Filed & Received on 3/28/24.-AEL-3/29/24

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION
v.
PECO ENERGY COMPANY - ELECTRIC DIVISION

DOCKET NO. R-2024-3046931

VOLUME V OF VI

Supplemental Data Responses –
O&M Expenses / Rate Base / Rate of Return

SDR-OM-1 through SDR-OM-44
SDR-RB-1 through SDR-RB-24
SDR-ROR-1 through SDR-ROR-1(d.1)

March 28, 2024

Supplemental Data Responses – O&M Expenses / Rate Base / Rate of Return

SDR-OM-1
Marissa Humphrey

Q. SDR-OM-1 Please provide a budget variance or similar report providing a comparison of actual vs. budget revenues and expenses for the preceding three calendar years and current year-to-date. Include explanations of the variances in excess of 10% or over $1 million, whichever is less. Update as additional monthly reports become available.

A. SDR-OM-1 Refer to Attachment SDR-OM-1(a.1) for 2021 for a comparison of actual vs. budget operating and maintenance expense.

Refer to Attachment SDR-OM-1(a.2) for 2022 for a comparison of actual vs. budget operating and maintenance expenses.

Refer to Attachment SDR-OM-1(a.3) for 2023 for a comparison of actual vs. budget operating and maintenance expenses.

Refer to Attachment SDR-OM-1(a.4) for YTD January 2024 for a comparison of actual vs. budget operating and maintenance expenses.

Note: Results are GAAP based to align budget values

PECO Energy Company
Electric Distribution O&M Dollars
2021 Actual vs Budget
(in Thousands)

	2021 Actuals	2021 Planned	Variance +Fav/-Unfav	% Change
Base Payroll	$ 116,787	$ 130,474	$ 13,687	10.5%
Contracting	334,447	$ 312,061	(22,386)	-7.2%
Overtime	37,880	22,628	(15,252)	-67.4%
Incentive	20,580	16,341	(4,239)	-25.9%
Materials	19,697	24,518	4,821	19.7%
Travel, Meals, & Entertain.	4,528	3,983	(545)	-13.7%
Transportation	13,412	14,272	860	6.0%
Bad Debt	36,921	36,715	(206)	-0.6%
Pensions & Benefits	22,814	21,545	(1,269)	-5.9%
Other, Net	46,532	42,009	(4,523)	-10.8%
Subtotal	**$ 653,597**	**$ 624,546**	**$ (29,052)**	**-4.7%**
Storm Reserve	-	29,386	29,386	100.0%
Total	**$ 653,597**	**$ 653,932**	**$ 335**	**0.1%**

* Note: Results are GAAP based to align budget values

Summary
Total O&M was on plan with impacts from higher minor storm activity offsetting the lack of major storm activity.

Base Payroll
Base payroll costs were lower by $14M because actual headcount was lower than the planned amount (See SDR-OM-27).

Contracting
Contracting was higher by $22M primarily due to higher than planned spending for minor storm activity.

Overtime
Overtime was higher by $15M primarily due to higher than budgeted spending for managing restorations during non-storm periods and minor storm activity.

Incentive
Incentive compensation was higher by $4M because key performance indicator targets were exceeded.

Materials
Materials costs were $5M lower than planned because of lower than planned distribution corrective maintenance and lower tool repair costs.

Travel, Meals & Entertainment
Travel, meals and entertainment costs were higher by $1M due to higher than budgeted minor storm activity.

Pensions & Benefits
Pensions & benefits costs were higher by $1M primarily because of lower expected return on assets and higher service costs.

Other, net
Other spending was higher by $5M primarily because of higher than planned minor storm activity and higher temporary generation costs.

Storm Reserve
There were no major storms in 2021. The planned amount of $29M was based on the five-year average of major storm costs from 2016-2020. Minor storm costs, which exceeded planned amounts by $35M, are included in the other categories.

PECO Energy Company
Electric Distribution O&M Dollars
2022 Actual vs Budget
(in Thousands)

	2022 Actuals	2022 Planned	Variance +Fav/-Unfav	% Change
Base Payroll	$ 120,192	$ 127,829	$ 7,638	6.0%
Contracting	334,625	359,855	25,230	7.0%
Overtime	38,646	22,102	(16,545)	-74.9%
Incentive	18,428	17,099	(1,329)	-7.8%
Materials	22,919	21,002	(1,916)	-9.1%
Travel, Meals, & Entertain.	2,874	3,575	701	19.6%
Transportation	15,158	14,481	(677)	-4.7%
Bad Debt	41,473	37,131	(4,342)	-11.7%
Pensions & Benefits	17,162	20,015	2,853	14.3%
Other, Net	47,253	42,388	(4,865)	-11.5%
Subtotal	**$ 658,729**	**$ 665,477**	**$ 6,748**	**1.0%**
Storm Reserve	-	28,000	28,000	100.0%
Total	**$ 658,729**	**$ 693,477**	**$ 34,748**	**5.0%**

* Note: Results are GAAP based to align budget values

Summary

Total O&M was $35M lower than planned mainly due to no major storm activity and lower minor storm activity.

Base Payroll

Base payroll costs were lower by $8M because actual headcount was lower than the planned amount (See SDR-OM-27).

Contracting

Contracting was lower by $25M primarily due to the use of PECO resources (rather than contractor resources as planned) for managing non-storm outage restorations and distribution corrective maintenance, as well as lower than planned minor storm activity and lower volume of passthrough make ready requests from third parties.

Overtime

Overtime was higher by $17M primarily due to the use of PECO resources (rather than contractor resources as planned) for managing non-storm outage restorations and distribution corrective maintenance.

Incentive
Incentive compensation was higher by $1M because key performance indicator targets were exceeded.

Materials
Materials costs were $2M higher than planned due to higher distribution corrective maintenance.

Travel, Meals & Entertainment
Travel, meals and entertainment costs were lower by $1M due to lower than planned meals and entertainment from non-operational areas.

Bad Debt
Bad debt costs were higher by $4M primarily because of higher billings.

Pensions & Benefits
Pensions & benefits costs were lower by $3M primarily because of an increase in the pension discount rate.

Other, net
Other spending was higher by $5M primarily because of minor storm mutual assistance costs, higher postage expense for customer billing, and higher telecommunication costs.

Storm Reserve
There were no major storms in 2022. The planned amount of $28M was based on the five-year average of major storm costs from 2017-2021. Minor storm costs are included in the other categories.

PECO Energy Company
Electric Distribution O&M Dollars
2023 Actual vs Budget
(in Thousands)

	2023 Actuals	2023 Planned	Variance +Fav/-Unfav	% Change
Base Payroll	$ 123,516	$ 128,274	$ 4,759	3.7%
Contracting	346,009	376,500	30,491	8.1%
Overtime	40,379	22,671	(17,708)	-78.1%
Incentive	19,913	17,349	(2,564)	-14.8%
Materials	24,985	22,975	(2,010)	-8.7%
Travel, Meals, & Entertain.	4,191	3,691	(500)	-13.5%
Transportation	16,201	18,130	1,930	10.6%
Bad Debt	42,083	53,283	11,200	21.0%
Pensions & Benefits	15,430	15,984	554	3.5%
Other, Net	44,535	44,664	129	0.3%
Subtotal	**$ 677,242**	**$ 703,523**	**$ 26,281**	**3.7%**
Storm Reserve	-	28,000	28,000	100.0%
Total	**$ 677,242**	**$ 731,523**	**$ 54,281**	**7.4%**

* Note: Results are GAAP based to align budget values

Summary

Total O&M was $54M lower than planned mainly due to no major storm activity, lower bad debt expense and lower volume of passthrough make ready requests from third parties.

Base Payroll

Base payroll costs were lower by $5M because actual headcount was lower than the planned amount (See SDR-OM-27) and paid time off usage was lower than planned.

Contracting

Contracting was lower by $30M primarily due to lower volume of passthrough make ready requests from third parties, lower than planned allocated costs from the Business Services Company (BSC) and using PECO resources (rather than contractor resources as planned) for managing restorations during non-storm periods.

Overtime

Overtime was higher by $18M primarily due to higher than budgeted spending for managing restorations during non-storm periods, minor storm activity, and higher distribution corrective maintenance.

Incentive
Incentive compensation was higher by $3M because key performance indicator targets were exceeded.

Materials
Materials costs were $2M higher than planned due to higher distribution corrective maintenance and minor storm activity.

Travel, Meals & Entertainment
Travel, meals and entertainment costs were higher by $1M due to higher than budgeted minor storm activity.

Transportation
Transportation was lower by $2M primarily due to lower than planned fuel costs and lower transportation costs.

Bad Debt
Bad debt costs were lower by $11M primarily because of lower billings and higher than planned collection activity.

Storm Reserve
There were no major storms in 2023. The planned amount of $28M was based on the five-year average of major storm costs from 2018-2022. Minor storm costs, which exceeded planned amounts by $11M, are included in the other categories.

PECO Energy Company
Electric Distribution O&M Dollars
January 2024 YTD Actual vs Budget
(in Thousands)

	2024 Actuals	2024 Planned	Variance +Fav/-Unfav	% Change
Base Payroll	$ 11,222	$ 11,219	$ (3)	0.0%
Contracting	26,424	31,897	5,473	17.2%
Overtime	2,754	1,979	(774)	-39.1%
Incentive	1,400	1,236	(163)	-13.2%
Materials	2,984	1,434	(1,550)	-108.1%
Travel, Meals, & Entertain.	222	240	18	7.5%
Transportation	1,509	1,316	(193)	-14.7%
Bad Debt	16,428	16,037	(391)	-2.4%
Pensions & Benefits	1,821	1,765	(56)	-3.2%
Other, Net	4,965	3,723	(1,241)	-33.3%
Subtotal	**$ 69,729**	**$ 70,848**	**$ 1,119**	**1.6%**
Storm Reserve	20,602	1,000	(19,602)	-1960.2%
Total	**$ 90,331**	**$ 71,848**	**$ (18,483)**	**-25.7%**

* Note: Results are GAAP based to align budget values

Summary
Total O&M was $18M higher than planned mainly due to a major storm in January.

Contracting
Contracting was lower by $5M primarily due to lower distribution corrective maintenance and using PECO resources (rather than contractor resources as planned) for managing restorations during non-storm periods.

Overtime
Overtime was higher by $1M primarily due to the use of PECO resources (rather than contractor resources as planned) for managing non-storm outage restorations and distribution corrective maintenance.

Incentive
Incentive compensation was higher by $0.2M because key performance indicator targets were exceeded.

Materials
Materials costs were $2M higher than planned due to higher storm activity.

Transportation
Transportation was higher by $0.2M primarily due to higher storm activity.

Other, net
Other spending was higher by $1M primarily because of higher Injuries and Damages claims and higher postage expense.

Storm Reserve
PECO had one major storm beginning January 9th and exceeded the storm reserve budget by $20M. Minor storm costs are not included in the storm reserve totals.

SDR-OM-2
Marissa Humphrey

Q. SDR-OM-2 Please provide a detailed breakdown of unadjusted operation and maintenance expenses for the historic and future test years either by natural expense codes, FERC accounts, or both as available. Explain any variances in excess of 10 percent or over $1 million, whichever is less.

A. SDR-OM-2 Refer to Attachment SDR-OM-2(a) for a comparison of 2023 actual vs. 2024 budget and 2024 budget vs. 2025 budget for total Electric Distribution operation and maintenance expenses.

NOTE: Results are GAAP based to align with budget values

PECO Energy Company
Electric Distribution O&M Dollars
2023 Actual vs 2024 Budget, 2024 Budget vs 2025 Budget
(in Thousands)

	2023 Actuals	2024 Planned	2025 Planned	Variance (+ Increase/- Decrease) '23 vs '24	% Change	'24 vs '25	% Change
Base Payroll	$ 123,516	$ 133,215	$ 139,044	$ 9,699	7.9%	$ 5,829	4.4%
Contracting	346,009	402,746	425,533	56,736	16.4%	22,788	5.7%
Overtime	40,379	27,009	28,878	(13,371)	-33.1%	1,869	6.9%
Incentive	19,913	16,780	17,042	(3,133)	-15.7%	261	1.6%
Materials	24,985	20,825	22,019	(4,160)	-16.6%	1,194	5.7%
Travel, Meals, & Entertain.	4,191	3,597	3,724	(594)	-14.2%	127	3.5%
Transportation	16,201	16,846	17,165	646	4.0%	319	1.9%
Bad Debt	42,083	37,131	38,095	(4,952)	-11.8%	965	2.6%
Pensions & Benefits	15,430	21,261	24,774	5,832	37.8%	3,512	16.5%
Other, Net	44,535	41,091	42,678	(3,445)	-7.7%	1,587	3.9%
Subtotal	**$ 677,242**	**$ 720,500**	**$ 758,953**	**$ 43,258**	**6.4%**	**$ 38,452**	**5.3%**
Storm Reserve[1]	-	17,500	17,500	17,500	n/a	0	0.0%
Total	**$ 677,242**	**$ 738,000**	**$ 776,453**	**$ 60,758**	**9.0%**	**$ 38,452**	**5.2%**

[1] Planned amounts based on 5-year average of major storm costs from 2019 to 2023

Base Payroll

The increase of $10M between 2023 and 2024 is primarily driven by new hires to support customer care and billing activities, training and distribution maintenance, open positions vacated within 2023 due to transfers, retirements and resignations (See II-D-10), and the 2.5% average merit increase for hourly and 3.0% for salaried employees (See II-D-10). The increase between 2024 and 2025 of $6M is primarily driven by the 2.5% average merit increase for hourly and 3.0% for salaried employees.

Contracting/ Overtime

The combined increase of $43M from 2023 to 2024 is driven by inflation, implementation of an upgraded customer care and billing system, IT enhancements to operational infrastructure and data quality, vegetation management, system reliability enhancements and distribution corrective maintenance. The combined increase of $25M from 2024 to 2025 is primarily driven by inflation and the continued focus on corrective maintenance, vegetation management and improvements to customer service and care.

Incentive

The decrease of $3M from 2023 to 2024 is due to higher incentive payout in 2023 primarily due to exceeding key performance indicator targets while 2024 is budgeted at target.

Materials
The decrease of $4M from 2023 to 2024 is primarily driven by lower distribution corrective maintenance materials. The increase of $1M from 2024 to 2025 is due to LTIIP infrastructure improvements and inflation.

Travel, Meals & Entertainment
The decrease of $1M from 2023 to 2024 is due to higher minor storm activity in 2023.

Bad Debt
The decrease of $5M from 2023 to 2024 is primarily due to lower net charge offs and lower projected total A/R balances in 2024.

Pension and Benefits
The increase of $6M from 2023 to 2024 is primarily due to an increase in headcount and lower discount rate in 2024. The increase of $4M from 2024 to 2025 is due to a decrease in the discount rate in 2025.

Other, Net
The decrease of $3M from 2023 to 2024 is primarily driven by minor storm mutual assistance costs in 2023. The increase of $2M from 2024 to 2025 is due to higher injuries and damages costs in 2025 and inflation.

Storm Reserve
There were no major storms in 2023. The 2024 budget is based on a five-year average of major storm costs from 2019 to 2023.

Q. SDR-OM-3 Provide the future test year budgeted claim for expenses related to the Low Income Usage Reduction Program (LIURP) with supporting calculations of the budgeted claim.

A. SDR-OM-3 Both the future test year (2024) and the fully projected future test year (2025) budgeted claims for expenses related to the PECO electric Low-Income Usage Reduction Program (LIURP) are $6,600,000.

Refer to Attachment SDR-OM-3(a) for supporting calculations.

LIURP 2024

2024 LIURP Projected Budget - Electric Audit Calculations

	Heating			Baseload		
	Qty	**Avg Cost**	**Total**	**Qty**	**Avg Cost**	**Total**
January	23	$4,233	$99,000	297	$1,518	$451,000
February	23	$4,233	$99,000	297	$1,518	$451,000
March	23	$4,233	$99,000	297	$1,518	$451,000
April	23	$4,233	$99,000	297	$1,518	$451,000
May	23	$4,233	$99,000	297	$1,518	$451,000
June	23	$4,233	$99,000	297	$1,518	$451,000
July	23	$4,233	$99,000	297	$1,518	$451,000
August	23	$4,233	$99,000	297	$1,518	$451,000
September	23	$4,233	$99,000	297	$1,518	$451,000
October	23	$4,233	$99,000	297	$1,518	$451,000
November	23	$4,233	$99,000	297	$1,518	$451,000
December	23	$4,233	$99,000	297	$1,518	$451,000
	281	$4,233	$1,188,000	3,565	$1,518	$5,412,000

$6,600,000 Total

LIURP Annual Cost

Projected Administrative	$692,037	10%
Anticipated Conservation	$1,307,000	20%
Anticipated Weatherization	$4,600,963	70%
Grand Total	**$6,600,000**	

LIURP 2025

2025 LIURP Projected Budget - Electric Audit Calculations

	Heating			Baseload		
	Qty	**Avg Cost**	**Total**	**Qty**	**Avg Cost**	**Total**
January	23	$4,233	$99,000	297	$1,518	$451,000
February	23	$4,233	$99,000	297	$1,518	$451,000
March	23	$4,233	$99,000	297	$1,518	$451,000
April	23	$4,233	$99,000	297	$1,518	$451,000
May	23	$4,233	$99,000	297	$1,518	$451,000
June	23	$4,233	$99,000	297	$1,518	$451,000
July	23	$4,233	$99,000	297	$1,518	$451,000
August	23	$4,233	$99,000	297	$1,518	$451,000
September	23	$4,233	$99,000	297	$1,518	$451,000
October	23	$4,233	$99,000	297	$1,518	$451,000
November	23	$4,233	$99,000	297	$1,518	$451,000
December	23	$4,233	$99,000	297	$1,518	$451,000
	281	$4,233	$1,188,000	3,565	$1,518	$5,412,000

$6,600,000 Total

LIURP Annual Cost

Projected Administrative	$692,037	10%
Anticipated Conservation	$1,307,000	20%
Anticipated Weatherization	$4,600,963	70%
Grand Total	**$6,600,000**	

Q. SDR-OM-4 Supply the following information regarding all expense claims in base rates related to the Customer Assistance Programs.

a. Supply a detailed listing of all expenses claimed. Supply all supporting calculations and indicate in which FERC account the expense is included.

b. Provide the supporting calculations for any foregone revenues or customers billing deficiency being claimed in this proceeding.

Supply a schedule reporting the following on a monthly basis for the most recent Customer Assistance Program (CAP):

(1) Number of customers in the CAP.
(2) Amount of billing deficiency.
(3) Amount of arrearage forgiveness (if applicable).
(4) Accumulated prior arrearages brought into the program.

A. SDR-OM-4

a. Please see Attachment SDR-OM-4(a). PECO does not budget CAP expenses separately for Electric and Gas. Therefore, this answer has an 86% allocation to Electric; this allocation factor is used to assign administrative and general costs (A&G) between electric and gas utility services. PECO uses the 86% allocation factor in its annual PUC Universal Services Reporting Requirements.

b. (1) Please see Attachment SDR-OM-4(b.1)

(2) Please see Attachment SDR-OM-4(b.2)

(3) Please see Attachment SDR-OM-4(b.3). When a customer receives both electric and gas service from PECO, arrears are not separated by commodity. Therefore, these answers have an 86% allocation to Electric; this allocation factor is used to assign

administrative and general costs (A&G) between electric and gas utility services. PECO uses the 86% allocation factor in its annual PUC Universal Services Reporting Requirements.

(4) Please see Attachment SDR-OM-4(b.4). When a customer receives both electric and gas service from PECO, arrears are not separated by commodity. Therefore, these answers have an 86% allocation to Electric; this allocation factor is used to assign administrative and general costs (A&G) between electric and gas utility services. PECO uses the 86% allocation factor in its annual PUC Universal Services Reporting Requirements.

Budget inputs are not developed to align with specific FERC account numbers. The below figures represent an estimated FERC acounting location.

Description	FERC Account	January	February	March	April	May	June	July	August	September	October	November	December	2024 Budget
Payroll	903000 / 908000	$ 10,192	$ 10,060	$ 11,784	$ 10,890	$ 11,225	$ 10,652	$ 9,670	$ 11,529	$ 10,897	$ 11,044	$ 10,357	$ 8,891	**$ 127,192**
Pension/Benefits	926000	$ 2,782	$ 2,746	$ 3,217	$ 2,972	$ 3,064	$ 2,907	$ 2,640	$ 3,147	$ 2,974	$ 3,015	$ 2,827	$ 2,427	**$ 34,718**
Bonus/Incentive	903000	$ 372	$ 368	$ 431	$ 398	$ 410	$ 389	$ 353	$ 421	$ 398	$ 404	$ 378	$ 325	**$ 4,647**
Staff Augmentation	903000	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	$ 2,514	**$ 30,166**
CAP Primary Staff	903000 / 908000 / 926000	**$ 15,861**	**$ 15,688**	**$ 17,945**	**$ 16,774**	**$ 17,213**	**$ 16,462**	**$ 15,177**	**$ 17,611**	**$ 16,783**	**$ 16,976**	**$ 16,077**	**$ 14,157**	**$ 196,724**
Postage (CAP Letter and app mailing)	903000	$ 111	$ 111	$ 111	$ 111	$ 111	$ 111	$ 111	$ 111	$ 111	$ 111	$ 111	$ 111	**$ 1,329**
Convergent (CAP back office)	903000	$ 124,504	$ 123,914	$ 194,923	$ 198,560	$ 206,998	$ 192,886	$ 182,636	$ 162,848	$ 142,958	$ 134,356	$ 134,333	$ 114,785	**$ 1,913,700**
Total 2024 CAP Program Estimates (O&M)	903000 / 908000 / 926000	**$ 140,475**	**$ 139,712**	**$ 212,978**	**$ 215,445**	**$ 224,322**	**$ 209,459**	**$ 197,924**	**$ 180,569**	**$ 159,852**	**$ 151,443**	**$ 150,520**	**$ 129,053**	**$ 2,111,752**

Description	FERC Account	January	February	March	April	May	June	July	August	September	October	November	December	2025 Budget
Payroll	903000 / 908000	$ 10,429	$ 10,294	$ 12,058	$ 11,143	$ 11,486	$ 10,899	$ 9,895	$ 11,797	$ 11,150	$ 11,301	$ 10,598	$ 9,098	**$ 130,146**
Pension/Benefits	926000	$ 3,119	$ 3,079	$ 3,607	$ 3,333	$ 3,435	$ 3,260	$ 2,960	$ 3,528	$ 3,335	$ 3,380	$ 3,170	$ 2,721	**$ 38,928**
Bonus/Incentive	903000	$ 382	$ 377	$ 441	$ 408	$ 420	$ 399	$ 362	$ 432	$ 408	$ 414	$ 388	$ 333	**$ 4,764**
Staff Augmentation	903000	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	$ 2,577	**$ 30,920**
CAP Primary Staff	903000 / 908000 / 926000	**$ 16,507**	**$ 16,326**	**$ 18,682**	**$ 17,460**	**$ 17,918**	**$ 17,135**	**$ 15,794**	**$ 18,333**	**$ 17,469**	**$ 17,671**	**$ 16,732**	**$ 14,729**	**$ 204,757**
Postage (CAP Letter and app mailing)	903000	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	**$ 1,362**
Convergent (CAP back office)	903000	$ 110,829	$ 110,304	$ 173,514	$ 176,751	$ 184,262	$ 171,701	$ 162,576	$ 144,961	$ 127,257	$ 119,599	$ 119,578	$ 102,177	**$ 1,703,510**
Total 2025 CAP Program Estimates (O&M)	903000 / 908000 / 926000	**$ 127,449**	**$ 126,744**	**$ 192,309**	**$ 194,325**	**$ 202,294**	**$ 188,949**	**$ 178,483**	**$ 163,408**	**$ 144,840**	**$ 137,384**	**$ 136,424**	**$ 117,020**	**$ 1,909,629**

CAP Enrollment	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024 Proj	125,700	126,014	126,329	126,645	126,962	127,279	127,597	127,916	128,236	128,557	128,878	129,200
2025 Proj	129,523	129,847	130,172	130,497	130,823	131,150	131,478	131,807	132,137	132,467	132,798	133,130

	2024	2025
Electric Billing Deficiency Yearly Total ($Ms)	$ (136.3)	$ (145.2)

Arrearage Forgiveness	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2024 Proj	$700,682	$636,362	$768,427	$807,083	$909,969	$1,079,877	$1,160,015	$1,018,051	$1,085,982	$978,001	$1,012,524	$921,760	$11,078,733
2025 Proj	$630,613	$572,725	$691,584	$726,374	$818,972	$971,890	$1,044,014	$916,246	$977,384	$880,201	$911,272	$829,584	$9,970,860

Accumulated Prior Arrearages	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2024 Proj	$830,147	$955,802	$1,000,108	$1,197,559	$1,187,552	$1,057,051	$994,079	$891,717	$875,729	$979,854	$882,079	$956,417	$11,808,095
2025 Proj	$858,372	$988,299	$1,034,112	$1,238,276	$1,227,929	$1,092,991	$1,027,878	$922,035	$905,504	$1,013,169	$912,070	$988,935	$12,209,570

Q. SDR-OM-5 Provide the following information regarding customer assistance participants.

a. The average annual usage of CAP customers.
b. The average annual usage of budget-plus customers not selected as CAP customers.
c. The average annual usage of non-payment troubled customers, both heating and non-heating customers.
d. The projected revenue to be billed to CAP participants.

A. SDR-OM-5

a. Refer to Attachment SDR-OM-5(a) for the average annual usage of all CAP customers in 2023.

b. The term "budget plus" is not applicable to PECO's CAP program.

c. The average annual usage of non-payment troubled CAP customers, both heating and non-heating customers, was 8,325 kWh. A "non-payment troubled" CAP customer is defined, for purposes of this analysis, as a customer who missed zero or one payments that year.

d. Revenue to be billed to CAP participants is the difference between revenue from those customers at non-discounted tariff rates and the CAP bill credits. Non-discounted CAP revenue is included in overall forecasts of residential heating and non-heating revenues but is not broken out separately in such forecasts.

a. The average annual usage of CAP customers

SDR-OM-5(a)

PECO Energy Company

Year	Month	Avg. Electric CAP Usage	Avg. Electric CAP Customers	Avg. Usage per Customer (kWh)
2023	1	125,125,764	123,325	1,015
2023	2	107,900,687	123,923	871
2023	3	100,399,635	125,068	803
2023	4	85,124,753	126,740	672
2023	5	71,973,377	128,764	559
2023	6	75,682,130	130,184	581
2023	7	107,363,583	131,169	819
2023	8	124,323,274	131,869	943
2023	9	116,453,638	132,245	881
2023	10	79,821,128	129,784	615
2023	11	77,442,295	125,939	615
2023	12	111,428,095	125,195	890
Total		**1,183,038,359**	**1,534,205**	**9,262**

SDR-OM-6
Marissa Humphrey

Q. SDR-OM-6 Supply the following information as it related to the most recent heating season (2022-2023) the information is as follows:

a. Number of customers receiving LIHEAP grants.
b. The total amount of all LIHEAP grants.
c. Number of customers receiving crisis grants.
d. The total amount of all crisis grants.

A. SDR-OM-6

a. 88,881 customers received a LIHEAP grant in the most recent heating season (2022-2023). Please note this response includes all LIHEAP grants, both cash and crisis.
b. The total amount of grants was $31,751,113 (cash and crisis).
c. 10,324 customers received a crisis grant.
d. The total amount of crisis grants was $9,636,679.

Please note the response above provides LIHEAP grant and customer information on a total Company basis; there is no allocation between Electric and Gas.

Q. SDR-OM-7 Please state whether the Company provides any type of allowances or incentive payments to builders or others for installing electric service or appliances. If yes, please provide complete details, including the amount of such payments or incentives in the historical and future test years and where such payments are included in the Company's claim.

A. SDR-OM-7 The Company does not provide any such allowances or incentives to builders or others for installing electric service or appliances. Builders and developers are, however, entitled to a revenue credit against the customer advance /customer contribution required for extensions of the Company's lines in accordance with the terms of Rule 7 of PECO's Commission approved tariff and of Rule 10.8 under certain circumstances, for relocations in conjunction with new load.

The Company would like to clarify that Act 129 incentives are provided to encourage builders and customers to install "energy efficient" equipment and appliances in lieu of "standard efficiency" equipment and appliances. They are not incentives to encourage the installation of "electric" equipment in lieu of some other fuel source (i.e. incenting the installation of an electric heat pump over a split system with a natural gas furnace).

Q. SDR-OM-8 Please provide an itemized breakdown of the Company's ASM costs by component, by program in each month of the historic and future test years.

A. SDR-OM-8 Historically, PECO has not offered a demand response (DR) product targeting Ancillary Service Markets (ASM). PECO does not currently plan to offer any ancillary DR products in the future.

Q. SDR-OM-9 Has the Company included, in the future test year, any claims for advertising expenses related to direct cash grants and/or co-op advertising to builders or developers of residential housing that promotes electric usage over natural gas usage? If yes, provide the following:

a. A breakdown of expenses claimed and the FERC accounts wherein the expense has been included.
b. The results of any cost/benefit analysis conducted by the Company relative to these programs.
c. Examples of the co-op advertising.

A. SDR-OM-9 No.

Q. SDR-OM-10 Has the Company claimed any expenses related to cash incentives or grants to ratepayers either for replacing existing heating equipment or converting? If yes, provide details on the programs and the amount of expense included in the future test year.

A. SDR-OM-10 The Company has not claimed any expenses related to cash incentives or grants to ratepayers either for replacing or converting existing heating equipment.

SDR-OM-11
Marissa Humphrey

Q. SDR-OM-11 Please provide a breakdown of FERC Account 926, Employee Benefits by benefit program or plan for the preceding three calendar years and the amounts projected for the FTY.

A. SDR-OM-11 Refer to Attachment SDR-OM-11(a) for the breakdown of FERC Account 926, Employee Pensions and Benefits for Electric Distribution.

PECO Energy Company - Electric Distribution

Analysis of Employee Pensions and Benefits
Years Ended December 31,
(Thousands of Dollars)

Line No.	Expense	2021	2022	2023	2024	2025
Account 926 - Employee Pensions and Benefits Expense						
1	Pension	$2,592	($4,766)	($5,550)	($1,763)	($56)
2	Post Retirement Benefits	667	1,378	35	528	1,212
3	Medical*	13,304	13,877	13,614	14,498	15,167
4	401K	4,807	5,178	5,840	5,977	6,370
5	Employee Stock Purchase Plan (ESPP)	522	539	577	653	681
6	Disability Plan	281	319	319	414	424
7	Tuition Reimbursement	648	574	520	317	320
8	Workers Compensation	353	342	(0)		
9	Other Benefit Plans	334	317	310	606	623
10	Total Account 926	$23,507	$17,760	$15,665	$21,230	$24,743

*Medical is defined as Medical, Dental and Vision

*Some workers compensation expenses in 2021 and 2022 were included in FERC Account 926 - Employee Pensions and Benefits instead of FERC Account 925 - Injuries and Damages, as is required under the FERC USoA. PECO's revenue requirement model is not impacted, as both FERC Account 925 and FERC Account 926 are appropriately included within

Q. SDR-OM-12 Please state whether the Company has included expenses related to SFAS No. 112 in its test year claim. If so, please provide complete details and include a copy of the actuarial study.

A. SDR-OM-12 With the exception of Exelon Business Service Company (BSC) severance expenses, there are no other ASC 712 (SFAS No. 112) related expenses included in the Company's test year claim. The 2024 and 2025 BSC severance expenses are $495,236 and $510,298 respectively, which are based on historical trend. There is no actuarial study available for severance expenses.

Q. SDR-OM-13 Please state whether any portion of the Company's membership dues have been allocated "below the line". If so, please identify any such amounts for the FTY.

A. SDR-OM-13 Refer to Attachment SDR-OM-13(a), which details the portion of the Company's membership dues that have been allocated "below the line."

