs. 2Q10 <sup>(1)</sup>

- 2010 CTC collections, net of amortization expense: \$(0.06)
- Electric and gas distribution rates: \$0.02
- Decreased storm costs: \$0.01
- Lower interest expense: \$0.01

	<u>2Q10 Actual</u>	<u>2Q11 Actual</u>	<u>Normal</u>
Heating Degree-Days	299	331	458
Cooling Degree-Days	586	494	332

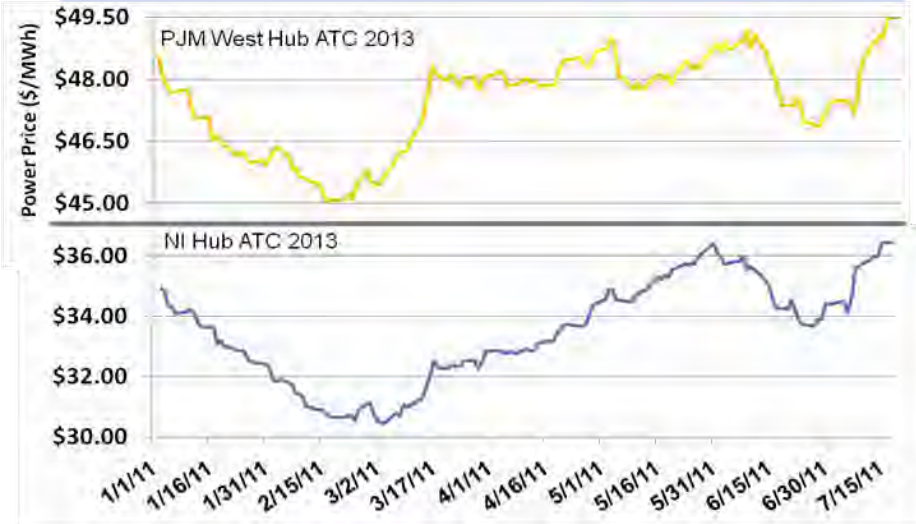
(1) Refer to the Earnings Release Attachments for additional details and to the Appendix for a reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS.



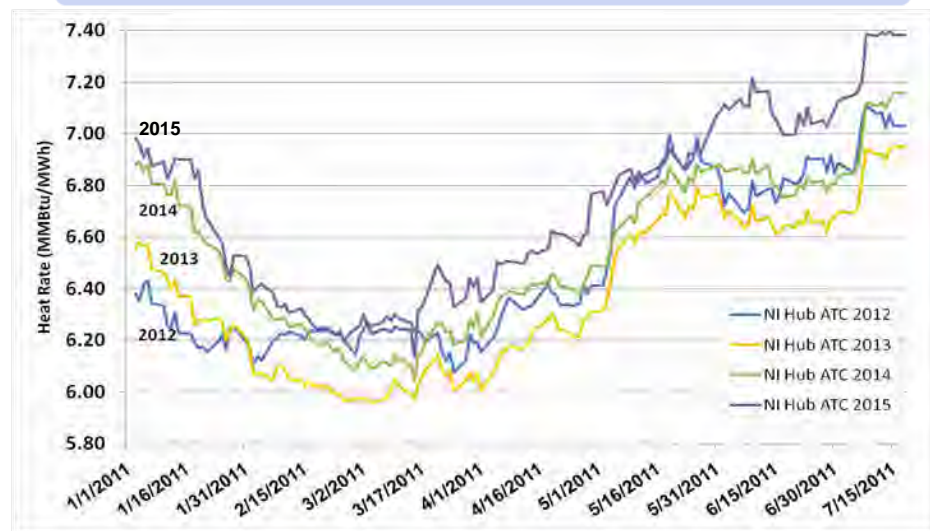
# Exelon Generation Hedging Program



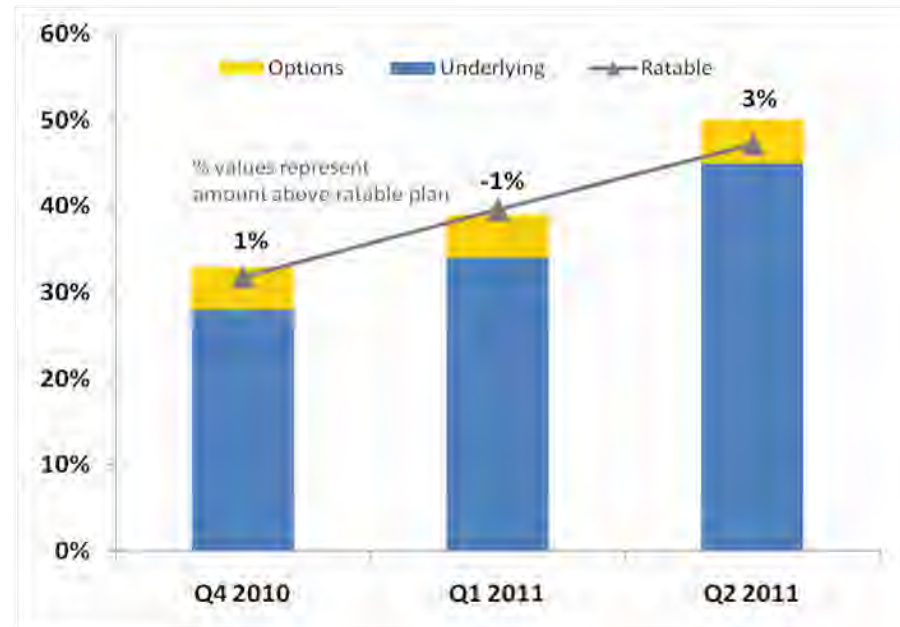
## 2013 PJM West Hub & NI Hub ATC Prices



## PJM NI Hub ATC Heat Rates



## 2013 Hedge % and Value Above Ratable

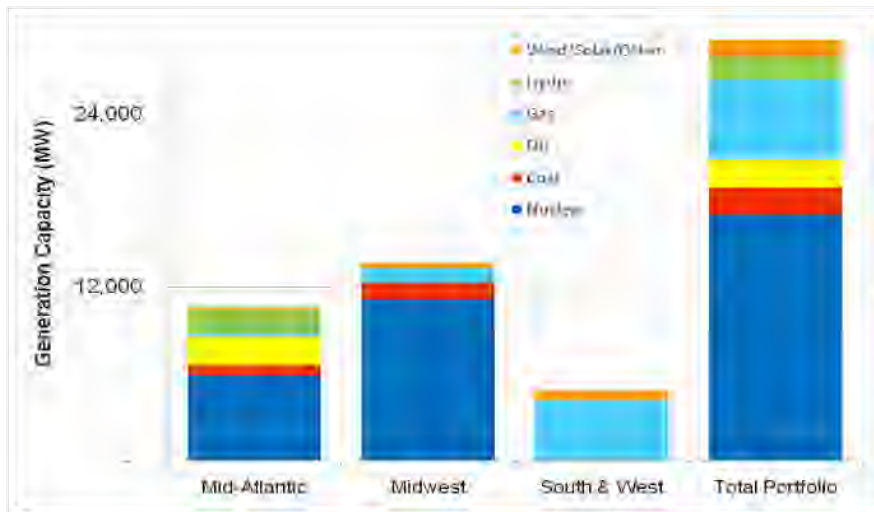


- Q2 provided favorable 2013 sales opportunities
  - Reflects successful participation in Illinois IPA procurements in the first half of May
- Price movements
  - Recovery in heat rates, especially at NI Hub
  - Upward move in NI Hub wrap

