

**Legal Department**

Exelon Business Services Company  
2301 Market Street/S23-1  
P.O. Box 8699  
Philadelphia, PA 19101-8699

Telephone 215.841.4000  
Fax 215.568.3389  
www.exeloncorp.com

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Direct Dial: 215.841.6863

November 17, 2010

NOV 17 2010

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Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, Second Floor  
Harrisburg, PA 17120

**Re: PECO Energy Company's Request for Approval of a Contract with an Affiliated Interest Filed in Compliance with PECO's Implementation Plan of the Management Efficiency Investigation at Docket No. D-2009-2128070**  
Docket Nos. \_\_\_\_\_ and D-2009-2128070

Dear Ms. Chiavetta:

Enclosed for filing are an unbound original and three copies of PECO Energy Company's Request for Approval of a Contract with an Affiliated Interest Filed in Compliance with PECO's Implementation Plan of the Management Efficiency Investigation at Docket No. D-2009-2128076 ("Request for Approval"). Please note that this filing comprises a compliance filing in Docket No. D-2009-2128076 and also is a request for contract approval under Section 1102 for which the Commission typically creates a separate docket.

As evidenced by the enclosed Certificate of Service, copies of the Request for Approval are being served on the Commission's Office of Trial Staff, the Office of Consumer Advocate, the Office of Small Business Advocate, the Commission's Bureau of Fixed Utility Services and the Commission's Bureau of Audits.

PECO requests that its Request for Approval be considered as expeditiously as possible, consistent with the nominal 30-day period for consideration of affiliate transaction contracts set forth in 66 Pa. C.S. §2102(b).

If additional information is needed about this matter, please contact me at my direct-dial number above. Thank you.

Very truly yours,



Ward L. Smith  
Counsel for PECO Energy Company

WLS/zyr

Enc.

cc: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PECO ENERGY COMPANY'S** :  
**REQUEST FOR APPROVAL OF A** :  
**CONTRACT WITH AN AFFILIATED** : **DOCKET NO. \_\_\_-\_\_\_\_\_**  
**INTEREST FILED IN COMPLIANCE** :  
**WITH PECO'S IMPLEMENTATION** : **DOCKET NO. D-2009-2128070**  
**PLAN OF THE MANAGEMENT** :  
**EFFICIENCY INVESTIGATION AT** :  
**DOCKET NO. D-2009-2128070**

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**REQUEST FOR CONTRACT APPROVAL** PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**AND**

**COMPLIANCE FILING PURSUANT TO PECO'S IMPLEMENTATION PLAN OF THE  
MANAGEMENT EFFICIENCY INVESTIGATION AT DOCKET NO. D-2009-2128070**

PECO Energy Company ("PECO") requests that the Pennsylvania Public Utility Commission ("PUC" or the "Commission") grant its approval, under 66 Pa. C.S. §2102(b) and any other provisions the Commission deems applicable, of certain affiliated interest agreements described in this filing and attached hereto. PECO also requests that this filing be accepted as its compliance filing for its outstanding item #4 in its Management Efficiency Investigation at Docket No. D-2009-2128070. In support of its request, PECO provides the information set forth below.

1. PECO is a Pennsylvania public utility corporation with its principal office located at 2301 Market Street, Philadelphia, Pennsylvania. PECO furnishes electric and natural gas service to customers within its authorized service territory in Southeastern Pennsylvania. PECO is a wholly owned, indirect subsidiary of Exelon Corporation ("Exelon"), as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. § 2101(a)(1). The relationship of PECO to other

entities of the Exelon corporate structure that are discussed in this filing is graphically represented in the Exelon Corporate Structure Chart attached to this filing as Exhibit A.

2. Commonwealth Edison Company (“ComEd”) is an Illinois corporation that is engaged in supplying electric energy to the public in the northern portion of Illinois. ComEd is a public utility within the meaning of Section 3-105 of the Illinois Public Utilities Act (Illinois Act) (220 ILCS 5/3-105) and an electric utility within the meaning of Section 16-102 of the Illinois Act (220 ILCS 5/16-102). ComEd is an indirect subsidiary of Exelon and, as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. § 2101(a)(3).

3. Exelon Energy Delivery Company, LLC (“EED”) is a limited liability company organized and existing under the laws of the State of Delaware and is a holding company for Exelon’s regulated public utility companies, PECO and ComEd. EED is a wholly-owned subsidiary of Exelon and, as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. § 2101(a)(3).

4. Exelon Business Services Company, LLC (“EBSC”) is a limited liability company organized and existing under the laws of the State of Delaware and is a centralized service company with the meaning of 18 CFR Section 366.1 of the regulations of the Federal Energy Regulatory Commission. EBSC provides shared services to companies in the Exelon system. EBSC is a wholly-owned subsidiary of Exelon and, as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. § 2101(a)(3).

5. Exelon Ventures Company, LLC (“Ventures”) is a limited liability company organized and existing under the laws of the State of Delaware and is a holding company for Exelon’s major non-franchised utility and non-regulated companies: Exelon Generation Company, LLC and Exelon Enterprises Company, LLC. Ventures is a wholly-owned subsidiary

of Exelon Corporation and, as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. § 2101(a)(3)

6. Exelon Generation Company, LLC (“ExGen”) is a limited liability company organized and existing under the laws of the Commonwealth of Pennsylvania and is a public utility within the meaning of Section 201 (16 USC Sec. 824) of the Federal Power Act. ExGen generates and sells electricity in the wholesale market, including in Pennsylvania. ExGen is a wholly owned, indirect subsidiary of Exelon and, as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. §2101(a)(3).

7. Exelon Enterprises Company, LLC (“Enterprises”) is a limited liability company organized and existing under the laws of the Commonwealth of Pennsylvania and is a holding company for Exelon’s non-utility, non-generating assets and functions. Enterprises is a wholly owned, indirect subsidiary of Exelon and, as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. §2101(a)(3).

8. UII, LLC (“UII”) is a corporation organized and existing under the laws of Illinois. UII is a holding company formed to receive the proceeds from the sale of certain generating assets previously owned by ComEd, pending the eventual use of those funds. UII is a wholly owned subsidiary of Exelon and, as such, is an affiliated interest of PECO, as defined in 66 Pa. C.S. §2101(a)(3).

9. On November 22, 1999, PECO filed with the Commission an Application to Implement a Corporate Restructuring and to Merge with Unicom Corporation.<sup>1</sup> As part of that Application, PECO appended two services agreements under which affiliate services would be provided in the then-to-be-formed Exelon corporate group: the General Services Agreement

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<sup>1</sup> Application of PECO Energy Company, Pursuant to Chapters 11, 19, 21, 22 and 28 of the Public Utility Code, for Approval of (1) A Plan of Corporate Restructuring, Including the Creation of a Holding Company, and (2) The Merger of the Newly Formed Holding Company And Unicom Corporation, Docket No. A-110550F0147.

("GSA") which would control the provisions of services between PECO and EBSC, and the Mutual Services Agreement ("MSA"), which would control services provided between PECO and the other affiliates in the then-to-be-formed Exelon corporate group. A copy of the GSA as filed in the 1999 merger Application is attached as Exhibit B. A copy of the MSA as filed in the 1999 merger Application is attached as Exhibit C. In its Application (¶¶ 23-24), PECO requested that the GSA and MSA, "in the form provided . . . or in . . . other substantially similar form . . . be approved under Section 2102(b) of the Code."

10. PECO and the numerous interveners to its merger proceeding ultimately settled the litigation, and on March 23, 2000 filed with the Commission a Joint Petition for Settlement. On June 1, 2000, Administrative Law Judge Charles E. Rainey, Jr. issued a Recommended Decision that included a Recommended Order. Paragraph 4 of the Recommended Order addressed the GSA and the MSA, stating: "That the contracts between PECO Energy Company and affiliated interests, the forms of which appear as Exhibits H-1, H-2, H-3, P and Q to Application at Docket No. A-0011550F0147, are approved." Although the Recommended Decision and Recommended Order required PECO to make an extensive compliance filing, that compliance filing was limited to other aspects of the Settlement and did not require PECO to file executed or completed copies of the approved GSA and MSA.

11. On June 22, 2000, the Commission issued an Order adopting the Recommended Decision and Order and approving the Merger. Paragraph 5 of the Commission's final Order approved the GSA and the MSA, stating: "That the contracts between PECO Energy Company and affiliated interests, the forms of which appear as Exhibits H-1, H-2, H-3, P and Q to Application at Docket No. A-0011550F0147, are approved." As with the Recommended Order, although the final Order required PECO to make an extensive compliance filing, that compliance filing was limited to other aspects of the Settlement and did not require PECO to file executed or completed copies of the approved GSA and MSA.