PECO ENERGY COMPANY
SOCIAL AND SERVICE ORGANIZATIONS
ELECTRIC DISTRIBUTION

Association	FY 2024 (dollars)	FY 2025 (dollars)
BSC Allocated	476,454	497,968
Barnes Foundation	19,375	19,375
Philadelphia Museum of Art	19,375	19,375
Philanthropy Network	11,625	11,625
Leadership Philadelphia	7,750	7,750
Pennsylvania Academy of the Fine Arts	7,750	7,750
Committee Of Seventy	3,735	3,735
Philadelphia Convention Visitors Bureau	5,115	5,115
Forum Exec Women	3,875	3,875
The Academy of Natural Sciences	3,875	3,875
Center City Proprietors Association	1,937	1,937
Philadelphia Foundation	194	194
TOTAL	**561,060**	**582,574**

Q. SDR-OM-14 Please provide the level of each of the following which is included in the Company's cost of service by separate type and/or payee, which are incurred directly by the Company or are allocated or billed to the Company by affiliates or its parent company.

a. fines and penalties
b. contributions and donations
c. membership dues
d. lobbying expense
e. employee activity costs (e.g. picnics, parties, awards)
f. investor relations expenses

A. SDR-OM-14

a. None. These costs are not included in the Company's test year claim.
b. None. These costs are not included in the Company's test year claim.
c. Refer to Attachment SDR-OM-14(c).
d. None. These costs are not included in the Company's test year claim.
e. Refer to Attachment SDR-OM-14(e).
f. The budgeted allocations from Exelon Business Services Company to PECO Electric Distribution for investor relations expenses in 2024 and 2025 are $220,874 and $233,576, respectively.

c. Membership Dues (Electric Distribution Only)

Industry Organization	2024 Budget	2025 Budget
Electric Power Research Institute	617,633	633,074
Edison Electric Institute	523,027	501,719
R&D Memberships	284,164	291,271
Energy Association Of Pennsylvania	232,881	236,374
Greater Philadelphia Chamber	81,375	81,375
Centre for Energy Advancement through Technological Innovation	53,929	55,277
Georgia Tech Research Group	31,453	32,239
Pennsylvania Economy League Southeastern Pa	28,675	28,675
World Trade Center Greater Philadelphia	16,800	16,800
PA Chamber Of Business And Industry Education Foundation	15,500	15,500
Utility Health Sciences Group	15,409	15,794
Life Sciences Pennsylvania	11,760	11,760
Greater Philadelphia Hispanic Chamber Of Commerce	11,625	11,625
National Energy & Utility Affordability Coalition	11,625	11,625
Hire Philly Caolition	11,625	11,625
Center For Energy Workforce Development	11,625	11,625
Eastern Pennsylvania Alliance for Clean Transportation	10,000	10,000
Independence Business Alliance	7,750	7,750
Greater Phila Alliance For Capital And Technologies	5,040	5,040
Main Line Chamber Of Commerce	3,503	3,591
Delaware County Chamber Of Commerce	3,417	3,502
Certified Utility Safety Professional	2,361	0
Central Philadelphia Development Corp	2,325	2,325
Wildlife Habitat Council	2,170	2,170
Chester County Chamber Business And Industry	2,106	2,158
Manufacturing Alliance Of Phila	2,100	2,100
CHWMEG Incorporated	1,938	1,938
Lower Bucks County Chamber Of Commerce	1,263	1,295
Industrial Asset Management Council	1,260	1,260
Pennsylvania Economic Development Association	1,260	1,260
Montgomery County Chamber Of Commerce	1,149	1,177
Central Bucks Chamber Of Commerce	1,057	1,083
Greater Northeast Philadelphia Chamber Of Commerce	1,041	1,067
Other	6,269	6,333
Total	$ 2,015,114	$ 2,020,408

e. Employee Activity Costs (e.g. picnics, parties, awards) - Electric Distribution only

	2024 Budget	2025 Budget
Employee Recognition Awards	**$133,317**	**$137,968**
Employee Service Awards		
pins and small gifts for years of service	**115,490**	**115,490**
Employee Compact:		
Employee Picnic, Celebration, Other Employee Compact expenses	**775,100**	**775,100**
Employee Network Groups	**7,751**	**7,751**
TOTAL EMPLOYEE ACTIVITY COSTS	**$1,031,658**	**$1,036,309**

Q. SDR-OM-15 If applicable, please provide a copy of the billing and payment terms for all contracts between the Company and its parent or an affiliated company for services. Further, to the extent that the parent or affiliated company provides service to non-affiliated companies, please provide the corresponding billing and payment terms.

A. SDR-OM-15 The Company has two over-arching agreements that govern the provision of services with affiliates: the General Services Agreement ("GSA"), which governs services provided by Exelon Business Services Company ("EBSC"), and the Mutual Services Agreement ("MSA"), which governs services provided by PECO to other affiliates or services received by PECO from non-EBSC affiliates, both of which were approved by the Commission on January 1, 2001 as part of the ComEd/Exelon merger, and then re-approved by the Commission in 2013 in G-2010-2211383. In addition, the MSA/GSA was submitted to the Commission for informational purposes in the 2021 rate case.

The payment terms for services provided under the GSA are set forth in Exelon's Cost Allocation Manual and Service Catalog. Refer to Attachment SDR-OM-15(a.3) for Exelon's Cost Allocation Manual.

The payment terms for services provided under the MSA are set forth in PECO's Cost Allocation Manual and associated work orders, known as Affiliate Level Arrangements ("ALAs"). Refer to Attachment SDR-OM-15(a.5) for a copy of the PECO Cost Allocation Manual and Attachment SDR-OM-15(a.6) for a copy of the ALA template showing the pricing rule table.

Since April of 2013, PECO has been providing the Commission with its Service Level Agreements ("SLAs") and ALAs, for informational purposes only, as those arrangements are modified. Refer to Attachment SDR-OM-15(a.1) for Exelon's GSA, Attachment SDR-OM-15(a.2) for PECO's MSA, and Attachment SDR-OM-15(a.4) for Exelon's Service Catalog.

Exelon's parent and affiliated companies typically do not provide services to non-affiliated companies except for limited circumstances. For example, PECO's utility affiliates provide utility service to their customers pursuant to their regulated tariffs. In addition, Exelon Utility companies may provide mutual storm and emergency assistance to other utilities on a cost basis pursuant to industry-wide mutual assistance agreements.

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

BALTIMORE GAS AND ELECTRIC COMPANY,
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(effective March 12, 2012)

By _____
Carim V. Khouzami
Title: Vice President, Chief Financial Officer and Treasurer

ATLANTIC CITY ELECTRIC COMPANY
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

DELMARVA POWER & LIGHT COMPANY
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

POTOMAC ELECTRIC POWER COMPANY
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

PEPCO HOLDINGS LLC
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

PHI SERVICE COMPANY
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

Attachment A

Commonwealth Edison Company

Commonwealth Edison of Indiana, Inc.

PECO Energy Company

Exelon Generation Company, LLC

Baltimore Gas and Electric Company (effective March 12, 2012)

Atlantic City Electric Company (effective March 24, 2016)

Delmarva Power & Light Company (effective March 24, 2016)

Potomac Electric Power Company (effective March 24, 2016)

PEPCO Holdings LLC (effective March 24, 2016)

PHI Service Company (effective March 24, 2016)

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

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

Exhibit B

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

Signatures	
Manager Service Company _____ _____ Signature Date	Name (Client) Title _____ _____ Signature Date

Exhibit C

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

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 PARTLYOWNED BY EXELON CORPORATION

By: Duane M DesParte
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 PARTLYOWNED 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. Trpik, 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

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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 NO. __-_____**
	:	**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

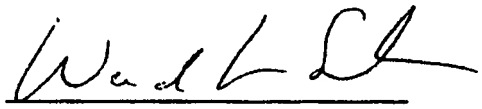
Johnnie E. Simms
Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17120

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 Comission
Commonwealth Keystone Building
P.O. Box 3265
Harrisburg, PA 17120

Dated: November 17, 2010



Ward L. Smith
Ward.smith@exeloncorp.com

Counsel for PECO Energy Company

EXELON BUSINESS SERVICES COMPANY

ASSOCIATE TRANSACTION PROCEDURES MANUAL

January 2023

Introduction

Exelon Business Services Company, LLC (BSC or Services Company) provides a variety of administrative, management and support services to Exelon Corporation and other Exelon system companies and business units (Client Companies). BSC is subject to the rules and regulations of the Federal Energy Regulatory Commission (FERC) pursuant to the Public Utility Holding Company Act of 2005 (PUHCA). In addition, each of the individual state regulated public utility companies have additional requirements related to associate transactions. Where applicable, these requirements have been incorporated into these Policies and Procedures.

Service Agreements and Work Orders

BSC has entered into a General Services Agreement or Service Agreement with Client Companies that is substantially similar to the General Services Agreement (GSA) attached hereto as Exhibit A. The Service Agreement sets forth in general terms the services to be performed by BSC directly or indirectly for Client Companies. BSC and each Client Company will prepare Work Orders, in the form of Service Level Arrangements (SLA), to specify the services to be performed by BSC for a Client Company. A sample SLA is attached hereto as Exhibit B. Additional documentation of work to be performed pursuant to SLAs may be used by the parties.

The purpose of the SLA is to establish service expectations between BSC and each Client Company. Each SLA will be reviewed and agreed upon on an as needed basis by authorized representatives of BSC and each Client Company. In conjunction with this review of SLAs, the allocation methods and ratios presented in Service Agreement Schedules 1 and 2, attached to the GSA, shall be reviewed and agreed upon by the parties.

An SLA typically contains the following elements:

1. Scope of Services
2. Service Level Expectations
3. Unit Cost Expectations
4. Performance Measures
5. Billing Process

Each SLA is approved by the individual(s) authorized to represent BSC and the Client Company related to the services to be provided.

BSC currently has three distinct processes related to SLAs.

1. The SLA process starts with the BSC Service Providers and the Client Companies representatives meeting to agree upon services to be provided over a future period of time, generally one to three years in duration. As BSC has been in operation for over ten years, most services have been defined and have been agreed to by the parties, and have been delivered efficiently and consistently to the Client Companies for a period of time. New service areas and services may be added in the future, or may be removed from the BSC services offerings. The SLA meetings focus on changes to service offerings and on refining the expected quantities to be consumed, as well as on improvements in providing the services or changes in the operational requirements around providing the services, including benchmarking and performance metrics, definition of responsibilities and other provisions between Service Providers and customer. The Service Providers are responsible for the over-all content in the Exelon BSC Service Catalog. Portions of the SLA template and Exelon BSC Service Catalog are reviewed by Legal. Early in the SLA process, the Legal review concentrates on the scope, governing agreement and certain terms and conditions. The Accounting review of the Exelon BSC Service Catalog and SLA drafts takes place near the end of the process and concentrates on the billing approach and pricing table sections of the Exelon BSC Service Catalog for compliance to the GSA and other PUHCA 2005 requirements. BSC Finance will check completed SLAs to make sure that changes are not made after Legal and Accounting review, or if such changes have been made, will obtain Legal and/or Accounting review of the changes. BSC Finance shall retain documentation evidencing the required SLA reviews in accordance with the record retention requirements. BSC works with the accounting and finance departments in the Client Companies to set-up the code block that the customer wants to be charged for the various services, and the level (company level, intermediate level, or department level) at which they wish to be billed. BSC Accounting works with BSC Finance to set up the appropriate accounting – cost capture pools on BSC's books. For most customers, the BSC Billing Systems journalize the actual monthly charges on the customer's books during the financial close.

2. The second process relates to change orders and other emergent work that appear after budgets have been locked down and the actual year has begun. Similar to the SLA process, BSC Accounting is involved to review any change orders for GSA and PUHCA compliance, and work with the customers' accounting departments to set-up and bill each item appropriately.

3. The third process relates to acquisitions or other new potential business for BSC. The BSC Service Providers interface with the M&A Team. The BSC support services costs are developed and include one-time and on-going support costs. Emergent work projects are set-up to collect one-time charges of adding the acquisition into BSC established services. BSC may prepare a proposal capturing integrated support service scope, schedule, budget, and assumptions. Linkage to an existing customer SLA is generally preferred, otherwise a new SLA may need to be created. For new SLA work, general terms and conditions are reviewed and signed by the controlling customer authorizing the work to proceed. BSC Finance and BSC Accounting gets involved in similar roles as mentioned above for the other processes.

Accounting Procedures

BSC will maintain processes which allow it to accumulate costs in Cost Centers and cost pools. Where possible, these costs will be charged out to Client Companies using direct charging methodologies, including time and materials and unit price (standard rate) basis. Cost Centers and cost pools collect resource costs for services and activities described in the Exelon BSC Service Catalog. This process supports the philosophy of billing costs to the Client Company on

an appropriate basis. BSC will use this process to maintain accounting systems to record all of its costs.

Costs will be billed to Client Companies as work is performed and costs are incurred. When a service requested by a Client Company has not been previously specified, a new SLA may be created or the existing one revised. BSC Accounting is responsible for ensuring that all of the billing methodologies are consistent with the GSA.

Direct Costs are defined as those that can be identified as applicable to services performed for a single Client Company or group of Client Companies. Direct costs include the fully distributed cost of providing a particular service. The fully distributed costs include labor costs, labor related costs (such as pensions and benefit costs, and facility costs), IT costs, outside services where applicable, back office support costs of running BSC, and other non-labor costs such as materials and supplies. Direct Costs will be charged to the Client Company or Companies responsible for the activity.

BSC will use direct charging (e.g., standard costing or unit prices and/or time and materials) and cost allocations to bill Client Companies. Under a standard costing methodology, as product or service units are used by the Client Companies, the services are directly billed to Client Companies at standard rates. Standard rates are fully cost burdened billing unit rates used by a specific department for a specified service. These rates are established for a number of services offered by the Services Company including invoice processing cost per invoice, mainframe computing cost per CPU usage, and IT desktop support cost per desktop computer. In general, these standard rates are calculated by estimating the fully distributed cost of providing the service for the year divided by the expected number of units (selected as the unit of measurement) to be consumed by all associated customers.

Residual amounts or costs that cannot be directly billed using reasonable measures will remain in the Cost Center to be allocated to Client Companies on an appropriate basis.

Indirect Costs include those costs of a general nature such as general services, and other support costs which cannot be specifically identified to a specific client company or smaller group of companies or to a specific service and therefore must be allocated. An example of Indirect Costs includes most corporate governance services that benefit all companies, which consists of, for example, functions such as accounting, finance, executive, strategic planning, investor relations, government affairs and policy, and corporate communications. The allocation methods used to assign costs to Client Companies will be based on factors identified in Schedule 1 attached to the GSA.

Services and Service Level Arrangements (SLA)

Based on experience and discussions with the Client Companies, BSC has made available a list of service offerings that are defined in the Exelon BSC Service Catalog for the SLA period. Responsibilities of Client Companies for requesting services are defined in the Exelon BSC Service Catalog. A listing of current SLAs and the Exelon BSC Service Catalog can be found on the Exelon Intranet under Operating Companies – BSC.

Services provided will be reviewed on an as needed basis by BSC and Client Companies. SLAs will be prepared for on-going and for special services, which benefit one or more Client Companies. Examples of on-going services are payroll processing and IT desktop support. SLAs will be approved by the individual(s) authorized to represent BSC and each Client Company in accordance with Company Capital Approval Policies. In all cases, the authorized approvers representing BSC and the Client Company will be different individuals.

When a new service or project is identified, BSC Finance and BSC Accounting will determine whether a new SLA shall be used or whether the costs shall be captured in an existing SLA. One or more of the following criteria should be considered in determining the need for a new SLA:

1. No existing SLA uses the billing methodology that is needed for the new service project.

2. No existing SLA charges costs to the benefiting Client Company for the new service or project.

3. There is a specific regulatory requirement to allocate costs in a specific manner regardless of amount for the new project/service.

4. No existing SLA captures similar activity or services.

5. The total estimated annual cost of the new service or project is greater than $500,000.

SLA (Work Order) Monitoring and Control

BSC Finance and BSC Accounting are responsible for reviewing, monitoring and maintaining the SLA (Work Order) and Exelon BSC Service Catalog documentation. BSC Finance and BSC Accounting will also authorize new SLAs as necessary. A formal annual review will be required of all SLAs including a review by legal. As part of the annual review, inactive SLAs will be removed.

Allocation Factors Update and Revisions

Allocation factors will be based on cost drivers specifically applicable to the service provided. BSC Accounting will have the primary responsibility for ensuring that allocation factors are correct, accurate and current. BSC Finance and the Service Providers will assist in gathering required usage and other data to calculate the allocation factors.

BSC Accounting will be responsible for evaluating new allocation methodologies and will consult the Legal Department as needed. Adequate supporting documentation shall be obtained from all associate companies/business units for the raw data used in the allocation methodologies, and maintained in accordance with record retention requirements set forth in the Exelon record retention policy and schedule.

A list of current allocations will be filed annually with the FERC on FERC Form No. 60.

Time Reporting

All BSC employees, including executives, shall keep, within reasonable cost, time records supporting labor charged to separately identifiable goods and services performed for Client Companies. Time records are kept in a timekeeping management system or manually on time sheets.

Employees will record time weekly in a minimum of one-hour increments. Departments may elect to record employees' time in increments smaller than an hour to meet special needs.

The employee's immediate supervisor will review and approve time reports. The BSC Controller's organization will be the authorized delegate for the review of executive time records. Time records will be maintained in accordance with record retention requirements set forth in the Exelon record retention policy and schedule.

Billing and Review

BSC shall prepare a monthly invoice report detailing the services / products provided by Service Area for each Client Company. Payment shall be made by the Client Company by making remittance or by making (offsetting) accounting entries of the amount billed. Payment term (or appropriate offsetting accounting entries) is within thirty days of receipt.

Dispute Resolution Procedure

In the event there is a dispute between the Client Company and BSC regarding a billing methodology and/or amount, representatives of the Services and Client Companies will meet to discuss the issue. If a resolution cannot be reached among the Parties, the issue will be referred to each Party's executive management for final resolution.

Internal Audit Control

Internal Audit, under the direction of the General Auditor, will conduct periodic reviews of BSC's business processes and systems to ensure that the services provided are properly documented and charged to the Client Companies on an appropriate basis. Reviews shall be performed such that all major service areas are evaluated over time. Internal Audit will also conduct reviews of transactions and SLA charge methods to assess whether they comply with

regulatory requirements. Internal Audit will also review the BSC allocations and corporate governance costs every two years.

Internal Audit maintains an independent role and has direct contact to Exelon's Audit Committee. Audit findings, recommendations and progress toward resolution of findings are reported to the Audit Committee and Senior Management as appropriate.

Budgeting

Budgeting for BSC will be a joint effort between it and other Client Companies. Renewal / revision of SLAs for the upcoming budget period will provide the basis for preparing budgets.

Evaluation

BSC will review its costs for competitiveness on a regular basis. Benchmarking and other measurement techniques will be used to the extent deemed appropriate by senior management. Additionally, BSC will also initiate a customer review process to gauge the value and quality of the services provided. Results will be shared with the Client Companies to allow them to evaluate cost effectiveness and assess alternate options.

EXHIBIT A

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 /s/ Ruth Ann M. Gillis
Ruth Ann M. Gillis
Title: President

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

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

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

By /s/ J. Barry Mitchell
J. Barry Mitchell
Title: Vice President and Treasurer

COMMONWEALTH EDISON COMPANY,
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES

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

PECO ENERGY COMPANY,
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES

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

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

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

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

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

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

By /s/ J. Barry Mitchell
J. Barry Mitchell
Title: Vice President and Treasurer

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

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

BALTIMORE GAS AND ELECTRIC COMPANY,
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(effective March 12, 2012)

By /s/ Carim V. Khouzami
Carim V. Khouzami
Title: Vice President, Chief Financial Officer and Treasurer

ATLANTIC CITY ELECTRIC COMPANY
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: /s/ Donna J. Kinzel
Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer and Treasurer

DELMARVA POWER & LIGHT COMPANY
ON BEHALF OF ITSELF AND ITS
SUBSIDIARIES (Effective March 24, 2016)

By: /s/ Donna J. Kinzel
Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer and Treasurer

POTOMAC ELECTRIC POWER COMPANY
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: /s/ Donna J. Kinzel
Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer and Treasurer

PEPCO HOLDINGS LLC
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: /s/ Donna J. Kinzel
Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer and Treasurer

PHI SERVICE COMPANY
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES
(Effective March 24, 2016)

By: /s/ Donna J. Kinzel
Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer and Treasurer

Attachment A

Commonwealth Edison Company

Commonwealth Edison of Indiana, Inc.

PECO Energy Company

Exelon Generation Company, LLC

Baltimore Gas and Electric Company (effective March 12, 2012)

Atlantic City Electric Company (effective March 24, 2016)

Delmarva Power & Light Company (effective March 24, 2016)

Potomac Electric Power Company (effective March 24, 2016)

PEPCO Holdings LLC (effective March 24, 2016)

PHI Service Company (effective March 24, 2016)

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

Exhibit B

Service Level Arrangement

Arrangement between _____ Services Department and [Client Company]

Scope

Governing Agreement

Term of Service

Services

Scope of Services

Service Responsibility Matrix [Included in Service Catalog]

Services, Tasks		

Billing Approach [Included in Service Catalog]

Pricing Table:

Service, Product # and Description	Billing Approach, Basis, Service Owner

Performance Metrics & Performance Reporting [Included in Service Catalog]

Signatures	
Exelon Business Services Company, LLC _____ _____ Signature Date	Name (Client) Title _____ _____ Signature Date

Exelon BSC Service Catalog – 2023

Contents

INTRODUCTION **3**

SERVICE TABLE DEFINITION **3**

COMPLIANCE, AUDIT AND RISK SERVICES **5**

- Compliance, Audit and Risk Services Introduction 5
- Compliance, Audit and Risk Services Table 5

CORPORATE & INFORMATION SECURITY SERVICES (CISS) **8**

- Corporate & Information Security Services Introduction 8
- CISS Services Table 8

CORPORATE AFFAIRS **22**

- Corporate Affairs Introduction 22
- Corporate Affairs Services Table 22

CORPORATE STRATEGY, INNOVATION & SUSTAINABILITY **28**

- Corporate Strategy, Innovation & Sustainability Introduction 28
- Corporate Strategy & Sustainability Services Table 28

EXECUTIVES (INCLUDES GCAS) **33**

- Executives (Includes GCAs) Introduction 33
- Executives (Includes GCAs) Services Table 33

EXELON UTILITY OPERATIONS (INCLUDES TRANSMISSION STRATEGY & COMPLIANCE) **36**

- Introduction 36
- Exelon Utility Operations (Includes Transmission Strategy & Compliance) Services Table 36

FINANCE **45**

- Finance Introduction 45
- Finance Services Table 45

CORPORATE DEVELOPMENT **50**

- Corporate Development Introduction 50
- Corporate Development Services Table 50

INVESTMENTS **52**

Investments Introduction 52
Investments Services Table 52

GOVERNMENT AND REGULATORY AFFAIRS & PUBLIC POLICY **54**

Government and Regulatory Affairs & Public Policy Introduction 54
Government and Regulatory Affairs & Public Policy Services Table 54

HUMAN RESOURCES **57**

Human Resources Introduction 57
Human Resources Services Table 57

IT **83**

IT Introduction 83
IT Services Table 83

LEGAL SERVICES **111**

Legal Services Introduction 111
Legal Services Table 111

REAL ESTATE **117**

Real Estate Introduction 117
Real Estate Services Table 117

SUPPLY **121**

Supply Introduction 121
Supply Services Table 121

TRANSPORTATION **132**

Transportation Introduction 132
Transportation Services Table 132

APPENDIX A **134**

IT RxQ Technical Services Table 134

Introduction

This EBSC Service Catalog describes all EBSC Services and standard levels of service delivery offered and provided by EBSC Practice Areas to all Exelon's Client Companies.

Practice Areas are:

- Compliance, Audit and Risk
- Corporate & Information Security Services (CISS)
- Corporate Affairs
- Corporate Strategy, Innovation, & Sustainability (CSIS)
- Executives (Includes GCAs)
- Exelon Utility Operations (Includes Transmission Strategy & Compliance)
- Finance, Investments, Development, and Risk
- Government and Regulatory Affairs & Public Policy
- Human Resources
- IT
- Legal Services (Includes Corporate Governance)
- Real Estate
- Supply
- Transportation

Exelon Business Services Company ("BSC" or "EBSC") establishes a Service Level Arrangement (SLA) document with each Client Company to which they provide services. Each EBSC SLA between EBSC and a Client Company documents the specific list of EBSC Services by Practice Area provided to each Client Company as well as any additional Affiliate Specific Assumptions that may be uniquely requested by or provided to that Client Company.

Service Table Definition

Service Table includes:

- **Service ID and Service Name,** which identifies the service within the Inter-Company Billing system.

- **Service Description**, which describes the content and scope of the EBSC Practice Area Services.
- **Service Owner,** leader accountable for the definition, direction and delivery of the service, typically a VP or higher.

FERC Account and Billing Approach Table includes:

- **Service ID and Service Name,** which identifies the service within the Inter-Company Billing system.
- **Major Client FERC Account,** identifies the account per the Federal Energy Regulatory Commission (FERC) uniform system of accounts **Billing Approach**, which includes Allocated and Direct:
    - **Allocated**: When the services provided are not specifically assignable to one specific client company and will benefit multiple client companies, the service cost is allocated to the client companies based on a cost causative method.
    - **Direct**: Typically used when resources or costs are attributable to service delivery to one specific customer. Examples include Time and Material costs that are tracked and billed to customers and **R*Q (Unit Based):** Used when service cost is tied to units of a service consumed by a customer (service driver). During the planning period, demand is forecasted, total cost of service delivery is budgeted, and Unit Price (Rounded) is determined by: [Service Budget] / [Total Forecasted Demand]. Monthly charge is based on [Actual monthly BU Demand] * [Unit Price]. Direct charges can also be billed through positive time reporting or projects billed to a specific customer.
- **Basis,** which describes the demand or allocation driver or basis of the billing method.

Performance Measurement Table:

The Performance Management section is optional and can be used to outline the standard by which the practice area monitors and reports performance, the level of service that will be expected to be met at a minimum, and target levels that will be expected to be met or exceeded on negotiated timelines (if applicable).

Responsibilities Table:

The Responsibilities section of the SLA is optional and can be used to provide clarity and ownership of the responsibilities between EBSC and the Client Company and/or Identify who is responsible for each activity or decision that is required to provide or receive a service.

Compliance, Audit and Risk Services

Compliance, Audit and Risk Services Introduction

The Compliance, Audit and Risk Services function encompasses three separate but complementary teams: Compliance & Ethics, Enterprise Risk Management, and Exelon Audit Services.

Compliance, Audit and Risk Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner

646	Exelon Audit Services	• Provide internal controls assurance and stewardship as well as operational assurance including, but not limited to:
		  • Review the reliability and integrity of financial and operating information and the means used to identify measure, classify, and report such information.
		  • Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
		  • Review and test established systems of internal control to ascertain whether they are functioning as designed.
		• Coordinate with other control and monitoring functions (e.g. risk management, compliance, CISS, legal, ethics, environmental, external auditors, etc.) and enable control owners and self-assessors.
		• Service offerings include Assurance and Business Enablement (inclusive of Sarbanes Oxley and anti-fraud).
			SVP, Audit Services

953	Compliance & Ethics	• Provides governance and oversight for Exelon's compliance with its regulatory and compliance obligations, including working with business units to ensure compliance risks are regularly assessed, appropriate controls are designed, implemented, and tested, and appropriate guidance is provided regarding compliance issues. • Provides enterprise-wide support and representation of business units on bulk electric system reliability and cybersecurity compliance matters. • Oversees and supports the delivery of training and awareness communications across the enterprise on topics implicating regulatory compliance and ethics risks.	EVP Compliance, Audit and Risk

Service ID	Service Name	Service Description	Service Owner
		• Serves as the primary resource for ethics advice and interpretation of the Code of Business Conduct, including management of Code disclosures and attestations. • Maintains a Help Line and a dedicated web portal (hosted by a third-party) for stakeholders to report concerns regarding potential ethical, compliance or legal violations. The Ethics Help Line and web portal offer anonymous reporting options 24-hours a day, every day of the year. • Actively monitors the receipt of Help Line reports or other reports of potential violations of the Code of Business Conduct and ensures each report is properly assessed and, when warranted, oversee and complete objective investigations and participate in the process for determining appropriate corrective action when wrongdoing is substantiated. •	
638	BSC Enterprise Risk Management Services	• Enterprise risk management, governance, and oversight • Responsible for the development of a comprehensive enterprise risk framework with policies/processes and implementation of enterprise reporting of risk metrics and limits • Understand and assist in mitigating all potential enterprise-wide risks • Administration and governance of OpCo level Risk Management Committee (RMC) meetings & content	EVP Compliance, Audit and Risk
233	Risk As Requested	• As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors	EVP Compliance, Audit and Risk
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	EVP Compliance, Audit and Risk
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	EVP Compliance, Audit and Risk

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
646	Exelon Audit Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529210	Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
953	Compliance & Ethics	923 – Outside Service Employed	Direct - 529200	Modified Massachusetts Formula
			Allocated - 529210	
638	BSC Risk Management Services	923 – Outside Service Employed	Direct - 529050	Modified Massachusetts Formula
			Allocated - 529060	
233	Risk As Requested	923 – Outside Service Employed	Direct - 529050	Time and Materials

Responsibilities

Exelon Audit Services provides an independent, objective assurance and advisory activity designed to add value and improve operations. It works to help an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes. The role and responsibilities of Audit Services is overseen by the Audit and Risk Committee of the Board of Directors of Exelon and is part of the Exelon Compliance, Audit, and Risk organization.

Compliance & Ethics works across the enterprise to identify, assess, and ensure the mitigation of risks concerning Exelon's compliance with applicable laws, regulations, the Exelon Code of Business Conduct and other company policies, and sustain a culture of integrity. It also is responsible for receiving and ensuring the independent investigation of concerns about potential violations of regulatory compliance obligations and company policies, including the Code of Business Conduct.

BSC Enterprise Risk Management has responsibility for Enterprise Risk Management governance and oversight.

BSC Compliance, Audit and Risk

Corporate & Information Security Services (CISS)

Corporate & Information Security Services Introduction

BSC Corporate & Information Security Services ("CISS") provides governance and functional oversight for physical and cyber security controls and services.

CISS Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
444	Cyber Security Projects	Exelon CISS Project Delivery Services provides deliverables for projects including planning, design, and implementation of solutions	SVP, CSO
445	Physical Security Projects	Exelon CISS Project Delivery Services provides deliverables for projects including planning, design, and implementation of solutions	SVP, CSO
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	SVP, CSO
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	SVP, CSO

Service ID	Service Name	Service Description	Service Owner
930	Business Continuity and Crisis Management	**Business Continuity** • Business Continuity Services encompass governance, oversight, support, and perform functions; in addition to an established 'all-hazard' methodology; annual business continuity plan reviews and consultation with all BUs; new business continuity plan development; major exercise design and facilitation; business impact analysis; Business Unit scorecards; LDRPS system administration; Business Continuity Planners assist with minor updates throughout the year to their respective business continuity plan(s). **Crisis Management** • Crisis Management facilitates effective Business Unit and Corporate response to emergencies; on-call support; maintain and automate Business Unit crisis management notification protocols; support corporate crisis management team; provide situational awareness and monitor adverse conditions; maintain and staff incident command center; administer Company's automated mass notification system and conduct site notification drills; provision GETS/WPS for BSC.	SVP, CSO
940	CISS Governance, Oversight and Strategy	Overall executive and oversight of all CISS services provided throughout the enterprise to include security Governance and Oversight of the entire Exelon security infrastructure. **Strategy and Planning** • Develop and provide CISS strategic and business planning, operational and financial performance reporting, financial management, project management, contract administrative support, executive and organizational support **Awareness and Training and Change Management:** • Develop and provide CISS communications and change management services; develop and provide security related security awareness and training materials to business units (i.e., Phishing susceptibility, general security awareness, workplace violence, street awareness, security in the field, fraud detection)	SVP, CSO

Service ID	Service Name	Service Description	Service Owner
		Policy Governance and Oversight, Security Risk Management • Security policies development. Provides stakeholders with an assessment of the adequacy of the organization's security controls to protect the confidentiality, integrity, and availability of assets and information. Strategic/regulatory policy liaison with EEI, AGA, FERC, NERC, DHS, LLEA, and engagement with Exelon executives on external security policy and compliance matters. • Establish policies and programs which align with National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) subcategories. Manage the development, review, approval, dissemination, and retirement of Exelon security program documents. • Support the organization in assessments and annual certification for in-scope assets to ascertain adherence to the security controls. Track risks associated with not meeting security controls on per exception basis. • Support the organization in developing security controls, countermeasures and safeguards that can cost effectively mitigate risk exposure to an acceptable level (includes exceptions analyses). **Third Party Risk Management** • Perform assessments of third party's security measures, addressing third party risk management, and managing third-party threat response process; work with asset owners to develop plans to mitigate or resolve risks	
941	Identity and Access Management & Personnel Screening	• Physical Access provisioning/de-provisioning of employee & contractor physical access to facilities for Exelon non-nuclear BUs. Includes the setup of request workflows, access levels, and approvers groups, as well as encompasses all reporting required for SOX and CIP compliance. • Logical Access provisioning and revocation of Active Directory accounts in Exelon domains, as well as cyber access to applications, file shares, and designated email functions in Exelon domains. Additionally, it covers workflow development and approver group creation,	SVP, CSO

Service ID	Service Name	Service Description	Service Owner
		conversions for contractors to employees, affiliate transfers, and new large scale application deployment in Exelon domains. Also includes the creation of AD accounts, accounts not assigned to a person, the setup of new locations, and all reporting required for SOX and Critical Infrastructure Protection (CIP) compliance in Exelon domains. • Background Investigations - Personnel Risk Assessments (PRA) conducted on candidates for new hire, staff augmentation contractors, employees being promoted to the E05 and above; and on any employee or contractor requiring access to a NERC CIP asset per the requirements of CIP-004 R3.	
942	Exelon Security Operations Center (ESOC)	• Alarm Monitoring and Response: Exelon Security Operations Center (ESOC) includes operation of 24/7 monitoring and response for enterprise non-NERC and NERC CIP-related intrusion detection and access control system. 24-hr hub for all emergencies reporting including access control monitoring, security officer dispatch, 911, and other emergency responses; video surveillance including active and passive monitoring; alarm point monitoring including video alarm and duress alarm; and technical project management/ implementation. • Physical Protection: Security Call Center; Security System Maintenance Tracking; Substation Ingress/Egress Access Tracking. Aligned with ESOC. • Enterprise Physical Security Systems Management: Administrator and business owner of non NERC and NERC CIP-related enterprise security alarm and access management systems. • Tuning and calibration of electronic access control points, intrusion detection system, and video surveillance systems, and system administrator for Security Applications incl. CCure, ExcaqVision, ESM, DMP, JIRA. Design, manage, and review access control groups. Business owner of Security Applications, support and coordinate SCP activities to mitigate impacts to BUs. • PACS Operation (Access Control, Video and intrusion detection hardware and software). PACS System enhancements - above and beyond compliance innovations. NERC Ancillary	SVP, CSO

Service ID	Service Name	Service Description	Service Owner
		Systems Support (i.e. eKey, ACAS, IT Server and Network. PSZ and LPAP), physical security control implementation. • Provide BUs with support when new or redesign of non-NERC security systems (intrusion detection, electronic access control, video surveillance systems) are required. Includes managing design, installation, integration, and ESOC acceptance and turnover testing. Service includes providing technical details/scope of work for RFPs.	
945	Cyber and Information Security Services	**Cyber Defense Operations** • Provides 24/7 proactive monitoring of security risks for IT, ICS and other OT Systems. This function receives alerts from a variety of defense mechanisms such as web and email filtering, anti-virus protections, custom rules and signatures, and then prioritizes these alerts for analysis. Key sub-functions include: • System Engineering is dedicated to ensuring the operation of cybersecurity monitoring systems. Systems Engineering's primary area of focus is Endpoint (AV) protection, Security Monitoring Logging and ingress/egress Intrusion Protection System/Intrusion Detection System implementation. • Cyber Threat Intelligence (CTI) provides proactive and predictive indications and actionable intelligence by utilizing information from federal, state, local and open source entities to the following: o Cybersecurity Monitoring– Provide indicators of compromise (IOCs) gleaned from available reporting for inclusion into network defenses o Incident Response – After vetting intelligence, CTI analysts work alongside forensic team members during investigations o Forensics – As requested, CTI analysts work alongside forensic team members during investigations o Engagement with Federal Agencies (FBI, DHS, E-ISAC, etc.) – when an investigation is completed or new information that is deemed shareable is made discovered, the CTI analyst will share the information to various Cyber Intelligence groups **Incident Response**	SVP, CSO

Service ID	Service Name	Service Description	Service Owner
		• Primary objective is to respond to incidents in a methodical manner following these phases: (1) Detect, (2) Contain, (3) Eradicate, (4) Recover, (5) Post Incident Analysis. Incident Response is the escalation point for incidents identified by Monitoring and is responsible for handling any issues that necessitate further investigations. • Engages in proactive threat hunting, reviewing data from CSOC and ESOC tools looking for advanced threats. • Routinely prepares for responding to cybersecurity and physical security incidents by planning and executing drills, hosting Lunch & Learn information sessions, attending technical training, and cross training with other members of the team. **Cyber Security Architecture and Engineering** • Oversee and maintain system and application controls to protect unauthorized access, disclosure, modification and deletion of information. Key activities include: • Integrate cybersecurity architecture requirements and controls into the Exelon System Development, Project Management, and Procurement Lifecycles • Establish repeatable enterprise cybersecurity architecture templates and design standards • Incorporate cyber security requirements from legislation, directives, policies, regulations, standards, best practices, and relevant guidance into enterprise cyber security architecture and engineering templates and solutions • Conduct cybersecurity risk assessments on new projects to ensure requirements are established and maintained throughout the project lifecycle • Provide cybersecurity expertise to the ICS/SCADA and other Operations Technology (OT) systems used to support reliable operations for Exelon's electric operations, gas operations, and customer operations functions • Supervise changes in software, hardware, facilities, telecommunications and user needs to ensure security is maintained • Provide NERC CIP program support to registered entities in the development of RSAWs, Self-Assessment and Certification process, audit preparation/presentation, and mitigation plan development and implementation for OT assets	

Service ID	Service Name	Service Description	Service Owner
		• Provide guidance and support to protect systems that support flight operations, logistics, and maintenance activities from compromise, including supply chain considerations. **Cyber Vulnerability Detection & Management** Vulnerability Management: Performs risk-driven vulnerability assessments of Exelon's key Electronic Information Assets, identifies vulnerabilities, and tracks remediation. Key activities include: • Inform and work with Security Patch Administrators regarding identifying and analyzing appropriate security patches · Perform rotating weekly vulnerability scans of all EIA in Exelon's major datacenters, identify vulnerabilities, identify asset owners, and track remediation • Monitor security advisories for vulnerabilities in security patches • Communicate critical patch information, as necessary, to all appropriate stakeholders • Review security configurations on Electronic Information Assets • Review proposed changes to the existing firewall rule base, assess the change for risk and approve/reject requests **Digital Forensics Incident Response** The Digital Forensics Team manages the collection and analysis of electronic evidence to help form a better understanding of an incident or investigation, followed by the reporting of those findings in a clear, concise manner. Incidents generally refer to cyber intrusions, while investigations generally refer to inquiries from Legal or HR. Throughout the investigation process, steps are taken to prove evidence is NOT modified in any way by the investigator or tampered with by others.	