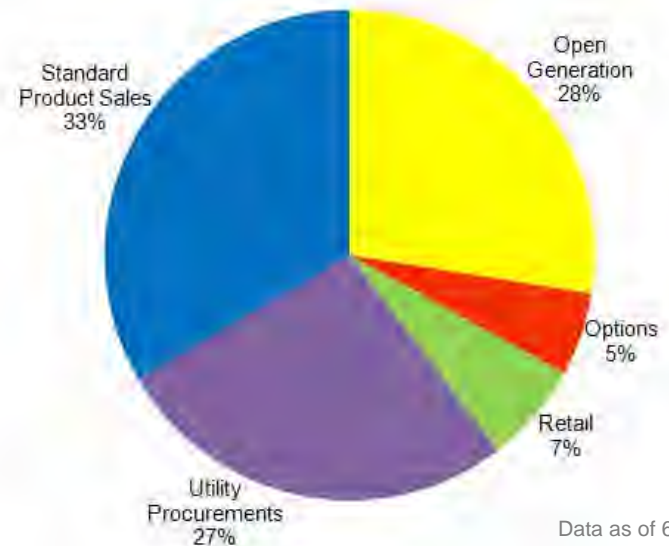
# Diverse Generation and Sales Mix



Current Owned & Contracted  
Generation Capacity by Fuel Type <sup>(1)</sup>



2011-2013 Sales as a Percentage  
of Expected Generation



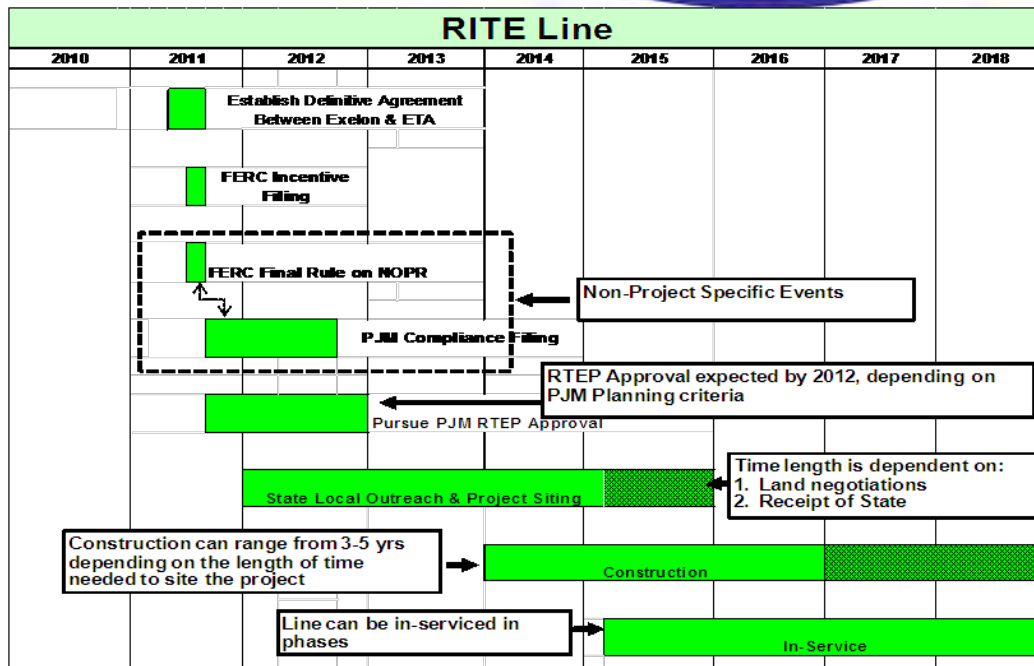
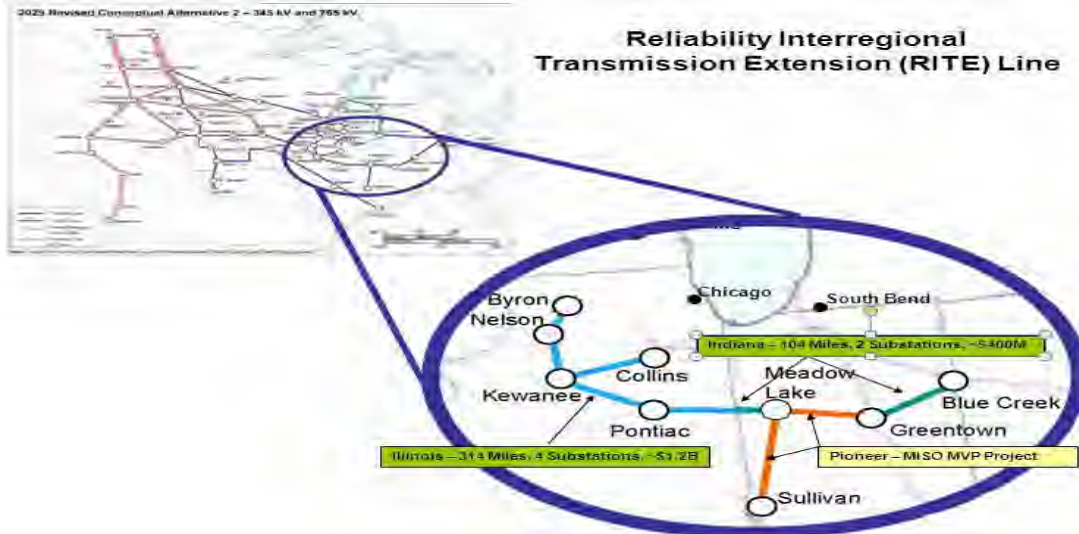
Data as of 6/30/2011

- Matching Exelon's favorable asset position with a diverse set of products is an important aspect of the hedging program
  - Reduces and diversifies our collateral exposure
  - Enables sales to be made closer to assets
  - Increases opportunities for margin via retail, utility solicitations and mid-marketing channels
  - Use of alternate channels and locations help minimize liquidity and congestion risks

**Exelon's diverse portfolio is well positioned to serve a variety of products**

(1) Reflects owned and contracted generation as of 6/30/2011. Excludes Cromby Station 1 & 2, Eddystone 1&2 and PPA with Tenaska Georgia Partners. Includes Wolf Hollow PPA volume only (350 MW).

# RITE Line Project Update



## ➤ Project Background

- 420 miles of 765kV transmission stretches from Northern Illinois to Ohio. The RITE Line will be built from the existing 765kV system in Ohio in the East to the West
- Estimated construction to begin 2015 pending regulatory approvals and siting

## ➤ Strategic and Financial Objectives

- Ensures reliability, enables states to meet RPS standards, and supports the integration of more renewables
- ComEd/Exelon investment ~ \$1.1 billion
  - Requested ROE 12.70%

## ➤ Latest Developments

- Signed partnership agreement with ETA on July 13
- Completed FERC incentive rate filing on July 18. Expect FERC ruling by October 2011.

Note: ETA = Electric Transmission America  
RPS = Renewable Portfolio Standards  
RTEP = Regional Transmission Expansion Planning

# 2011 Projected Sources and Uses of Cash



(\$ millions)				Exelon <sup>(8)</sup>
<b>Beginning Cash Balance <sup>(1)</sup></b>				<b>\$800</b>
Cash Flow from Operations <sup>(2)</sup>	375	875	3,175	4,350
CapEx (excluding Nuclear Fuel, Nuclear Uprates, Exelon Wind, Utility Growth CapEx and Wolf Hollow)	(725)	(325)	(850)	(1,950)
Nuclear Fuel	n/a	n/a	(1,050)	(1,050)
Dividend <sup>(3)</sup>				(1,400)
Nuclear Uprates and Exelon Wind <sup>(4)</sup>	n/a	n/a	(625)	(625)
Wolf Hollow Acquisition	n/a	n/a	(300)	(300)
Utility Growth CapEx <sup>(5)</sup>	(300)	(125)	n/a	(425)
Net Financing (excluding Dividend):				
Planned Debt Issuances <sup>(6)</sup>	1,000	--	--	1,000
Planned Debt Retirements	(350)	(250)	--	(600)
Other <sup>(7)</sup>	300	(125)	200	550
<b>Ending Cash Balance <sup>(1)</sup></b>				<b>\$350</b>

(1) 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) Assumes 2011 dividend of \$2.10/share. Dividends are subject to declaration by the Board of Directors.

(4) Includes \$400 million in Nuclear Uprates and \$225 million for Exelon Wind spend.

(5) Represents new business, smart grid/smart meter investment and transmission growth projects.

(6) Excludes ComEd's \$191 million of tax-exempt bonds that are backed by letters of credit (LOCs). Excludes PECO's \$225 million Accounts Receivable (A/R) Agreement with Bank of Tokyo. PECO's A/R Agreement was extended in accordance with its terms through September 6, 2011.

(7) "Other" includes proceeds from options and expected changes in short-term debt.

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

# **Exelon Generation Hedging Disclosures**

## **(as of June 30, 2011)**



## Important Information



The following slides are intended to provide additional information regarding the hedging program at Exelon Generation and to serve as an aid for the purposes of modeling Exelon Generation's gross margin (operating revenues less purchased power and fuel expense). The information on the following slides is not intended to represent earnings guidance or a forecast of future events. In fact, many of the factors that ultimately will determine Exelon Generation's actual gross margin are based upon highly variable market factors outside of our control. The information on the following slides is as of June 30, 2011. We update this information on a quarterly basis.

Certain information on the following slides is based upon an internal simulation model that incorporates assumptions regarding future market conditions, including power and commodity prices, heat rates, and demand conditions, in addition to operating performance and dispatch characteristics of our generating fleet. Our simulation model and the assumptions therein are subject to change. For example, actual market conditions and the dispatch profile of our generation fleet in future periods will likely differ – and may differ significantly – from the assumptions underlying the simulation results included in the slides. In addition, the forward-looking information included in the following slides will likely change over time due to continued refinement of our simulation model and changes in our views on future market conditions.

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# Portfolio Management Objective

## Align Hedging Activities with Financial Commitments



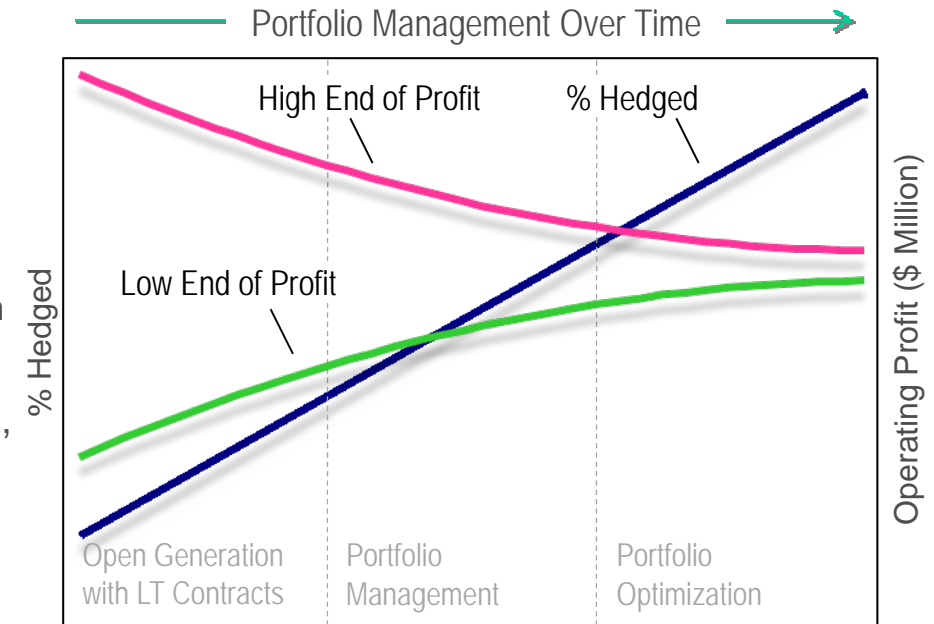
➤ **Exelon's hedging program is designed to protect the long-term value of our generating fleet and maintain an investment-grade balance sheet**

- Hedge enough commodity risk to meet future cash requirements if prices drop
- Consider: financing policy (credit rating objectives, capital structure, liquidity); spending (capital and O&M); shareholder value return policy

➤ **Consider market, credit, operational risk**

➤ **Approach to managing volatility**

- Increase hedging as delivery approaches
- Have enough supply to meet peak load
- Purchase fossil fuels as power is sold
- Choose hedging products based on generation portfolio – sell what we own