12. PECO thereafter completed its corporate restructuring and merger. It conducted its affiliate transactions under the approved GSA and MSA from that point forward and through today.

13. In August, 2007 Schumaker & Company completed a Stratified Management and Operations Audit of PECO's operations on behalf of the Commission in Docket D-05MGT048, and issued an extensive (approximately 700 page) Final Report of its audit findings. ("2007 Audit Report"). The 2007 Audit Report included a section on affiliate interest transactions. The 2007 Audit Report made a number of findings including, importantly, Finding VII-5: "Affiliate transactions are generally reasonable and appropriately based on direct charges or cost-causative allocation factors." The 2007 Audit Report also made six recommendations for PECO to improve its affiliated interest program. Of particular interest to this filing, Recommendation VII-1 was that PECO should: "Provide updated affiliated interest (i.e., GSA, MSA, SLA, and ALA) and associated organization structure documents to PaPUC staff." In an Implementation Plan filed with the Commission in August, 2007 (the "2007 Audit Implementation Plan"), PECO accepted all six affiliate interest recommendations, including Recommendation VII-1 as set forth above. PECO's 2007 Audit Implementation Plan for Recommendation VII-1 was:

PECO will provide to PaPUC staff a copy of the then-current SLAs and ALAs, as well as the then-current document showing the organizational structure of Exelon, as part of the first annual update resulting from the stratified management audit. If the GSA and/or MSA are revised prior to that update, PECO will also provide a copy of the revised GSA and/or MSA at that same time.

14. By Secretarial Letter issued on August 31, 2007, the Commission directed PECO to proceed with its 2007 Audit Implementation Plan.

15. In or about September, 2009, the Commission's Bureau of Audits initiated a Management Efficiency Investigation (the "MEI") at Docket No. D-2009-2128070 to confirm completion of the Implementation Plan from the 2007 Management Audit and for related

purposes. In July, 2010, the Bureau of Audits issued a report on the Management Efficiency Investigation (the “2010 MEI Report”). The 2010 MEI Report reviewed the affiliate interest issues that had been raised in the 2007 Management Audit Report and PECO’s 2007 Audit Implementation Plan and generally concluded that PECO had fully implemented its 2007 Audit Implementation Plan and that additional action therefore is not necessary, with two exceptions. First, on an unrelated matter the Bureau of Audits recommended that PECO should, in 2010, complete market testing for certain BSC-provided services and continue to evaluate those services on an ongoing basis. Second, with respect to the GSA, MSA, and related organization structure documents, the 2010 MEI Report expanded on the recommendation made in the 2007 Audit Report and PECO’s 2007 Audit Implementation Plan, which was to provide copies of certain documents to Commission Staff. The 2010 MEI Report recommends an additional step – that PECO should actually file the GSA, MSA, and associated organization structure documents with the Commission itself for Commission review and approval. Recommendation #4 of the 2010 MEI Report states that PECO should:

File updated affiliated interest documents including, but not limited to, the MSA and GSA, and associated organization structure documents to the Commission for review and approval.

16. PECO thereafter filed an MEI Implementation Plan in July 2010 (the “2010 MEI Implementation Plan”). With respect to MEI Recommendation #4, PECO accepted the Bureau of Audits’ recommendation, stating that:

PECO will file a copy of the signed MSA and GSA documents for review and approval. PECO will also provide the current organizational chart that illustrates the organizations associated with the GSA and MSA documents. PECO notes that the MSA and GSA were approved by the Commission, in materially their current form, in the PECO/ComEd Merger at Docket No. A-110550F0147 (Opinion and Order entered June 22, 2000). However, in that Order the Commission did not require PECO to make a compliance filing with signed copies of the MSA and GSA, and therefore the Commission has not reviewed and approved the signed copies of those agreements. PECO understands that the

filing of the MSA and the GSA pursuant to this MEI Recommendation #4 will serve the same role as would have been filled by a compliance filing at the time.

17. By Secretarial Letter issued August 2, 2010, the Commission directed PECO to proceed with its 2010 MEI Implementation Plan. This filing is PECO's compliance filing for the just-quoted language.

18. As previously noted, the current organizational chart that illustrates the organizations associated with the GSA and MSA documents is attached to this filing as Exhibit A.

19. A copy of the signed GSA is attached to this filing as Exhibit D.

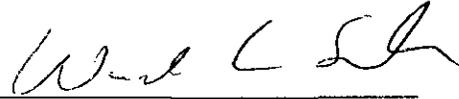
20. A copy of the signed MSA is attached to this filing as Exhibit E.

21. The GSA and the MSA are reasonable and consistent with the public interest and, as such, should be approved under 66 Pa. C.S. §2102 (a) and (b). As previously explained, the Commission has previously approved these same agreements in PECO's Merger Proceeding. A decade of affiliate transactions have occurred under these agreements. The transactions that have taken place under these agreements have been the subject of an extensive 2007 Management Audit and the 2010 MEI to ensure that all recommended changes were implemented. The 2007 Management Audit found that the transactions that have occurred under the GSA and MSA "are generally reasonable and appropriately based on direct charges or cost-causative allocation factors."

WHEREFORE, for the reasons set forth above, the Commission should find and determine that the General Services Agreement and the Mutual Services Agreement comply with the requirements of 66 Pa. C.S. §2102(a) and (b) and, therefore, should grant its approval under those provisions and any other provisions the Commission may deem applicable. In addition, the

Commission should find that this filing constitutes compliance with PECO's obligations under the Management Efficiency Audit Recommendation #4.

Respectfully submitted,



Ward L. Smith  
Pa. Attorney No. 47670  
Assistant General Counsel  
Exelon Corporation  
2301 Market Street, S23-1  
Philadelphia, PA 19101  
215-841-6863  
Fax: 215-568-3389  
[ward.smith@exeloncorp.com](mailto:ward.smith@exeloncorp.com)

Counsel for PECO Energy Company

Dated: November 17, 2010

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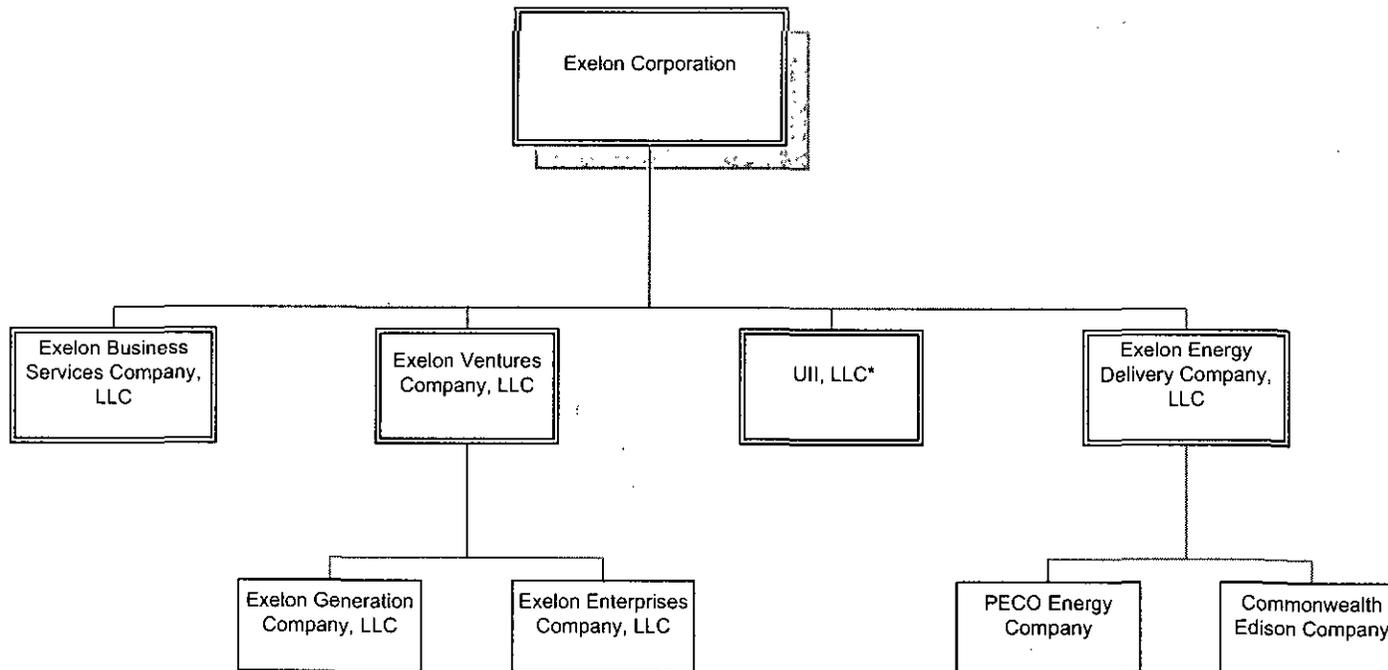
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**Exhibit A**