Service ID	Service Name	Service Description	Service Owner
		Systems Support Team provides internal support to CISS cybersecurity monitoring and response infrastructure (i.e., intrusion prevention systems, security information and event management systems	
946	CISS Executive Security & Transportation	Administers and carries out the executive protection program, responsible for planning security surrounding official functions, 24/7 emergency response and secure transportation of executives as assigned.	SVP, CSO
947	CISS Physical Client Services	CISS Physical Client Services functions are performed for the Corporate BU. Security Site Assessments (SVAs): Security (threat/risk) assessment, findings, and remediations of facilities and critical operating processes. Investigations: Includes the key functions of Investigations. Investigations: Partnering with HR, Ethics/Legal, Audit and BUs to provide objective and independent reviews of allegations or concerns. The methodology is established for completing analytical documentation & forensic reviews, conducting interviews, and providing detailed investigative reports to management. Personnel Security / Non-Investigative Client Services: Includes the key functions of: • Training: Develop and implement annual In-Service Training to ensure adherence with the Exelon Use of Force and Firearms Policy. Provides training, knowledge and equipment to those who may be tasked with the responsibility of responding to an unexpected medical emergency or critical incident which contributes to the safety and security of Exelon employees and assets. The program provides a tactical-level training platform for proprietary security personnel, in particular, those who are required to carry a firearm. Also, develop and facilitates Workplace Violence Prevention Program: assessments, training, and response to mitigate the potential effect of any allegation or adverse act. • Guard Force Deployment: deploys uniformed armed and unarmed contract Security Officers	SVP, CSO

Service ID	Service Name	Service Description	Service Owner
		and/or Off Duty Law Enforcement at various locations throughout the enterprise to perform both routine and emergency security duties. • Security personnel maintain a robust liaison program with a wide spectrum of Law Enforcement and Security-related agencies. These relationships and memberships provide Exelon with timely security intelligence reports or threats and assists management with valuable benchmarking data. Provide oversight for aligned utility focused Security Programs of client companies to support business objectives and drive performance.	
949	Regulatory Requirement Compliance	CISS NERC CIP Services – Physical: CIP-006 and CIP-014 Program Development and Maintenance; Regulatory NERC Audit Support. Preventive and Corrective Maintenance efforts and documentation; Event Response; BU self-assessments and self-certifications; Investigation/evidence collection efforts, corrective actions, mitigation plans; NERC physical security training development and delivery; Management model documentation and maintenance. CISS NERC CIP Services – Cyber: Enterprise Standard Owner (ESO): Programmatic ownership of the CIP- 004, -006, -008, -013, -014 CIP standards for the Enterprise, perform control obligations and oversee performance by BUs; drive continuous improvements; drive collaboration to define standard approach to meet operational and compliance requirements (Exelon Compliance Review Team (CRT)) Security Control Functions: Perform operational security control obligations on behalf of the Registered Entities; establish and implement internal controls for Security Control Functions to reduce security and compliance risk; provide guidance and support on implementing security	SVP, CSO

Service ID	Service Name	Service Description	Service Owner
		control functions for new/upgrade projects; collect, review and approve performance evidence; represent Security Control Functions as Subject Matter Experts during regulatory audits. CISS Owned NERC Assets (CIP-002 obligations): Maintain in-scope CIP Cyber Assets as compliant with the requirements (patching, baseline management, etc.). Other regulatory support (incl Defense Federal Acquisition Regulations compliance) DHS Chemical Facility Anti-Terrorism Standards (CFATS): Provide governance and oversight for implementation of CFATS and partner with the Business Units to ensure compliance.	
936	Intelligence and Threat Analysis	Security Intelligence Services provides intelligence gathering and analytical services across the enterprise. This includes analysis of cyber and physical threats as well as tracking of special events and threats to determine the potential impact and development of mitigation strategies. Security Awareness and Analytical Training on demand includes the development and delivery of security-related training addressing common cyber threats, requested reports and special event and analytical project support. Foreign Travel Program Management provides Security Services for international travelers to include tracking of employees worldwide, emergency alerts to employees, a hotline for international travel issues as well as political and medical emergency extraction services.	SVP, CSO
924	As Requested CISS Projects	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	SVP, CSO

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
444	Cyber Security Projects	FERC Accounting to be determined with FERC Reporting groups during each individual project creation	Direct - 529350	Time and Materials
			Allocated – 529360	Modified Massachusetts Formula
445	Physical Security Projects	FERC Accounting to be determined with FERC Reporting groups during each individual project creation	Direct – 529350	Time and Materials
			Allocated – 529360	Modified Massachusetts Formula
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated – 529610	Total Service Billings
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct – 529700	Time and Materials
			Allocated - 529710	Cost Causative Method
930	Business Continuity and Crisis Management	923 – Outside Service Employed	Direct – 529350	Time and Materials
			Allocated – 529360	Modified Massachusetts Formula
940	CISS Exec Governance and Oversight and Strategy	923 – Outside Service Employed	Allocated – 529360	Modified Massachusetts Formula

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
941	Identity and Access Management and Personnel Screening	923 – Outside Service Employed	Allocated – 529360	User ID logins or # of employees
942	Exelon Security Center Operations (ESOC)	923 – Outside Service Employed	Direct – 529350	Time & Materials
			Allocated – 529360	Alarm Points Monitored
945	Cyber and Information Security Services	923 – Outside Service Employed	Allocated – 529360	Modified Massachusetts Formula or % of Total IT Infrastructure Billings
946	CISS Executive Security & Transportation	923 – Outside Service Employed	Allocated – 529360	Modified Massachusetts Formula
			Direct – 529350	Time & Materials
947	CISS Physical Client Services	923 – Outside Service Employed	Direct – 529350	Time and Materials
			Allocated – 529360 for Corporate Svcs	Modified Massachusetts Formula
949	CISS NERC CIP Compliance	923 – Outside Service Employed	Allocated – 529360	NERC CIP Registered Access Controlled Doors or NERC registered critical IT assets

BSC Corporate & Information Security Services

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
936	Intelligence and Threat Analysis	923 – Outside Service Employed	Allocated – 529360	Modified Massachusetts Formula
924	As Requested CISS Projects	FERC Accounting to be determined with FERC Reporting groups during each individual project creation	Direct – 529350	Time and Materials
			Allocated – 529360	Modified Massachusetts Formula

Responsibilities

Corporate and Information Security Services

Task / Responsibility	Exelon BSC CISS	Client Company
Report all CISS related concerns to the Exelon Security Operations Center.		X
All Enterprise physical access control systems must be connected to the ESOC at the direction of Corporate and Information Security Services.		X
CISS must be notified of all foreign travel on behalf of Exelon, this notification occurs automatically when utilizing approved travel		X
CISS for Corporate Events shall be coordinated through Corporate and Information Security Services.	X	
CISS shall provide materials to support training for Violence in the workplace and other CISS related topics as requested.	X	
CISS system design changes or requests for changes will be coordinated by CISS.	X	

Task / Responsibility	Exelon BSC CISS	Client Company
All costs for new physical CISS equipment or systems, as well as repairs or maintenance to those systems or equipment shall be borne by the OPCO.		X
All costs for armed or unarmed guards shall be borne by the business unit requesting this service.		X

Corporate and Information Security Services Performance Metrics Table

See CISS Business Plan for performance metrics.

Corporate Affairs

Corporate Affairs Introduction

Corporate Affairs' role is to protect and enhance Exelon and OpCos' reputations; foster a strong corporate character based on purpose, culture and values; build, manage and balance the interests of multi-stakeholder relationships; and serve as strategic business partners and trusted counselors to leaders. To maximize our impact and cost effectiveness, we focus our team and resources on strategic priorities and data-driven campaigns that advance Exelon and the OpCos' business and policy goals.

Corporate Affairs Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
668	Corporate Affairs Operations	External: Management of external communications strategies and tactics on behalf of the parent company, Exelon Corporation, including • media relations; • issues and crisis management; • executive communications; • branding, marketing and advertising; • digital and social media content and channel management; Internal: Management of internal communications strategies and tactics on behalf of Exelon to all employees including: • Developing research-based strategies, direction and content for employee communications. • Creating and distributing company-wide communications such as leadership communications, road shows/town halls, email notifications, videos, special content sites, and the intranet. Enterprise: Provide strategic communications counsel and support to Exelon operating companies and BSC departments. Informational Advertising: Development and implementation of advertising across traditional (radio, TV, outdoor) and non-traditional channels (digital, social,	SVP, Corporate Affairs, Communications and Philanthropy Director, Marketing, Digital and Brand Director, Media Relations Director, Internal Communications

Service ID	Service Name	Service Description	Service Owner
		terrestrial/streaming radio and audio) for Exelon Corporation and the Operating Companies to educate/inform customers and other audiences. Promotional Advertising: Development and implementation of advertising across traditional (radio, TV, outdoor) and non-traditional channels (digital, social, terrestrial/streaming radio and audio) for Exelon Corporation and the Operating Companies to educate/inform customers and other audiences.	
611	Corporate Contributions	Governance, strategic and tactical management of Exelon Corporation's charitable contributions, sponsorships, employee volunteer program, and associated internal communications activities designed to benefit the customers and communities that Exelon serves and enhance Exelon's corporate reputation.	VP, Corporate Relations
644	Lobbying & Influence Public Opinion	• Lead public affairs and advocacy campaigns in support of key federal and state policy goals • Oversight of advocacy digital and social tools, campaigns and strategy	Director, Public Advocacy
833	BSC Revenue Adjustment	• The difference between actual cost and revenue from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings	SVP, Corporate Affairs, Communications and Philanthropy
733	BSC AV- Field Photography	• Field Photography • Studio Photography • Photo Printing • Digital Retouching • File Management. Services that are requested outside of standard business hours (8am – 5pm Local Time), will have overtime billed as an As Requested service.	Director, Marketing, Digital and Brand
738	BSC AV - Creative Media and Video Services	• Video production, including conceptualization and production of videos for employee communications, training, safety awareness, presentations, and TV and radio marketing • Coordination of freelance photographers, videographers and other talent. • Field and studio photography, printing and retouching • File Management Examples of jobs: video production; flash/multimedia production; photography	Director, Marketing, Digital and Brand

Service ID	Service Name	Service Description	Service Owner
		Services that are requested outside of standard business hours (8am – 5pm Local Time), will have overtime billed as an As Requested service.	
665	BSC Corporate Affairs As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	SVP, Corporate Affairs, Communications and Philanthropy
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	SVP, Corporate Affairs, Communications and Philanthropy

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
668	Communications Operations	930.1 – General Advertising Expenses 923 – Outside Service Employed (Communications Operations)	Direct - 529100	Time and Material
			Allocated - 529110	Modified Massachusetts Formula
611	Corporate Contributions	426.1 - Donations	Direct - 529100	Time and Material
			Allocated - 529110	Modified Massachusetts Formula
644	Lobbying & Influence Public Opinion	426.4 - Exp-civic/political activities	Direct - 529100	Time and Materials
			Allocated - 529110	Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529110	Modified Massachusetts Formula
733	BSC AV- IL Field Photography	923 – Outside Service Employed	Direct – 529100	Time and Materials
			Allocated - 529110	Modified Massachusetts Formula

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
738	BSC AV - Creative Media and Video Services	923 – Outside Service Employed	Direct – 529100	Time and Materials
			Allocated - 529110	Modified Massachusetts Formula
665	BSC Corporate Affairs As Requested	923 – Outside Service Employed	Direct – 529100	Time and Materials
			Allocated - 529110	Modified Massachusetts Formula

Responsibilities

Task / Responsibility	BSC Practice Area	Client Company
Communications Operations		
Identify and analyze client companies' key initiatives and issues	X	
Develop communications strategies and plans in coordination with client companies to support business objectives and drive favorability	X	X
Implement and manage client companies' communications strategies and plans	X	X
Develop internal communications strategies and plans in conjunction	X	
Manage creation, production and distribution of Exelon-wide employee communication vehicles	X	
Provide input, as requested, for Exelon-wide employee communications vehicles		X
Manage content creation, production, publishing and monitoring across Exelon social media channels	X	
Work with IT to develop and manage the governance, strategies and policies that guide content on the internet and intranet	X	
Develop and implement external communications strategy and tactics	X	
Public Affairs		
Lead public affairs and advocacy campaigns in support of key federal and state policy goals	X	
Coordinate activities with Federal and State Government Affairs	X	
Oversight of advocacy digital and social tools, campaigns and strategy	X	
Allocate resources as identified to support public advocacy initiatives	X	X
Informational & Promotional Advertising		

Task / Responsibility	BSC Practice Area	Client Company
Develop and manage Exelon Corporation's and the Client Company's branding strategy (logo standards and guidelines, documentation templates)	X	
Develop overall Exelon Corporation advertising strategy and approach	X	
Review and approve campaign concepts	X	X
Manage advertising agencies, i.e., creation of campaigns, placement of advertisements and the budget	X	X
Approve creative content and implementation of advertising campaigns	X	X
Approve cost of advertising campaigns, including traditional and non-traditional media channels	X	X
Approve selection of new advertising agencies upon termination of contracts	X	X
Corporate Contributions		
Manage Exelon Corporation's corporate contributions and sponsorship program; and the employee volunteer program	X	
Promote the employee volunteer program within the Client Company	X	X
Provide governance and support for charitable contributions, manage the Corporate Citizenship Review Committee process and provide systems and process necessary to track giving across Exelon Corporation	X	
Submit the appropriate contribution requests to the CCRC for review and approval	X	X
Media Production Services		
Identify scope of work and schedule required		X
Develop approach and range of services to meet requested scope of work and schedule	X	
Develop bid (statement for work including items to be produced and estimated price) and timeline (schedule for delivery)	X	
Approve bid and timeline. Supply accounting information		X
Deliver services and production items as per approved bid and agreed timeline	X	

Note: Each utility has embedded Communications functions that are directly billed to the respective operating companies.

Performance Measurement

Corporate Affairs Performance Metrics Table

Reference the Corporate Affairs Business Plan for performance metrics.

Corporate Strategy, Innovation & Sustainability

Corporate Strategy, Innovation & Sustainability Introduction

The Corporate Strategy, Innovation & Sustainability (CSIS) group provides strategic support for senior leadership; program leadership for Exelon's sustainable growth strategy; and corporate-wide governance, oversight and support for the innovation and sustainability functions.

CSIS will manage strategic issues of the company, set context for strategic decisions and long-term investments, articulate a corporate strategic plan, and support the development and communication of Exelon's vision, and de-risk opportunities for the business units by leading enterprise-focused technology development adoption. CSIS supports the chief executive officer, board of directors and Executive Committee in identifying and analyzing strategic issues, and coordinates with the business units and various corporate functions to address these issues.

CSIS will provide governance and oversight to ensure that Exelon maintains effective programs for developing climate strategy, setting and tracking voluntary sustainability goals, and reporting sustainability performance.

Corporate Strategy, Innovation & Sustainability Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
644	Lobbying & Influence Public Opinion	• Supporting environmental policy and regulatory lobbying activities, including research and other background work to support developing a corporate position. • Coordinate, and support as necessary, the development of positions, comments, testimony, etcetera for emerging environmental regulatory and legislative policy issues, in support of Exelon advocacy initiatives • Communicate Exelon's environmental, social and governance (ESG) performance through an annual corporate sustainability report, other voluntary reporting, information on websites, speeches, etcetera	SVP, Corporate Strategy, Chief Innovation & Sustainability Officer

Service ID	Service Name	Service Description	Service Owner
654	Corporate Strategy Services	• Strategic issues analysis and management ○ Maintain forward-looking agenda of key issues facing the company ○ Establish ad hoc teams to analyze issues and develop options for response ○ Maintain proactive role in keeping focus "ahead of the curve" ○ Support CEO and Leadership Team to develop key focus areas, agenda and staff support for business meetings • Corporate Strategic Planning ○ Together with Financial Planning, implement a structured approach to strategic and long-range planning that integrates analysis of strategic issues into the planning process ○ Corporate Strategic plan provides framework for aligning business planning with corporate objectives ○ Organize business content for Board Strategy Retreat • Vision, communications of vision and strategy, strategic literacy ○ Support senior leadership in defining and articulating a corporate vision ○ Cascade vision through organization, aligning and engaging employees ○ Partner with HR and Corporate Communications to drive strategic business literacy throughout the corporation ○ Provide for communications of key strategic issues by managing bi-annual Leadership Meetings ○ Compile, assess and present recommendations to senior leadership for improving Exelon's environmental and safety performance. ○ Maintain the Exelon GHG Inventory, including third-party verification, in support of publicly communicating Exelon's performance. ○ Develop and publish an annual Corporate Sustainability Report communicating Exelon's performance and plans for improving performance and addressing material sustainability issues. • Evaluation of new technology ○ Lead the Technology Exchange – an enterprise-wide cross-functional coordination on the evaluation of new technologies – and present findings to the Executive Committee ○ Partner with the Operating Companies on the execution of a technology strategy identified by the efforts of the Technology Exchange	SVP, Corporate Strategy, Chief Innovation & Sustainability Officer

Service ID	Service Name	Service Description	Service Owner
		○ Establish external relationships and create/manage a platform for collaborative research & development (R&D) efforts and process which deliver robust technology opportunities in a timely manner to support growth. ○ For the Partnership R&D, provide Exelon oversight from conceptualization, formulation and demonstration of the area of development. Coordinate with legal on intellectual property development and protection. ○ Propose and maintain budgets and develop funding and milestone plans for assessing progress and movement to next steps. • Climate Change Investment Initiative ○ Select and invest in innovative startups focused on helping our communities face pressing climate change challenges. ○ Support completion of impact projects in Exelon's territories. • Driving a culture of innovation across Exelon ○ Leveraging a common Exelon innovation methodology, process, toolset and metrics across the enterprise. ○ Administering and participating in Innovation Expos, Innovation campaigns, and various other innovation events ○ Rewarding and recognizing employees for their innovative ideas and efforts ○ Celebrating success and learning from those successes or failures ○ Focusing on innovation education that allows for out of the box thinking, forward looking. • Communications of Innovation vision ○ Facilitating the Innovation Peer Group, Innovation Working Group and other collaborate with Opco innovation teams ○ Execute on the defined strategic initiatives in partnership with embedded OpCo Innovation teams ○ Publish a quarterly innovation update report to executive leaders ○ Participate in both internal and external conferences on innovation ○ Facilitate innovation working groups with members from all business units to drive the culture of innovation • Innovation funding, licensing and contracts ○ Innovation platform license for Innovation Central (Reinvent) ○ Innovation training (Big Think, iToolkit) ○ Ecosystem engagements for new growth opportunities	

Service ID	Service Name	Service Description	Service Owner
693	BSC Corp Strat As Req Srvcs	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	SVP, Corporate Strategy, Chief Innovation & Sustainability Officer
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	SVP, Corporate Strategy & Chief Sustainability Officer
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	SVP, Corporate Strategy, Chief Innovation & Sustainability Officer

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
644	Lobbying & Influence Public Opinion	426.4 - Exp-civic/political activities	Direct - 529200	**Time and Materials**
			Allocated - 529210	**Modified Massachusetts Formula**
654	Corporate Strategy Services	923 – Outside Service Employed	Direct - 529200	**Time and Materials**
			Allocated - 529210	**Modified Massachusetts Formula**
693	BSC Corp Strat As Req Srvcs	923 – Outside Service Employed	Direct - 529200	**Time and Materials**
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529210	**Modified Massachusetts Formula**
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	**Fully Distributed Costs**
			Allocated - 529710	**Cost Causative Method**

Responsibilities

Task / Responsibility	BSC Practice Area	Client Company
Strategic issues analysis and management	X	X
Corporate strategic planning and Corporate strategic plan	X	X
Vision, communications of vision and strategy, strategic literacy	X	
Climate Program leadership, coordination and support	X	

Performance Measurement

Corporate Strategy, Innovation & Sustainability Performance Metrics Table

Reference the CSIS Business Plan for performance metrics.

Executives (Includes GCAs)

Executives (Includes GCAs) Introduction

The Executives Practice Area will provide strategy, policy and governance for Exelon Companies to optimize overall shareholder value while protecting corporate-wide interests and allowing business unit autonomy and accountability.

Executives (Includes GCAs) Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
315	Executive Services	• Office of the President and Chief Executive Officer, Exelon Corporation • Chief of Staff to the CEO • Office of the Executive Vice President and Corporate Operating Officer, Exelon BSC • Chairman of the Board/Board of Directors • Compensation for Board of Directors	Chief of Staff to CEO
876 **855** **831** **784** **832**	BSC GCA SLA, Other Corporate Charges, BSC Interest, BSC Severance, BSC Taxes	Costs incurred for the benefit of the service company as a whole. These costs are allocated as described in the costing section below: • Interest costs on loans from affiliated companies • Interest income earned • Depreciation • Permanent tax differences • Bank fees • Support services incurred by EBSC • Severance costs • Other costs not identifiable to a specific service provider	Chief of Staff to CEO EVP and Corporate Operating Officer
644	Lobbying & Influence Public Opinion	• Management services for compliance with federal, state and local campaign finance and lobbying laws, regulations and other policy requirements including relationship management with federal, state and local legislative and regulatory bodies and Administrative agencies • Direct lobbying activities (attempting to influence discretionary power of government officials) • Supporting lobbying activities, including preparation or planning activities, research and other background work that is intended, at the time of its preparation, for coordination with lobbying activities of others	Chief of Staff to CEO

BSC Executives

Service ID	Service Name	Service Description	Service Owner
		• Coordinate, and support as necessary, the development of positions, comments, testimony, for emerging environmental regulatory and legislative policy issues, in support of Exelon initiatives • Communicate Exelon's economic, social and environmental performance through an annual corporate sustainability report, information on websites, and speeches	
611	Corporate Contribution	Governance, strategic and tactical management of Exelon Corporation's charitable contributions, sponsorships, employee volunteer program, and associated internal communications activities designed to benefit the customers and communities that Exelon serves and enhance Exelon's corporate reputation.	Chief of Staff to CEO
694	BSC Executive As Req Srvcs	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	Chief of Staff to CEO
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	Chief of Staff to CEO
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	Chief of Staff to CEO

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
315	Executive Services	923 – Outside Services Employed	Direct - 529250	Time and Materials
			Allocated - 529260	Modified Massachusetts Formula
876 **855**	BSC GCA SLA, Other Corporate Charges,	923 – Outside Services Employed	Allocated - 529710	Total Service Billings

BSC Executives

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
831 **784** **832**	BSC Interest, BSC Severance, BSC Taxes	923 – Outside Services Employed	Allocated - 529710	Modified Massachusetts Formula
644	Lobbying & Influence Public Opinion	426.4 - Exp-civic/political activities	Direct - 529250	Time and Materials
			Allocated - 529260	Modified Massachusetts Formula
611	Corporate Contribution	426.1 - Donations	Direct - 529250	Time and Materials
			Allocated - 529260	Modified Massachusetts Formula
694	BSC Executive As Req Srvcs	923 – Outside Services Employed	Direct - 529250	Time and Materials
			Allocated - 529260	Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Services Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
833	BSC Revenue Adjustment	923 – Outside Services Employed	Allocated - 529260	Total Service Billings

BSC Executives

Exelon Utility Operations (Includes Transmission Strategy & Compliance)

Introduction

Exelon Utility Operations is comprised of a small utility-focused corporate governance and oversight function to facilitate collaboration among the utilities to achieve the highest standards of organizational effectiveness, operational excellence, financial discipline and efficiency, customer and stakeholder satisfaction, and NERC Compliance. The departments within Exelon Utility Operations that promote the collaboration include Utility Strategy & Policy, Transmission Strategy & Compliance (TSC), Transmission Operations, Utility Oversight, Business Investments, Exelon Analytics, and Executive Services.

Exelon Utility Operations (Includes Transmission Strategy & Compliance) Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner

656	BSC Exelon Analytics	• **Executive Services**
		  ○ Functional leadership through standardized systems, processes, policies and oversight in the areas of Utility Analytics Strategy, Utility Analytics Oversight and Governance, and development and delivery of use cases through entire agile delivery lifecycle
		• **Exelon Analytics Organization Focus**
		  ○ Strategy, oversight and delivery of the Exelon Analytics multi-year program
		  ○ Design, establish and maintain Exelon analytics governance policies (e.g., DAP policies, Ethics in AI, use case development lifecycle, code review/reuse)
		  ○ Develop analytics realization framework and capture / report Exelon and cross OpCo impacts
		  ○ Develop and deliver use cases through entire agile delivery lifecycle (e.g., data prep, exploration, modeling, visualization/product, value capture)
		  ○ Inventory and capture OpCo developed analytic use cases and replicate quickly across fleet
		  ○ Develop and execute, with supply partners, domain and data science sourcing execution
		  ○ Support Exelon IT analytics team in deploying analytic Northstar tools, investigation of emerging solutions, and platform management
		  ○ Drive data quality, management and stewardship (e.g., tools, processes)
			VP Utility Analytics

Service ID	Service Name	Service Description	Service Owner
		○ Establish and maintain data science and implementation community of practice across Exelon (e.g., tools, practices, algorithms) ○ Conduct Analytics R&D focused on experimentation with new data sources, new tools / capabilities (e.g., AI, robotics) and identify new use case applications ○ Develop and execute analytics talent management, development and culture strategy ○ Conduct external benchmarking, synthesize leading practices, and evolve Exelon analytics maturity	
664	BSC Ex Utility Policy & Strategy	• **Executive Services** ○ Functional leadership through standardized systems, processes, policies and general oversight in the areas of Utility Business Planning, Utility Oversight, Business Investments, and Transmission Strategy & Compliance.	EVP Utility Operations, SVP Operations & Business Investments
952	Exelon Best Practices/Cont Improv	• **Provide governance and oversight of the Peer Group structure and management system designed to achieve the following:** ○ Drive consistency, best practices and innovation in the Core Functions of the Management Model across the utilities ○ Track performance of the Client Utilities regarding KPIs, improvement initiatives, and industry standards ○ Analyze opportunities and develop recommendations on issues pertinent to leadership • **Exelon utilities Infrastructure and Customer Organization focus** ○ Strategy, oversight and delivery of transformational multi-OpCo infrastructure and customer multi-year programs ○ Design, establish and maintain Exelon infrastructure and customer governance policies (e.g., data quality policies) ○ Support Exelon IT team in deploying infrastructure and customer Northstar tools, investigation of emerging solutions, and platform management ○ Support Exelon Operational Technology Security team in deploying IT infrastructure & security control practices, investigation of emerging solutions, and platform management • **Exelon Utilities Safety and Training**	EVP Utility Operations, SVP Operations & Business Investments, SVP Operations & Business Investments, SVP Trans & Compliance

Service ID	Service Name	Service Description	Service Owner
		○ Create and implement innovative strategies and policies for excellence in safety, training and learning programs in the collaboration with the OpCos • **Continuous Improvement** ○ Establish and implement the Continuous Improvement approach and methodology to improve efficiency, effectiveness and value across Exelon Utilities	
685	BSC NERC Compliance and Security	**Services provided by the NSC Office of the Vice President** ○ Identify and analyze client companies' key initiatives and issues ○ Develop communications strategies and plans in coordination with client companies to support business objectives and drive favorability ○ Provide governance and oversight for NERC Compliance of client companies to support business objectives and drive performance ○ Provide oversight for Security Programs of client companies to support business objectives and drive performance Services provided by the NERC Compliance and Security groups ○ Provide governance and oversight for implementation of NERC Reliability Standards and DHS Chemical Facility Anti-Terrorism Standards (CFATS) and partner with the Business Units to ensure compliance. ○ Provide oversight for implementation of Exelon Physical Security Programs and partner with the Business Units to ensure Compliance to federal and state regulations governing physical Security for electric and gas facilities	SVP Transmission & Compliance
944	NERC CIP Program Services	• Provide enterprise-wide NERC CIP program and project management oversight to ensure sustained Exelon compliance • Provide consistent NERC CIP program, project and initiative: scope definition, change control, planning, processes and tools, to be leveraged across the enterprise • Develop and monitor common Exelon NERC CIP compliance standards and metrics • Report NERC CIP status, including compliance, program/project progress, issues and risks to Executive leadership and the broader enterprise • Develop and maintain Integrated Program Plan • Manage and mitigate enterprise-wide NERC CIP issues and risks, liaising with Exelon Legal for potential violations and internal compliance inquiries or investigations	SVP Transmission & Compliance

Service ID	Service Name	Service Description	Service Owner
		• Identify and make recommendations on NERC CIP projects, as well as enterprise-wide synergy, integration and automation opportunities, providing budgeting and planning input • Provide input on LRP budgets and strategic planning across the OpCos and business areas • Provide enterprise-wide NERC CIP project/initiative management oversight, including strategic NERC alignment across business areas (e.g., utilities, corporate areas), raising awareness of timing concerns, providing best practices and recommending solutions to issues/risks • Act as a communication and change management center for Exelon NERC CIP stakeholders, driving collaboration and a culture of compliance across the entities' business areas • Engage NERC CIP stakeholders, understand change impacts, and provide training guidance • Understand industry NERC CIP regulatory changes and help prepare Exelon for these, sharing information and impacts with appropriate stakeholders from an internal perspective • Provide quality assurance input on key NERC CIP processes and artifacts, reviewing approach and consistency • Identify, collate and share NERC CIP best practices and lessons learned across the enterprise • Provide an Exelon NERC CIP Knowledge Repository, containing best practices, templates and sample documents	
591	Transmission Strategy	**Transmission Strategy leads the development of Exelon transmission implementation and strategy.** ○ Coordinate transmission investment strategy across Exelon that address obsolescence, economic development, resilience, and other transmission upgrade programs ○ Align OpCo planning and design standards as a prudent and defendable basis for PJM transmission owner supplemental projects and to support coordinated investment decisions ○ Evaluate and employ emergent/non-traditional investment opportunities to address transmission reliability, operation and customer benefits including strategic partner prospects ○ Influence industry policy initiatives to protect and grow Exelon's transmission asset base as well as pursue other revenue creation opportunities	SVP Transmission & Compliance