➤ **Power Team utilizes several product types and channels to market**

- Wholesale and retail sales
- Block products
- Load-following products and load auctions
- Put/call options
- Heat rate options
- Fuel products
- Capacity
- Renewable credits

# Exelon Generation Hedging Program



- **Our normal practice is to hedge commodity risk on a ratable basis over the three years leading to the spot market**
- Carry operational length into spot market to manage forced outage and load-following risks
  - By using the appropriate product mix, expected generation hedged approaches the mid-90s percentile as the delivery period approaches
  - Participation in larger procurement events, such as utility auctions, and some flexibility in the timing of hedging may mean the hedge program is not strictly ratable from quarter to quarter

## Percentage of Expected Generation Hedged

$$= \frac{\text{Equivalent MWs Sold}}{\text{Expected Generation}}$$

- How many equivalent MW have been hedged at forward market prices; all hedge products used are converted to an equivalent average MW volume
- Takes ALL hedges into account whether they are power sales or financial products

# Exelon Generation Open Gross Margin and Reference Prices



	2011	2012	2013
<b>Estimated Open Gross Margin (\$ millions) <sup>(1)(2)</sup></b>	<b>\$5,450</b>	<b>\$5,000</b>	<b>\$5,600</b>

Open gross margin assumes all expected generation is sold at the Reference Prices listed below

## Reference Prices <sup>(1)</sup>

Henry Hub Natural Gas (\$/MMBtu)	\$4.37	\$4.84	\$5.16
NI-Hub ATC Energy Price (\$/MWh)	\$33.18	\$33.10	\$34.45
PJM-W ATC Energy Price (\$/MWh)	\$46.07	\$46.02	\$47.45
ERCOT North ATC Spark Spread (\$/MWh) <sup>(3)</sup>	\$3.77	\$1.40	\$2.27

(1) Based on June 30, 2011 market conditions.

(2) Gross margin is defined as operating revenues less fuel expense and purchased power expense, excluding the impact of decommissioning and other incidental revenues. Open gross margin is estimated based upon an internal model that is developed by dispatching our expected generation to current market power and fossil fuel prices. Open gross margin assumes there is no hedging in place other than fixed assumptions for capacity cleared in the RPM auctions and uranium costs for nuclear power plants. Open gross margin contains assumptions for other gross margin line items such as various ISO bill and ancillary revenues and costs and PPA capacity revenues and payments. The estimation of open gross margin incorporates management discretion and modeling assumptions that are subject to change.

(3) ERCOT North ATC spark spread using Houston Ship Channel Gas, 7,200 heat rate, \$2.50 variable O&M.

# Generation Profile



	2011	2012	2013
<b>Expected Generation (GWh) <sup>(1)</sup></b>	<b>166,100</b>	<b>165,600</b>	<b>163,000</b>
Midwest	99,000	97,900	95,800
Mid-Atlantic	56,300	57,100	56,500
South & West	10,800	10,600	10,700
<b>Percentage of Expected Generation Hedged <sup>(2)</sup></b>	<b>95-98%</b>	<b>82-85%</b>	<b>49-52%</b>
Midwest	95-98	81-84	48-51
Mid-Atlantic	96-99	85-88	50-53
South & West	86-89	63-66	45-48
<b>Effective Realized Energy Price (\$/MWh) <sup>(3)</sup></b>			
Midwest	\$43.00	\$41.00	\$40.00
Mid-Atlantic	\$57.00	\$50.00	\$50.50
South & West	\$4.50	\$0.00	(\$2.00)

(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 2011 and 10 refueling outages in 2012 and 2013 at Exelon-operated nuclear plants and Salem. Expected generation assumes capacity factors of 93.0%, 93.4% and 93.2% in 2011, 2012 and 2013 at Exelon-operated nuclear plants. These estimates of expected generation in 2012 and 2013 do not represent guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years.

(2) Percent of expected generation hedged is the amount of equivalent sales divided by the expected generation. Includes all hedging products, such as wholesale and retail sales of power, options, and swaps. Uses expected value on options. Reflects decision to permanently retire Cromby Station and Eddystone Units 1&2 as of May 31, 2011.

(3) 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.



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# Exelon Generation Gross Margin Sensitivities

(with Existing Hedges)

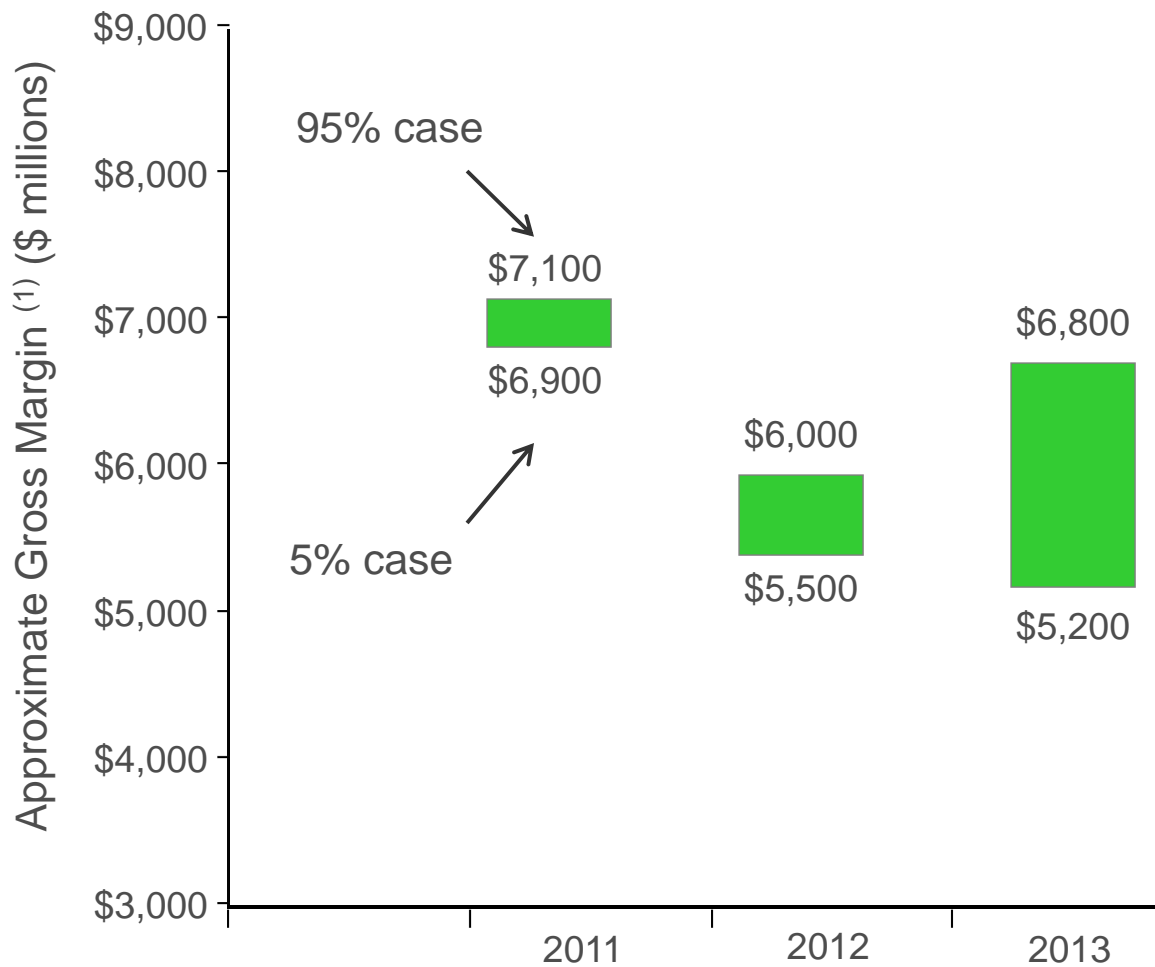


	2011	2012	2013
<b>Gross Margin Sensitivities with Existing Hedges (\$ millions)<sup>(1)</sup></b>			
Henry Hub Natural Gas			
+ \$1/MMBtu	\$5	\$85	\$340
- \$1/MMBtu	\$(5)	\$(35)	\$(290)
<hr/>			
NI-Hub ATC Energy Price			
+\$5/MWH	\$5	\$95	\$250
-\$5/MWH	\$(5)	\$(75)	\$(245)
<hr/>			
PJM-W ATC Energy Price			
+\$5/MWH	\$5	\$55	\$155
-\$5/MWH	\$(5)	\$(55)	\$(150)
<hr/>			
Nuclear Capacity Factor			
+1% / -1%	+/- \$25	+/- \$45	+/- \$50

(1) Based on June 30, 2011 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.

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# Exelon Generation Gross Margin Upside / Risk (with Existing Hedges)



(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 2012 and 2013 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 June 30, 2011.