**Exelon Corporate Structure Chart**

Exelon Corporation  
100% Owned  
July 26, 2010



\* Unicom Investment, Inc. merged with and into UII, LLC on 11/19/04

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**Exhibit B**

**Form of General Services Agreement as Filed in Docket No. A-110550F0147**

Exhibit \_\_\_\_

GENERAL SERVICES AGREEMENT

BETWEEN

\_\_\_\_\_ SERVICES COMPANY

AND

PECO ENERGY COMPANY, COMMONWEALTH EDISON COMPANY,  
COMMONWEALTH EDISON COMPANY OF INDIANA, INC., \_\_\_\_\_

**[ADD NAMES OF ADDITIONAL ENTITIES HERE]**

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 1999, by and between the following Parties: \_\_\_\_\_ SERVICES COMPANY (hereinafter sometimes referred to as "Service Company"), a \_\_\_\_\_ corporation; and **[INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**, a \_\_\_\_\_ corporation; PECO ENERGY COMPANY ("PECO"), a Pennsylvania Corporation; COMMONWEALTH EDISON COMPANY (ComEd), an Illinois corporation; COMMONWEALTH EDISON COMPANY OF INDIANA, INC., an \_\_\_\_\_ corporation; **[ADD ADDITIONAL PARTIES TO THE SERVICE AGREEMENT HERE]**, (hereinafter sometimes referred to collectively as "Client Companies");

WITNESSETH:

WHEREAS, Client Companies, including **[INSERT NAME OF REGISTERED HOLDING COMPANY]**, which has filed for registration under the terms of the Public Utility Holding Company Act of 1935 (the "Act") and its other subsidiaries, desire to enter into this agreement providing for the performance by Service Company for the Client Companies of certain services more particularly set forth herein; and

WHEREAS, Service Company is organized, staffed and equipped and has filed with the Securities and Exchange Commission ("the SEC") to be a subsidiary service company under Section 13 of the Act to render to **[INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**, and other subsidiaries of **[INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**, certain services as herein provided; and

WHEREAS, to maximize efficiency, and to achieve merger related savings, the Client Companies desire to avail themselves of the advisory, professional, technical and other services of persons employed or to be retained by Service Company, and to compensate Service Company appropriately for such services,

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein, the parties hereto agree as follows:

Section 1. Agreement to Furnish Services

Service Company agrees to furnish to Client Companies and their subsidiaries, if any, upon the terms and conditions herein provided, the services hereinafter referred to and described in Section 2, at such times, for such period and in such manner as Client Companies may from time

to time request. Service Company will keep itself and its personnel available and competent to render to Client Companies such services so long as it is authorized so to do by the appropriate federal and state regulatory agencies. In supplying such services, Service Company may arrange, where it deems appropriate, for the services of such experts, consultants, advisers, and other persons with necessary qualifications as are required for or pertinent to the provision of such services.

## Section 2. Services to be Performed

The services expected to be provided by Service Company hereunder may, upon request by a Client Company, include the services as set out in Schedule 1, attached hereto and made a part hereof.

In addition to the Services set out in Schedule 1, Service Company shall render such additional general or special services, whether or not now contemplated, as Client Companies may request from time to time and Service Company determines it is able to perform.

Notwithstanding the foregoing paragraph, no change in the organization of the Service Company, the type and character of the companies to be serviced, the methods of allocating costs to associate companies, or in the broad general categories of services to be rendered subject to Section 13 of the Act, or any rule, regulation or order thereunder, shall be made unless and until the Service Company, shall first have given the SEC written notice of the proposed change not less than 60 days prior to the proposed effectiveness of any such change. If, upon the receipt of any such notice, the SEC shall notify the Service Company within the 60-day period that a

question exists as to whether the proposed change is consistent with the provisions of Section 13 of the Act, or of any rule, regulation or order thereunder, then the proposed change shall not become effective unless and until the Service Company shall have filed with the SEC an appropriate declaration regarding such proposed change and the SEC shall have permitted such declaration to become effective.

### Section 3. New Subsidiaries

New direct or indirect subsidiaries of **[INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**, which may come into existence after the effective date of this Service Agreement, may become additional client companies of Service Company and subject to this service agreement with Service Company. The parties hereto shall make such changes in the scope and character of the services to be rendered and the method of assigning, distributing or allocating costs of such services as may become necessary to achieve a fair and equitable assignment, distribution, or allocation of Service Company costs among all associate companies including the new subsidiaries.

### Section 4. Compensation of Service Company

As compensation for the services to be rendered hereunder, Client Companies listed in Attachment A hereto, as amended from time to time, shall pay to Service Company all costs which reasonably can be identified and related to particular services performed by Service Company for or on its behalf. Client Companies listed in Attachment B hereto, as amended from

time to time, shall pay to Service Company charges for services that are to be no less than cost (except as may otherwise be permitted by the SEC), insofar as costs can reasonably be identified and related by Service Company to its performance of particular services for or on behalf of Client Company.

The methods for assigning or allocating Service Company costs to Client Company, as well as to other associate companies, are set forth in Schedules 1 and 2 attached hereto.

Attachments A and B and Schedules 1 and 2 are each expressly incorporated herein and made a part hereof.

#### Section 5. Securities and Exchange Commission Rules

It is the intent of the Parties that the determination of the costs as used in this Agreement shall be consistent with, and in compliance with the rules and regulations of the SEC, as they now read or hereafter may be modified by the Commission.

#### Section 6. Service Requests

The services described herein or contemplated to be performed hereunder shall be directly assigned, distributed or allocated by activity, project, program, work order or other appropriate basis.

#### Section 7. Payment

Payment shall be by making remittance of the amount billed or by making

appropriate accounting entries on the books of the companies.

Invoices shall be prepared on a monthly basis.

**Section 8. [INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**

Except as authorized by rule, regulation, or order of the Securities and Exchange Commission, nothing in this Agreement shall be read to permit **[INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**, or any person employed by or acting for **[INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**, to provide services for other Parties, or any companies associated with said Parties.

**Section 9. Effective Date and Termination**

This Agreement is executed subject to the consent and approval of all applicable regulatory agencies, and if so approved in its entirety, shall become effective as of the date the merger between PECO and Unicom is consummated, and shall remain in effect from said date unless terminated by mutual agreement or by any Party giving at least sixty days' written notice to the other Parties prior to the beginning of any calendar year, each Party fully reserving the right to so terminate the Agreement.

This Agreement may also be terminated to the extent that performance may conflict with any rule, regulation or order of the SEC adopted before or after the making of this Agreement.

**Section 10. Access to Records**

For the seven years following a transaction under this Agreement, the Client Company may request access to and inspect the accounts and records of the Service Company, provided that the scope of access and inspection is limited to accounts and records that are related to such transaction.

Section 11. Assignment

This Agreement and the rights hereunder may not be assigned without the mutual written consent of all Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their authorized officers as of the day and year first above written.

\_\_\_\_\_ SERVICES COMPANY

By \_\_\_\_\_

Title \_\_\_\_\_

ATTEST:

By \_\_\_\_\_

Title \_\_\_\_\_

**[INSERT NAME OF REGISTERED HOLDING COMPANY HERE]**

By \_\_\_\_\_

Title \_\_\_\_\_

ATTEST:

By \_\_\_\_\_

Title \_\_\_\_\_

**PECO ENERGY COMPANY**

By \_\_\_\_\_

Title \_\_\_\_\_

ATTEST:

By \_\_\_\_\_

Title \_\_\_\_\_

COMMONWEALTH EDISON COMPANY

By \_\_\_\_\_

Title \_\_\_\_\_

ATTEST:

By \_\_\_\_\_

Title \_\_\_\_\_

**[INSERT NAMES OF AND SIGNATURE BLOCKS FOR ADDITIONAL  
PARTIES AS NEEDED]**

# Service Agreement Schedule 1

## Allocation Ratios:

### General:

Identifiable costs for all of the services listed in Schedule 1 will be directly charged to Client Companies, whenever possible. For costs that cannot be directly assigned or distributed, the expected allocation ratios are shown below.