Service ID	Service Name	Service Description	Service Owner
		○ Manage Exelon's stakeholder activities with NERC, PJM, NATF, RF and other industry forums ○ Complete all required NERC self-certifications, procedural and standard reviews, comply with applicable standards and monitor FERC filings ○ Assist with developing and executing strategies on transmission rates issues and RTEP cost allocations ○ Compete in competitive transmission proposals under the PJM sponsorship model by developing innovative and effective transmission solutions	
590	Transmission Operations	**Transmission System Operations** • For the Exelon transmission systems, perform Transmission Owner Scheduling, System Control and Dispatch Service functions per PJM Open Access Transmission Tariff Schedule 1A, and fulfill all associated PJM Operating Agreement and PJM Manual obligations of a local transmission control center for Exelon. • On a 24x7x365 basis, direct the operation of the Exelon transmission systems in a safe, reliable, and cost-efficient manner compliant with FERC, NERC, PJM, and state requirements and standards. • Implement SCADA controlling actions and direct Exelon Utility operating company field personnel and other Exelon organizations (i.e. OCC, UComm, IT) in actions needed for the operation of Exelon transmission systems. • Perform the function of the TSO Designated Authority (DA) for the Exelon transmission systems per Management Model document OP-EU-050003 Lockout Tag Out in accordance with OSHA1910.269. • Monitor Exelon transmission systems conditions against established operating reliability limits, and implement actions as required. • Provide system voltage control via directing reactive dispatch of generators in the Exelon transmission systems footprint, and adjusting transmission voltage control devices, and coordinating the operation of distribution voltage control devices with the Exelon OCCs. • Implement Emergency Procedures to maintain reliability, up to and including directing interruption of customers (load shed). • Assess and direct the response to emergent events on the Exelon transmission systems • Coordinate with internal stakeholders (T&S, OCCs, C&M, etc.), PJM, neighboring utilities, generators, customers, and other stakeholders as needed to schedule and implement planned facility outages in support of new Capital projects and to enable completion of	SVP Transmission & Compliance

Service ID	Service Name	Service Description	Service Owner
		Preventative Maintenance and Corrective Maintenance work on the Exelon transmission systems. • Fulfil obligations of Exelon transmission system operations in meeting nuclear plant interface requirements, including but not limited to, those stated in Management Model document OP-AA-108-107-1002. • Fulfil obligations of Exelon transmission system operations in meeting all FERC, NERC, DOE, and PJM regulatory and reporting requirements applicable to transmission system operations, including but not limited to demonstrating compliance with directly applicable and PJM Matrix assigned standards. • Develop and implement operating policies and procedures for Exelon transmission systems • Develop and maintain the data and displays used in Exelon transmission system real time systems, and provide real time business support for these systems, including state estimator and contingency analysis tools. • Manage operational aspects of relationship and interface with PJM RTO, NERC, and FERC for Exelon.	
879	BSC Transmission Company Services	Transmission Strategy team provides analysis to support the regulatory and corporate strategic positions for Exelon and may, as requested, support corporate M&A transmission activities for Exelon. • Evaluate transmission commercial development opportunities • Provide analytic support for strategic transmission studies and other initiatives as needed	SVP Transmission & Compliance
948	Exelon As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	EVP Utility Operations
833	BSC Revenue Adjustment	The difference between actual costs and revenues from billings to Client Companies is trued up each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings	EVP Utility Operations
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	EVP Utility Operations

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
656	BSC Exelon Analytics	923 – Outside Service Employed	Direct – 529370	Time and Materials
			Allocated – 529375	Utilities Cost Causative Method
664	BSC Ex Utility Policy & Strategy	923 – Outside Service Employed	Direct – 529370	Time and Materials
			Allocated – 529375	Utilities Cost Causative Method
685	BSC NERC Compliance and Security	560 – Operation Supervision and Engineering	Direct – 529370	Time and Materials
			Allocated – 529375	Utilities Cost Causative Method
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated – 529375	Utility Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Service Employed	Allocated - 529710	Utilities Cost Causative Method
			Direct – 529700	Fully Distributed Costs
944	NERC CIP Program Services	923 – Outside Service Employed	Allocated – 529375	% of critical NERC cyber assets
952	Exelon Best Practices/Cont Improv	923 – Outside Service Employed	Direct – 529370	Time and Materials
			Allocated – 529375	Utility Modified Massachusetts Formula
590	Transmission Operations	560 – Operation Supervision and Engineering or other applicable transmission FERC accounts	Direct – 529370	Time and Materials
			Allocated – 529375	Peak Load
591	Transmission Strategy & Planning	560 – Operation Supervision and Engineering or other applicable transmission FERC accounts	Direct – 529370	Time and Materials
			Allocated – 529375	Peak Load
879	BSC Transmission Company Services	566 – Miscellaneous Transmission Expenses or other applicable transmission FERC accounts	Direct – 529370	Time and Material
			Allocated – 529375	Utilities Cost Causative Method
948	Exelon As Requested	923 – Outside Service Employed	Direct – 529370	Time and Materials

BSC Exelon Utilities

Responsibilities

Task / Responsibility	BSC Practice Area	Client Company
Office of the Vice President Transmission Strategy and Compliance		
Identify and analyze client companies' key initiatives and issues	X	X
Develop communications strategies and plans in coordination with client companies to support business objectives and drive favorability	X	X
Implement and manage client companies' strategies and plans	X	X
Provide governance and oversight for Transmission Strategies and NERC Compliance Programs of client companies to support business objectives and drive performance	X	X
Transmission Strategy and NERC Compliance		
Provide Governance and Oversight on FERC Regulations and NERC Reliability Standards and partner with the Business Units to ensure Compliance.	X	X
Provide Support for the development of business unit Transmission Planning Rate Strategies	X	X
Manage interface to PJM, NERC and RFC committees	X	X

Additional Information

Issue Resolution for Transmission Strategy and Compliance

Severity Levels (Client View)

Severity of Problem	Description
1	Crisis or emergency event that has the potential for an adverse, Exelon-wide impact on corporate reputation
2	Crisis or emergency event that has the potential for adverse impact that is limited to the Client-Company's reputation

End User Problem Response (Service Provider)

Severity of Problem	Response	Resolution
1	VP of TSC will respond, as the event requires.	Complete the execution of the applicable plan
2	Director of Client Companies will respond, as the event requires.	Complete the execution of the applicable plan

Issue Resolution for Utilities

If a particular issue arises concerning any Exelon Utility Operations services, the Vice Presidents can be contacted.

Finance

Finance Introduction

The Finance Functional Area will create collaborative processes between business units on business strategy and financial decisions; align finance functions through a common structure and standard policies, practices and processes; drive cost savings through the elimination of redundant and non-value added work; provide governance and risk management; and provide financial analysis and decision support to our business partners.

Finance Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
684	BSC External Audit Services	Coordinate and support the independent auditor's provision of external audit services, including the audit of annual financial statements, testing of internal controls and the attestation of management's assessment on internal controls, as required by SOX, the review of interim financial statements, statutory audits, and other audit-related services. PricewaterhouseCoopers (PwC) provides the service and the Audit and Risk Committee of the Board of Directors of Exelon Corporation is responsible for the selection and oversight of the external auditor.	SVP & Corporate Controller
679	BSC Insurance Services	• Consulting work including contract reviews • Analyze risks and make recommendations to management • Administer the purchase of insurance policies • Interface with and influence the direction of industry mutual insurers • Coordinate and administer first-party claims	SVP, Corporate Finance and Development
637	Tax Services	• Federal, state and local tax compliance (including transactional and property tax) • Tax Audit and Appeals • Tax planning and transaction support • Tax accounting and reporting • Tax forecasting • Tax legislative and regulatory support	SVP & General Tax Officer

636	BSC Accounting Services	• Accounting, control and reporting policies
		• Technical accounting, control and reporting research and business decision/transaction support
		• Accounting monthly/quarterly close services including associated governance and control execution (e.g., account reconciliations)
		• Accounting for pension plans and other postretirement benefits including oversight of the related valuation work
		• External financial reporting and certification process
		• Support and perform applicable aspects of the SOX compliance program
		• Regulatory support
		• Accounting and Transaction processing
		  ○ Exelon affiliate intercompany billings
		  ○ Cash Reconciliation
		  ○ Accounts Payable (system) Reconciliations
		  ○ Property, plant and equipment
		  ○ Compensation accounting
		  ○ Payroll and third-party benefit vendors (union dues, 401(k) payments) funding requests
		  ○ Unclaimed Property Administration
		  ○ Debt accounting
		  ○ Property tax accounting
		• Financial systems
		  ○ Finance systems and applications administration and operations
		  ○ Finance systems and applications enhancements, design, implementation and change management support
		  ○ Help desk support
		  ○ End-user training and process support
		  ○ SOX systems controls compliance
		  ○ Financial and management reporting and architecture support
			SVP & Corporate Controller

680	BSC Capital Markets Services	• Securities Issuance/Financing • Financial Derivatives Program • Liability Management Evaluation & Execution • Dividend Policy • Information Reporting • Credit metrics – Maintain relationship with ratings agencies to support credit ratings • Banking Relationships	VP, Treasurer

BSC Finance, Investments, Development, and Risk

681	BSC Cash Management Services	• Liquidity and credit support • Cash management • Payment Execution • Banking Relationships • Information Reporting • Cash Forecasting, Tracking and Reporting	VP, Treasurer
634	Finance Executive Services	Functional leadership through standardized systems, processes, policies and general oversight in the areas of Forecasting, Planning and Capital Management, Internal Audit and Financial Controls, Treasury, Accounting and Analysis, Tax, Shareholder and Investor Relations, Corporate Development, Investments, , and business planning	EVP, CFO Exelon
642	Financial Planning & Analysis	• Exelon Corporation long range planning and annual budgeting • EBSC long range planning and annual budgeting • Management reporting, financial analysis and LE/QFR governance and administration • Income Statement, Balance Sheet and Cash Flow forecasting and reporting • Financial and economic analysis, and business decision support • Variance analysis • Regulatory Proceeding Support • EBSC SLA and business planning processes governance and oversight • Oversees the capital management process, including investment evaluation standards, multi-opco project authorization, the quarterly capital control process, including projects requiring Exelon corporate approval per the Delegation of Authority (DOA) • Load forecasting and related services • Project management governance and oversight	VP, Corporate FP&A
640	Investor Relations	• Quarterly Earnings Release and Conference Call with Investment Community • Investor/Analyst engagement • Investor Targeting and Surveillance • Investor/Analyst Meeting/Conference Coordination • Internal and External Messaging and Presentation Development • Equity Market Analysis and Utility Peer Benchmarking	VP, Investor Relations
786	Finance As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	EVP, CFO Exelon

950	BSC Enterprise Credit	• Enterprise credit governance and oversight • Responsible for the development of a comprehensive credit framework with polices/processes and implementation of enterprise reporting of credit exposures, metrics, and limits • Perform all third party collection activity across Exelon • Perform daily margining for each utility's electric procurement • Support and perform all necessary collateral management including optimization of collateral held • Understand and assist in mitigating all potential enterprise wide credit risks. • Responsible for the development and implementation of enterprise wide bankruptcy and litigation risk policies	VP, Treasurer
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	EVP, CFO Exelon
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	EVP, CFO Exelon

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
684	BSC External Audit Services	923 – Outside Service Employed	Direct - 529050	Time and Materials - PwC audit work
			Allocated - 529060	Modified Massachusetts Formula
679	BSC Insurance Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
637	Tax Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
636	BSC Accounting Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
680	BSC Capital Markets Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
681		923 – Outside Service Employed	Direct - 529050	Time and Materials

BSC Finance, Investments, Development, and Risk

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
	BSC Cash Management Services		Allocated - 529060	Modified Massachusetts Formula
634	Finance Executive Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
642	Financial Planning & Analysis	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
640	Investor Relations	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
950	BSC Enterprise Credit & Risk Management Operations Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
786	Finance As Requested	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529060	Modified Massachusetts Formula

Performance Measurement

Finance Performance Metrics Table

Reference the Finance Business Plan for performance metrics.

Corporate Development

Corporate Development Introduction

The Corporate Development Practice Area will provide strategic expertise and governance in the evaluation and execution of merger and acquisition opportunities, evaluate company assets for divestiture opportunities, and provide financial and transactional support to restructuring projects.

Corporate Development Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
641	Corporate Development Services	• Evaluation, prioritization and execution of acquisition and merger opportunities • Evaluation, prioritization and execution of divestitures opportunities • Financial and transaction support to restructuring projects	SVP, Corporate Finance and Development
909	Development As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	SVP, Corporate Finance and Development
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, or divestiture.	SVP, Corporate Finance and Development
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	SVP, Corporate Finance and Development

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
641	Corporate Development Services	923 – Outside Service Employed	Allocated - 529060	Modified Massachusetts Formula
			Direct - 529050	Time and Materials

BSC Finance, Investments, Development, and Risk

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
909	Development As Requested	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Cost Causative Method
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529060	Modified Massachusetts Formula

Performance Measurement

Corporate Development Performance Metrics Table

Reference the Corporate Development Business Plan for performance metrics.

Investments

Investments Introduction

The services provided by the Investment Office include:

- Determining the investment strategy and asset allocation of Exelon's pension funds, VEBA post retirement funds and nuclear decommissioning funds
- Hiring / firing investment managers
- Managing daily investment activities
- Investment manager due diligence and monitoring
- Operational and back office activities
- Maintaining a well-diversified investment menu for the Employee Savings Plans

Investments Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
677	Investments Trust-Funded Services	Administration, oversight, and other activities related to management of Exelon's trusts that are funded by the trusts. (Applies to Pension and VEBA)	SVP & Chief Investment Officer
682	BSC Investments Services	Participate in Exelon governance activities, corporate initiatives, and other activities not funded by the trusts.	SVP & Chief Investment Officer
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	SVP & Chief Investment Officer
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, or divestiture.	Chief Investment Officer
234	Investments As Requested	As requested, services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	Chief Investment Officer

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
677		923 – Outside Service Employed	Direct - 529050	Time and Materials

BSC Finance, Investments, Development, and Risk

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
	Investments Trust-Funded Services		Allocated - 529060	Modified Massachusetts Formula
682	BSC Investments Services	923 – Outside Service Employed	Direct - 529050	Time and Materials
			Allocated - 529060	Modified Massachusetts Formula
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529060	Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
234	Investments As Requested	923 – Outside Service Employed	Direct - 529050	Time and Materials

Performance Measurement

Investments Performance Metrics Table

Reference the Investments Business Plan for performance metrics.

Government and Regulatory Affairs & Public Policy

Government and Regulatory Affairs & Public Policy Introduction

Government and Regulatory Affairs and Public Policy's mission is to continue to advance policies, regulatory initiatives and market designs that enhance Exelon's customer relevance and build sustainable shareholder value. Key initiatives focus on advancing responsible public policy on energy and matters that align with Exelon's purpose of powering a cleaner and brighter future for our customers and communities.. We also pursue policies that foster innovation and enhance the ability of our utilities to offer additional services.

Government and Regulatory Affairs & Public Policy Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
316	Government Affairs Services	• Executive Direction (Office of Senior Vice President) • Strategy development and advocacy related to federal, state and local legislative and regulatory initiatives. Federal, state and regional policy issue management in collaboration with Corporate Affairs • ISO/RTO interface • Political Action Committee administration and operation • Grassroots activities and initiatives • Federal, state, regional and local public affairs and plant support activities	SVP, Govt & Reg Affairs & Pub Policy; SVP and VPs (FGA, FRA, WMD, SGA)
644	Lobbying & Influence Public Opinion	• Management services for compliance with federal, state and local campaign finance and lobbying laws, regulations and other policy requirements including relationship management with federal, state and local legislative and regulatory bodies and Administrative agencies • Direct lobbying activities (attempting to influence discretionary power of government officials) • Supporting lobbying activities, including preparation or planning activities, research and other background work that is intended, at the time of its preparation, for coordination with lobbying activities of others • Coordinate, and support as necessary, the development of positions, comments, and testimony for emerging environmental regulatory and legislative policy issues, in support of Exelon initiatives • Communicate Exelon's economic, social and environmental performance through the annual corporate sustainability report, information on websites, and speeches	SVP, Govt & Reg Affairs & Pub Policy; SVP and VPs (FGA, SGA)

Service ID	Service Name	Service Description	Service Owner
695	Government Affairs As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors	SVP, Govt & Reg Affairs & Pub Policy
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings	SVP, Govt & Reg Affairs & Pub Policy
904	BSC Cost to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	SVP, Govt & Reg Affairs & Pub Policy

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
316	Government Affair Services	923 – Outside Service Employed	Direct - 529600	Time and Materials
			Allocated - 529610	Modified Massachusetts Formula
644	Lobbying & Influence Public Opinion	426.4 - Exp-civic/political activities	Direct - 529600	Time and Materials
			Allocated - 529610	Modified Massachusetts Formula
695	Government Affairs As Requested	923 – Outside Service Employed	Direct - 529600	Time and Materials
			Allocated - 529610	Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529610	Modified Massachusetts Formula

Responsibilities

Government and Regulatory Affairs and Public Policy's responsibility is to provide:

- Advocacy on Federal and Regional Public Policy Issues
- Regulatory Affairs and Compliance
- Political Analysis and Strategic Advice

BSC Government Affairs & Public Policy

- Information and Intelligence
- Timely Updates on Legislative and Regulatory Actions
- Outreach to Elected and Appointed Government Officials
- Legislative Expertise
- Market Development Support
- ISO/RTO Interface
- Market and Business Initiatives and Analytic Support.
- Lobbying and Campaign Finance Compliance and Reporting

Government and Regulatory Affairs and Public Policy activity is cascaded throughout the Exelon organization as information is available. For additional information pertaining to Government and Regulatory Affairs and Public Policy, the Business Unit liaison should be contacted.

Performance Measurement

Government Affairs & Public Policy Performance Metrics Table

Reference the Government Affairs & Public Policy Business Plan for performance metrics.

Human Resources

Human Resources Introduction

Human Resources (HR) Practice Area centralizes and consolidates HR governance and oversight as well as aligns HR strategies, practices and services with customer and business requirements. The organizational structure allows for the design and implementation of common policies, systems, solutions and processes that will support the strategic objectives of the company, drive high performance and employee engagement, enhance workforce effectiveness, and build a platform for growth through operational effectiveness and superior talent.

Human Resources Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
612	HR Solutions	**HR SOLUTIONS** Compliance 1. Manage policies and programs to ensure compliance with external agencies, including I-9, NERC, etc. 2. Governance of on-boarding, off-boarding and cross-boarding processes 3. Governance and oversight of the contractor management process 4. Procurement and management of distribution of statutory compliance notices and postings 5. Establish and maintain the HR records/file management program 6. Provide subject matter expertise for non-compliance/non-mandatory workforce policies 7. Governance and oversight of HR's All Company (AC) and Department Only (DO) management model documents HR Technology, Strategy and Governance The HR Technology group is responsible for the development, implementation and sustainment of an integrated Human Resources Information Technology Strategy across Exelon Corporation. 1. Establish HR technology strategy in partnership with overall IT technology strategy 2. Set and apply HR systems policies, standards, procedures and CISS parameters 3. Develop and submit HR technology content for internal and external sites 4. Develop net-new and enhance existing HR technology and associated applications 5. Ensure that HR applications are regularly patched, tested and vendor delivered content is maintained and vetted prior to being released for user consumption 6. Maintain application security and periodically audit for compliance	VP, HR Solutions

Service ID	Service Name	Service Description	Service Owner
		7. Govern the end-use of the application to ensure data integrity, compliance and general standards are met. 8. Develop, maintain and govern ServiceNow HR knowledge base 9. Maintenance of ServiceNow HR instance, including configuration of the HR Solutions Hub and HR Services cases <u>HR Reporting & Analytics</u> 1. Completion of annual external benchmarking surveys as required per corporate memberships 2. Support pulling and consolidating governmental and regulatory reporting in partnership with local HR 3. Create and enable employee self-service of standardized HR reporting 4. Support in the creation and automation of ad-hoc HR analysis and reports 5. Development and maintenance of HR dashboards, advanced and/or complex statistical analyses on Exelon data <u>Talent Acquisition Operations</u> 1. Recruit for open positions: a. Conduct intake meetings with hiring managers b. Work with sources to develop sourcing strategy based on hiring manager needs c. Manage job postings d. Screen candidates e. Manage interview logistics f. Debrief with hiring managers to confirm selection g. Coordinate testing and assessments h. Prepare and extend job offers i. Administer candidate travel reimbursements 2. Attend workforce development events 3. Coordinate university recruiting relations and intern programs 4. Establish enterprise-wide recruiting and staffing strategies to support operating company hiring forecasts 5. Establish enterprise-wide recruiting programs strategies that help the operating companies achieve their recruiting pipeline development, including but not limited to the engineering pipeline intern program, the military, diversity and disability strategies 6. Develop and govern common enterprise-wide staffing policies and procedures 7. Functional Area Manager of Taleo (ePeople Recruiting and Onboarding)	

Service ID	Service Name	Service Description	Service Owner
		8. Govern and oversee relocation policies and relationships with the vendor, NEI 9. Govern and oversee all content related to corporate talent acquisition or the enterprise-wide recruiting function on the HR Services portal <u>Compensation Operations</u> 1. Support Compensation COE to prepare Vendor file/feed with compensation data for annual salary surveys with external vendors 2. Act as liaison with salary survey vendor and receive, upload and refresh survey results 3. Review aggregated survey results and compare jobs and ranges for external equity for variation report 4. Oversee job update / evaluation requests and triage job evaluation requests to Comp COE as needed 5. LTI Processing 6. Stock Ownership review and communication 7. Create/Update Job Codes 8. Compensation Vendor Management (e.g., R&R, Stock plan administration, financial planning, Market Pay, etc.) 9. Update Salary Structures annually 10. Executive Perks/Ayco support as needed 11. Revise and review Annual Statements 12. Rate Case Data Support for the utilities 13. Reporting including developing and generating regular, standard reports and running ad hoc reports to meet business needs 14. Special Payment Request processing 15. Process stock retention awards 16. AIP Brochure updating and formatting, administering and tracking Quarterly Communication as needed 17. AIP Award Processing and Communication 18. Track and administer all AIP corrections 19. LTI Communication (Vesting Statements and Program Summaries), Reconciliation, Communication 20. Mgmt. Model Policy Updates 21. Working with Finance to update LRP Merit and LTI projections 22. E-People Comp planning communication and System Training for HR and Leaders 23. Process and validate quarterly dividends	

Service ID	Service Name	Service Description	Service Owner
		24. Administer the quarterly and semi-annual utility incentive programs 25. Administer the Comp Range Audit process <u>Benefits Operations</u> 1. Administer benefit programs including Health & Welfare, Flexible Spending Accounts, Health Savings Accounts, Medical Retiree Savings Accounts, Pension Plans (qualified and non-qualified), Defined Contribution plans, STD (STD and MBA for Local 15 bargained employees), LTD and Life Insurance, and other programs as described in the Service Responsibility Matrix 2. Administer short-term disability (STD) time entry instructions including coordination with Workers Compensation and specialized instructions for bridged STD cases 3. Manage outsourced benefits administration, including TPAs and insurance vendors 4. Monitor service provided by third party vendors through metrics, benchmarking, and review of annual SOC reports 5. Perform Pension and OPEB related Key Financial Controls 6. Ensure internal controls are in place to safeguard the Company's assets and facilitate the Exelon security (AEF) reviews of new and ongoing vendors 7. Perform audits to ensure processes are performing as designed 8. Manage and deliver annual open enrollment, new hire benefits enrollment, benefits web site, online pension instant estimates, requests for statements of pension, life event changes and initiatives based on business need and process improvement while applying varying benefit eligibility logic 9. Provide specialized benefits services focusing on Retirement Counseling for active employees moving through the retirement process, executive severance/retirement benefits discussions with executives, and survivor benefits specialist assistance for family members in the event of death of an active employee or retirees or their dependent 10. Administer severance plans based on business needs – produce personalized statements for HR and oversee plan administration, severance pay and benefits based on specific severance plan offering 11. Administer the Tuition Reimbursement program – providing oversight of the TPA and providing review and direction on exception processing 12. Provide interactive voice response and web enabled systems to provide information including an automated virtual assistance (IVA) to process employee/retiree transactions 13. Provide Customer Care Representative support through calls to process participant issues and transactions and handle escalated issues and to provide support through web chat 14. Provide research and problem resolution for participant issues and benefit transactions 15. Support Benefits Strategy by implementing plan design and vendor changes	

Service ID	Service Name	Service Description	Service Owner
		16. Implement benefit offerings for new employee groups as business dictates 17. Partner with Procurement to perform marketplace evaluation for TPA services and insurance providers and selection of benefit administration vendors 18. Support Corporate Development by providing benefits information to support divestitures and acquisitions 19. Oversee and audit payroll and Oracle interfaces for appropriate application of benefit related data 20. Perform compliance function required by ERISA and other various regulations required to maintain qualified status of benefit programs (i.e. pay limits, non-discrimination testing, benefit maximums, etc.) 21. Provide Deferred Compensation Enrollment and administration support 22. Provide Deferred Compensation Units administration and support. <u>Labor Management</u> 1. Provide access to LaborSoft, an integrated data management system that enables the company to manage grievance, discipline and performance improvement plan data. The system provides the ability to track data by business unit and also provide reports to help with discipline administration (i.e., comparable instances of poor work performance) to ensure consistency among disciplinary actions. 2. Ensure oversight with regards to data integrity 3. Conduct training for LaborSoft 4. Benchmarking surveys to other labor relations within utilities 5. Continue to improve resources for both the supervisor and employee by leveraging innovative techniques (i.e., develop a mobile app for view CBAs/ESOCs) 1.	
882	HR Diversity & Development	**<u>DIVERSITY EQUITY & INCLUSION, TALENT MANAGEMENT AND ORGANIZATIONAL EFFECTIVENESS</u>** Focus on, developing, engaging and retaining talent. Developing and maintaining a strategy and programs that foster a diverse, equity and inclusive culture. Services include: <u>Talent Acquisition Strategy</u> 1. Govern career site and employment brand including brand collateral, communications and training. 2. Design interview guides, aligned to the Exelon Core Competency Model used across the enterprise for talent selection and development	VP, Talent & Chief Diversity, Equity & Inclusion Officer

Service ID	Service Name	Service Description	Service Owner
		3. Manage relationships of enterprise-wide recruiting related vendors, negotiate contracts and reconcile the corporate-level maintenance bills 4. Develop and govern common enterprise-wide staffing policies and procedures (partnership between Talent COE and TA Operations) <u>Talent Management and Leadership Development</u> 5. Develop enterprise core competencies 6. Design organizational development, performance development, talent management, and learning strategies 7. Design and maintain organizational development methodologies, processes and tools for succession planning and performance reviews 8. Design and maintain oversight of leadership/management development programs and tools 9. Design and maintain oversight of employee development programs and tools 10. Design and maintain oversight of performance development programs and tools 11. Develop leadership training programs/materials with subject matter expertise 12. Source leadership training and negotiate contracts, as appropriate 13. Manage leadership, organizational development, and learning vendors and consultants 14. Deliver Hi-Po programs, as approved, and based on business needs. 15. Management, design and maintenance of on-line systems to support above activities (e.g., content on HR services, Management Model, ePeople Talent, Learning Platform) 16. Coordination of vendor management, technology enablement and ongoing strategic support and oversight to HR OpCo teams for the following talent assessments for selection and development: a. Key Manager and above b. Manager and Front-Line Supervisor c. Individual contributor d. 360s e. Exit interviews f. Stay interviews <u>Diversity, Equity & Inclusion</u> 17. Establish corporate-wide diversity strategies 18. Counsel and support executive and business unit implementation of D&I strategies, including business plan integration	VP, Talent & Chief Diversity, Equity & Inclusion Officer

Service ID	Service Name	Service Description	Service Owner
		19. Communicate corporate-wide DEI messages; provide subject matter expertise in the development of diversity communications (disbursement through Communications group) 20. Provide D&I management support, including education; provide subject matter expertise for diversity training/educational materials and D&I education modules in all leadership development programs (e.g., SDP and Power to Lead) 21. Oversee participation in appropriate D&I external surveys and benchmarking (e.g., DiversityInc, Black Enterprise, HACR, Human Rights Campaign) 22. Develop and support appropriate OpCo D&I council and Employee Resource Group (ERG) activities 23. In partnership with OpCos, corporate relations, supplier diversity, external affairs and recruiting, develop and support D&I outreach (Recruiting, Community, and Vendors) 24. Support development and implementation of D&I metrics and reporting at OpCo and executive levels; monitor/test diversity efforts and alignment with policies and procedures 25. Ensure alignment regarding D&I strategies, goals and results; advise and consult management on diversity issues and lead executive leadership discussions 26. Develop Affirmative Action Plans provide training for HR teams and work with Legal, the OpCos and Practice Areas to respond to AAP audits 27. Prepare and submit EE0-1's and Vets 4212 Reports 28. Support and maintain partnerships with external organizations which support the Exelon overall D&I strategy (e.g., UN HeForShe) <u>Workforce Development</u> 1. <u>Governance and oversight for the organization's Workforce Development Programs</u> 2. Collaborate and coordinate Workforce Development Program with embedded-OpCo WFD teams 3. Communicate the Workforce Development story of Exelon's impact internally and externally 4. Report quarterly results and outcomes to the Workforce Development Steering Committee <u>Ethics Investigations</u> 1. Intake management of investigations cases triaged by the Ethics Office to HR 2. Investigate potential COBC violation that requires HR investigation	VP Talent Mgmt. & Org. Effective

Service ID	Service Name	Service Description	Service Owner
		3. Prepare final report and recommendation	
619	Labor Mgmt	**LABOR RELATIONS** The Labor Relations function develops and manages enterprise–wide, as well as business unit specific, strategies in partnership with the senior business leaders. The focus maximizes employee and bargaining effectiveness to achieve greater operating efficiency while advocating fair treatment for all employees based on respect, decency and integrity. It is also an integral part of Labor Relations to serve as the primary conduit between Corporation and Union Leadership, where applicable. These principles will be used to guide dealings with the unionized workforce and to assist in efforts where eligible employees choose to be non-represented. Services Include: 1. Develop and Lead Labor Strategies ○ Where a union represents employees, honor contracts and constructively engage the union. ○ Recognize it is critical to our success to have First Line Supervisors who are well informed, well trained and committed to Exelon goals and processes. ○ Develop labor strategies focused at local union perspective while balancing impacts to other union contracts and instances where eligible employees choose to be non-represented. ○ Provide assistance with employee engagement efforts. 2. Consulting / Contract Administration ○ Analyze impact of business unit initiatives on employee relations by advising management on labor/employee relations issues; interpretation of collective bargaining agreements, arbitration implications, and strategy formation. ○ Develop and provide training/education to management concerning pertinent CBA matters and other labor relations issues. ○ Respond to union leadership, management and craft employee questions related to labor and other applicable communications. ○ Support discipline/termination consensus calls for represented employees with HR Operations and Legal. ○ Conduit between Corporation and Local/International Union Leadership. ○ Provide labor guidance to Company leadership on cutting-edge labor matters and trends. ○ Provide contract interpretation guidance for line management, including but not limited to management rights, reorganization activities and workforce modifications. ○ Support business unit initiatives within contractual obligations.	VP, Labor & Employee Relations

Service ID	Service Name	Service Description	Service Owner
		○ Administer and lead protocol strategy meetings. 3. Negotiations ○ Develop labor relations strategy for negotiations in advance contract expiration and enhance the Company's position at the bargaining table. ○ Comply with the National Labor Relations Act and engagement in good-faith bargaining. ○ Use of effective negotiation tactics to achieve Company objectives during bargaining. ○ Prepare all negotiation team members for negotiations and establish negotiations support resources within the Company. ○ Ensure appropriate communications from the pre-contract expiration period the post-ratification periods. 4. Grievance/Arbitration Administration ○ Assist with the resolution and/or advocacy of mid-term contractual disputes on behalf of the companies through the grievance and arbitration procedure. ○ Ensure line management is in the best possible position to contractually answer grievance allegations. ○ Manage grievance activity and assist in arbitration preparation with HR Operations, Line Management, and Legal. ○ Risk assessment and settlement/mediation efforts, where applicable. 5. Training/Education ○ Develop and provide or procure training/education to management, for example, first line supervision orientation, labor relations fundamentals training, Collective Bargaining Agreement interpretation, Employee Standards of Conduct application, post-negotiation updates, and other employee relations counseling and advice for the FLSA non-exempt population. ○	
880	HR Compensation	**HR COMPENSATION** The Compensation function is responsible for developing corporate-wide competitive total compensation programs that attract, engage, motivate and reward employees for achieving high levels of business performance and outstanding financial results. These programs will be anchored in competitive best practices, aligned with Exelon's pay for performance compensation philosophy and will be flexible to address changing business priorities. Compensation develops, governs, and communicates compensation strategy, policies and programs, ensures all regulatory requirements are met, conducts external benchmarking and analysis, designs and	VP, Compensation