# Illustrative Example

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## of Modeling Exelon Generation 2011 Gross Margin (with Existing Hedges)



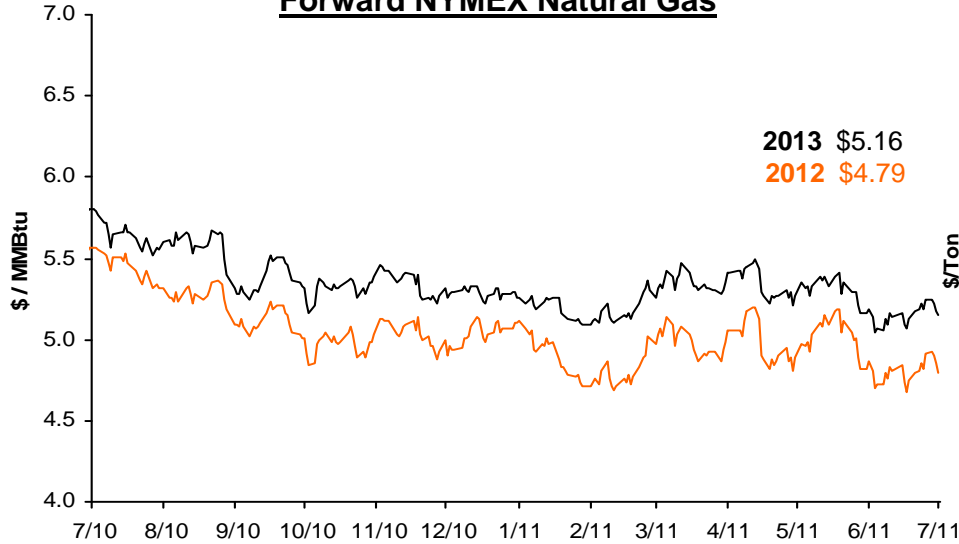
	Midwest	Mid-Atlantic	South & West
Step 1 Start with fleetwide open gross margin	<div> <div></div> <div>\$5.45 billion</div> <div></div> </div>		
Step 2 Determine the mark-to-market value of energy hedges	99,000GWh * 96% * (\$43.00/MWh-\$33.18MWh) = \$0.93 billion	56,300GWh * 97% * (\$57.00/MWh-\$46.07MWh) = \$0.60 billion	10,800GWh * 87% * (\$4.50/MWh-\$3.77MWh) = \$0.00 billion
Step 3 Estimate hedged gross margin by adding open gross margin to mark-to-market value of energy hedges	Open gross margin: MTM value of energy hedges: Estimated hedged gross margin:	\$5.45 billion <u>\$0.93 billion + \$0.60 billion + \$0.00 billion</u> <b>\$6.98 billion</b>	

# Market Price Snapshot

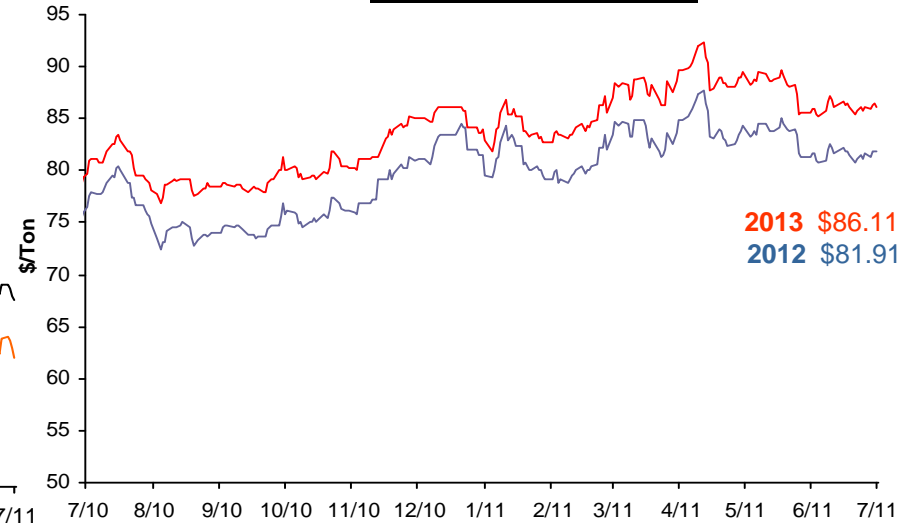
Rolling 12 months, as of July 21<sup>st</sup> 2011. Source: OTC quotes and electronic trading system. Quotes are daily.



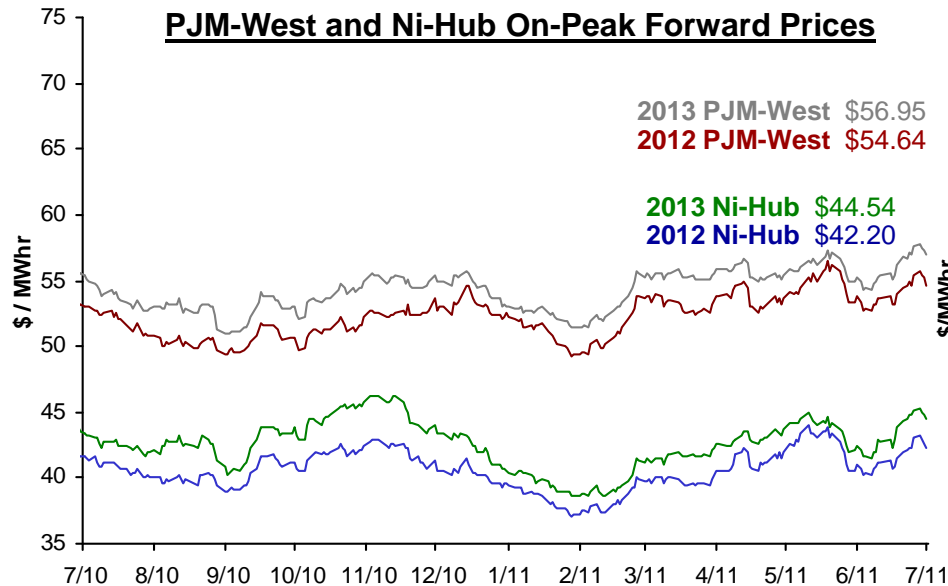
## Forward NYMEX Natural Gas



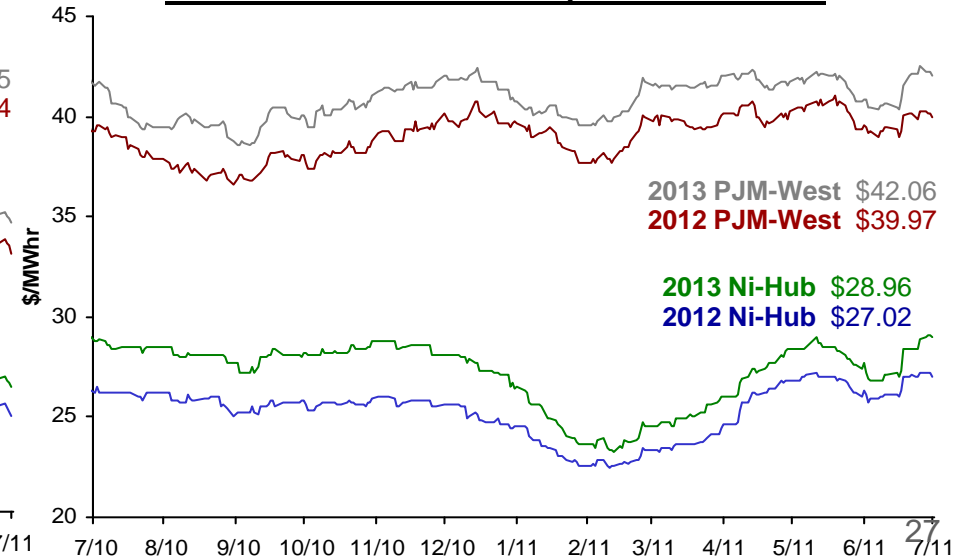
## Forward NYMEX Coal



## PJM-West and Ni-Hub On-Peak Forward Prices



## PJM-West and Ni-Hub Wrap Forward Prices

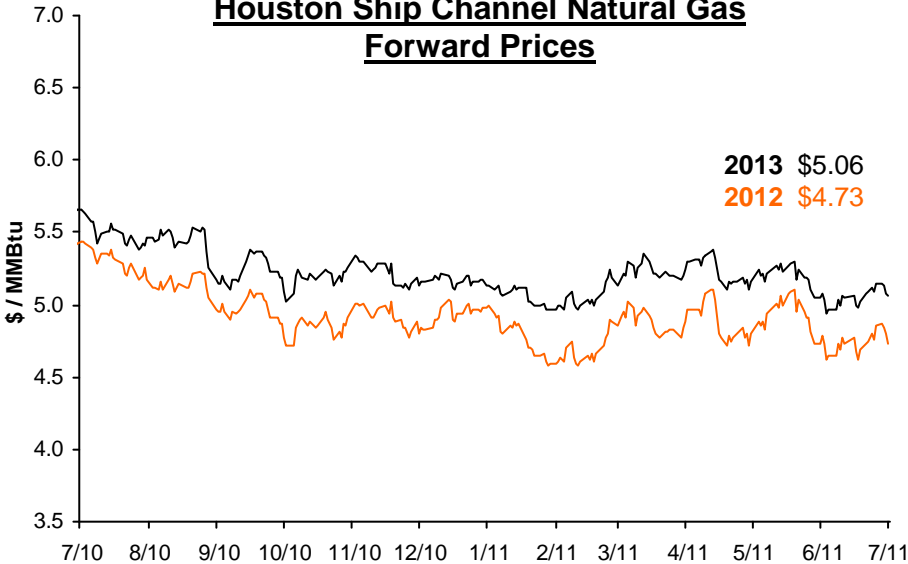


# Market Price Snapshot

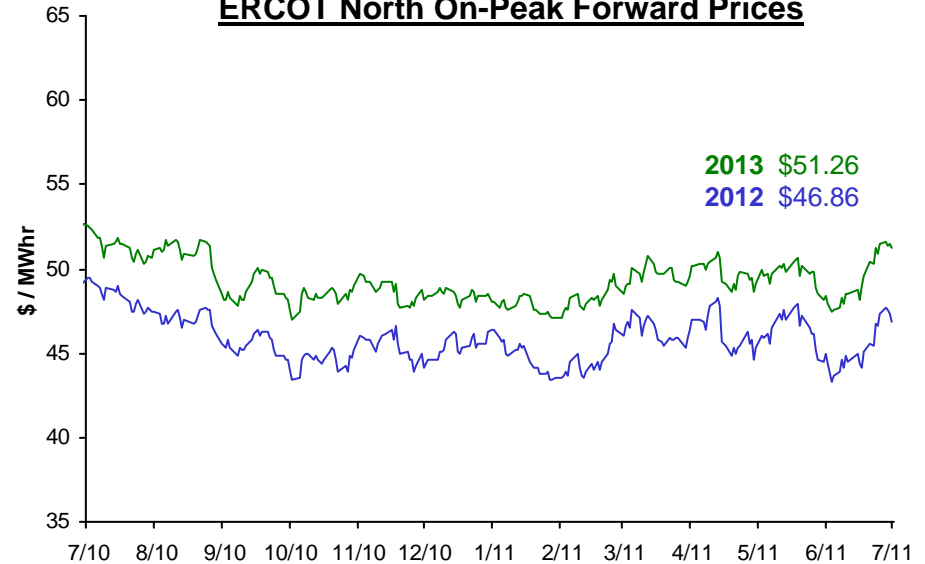
Rolling 12 months, as of July 21<sup>st</sup> 2011. Source: OTC quotes and electronic trading system. Quotes are daily.