### Revenue Related Ratios:

Revenues  
Sales - Units sold and/or transported  
Number of Customers

### Expenditure Related Ratios:

Total Expenditures  
Operations and Maintenance Expenditures  
Construction Expenditures

### Labor/Payroll Related Ratios:

Labor / Payroll  
Number of Employees

### Units Related Ratios:

Usage (for example: CPU's, square feet , number of vendor invoice payments)  
Consumption (for example: tons of coal, gallons of oil, MMBTU's)  
Capacity (for example: nameplate generating capacity, peak load, gas throughput)  
Other units related

### Assets Related Ratios:

Total Assets  
Current Assets  
Gross Plant

### Composite Ratios:

Total Average Assets and 12 months ended Gross Payroll  
Other composite ratios

Machinery management services including but not limited to:

- equipment
- tools
- parts & supplies

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related, Composite

Vehicle management services including but not limited to:

- automobiles
- trucks
- vans
- trailers
- railcars
- marine vessels
- aircraft
- transport equipment
- material handling equipment
- construction equipment

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related, Composite

Operational services including but not limited to:

- drafting & technical specification development & evaluation
- consulting
- engineering
- environmental
- nuclear
- construction
- design
- resource planning
- economic & strategic analysis
- research
- testing
- training
- customer solicitation
- support & other marketing related services
- public & governmental relations
- other operational services

## Service Agreement Schedule 2

### Services including but not limited to:

#### General:

Identifiable costs for all of the services listed below will be directly charged to Client Companies, whenever possible. For costs that cannot be directly assigned or distributed, the expected allocation ratios are reflected below and discussed in more detail in Schedule 2.

#### Administrative & management services including but not limited to:

- accounting
  - bookkeeping
  - billing
  - accounts receivable
  - accounts payable
  - financial reporting
- audit
- executive
- finance
- insurance
- information systems services
- investment advisory services
- legal
- library
- record keeping
- secretarial & other general office support
- real estate management
- security holder services
- tax
- treasury
- other administration & management services

Expected allocation ratios: Revenue Related, Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

#### Personnel services including but not limited to:

- recruiting
- training & evaluation services
- payroll processing
- employee benefits administration & processing
- labor negotiations & management
- other personnel services

Expected allocation ratios: Labor/Payroll Related, Units Related, Composite

Purchasing services including but not limited to:

- preparation & analysis of product specifications
- requests for proposals & similar solicitations
- vendor & vendor-product evaluations
- purchase order processing
- receipt, handling, warehousing and disbursement of purchased items
- contract negotiation & administration
- inventory management & disbursement
- other purchasing services

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related,  
Assets Related, Composite

Facilities management services including but not limited to:

- office space
- warehouse & storage space
- transportation facilities (including dock & port, rail sidings and truck facilities)
- repair facilities
- manufacturing & production facilities
- fixtures, office furniture & equipment

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related,  
Composite

Computer services including but not limited to:

- computer equipment & networks
- peripheral devices
- storage media
- software

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related,  
Assets Related, Composite

Communications services including but not limited to:

- communications equipment
- audio & video equipment
- radio equipment
- telecommunications equipment & networks
- transmission & switching capability

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related,  
Assets Related, Composite

Expected allocation ratios: Revenue Related, Expenditure Related, Labor/Payroll Related,  
Units Related, Assets Related, Composite

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**Exhibit C**

**Form of General Services Agreement as Filed in Docket No. A-110550F0147**

MUTUAL SERVICES AGREEMENT

BETWEEN

PECO ENERGY COMPANY

AND

**[INSERT NAMES OF AFFILIATES HERE]**

THIS AGREEMENT, made and entered into this \_\_\_ day of \_\_\_\_\_, 1999, by and between the following: \_\_\_\_\_ PECO ENERGY COMPANY ("PECO"), a Pennsylvania Corporation; and **[INSERT NAMES OF AFFILIATES HERE]**, (hereinafter "Affiliates," PECO and its Affiliates are collectively referred to as "Parties.")

WITNESSETH:

WHEREAS, the Parties desire to enter into this Agreement providing for the performance of certain services as more particularly set forth herein; and

WHEREAS, to maximize efficiency, and to achieve cost savings, the Parties desire to avail themselves of the benefits of having services provided by the least cost provider thereof whenever possible, and to compensate such provider appropriately for such services;

NOW, THEREFORE, in consideration of these premises and of the mutual

agreements set forth herein, the Parties agree as follows:

Section 1. Definitions

**Commission** — the Pennsylvania Public Utility Commission.

**Providing Company** — one or more Parties to this Agreement that have agreed to provide requested services to another Party in accordance with the terms of this Agreement.

**Requesting Company** — one or more Parties to this Agreement that are requesting services to be provided by another Party in accordance with the terms of this Agreement.

Section 2. Agreement to Provide Services

PECO and Affiliates agree to provide, upon the terms and conditions set forth herein, services including but not limited to those services hereinafter referred to and described in Section 3, at such times, for such period and in such manner as Requesting Company may from time to time request and Providing Company concludes it is able and willing to provide. Providing Company will keep itself and its personnel available and competent to render to Requesting Company such services so long as it is authorized so to do by the appropriate federal and state regulatory agencies. In providing such services, Providing Company may arrange, as it deems appropriate, for the services of such experts, consultants, advisers, and other persons with necessary qualifications as are required for or pertinent to the provision of the requested services.

Section 3. Services to be Provided

The services expected to be provided by Providing Company hereunder may include, but are not limited to, the services set out in Schedule 1, attached hereto and made a part hereof. In addition to those identified in Schedule 1, a Providing Company shall render such additional general or special services, whether or not now contemplated, as Requesting Company may request from time to time and Providing Company determines it is able and willing to perform.

#### Section 4. New Affiliates

New direct or indirect affiliates of PECO, which may come into existence after the effective date of this Mutual Service Agreement, may become parties to this Agreement. The Parties hereto shall make such changes in the scope and character of the services to be provided and the method of assigning, distributing or allocating costs of such services as may become necessary to achieve a fair and equitable assignment, distribution, or allocation of costs among all Requesting Companies, including the new affiliates.

#### Section 5. Compensation of Providing Company

As compensation for the services to be provided hereunder, a Requesting Company shall generally pay to Providing Company charges for services that are no more than the cost thereof (except as otherwise directed or permitted by an appropriate regulatory authority), insofar as costs can reasonably be identified and related to the particular services in question or otherwise fairly and equitably allocated to such services. To the extent that PECO or its affiliated Electric Generation Supplier are participants in a particular transaction, the Requesting Company shall pay

to Providing Company charges for services that comply with the Commission's decisions, rules and regulations, including the Commission-approved settlement of Docket Nos. R-00973953 and P-00971265 and Appendices G and H thereto.

#### Section 6. Service Requests

The services described herein or contemplated to be provided hereunder shall be directly assigned, distributed or allocated by activity, project, program, work order or other appropriate basis.

#### Section 7. Payment

Payment shall be by making remittance of the amount billed or by making appropriate accounting entries on the books of the companies involved. Invoices shall be prepared on a monthly basis for services provided hereunder.

#### Section 8. Effective Date and Termination

This Agreement is executed subject to the Commission's consent and approval, and if so approved in its entirety, shall become effective as of the date of approval and shall remain in effect from said date unless terminated by the Commission or by mutual agreement. Any Party may withdraw from this Agreement by giving at least sixty days written notice to the other Parties prior to withdrawal.

Section 9. Access to Records

For the seven years following a transaction under this Agreement, the Requesting Company may request access to and inspect the accounts and records of the Providing Company, provided that the scope of access and inspection is limited to accounts and records that are related to such transaction.

Section 10. Assignment

This Agreement and the rights hereunder may not be assigned without the mutual written consent of all Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their authorized officers as of the day and year first above written.

PECO ENERGY COMPANY

By \_\_\_\_\_

Title \_\_\_\_\_

ATTEST:

By \_\_\_\_\_

Title \_\_\_\_\_

**[INSERT NAME OF AFFILIATE HERE]**

By \_\_\_\_\_

Title \_\_\_\_\_

ATTEST:

By \_\_\_\_\_

Title \_\_\_\_\_

**[INSERT NAMES OF AND SIGNATURE BLOCKS FOR ADDITIONAL  
PARTIES AS NEEDED]**

# Service Agreement Schedule 1

## Allocation Ratios:

### General:

Identifiable costs for all of the services listed in Schedule 1 will be directly charged to Client Companies, whenever possible. For costs that cannot be directly assigned or distributed, the expected allocation ratios are shown below.