Service ID	Service Name	Service Description	Service Owner
		administers special programs, manages external vendors, and oversees the administration of all salaried employee compensation processes Executive Compensation designs and administers all executive compensation and stock programs and prepares all compensation materials for the Board of Directors' meetings Services Include: 1. Market Assessment and Surveys (including selection of survey sources and review of survey participation submissions) 2. Base Salary Range Development (including the survey participation and analysis to determine merit budgets) 3. Base Pay Administration 4. Annual Salary Planning and Compensation Guidelines, including adverse impact review 5. Development of guidelines and approval outside of guidelines for Promotional, Special Increase Recommendations, lateral and demotional adjustments 6. Internal and external market adjustment review and recommendations 7. Incentive design and strategy 8. Annual incentive program: Design, Manage Performance Indicators Approved by a Panel of Senior Officers (KPI Panel), manage AIP appeals approved by the CHRO/CFO 9. Compensation Philosophy and Strategy 10. Ensure Regulatory Compliance (e.g., FLSA, etc.) 11. Respond to Legal Inquiries; Special Pay Studies 12. Coordinate Proper Accounting with Finance, including LRP support 13. Support Talent Management Cycle by Providing Guidelines (e.g., Salary Increase decision tree) 14. Cash and Stock Retention Strategies 15. Compensation Consulting / Support ○ Responding to compensation issues to support the business needs ○ Review and approval of Retention, project completion and non-standard sign-on bonuses ○ Input on Dow Jones Sustainability Index ○ Comp solutions to business issues (e.g., AIP curtailment for economic conditions) ○ Regulatory analysis of utility programs to ensure rate recovery ○ New college grad and intern rates ○ Offer tool creation governance and oversite for non-executives ○ Unique bonus programs (quarterly dispatch bonuses in Utilities). ○ Special payment requesting / approvals	

Service ID	Service Name	Service Description	Service Owner
		○ Reorganizations (comp consulting and guidance) <u>Executive Compensation</u> 1. Executive Compensation Orientations (VPs+) 2. Annual Executive Compensation Study 3. Officer Compensation Recommendations 4. Executive Annual and Long-Term Incentive Targets benchmarking 5. LTI performance tracking (e.g., LTPCA, LTPP and PShares) 6. Executive Severance Plan Design and Administration 7. Compensation Committee and Board Support 8. Compensation Disclosures to Comply with SEC Requirements 9. Exelon Proxy and ComEd Information Statement 10. Shareholder Engagement Discussions with top holders and proxy advisory firms 11. Financial planning (AYCO)and reimbursement for using Non-Ayco financial advisors 12. Long-term Incentives ("LTI") LTI Mix, Plan Design, Award Processing 13. Developing and delivering compensation education to all leaders <u>Pay Equity</u> 1. Annual internal analysis to ascertain variance between males: females and males: people of color; external validation of pay equity variances to ensure that there are no systemic variances 2. Partner with HR Ops to review potential adjustments to mitigate any pay equity variances 3. Quarterly D&I reporting	
622	Benefits Strategy & Design	**<u>BENEFITS STRATEGY & DESIGN</u>** Responsible for developing corporate-wide competitive benefit plans, policies and programs that attract and retain employees as well as prepare and protect them for various life events. These programs are anchored in competitive best practices with a sustainable design and flexibility to address changing business priorities. The Benefits Strategy Team develops, governs, and communicates the plans, policies and programs, ensures all regulatory requirements are met, conducts external benchmarking and analysis, designs and administers special programs including certain executive programs and manages strategic external vendors. • Note that the Executive Compensation designs and administers all executive compensation and stock programs, which are not addressed below.	VP, Health & Benefits

Service ID	Service Name	Service Description	Service Owner
		1. Develop / maintain benefits strategy including health promotion / wellness 2. Design enterprise-wide benefit programs including health & welfare plans, Employee Assistance Program, Tuition Reimbursement, PTO, Back Up Child and Elder Care, Leave of Absence (LOA) including Bonding and Primary Caregiver Leave/Short-term Disability (STD)/Long-Term Disability (LTD), 401(k), pension, retirement and severance. Set policies, procedures, and standards; interpret policies 3. Develop annual plan premiums for health care plans 4. Review market trends/benchmarking and cost/benefit analysis for new programs and point solutions for health care plans to improve employee health outcomes and manage future cost trend increases. 5. Provide internal and external benchmarking 6. Select and manage benefit carriers and vendors, negotiate contracts with Supply Team 7. Provide governance and oversight over executive benefit programs including SERP and Deferred Compensation. 8. Support annual Legal plan amendment process for plan design and compliance updates 9. Support financial planning activities including the Long-Range Plan (LRP) 10. Support annual pension and OPEB actuarial valuations nondiscrimination testing, annual benefit plan audits and government filings (i.e. IRS Form 5500, 990, PBGC filings and ACA reporting/filing) 11. Support mergers, acquisitions, divestitures and other corporate actions including due diligence, planning and communication 12. Support labor negotiations as they relate to employee benefits 13. Execute cost analysis and expense management including ongoing efforts to reduce costs. 14. Plan administration (including compliance, policy and appeals resolution) 15. Design, prepare and deliver benefits communications for active and retired employees, including required reporting such as Summary Plan Descriptions (SPDs), and annual compliance notices i.e. Health and Welfare compliance notices, Funding Notices, Fee Disclosure Notice and profit-sharing updates, as well as open enrollment and new hire materials 16. Provide rate case assistance as it related to benefit costs and program design 17. Provide governance and oversight over benefits administration of all health and welfare and retirement programs, and all vendors, including outsourced benefits administrator, supports annual enrollment and addresses escalated issues. 18. Support benefit plan Accounting and approving vendor payments	

Service ID	Service Name	Service Description	Service Owner
		19. Develop and execute communication strategy to promote employee engagement and increase benefit programs awareness and utilization.	
625	Occupational Health Services (OHS)	**OCCUPATIONAL HEALTH SERVICES (OHS)** OHS manages the health aspects of employee disability cases (including persistent sick leave, Short Term Disability, Workers Compensation, FMLA, etc.), manages required regulatory medical testing (as required by, DOT, OSHA and various other government regulatory bodies), provides workplace clinical services, and manages the data systems for all of the above. OHS activities manage costs by reducing lost time and increasing productivity. Meet the requirements of medical disability plans, Workers' Compensation statutes, and Federal and State legislation and delivery of clinical services to minimize time away from the job. OHS also provides and coordinates emergency on-site health care and manages immunization programs, pandemic planning, etc. Coordinates work related injury and illness care; impacting OSHA Recordable and Lost Time Rates. Services include: 1. Establish occupational disability strategy 2. Set occupational disability policies, standards, and procedures 3. Oversee management of disability program including Return to Work Planning 4. Oversee management of FMLA program 5. Implement in tandem ADA and Reasonable Accommodation Process 6. Advice on Incidental Sick Time assisting HR, Labor and Legal with reviewing employee availability, impacting employee productivity 7. Governance and oversight of Exelon's Absence Intake Service including Actec (vendor management) 8. Provide Disability Statistics including diagnosis trending, durations, incidence rates, and Return to Work Data 9. Implement All Company disability and sick time Leave policies including federal, state and local level 10. Provide company-wide guidance on FMLA including supervisor training 11. Provide second and third opinion FMLA guidance and implementation 12. Provide governance and oversight of the Fit For Work Process; impacting employee availability 13. Manage Local 15's Supplemental Disability Plan 14. Provide guidance to HR/LR, legal, line management, and OHS on regulatory and policy issues 15. Testify at grievance, arbitration or other legal hearings on testing and policy related issues	VP, Health and Benefits

Service ID	Service Name	Service Description	Service Owner
		16. Develop and implement nursing OHS training programs 17. Establish policies, procedures, and standards for regulatory medical testing 18. Provide supplemental NP/PA for medical examinations 19. Provide governance and oversight of contract Medical Advisor for impact on STD, Occupational injuries/Illness 20. Provide governance and oversight of contract Medical Advisor for review and approval of regulated medical examinations 21. Provide governance and Oversight of pre-employment medical examinations 22. Establish policies, procedures, and standards for audit of regulatory testing program 23. Select and manage medical testing-related vendors, negotiate contracts, and reconcile vendor bills 24. Prepare and maintain department budget process, provide billing data for BSC customer billing 25. Prepare for and provide pandemic medical response 26. Coordinate Executive Physical program <u>Data Systems Administration</u> 1. Provide access to an integrated data management system (OHM) that enables the business unit to manage safety data. Also, to provide reports on a monthly basis on disability issues within each business unit. Trending/tracking of data in multi-functional process. ○ Monthly accident reporting ○ Monthly disability reporting (PIR report) ○ Trending/tracking of statistical data ○ Provide Integrated Benefit Institute Disability Benchmarking at a Comparator Level within the United States including SEC (Security Exchange) comparison and Benchmark	
653	Workers' Compensation Admin	**<u>WORKERS' COMPENSATION ADMINISTRATION</u>** The Workers' Compensation team focuses on minimizing the liabilities of our corporate clients by developing solutions for ongoing workers' compensation claims. Workers' Compensation controls claims costs through effective management of indemnity and medical benefits as well as continually strategizing litigation to minimize legal costs. Services include: 1. Provide and administer workers' compensation benefits to eligible employees within the guidelines of the various state laws 2. Manage and control lost-time cases and medical-treatment-only cases 3. Direct or monitor medical and vocational rehabilitation of workers' compensation cases, as appropriate	VP, Health and Benefits

Service ID	Service Name	Service Description	Service Owner
		4. Direct surveillance 5. Direct third-party administrator on claim handling and reserving 6. Manage Litigation strategy 7. Coordinate employees' return to work with OHS nurses 8. Communicate compensability decisions to OHS and Safety 9. Facilitate data coordination with finance departments of client companies 10. Work with safety professionals from client companies to ensure prompt accident reporting 11. Prepare and submit all required state reports to continue the privileged status of self-insurance where applicable 12. Review and coordinate with the legal department any potential wrongful discharge, ADA or FMLA issues 13. Provide an annual actuarial report for use by accounting departments of the client companies as well as various industrial accident boards	
700	BSC Payroll Processing	**BSC PAYROLL PROCESSING** 1. Prepare and reconcile Gross to Net Payroll transactions, encompassing on-cycle scheduled payroll processing and off-cycle non-scheduled payroll transactions 2. Process and electronically deposit net pay with full service Direct Deposit 3. Print Payroll Checks and provide electronic access to pay statements and W-2 forms 4. Support of Payroll and related time processing 5. Administer Garnishment and child support payroll deductions and related payments 6. Tax Jurisdiction Registrations 7. Employment Tax Filing for federal, state and local jurisdictions as appropriate for each company 8. Participate and maintain compliance in support of Annual Internal and External Audit and Key Financial Controls 9. Provide support testing resources for Payroll Special Initiatives and Projects requiring payroll involvement 10. Provide oversight and testing participation to patch and database upgrade testing 11. Work collaboratively with HR Technology and HRIT Support to provide details around ongoing system issues and UAT review of resolutions 12. Provide oversight of vendor supporting pay statements and W-2 forms	VP, HR Solutions

Service ID	Service Name	Service Description	Service Owner
735	HR Services	**HR SERVICES** 1. Process employee transactions (Hire, Transfers and Terminations) 2. Union Wage Increases and time keeping system transactional support 3. Processing organizational structure changes, as requested 4. Provide oversight of vendor supporting HR-related (except for benefits) questions and address escalated issues. 5. Governance and oversight of HR Solutions Hub 6. Perform HR Services back-office related work 7. Conduct ePeople system training for HR field employees 8. Transaction support for Onboarding, Employee Data Administration, Position Management, Compensation, HR general inquiry support 9. Administer and oversite of PTO benefits 10. Manage Service Awards program 11. I9 governance 12. Process unemployment claims 13. Manage and support Management Model HR document adds/updates 14. Manage Local 15 bid process for ComEd and BSC 15. Process candidate reimbursements 16. Process invoices through passport for HR-related services	VP, HR Solutions
740	BSC HR Solutions Technology	**BSC HR SOLUTIONS TECHNOLOGY** 1. Provide HR Solutions Technology support including Core HR, Payroll and Talent System training and helpdesk support as well as user query support 2. HR System support includes ePeople Core HR and Payroll, ePeople Comp, eTime, Recruiting & Onboarding, LaborSoft, ePeople Talent and all other HR /Payroll Systems except for the myCareer application 3. Maintain HR Systems CISS, user defined tables and data integrity 4. Provide consulting services for all HR related applications and Technology Implementation of mass HR Technology system data changes 5. Provide support for applications interfacing with ePeople Requests for support and enhancements will follow a defined intake process and be prioritized against existing work requests. System upgrades and implementations may create block out periods where no new enhancements can be implemented. Efforts requiring supplemental resources to complete and/or backfill employee resources may be billed As Requested.	VP, HR Solutions

Service ID	Service Name	Service Description	Service Owner
787	BSC HR As Requested	As requested, services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	EVP & Chief HR Officer, Exelon
881	HR Leadership Support	Cost associated with EVP HR's governance and oversight of HR Practice Area	EVP & Chief HR Officer, Exelon
657	BSC HR Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total HR Service Billings.	EVP & Chief HR Officer, Exelon
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	EVP & Chief HR Officer, Exelon

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
612	HR Solutions	923 – Outside Service Employed	Direct – 529150	Unit Price - Cost Per Employee
			Indirect - 529160	Employee Headcount
882	HR Diversity & Development	923 – Outside Service Employed	Direct - 529150	Unit Price - Cost Per Employee
619	Labor Mgmt	923 – Outside Service Employed	Direct - 529150	Cost per represented employee or Time and Material
880	HR Compensation	923 – Outside Service Employed	Direct - 529150	Unit Price - Cost Per Employee
622	Benefits Strategy & Design	923 – Outside Service Employed	Direct - 529150	Unit Price - Cost Per Employee
625	Occupational Health Services (OHS)	923 – Outside Service Employed	Direct - 529150	Unit Price - Cost Per Employee or Time and Material

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
			Indirect - 529160	
653	Workers' Compensation Admin	923 – Outside Service Employed	Direct - 529150	Unit Price - Cost Per Employee
700	BSC Payroll Processing	923 – Outside Service Employed	Direct – 529150	Unit Price - Per paychecks processed
735	HR Services	923 – Outside Service Employed	Direct – 529150	Unit Price - Cost Per Employee
740	BSC HR Solutions Technology	923 – Outside Service Employed	Direct – 529150	Unit Price - Cost Per Employee
787	HR As Requested	923 – Outside Service Employed	Direct – 529150	Time and Materials
881	HR Leadership Support	923 – Outside Service Employed	Direct – 529150	Unit Price - Cost Per Employee
			Allocated - 529160	Employee Headcount
657	BSC HR Revenue Adjustment	923 – Outside Service Employed	Allocated - 529160	Total HR Service Billings
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method

Responsibilities

Task / Responsibility	BSC Practice Area	Client Company
Talent Acquisition / Recruiting		
1. Develop and implement sourcing strategies	X	
2. Candidate screening and recommendations	X	
3. Common interview guide support	X	
4. Debrief of interviews and final candidate selection	X	
5. Development and negotiation of employment offer	X	
6. Initiation and monitoring of pre-employment requirements	X	
7. Request for Employee ID	X	
8. Fees related to usage of vendors	X	
9. Enterprise wide vendor management and license fees	X	
10. Develop/design behavioral based interview training	X	
11. Support and attend recruiting events	X	
12. Initiation of pre-day 1 on-boarding	X	
Talent Management & Development		
1. Design, deliver and manage leadership and management training programs	X	X
2. Support the identification of appropriate program attendees, their attendance and the follow up to reinforce learning and performance		X
3. Oversight and management of processes, programs and deliverables associated with the talent management & org effectiveness processes (succession planning, performance development)	X	
4. Active participation/support in data collection and action planning relating to the talent management process, including business talent reviews		X
Labor Management		

Task / Responsibility	BSC Practice Area	Client Company
1. The Labor Relations function develops and manages enterprise–wide, as well as business unit specific, strategies in partnership with the senior business unit and corporate leadership. The focus maximizes employee and bargaining effectiveness to achieve greater operating efficiency while advocating fair treatment for all employees based on respect, decency and integrity. It is also an integral part of Labor Relations to serve as the primary conduit between Corporation and Union Leadership, where applicable. These principles will be used to guide dealings with the unionized workforce and to maintain a union-free environment where appropriate.	X (1)	
2. Support strategy and operate effectively within principles of strategy		X (1)
(1) In order for Labor Relations to provide effective training and reporting, the business unit should take advantage of all offered training opportunities and adhere to data entry requirements		
Compensation		
1. Develop/design compensation programs, comply with regulators, consult with business and shareholders	X	X
2. Communicate and administer comp programs	X	X
3. Manage market compensation surveys and pay structures	X	X
4. Manage annual compensation planning and training	X	X
5. Provide pay and incentive guidelines recommendations for employees and recommendations for executives	X	X
6. Design and administer special pay programs	X	X
Benefits Strategy & Design, Governance and Administration		
1. Design benefit strategy to address employee needs while controlling cost	X	
2. Communicate benefit programs	X	
3. Administer plans in compliance with applicable law	X	
4. Compliance, policy, and appeals resolution	x	
5. Support labor relations/negotiations	X	X
6. Monitor, measure and manage vendors responsible for program administration	X	
7. LTD vendor management Note: Many of the benefits offered by Exelon are governed by ERISA. As such, the Company has an obligation to administer its benefit plans in accordance with ERISA and other federal regulations. Exelon Benefits Strategy & Design oversees Exelon's obligations to keep the benefit offerings compliant with the necessary rules and regulations and provides oversight and governance on Benefits Administration.	X	
8. **Monitor, measure and manage vendors responsible for program administration**	X	

Task / Responsibility	BSC Practice Area	Client Company
9. Provide answers to benefit program questions. Investigate and resolve issues relating to benefits programs. Monitor measure and manage vendors responsible for program administration.	X	
10. Maintain employee and retiree 401(k) benefits records. Provide vendor relation interface with HRIS and benefit vendors.	X	
11. Administration of COBRA program, employee notification, billing, vendor interface, problem resolution.	X	
12. Ensure that the survivor(s) receive applicable benefits due to death of employee, retiree, spouse or child (ren).	X	
13. Flexible Spend Accounts and RMSA vendor management of and high-level problem resolution – health care, commuter, dependent care and retiree medical.	X	
14. Provide annual open enrollment, maintain employee and retiree health & welfare benefits records. Provide interface with HRIS and benefit vendors.	X	
15. Administer severance plans, produce personalized statements for HR and oversee plan administration based on specific severance plan offering as business dictates.	X	
16. Administration of life insurance program, employee notification, billing, vendor interface, problem resolution.	X	
17. Perform function of General Secretary and administer MBA short term absence program in coordination with IBEW Local 15 and Corporate Employee Health and Benefits. Authorize the issuance of disability benefit payments. Communicate activities to employees, OHS, MBA and Labor Relations.	X	
18. Provide vendor management and high-level problem resolution for Qualified Domestic Relations Orders.	X	
19. Administer pension plans – vendor management, database management, issuance of pension checks, death claims, pension estimates, QDROs and final pension calculations.	X	
20. Manage outsourced benefit administration service providers by monitoring performance guarantee results, data audit and benchmarking.	X	
Note: Many of the benefits offered by Exelon are governed by ERISA. As such, the Company has an obligation to administer its benefit plans in accordance with ERISA and other federal regulations. Exelon Benefits Operations offers expertise in benefits administration and oversees Exelon's obligations to keep the administration compliant with the necessary rules and regulations		
Corporate Diversity		
1. Establish corporate-wide diversity and inclusion strategies	X	
2. Establish business-specific diversity and inclusion strategies		X
3. Develop and coordinate corporate-wide diversity and inclusion activities	X	
HR Technology Strategy and Governance/BSC HR Technology Application Support		
1. Establish HR Technology Strategy	X	

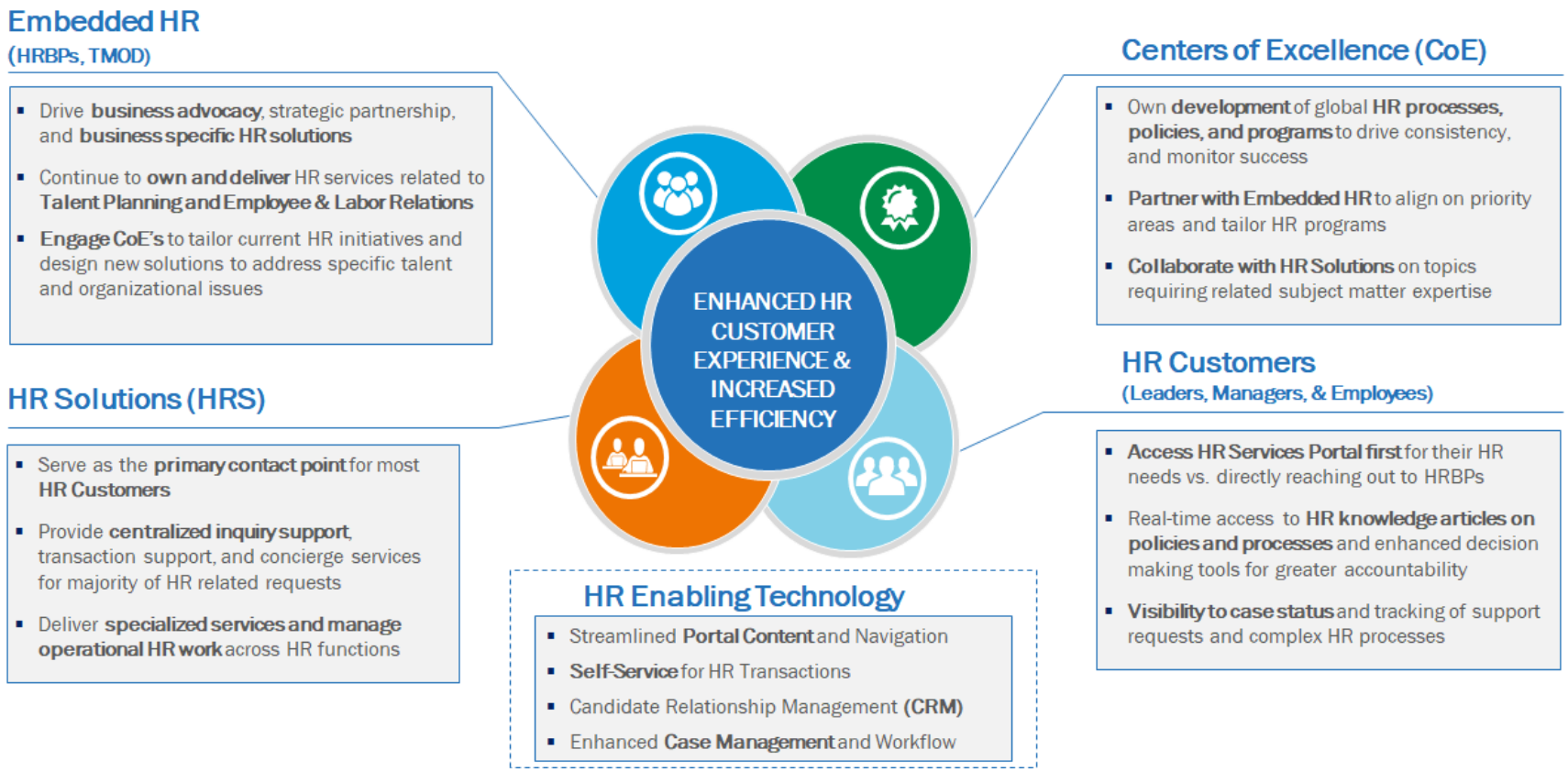
Task / Responsibility	BSC Practice Area	Client Company
2. Set and apply HR systems, policies, standards, procedures, and CISS parameters	X	
3. Develop and submit HR technology content for website and other collateral	X	
4. Request and provide requirements for reports for specific available HR data		X
5. Develop specific business OpCo actions and interventions based on data		X
Occupational Health Services (OHS)		
STD and LTD Case Management		
1. Identification and reporting of employee absence	X	X
2. Administer Medical Disability Certification	X	X
3. Administer referral to Medical Disability Retirement and LTD	X	
4. Transitional Return to Work Program	X	X
5. Coordinate and Oversee Limited Duty cases	X	X
6. Maintain relationships with external clinics for urgent and emergency care for employees	X	X
7. Provide utilization reports on a monthly and as needed basis	X	X
8. Medical Records management	X	
Regulatory Medical Testing Administration		
9. Identify and assist business unit with scheduling mechanism	X	X
10. Implement Testing		X
11. Reporting qualified/not qualified	X	X
12. Maintain medical testing in compliance with Regulatory and Company Policy	X	X
13. Records management	X	
Workplace Clinical Services		
14. Immunization programs	X	X
15. Health Education/Wellness	X	X
16. Executive Health program	X	X
Medical Consulting Services		
17. Provide direction, advice, education and contract management for unique medical issues that affect business units	X	
Workers' Compensation		
1. Report all industrial injuries and diseases within 24 hours of notice		X
2. Provide prompt statistical information to business unit financial departments.	X	
3. Direct third-party administrator (TPA), PMA Group	X	

Task / Responsibility	BSC Practice Area	Client Company
4. Manage lost-time and medical-treatment-only claims to a conclusion	X	
5. Provide Physicians Panel for injured workers' in accordance with Pennsylvania law	X	
6. Resolve claims through mediation and negotiation	X	
7. Direct proper investigation of workers' compensation claims	X	
8. Conduct annual litigation and reserve reviews	X	
9. Provide the business units with annual audited reserves	X	
10. Advise the business units of all catastrophic claims within 24 hours of the event	X	
Payroll Services		
11. On-time, accurate timekeeping and variation input	X	X
12. Support of time collection, labor distribution and validation	X	
13. On-time, accurate processing of regular payroll cycles	X	
14. On-time accurate processing of other employee payments, including Annual Incentive Plan and special awards	X	X
15. Timely notification of additional pay items in the prescribed format		X
16. Tax filings and deposits and government reporting	X	
17. Form W-2 statements and special handling of payroll related items	X	
18. Benefit deductions withholding	X	X
19. Garnishment and child support payroll deductions as directed and related payments to third parties	X	
20. Direct Deposit Services	X	
HR/Payroll Application Support Services– Provide HR/Payroll System training and helpdesk support and user query support		
21. Answer user questions on HR/Payroll System functionality	X	
22. Provide regular updates to user community	X	
23. Provide job aids and input into HR/Payroll System training	X	
24. Requests for special reports and queries	X	
25. Payroll Corrections	X	
HR/Payroll Application Support Services– Maintain HR/Payroll System CISS, user defined tables and data integrity		
26. Define and submit update request for locations, job codes, positions mgmt., etc.		X

	Task / Responsibility	BSC Practice Area	Client Company
27.	**Update location, job codes, companies, position management, etc.**	X	
28.	**Monitor system for irregularities**	X	
29.	**Manage unusual pay rules**	X	
30.	**Audit and maintain HR/Payroll System CISS roles and rules**	X	
HR/Payroll Application Support Services– Interface Support			
31.	**Provide subject matter expertise on Oracle HCM HR data**	X	
32.	**Maintenance and enhancement of Oracle HCM payroll module**	X	
HR/Payroll Application Support Services– Development of new functionality & complex data queries			
33.	**Negotiated packages – priced separately**	X	X
HR Services			
34.	**Processing of Union Wage Increases**	X	
35.	**Timekeeping system CISS and transaction support**	X	
36.	**Entry of Employee Profile Changes (Hire, transfer, Terminations etc.)**	X	
37.	**Bid List Management**	X	
38.	**HR general inquiry support**	X	

Additional Information

- Exelon HR Operating Model:



Business Benefits of Exelon's HR Operating Model

1. **Enhanced HR customer experiences** enabled by increased employee and manager self-service access; employees will be able to search for information on Portal and submit/track case requests on ServiceNow
2. **Improved strategic partnership with the business** to add greater value to leaders and managers; HRBPs will have additional capacity through centralization and enhanced self-service, to help perform strategic work
3. **Consistent HR processes & standardized service delivery** will reduce redundancies across OpCos; implementing industry leading HR processes and removal of unnecessary steps will streamline HR services
4. **Increased HR cost-effectiveness & operational efficiency** through a streamlined HR Operating Model; efficiencies across HR will be enabled through centralization, automation and increased HR role clarity
5. **Position HR Organization for scalable future growth** through user-friendly HR technologies and automation; these enabling technologies will provide intuitive experiences and better insights for decision making

Performance Measurement

Human Resources Performance Metrics Table

Reference the Human Resources Business Plan for performance metrics.

IT

IT Introduction

BSC IT provides standard IT services to support Exelon's businesses. These Services include End-User Support Services, IT Systems Operations Services, and IT Service Delivery. These IT services are provided by a combination of Business Unit Application Delivery and Support Departments, Cloud and Infrastructure Services Department, and Office of the CIO.

IT Service Owners include:

- VP, Office of CIO, providing IT governance, strategy, innovation, and business operations.
- VP, Enterprise-Wide Solutions, providing development and maintenance of both applications used by the BSC Practice areas, and of applications used across the enterprise.
- VPs, Technical Operations, Architecture and Engineering, providing enterprise data network, PCs, communication tools like email, phones, video conferencing, and infrastructure hosting platforms used by applications.
- VP, IT BGE, VP, IT ComEd, VP, IT PECO, and VP, IT PHI, providing development and maintenance of applications specifically used by the utility businesses.

IT Services Table

Service Table (See Appendix A for RxQ Technical Services Table)

KPI Definition Table

KPI	Definition
Service Portfolio KPI	Application service levels, including Business Value (in the *Application/ Service Scorecard* section) and DR Tier Designation (in the *Disaster Recovery* section) are listed under the relevant Application/ Service in Application Portfolio Manager (APM). Please reach out to your Service Portfolio owner for specific details.
Project Delivery KPI	90% of IT Projects completed on time, on budget, based on agreement out of Detailed Design, with tolerance of +10%.
IT Governance KPI	IT Governance KPIs are reported on monthly in the CIO Management Review Meeting. Please reach out to your portfolio owner for specific details.