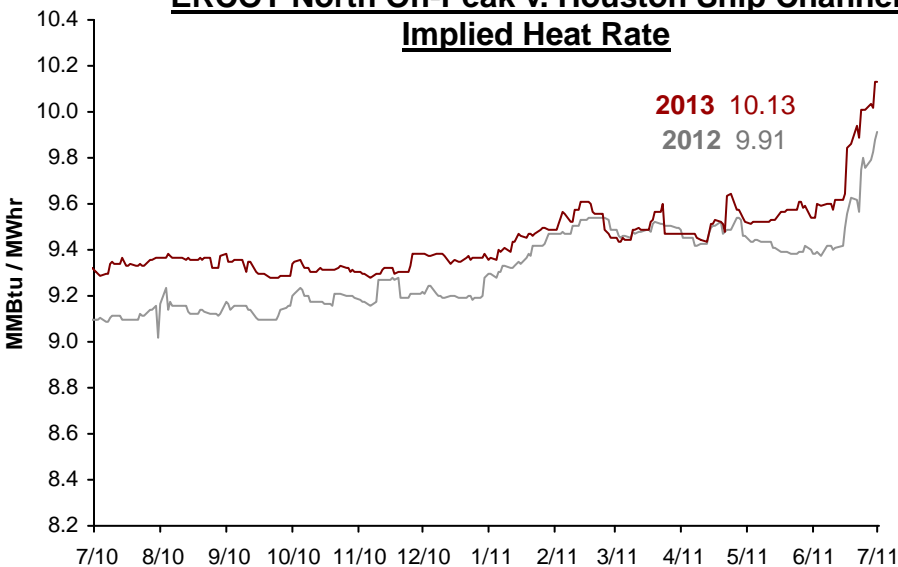
**Houston Ship Channel Natural Gas Forward Prices**



**ERCOT North On-Peak Forward Prices**

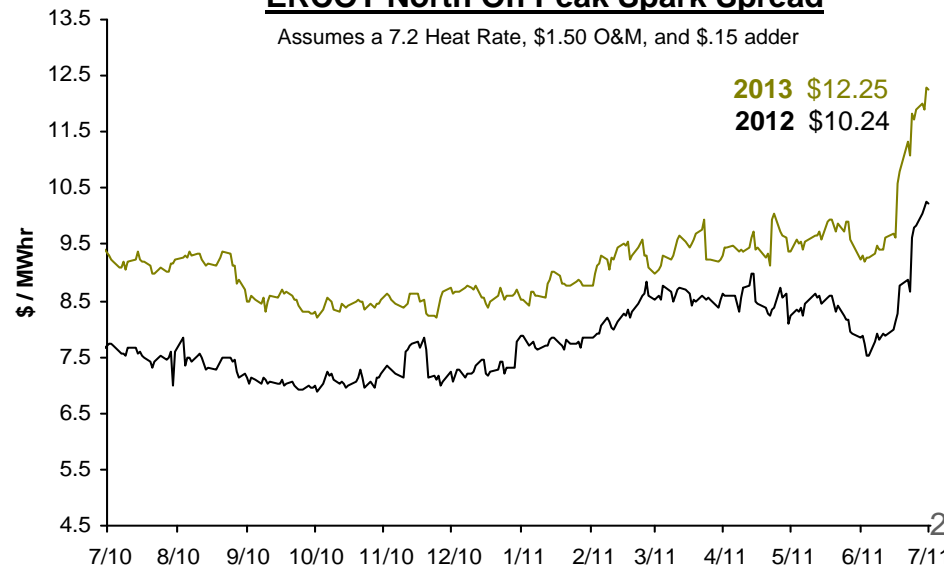


**ERCOT North On-Peak v. Houston Ship Channel Implied Heat Rate**



**ERCOT North On Peak Spark Spread**

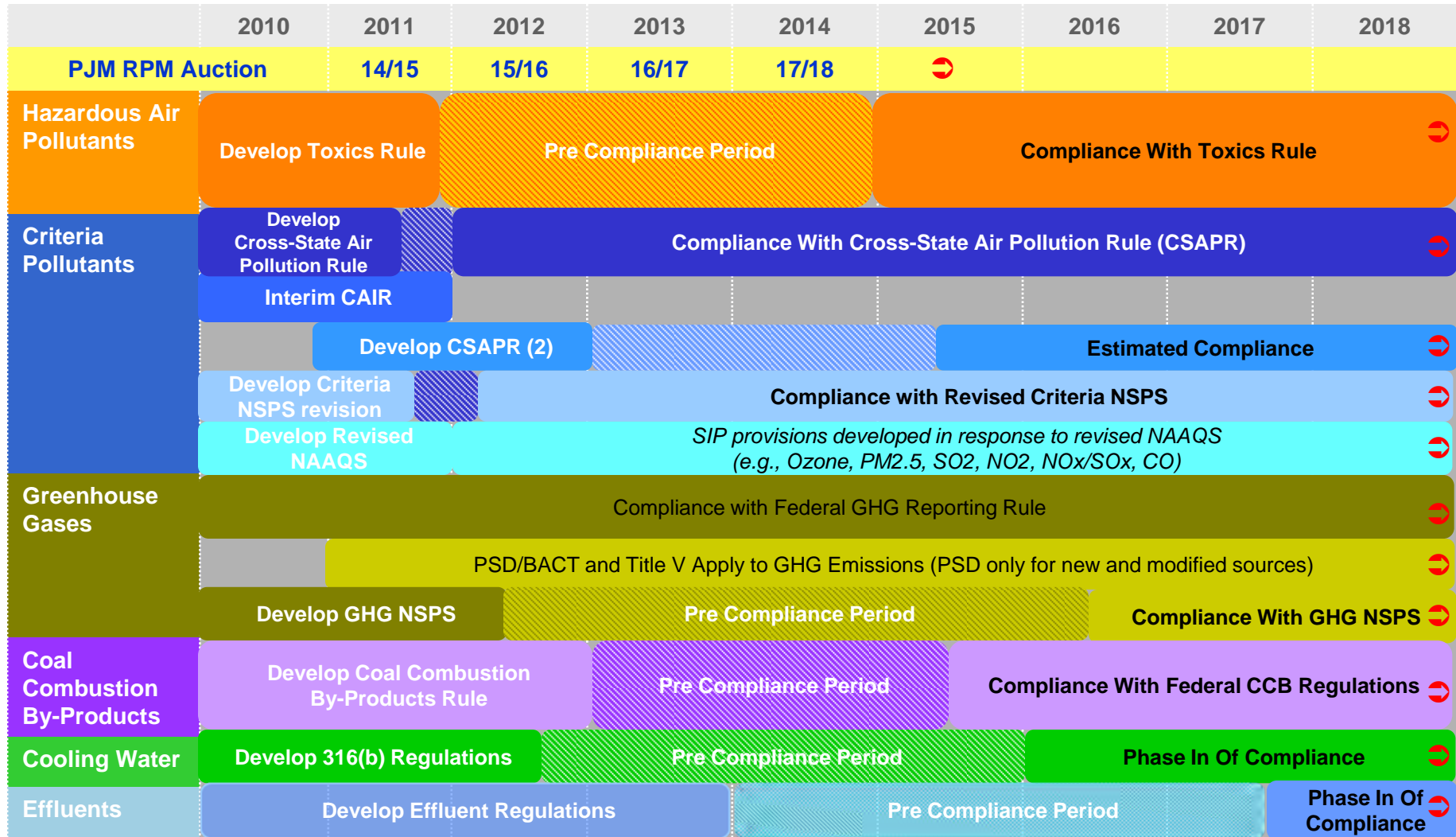
Assumes a 7.2 Heat Rate, \$1.50 O&M, and \$.15 adder



# Appendix



# EPA Regulations are Moving Forward



Notes: RPM auctions take place annually in May.

For definition of the EPA regulations referred to on this slide, please see the EPA's Terms of Environment (<http://www.epa.gov/OCEPAterms/>).

# Wolf Hollow Acquisition



- Diversifies generation portfolio
  - Expands geographic and fuel characteristics of fleet
  - Advances Exelon and Constellation merger strategy of matching load with generation in key competitive markets
- Creates value for shareholders
  - \$305M purchase price compares favorably to cost of other recent transactions
  - Free cash flow accretive beginning in 2012; earnings and credit neutral
  - Eliminates current above market purchase power agreement (PPA) with Wolf Hollow
  - Enhances opportunity to benefit from future market heat rate expansion in ERCOT

## Wolf Hollow Overview



Location	Granbury, Texas
Commercial Operation Date	August 2003
Nominal Net Operating Capacity	720MW
Equipment Technology	2 Mitsubishi combined-cycle gas turbines
Primary Fuel	Natural Gas
Secondary Fuel	None

**Transaction expected to close in Q3 2011**

# Exelon Nuclear Fleet Overview - IL



Plant Location	Type/ Containment	Water Body	License Extension Status / License Expiration <sup>(1)</sup>	Ownership	Spent Fuel Storage/ Date to lose full core discharge capacity <sup>(2)</sup>
Braidwood, IL (Units 1 and 2)	PWR Concrete/Steel Lined	Kankakee River	Expect to file application in 2013/ 2026, 2027	100%	Dry Cask (Summer 2011)
Byron, IL (Units 1 and 2)	PWR Concrete/Steel Lined	Rock River	Expect to file application in 2013/ 2024, 2026	100%	Dry Cask
Clinton, IL (Unit 1)	BWR Concrete/Steel Lined	Clinton Lake	2026	100%	2018
Dresden, IL (Units 2 and 3)	BWR Steel Vessel	Kankakee River	Renewed / 2029, 2031	100%	Dry cask
LaSalle, IL (Units 1 and 2)	BWR Concrete/Steel Lined	Illinois River	2022, 2023	100%	Dry Cask
Quad Cities, IL (Units 1 and 2)	BWR Steel Vessel	Mississippi River	Renewed / 2032	75% Exelon, 25% Mid-American Holdings	Dry cask

**Exelon pursues license extensions well in advance of expiration to ensure adequate time for review by the NRC**

(1) Operating license renewal process takes approximately 4-5 years from commencement until completion of NRC review.