### Revenue Related Ratios:

Revenues  
Sales - Units sold and/or transported  
Number of Customers

### Expenditure Related Ratios:

Total Expenditures  
Operations and Maintenance Expenditures  
Construction Expenditures

### Labor/Payroll Related Ratios:

Labor / Payroll  
Number of Employees

### Units Related Ratios:

Usage (for example: CPU's, square feet , number of vendor invoice payments)  
Consumption (for example: tons of coal, gallons of oil, MMBTU's)  
Capacity (for example: nameplate generating capacity, peak load, gas throughput)  
Other units related

### Assets Related Ratios:

Total Assets  
Current Assets  
Gross Plant

### Composite Ratios:

Total Average Assets and 12 months ended Gross Payroll  
Other composite ratios

## Service Agreement Schedule 2

### Services including but not limited to:

#### General:

Identifiable costs for all of the services listed below will be directly charged to Client Companies, whenever possible. For costs that cannot be directly assigned or distributed, the expected allocation ratios are reflected below and discussed in more detail in Schedule 2.

#### Administrative & management services including but not limited to:

- accounting
  - bookkeeping
  - billing
  - accounts receivable
  - accounts payable
  - financial reporting
- audit
- executive
- finance
- insurance
- information systems services
- investment advisory services
- legal
- library
- record keeping
- secretarial & other general office support
- real estate management
- security holder services
- tax
- treasury
- other administration & management services

Expected allocation ratios: Revenue Related, Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

#### Personnel services including but not limited to:

- recruiting
- training & evaluation services
- payroll processing
- employee benefits administration & processing
- labor negotiations & management
- other personnel services

Expected allocation ratios: Labor/Payroll Related, Units Related, Composite

Purchasing services including but not limited to:

- preparation & analysis of product specifications
- requests for proposals & similar solicitations
- vendor & vendor-product evaluations
- purchase order processing
- receipt, handling, warehousing and disbursement of purchased items
- contract negotiation & administration
- inventory management & disbursement
- other purchasing services

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

Facilities management services including but not limited to:

- office space
- warehouse & storage space
- transportation facilities (including dock & port, rail sidings and truck facilities)
- repair facilities
- manufacturing & production facilities
- fixtures, office furniture & equipment

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related, Composite

Computer services including but not limited to:

- computer equipment & networks
- peripheral devices
- storage media
- software

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

Communications services including but not limited to:

- communications equipment
- audio & video equipment
- radio equipment
- telecommunications equipment & networks
- transmission & switching capability

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

Machinery management services including but not limited to:  
equipment  
tools  
parts & supplies

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related,  
Composite

Vehicle management services including but not limited to:  
automobiles  
trucks  
vans  
trailers  
railcars  
marine vessels  
aircraft  
transport equipment  
material handling equipment  
construction equipment

Expected allocation ratios: Expenditure Related, Labor/Payroll Related, Units Related,  
Composite

Operational services including but not limited to:  
drafting & technical specification development & evaluation  
consulting  
engineering  
environmental  
nuclear  
construction  
design  
resource planning  
economic & strategic analysis  
research  
testing  
training  
customer solicitation  
support & other marketing related services  
public & governmental relations  
other operational services

Expected allocation ratios: Revenue Related, Expenditure Related, Labor/Payroll Related,  
Units Related, Assets Related, Composite

**RECEIVED**

NOV 17 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Exhibit D**

**Executed General Services Agreement**

GENERAL SERVICES AGREEMENT

BETWEEN

EXELON BUSINESS SERVICES COMPANY

AND

EXELON CORPORATION; EXELON ENERGY DELIVERY COMPANY, LLC;  
COMMONWEALTH EDISON COMPANY; PECO ENERGY COMPANY; EXELON  
VENTURES COMPANY, LLC; EXELON GENERATION COMPANY, LLC; EXELON  
ENTERPRISES COMPANY, LLC; UNICOM INVESTMENT INC.; AND THE  
SUBSIDIARIES, AFFILIATES AND ASSOCIATES OF EACH LISTED ENTITY.

THIS AGREEMENT, made and entered into this 1st day of January, 2001, by  
and between the following Parties: EXELON BUSINESS SERVICES COMPANY ("Services  
Company"), EXELON CORPORATION; EXELON ENERGY DELIVERY COMPANY, LLC;  
COMMONWEALTH EDISON COMPANY; PECO ENERGY COMPANY; EXELON  
VENTURES COMPANY, LLC; EXELON GENERATION COMPANY, LLC; EXELON  
ENTERPRISES COMPANY, LLC; UNICOM INVESTMENT INC; AND THE  
SUBSIDIARIES, AFFILIATES AND ASSOCIATES OF EACH LISTED ENTITY  
(collectively, the "Client Companies");

WITNESSETH:

WHEREAS, Client Companies, including EXELON CORPORATION, which is  
registered under the terms of the Public Utility Holding Company Act of 1935 (the "Act") and its  
other subsidiaries, affiliates and associates desire to enter into this agreement providing for the

performance by Services Company for the Client Companies of certain services as more particularly set forth herein;

WHEREAS, Services Company is organized, staffed and equipped and has filed with the Securities and Exchange Commission (“the SEC”) to be a subsidiary service company under Section 13 of the Act to render to EXELON CORPORATION, and other subsidiaries, affiliates and associates of EXELON CORPORATION, certain services as herein provided; and

WHEREAS, to maximize efficiency, and to achieve merger related savings, the Client Companies desire to avail themselves of the advisory, professional, technical and other services of persons employed or to be retained by Services Company, and to compensate Services Company appropriately for such services;

NOW, THEREFORE, in consideration of these premises and of the mutual agreements set forth herein, the Parties agree as follows:

#### Section 1. Agreement to Provide Services

Services Company agrees to provide to Client Companies, upon the terms and conditions set forth herein, the services hereinafter referred to and described in Section 2, at such times, for such period and in such manner as Client Companies may from time to time request. Except with respect to “Corporate Governance Services” as defined in Section 7 hereof, the Services Company shall perform only those services as are requested by the Client Companies. Services Company will keep itself and its personnel available and competent to provide to Client Companies such services so long as it is authorized to do so by the appropriate federal and state regulatory agencies. In providing such services, Services Company may arrange, where it deems

appropriate, for the services of such experts, consultants, advisers and other persons with necessary qualifications as are required for or pertinent to the provision of such services.

## Section 2. Services to be Provided

The services expected to be provided by Services Company hereunder may, upon request by a Client Company, include the services as set out in Schedule 2, attached hereto and made a part hereof. In addition to those identified in Schedule 2, Services Company shall provide such additional general or special services, whether or not now contemplated, as Client Companies may request from time to time and Services Company determines it is able to provide.

Notwithstanding the foregoing paragraph, no change in the organization of the Services Company, the type and character of the companies to be serviced, the factors for allocating costs to associate companies, or in the broad general categories of services to be rendered subject to Section 13 of the Act, or any rule, regulation or order thereunder, shall be made unless and until the Services Company shall first have given the SEC written notice of the proposed change not less than 60 days prior to the proposed effectiveness of any such change. If, upon the receipt of any such notice, the SEC shall notify the Services Company within the 60-day period that a question exists as to whether the proposed change is consistent with the provisions of Section 13 of the Act, or of any rule, regulation or order thereunder, then the proposed change shall not become effective unless and until the Services Company shall have filed with the SEC an appropriate declaration regarding such proposed change and the SEC shall have permitted such declaration to become effective.

### Section 3. Changes in Parties

New direct or indirect subsidiaries, affiliates and associates of EXELON CORPORATION, which may come into existence after the effective date of this Services Agreement, may become additional Client Companies of Services Company and subject to this General Services Agreement. In addition, entities which are, as of the effective date of this General Services Agreement, *direct or indirect subsidiaries, affiliates and associates of EXELON CORPORATION*, may thereafter leave the holding company system, in which case they will no longer be subject to this General Services Agreement. The parties hereto shall make such changes in the scope and character of the services to be provided and the method of assigning, *distributing or allocating costs of such services* as may become necessary to achieve a fair and equitable assignment, distribution, or allocation of Services Company costs among associate companies taking into account both the new subsidiaries and the subsidiaries which have left the holding company system, subject to the provisions of Section 2 above.

### Section 4. Compensation of Services Company

As compensation for the services to be rendered hereunder, Client Companies listed in Attachment A hereto, as revised from time to time, shall pay to Services Company all costs which reasonably can be identified and related to particular services provided by Services Company for or on Client Company's behalf (except as may otherwise be permitted by the SEC). All other Client Companies and their affiliates and associates (see Attachment B) shall pay to Services Company charges for services that are to be no less than cost (except as may otherwise be permitted by the SEC), insofar as costs can reasonably be identified and related by Services Company to its performance of particular services for or on behalf of Client Company.

The services described herein or contemplated to be provided hereunder shall be directly assigned, distributed or allocated by activity, project, program, work order or other appropriate basis. The factors for assigning or allocating Services Company costs to Client Company, as well as to other associate companies, are set forth in Schedules 1 and 2 attached hereto. Attachments A and B and Schedules 1 and 2 are each expressly incorporated herein and made a part hereof.