Service ID	Service Name	Service Description	Service Owner	KPI Type
322	BSC BU Specific IT Projects	Exelon IT Project Delivery Services provides deliverables for IT projects including planning, design, asset acquisition, and implementation of solutions	IT VP (Project Specific)	Projects Delivery KPI
410	Client Services	Client Services cover escalated IT Service Desk incidents related to desktop and laptop support including requests, installation, move, add, change, and/or replacement of desktop PCs/Monitors, the installation of peripherals/memory, loaner support, hardware break/fix, technology refresh, manual patching, desk side support, executive support.	VPs, Technical Operations, Architecture and Engineering	Governance KPI
463	Oracle Support Services	The service provides a comprehensive deal structure that includes perpetual unlimited licenses for Oracle's entire catalog of "on premise" software at a fixed price for use across the Exelon Enterprise.	IT VP, Office of the CIO	Not Applicable – PULA Costs
505	Application and Technical Service Delivery - Finance	The service covers general areas of support and support providers. The service scope includes Financials (For Financial Services Group), Business Intelligence Architecture (For Financial Services Group), Technical Infrastructure (For Financial Services Group), Other Applications (For Tax Dept), Treasury Systems, and AP Finance. Detailed list of applications included in Enterprise Finance Portfolio Applications	IT VP, Enterprise-Wide Solutions	Service Portfolio KPI

506	Application and Technical Service Delivery - Asset Management	The Asset Management service supports applications used by Utilities Work Asset Management and Supply Asset Management numerous business processes including those associated with work management, supply chain, design engineering and safety and compliance. The process is known as EAM within BSC and is largely driven by the Asset Suite application (Passport).	IT VP, Enterprise-Wide Solutions	Service Portfolio KPI
507	Application and Technical Service Delivery - HR	Application and Technical Service Delivery - HR is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, cloud services, management, project work, compliance and technical services necessary to enable the HR Function within BSC including Oracle HCM, ePeople Talent, eTime, Compensation, Payroll, and OHS.	IT VP, Enterprise-Wide Solutions	Service Portfolio KPI
508	Application and Technical Service Delivery - Hyperion, Informatica & SharePoint	This service covers the enterprise wide use of Hyperion Reporting, Informatica and SharePoint	IT VPs, Enterprise-Wide Solutions, Cloud & Infrastructure	Service Portfolio KPI
509	Learning Management Portfolio Application Support	The Learning Management Portfolio service includes all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the Learning Management Portfolio Application (LMS).	IT VP, Enterprise-Wide Solutions	Service Portfolio KPI

510	Application and Technical Service Delivery - Corporate Applications	Application and Technical Service Delivery Corporate Application Support service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services, necessary to the BSC practice areas of Corporate Communications, Real Estate, Risk, and Audit. This service also supports the IT needs of the Management Model function	IT VP, Enterprise-Wide Solutions	Service Portfolio KPI
550	Application and Technical Service Delivery - Billing & Payment Processing	The Billing & Payment Processing service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Billing & Payment Processing business process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
554	Application and Technical Service Delivery - Customer Care Center	The Customer Care Center service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Customer Care Center business process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI

555	Application and Technical Service Delivery - Customer Solutions	The Customer Solutions service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Customer Solutions business process.	IT VP of ComEd, PECO, BGE, PHI	Project Delivery KPI
557	Application and Technical Service Delivery - End User Services	The End User Services service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the end user services used by ComEd, PECO, BGE, PHI, and BSC.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
558	Application and Technical Service Delivery - Energy Procurement	The Energy Procurement service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Energy Procurement business process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
562	IT Management & Compliance	The IT Management & Compliance service is provided to support and maintain the governance and management of the IT services delivered in ComEd, EWS, PECO, BGE, PHI, and CIO.	IT VP of ComEd, PECO, BGE, PHI, Enterprise-Wide Solutions, VPs, Technical Operations, Architecture and Engineering	Governance KPI

565	Application and Technical Service Delivery - Legacy Meter Services	The Legacy Meter Services service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Legacy Meter Services business process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
568	Application and Technical Service Delivery - Electric Realtime	The Electric Realtime service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Electric Realtime business process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
569	Application and Technical Service Delivery - Operate & Restore (Gas)	The Operate & Restore (Gas) service is provided to support and maintain application services, which include costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by PECO, BGE, PHI to support the Operate & Restore (Gas) business process.	IT VP of PECO, BGE, PHI	Service Portfolio KPI
571	Application and Technical Service Delivery - Operations Support	The Operations Support service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used utilities to support those processes which are not covered elsewhere by other "Application and Technical Service Delivery" Services	IT VPs of ComEd, PECO, BGE, PHI	Service Portfolio KPI

573	Application and Technical Service Delivery - Project & Work Management	The Project & Work Management service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support their Project and Work Management processes.	IT VPs of ComEd, PECO, BGE, PHI	Service Portfolio KPI
576	Application and Technical Service Delivery - Security	The CISS service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, compliance and technical services necessary to maintain the applications used by BSC.	IT VP of Enterprise-Wide Solutions	Service Portfolio KPI
580	Application and Technical Service Delivery - UCOMM	The UCOMM service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the UCOMM business process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI

583	Application and Technical Service Delivery - EU Support Services	The EU Support Services is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the following processes: Support Services, Project and Work Management. and any other services offered by Work and Asset Management that is not already covered elsewhere.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
584	Application and Technical Service Delivery - Outage Management	The Outage Management service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Outage Management and Geospatial.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
585	Application and Technical Service Delivery - Smart Meter Operations	The Smart Meter Operations service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to Smart Meter Operations process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI

586	Application and Technical Service Delivery - BI and Data Analytics	The BI and Data Analytics service is provided to support and maintain application services, which include costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, and PHI to support the BI and Data Analytics process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
587	Application and Technical Service - Workforce & Mobile Technology	Mobile Workforce Tech Services is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the mobile applications used by ComEd, PECO, BGE, PHI to support the following processes: Support Services, Project and Work Management. and any other services offered by Work and Asset Management that is not already covered elsewhere.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
589	Application and Technical Service Delivery - Back End Meter Operations	The Back End Meter Operations service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to support the Back End Meter Operations business process of ComEd, PECO BGE, and PHI. The applications will cover the functionality required, but not limited, to the transfer of meter and reads related information from Head End systems to back office applications and the processes for remotely connecting or disconnecting meters.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI

663	Application and Technical Service Delivery - Utility of the Future	The Utility of the Future service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services, necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support the Utility of the Future business process.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI
775	IT Governance	This service is provided to support governance and oversight functions, which include costs associated with IT wide governance functions and includes the Office of the CIO (excluding the Planning function), Cost Optimization, and General Governance of IT.	IT VP, Office of the CIO	Governance KPI
777	TDE&Ops Projects	This service includes the planning, design, and implementation of TDE&Ops projects that are allocated to one or more business units	VPs, Technical Operations, Architecture and Engineering	Project Delivery KPI
854	Application and Technical Service Delivery - Legal Application Support	Application and Technical Service Delivery - Legal Application Support service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to enable general Legal and Ethics & Compliance department activities including regulatory compliance, records management compliance, and electronic discovery (eDiscovery, legal hold) compliance	IT VP, Enterprise-Wide Solutions	Service Portfolio KPI
885	BSC IT Services Rev Adjust	BSC IT Services Revenue Adjustment- “Revenue Adjustment Services” reflects the following “true up” mechanism: The difference between actual cost and revenues from billings to the Client Companies is “trued up” each month by allocating it pro rata to the Client Companies based on their share of IT Total Service Billings	SVP, CIO Exelon	Not Applicable – Financial Adjustment Mechanism

901	BSC Other PA Tech Projects	This service is comprised of planning, design, and implementation of IT projects that support BSC Practice Areas other than Finance or Human Resources.	IT VP, Enterprise-Wide Solutions	Project Delivery KPI
902	BSC HR Tech Projects	This service is comprised of planning, design, and implementation of IT projects that support the Human Resources Practice Areas of BSC.	IT VP, Enterprise-Wide Solutions	Project Delivery KPI
903	BSC Finance Tech Projects	This service is comprised of planning, design, and implementation of IT projects that support the Finance Practice Areas of BSC.	IT VP, Enterprise-Wide Solutions	Project Delivery KPI
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	IT VP (Project Specific)	Project Delivery KPI
906	Enterprise Wide IT Projects	This service is comprised of planning, design, and implementation of IT projects related to licensing, upgrade and expansion of technology platforms including Oracle database, SQL Server database, SharePoint, and others.	IT VP, Enterprise-Wide Solutions	Project Delivery KPI
933	Office of the CIO Projects	This service is comprised of planning, design, and implementation of IT projects related to the Office of the CIO.	IT VP, Office of the CIO	Project Delivery KPI
944	NERC CIP Program Services	Provide enterprise-wide NERC CIP program and project management oversight to ensure sustained Exelon compliance	IT VP of ComEd, PECO, BGE, PHI	Governance KPI
951	NERC CIP Implementation Costs	The NERC CIP Implementation Program (VIP) is an integrated Program to support the on-going compliance NERC CIP standards. Our Program Team works together across the projects to ensure consistency and full coverage of the NERC CIP standards. Program Support Functions include: • Program Integration • Program Management Office (PMO)	IT VP (Project Specific)	Project Delivery KPI

		• Finance • Architecture • Communications & Change Management		
528	Emergency Preparedness	The Emergency Preparedness service is provided to support and maintain application services, which includes costs of all the infrastructure, labor, licenses, maintenance, support, management, project work, compliance and technical services necessary to maintain the applications used by ComEd, PECO, BGE, PHI to support EU storm readiness and emergency preparedness functions.	IT VP of ComEd, PECO, BGE, PHI	Service Portfolio KPI

FERC Account and Billing Approach Table (See Appendix A for Technical Services Table)

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
322	**BSC BU Specific IT Projects**	**FERC Account to be determined during each individual project creation**	**Direct – 529550 Allocated – 529560**	**Time and Materials or Cost Causative Method**
410	**Client Services**	**923 – Outside Services Employed**	**Direct – 529550**	**Time and Materials**
463	**Oracle Support Services**	**FERC Account to be determined during each individual project creation**	**Direct – 529550 Allocated – 529560**	**Weighted allocation based on application usage**
505	**Application and Technical Service Delivery - Finance**	**FERC Account to be determined during each individual project creation**	**Direct (to BSC Finance) – 529550**	**Time and Materials**
506	**Application and Technical Service Delivery – Asset Management**	**FERC Account to be determined during each individual project creation**	**Allocated (general application maintenance) – 529560 Direct (BU specific instance support) – 529550**	**Based on Passport users Time and Materials**
507	**Application and Technical Service Delivery - HR**	**FERC Account to be determined during each individual project creation**	**Direct (to BSC HR) – 529550**	**Time and Materials**
508	**Application and Technical Service Delivery - Hyperion, Informatica & SharePoint**	**FERC Account to be determined during each individual project creation**	**Allocated – 529560**	**Cost causative method**
509	**Learning Management Portfolio Application Support**	**FERC Account to be determined during each individual project creation**	**Allocated – 529560**	**Number of LMS users**

510	**Application and Technical Service Delivery - Corporate Applications**	**FERC Account to be determined during each individual project creation.**	**Allocated – 529560**	**% of cost attributable to each portfolio**
550	**Application and Technical Service Delivery - Billing & Payment Processing**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials or Number of Customers**
554	**Application and Technical Service Delivery - Customer Care Center**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials or Number of Customers**
555	**Application and Technical Service Delivery - Customer Solutions**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
557	**Application and Technical Service Delivery - End User Services**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
558	**Application and Technical Service Delivery - Energy Procurement**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
562	**IT Management & Compliance**	**923 – Outside Service Employed**	**Allocated – 529560**	**Cost Causative Method**
565	**Application and Technical Service Delivery - Legacy Meter Services**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
568	**Application and Technical Service Delivery - Electric Realtime**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**

569	**Application and Technical Service Delivery - Operate & Restore (Gas)**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
571	**Application and Technical Service Delivery - Operations Support**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials or Number of Customers**
573	**Application and Technical Service Delivery - Project & Work Management**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
576	**Application and Technical Service Delivery - Security**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
580	**Application and Technical Service Delivery - UCOMM**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
583	**Application and Technical Service Delivery - EU Support Services**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
584	**Application and Technical Service Delivery - Outage Management & Geospatial**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
585	**Application and Technical Service Delivery - Smart Meter Operations**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
586	**Application and Technical Service Delivery - BI and Data Analytics**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**

587	**Application and Technical Service - Workforce & Mobile Technology**	**FERC Account to be determined during each individual project creation**	**Direct – 529550**	**Time and Materials**
589	**Application and Technical Service Delivery - Back End Meter Operations**	**FERC Account to be determined during each individual project creation**	**Allocated – 529560**	**Cost Causative Method**
663	**Application and Technical Service Delivery - Utility of the Future**	**FERC Account to be determined during each individual project creation**	**Allocated – 529560**	**Cost Causative Method**
775	**IT Governance**	**923 – Outside Services Employed**	**Allocated – 529560**	**% of total IT Service Billings**
777	**TDE&Ops Projects**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation**	**Direct – 529550 Allocated – 529560**	**Time and Materials or Cost Causative Method**
854	**Application and Technical Service Delivery - Legal Application Support**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation.**	**Direct - 529550**	**Time and Materials**
885	**BSC IT Services Rev Adjust**	**923 – Outside Service Employed**	**Allocated – 529560**	**% of Total IT Service Billings to each OpCo**
901	**BSC Other PA Tech Projects**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation**	**Direct – 529550 Allocated - 529560**	**Time and Materials or Cost Causative Method**
902	**BSC HR Tech Projects**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation**	**Direct – 529550 Allocated – 529560**	**Time and Materials or Cost Causative Method (typically % of total headcount)**

903	**BSC Finance Tech Projects**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation**	**Direct – 529550 Allocated - 529560**	**Time and Materials or Cost Causative Method (typically Modified Massachusetts Formula)**
904	**BSC Costs to Achieve**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation**	**Direct – 529550 Allocated – 529560**	**Time and Materials or Cost Causative Method**
906	**Enterprise Wide IT Projects**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation**	**Direct – 529550 Allocated - 529560**	**Time and Materials or Cost Causative Method**
933	**Office of the CIO Projects**	**FERC Accounting to be determined with FERC Reporting groups during each individual project creation**	**Allocated - 529560**	**Time and Materials or Cost Causative Method**
944	**NERC CIP Program Services**	**923 – Outside Service Employed**	**Allocated – 529560**	**% of critical NERC cyber assets**
951	**NERC CIP Implementation Costs**	**923 – Outside Service Employed**	**Allocated – 529560**	**% of critical NERC cyber assets**
528	**Emergency Preparedness**	**923 – Outside Service Employed**	**Direct – 529550 Allocated - 529560**	**Time and Materials**

IT as Requested Services Introduction

Periodically, the OpCos may request additional IT project or non-standard IT support services that were not identified during the budget/LRP cycle. These costs will be funded directly by the operations area of the OpCo requesting the incremental project or non-standard support. Note, additional non-standard services may be created depending on what support is requested over the course of the SLA period.

IT As Requested Services Table

As Requested Service Table

Service ID	Service Name	Service Description	Service Owner	Performance Level / Metric with Target
779 (As Requested)	As Requested IT Projects	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	IT VP (Project Specific)	Project Performance

As Requested FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
779 (As Requested)	As Requested IT Projects	FERC Accounting to be determined with FERC Reporting groups during each individual project creation.	Direct – 529500 or 529550 Allocated – 529560	Time and Materials or Cost Causative Method

Performance Measurement

The performance management section outlines the standard performance metrics across IT Services, the level of service will be expected to meet at a minimum, and target levels that will be expected to be met or exceeded on negotiated timelines (if applicable).

BSC IT

IT will monitor its service levels and performance using both cost and quality metrics on an on-going basis. IT will facilitate the definition of metrics, provide templates for data input and measurement, and consolidate the inputs to calculate end-to-end process metrics where data is available.

IT will make metrics available to Client Companies and facilitate monthly/periodic meetings with Client Company Business leaders to review metrics and discuss IT performance to service level metrics.

General information covered by performance management and reporting of IT service delivery includes the following:

- Project reporting, including estimated percentage deliverables progress towards completion compared to percent of project spend; key milestones and delays
- Financial reporting on all IT spend associated with Client Company, including budgets, actual costs, and forecasts. Detailed past, current, and expected internal and external audit activity associated with IT that supports Client Company
- Control assessments and analyses of actual events
- Risk assessments, including risks to financial outcomes, risks from personnel changes, risks to successful delivery of projects, CISS risks, audit risks, and other assessments, whether accurately quantifiable or not
- Other issues or concerns as appropriate

The following table outlines the general performance measures for Service Desk and IT Operations Services:

Standard IT Operational Metrics include:

End User Computing	Target
Service Desk Resolution • **The percentage of calls resolved by the Service Desk without escalation to Level 2 or Level 3.** • **Calculated by the aggregated number of Service Desk Resolutions completed by the Service Desk divided by the total number of interactions received by the IT Service Desk during the month**	75%
Average Wait Time for Client for Service Desk • **Data comes from Cisco Call Manager** • **Includes front-end message**	60 secs

High Business Value Application and Infrastructure Reliability and Availability	Target
• **MTTR for Major Incidents – Mean Time to Restore is the elapsed time from incident detection by or reported to the ITOC until client service is restored or workaround is in place** • **Frequency – Number of Major Incident is defined as High Business Value application or Infrastructure not available**	150 mins 170 Annually

Responsibilities

The BSC IT responsibilities along with the Client Company are different based on the type of service. For example, responsibilities related to the delivery of a personal computer will be different than that of requesting changes to an application, which is owned by Client Company.

The responsibilities are general in nature and not necessarily intended to be an all-inclusive list of responsibilities between BSC IT and Client Company for every aspect of IT service delivery and support. Responsibilities have been grouped by different types, as applicable, and include:

1. End-User Support
2. Application Support
3. IT Project Delivery

Services are requested as follows with the indicated department having primary responsibility:

Service	Primary Organization
End-User Support • Desktop Issues, End-User Equipment Requests, General Information, Report System Issues	TechOps – Service Desk
Access Requests – Access to Applications	Corporate Information CISS Services Access Request Portal
Application Maintenance Requests	EDM Request to Business Unit Application Department
Project Delivery Requests	PPM Request to Business Unit Application Department

Additional Information

Service Desk and Request Fulfillment

End users contact IT Service Desk for support (create an incident) or to request an IT asset or service. The IT Service Desk may be contacted in the following ways:

1. Calling the IT Service Desk (either 1.877.9EXELON (1.877.939.3566)
2. Via the Service Manager Self-Service on-line portal 24x7.
3. Via an email to "IT Support Center" describing the incident or request.

The IT Service Desk provides 7x24 support. Client Services Support Hours are Monday – Friday, 7:30 AM – 5:00 PM, local time to their location, with after-hours support on-call for urgent issues only.

End user incidents (incidents affecting individual user) are assigned a priority based on corporate role:

	Priority		
End User Incident	ELT	VIP	Standard

The following SLAs apply to End User Incidents:

Priority	Escalation	Resolution
Standard	30 minutes business hours	2 Business Days
VIP	30 minutes 24x7	2 hours
ELT	15 minutes 24x7	1 hour

Incidents affecting systems or multiple users will be escalated to the ITOC for coordination and escalation based on a priority which is derived from severity and urgency (see table under Service Operations Support Model).

Requests for an IT asset or service creates an IT Service Request, or 'non-incident'. Service Requests are directed to the appropriate IT service owner for fulfillment. SLAs for service requests are based on the individual service. Requests for services not associated with an operational

issue (e.g. new remote access token, additional space in a home drive) will be processed Monday through Friday 8:00am to 5:00pm, local time to client location.

Service Operations Support Model

IT Operations Services supports a vast variety of technologies in the enterprise computing environment. To do this efficiently and effectively, a standard operations support model is used to drive consistent support and delivery expectations. Applications must be registered in IT's Asset Manager/Application Portfolio Manager database to subscribe to the standard Service Operations Support Model.

TechOps offers three operational support offerings: Full Support, Limited Support, and Data Center facilities Management

- **Full Support** applies to applications where TechOps is providing Infrastructure as a Service (IaaS) support for the application hosting environment. Full support provides event monitoring, incident management, incident communications, problem management, CISS patching, and routine operational maintenance. This applies to both Physical and Virtual devices. Data Center facilities costs are above and beyond this support.
- **Limited Support** applies to applications and infrastructure where TechOps provides monitoring and escalation services but is not responsible for incident resolution and other operational tasks for the equipment. This applies to P/SaaS applications and Opco IT-supported equipment. This includes Event Monitoring, Incident Escalation, Incident Communications, and Problem Management. Data Center facilities costs are above and beyond this support for devices hosted in enterprise data centers.
- **Data Center Facilities Management** applies to applications and infrastructure where equipment resides in our Enterprise Data Centers. These charges cover the costs of space, power, and general network connectivity.

Incidents are prioritized based on Business Value (Urgency) and Impact (Severity). The following table defines Incident priorities for IT Incident Management:

Impact (Severity)	Application Business Value (Urgency)			
		High	**Medium**	**Low**
	SEV-1 (Application or Infrastructure Unavailable)	Major	Minor	Routine

	SEV-2 (Application or Infrastructure not performing as expected)	Minor	Minor	Business Hours
	SEV-3 (Non-client impacting proactive system events)	Routine	Routine	Business Hours
	SEV-4 (Informational Alerts)	Business Hours	Business Hours	Business Hours

The following table defines the Incident Management Targets for System Incidents:

Service Level Commitment Details				
	Support Hours	**Target Resolution**	**Status Updates**	**Level of Effort**
Major	24 x 7 x 365	2 hours	2hours	Worked continuously until workaround or resolved

Minor	24 x 7 x 365	8 hours	Open/Close	Escalated 24x7 Maybe deferred until next business day by service owner in off hours
Routine	24x7x365	24 hours	None	Escalated 24x7 Maybe deferred until next business day
Business Hours	Business Hours Monday thru Friday 7AM to 7PM ET	1 Business Day	None	Worked Business Hours Only

Incident Management & Escalation Process Overview

This section provides an overview of the process steps that IT will take to resolve an incident – service not available or performing as expected reported by an end-user or via system events to the IT Operations Center (ITOC). The purpose is to add clarity to the delivery of "Incident Response" of the Standard Operations Support Model. The support workflow for an incident follows a standard process based on support levels of IT Teams, severity/urgency of the incident, and the resolution target. This section also describes how the Client Company management may escalate issues.

The IT Service Desk can be considered **Level 0** support organization. All end user interactions, and any created incidents, are to originate via contact with the IT Service Desk. If the interaction between the end user and the IT Service Desk does not result in resolution of the issue, the interaction ticket is escalated to an incident ticket and transferred to the supporting Client Services team or designated support team for resolution.

Client Services (deskside support) can be considered **Level 1** support organization. Single instances of end user incidents which cannot be resolved by the IT Service Desk are transferred to CSDS as the **Level 1** support team. CSDS are structured by the Operating Company that they support. CSDS are positioned to be the single point of client support and requests for end user tools, such as the PC, telephone, printers. They provide initial contact and desktop support for the most critical business unit applications. The CSDS support responsibilities and response metrics are based on the individual business units.

IT Operations Center (ITOC) can be considered **Level 2** support organization for all incidents from monitored system events or end-user reported incidents transferred from the IT Service Desk, that impact multiple users. The ITOC supports all Business Units. The ITOC is positioned to be the single point of contact and coordination for all infrastructure and application-based incidents or system events. The ITOC support responsibilities and response metrics are included in the "Operations Services-Standard" service, within the IT Service Table for VPs, Cloud & Infrastructure.

For incidents experienced by a single end user, Client Services may need to transfer the ticket to a **Level 3** support organization. For system incidents, the ITOC may need to transfer the ticket to a **Level 3** support organization. Level 3 support organizations include Application Support teams and Technical Engineering teams. The support responsibilities and levels of support may vary, based on the operations support model of the application.

Escalation of operational issues follows a standard process via the

- IT Service Desk
- IT Operations Center
- Director, IT Service Operations and Network Management
- Service Owner
- Chief Information Officer

Escalation of performance issues related to an IT Service is via the IT Director responsible for that service.

Technology Refresh & Capital Investments/Depreciation

The ongoing refresh and upgrade of technology is based on ownership of the IT Asset, and how it is reflected on either BSC books or the Client Company books. There are generally two approaches that are leveraged for technology assets:

BSC IT

1. For information technology that is and will most likely always be shared or changed/leveraged across Client Companies, BSC will own the technology asset.
    a. BSC is responsible for the funding of the original investment, as capital funding, probably via a project, and must plan for and budget capital investment for future refresh and upgrades to maintain the health of the IT Asset.
    b. The IT asset investment is on BSC's books as an IT Asset.
    c. BSC will record depreciation and track this depreciation at the IT Asset Class level, such that it can be appropriately recovered from the Client Companies that leverage the shared environment, based on the Depreciation IT Services. These IT services are by asset class and billed out by rate x quantity of the appropriate shared asset counts.
    d. This is applicable to hardware infrastructure, shared PCs within BSC, as well as enterprise/infrastructure software packages, and generally includes, but is not limited to,
        i. Shared data network (networking equipment supporting more than one business unit's network traffic)
        ii. Data Center technologies for all virtual environments housed in corporate data centers
        iii. Servers/Storage for applications and IT services (Note: in situations where physical servers are dedicated to and maintained by a Client Company, these may be owned by the Client Company)
    e. During annual LRP process, Client Companies and BSC will collaborate to adequately forecast demand for technology assets.

2. For information technology that is wholly dedicated or uniquely designed to support a single Client Company, the Client Company will own the technology asset.
    a. The Client Company is responsible for the funding of the original investment, as capital funding, probably via a project, and must plan for and budget capital investment for future refresh and upgrades to maintain health of the IT Asset.
    b. For Client Company owned assets, the Client Company is expected to adhere to recommended refresh guidelines (governed by Cloud & Infrastructure) to prevent interfering with the reliability of the overall enterprise infrastructure.
    c. The IT asset investment is on the Client Company books as an IT Asset.
    d. The Client Company will hold the depreciation and must budget accordingly.
    e. In the event an Op Co does not comply with a recommended refresh schedule, support will be on a best effort basis. IT will not be accountable for performance metrics related to service support.
    f. This is applicable to hardware infrastructure, PCs, as well as software packages, and generally includes, but is not limited to,
        i. Personal Computers
        ii. Dedicated servers/storage for an Opco's use
        iii. Dedicated network equipment for specific Client Company Real-Time/SCADA systems

iv. Dedicated network equipment for specific Client Company locations
v. Application software specific to a business unit

3. Enterprise IT application software assets will be allocated and recorded on an OpCo's books at the time of purchase/ development; using an appropriate, approved cost-causative allocation method as set forth in Exelon's General Services Agreement. Generally, BSC will purchase assets on behalf of the OpCo's, with the amount recorded at the OpCo level representing a beneficial ownership right in or right-to-use the IT asset.

Enterprise Demand Manager (EDM)

The standard model for requesting IT application changes is via the Enterprise Demand Manager (EDM). The level of service for requested changes to an IT service is based on the metric, *Work Requests Delivered On-Time*. *Work Requests Delivered On-Time* is defined as the delivery of a work request (EDM) to the user acceptance test (UAT) environment by the commitment date. The standard method for tracking an application (or IT service) work request is via Enterprise Demand Manager (EDM). For those Application/Service delivery teams not using the EDM process, IT will measure the level of service using data provided by the team. For those teams using PPM/EDM, the commitment date is negotiated between the Requesting Demand Manager, the Application/Service Delivery Manager, and the Service Provider based on criticality and prioritization. Expected performance is that 90% of work requests are delivered on time.

Successful user acceptance testing (UAT) is defined as the delivery of a work request that passes UAT testing (i.e. accepted by the Client UAT tester) in a certain number of cycles based on complexity. The intention of this measure is twofold; to measure the quality of code provided by the IT Service Owner, and measure the ability of the IT Service Owner to minimize the number of cycles that users are required to go through until a successful test is achieved.

The following conditions must be met for a UAT cycle to be considered successful:

- UAT Tester confirms that the change meets the documented requirements
- No code change required by the IT Service Owner's development staff within one cycle
- No additional work required by System Administrators or Database Administrators within one cycle
- No additional application configuration work required by personnel within one cycle

Work requests are tracked in Exelon's PPM tool as Enterprise Demand Manager [EDM's]. The date that code is delivered into the appropriate UAT environment is tracked in the EDM, as is the subsequent pass/fail (acceptance or rejection) of the UAT. A successful UAT will be identified BSC IT

by a lack of failure in the workflow of the UAT. To accurately measure and enforce the intent of the measure, IT assumes that UAT will immediately fail the UAT **if** any further code, database or application configuration work is required before one a work item begins UAT.

IT Service Details

IT Application Portfolio Management database is the system of record for all applications and their support levels. Always refer to APM for the most recent listing and categorization. For specific information related to "High" Business Value applications, refer to the Business Unit-specific Service Level Agreements. NOTE: For Medium and Low Business Value applications, refer to your Business Unit's application list from the APM tool to confirm Support Service Level and DR rating.

Legal Services

Legal Services Introduction

BSC Legal Services will provide a full range of legal services, including representation, advice, counseling, training and other support, to meet the legal needs of our Affiliates and their Subsidiaries.

BSC Legal services will provide governance, management and support services for Exelon Corporation and its Subsidiaries, including services for the Exelon Board of Directors and the Subsidiaries' boards of directors, as required, legal counseling for securities matters and corporate finance, manage the Ethics and Compliance Program, including the Audit Committee's process for receiving and investigating concerns about potential violations of the Code of Business Conduct, manage the shareholder service function, coordinate the development of corporate policies and the Management Model, and coordinate records management, subsidiary management and the FERC Interlock processes.

Legal Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
914	EBSC Legal – Legal Operations	Legal Operations provides practical, proactive, and creative solutions to the current and future legal needs of Exelon and is responsible for the business functions of Exelon Legal which includes financial management, client billing, business planning and analysis, human resources, systems management, and general administration.	EVP/SVP & General Counsel
915	EBSC Legal – Corporate & Commercial	Corporate & Commercial provides support for corporate legal, transactional and contractual matters including: strategic transactions (including mergers, acquisitions, divestitures, and joint ventures); commercial contract negotiations (including purchases of materials and services, hotel and event contracting, stadium suite agreements, consulting services, confidentiality agreements, and licenses); commercial contract disputes; government contracting; social media, customer communications and marketing materials; promotions, sweepstakes and raffles; cybersecurity matters; intellectual property matters; innovation matters; domain names; phishing matters; not for profit organizational and contracting matters; antitrust matters; limited tax advisory services; securities and financing matters (including issuance of debt and equity securities, negotiation of credit agreements, financial reporting, and issues relating to disclosures of business and financial information); real estate matters (including utility easements, right-of-way vegetation maintenance, recovery of utility relocation costs, purchases and sales, local planning and zoning board approvals, landlord-tenant disputes and condemnation proceedings); and other corporate legal matters.	

Service ID	Service Name	Service Description	Service Owner
916	EBSC Legal – Environmental	Environmental supports compliance with federal, state and local environmental laws and requirements (including enforcement actions, permitting and licensing); environmental audits, site remediation, hazardous substance and waste management; environmental aspects of transactions and due diligence; environmental cost recovery litigation; and support for strategic initiatives related to environmental and energy policies.	
917	EBSC Legal – Labor & Employment	Labor & Employment advises and represents the companies in all labor, employment, health and safety and related matters (including collective bargaining, grievance and arbitration processing, Unfair Labor Practices, equal employment, affirmative action, wage and hour issues, pay equity, diversity, equity and inclusion, defamation, immigration, severance, subpoenas, whistleblower claims, wrongful discharge claims, covenants not to compete, and health and safety requirements, audits, reporting, record keeping and enforcement defense); and develops, supports and/or implements policies and training initiatives to ensure compliance with labor, employment, health and safety laws and regulations.	
918	EBSC Legal – Compensation and Benefits	Compensation and Benefits provides support for all employee benefit and compensation matters including ERISA, employment contracts, workers compensation plans, retirement, health care and welfare plans, executive compensation, severance benefits, benefit trust investments, and related litigation.	
919	EBSC Legal – Litigation	Litigation provides support for litigation, dispute resolution and related risk mitigation for a broad array of matters (including personal injury and property damage, contractual, commercial and real estate disputes, , insurance coverage disputes, mechanics liens, securities, shareholder derivative, and consumer protection disputes, environmental, health and safety, tax, tariffs, cybersecurity, privacy and antitrust) in various forums, including state and federal courts, both at the trial and appellate levels, administrative agencies, and in arbitrations and mediations.	
921	EBSC Legal – Federal Energy Regulatory	Federal Energy Regulatory provides- legal services to support the Exelon Utilities on federal energy regulatory policy and administrative matters, including transmission regulation and policy and wholesale markets, including representation of the Exelon Utilities before the Federal Energy Regulatory Commission and related appellate or collateral proceedings, providing advice and support on legal and policy matters related to the Exelon Utilities' membership and participation in regional transmission organizations and regional and national reliability councils, and other legal support for compliance, contractual, strategic initiatives and rate recovery matters related to transmission for the Exelon Utilities.	
651	EBSC Legal – Legal Governance	Legal Governance ensures that the business strategies, policies, procedures and programs of Exelon and its subsidiaries are developed and applied in full recognition of legal implications and risk and are legally sound; ensures that the legal affairs of the companies are attended to effectively,	

Service ID	Service Name	Service Description	Service Owner
		efficiently, and on a timely basis; and oversees and provides legal services support for corporate governance matters including subsidiary management.	
789	Legal As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	
692	BSC Corp Secretary As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is "trued up" each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	EVP/SVP & General Counsel
648	Corporate Secretary	• Plans and prepares for all aspects of the Company's board and board committee meetings as requested • Makes arrangements for all directors' travel, lodging and other services necessary for their service to the Company as requested • Administers the compensation programs and related deferral programs for directors • Provides legal counsel on financing activities and compliance with federal securities laws and stock exchange listing standards • Manages the daily administration of all of Exelon's equity compensation plans • Administers Exelon's Securities Trading Procedure (Stock Trading Clearance) • Maintains official corporate records of the Board of Directors and shareholders • Manages the Company's Shareholder Services function, including the transfer agent contract	SVP, Deputy Gen. Counsel

In addition, certain Legal services may be purchased from third-party sources on behalf of the Client Company or provided directly to (embedded in) the Client Company.

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
914	EBSC Legal – Legal Operations	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula
915	EBSC Legal – Corporate & Commercial	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula
916	EBSC Legal – Environmental Health & Safety	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula
917	EBSC Legal – Labor & Employment Group	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula
918	EBSC Legal – Compensation and Benefits	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula
919	EBSC Legal – Litigation	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula
921	EBSC Legal – Exelon Federal Energy Regulatory	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula
651	EBSC Legal – Legal Governance	923 – Outside Service Employed	Direct – 529200	Direct - Time and Materials
			Allocated - 529210	Allocated - Modified Massachusetts Formula

BSC Legal Services

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
789	Legal As Requested	923 – Outside Service Employed	Direct - 529200	Time and Materials
			Allocated - 529210	Modified Massachusetts Formula
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529210	Modified Massachusetts Formula
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
648	Corporate Secretary	923 – Outside Service Employed	Direct - 529200	Time and Materials
			Allocated - 529210	Modified Massachusetts Formula
692	BSC Corp Secretary As Requested	923 – Outside Service Employed	Allocated - 529210	Cost Causative Method

Responsibilities

Task / Responsibility	BSC Practice Area	Client Company
Notify Legal of new matter or request for service		X
Advise client of potential legal issues that come to the attention of the Legal Area	X	
Advise Legal Area of business objectives		X
Provide Legal with requested and necessary information on a timely basis		X
Have run appropriate conflicts check for matters requiring outside counsel	X	
Open new matter in legal matter management system	X	
Assign appropriate legal resources to matter, and record internal Legal time spent on each Client Company	X	
Provide monthly billing summary and other requested reporting for each matter	X	

Task / Responsibility	BSC Practice Area	Client Company
Authorize settlement or other disposition of legal matter	X	X
Create case budgets for major lawsuits, transactions and other matters as requested by client	X	
Develop and Distribute Billing Guidelines for outside counsel	X	
Develop Model Retention Agreement for outside counsel	X	
Obtain Retention Agreement for new matters assigned to outside counsel	X	
Manage the relationship with outside counsel	X	
Recommend reserve amounts as needed	X	
Budget for and fund recommended reserve amount		x

Performance Measurement

Legal Services Performance Metrics Table

Reference the Legal Services Business Plan for performance metrics.

Real Estate

Real Estate Introduction

The BSC Real Estate (RE&F) practice area provides overall strategy development and implementation for Exelon's non-utility property holdings and utility property holdings (with the exception of substations, property tax management, land rights/railroad access management, third party attachments, etc.) with regards to portfolio & real estate planning, lease management, occupancy & project management, land management, and property management (for PHI and ComEd) for the facilities that support the Company's non-utility and utility operations.