(2) The date for loss of full core reserve identifies when the on-site storage pool will no longer have sufficient space to receive a full complement of fuel from the reactor core. Dry cask storage will be in operation at those sites prior to losing full core discharge capacity in their on-site storage pools.

# Exelon Nuclear Fleet Overview – PA and NJ



Plant, Location	Type, Containment	Water Body	License Extension Status / License Expiration <sup>(1)</sup>	Ownership	Spent Fuel Storage/ Date to lose full core discharge capacity <sup>(2)</sup>
Limerick, PA (Units 1 and 2)	BWR Concrete/Steel Lined	Schuylkill River	Filed application in June 2011 (decision expected in 2013)/ 2024, 2029	100%	Dry cask
Oyster Creek, NJ (Unit 1)	BWR Steel Vessel	Barnegat Bay	Renewed / 2029 <sup>(3)</sup>	100%	Dry cask
Peach Bottom, PA (Units 2 and 3)	BWR Steel Vessel	Susquehanna River	Renewed / 2033, 2034	50% Exelon, 50% PSEG	Dry cask
TMI, PA (Unit 1)	PWR Concrete/Steel Lined	Susquehanna River	Renewed / 2034	100%	2023
Salem, NJ (Units 1 and 2)	PWR Concrete/Steel Lined	Delaware River	Renewed / 2036, 2040	42.6% Exelon, 57.4% PSEG	Dry Cask

**Exelon pursues license extensions well in advance of expiration to ensure adequate time for review by the NRC**

(1) Operating license renewal process takes approximately 4-5 years from commencement until completion of NRC review.

(2) The date for loss of full core reserve identifies when the on-site storage pool will no longer have sufficient space to receive a full complement of fuel from the reactor core. Dry cask storage will be in operation at those sites prior to losing full core discharge capacity in their on-site storage pools.

(3) On December 8, 2010, Exelon announced that Generation will permanently cease generation operations at Oyster Creek by December 31, 2019. The current NRC license for Oyster Creek expires in 2029.

# ComEd 2010 Rate Case Final Order



(ICC Docket No. 10-0467)

Rate Case Details	ICC Order (5/24/11)	ComEd Reply Brief (2/23/11)
Revenue Requirement Increase	\$143M <sup>(1)</sup>	\$343M
Rate Base	\$6,549M	\$7,349M
ROE	10.50%	11.30% <sup>(2)</sup>
Equity Ratio	47.28%	47.28%

(1) Reflects ~\$(13)M adjustment to ICC Order

(2) Included 40 bp adder for energy efficiency, not approved by ICC

**On 5/24/11, the Illinois Commerce Commission (ICC) issued an order in ComEd's 2010 distribution rate case – new rates went into effect in June 2011**

# ComEd Load Trends



## Weather-Normalized Load Year-over-Year



## Key Economic Indicators

	Chicago	U.S.
Unemployment rate <sup>(1)</sup>	9.3%	9.2%
2011 annualized growth in gross domestic/metro product <sup>(2)</sup>	2.5%	2.7%

(1) Source: U.S. Dept. of Labor (June 2011) and Illinois Department of Security (June 2011)

(2) Source: Global Insight (May 2011)

## Weather-Normalized Load

	2010	2Q11	2011E
Average Customer Growth	0.2%	0.4%	0.4%
Average Use-Per-Customer	(1.4)%	(2.0)%	0.0%
Total Residential	(1.2)%	(1.6)%	0.4%
Small C&I	(0.6)%	(0.2)%	(0.3)%
Large C&I	2.6%	(0.9)%	0.0%
All Customer Classes	0.2%	(0.8)%	0.0%

Note: C&I = Commercial & Industrial



# Illinois Power Agency (IPA) RFP Procurement

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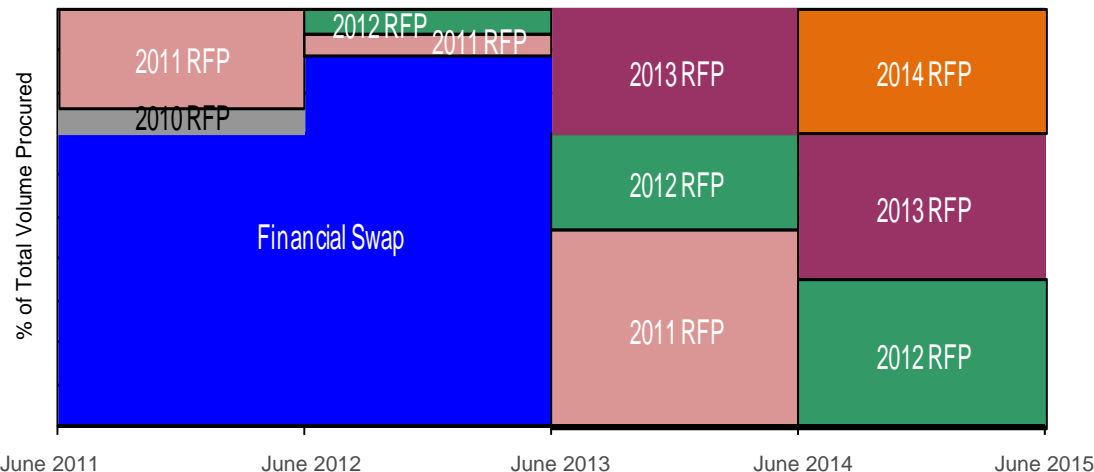
## ➤ Standard Products and Annual REC Procurement held in May 2011

- Effective ATC of \$34.77/MWh for 9 winning Standard Product suppliers for the 2011-12 plan-year
- 2.12 million MWh of renewable resources for the 2011-12 plan-year from 12 winning suppliers
- Provisions included:
  - Annual energy procurements over a three-year time frame
  - Target a 35%/35%/30% ladder procurement approach
  - No additional Energy Efficiency, Demand Response purchases
  - No additional long-term contracts for renewables
  - No 10% overprocurement for summer peak energy

## Financial Swap Agreement with ExGen

(ATC baseload energy – notional quantity 3,000 MW)

Term	Fixed Price (\$/MWh)
1/1/11-12/31/11	\$51.26
1/1/12-12/31/12	\$52.37
1/13/13-5/31/13	\$53.48



Note: Chart is for illustrative purposes only.

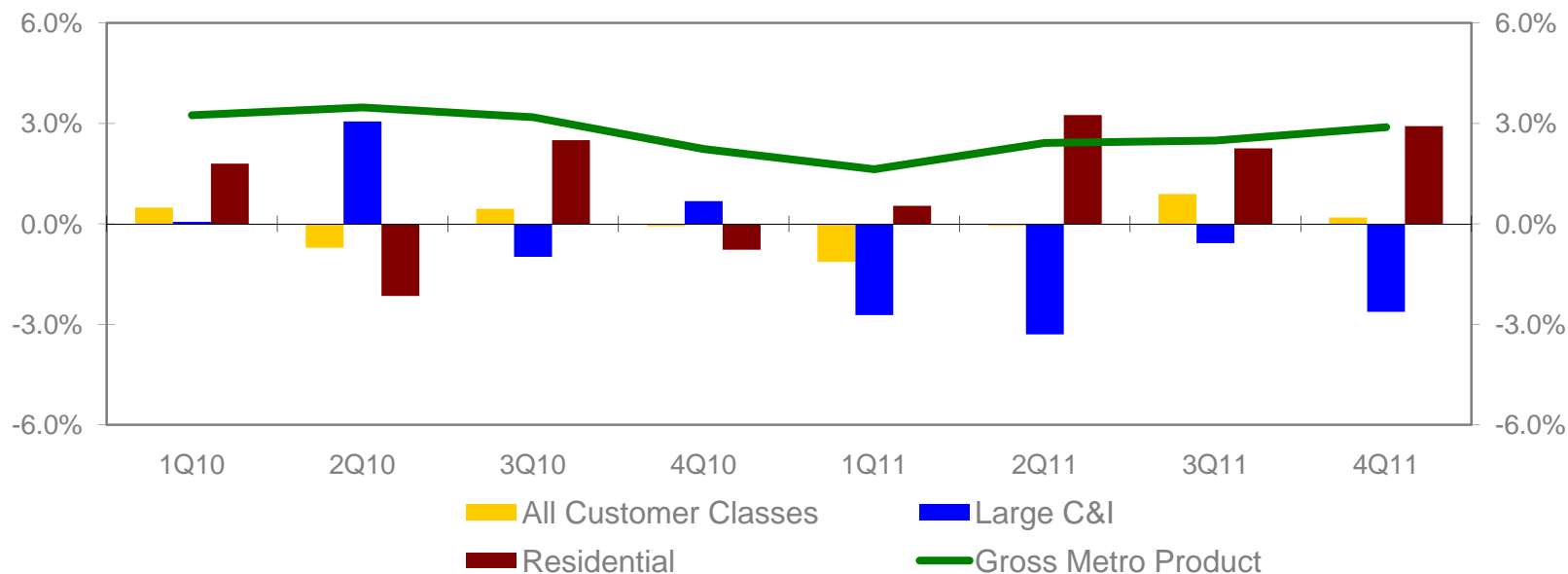
REC = Renewable Energy Credit; RFP = request for proposal; ATC = Around the Clock