Any charges to the Client Companies on account of use of capital shall reflect a reasonable and efficient capital structure.

#### Section 5. Securities and Exchange Commission Rules

It is the intent of the Parties that the determination of the costs as used in this Agreement shall be consistent with, and in compliance with, the rules and regulations of the SEC, as they now exist or hereafter may be modified by the Commission.

#### Section 6. Service Review

The parties shall review each service covered by this Agreement on an as needed basis, to assess the quality of the service and to determine the continued need therefor, and shall, subject to the provisions of Section 2 above, amend the scope of services, delete services entirely from this Agreement, and/or decline services which are not "Corporate Governance Services," as defined in Section 7 hereof, as they determine to be necessary or desirable.

## Section 7. Corporate Governance Services.

Whether or not requested by the Client Companies, the Services Company may provide to all Client Companies, and Client Companies shall pay Services Company for, "Corporate Governance Services." Corporate governance consists of those activities and services reasonably determined to be necessary for the lawful and effective management of Exelon System businesses. Corporate Governance Services may be supplied from functions such as accounting, finance, executive, strategic planning, legal, human resources/benefits, audit, corporate communications and public affairs, environmental, health and safety, government affairs and policy, and investor relations. Corporate Governance Services may include, but are not limited to, the following: planning and project evaluation; finance and treasury; accounting and analysis; risk management; tax; shareholder and investor relations; merger and acquisition services; strategic planning; diversity; employee and labor relations; HR planning and development; compensation and benefits; legal services in the areas of securities, PUHCA, employment, regulatory, contract, litigation and intellectual property laws; legal and administrative support to the Board of Directors; environmental compliance activities; ethics and compliance programs; management services for compliance with Federal laws, regulations and other policy requirements, including relationship management with the U.S. Congress and Federal agencies; corporate communications; branding; corporate events; charitable support; community relations and communications to local organizations; and communications to employees.

## Section 8. Payment

Payment shall be by making remittance of the amount billed or by making

appropriate accounting entries on the books of the companies involved. Invoices shall be prepared on a monthly basis for services provided hereunder.

#### Section 9. EXELON CORPORATION

Except as authorized by rule, regulation, or order of the SEC, nothing in this Agreement shall be read to permit EXELON CORPORATION, or any person employed by or acting for EXELON CORPORATION, to provide services for other Parties, or any companies associated with said Parties.

#### Section 10. Client Companies

Except as limited by law or order of the SEC, Client Companies, their subsidiaries, affiliates and associates may provide services described herein to other Client Companies, their subsidiaries, affiliates and associates on the same terms and conditions as set out for the Services Company.

#### Section 11. Effective Date and Termination

This Agreement is executed subject to the consent and approval of all applicable regulatory agencies, and if so approved in its entirety, shall be deemed effective from the date that the merger between PECO ENERGY COMPANY and UNICOM CORPORATION was consummated, and shall remain in effect from said date unless terminated by mutual agreement or by any Party giving at least 90 days' written notice to the other Parties prior to the beginning of any calendar year, each Party fully reserving the right to so terminate this Agreement.

This Agreement may also be terminated or modified to the extent that performance may conflict with any rule, regulation or order of the SEC adopted before or after the making of this Agreement. This Agreement shall be terminated with respect to any Client Company immediately upon such Client Company ceasing to be a member of the Exelon holding company system.

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive such termination or expiration.

#### Section 12. Access to Records

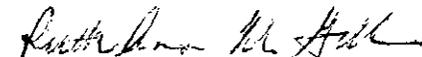
Records will be maintained in accordance with 17 C.F.R. §257 and in any event no less than seven years following a transaction under this Agreement. The Client Company may request access to and inspect the accounts and records of the Services Company, provided that the scope of access and inspection is limited to accounts and records that are related to such transaction.

#### Section 13. Assignment

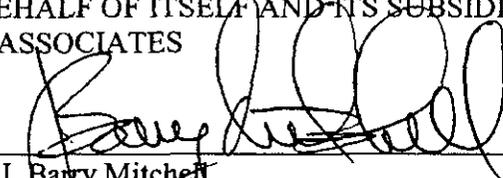
This Agreement and the rights hereunder may not be assigned without the mutual written consent of all Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their authorized officers as of the day and year first above written.

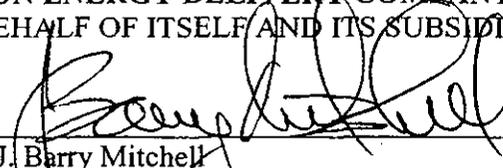
**EXELON BUSINESS SERVICES COMPANY**

By   
Ruth Ann M. Gillis  
Title: President

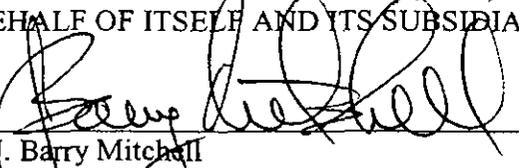
**EXELON CORPORATION,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES, AFFILIATES  
AND ASSOCIATES**

By   
J. Barry Mitchell  
Title: Senior Vice President and Treasurer

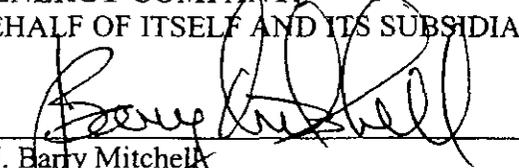
**EXELON ENERGY DELIVERY COMPANY, LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Vice President and Treasurer

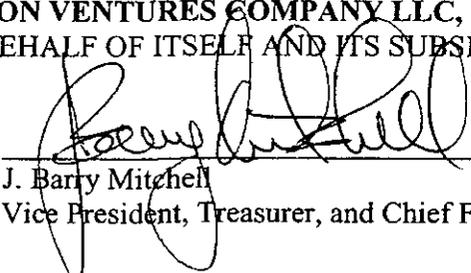
**COMMONWEALTH EDISON COMPANY,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Senior Vice President, Treasurer, and Chief Financial Officer

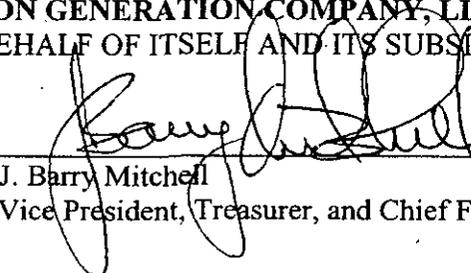
**PECO ENERGY COMPANY,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Vice President, Treasurer, and Chief Financial Officer

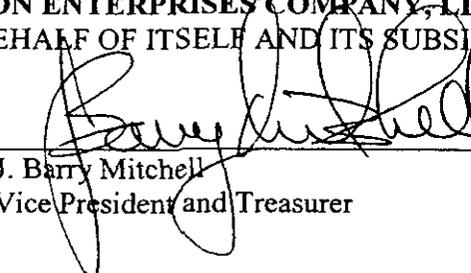
**EXELON VENTURES COMPANY LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Vice President, Treasurer, and Chief Financial Officer

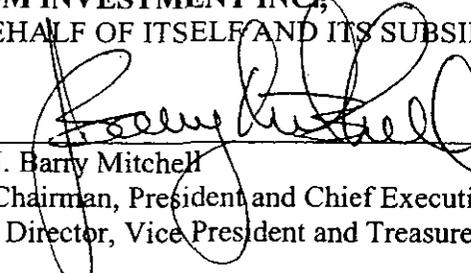
**EXELON GENERATION COMPANY, LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Vice President, Treasurer, and Chief Financial Officer

**EXELON ENTERPRISES COMPANY, LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Vice President and Treasurer

**UNICOM INVESTMENT INC.,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Chairman, President and Chief Executive Officer,  
Director, Vice President and Treasurer

**Attachment A**

Commonwealth Edison Company

Commonwealth Edison Of Indiana, Inc.

PECO Energy Company

Exelon Generation Company, LLC

Any subsidiary involved in directly providing goods,  
construction or services to the foregoing companies

**Attachment B**

*All other Client Companies and their affiliates and associates not referred to in Attachment A.*

## Service Agreement Schedule 1

### Allocation Ratios:

#### **General:**

Direct charges shall be made so far as costs can be identified and related to the particular transactions involved without excessive effort or expense. Other elements of cost, including taxes, interest, other overhead, and compensation for the use of capital procured by the issuance of capital stock, shall be fairly and equitably allocated using the ratios set forth below.