Real Estate Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
600	Real Estate Services & Asset Management Strategy	• Real Estate Portfolio & Asset Management Strategy ○ Develop and execute real estate and portfolio strategies ○ Manage and/or deliver transactions associated with the Company's facilities and related land and infrastructure properties • Lease and Records Administration ○ Manage the company's property and lease records for Exelon's non-utility and several utility facilities, land and infrastructure property holdings ○ Administer lease payments, billing and receivables for all non-utility and several utility facilities leases, land-related obligations, easements, and infrastructure agreements for which the Company is landlord, licensee, or tenant • Land Management ○ Manage land real estate-related processes for the company's non-utility land obligations and holdings, and utility land requirements up to the Substation. ○ Maintain landowner, municipal and key stakeholder relations in support of land management activities.	VP, Real Estate & Facilities
954	Facilities Management	• Deliver on-site property management services for the non-utility office and disaster recovery locations, including occupancy, move, project, and facilities management for these locations, and utility locations, where applicable. • Deliver on-site property management services for PHI and ComEd facilities (corporate buildings and service centers).	VP, Real Estate & Facilities
605	Mail Reception Services	Provide mail delivery and reception services for KS300 and Chase facilities.	VP, Real Estate & Facilities

Service ID	Service Name	Service Description	Service Owner
606	Project Design & Construction	• Manage Real Estate & Facilities related projects throughout the project life-cycle (initiation, pre-construction, execution & control, and close-out). Real Estate and Facilities supports all projects across Exelon up to the Substation. • Workplace Strategy & Occupancy Planning ○ Manage all move request and Workplace Strategy across Exelon properties to create an employee experience and improved utilization of space ○ Develop Workplace Strategy to create consistent employee experience across Exelon properties, where appropriate Handle all move requests across Exelon in collaboration with project management and in alignment with the Workplace Strategy	VP, Real Estate & Facilities
235	Real Estate As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	VP, Real Estate & Facilities
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	VP, Real Estate & Facilities
833	BSC Revenue Adjustment	The difference between actual costs and revenues from billings to the Client Companies is trued-up each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	VP, Real Estate & Facilities

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
600	Real Estate Services & Asset Management Strategy	923 – Outside Service Employed	Direct 529320	Time and Materials
			Allocated - 529330	Number of Facilities
954	Facilities Management	923 – Outside Service Employed	Direct 529320	Time and Materials
			Allocated - 529330	Managed Square Footage
605	Mail Reception Services	923 – Outside Service Employed	Allocated - 529330	Headcount
606	Project Design & Construction	923 – Outside Service Employed	Direct - 529320	Time and Materials
			Allocated - 529330	Number of Facilities
235	Real Estate As Requested	923 – Outside Service Employed	Direct - 529320	Time and Materials

BSC Real Estate

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529320	Fully Distributed Costs
			Allocated - 529330	Cost Causative Method
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529710	Modified Massachusetts Formula

Responsibilities

EBSC RE&F will perform the services and functions described below, working closely with our clients to assure that goals and objectives are aligned, and that our clients are engaged at the appropriate levels of their organization.

Task / Responsibility	BSC Practice Area	Client Company
Real Estate Portfolio & Asset Management & Strategy		
Develop asset plans for facilities, incorporating business requirements, real estate considerations, market dynamics and values, and internal economic considerations	X	
Develop portfolio strategy for Exelon facilities and approved business cases which may include buy, hold, sell, or lease options. Develop and execute implementation plans in support of the strategies.	X	
Manage facilities related transactions (sale, purchase, lease, sublease, etc.) and the service providers associated with executing portfolio and asset strategies	X	
Lease Administration		
Perform lease/property administration, payment, or billing services for all facilities for which the Company is landlord or tenant.	X	
Perform lease/property administration, payment, or billing services for easement, infrastructure, agreements for which the Company is landlord or tenant, in compliance with Sarbanes-Oxley and FASB	X	
Maintain property and lease information and files for owned, leased, and external tenant leases and properties. Develop and report on property and lease data, as required	X	
Perform and participate in monthly, quarterly, and year-end financial close processes in support of lease administration services	X	
Define lease audit strategy and manage lease audit performance to recover costs from landlords	X	
Work with landlords to address or resolve lease and tenant related concerns and issues	X	

Task / Responsibility	BSC Practice Area	Client Company
Project Management		
Develop and manage capital improvement projects for all locations managed by BSC RE&F	X	
Land Management		
Perform site due diligence and landowner/document curative work for existing and acquisition projects, development projects and financing projects.	X	
Workplace Strategy & Occupancy Planning		
Develop occupancy plans and activities for facilities, including development of workplace standards, policies and strategies, space programs and space planning	X	
Develop and manage occupancy planning projects for locations managed by BSC RE&F	X	
Facilities Management		
Provide on-site management of office or headquarters sites, including management of service providers, work orders and service requests, and landlord related billing or operational activities, where applicable	X	
Manage BCP alternate location assignment, as required by department plans	X	
Manage landlord relations, vendors and contracted services in support of locations without an on-site Exelon property manager	X	
For Chicago HQ and KS300, provide receptionist services	X	
Budgeting and Billing		
Define and track the allocation of lease/owned and facilities costs by OpCo	X	
Develop OpCo RE&F budgets (held by OpCo) associated with lease/owned and facility services	X	

Performance Measurement

Real Estate Performance Metrics Table

Reference the Real Estate Business Plan for performance metrics.

Supply

Supply Introduction

BSC Supply / Accounts Payable will provide Strategic Sourcing, Supply Operational Support, Accounts Payable invoice processing, the Credit Card Program / Expense Reimbursement, and Supply Business Operations and Technical Services from BSC Supply to the OpCos and Subsidiaries. This does not apply to embedded Supply Services.

Supply Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
628	Strategic Sourcing for Materials	Supply negotiates strategic contracts for materials used within specific business unit and enterprise-wide, acting as an authorized agent. Strategic contracts are designed to provide materials that meet business unit specifications and requirements, to take advantage of Exelon's marketplace leverage, and to optimize processes for fulfilling orders and delivering materials to users. Supply supports the business units in managing supplier performance and creates and manages supplier performance against various metrics including expenditures, savings, quality, supplier performance, process improvements, payment channels and business placed with diverse suppliers. Strategic Supply seeks to create value for its business units by minimizing the total cost of ownership of the material's complete lifecycle (from procurement through disposal). In addition, Strategic Supply partners with the business units in forecasting and managing demand, developing spend projections/budgets, and alignment of supplier's contractual requirements to business unit needs and goals.	Director, Strategic Sourcing Materials

Service ID	Service Name	Service Description	Service Owner
671	Strategic Sourcing for Services	Supply negotiates strategic contracts for services used within specific business units and enterprise-wide, acting as an authorized agent. Strategic contracts are designed to provide services that meet business unit specifications and requirements, to take advantage of Exelon's marketplace leverage, and to optimize processes for fulfilling orders and delivering services to users. Supply supports the business units in managing supplier performance and reports metrics on such parameters as expenditures, savings, supplier performance, process improvements, payment channels and business placed with diverse suppliers. In addition, Strategic Supply partners with its clients in forecasting and managing demand, developing spend projections/budgets, and alignment of supplier's contractual requirements to business unit needs and goals.	VP, Services Sourcing
676	Supply Operations Management	Centralized support of the day-to-day field operations, enabling implementation of and compliance to standardized processes and procedures based on best practices, as well as continuous improvement. Handles emergent issues of complexity requiring off-location assistance, including support in resolving complex materials and services issues. Coordinates common projects affecting multiple locations and provides oversight and recommendations for routine program assessments, emergency response and outside organizational assessments including central purchasing.	VP, Supply Operations
678	Supply Systems, eBusiness, & Support	Provide leadership to identify technological options to improve business processes; manage the performance and effectiveness of Supply systems; implement technology infrastructure; provide data for decision-making; standardize/automate collection and reporting of data; establish and lead cross-functional business/technology teams; ensure Exelon procure-to-pay systems are Sarbanes-Oxley compliant and aligned with compliance and policy requirements; provide governance, oversight, and lead cross functional project teams in the development and implementation of high impact/high risk process improvements and strategic projects; manage multiple projects that are complex, high risk and have high organizational impact; and administer and strengthen the reliability of the annual IRS filing process, for Exelon domestic and majority of foreign transactions.	VP, Business Operations and Technical Support

Service ID	Service Name	Service Description	Service Owner
631	Supply Operations Support	Provides governance and oversight for the Sourcing and Operations groups supporting each business unit which also includes business planning, management review meetings, client meetings, and project management activities.	VP, Supply Operations
632	Investment Recovery	Management of the risk associated with the disposition of surplus and obsolete assets. Ensures that materials and equipment are disposed of in compliance with all applicable federal, state, and local regulations and in a manner that is most appropriate and returns the best possible value, using a consistent pricing strategy for the disposition of inventory and non-inventory assets.	VP, Business Operations and Technical Support
633	Inventory Management	Support Supply Operations in the management of site and enterprise-wide inventory in a consistent manner that fully complies with all applicable regulatory requirements and aligns with Business Unit needs. Provide reporting and tools to guide Supply Operations in development of goals and inventory strategies, and to measure performance.	VP, Business Operations and Technical Support
670	Strategic Sourcing for Shared Materials and Services	Supply negotiates and executes strategic contracts for materials and services needed for technology-related services and materials within and across multiple business units, acting as an authorized agent. Strategic contracts are designed to provide materials and services that meet business specifications and requirements, take advantage of Exelon's marketplace leverage, optimize processes, and maximize value in delivering materials and services to users. Supply supports the business units using such materials and services in providing category management, managing supplier performance and reports metrics to the governing business units on such parameters as expenditures, savings, supplier performance, process improvements, payment channels and business placed with diverse suppliers. In addition, Strategic Supply partners with its clients in forecasting and managing demand, developing spend projections/budgets, and alignment of supplier's contractual requirements to business unit needs and goals.	VP, Supply Corporate Sourcing

Service ID	Service Name	Service Description	Service Owner
630	CSO/Supply Governance & Compliance	Provide improved performance, accountability and consistency across Supply to ensure we provide a high level of support to our business partners through the development and management of Supply policy (management model), performance accountability (i.e. management review meetings), training strategy and support, business planning and performance indicators, communication and change management, records management, contract billing and compliance audits, compliance programs, and benchmarking. Also provides financial and analytical expertise, data visualization, supplier diversity reporting and actionable insights to drive sustainable results and savings – includes sourcing initiative support, market intelligence, risk assessment and other financial analyses.	VP, Business Operations and Technical Support

788	Supply As Requested	As requested, services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors BSC will budget overtime for planned outages and emergency response activities (i.e. unplanned maintenance outages). BSC will also budget for non-labor operations support where the Client does not budget such as certain Fleet equipment (trailers) or other systems and tools to maintain operations such as oil processing equipment, cranes, warehouse docks Client will be responsible for the following financial transactions: • Budget overtime dollars for business unit directed overtime, • Labor costs for non-supply functions performed by supply (e.g. storm duty), • Cost of expediting materials, cost of disposition of shelf-life expired items and obsolescence, • Associated adjustments due to inventory cycle count discrepancies, • Rentals of supplementary handling equipment, • Client Requested Vendor Audits (non-labor costs), • Maintenance for non-Supply Inhabited Facilities, • Third party freight, shipping, and • Expedited manufacture. As requested, services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors for Accounts Payable for the given Service Period. As requested, services include: • Project - A unique activity, or set of activities, that accomplishes a measurable objective, and has specific beginning and end dates, and an identified funding source. • Enhancement - Development, testing, and implementation activities which are smaller than the minimum size of a project. Small enhancements include only changes to an existing application and cannot introduce a new application into the environment. • Consulting - Providing specialist advice and expertise independent of an identified project or enhancement • Staffing – staffing shifts not normally staffed for readiness and planning purposes such as generator standby, critical venue support and storm potential AND one or more of the following exists: • Discretionary and applies to a single/small number (2-3) OpCos • Regulatory and only applies to one OpCo without the potential to apply to others	VP, Utilities Supply Operations & Sourcing; Directors/Manager of Utilities Supply Operations VP, Business Operations & Technical Support; VP, Supply Corporate Sourcing

Service ID	Service Name	Service Description	Service Owner
		• Is outside the standard platform • Requires outside services to complete	

342	BSC Accounts Payable Transactions	<u>Transaction Processing</u>
		• Support of Accounts Payable transactions requiring EBSC AP resources for entry processing (i.e. Invoices received via US Mail and email)
		• Support of Non-Accounts Payable processed transactions not requiring EBSC AP resources for entry processing (i.e. Invoices received via Electronic Data Interchange (EDI), Contract Invoice Automation (CIA))
		• Associated AP & non-AP Support Services
		  ○ Timely processing of supplier invoices
		  ○ Storage of invoices to enable short-term availability and long-term archival storage
		  ○ Facilitate resolution of invoice discrepancies
		  ○ Perform tax reporting as required by law (1099's/1042's)
		  ○ Disburse manual check requests internally per schedule
		  ○ Process cancelled checks and stop payments
		  ○ Provide support for internal and external audits
		  ○ Duplicate Payment identification and recovery
		  ○ Process add/change/expel Vendor Maintenance requests
		  ○ Manage/Govern Voucher Process
		• End user process support
			VP, Business Operations & Technical Support

324	BSC Accounts Payable Credit Card Transactions	• Corporate Credit Card Transactions
		  ○ Process new/add/change requests
		  ○ User system and process support
		  ○ Administration of Corporate Credit Card Program
		  ○ Administration of Out-of-Pocket Reimbursement Program
		  ○ Issue Management Reports documenting card usage and compliance
		  ○ Administration of file transfers, including management of accounting anomalies
		  ○ Provide monthly reporting in support of reconciliation of credit card clearing accounts
		  ○ Provide support to internal and external audits
		• Quarterly Credit Card rebate received directly from credit card provider
		• Make payments to Bank Card provider under Exelon Corporate Credit Card Program
			VP, Business Operations & Technical Support

Service ID	Service Name	Service Description	Service Owner
347	Diverse Business Empowerment	EDBE leads supplier diversity activities on behalf of Supply within Exelon Utilities. EDBE partners with Utility Sourcing to ensure inclusion of diverse-certified vendors in the sourcing process. EDBE also partners with business partners at each Utility to establish annual diverse spend goals, as well as interface with various key external stakeholders—regional and national-- on matters related to engaging diverse businesses. In addition, EDBE partners with Supply BOTS to produce regular data reports that track actual and projected diverse spend performance. EDBE also develops the overall strategy at each Utility for managing local and diverse business engagement. EDBE supports the Utilities in managing supplier diversity performance and reports metrics at Regulatory forums in various jurisdictions across the EU footprint.	Director of Exelon Diverse Business Empowerment
346	BSC AP Services Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is “trued up” each year by allocating it pro rata to the Client Companies based on their share of Total AP Service Billings.	Chief Supply Officer
833	BSC Revenue Adjustment	The difference between actual cost and revenues from billings to the Client Companies is “trued up” each year by allocating it pro rata to the Client Companies based on their share of Total Service Billings.	Chief Supply Officer
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	Chief Supply Officer

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
628	Strategic Sourcing for Materials	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Materials
671	Strategic Sourcing for Services	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Services
676	Supply Operations Management	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Materials and Services

BSC Supply

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
678	Supply Systems, eBusiness, & Support	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Billed and Embedded Costs
631	Supply Operations Support	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Materials and Services
632	Investment Recovery	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Materials
633	Inventory Management	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Materials
670	Strategic Sourcing for IT Materials and Services	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Materials and Services
630	CSO/Supply Governance	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Billed and Embedded Costs
788	Supply As Requested	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Billed and Embedded Costs
342	BSC Accounts Payable Transactions	923 – Outside Service Employed	Direct – 529450	Unit Price – Per # of AP transactions processed
324	BSC Accounts Payable Credit Card Transactions	923 – Outside Service Employed	Direct – 529450	Rebate and/or Costs based on ratio of Credit Card spend

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
347	Diverse Business Empowerment	923 – Outside Service Employed	Direct - 529450	Time and Materials
			Allocated - 529460	Total Supply Sourced Materials and Services
346	BSC AP Services Revenue Adjustment	923 – Outside Service Employed	Allocated – 529460	Total AP Service Billings
833	BSC Revenue Adjustment	923 – Outside Service Employed	Allocated - 529460	Total Service Billings
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method

Responsibilities

BSC Supply and Client Responsibilities are delineated in Supply Procedures located on the BSC Management Model Website and in the Applicable Procedures are:

- "SM-AC-XX" for All Supply
- "SM-CE-XX" for ComEd only
- "SM-PE-XX" for PECO only
- CNG-SC-1.01-1001, Processing New Item Requests, Requisitions, Request for Quotations, Issuing Purchase Orders and Revisions

Additional Exelon Management Model documents that may be applicable to BSC Supply employees, including embedded personnel, are contained in the Utilities (ED or EU) branch of the Exelon Management Model (XX-ED-## or XX-EU-##) housed in Electronic Data Management System tool (EDMS).

BSC Management Model Website is accessible via the Exelon Home Page in the Quick Links table.

BSC Supply

Accounts Payable / Credit Card Services Task / Responsibility	EBSC	Client Company
Accounts Payable – Invoice Processing Services		
Provide accurate information for Invoice Entry (i.e. PO/Contract #, Rel, Code Block)		X
Receive and prepare manual invoices for entry	X	
Timely approval of invoices		X
Archive invoices	X	
Enter manual Invoices	X	
Process invoices for payment as defined in documented processes	X	
Respond to vendor and internal inquiries	Primary	Support
Administer processing of discrepant invoices as defined in documented processes	Primary	Support
Disburse emergency check requests internally and externally as requested	X	
Establish and maintain procedures for A/P process	X	
Issue 1099's as required by law	X	
Identify and recover potential duplicate payments and unrecovered credits	Primary	Support
Process cancelled checks and stop payments	X	
Provide accurate information for Vendor Maintenance (i.e. TIN, W-9, Remit, Address)		X
Process vendor add/change requests and respond to routine user questions	X	
Enter/Create voucher(s)		X
Respond to routine Voucher user questions & requests	X	
Provide support to internal and external audits	Primary	Support
Expense Reimbursement Services		
Use Corporate Credit Card in accordance with policy	X	X
Process card add/change requests and respond to routine user questions & requests	X	
Update system with card add/change requests received from client	X	
Process Corporate Credit Card payment requests	X	

Accounts Payable / Credit Card Services Task / Responsibility	EBSC	Client Company
Retention of records	X	
Management of monthly file posting to General Ledger	X	
Resolution of code block anomalies		X
Reconcile clearing accounts related to monthly payment to Credit Card provider	X	X
Inadvertent process administration and reconciliation	X	
Respond to routine Out of Pocket reimbursement user questions & requests	X	

Performance Measurement

Supply Performance Metrics Table

Reference the Supply Business Plan for performance metrics.

Transportation

Transportation Introduction

Transportation area provides flight transportation to authorized executives.

Transportation Services Table

Service Table

Service ID	Service Name	Service Description	Service Owner
783	BSC Use of Corporate Jet	Provide and coordinate private flight transportation to authorized executives, services include Executive Aviation Accounting Services which includes the payment of monthly maintenance and flight charge invoices, billing passengers for flight hours, maintaining passenger documentation and records, preparing executive reports, and support of internal and external audits.	Transportation Director
667	BSC Corp Jet Adjustment	The difference between actual costs and revenues from billings to the Client Companies is "trued up" by allocating it pro rata to the Client Companies based on their share of Total Transportation Service Billings.	Transportation Director
904	BSC Costs to Achieve	Costs associated with establishing operations as a result of a merger, acquisition, split, or divestiture.	Transportation Director
794	Transportation As Requested	As requested services represent emergent work requiring additional resources relative to the plan and are services specifically requested by a Client Company, Exelon's CEO or Board of Directors.	Transportation Director

FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
783	BSC Use of Corporate Jet	923 – Outside Services Employed	Direct - 529250	Unit price - Per occupied flight hour (variable costs) Office of CEO (fixed costs)
			Allocated- 529260	Modified Massachusetts Formula

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
667	BSC Corp Jet Adjustment	923 – Outside Services Employed	Allocated - 529260	Total Transportation Service Billings
904	BSC Costs to Achieve	923 – Outside Service Employed	Direct - 529700	Fully Distributed Costs
			Allocated - 529710	Cost Causative Method
794	Transportation As Requested	923 – Outside Service Employed	Direct - 529250	Time and Materials

Responsibilities

Task / Responsibility	EBSC	Client Company
Executive Transportation		
Timely Notification	X	
Transport the client to his/her destination; assist with any bags	X	
Maintain transportation logs	X	
Maintain and provide monthly billing log	X	
Respond to inquiries on corporate jet use	X	

Appendix A

IT RxQ Technical Services Table

Below is a list of the IT Technical Services required to support, align, and allocate to the IT Portfolio Services Cost model. These are Rate x Quantity services that include Technical Design & Engineering (TD&E) and Technology Operations (Tech Ops) Hardware and Labor costs

Service ID	Service Name	Service Description	Service Owner
401	Linux - Virtual	A service provided to application services, indicating the type of Linux-based server technical infrastructure used by the application. This is considered the standard and most applicable Linux platform. The application team and server engineering team determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering
402	Linux - Physical	A service provided to application services, indicating the type of Linux-based server technical infrastructure used by the application. This is considered the standard, and most applicable, Linux platform. The application team and server engineering team determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering
403	Mainframe Services	A service provided to administer and schedule the mainframe hosting environment. This is based on the CPU minutes used by the end-users using the application asset.	VPs, Technical Operations, Architecture and Engineering
404	UNIX High End	A service provided to application services, indicating the type of UNIX-based server technical infrastructure used by the application. The application team and server engineering team determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering
405	UNIX Low End	A service provided to application services, indicating the type of UNIX-based server technical infrastructure used by the application. This is considered the low-end of the UNIX platform. The application team and server engineering team determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering

406	UNIX Standard	A service provided to application services, indicating the type of UNIX-based server technical infrastructure used by the application. This is considered the standard, and most applicable, UNIX platform. The application team and server engineering team determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering
407	Wintel Physical Server	A service provided to application services, indicating the type of server technical infrastructure used by the application. A 'physical' server provides a stand-alone technology platform for an application when a virtual environment does not support the application. The application team and server engineering team determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering
409	Wintel Virtual	A service provided to application services, indicating the type of server technical infrastructure used by the application. The application team and server engineering team determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering
411	IT Service Desk	A service to provide access to the IT Service Desk to report issues and service requests. This service includes the Service Desk, and service & asset management tools (includes governance and reporting of IT asset information in support of IT billing and other IT services).	VPs, Technical Operations, Architecture and Engineering
412	PC Services – Base	This service includes the software operating system for a personal computer, virtual computer, or a rugged PC, including enterprise desktop tools like NitroPro for PDF and other desktop software. Technology refresh expectations apply – see **Technology Refresh & Capital Investments/Depreciation** description in this Service Catalog. Client Companies own/lease PC hardware, per Technology Refresh Responsibilities.	VPs, Technical Operations, Architecture and Engineering
417	Remote Access	Access to the Exelon Enterprise Data Network as well as access to registered applications from remote locations or internally leveraging devices other than a traditional personal computer. BSC owns Remote Access infrastructure, per Technology Refresh Responsibilities.	VPs, Technical Operations, Architecture and Engineering
418 - 423	Depreciation – Shared Infrastructure	Costs of depreciation of shared infrastructure across IT asset classes: 418 - Depreciation Shared Network 419 - Depreciation Shared PC 420 - Depreciation Shared Storage 421- Depreciation Shared Telecom 422 - Depreciation Shared UNIX 423 - Depreciation Shared Wintel	VPs, Technical Operations, Architecture and Engineering

429	Disaster Recovery Program Management	This service provides program coordination for applications with defined Disaster Recovery plans. It includes supporting application teams developing playbooks and facilitating DR exercises.	VPs, Technical Operations, Architecture and Engineering
431	Virtual Hosting Support	This service provides the day-to-day operations and support of virtual infrastructure assets installed in the data centers, including IT Operations Center, Tier 2 Operational Support, Infrastructure Base Monitoring, Release and Problem Management, Data Center Management. This is aligned with the Standard Operations Support Model. The assumption is that Basic applications are single server, Standard applications are clustered, and Premium applications are n+1.	VPs, Technical Operations, Architecture and Engineering
437	Storage	This service provides corporate-owned storage solution for all computing purposes, including but not limited to file shares, applications and database storage for Wintel, LINUX and UNIX environments.	VPs, Technical Operations, Architecture and Engineering
442	Telephony – Desktop	This service provides an internal Exelon telephone number with access to enterprise audio conferencing and voice mail solutions, if appropriate. Includes non-labor back-end support. Client Company pays directly for circuits and usage. BSC owns central telephony infrastructure supporting infrastructure, per Technology Refresh Responsibilities. Client Company owns responsibility for individual phone systems at their locations.	VPs, Technical Operations, Architecture and Engineering
443	Unified Communications – Video Conference	Video Conference (VC) Unit Services include services covered under existing maintenance contracts. VC Units include vendor maintenance and on-site support for incidents reported through the Service Desk with an expected response of 8x5 NBD (Next Business Day). This service does not include out of warranty parts and labor which will be billed through the time and material service offering. Support to audio/visual conference equipment is also covered in locations where video conference rooms are also supported. Audio/Visual Conference Rooms are generally not covered under any maintenance contracts. Routine replacement of items such as bulbs/lamps, projectors, screens, displays, and cables are the responsibility of the BU owning the room. BUs wanting full warranty support for these rooms can purchase an agreement separately and will be billed directly. Access to this service is dependent on network capacity at a particular site. BSC owns Video Conference supporting infrastructure, per Technology Refresh Responsibilities. Client Company owns responsibility for individual Video Conference unit, and facilities where video conference is located.	VPs, Technical Operations, Architecture and Engineering
447	Load Balancing	This service provides load balancing for applications (required for High/Gold and available for Medium/Silver/-or Low/Bronze), which allows application teams to distribute the load for an application across multiple server environments.	VPs, Technical Operations, Architecture and Engineering

450	Network Operations	This service provides network operations support, including monitoring, support, and compliance as well as access to the Enterprise Data Network and User Login Services including Active Directory.	VPs, Technical Operations, Architecture and Engineering
451	Data Center Operations	This service includes monitoring and facilities support for data center hosted applications.	VPs, Technical Operations, Architecture and Engineering
452	Premium Desktop	This service includes the application license and maintenance cost for premium software applications: Adobe, Microsoft Visio and Microsoft Project	VPs, Technical Operations, Architecture and Engineering
456	Unix Virtual	A service provided to application services, indicating the type of UNIX-based server technical infrastructure used by the application. A 'virtual' server is the preferred environment for applications. The application team and server engineering determine the appropriate type and size of the server for the application and business criticality of the application.	VPs, Technical Operations, Architecture and Engineering
464	Java App Hosting Services	Hosting services for a java-based application including maintenance and support services on the shared infrastructure.	VPs, Technical Operations, Architecture and Engineering
465	Storage Backup	This service provides backup service to servers and file shares	VPs, Technical Operations, Architecture and Engineering
467	Physical Hosting Support	This service provides the day-to-day operations and support of physical infrastructure assets installed in the data centers, including IT Operations Center, Tier 2 Operational Support, Infrastructure Base Monitoring, Release and Problem Management, Data Center Management. This is aligned with the Standard Operations Support Model.	VPs, Technical Operations, Architecture and Engineering
468	SQL Server IaaS	Includes SQL Server Standard & Enterprise Edition (all versions), HA, DR, SQL Server Reporting Services, Analysis Services and Integration Services. Covers license software maintenance charges as well as labor required to support all database environments and databases.	VPs, Technical Operations, Architecture and Engineering
469	SQL Server DBaaS	Includes SQL Server Enterprise Edition (all versions), HA, DR, SQL Server Analysis Services and Integration Services. Covers license software maintenance charges as well as labor required to support all database environments and databases. Also includes TD&E and TechOps server costs. This is a shared environment with other BU applications.	VPs, Technical Operations, Architecture and Engineering

470	SharePoint - Hosting	Includes license and labor to support the corporate SharePoint platforms (all versions), HA/DR, Monitoring and Backup. Includes storage, server, and cloud consumption (for IaaS and Office365) environments	VPs, Technical Operations, Architecture and Engineering
473	P/SaaS Ops Support	This service provides monitoring and problem management for cloud-hosted solutions.	VPs, Technical Operations, Architecture and Engineering
474	Web Hosting Premium	This service provides platform support for high complexity websites. The application and engineering teams will determine whether applications warrant this level of support.	VPs, Technical Operations, Architecture and Engineering
482	Oracle Fusion Middleware	Includes the maintenance and labor to support the Oracle Fusion software for application integration, HA/ DR, Architecture, Engineering, Projects, and Monitoring. Over time, Oracle Fusion middleware will replace Tibco and IBM.	VPs EWS
484	Storage – Array Support	This storage offering is the standard storage offering for OpCo owned storage arrays. These devices still meet I&O standards providing a high- level performance and availability, but are an OpCo, not TD&E, asset. This service is an array- based charge to cover the cost of labor and maintenance but excludes depreciation costs as that is being handled directly by the OpCo.	VPs, Technical Operations, Architecture and Engineering
490	Oracle Golden Gate	Includes RDBMS (all versions), HA (VCS, RAC), DR (Dataguard, Active Dataguard, Golden Gate), Partitioning, Advanced Compression. Covers license software maintenance charges and all associated depreciation charges as well as the labor required to support all database environments and databases. Also includes TD&E server allocation charges	VPs, Technical Operations, Architecture and Engineering
491	Oracle Instance	Includes RDBMS (all versions), HA (VCS, RAC), DR (Dataguard, Active Dataguard, Golden Gate), Partitioning, Advanced Compression. Covers license software maintenance charges and all associated depreciation charges as well as the labor required to support all database environments and databases. Also includes TD&E server allocation charges	VPs, Technical Operations, Architecture and Engineering
492	Oracle Home	Includes RDBMS (all versions), HA (VCS, RAC), DR (Dataguard, Active Dataguard, Golden Gate), Partitioning, Advanced Compression. Covers license software maintenance charges and all associated depreciation charges as well as the labor required to support all database environments and databases. Also includes TD&E server allocation charges	VPs, Technical Operations, Architecture and Engineering
849	IBM WebSphere Enterprise Integration Services	Service provided to Business Application owners based on usage of the number of IBM Queue Managers, IBM Broker Instances, Java Virtual Machines (JVM), WebSphere Partner Gateway (WPG) Documents and Tivoli Monitoring. This is considered the IBM WebSphere Standard.	VPs, Technical Operations, Architecture and Engineering

593	Apigee	Platform for API Life Cycle Management. Replaces Layer7 API Gateway	VPs, EWS
594	Boomi	Cloud-based integration platform that enables cloud to cloud or cloud-on-prem integrations. Possible viable replacement for IBM MQ Broker, Tibco and Oracle Fusion technologies	VPs, EWS
996	Telephone Physical	Telephone Physical – Covers services and support associated with physical telephones through PBX or VoIP telephone systems. This includes any telephony device registered to these systems VoIP, analog or digital. Includes services or apps such as paging, fax connections, life / safety devices, call center solutions, menu options and extended services for plant or outside facilities.	VPs, Technical Operations, Architecture and Engineering
997	Office 365	Office 365 E5 is a cloud-based suite of productivity apps combined with advanced voice, analytics, security, and compliance services. Includes Word, Excel, PowerPoint, Outlook, OneNote, SharePoint, OneDrive, Teams and more.	VPs, Technical Operations, Architecture and Engineering
998	Email Operations	Provides on-prem Exchange services including mail relay, SMTP, associated Operations and Engineering support.	VPs, Technical Operations, Architecture and Engineering
F87	TIBCO Enterprise Integration Services	Includes the license and labor to support the TIBCO Middleware software (all versions), HA/ DR, Architecture, Engineering, Projects, and Monitoring (HP Diag, Hawk, BSM etc).	VPs, EWS

IT Technical Services
FERC Account and Billing Approach Table

Service ID	Service Name	Major Client FERC Account	Billing Approach	Basis
401	Linux - Virtual	923 – Outside Services Employed	Direct (R*Q) - 529550	# of “compute units" = # CPU + # gb RAM. 0-1999 gb RAM = 1; 2000-2099 gb = 2, etc e.g., 2CPU + 4gb RAM = 6 “compute units” , Compute units capped at 64mb
402	Linux - Physical	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Servers

403	Mainframe Services	923 – Outside Services Employed	Direct (R*Q) - 529550	CPU Usage (MIPS)
404	UNIX High End	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Servers
405	UNIX Low End	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Servers
406	UNIX Standard	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Servers
407	Wintel Physical Server	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Servers
409	Wintel Virtual	923 – Outside Services Employed	Direct (R*Q) - 529550	# of “compute units" = # CPU + # gb RAM. 0-1999 gb RAM = 1; 2000-2099 gb = 2, etc e.g., 2CPU + 4gb RAM = 6 “compute units” , Compute units capped at 64mb
411	(User) Login LAN Account	923 – Outside Services Employed	Direct (R*Q) - 529550	Count of Active Directory Accounts (LAN IDs)
412	PC Services – Base	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Desktops, Laptops, Virtual PCs, & Rugged PCs
417	Remote Access	923 – Outside Services Employed	Direct (R*Q) - 529550	# virtualized applications
418	Depreciation Shared Network	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Personal AD Accounts
419	Depreciation Shared PC	923 – Outside Services Employed	Direct (R*Q) - 529550	# of PCs
420	Depreciation Shared Storage	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Storage Units across all types
421	Depreciation Shared Telecom	923 – Outside Services Employed	Direct (R*Q) – 529500	# of Telephone Ports
422	Depreciation Shared UNIX	923 – Outside Services Employed	Direct (R*Q) - 529550	# of UNIX Servers hosting BU-based Applications
423	Depreciation Shared Wintel	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Wintel instances hosting BU-based Applications
429	Disaster Recovery Program Management	923 – Outside services employed	Direct (R*Q) - 529550	# of applications participating in DR Program

431	Virtual Hosting Support	923 – Outside Services Employed	Direct (R*Q) – 529550	# of Servers
437	Storage	923 – Outside services employed	Direct (R*Q) – 529550	# of Gigabytes of Storage
442	Telephone	923 – Outside Services Employed	Direct (R*Q) - 529500	# telephone ports
443	Unified Communications – Video Conference	923 – Outside Services Employed	Direct (R*Q) - 529500	# video conference units
447	Load Balancing	923 – Outside Services Employed	Direct (R*Q) – 529550	# of Applications with Load Balancing
450	Network Operations	923 – Outside Services Employed	Direct (R*Q) – 529550	# of LAN IDs (must also be a consumer of either service 411 and/or service 448)
451	Data Center Operations	923 – Outside Services Employed	Direct (R*Q) – 529550	# of Servers or Network Equipment
452	Premium Desktop	923 – Outside Services Employed	Direct (R*Q) – 529550	# of Adobe, Visio and Project installs
456	Unix Virtual	923 – Outside Services Employed	Direct (R*Q) – 529550	# of Servers
464	Java App Hosting Services	923 – Outside Services Employed	Direct (R*Q) - 529550	# of JVM
465	Storage Backup	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Gigabytes of Backup storage
467	Physical Hosting Support	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Servers
468	SQL Server IaaS	923 – Outside Services Employed	Direct (R*Q) - 529550	# of server Cores
469	SQL Server DBaaS	923 – Outside Services Employed	Direct (R*Q) - 529550	# of SQL databases
470	SharePoint - Hosting	923 – Outside Services Employed	Direct (R*Q) - 529550	# of instances
473	P/SaaS Ops Support	923 – Outside Services Employed	Direct (R*Q) - 529550	# of APM Applications listed as PaaS/SaaS
474	Web Hosting Premium	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Website page views
482	Oracle Fusion Middleware	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Fusion Connectors

484	Storage – Array Support	923 – Outside Services Employed	Direct (R*Q) - 529550	# of Storage Arrays
490	Oracle Golden Gate	923 - Outside Services Employed	Direct (R*Q) - 529550	# Active Gold Gate feeds
491	Oracle Instance	923 - Outside Services Employed	Direct (R*Q) - 529550	# DB Instances
492	Oracle Home	923 - Outside Services Employed	Direct (R*Q) - 529550	# software installations support
849	IBM WebSphere Enterprise Integration Services	FERC Account to be during each individual project creation.	Allocated – 529560	Based on the number of QMANAGERS
593	Apigee	FERC Account to be during each individual project creation.	Direct (R*Q) - 529500	# of connections
594	Boomi	FERC Account to be during each individual project creation.	Direct (R*Q) - 529500	# of connections
996	Telephone - Physical	923 - Outside Services Employed	Direct (R*Q) - 529550	# telephone ports for Cisco/Avaya Phones
997	O365	923 – Outside Services Employed	Direct (R*Q) – 529550	Count of Active Directory Accounts (LAN IDs)
998	Email Operations	923 – Outside Services Employed	Direct (R*Q) – 529550	Count of Active Directory Accounts (LAN IDs)
F87	TIBCO Enterprise Integration Services	FERC Account to be during each individual project creation.	Direct (R*Q) - 529500	# production services deployed in the corporate TIBCO environment.