Delivery Period	Volume procured in the 2011 IPA Procurement Event (GWh)	
	Peak	Off-Peak
June 2011 - May 2012	5,118	4,001
June 2012 - May 2013	1,129	358
June 2013 - May 2014	6,494	6,062

# PECO Load Trends



## Weather-Normalized Load Year-over-Year



## Key Economic Indicators

	Philadelphia	U.S.
Unemployment rate <sup>(1)</sup>	7.9%	9.2%
2011 annualized growth in gross domestic/metro product <sup>(2)</sup>	2.4%	2.7%

- (1) Source: U.S Dept. of Labor data June 2011 - US  
U.S Dept. of Labor prelim. data February 2011 - Philadelphia
- (2) Source: Global Insight May 2011

## Weather-Normalized Load

	2010	2Q11	2011E
Average Customer Growth	0.3%	0.5%	0.4%
Average Use-Per-Customer	<u>0.3%</u>	<u>2.8%</u>	<u>1.7%</u>
Total Residential	0.5%	3.2%	2.2%
Small C&I	(1.9)%	1.7%	0.7%
Large C&I	0.8%	(3.3)%	(2.3)%
All Customer Classes	0.1%	(0.1)%	(0.0)%

Note: C&I = Commercial & Industrial

# PECO Procurement Plan



## PECO Procurement Plan<sup>(1)</sup>

Customer Class	Products
<b>Residential</b>	<ul style="list-style-type: none"> <li>✓ 75% full requirements</li> <li>✓ 20% block energy</li> <li>✓ 5% energy only spot</li> </ul>
<b>Small Commercial</b> (peak demand <100 kW)	<ul style="list-style-type: none"> <li>✓ 90% full requirements</li> <li>✓ 10% full requirements spot</li> </ul>
<b>Medium Commercial</b> (peak demand >100 kW but <= 500 kW)	<ul style="list-style-type: none"> <li>✓ 85% full requirements</li> <li>✓ 15% full requirements spot</li> </ul>
<b>Large Commercial &amp; Industrial</b> (peak demand >500 kW)	<ul style="list-style-type: none"> <li>✓ Fixed-Priced full requirements<sup>(2)</sup></li> <li>✓ Hourly full requirements</li> </ul>

## May 2, 2011 RFP - Fifth in a series of nine procurements for the PUC-approved Default Service Plan

### Residential – weighted average wholesale prices

- ✓ 80 MW of baseload (24x7) block energy product (for Jan-Dec 2012) – \$51.52/MWh
- ✓ 70 MW of Jun-Aug 2011 summer on-peak block energy product – \$67.24/MWh
- ✓ 40 MW of Dec 2011-Feb 2012 winter on-peak block energy product – \$63.05/MWh

### Large Commercial and Industrial (Hourly) – weighted average wholesale price

- ✓ 36% of hourly full requirements product (for Jun 2011-May 2012)<sup>(3)</sup> – \$4.97/MWh<sup>(4)</sup>

**Spring 2011 RFP was held on May 2, 2011, with results announced on May 18<sup>th</sup>**

(1) See PECO Procurement website (<http://www.pecoprocmnt.com>) for additional details regarding PECO's procurement plan and RFP results.

(2) For Large C&I customers who previously opted to participate in the 2011 fixed-priced full requirements product.




(3) Large C&I tranches which were not fully subscribed in the fall 2010 procurement.

(4) The price for the hourly full requirements product includes only ancillary services/Alternative Energy Portfolio Standard (AEPS) and miscellaneous costs. The price does not include energy and capacity costs. Energy costs will be based on the PECO Zone Day-Ahead locational marginal pricing (LMP) price, and capacity will be based on the PJM RPM price per day.

# Sufficient Liquidity



## Available Capacity Under Bank Facilities as of July 14, 2011

(\$ millions)	 An Exelon Company	 An Exelon Company	 An Exelon Company	Exelon <sup>(3)</sup>
Aggregate Bank Commitments <sup>(1)</sup>	\$1,000	\$600	\$5,600	\$7,700
Outstanding Facility Draws	--	--	--	--
Outstanding Letters of Credit	(195)	(1)	(121)	(324)
<b>Available Capacity Under Facilities <sup>(2)</sup></b>	<b>805</b>	<b>599</b>	<b>5,479</b>	<b>7,376</b>
Outstanding Commercial Paper	--	--	--	(139)
<b>Available Capacity Less Outstanding Commercial Paper</b>	<b>\$805</b>	<b>\$599</b>	<b>\$5,479</b>	<b>\$7,237</b>

**Exelon bank facilities are largely untapped**

(1) Excludes commitments from Exelon's Community and Minority Bank Credit Facility

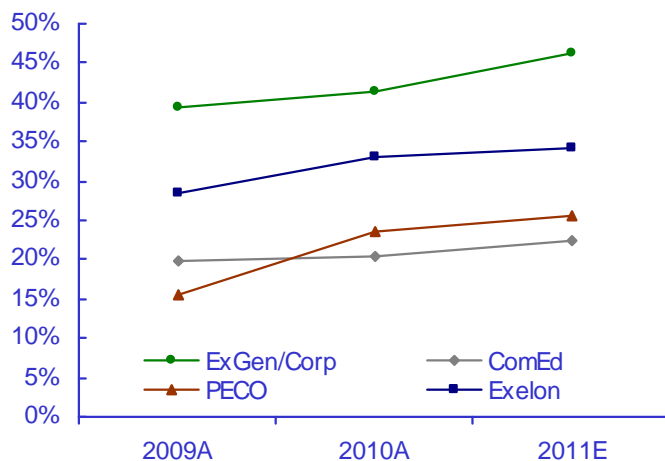
(2) Available Capacity Under Facilities represents the unused bank commitments under the borrower's credit agreements net of outstanding letters of credit and facility draws. The amount of commercial paper outstanding does not reduce the available capacity under the credit agreements.

(3) Includes Exelon Corporate's \$500M credit facility, letters of credit and commercial paper outstanding.

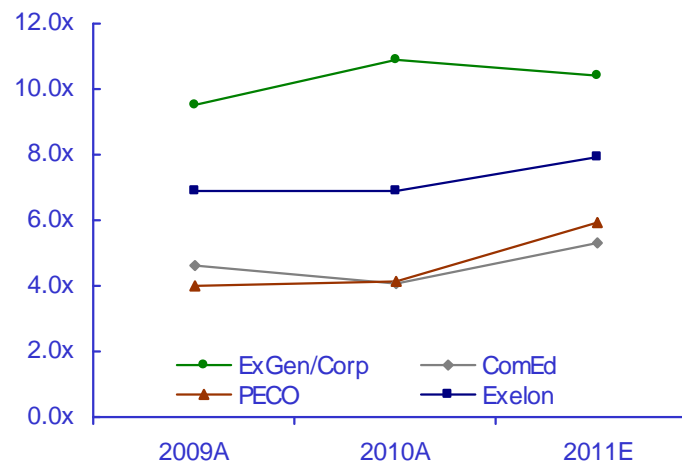
# Key Credit Metrics



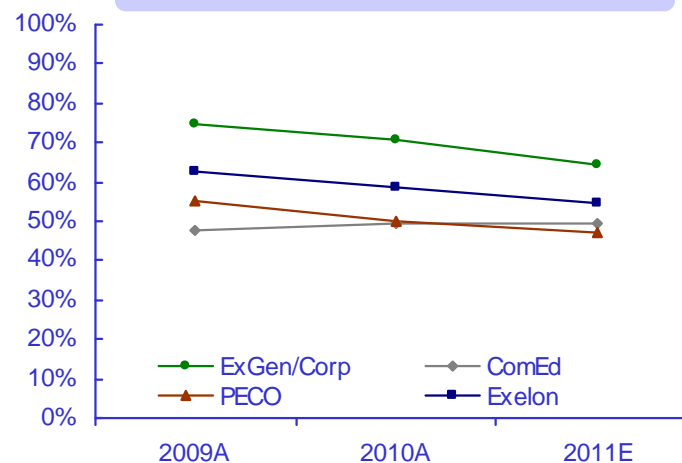
## FFO / Debt <sup>(1)</sup>



## Interest Coverage <sup>(1)</sup>



## Debt / Cap <sup>(1)</sup>



	Moody's Credit Ratings <sup>(2)</sup>	S&P Credit Ratings <sup>(2)</sup>	Fitch Credit Ratings <sup>(2)</sup>	FFO / Debt Target Range <sup>(2)</sup>
<b>Exelon:</b>	<b>Baa1 <sup>(4)</sup></b>	<b>BBB-</b>	<b>BBB+</b>	
<b>ComEd:</b>	<b>Baa1</b>	<b>A-</b>	<b>BBB+</b>	<b>15-18%</b>
<b>PECO:</b>	<b>A1</b>	<b>A-</b>	<b>A</b>	<b>15-18%</b>
<b>Generation:</b>	<b>A3 <sup>(4)</sup></b>	<b>BBB</b>	<b>BBB+</b>	<b>30-35% <sup>(3)</sup></b>

(1) See slide 41 for reconciliations to GAAP.

(2) Current senior unsecured ratings for Exelon and Exelon Generation and senior secured ratings for ComEd and PECO as of July 22, 2011.

(3) FFO/Debt Target Range reflects Generation FFO/Debt in addition to the debt obligations of Exelon Corp.

(4) Moody's placed Exelon and Generation under review for a possible downgrade after the proposed merger with Constellation Energy was announced.