#### **Revenue Related Ratios:**

Revenues  
Sales - Units sold and/or transported  
Number of Customers

#### **Expenditure Related Ratios:**

Total Expenditures  
Operations and Maintenance Expenditures  
Capital Expenditures  
Service Company Billings  
Service Company SLA Billings (Non-governance)

#### **Labor/Payroll Related Ratios:**

Labor / Payroll  
Number of Employees

#### **Units Related Ratios:**

Usage (for example: CPU's, square feet , number of vendor invoice payments)  
Consumption (for example: tons of coal, gallons of oil, MMBTU's)  
Capacity (for example: nameplate generating capacity, peak load, gas throughput)  
Other units related

#### **Assets Related Ratios:**

Total Assets  
Current Assets  
Gross Plant

#### **Composite Ratios:**

Total Average Assets and 12 months ended Gross Payroll  
Modified Massachusetts Formula  
Other composite ratios

## Service Agreement Schedule 2

### Services Including But Not Limited To:

#### **General:**

Direct charges shall be made so far as costs can be identified and related to the particular transactions involved without excessive effort or expense. Other elements of cost, including taxes, interest, other overhead, and compensation for the use of capital procured by the issuance of capital stock, shall be fairly and equitably allocated using the ratios set forth in Schedule 1.

#### **Administrative & management services including but not limited to:**

- accounting
  - bookkeeping
  - billing
  - accounts receivable
  - accounts payable
  - financial reporting
- audit
- claims
- communications
- customer operations
- customer services
- executive
- finance
- insurance
- information systems services
- investment advisory services
- legal
- library
- record keeping
- secretarial & other general office support
- real estate management
- security holder services
- tax
- treasury
- other administration & management services

**Expected allocation ratios:** Revenue Related, Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Personnel services including but not limited to:**

- recruiting
- training & evaluation services
- payroll processing
- employee benefits administration & processing
- labor negotiations & management
- other personnel services

**Expected allocation ratios:** Labor/Payroll Related, Units Related, Composite

**Purchasing services including but not limited to:**

- preparation & analysis of product specifications
- requests for proposals & similar solicitations
- vendor & vendor-product evaluations
- purchase order processing
- receipt, handling, warehousing and disbursement of purchased items contract negotiation & administration
- inventory management & disbursement
- other purchasing services

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Facilities management services including but not limited to:**

- office space
- warehouse & storage space
- transportation facilities (including dock & port, rail sidings and truck facilities)
- repair facilities
- manufacturing & production facilities
- fixtures, office furniture & equipment

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Composite

**Computer services including but not limited to:**

- computer equipment & networks
- peripheral devices
- storage media
- software

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Communications services including but not limited to:**

- communications equipment
- audio & video equipment
- radio equipment
- telecommunications equipment & networks
- transmission & switching capability

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Machinery management services including but not limited to:**

- equipment
- tools
- parts & supplies

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Composite

**Vehicle management services including but not limited to:**

- automobiles
- trucks
- vans
- trailers
- railcars
- marine vessels
- aircraft
- transport equipment
- material handling equipment
- construction equipment

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Composite

**Operational services including but not limited to:**

- drafting & technical specification, development & evaluation
- consulting
- engineering
- environmental
- safety
- nuclear
- construction

design  
resource planning  
economic & strategic analysis  
research  
testing  
training  
customer solicitation  
support & other marketing related services  
public & governmental relations  
other operational services

**Expected allocation ratios:** Revenue Related, Expenditure Related, Labor/Payroll Related,  
Units Related, Assets Related, Composite

**Service Level Arrangement**

Arrangement between \_\_\_\_\_ Services Department and [Client Company]

---

**Purpose**

**Governing Agreement**

**Term of Service**

**Scope of Services**

Scope of Services

**Service Responsibility Matrix**

Services, Tasks		

**Service Costing Schedule**

**Monthly Billing Table:**

Service/Transaction	Estimated Monthly Billing

**Performance Metrics & Performance Reporting**

<b>Signatures</b>			
Manager Service Company		Name (Client)	
		Title	
_____		_____	
Signature	Date	Signature	Date

**Project Charter**

**Mission:**

**Objective**

- 
- 

**Business Need / Expected Benefits**

- 

**Project Approach**

- 
- 
- 

**Measures of Success / Effectiveness**

- 
- 

**Project Team**

- Sponsor -
- Responsible Director –
- Project Manager –
- Project Team –

**High Level Schedule**

Activity or Deliverable	Start Date	End Date

**High Level Cost Estimate**

Item	Cost

**Major Risks and Issues**

- 

**Assumptions and Constraints**

-

**Project Charter Authorizing Signatures**

Name / Title	Signature	Date

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NOV 17 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Exhibit E**

**Executed Mutual Services Agreement**

**MUTUAL SERVICES AGREEMENT**

**BETWEEN**

**PECO ENERGY COMPANY**

**AND**

**EXELON CORPORATION AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY EXELON CORPORATION**

**AND**

**EXELON GENERATION COMPANY, LLC AND ANY OR ALL OF ITS  
SUBSIDIARIES AND/OR AFFILIATES WHOLLY OR PARTLY-OWNED  
BY EXELON GENERATION COMPANY, LLC**

**AND**

**EXELON ENTERPRISES, LLC AND ANY OR ALL OF ITS SUBSIDIARIES  
AND/OR AFFILIATES WHOLLY OR PARTLY-OWNED BY  
EXELON ENTERPRISES COMPANY, LLC**

**AND**

**COMMONWEALTH EDISON COMPANY AND ANY OR ALL OF ITS  
SUBSIDIARIES AND/OR AFFILIATES WHOLLY OR PARTLY-OWNED BY  
COMMONWEALTH EDISON COMPANY**

**THIS AGREEMENT**, made and entered into this 1st day of January, 2001, by and between the following: PECO ENERGY COMPANY ("PECO"), a Pennsylvania Corporation; and Exelon Corporation ("Exelon") and any or all of its subsidiaries and/or affiliates wholly or partly-owned by Exelon Corporation; Exelon Generation Company, LLC ("Genco") and any or all of its subsidiaries and/or affiliates wholly or partly-owned by Genco; Exelon Enterprises Company, LLC ("Enterprises") and any or all of its subsidiaries and/or affiliates wholly or partly-owned by Enterprises; and Commonwealth Edison Company ("ComEd") and any or all of its subsidiaries and/or affiliates wholly or partly-owned by ComEd (hereinafter collectively the "Affiliates," PECO and its Affiliates are collectively referred to as "Parties.")

**WITNESSETH:**

**WHEREAS**, the Parties desire to enter into this Agreement providing for the performance of certain services as more particularly set forth herein; and

**WHEREAS**, to maximize efficiency, and to achieve cost savings, the Parties desire to avail themselves of the benefits of having services provided by the least cost provider thereof whenever possible, and to compensate such provider appropriately for such services;

**NOW, THEREFORE**, in consideration of these premises and of the mutual agreements set forth herein, the Parties agree as follows:

**Section 1. Definitions**

**Commission** – the Pennsylvania Public Utility Commission.

**Providing Company** – one or more Parties to this Agreement that have agreed to provide requested services to another Party in accordance with the terms of this Agreement.

**Requesting Company** – one or more Parties to this Agreement that are requesting services to be provided by another Party in accordance with the terms of this Agreement

**Section 2. Agreement to Provide Services**

PECO and Affiliates agree to provide, upon the terms and conditions set forth herein, services including but not limited to those services hereinafter referred to and described in Section 3, at such times, for such period and in such manner as Requesting Company may from time to time request and Providing Company concludes it is able and willing to provide. In providing such services, Providing Company may arrange, as it deems appropriate, for the services of such experts, consultants, advisers, and other persons with necessary qualifications as are required for or pertinent to the provision of the requested services.

### **Section 3. Services to be Provided**

A Providing Company shall render services as Requesting Company may request from time to time and Providing Company determines it is able and willing to perform.

### **Section 4. New Affiliates**

New direct or indirect affiliates of PECO, which may come into existence after the effective date of this Mutual Service Agreement, may become parties to this Agreement. The Parties hereto shall make such changes in the scope and character of the services to be provided and the method of assigning, distributing or allocating costs of such services as may become necessary to achieve a fair and equitable assignment, distribution, or allocation of costs among all Requesting Companies, including the new affiliates.

### **Section 5. Compensation of Providing Company**

As compensation for the services to be provided hereunder, a Requesting Company shall generally pay to Providing Company charges for services that are no more than the cost thereof (except as otherwise directed or permitted by an appropriate regulatory authority), insofar as costs can reasonably be identified and related to the particular services in question or otherwise fairly and equitably allocated to such services. To the extent that PECO or its affiliated Electric Generation Supplier (as that term is defined in the Pennsylvania Public Utility Code) are participants in a particular transaction, the Requesting Company shall pay to Providing Company charges for services that comply with the Commission's decisions, rules and regulations, including the Commission-approved settlement of Docket Nos. R-00973953 and P-00971265 and Appendices G and H thereto. In addition, all transactions conducted hereunder shall be subject to the Public Utility Holding Company Act of 1935, as administered by the Securities and Exchange Commission.