# Exelon Consolidated Metric Calculations and Ratios



## 2010A Credit Metrics

FFO / Debt Coverage =

$$\frac{\text{FFO (a)}}{\text{Adjusted Debt (b)}} = 32\%$$

FFO Interest Coverage =

$$\frac{\text{FFO (a) + Adjusted Interest (c)}}{\text{Adjusted Interest (c)}} = 7.2x$$

Adjusted Capitalization (e) =

Adjusted Debt (b) + Adjusted Equity (d) = 32,606

Rating Agency Debt Ratio =

$$\frac{\text{Adjusted Debt (b)}}{\text{Adjusted Capitalization (e)}} = 58\%$$

## Exelon 2010 YE Adjustments

\$ in millions

### FFO Calculation

	2010 YE	Source - 2010 Form 10-K (.pdf version)
Net Cash Flows provided by Operating Activities	5,244	Pg 159 - Stmt. of Cash Flow s
+/- Change in Working Capital	644	Pg 159 - Stmt. of Cash Flow s <sup>(1)</sup>
- PECO Transition Bond Principal Paydown	(392)	Pg 174 - Stmt. of Cash Flow s <sup>(2)</sup>
+ PPA Depreciation Adjustment	207	Pg 295 - Commitments and Contingencies <sup>(3)</sup>
+/- Pension/OPEB Contribution Normalization	448	Pg 268-269 - Post-retirement Benefits <sup>(4)</sup>
+ Operating Lease Depreciation Adjustment	35	Pg 299 - Commitments and Contingencies <sup>(5)</sup>
+/- Decommissioning activity	(143)	Pg 159- Stmt. of Cash Flow s
+/- Other Minor FFO Adjustments <sup>(6)</sup>	(54)	
<b>= FFO (a)</b>	<b>5,989</b>	

### Debt Calculation

Long-term Debt (incl. Current Maturities and A/R agreement)	12,828	Pg 161 - Balance Sheet
Short-term debt (incl. Notes Payable / Commercial Paper)	-	Pg 161 - Balance Sheet
- PECO Transition Bond Principal Paydown	-	N/A - no debt outstanding at year-end
+ PPA Imputed Debt	1,680	Pg 295 - Commitments and Contingencies <sup>(7)</sup>
+ Pension/OPEB Imputed Debt	3,825	Pg 268 - Post-retirement benefits <sup>(8)</sup>
+ Operating Lease Imputed Debt	428	Pg 299 - Commitments and Contingencies <sup>(9)</sup>
+ Asset Retirement Obligation	-	Pg 261-267 - Asset Retirement Obligations <sup>(10)</sup>
+/- Other Minor Debt Equivalents <sup>(11)</sup>	84	
<b>= Adjusted Debt (b)</b>	<b>18,845</b>	

### Interest Calculation

Net Interest Expense	817	Pg 158 - Statement of Operations
- PECO Transition Bond Interest Expense	(22)	Pg 182 - Significant Accounting Policies
+ Interest on Present Value (PV) of Operating Leases	29	Pg 299 - Commitments and Contingencies <sup>(12)</sup>
+ Interest on PV of Purchased Power Agreements (PPAs)	99	Pg 295 - Commitments and Contingencies <sup>(13)</sup>
+/- Other Minor Interest Adjustments <sup>(14)</sup>	37	
<b>= Adjusted Interest (c)</b>	<b>960</b>	

### Equity Calculation

Total Equity	13,563	Pg 161 - Balance Sheet
+ Preferred Securities of Subsidiaries	87	Pg 161 - Balance Sheet
+/- Other Minor Equity Equivalents <sup>(15)</sup>	111	
<b>= Adjusted Equity (d)</b>	<b>13,761</b>	

- (1) Includes changes in A/R, Inventories, A/P and other accrued expenses, option premiums, counterparty collateral and income taxes. Impact to FFO is opposite of impact to cash flow
- (2) Reflects retirement of variable interest entity + change in restricted cash
- (3) Reflects net capacity payment – interest on PV of PPAs (using weighted average cost of debt)
- (4) Reflects employer contributions – (service costs + interest costs + expected return on assets), net of taxes at 35%
- (5) Reflects operating lease payments – interest on PV of future operating lease payments (using weighted average cost of debt)
- (6) Includes AFUDC / capitalized interest
- (7) Reflects PV of net capacity purchases (using weighted average cost of debt)

- (8) Reflects unfunded status, net of taxes at 35%
- (9) Reflects PV of minimum future operating lease payments (using weighted average cost of debt)
- (10) Nuclear decommissioning trust fund balance > asset retirement obligation. No debt imputed
- (11) Includes accrued interest less securities qualifying for hybrid treatment (50% debt / 50% equity)
- (12) Reflects interest on PV of minimum future operating lease payments (using weighted average cost of debt)
- (13) Reflects interest on PV of PPAs (using weighted average cost of debt)
- (14) Includes AFUDC / capitalized interest and interest on securities qualifying for hybrid treatment (50% debt / 50% equity)
- (15) Includes interest on securities qualifying for hybrid treatment (50% debt / 50% equity)



# 2Q GAAP EPS Reconciliation



<u>Three Months Ended June 30, 2010</u>	<u>ExGen</u>	<u>ComEd</u>	<u>PECO</u>	<u>Other</u>	<u>Exelon</u>
<b>2010 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$0.69</b>	<b>\$0.18</b>	<b>\$0.15</b>	<b>\$(0.02)</b>	<b>\$0.99</b>
2007 Illinois electric rate settlement	(0.01)	-	-	-	(0.01)
Mark-to-market impact of economic hedging activities	(0.11)	-	-	-	(0.11)
Unrealized losses related to nuclear decommissioning trust funds	(0.08)	-	-	-	(0.08)
Retirement of fossil generating units	(0.02)	-	-	-	(0.02)
Non-cash remeasurement of income tax uncertainties	0.10	(0.16)	(0.03)	(0.01)	(0.10)
<b>2Q 2010 GAAP Earnings (Loss) Per Share</b>	<b>\$0.57</b>	<b>\$0.02</b>	<b>\$0.11</b>	<b>\$(0.03)</b>	<b>\$0.67</b>

<u>Three Months Ended June 30, 2011</u>	<u>ExGen</u>	<u>ComEd</u>	<u>PECO</u>	<u>Other</u>	<u>Exelon</u>
<b>2011 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$0.79</b>	<b>\$0.15</b>	<b>\$0.13</b>	<b>\$(0.01)</b>	<b>\$1.05</b>
Mark-to-market impact of economic hedging activities	(0.12)	-	-	-	(0.12)
Unrealized gains related to nuclear decommissioning trust funds	0.01	-	-	-	0.01
Retirement of fossil generating units	(0.02)	-	-	-	(0.02)
Recovery of costs pursuant to distribution rate case order	-	0.03	-	-	0.03
Constellation merger costs	-	-	-	(0.02)	(0.02)
<b>2Q 2011 GAAP Earnings (Loss) Per Share</b>	<b>\$0.67</b>	<b>\$0.17</b>	<b>\$0.13</b>	<b>\$(0.03)</b>	<b>\$0.93</b>

NOTE: All amounts shown are per Exelon share and represent contributions to Exelon's EPS. Amounts may not add due to rounding.

# YTD GAAP EPS Reconciliation



<u>Six Months Ended June 30, 2010</u>	<u>ExGen</u>	<u>ComEd</u>	<u>PECO</u>	<u>Other</u>	<u>Exelon</u>
<b>2010 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$1.35</b>	<b>\$0.37</b>	<b>\$0.31</b>	<b>\$(0.04)</b>	<b>\$1.99</b>
2007 Illinois electric rate settlement	(0.01)	-	-	-	(0.01)
Mark-to-market impact of economic hedging activities	0.10	-	-	-	0.10
Unrealized losses related to nuclear decommissioning trust funds	(0.05)	-	-	-	(0.05)
Non-cash charge resulting from health care legislation	(0.04)	(0.02)	(0.02)	(0.02)	(0.10)
Non-cash charge remeasurement of income tax uncertainties	0.10	(0.16)	(0.03)	(0.01)	(0.10)
Retirement of fossil generating units	(0.03)	-	-	-	(0.03)
<b>YTD 2010 GAAP Earnings (Loss) Per Share</b>	<b>\$1.42</b>	<b>\$0.19</b>	<b>\$0.26</b>	<b>\$(0.07)</b>	<b>\$1.80</b>

<u>Six Months Ended June 30, 2011</u>	<u>ExGen</u>	<u>ComEd</u>	<u>PECO</u>	<u>Other</u>	<u>Exelon</u>
<b>2011 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$1.69</b>	<b>\$0.26</b>	<b>\$0.32</b>	<b>\$(0.04)</b>	<b>\$2.22</b>
Mark-to-market impact of economic hedging activities	(0.25)	-	-	-	(0.25)
Unrealized gains related to nuclear decommissioning trust funds	0.04	-	-	-	0.04
Retirement of fossil generating units	(0.04)	-	-	-	(0.04)
Non-cash charge resulting from Illinois tax rate change legislation	(0.03)	(0.01)	-	-	(0.04)
Recovery of costs pursuant to distribution rate case order	-	0.03	-	-	0.03
Constellation merger costs	-	-	-	(0.02)	(0.02)
<b>YTD 2011 GAAP Earnings (Loss) Per Share</b>	<b>\$1.41</b>	<b>\$0.28</b>	<b>\$0.32</b>	<b>\$(0.06)</b>	<b>\$1.94</b>

NOTE: All amounts shown are per Exelon share and represent contributions to Exelon's EPS. Amounts may not add due to rounding.

# GAAP to Operating Adjustments



- **Exelon's 2011 adjusted (non-GAAP) operating earnings outlook excludes the earnings effects of the following:**
  - Mark-to-market adjustments from economic hedging activities
  - Unrealized gains and losses from nuclear decommissioning trust fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements
  - Significant impairments of assets, including goodwill
  - Changes in decommissioning obligation estimates
  - Non-cash charge to remeasure deferred taxes at higher Illinois corporate tax rates
  - Financial impacts associated with the planned retirement of fossil generating units
  - One-time benefits reflecting ComEd's 2011 distribution rate case order for the recovery of previously incurred costs related to the 2009 restructuring plan and for the passage of Federal health care legislation in 2010
  - Certain costs associated with Exelon's proposed merger with Constellation
  - Other unusual items
  - Significant changes to GAAP
- **Operating earnings guidance assumes normal weather for remainder of the year**