**Section 6. Service Requests**

The services described herein or contemplated to be provided hereunder shall be directly assigned, distributed or allocated by activity, project, program, work order or other appropriate basis.

**Section 7. Payment**

Payment shall be by making remittance of the amount billed or by making appropriate accounting entries on the books of the companies involved. Invoices shall be prepared on a monthly basis for services provided hereunder.

**Section 8. Effective Date and Termination**

This Agreement has been approved by the Commission in Docket No. A-110550F0147 and shall become effective as of the date of execution and shall remain in effect from said date unless terminated by the Commission or by mutual agreement. Any Party may withdraw from this Agreement by giving at least sixty days written notice to the other Parties prior to withdrawal.

**Section 9. Access to Records**

For the seven years following a transaction under this Agreement, the Requesting Company may request access to and inspect the accounts and records of the Providing Company, provided that the scope of access and inspection is limited to accounts and records that are related to such transaction.

**Section 10. Assignment**

This Agreement and the rights hereunder may not be assigned without the mutual written consent of all Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their authorized officers as of the day and year first above written.

**PECO ENERGY COMPANY**

By:   
\_\_\_\_\_  
Craig L. Adams

Title: Senior Vice President and  
Chief Operating Officer

Date: 7/16/2010

**EXELON GENERATION COMPANY,LLC  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
EXELON GENERATION COMPANY, LLC**

By: \_\_\_\_\_  
Doyle M. Beneby

Title: Senior Vice President

Date: \_\_\_\_\_

**EXELON ENTERPRISES COMPANY,LLC  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
EXELON ENTERPRISES COMPANY, LLC**

By: \_\_\_\_\_  
Carter C. Culver

Title: Chief Executive Officer and President

Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their authorized officers as of the day and year first above written.

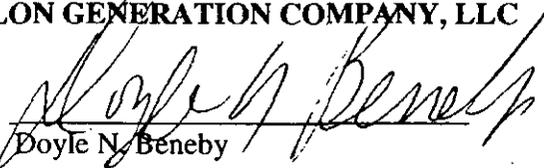
**PECO ENERGY COMPANY**

**By:** \_\_\_\_\_  
Craig L. Adams

**Title:** Senior Vice President and  
Chief Operating Officer

**Date:** \_\_\_\_\_

**EXELON GENERATION COMPANY, LLC  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
EXELON GENERATION COMPANY, LLC**

**By:**   
Doyle N. Beneby

**Title:** Senior Vice President

**Date:** 7/14/2010

**EXELON ENTERPRISES COMPANY, LLC  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
EXELON ENTERPRISES COMPANY, LLC**

**By:** \_\_\_\_\_  
Carter C. Culver

**Title:** Chief Executive Officer and President

**Date:** \_\_\_\_\_

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their authorized officers as of the day and year first above written.

**PECO ENERGY COMPANY**

By: \_\_\_\_\_  
Craig L. Adams

Title: Senior Vice President and  
Chief Operating Officer

Date: \_\_\_\_\_

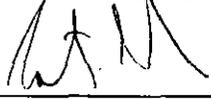
**EXELON GENERATION COMPANY, LLC  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
EXELON GENERATION COMPANY, LLC**

By: \_\_\_\_\_  
Doyle M. Beneby

Title: Senior Vice President

Date: \_\_\_\_\_

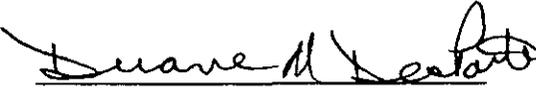
**EXELON ENTERPRISES COMPANY, LLC  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
EXELON ENTERPRISES COMPANY, LLC**

By:  \_\_\_\_\_  
Carter C. Culver

Title: Chief Executive Officer and President

Date: July 27, 2010

**EXELON CORPORATION  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY OWNED BY  
EXELON CORPORATION**

By:   
Duane M. DesParte

Title: Vice President and Corporate Controller

Date: 7-16-10

**COMMONWEALTH EDISON COMPANY  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
COMMONWEALTH EDISON COMPANY**

By: \_\_\_\_\_  
Joseph R. Trpik, Jr.

Title: Senior Vice President, Chief Financial Officer  
and Treasurer

Date: \_\_\_\_\_

**EXELON CORPORATION  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY OWNED BY  
EXELON CORPORATION**

**By:** \_\_\_\_\_  
Duane M. DesParte

**Title:** Vice President and Corporate Controller

**Date:** \_\_\_\_\_

**COMMONWEALTH EDISON COMPANY  
AND ANY OR ALL OF ITS SUBSIDIARIES AND/OR  
AFFILIATES WHOLLY OR PARTLY-OWNED BY  
COMMONWEALTH EDISON COMPANY**

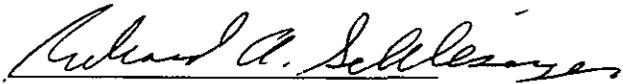
**By:** \_\_\_\_\_  
Joseph R. Troik, Jr.

**Title:** Senior Vice President, Chief Financial Officer  
and Treasurer

**Date:** July 28, 2010

**VERIFICATION**

I, Richard A. Schlesinger, hereby declare that I am Manager, Retail Rates of PECO Energy Company; that, as such, I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Request for Contract Approval are true and correct to the best of my knowledge, information and belief; and that I make this verification subject to the penalties of 18 Pa.C.S. §4904 pertaining to false statements to authorities.

  
Richard A. Schlesinger

Date: November 17, 2010

**RECEIVED**

NOV 17 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

RECEIVED

NOV 17 2010

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

PECO ENERGY COMPANY'S REQUEST	:	
FOR APPROVAL OF A CONTRACT WITH	:	
AN AFFILIATED INTEREST FILED IN	:	DOCKET NO. ___ - _____
COMPLIANCE WITH PECO'S	:	
IMPLEMENTATION PLAN OF THE	:	DOCKET NO. D-2009-2128070
MANAGEMENT EFFICIENCY	:	
INVESTIGATION AT DOCKET	:	
NO. D-2009-2128070	:	

**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served a true copy of the enclosed **Request for Approval of a Contract** upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

**VIA FIRST CLASS MAIL DELIVERY**

Irwin A. Popowsky  
Tanya J. McCloskey  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, Fifth Floor  
Harrisburg, PA 17101

Johnnie E. Simms  
Office of Trial Staff  
Pennsylvania Public Utility  
Commission  
P.O. Box 3265  
Harrisburg, PA 17120

William R. Lloyd, Jr.  
Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

Paul T. Diskin, Manager  
Bureau of Fixed Utility Services  
Pennsylvania Public Utility  
Commission  
Commonwealth Keystone Building  
P.O. Box 3265  
Harrisburg, PA 17120

John Clista  
Management Audit Supervisor  
Bureau of Audits  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
P.O. Box 3265  
Harrisburg, PA 17120

RECEIVED

NOV 17 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dated: November 17, 2010



Ward L. Smith

Ward.smith@exeloncorp.com

Counsel for PECO Energy Company

From: Origin ID: REDA (215) 841-5604  
 Zulma Rodriguez  
 Exelon  
 2301 Market Street  
 Suite 23-1  
 Philadelphia, PA 19103



J10301010048225

Ship Date: 17NOV10  
 ActWgt: 3.0 LB  
 CAD: 100431162/INET3090

Delivery Address Bar Code



Ref # D-2009-2128070  
 Invoice #  
 PO #  
 Dept #

SHIP TO: (717) 772-7777 BILL SENDER  
**Rosemary Chiavetta, Secretary**  
**PA Public Utility Commission**  
**400 NORTH ST**  
**COMMONWEALTH KEYSTONE BLDG**  
**HARRISBURG, PA 17120**

THU - 18 NOV A1  
 STANDARD OVERNIGHT

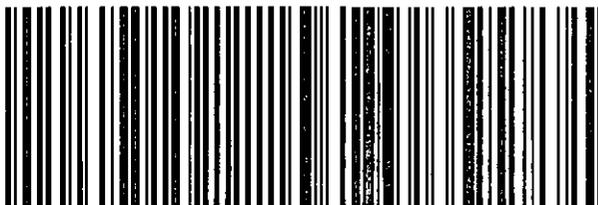
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17120

PA-US

MDT

ZN MDTA



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2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on [fedex.com](http://fedex.com). FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.