Appendix A

PECO ENERGY COMPANY
MUTUAL SERVICES AGREEMENT AND ASSET TRANSFER AGREEMENT
COST ALLOCATION MANUAL

Policies and Guidelines
for
Associated Company Transactions
in Accordance
with
the Mutual Services and Asset Transfer Agreement

March 2009

TABLE OF CONTENTS

Introduction and Corporate Structure I

Definitions II

Transactions Involving the Provision of Services and Facilities III

Sales of Tangible and Intangible Personal Property IV

Sales of Real Property V

Sales/Acquisitions of FERC Jurisdictional Facilities VI

Work Orders VII

Fully Distributed Cost Method VIII

Cost Allocation Methods IX

Accounting and Intercompany Billing X

Budgeting XI

SECTION I

INTRODUCTION AND CORPORATE STRUCTURE

A. SCOPE

This Mutual Services Agreement ("MSA") and Asset Transfer Agreement Cost Allocation Manual ("Manual") applies to transactions between PECO Energy Company ("PECO") and the Exelon Entities (as defined in Section II).

In previous years, transactions between PECO and the Exelon Entities were governed by the PUHCA rules of the SEC. After PUHCA 1935 was repealed effective February 8, 2006, these transactions were subject to the MSA. The MSA rules generally require such transactions to be priced at cost.

In 2008, the Federal Energy Regulatory Commission (FERC) issued new pricing rules for affiliate transactions involving non-power goods and services. The provision of non-power goods and services, including any goods, equipment (including machinery), materials, supplies, appliances, or similar property (including oil, coal, steam, but not including electric energy, natural or manufactured gas, utility assets, intangible property, or tangible assets such as real property, buildings, and the like) will be subject to the following pricing:

- For services provided by PECO to another affiliate (except to another state-regulated utility), the pricing standard is the higher of Fully Distributed Cost or Fair Market Value.
- For services provided by another affiliate (except by another state-regulated utility or EBSC) to PECO, the pricing standard is the lower of Fully Distributed Cost or Fair Market Value.
- EBSC will charge Fully Distributed Cost to all affiliates.
- Services between PECO and ComEd will be priced at Fully Distributed Cost, except that if there is a Prevailing Price for the service, it may only be provided if Fully Distributed Cost equals Prevailing Price.

The overall objective of the Cost Allocation System is to establish cost allocation methodologies that apportion costs between PECO and the Exelon Entities so as to preclude cross-subsidization of the Exelon Entities by PECO customers. Cross-subsidization results under cost-based regulation when the prices of a regulated company's regulated services improperly reflect the costs of associated activities.

In the event of a conflict between this Manual, the MSA and FERC, the order of priority shall be FERC, MSA, and this Manual.

Each PECO department is responsible for implementation within its organization of the policies and guidelines for associated company transactions set forth in the MSA and this Manual. All intercompany transactions shall be adequately documented. Continual monitoring and internal controls shall be maintained to assure that policy guidelines described in this Manual are observed and that potential or actual deviations are detected and corrected.

Please contact PECO's General Accounting Department and/or BSC's Legal Department to resolve any conflict between this Manual, FERC and the MSA rules.

SECTION II

DEFINITIONS

Set forth below is a definition of terms that are used throughout this Manual.

Acquiring Party: A Party who desires to acquire real property, interests in real property, tangible personal property or intangible assets from a Selling Party.

Client Company: A Party who desires to receive services or goods and has requested another Party to provide services and or goods in accordance with the terms of an Approved Services Agreement.

ComEd: Commonwealth Edison Company, PECO's affiliate.

EBSC: Exelon Business Services Company, LLC.

Exelon Entities: Exelon and all of its subsidiaries other than PECO are Exelon Entities.

Fair Market Value: The resultant price set by an arms-length transaction between a willing buyer and a willing seller, both of whom are adequately informed of the appropriate facts, and neither of whom is under any compulsion to buy or sell.

FERC: Federal Energy Regulatory Commission.

Fully Distributed Cost: Fully Distributed Cost includes the actual direct costs or allocated costs incurred by a Providing Company to provide a service or facility, plus indirect costs and other appropriate overheads. See Section IX, Fully Distributed Cost Method, for a detailed discussion as well as examples of fully distributed cost.

MSA: Mutual Services Agreement approved by the PaPUC under which PECO provides non-power services to Exelon Entities or receives non-power services from Exelon Entities other than EBSC.

PaPUC: The Pennsylvania Public Utility Commission.

Party: Party means each, and Parties means all, of the entities who are from time to time a party to the MSA.

Prevailing Price: In the case of services or facilities provided by ComEd to an Exelon Entity, Prevailing Price will only apply to services or facilities provided for sale to the general public. This includes electric service, service provided under an ICC approved pricing mechanism such as Rate CS, and Competitive Services provided to the general public. Prevailing Price is generally defined as the price that has been charged to the general public. When PECO provides a service or facility to ComEd, Prevailing Price is defined as the price charged to nonassociates if such transactions with nonassociates constitute a substantial portion of PECO's total revenues from such transactions.

Providing Company: A Party who has been requested to, and who is able and willing to, furnish facilities and/or provide services to a Requesting Company under the terms of the MSA.

PUHCA: The Public Utility Holding Company Act of 1935 ("PUHCA") was enacted in 1935 to combat abuses commonly arising in utility holding companies in the early part of the 1900's. PUHCA, enforced by the SEC, focused most specifically on the practices of the holding company extracting excessive charges from its regulated utilities for services and of unfairly allocating costs to different utilities in different states. The Energy Policy Act of 2005 repealed PUCHA 1935 effective February 8, 2006, and replaced it with PUHCA 2005.

SEC: Securities and Exchange Commission

Selling Party: A Party who is willing to sell and transfer real property, interests in real property, tangible personal property or intangible assets to an Acquiring Party.

Service Company: Any associate company within a holding company system organized specifically for the purpose of providing non-power goods or services or the sale of goods or construction work to any public utility in the same holding company system. The Service Company (EBSC) provides most administrative and general services to the subsidiaries of Exelon.

SECTION III

TRANSACTIONS INVOLVING THE PROVISION OF SERVICES AND FACILITIES

Transactions involving the provision of services and facilities between PECO and the Exelon Entities (other than services PECO receives from EBSC) will be governed by the following pricing rules:

- For services provided by PECO to another affiliate (except to another utility), the pricing standard is the higher of Fully Distributed Cost or Fair Market Value.
- For services provided by another affiliate (except by another utility or EBSC) to PECO, the pricing standard is the lower of Fully Distributed Cost or Fair Market Value.
- EBSC will charge Fully Distributed Cost to all affiliates.
- Services between PECO and ComEd will be priced at Fully Distributed Cost, except that if there is a Prevailing Price for the service, it may only be provided if Fully Distributed Cost equals Prevailing Price.

According tothe MSA, the provision of services or facilities by PECO to an Exelon Entity, or by an Exelon Entity to PECO, shall be charged to the requesting Exelon Entity at an amount not to exceed the Fully Distributed Cost incurred by the providing Exelon Entity.

For transactions between PECO and ComEd, the Providing Company's Prevailing Price will be limited to not more than Fully Distributed Cost as a means to resolve pricing conflicts between ComEd's Affiliated Interests Agreement (AIA) and the MSA which governs PECO's intercompany transactions. Under the MSA, the pricing of transactions is limited to "no more than cost".

Supporting documentation used in the determination of Fair Market Value or Prevailing Price must be forwarded to PECO's General Accounting Department.

Notwithstanding the state rules, where the FERC rules are more protective of PECO and ComEd, those must be applied. Thus, the pricing rules summarized in the bullet points above take into account both state and FERC rules, and give priority to the more protective FERC rules.

SECTION IV

SALES OF TANGIBLE AND INTANGIBLE PERSONAL PROPERTY

A. GENERAL

The purpose of this section is to assign a monetary value (price), and record all tangible or intangible personal property sold and transferred between PECO and the Exelon Entities.

Parties should evidence their agreement with respect to the sale of tangible or intangible personal property by entering into an agreement or other written memorandum.

For tangible or intangible personal property sales between PECO and the Exelon Entities, the following requires a separatePaPUC approval:

- For tangible and intangible personal property purchases, sales, leases or exchanges between PECO and the Exelon Entities, a PaPUC approval is required pursuant to 66 Pa.C.S. § 2102. There are no exceptions to this requirement. In addition, if the transaction involves property that is "used or useful in the public service," an additional approval may be required pursuant to 66 Pa.C.S. § 1102. Since each transaction covered under this heading requires that a filing be made with the Commission to obtain § 2102 approval, Legal should be contacted to determine whether the Company should also request § 1102 approval for the transaction.

For sales of FERC jurisdictional facilities (*i.e.*, facilities used for the transmission of electric energy in interstate commerce or sales of electric energy at wholesale in interstate commerce), separate approval by the FERC may be required (notify BSC Legal for guidance).

B. VALUATION OF PROPERTY

The following general principles shall be used to establish a sale price for tangible or intangible personal property transactions.

Sales of tangible or intangible personal property shall be charged by the Selling Party to the Acquiring Party at:

1) The fair market value of tangible or intangible personal property to be sold as evidenced by the price at which nonassociated vendors offer the same or similar assets for sale by reference to quoted market prices or the value ascribed to the asset by an independent appraisal or other objective valuation technique.

Or, if no such fair market value is objectively or practicably determinable,

2) The historical cost of the asset to the Selling Party, less all applicable valuation reserves (e.g. accumulated depreciation).

The determination of fair market value must be adequately documented to ensure that a

proper audit trail exists.

Supporting documentation used in the determination of prevailing price must be forwarded to PECO's General Accounting Department.

C. SALE OF PROPERTY

- Contact the appropriate Engineering Department, Life Cycle Management Department or Procurement Department to obtain the procedure for the sale of tangible personal property.

- Contact PECO's General Accounting Department for all accounting transactions, for historical cost calculations, and to determine any impact the transfer has on ratemaking.

- Notify PECO's Tax Office for tax implications and to obtain the most favorable tax treatment for any property sale.

- Notify BSC's Legal Department to review the contract concerning the transfer.

- Contact the Secretary's Office for:
  - Approval of the sale by the Board of Directors (Board).
  - Release of property from any mortgage indenture.

  Note: Board approval is required for sales of property over $10 million; for sales of $10 million and below, Board action is required only to obtain the mortgage release.

SECTION V

SALES OF REAL PROPERTY

A. GENERAL

The purpose of this section is to assign a monetary value (price), and record all real property sold and transferred between PECO and the Exelon Companies.

Parties should evidence their agreement with respect to the sale of real property by entering into an agreement or other written memorandum.

For real property purchases, sales, leases or exchanges between PECO and the Exelon Entities, a PaPUC approval is required pursuant to 66 Pa. C.S. § 2102. There are no exceptions to this requirement. In addition, if the transaction involves real property with an undepreciated book value of greater than $50,000, a PUC approval is required pursuant to 66 Pa.C.S. § 1102.

Real property includes the following: land, buildings and other forms of real property.

B. VALUATION OF PROPERTY

The following general principles shall be used to establish a sale price for real property sales between PECO and the Exelon Entities.

Sales of real property shall be charged by the Selling Party to the Acquiring Party at:

1) The fair market value of the real property to be sold as evidenced bythe price at which nonassociated vendors offer the same or similar assets for sale by reference to quoted market prices or the value ascribed to the asset by an independent appraisal or other objective valuation technique.

Or, if no such fair market value is objectively or practicably determinable,

2) The historical cost of the asset to the Selling Party, less all applicable valuation reserves.

The determination of fair market value must be adequately documented to ensure that a proper audit trail exists.

Supporting documentation used in the determination of prevailing price must be forwarded to PECO's General Accounting Department.

C. SALE OF PROPERTY

- Contact PECO's Real Estate Department to obtain the procedure and approval for the sale of real property.

- Contact PECO's General Accounting Department for all accounting transactions, historical cost calculations, and to determine any impact the transfer has on current or future ratemaking proceedings.

- Notify PECO's Tax Office for tax implications and to obtain the most favorable tax treatment for any property sale.

- Notify BSC's Legal Department to review the contract concerning the transfer.

- Contact the Secretary's Office for:
  - Approval of the sale by the Board of Directors (Board).
  - Release of property from any mortgage indenture.

  Note: Board approval is required for sales of property over $10 million; for sales of $10 million and below, Board action is required only to obtain the mortgage release.

SECTION VI

SALES/ACQUISITIONS OF FERC JURISDICTIONAL FACILITIES

Sales and/or acquisitions of "FERC jurisdictional facilities" generally require FERC approval (subject to thresholds). "FERC jurisdictional facilities" are the facilities used for the transmission of electric energy in interstate commerce, sales of electric energy at wholesale in interstate commerce (such as contracts), or existing generation facilities. FERC jurisdictional facilities do not include, for example, vehicles, computers, intangibles, land held for future use and obsolete or used inventory unconnected to the electric system. "Sales" and "acquisitions" include lease transactions. Employees must contact both BSC Legal, PECO Regulatory and the Director of PECO Accounting early in the consideration of any proposed sale/lease/acquisition of FERC jurisdictional facilities.

SECTION VII

WORK ORDERS

The Work Order Form is to be completed by a Providing Company when providing a service or facility to a Client Company. A Work Order Form must be completed for **all** services provided to Client Companies.

A separate form is not intended to be completed for each specific and separate instance where ongoing services or facilities are involved. It is intended to capture a blanket of services. For example, a Work Order Form would be prepared to provide fleet services for the time period that fleet services are provided. It would not be necessary to complete a Work Order Form for each separate vehicle. If a service or facility is provided for a finite period of time then that should be mentioned on the Work Order Form. If the service is to be provided for an undetermined time period, then the Work Order Form is valid until such time that a cancellation is requested. PECO reviews and updates all Affiliate Level Arrangements and Work Orders on an annual basis.

If at a later date there is a need to expand the scope of services related to an existing Work Order, you may prepare a Work Order Form and indicate on the form that an existing Work Order Form is being revised. Merely indicate the additional services and refer to the existing Work Order number.

Work Order Requirements

1. Each company within the holding company system must have a current Service Agreement signed by a management representative with responsibility for the service received or provided. The same employee cannot sign on behalf of both parties.
2. The Service Agreement should describe the scope of services, billing procedures and allocation methods.
3. Services should be directly charged to one benefiting company whenever possible. When more than one company benefits from a service provided, cost causative allocations must be used to distribute costs in a fair and equitable method.
4. Specific services to be provided must be evidenced by signed work orders and Affiliate Level Arrangements (ALAs) or Service Level Arrangements (SLAs). Work Orders provide the key to where the services are recorded on both the Providing Company's and the Client Company's books. Work orders, ALAs and SLAs should include the following data.
   - Work order control number (Determined by the Providing Company)
   - Purchase Order Number of Client Company, if applicable
   - Name or title of Work Order
   - Description of work to be performed
   - Start and completion date
   - Other Client Companies benefiting from the service (for purposes of allocations)
   - Allocation factors (if applicable)
   - Providing Company's code block data to capture costs of work order
   - Client Company's code block data for billing purposes (including FERC account if for a FERC jurisdictional utility)

- Budgeted / expected cost to be charged to Client Company
- Authorization signatures and dates

5. Changes to work orders must be documented.
6. The Providing Company must maintain a control log of all authorized work orders.

For services provided by PECO, Work Order numbers will be issued by PECO's General Accounting Department. Therefore, when preparing a Work Order Form, please contact PECO's General Accounting Department.

A copy of the completed, approved Work Order Form must be sent to PECO's General Accounting Department.

Originals of the completed, approved form including any supporting documentation should be kept by the Providing Department. A copy of the Work Order Form should be maintained by the Requesting Department.

Work Order

[

WO # _____

ALA Reference No. _____

Current Date _____

Effective Period _____

1. Providing Company: _____
2. Providing Department: _____
3. Client Company or Companies: _____
4. Client Department: _____
5. Project Type (circle one): New Work Order Revised Work Order
6. Work Order Title: _____
7. Allocation Method: _____

8. ***Providing*** Companies Reclassification Code Block:

Business Unit	Dept	Account	Sub Account	Project	Product	Customer Segment	Operating Unit	Charging Dept	Affiliate

9. ***Receiving*** Companies Distribution Code Block:

Business Unit	Dept	Account	Sub Account	Project	Product	Customer Segment	Operating Unit	Charging Dept	Affiliate

10. In the space below, describe the services/facilities which will be charged to this Project. Include budgeted/expected cost to be charged to Client Company.

(attach additional sheets if necessary)

11. Approvals

Requesting Co. Mgr: _____ (Signature)

_____ (Print Name)

_____ (Date)

Requesting Co. Contact:

_____ Primary

_____ Secondary

Contact's phone number:

_____ Primary

_____ Secondary

Accounting Contact:

_____

_____ (phone #)

Approvals

Providing Co. Mgr: _____ (Signature)

_____ (Print Name)

_____ (Date)

Providing Co. Contact:

_____ Primary

_____ Secondary

Contact's phone number:

_____ Primary

_____ Secondary

Accounting Contact:

_____

_____ (phone #)

INSTRUCTIONS FOR COMPLETING PECO WORK ORDER FORM

Work order number	The work order number is an eight digit code consisting of the ALA reference number (4 digits) and a 4 digit identifier provided by the PECO General Accounting Department. For example: CP01-0088.
ALA Reference Number	The ALA reference number is derived as follows: the first digit is the providing company code, the second digit is the receiving company code and the final 2 digits are numeric indicating the number of the ALA between the 2 entities. For example: CP01 where the provider is CED the receiving Company is PED and this is the first ALA between the two entities. ALA reference numbers are 4 digit identifier provided by the CED – Financial Reporting Department. The Company Codes are: C = CED P = PED E = Enterprises G = Genco B = BSG X = Corp. Center
Effective Period	The time period which the Work Order is in effect.
1. & 3. Providing/Receiving	Select companies providing/requesting services.
2. Providing Department	Identify the department responsible for providing the work to be done.
4. Client Department	Identify the department requiring the work to be done.
5. Work Order Type	One of the two types of Work Orders should be marked. A "New" or a "Revised" Work Order may be selected.
6. Work Request Title	Choose an abbreviated title to define the work to be provided.
7. Allocation Method	If the Work Order is for work that will benefit more than one department, indicate the basis of allocation. Refer to Section IX of the Affiliated Interests Agreement, Cost Allocation Methods, for more information on allocation methods.

7. Providing Company – Reclass	Providing companies reclassification code block to remove the charges from their O&Ms to be billed to an affiliate. (Debit of reclass JE.)
9. Receiving Company Distribution	Code block that the receiving company will charge to record the cost of monthly ALA services received.
10. Description of Services	Brief description of service or facility provided including budgeted or expected costs to be charged to Client Company.
11. Approvals	Both the Receiving Company and the Providing Company must indicate their approval by indicating the name and providing a signature by the appropriate Department Head or Manager. Responsible contacts should be identified by complete name and their phone number.

SECTION VIII

FULLY DISTRIBUTED COST METHOD

A. OVERVIEW

Under the fully distributed cost methodology, direct costs incurred by one Party for the provision of services to another Party are increased for indirect costs and other appropriate overheads. The objective is to assign direct costs along with the appropriate indirect costs and overheads to the benefiting Exelon Entity or Entities to prevent cross-subsidization of associates by PECO customers.

B. COMPONENTS OF FULLY DISTRIBUTED COST

Fully distributed cost is the direct costs or allocated costs (cost pools allocated to a Exelon Entity based on a cost causative measure), adjustments to direct labor costs, indirect costs and other appropriate overheads incurred by a Party to provide a service or facility to another Party.

1) Direct Costs and Allocated Costs

Direct costs consist of direct labor, direct materials and purchased services, and the direct costs of facilities, equipment, machinery, furniture and fixtures. Allocated costs are incurred for the provision of services or facilities which are not directly assignable to a specific Exelon Entity or Entities but jointly benefit more than one Party. Costs to be allocated shall be accumulated in cost pools and allocated between the appropriate Parties based on an appropriate cost causative measure that ensures an equitable allocation.

2) Direct Labor Adjustments, Indirect Costs and Other Overheads

Elements of and the current rate for PECO's Loading Factors are presented below.

Administrative and General Loading Factor 49.6 %

- Administrative and General Salaries (FERC Acct 920)
- Office Supplies (FERC Acct 921)
- Outside Services Employed (FERC Acct 923)
- Property Insurance (FERC Acct 924)
- Injuries and Damages (FERC Acct 925)
- Employee Pensions and Benefits (FERC Acct 926)
- Regulatory Commission Expenses (FERC Acct 928)
- Advertising Expenses (FERC Acct 930)
- Rents and Plant Maintenance (FERC Acct 931 and 935)

Studies to update PECO's Direct Labor Adjustment Rates and the Loading Factors will be performed by PECO's General Accounting Department annually during the second quarter and will be based on actual financial data of the prior calendar year.

The new Direct Labor Adjustment Rates and the Loading Factors will go into effect July 1st of each year.

C. FULLY DISTRIBUTED COST CALCULATION

Different adjustments are applied to direct labor charges depending on which PECO employees are charging payroll to the Exelon Entities and how their time is captured. See example calculations below.

Please note that this Section currently covers only PECO's loading factors for use in its fully distributed cost calculation. If an Exelon Entity provides a service to PECO at its fully distributed cost, then the Exelon Entity would need to calculate its own loading factors.

EXAMPLE CALCULATIONS OF FULLY DISTRIBUTED COST FOR PECO 2008 RATES

LABOR

		Payroll Costs
Direct Charges		
Direct PECO Payroll Charge		$ 100.00
Total Direct Labor Charges		$ 100.00
Indirect Charges		
1.) Adjust for Fringe, Pension, AIP and Payroll Taxes	79.97%	79.97
2.) Adjust for A&G Loading Rate	49.60%	49.60
3.) Indirect Charges (if appropriate)		0.00
Adjusted Direct Labor Charges		$ 229.57

The Fringe, Pension AIP and Payroll Taxes rates applied in this example were in effect as of 1/31/2009. These rates are updated each month based on a communication sent out by PECO General Accounting.

SECTION IX

COST ALLOCATION METHODS

Whenever possible, costs of services or facilities specifically attributable to a Party should be charged directly to such Party. These services shall be charged directly using the appropriate pricing basis. See Section III, Transactions Involving the Provision of Services and Facilities for more information. When a transaction pertains to one Client Company and the transaction is charged to such Client Company, no further allocation is necessary. For each separately identifiable good or service, a determination needs to be made of those costs that can be directly charged to that particular good or service.

For costs incurred for transactions involving the provision of services which are not directly assignable to a specific Client Company and which have joint benefit to more than one Party, an allocation method must be used to distribute the costs to the benefiting companies. Cost pools will be allocated to the Client Companies based on the respective cost causative measures.

Each Providing Company will have the primary responsibility for ensuring that the allocation factors are proper, accurate and kept up to date.

To the greatest extent possible, the allocation factors will be based on cost drivers specifically applicable to the service provided. PECO Accounting will be advised / consulted regarding allocations factors utilized in associate transactions.

PECO Accounting will be responsible for evaluating new allocation methodologies and determining if any approval is required. PECO Accounting will coordinate approval efforts, if necessary, with the Legal Department.

SECTION X

ACCOUNTING AND INTERCOMPANY BILLING

A. Overview

For PECO and the Exelon Entities, code block must be used to record the accounting distribution for intercompany transactions. The specific accounting varies according to which Exelon Entity is involved in the transaction with PECO and whether the service, facility or goods are being charged at Fully Distributed Cost ormarket price.

B. Services/Facilities charged at FULLY DISTRIBUTED COST

When the provision of a service is directly assignable to a Client Company and is charged at Fully Distributed Cost, the Providing Company shall charge the related direct and indirect costs to a unique code block combination. The codeblock combination should be stated on each work order supplied as part of the ALA process.

If costs cannot be directly charged but must be allocated based on a cost causative measure (see Section IX, Cost Allocation Methods), contact PECO's General Accounting Department and Service Company Accounting to determine an appropriate code block combination to 'pool' such costs for allocation to the benefiting companies. [Is this consistent with PECO's practice?]

C. Services/Facilities charged at MARKET PRICE

When a service is provided to a Client Company at the Providing Company's market price rather than its Fully Distributed Cost, the Providing Company must record both its expenses associated with the provision of service and the related intercompany revenues. The Client Company will record the intercompany expenses.

D. Accounting for direct labor costs

Positive time reporting methodology should be utilized. Under a positive time reporting methodology, an employee shall report in each pay period the number of hours in providing separately identifiable goods and services to Client Companies.

PECO employees prepare Weekly Time Reports to report the hours spent providing a service to a particular Party to an appropriate code block combination. These Weekly Time Reports are signed by both the employee and an appropriate supervisor who can attest that the time reported is accounted for accurately. All hours billed must be supported by timesheets.

When billing direct labor costs the fully distributed cost methodology should be utilized. Under the fully distributed cost methodology, direct costs incurred by one Party for the provision of services to another Party are increased for indirect costs and other appropriate overheads. The

objective is to assign direct costs along with the appropriate indirect costs and overheads to the benefiting Exelon Entity or Entities to prevent cross-subsidization of associates by PECO customers.

Fully distributed cost are the actual labor costs plus the addition of applicable overheads (Fringes, AIP, Pension, Payroll Tax and A&G factor). All applicable overhead rates are distributed monthly prior to the start of the accounting close. The Fringe, AIP, Pension and Payroll Tax rates are established at the beginning of the year based on budgeted costs, there are adjustments on a monthly basis to the secondary rates of the respective allocation rates. The A&G rate is updated yearly based on actual financial data of the prior calendar year. The rate is updated in June by the General Accounting Department as part of PECO's development of its billing rates.

E. ACCOUNTING ON PAYMENT DOCUMENTS, MATERIAL REQUISITION, JOURNAL ENTRIES, ETC.

Costs incurred for services provided to an Exelon Entity, which are paid by means of a PECO Payment Request should be charged to such Exelon Entity by entering the appropriate code block combination on the accounting distribution line. Enter the appropriate code block combination in the Journal Entry System, the Passport System, Transportation System and any other system used for transactional reporting.

When using a journal entry to correct for any historical payroll charges to a Client Company, use the appropriate sub accounts. This is necessary so that the correct labor adjustments, indirects and overheads are added.

F. INTERCOMPANY BILLINGS AND PAYMENTS

1) Billings

- Tariffed services provided by PECO to an Exelon Entity will be billed to the Exelon Entity in the same manner as all other customers of the tariffed service (e.g. Exelon Generation will be sent a PECO electric bill for electric service).

- All other services or facilities which are provided by PECO to Exelon Entities, whether charged at market price or at fully distributed cost, will be invoiced and billed by PECO's functional area. PECO will separately invoice each of the Exelon Entities on a monthly basis for the services and facilities provided to the respective Exelon Entity during such month. Each invoice will include descriptions of the charges by reference to the Work Orders, if applicable, as well as total indirects calculated on all direct costs billed during the month. Upon request, an explanation and/or documentation will be provided to justify charges.

- Services or facilities which are provided by the Exelon Entities to PECO, whether charged at market price or at fully distributed cost, will be invoiced and billed by each respective Exelon Entity. PECO will be invoiced from each of the Exelon Entities on a monthly basis for the services and facilities provided by the Exelon Entities during such month. Each invoice will include descriptions of the charges by reference to the Work Orders and total indirects, if applicable, calculated on all direct costs billed during the month. Upon request, an explanation and/or documentation will be provided to justify charges.

- PECO's Real Estate Department will be responsible for collecting the payment from the Exelon Entity for the sale of real property, which is due at the closing of the sale and transfer of the property. Real Estate must communicate the accounting information related to the property sale to PECO's General Accounting Department.

2) Payments

With the exception of real property and intangible asset sales, payments from Exelon Entities should be made in accordance with Exelon's Intercompany Cash Settlement Policy.

G. INTERNAL CONTROL RESPONSIBILITIES AND RECORD RETENTION

Each PECO department that enters into an associated company transaction subject to the MSA shall have primary responsibility for assuring that the policies and guidelines detailed in the MSA and this Manual are appropriately implemented and maintained.

Also, each PECO department shall establish unique code block elements in the general ledger system, which shall be used to record, associated company transactions.

PECO's General Accounting Department shall have responsibility, in addition to those responsibilities indicated elsewhere herein, for overall monitoring of procedures and controls associated with associated company transactions. In this role, an accountant will monitor Work Order Forms, transactions, billings, allocation methodologies, etc. to assure compliance with the MSA and this Manual or any other applicable manuals, and that actions will be taken to correct deficiencies as they are identified. Reviews will be performed of operating results to assure they properly reflect associated company transactions that occurred during the period reviewed based on known activity as obtained from completed Work Order Forms and other sources. PECO's General Accounting Department shall direct any participant to implement and/or revise any procedure as required to assure associated company transactions are carried out in accordance with the provisions and intent of the MSA and this Manual or any other applicable manuals.

Internal Audit will also perform periodic compliance reviews of the associated company transaction processes to further provide assurance regarding the actual operating effectiveness of the policies and guidelines as outlined in the MSA and this Manual or any other applicable manuals.

Supporting documentation for intercompany transactions will be retained per the record retention schedule.

SECTION XI

BUDGETING

The goal of the budget cycle is to develop a corporate budget for the entire Exelon organization that accurately reflects the activities performed and the resources necessary to accomplish those activities. A great deal of interactive communication needs to occur not only among the various departments within a company but also between the companies. Two-way communication should be ongoing throughout the budget cycle.

This section provides budget guidelines only with respect to transactions between PECO and the Exelon Entities.

PECO and the Exelon Entities shall be responsible for preparing their own budgets for revenues, capital and operating expenditures and employee headcount. Providing Companies are also responsible for renewing or revising Affiliate Level Arrangements and Work Orders for the upcoming budget period that will provide the basis for preparing annual budgets. These Affiliate Level Arrangements and Work Orders will provide details of the direct costs of services to be provided to Client Companies.

Budgeting for the costs of facilities and services provided by PECO to an Exelon Entity will depend on whether the Exelon Entity will be charged PECO's fully distributed cost or PECO's market price for such facility or service.

If PECO is providing a service at its fully distributed cost, then such costs will be the budget responsibility of the Exelon Entity receiving the service. The PECO department providing the service will still be responsible for preparing or revising Affiliate Level Arrangements and Work Orders.

If PECO is providing a service at its market price, then the PECO Business Unit must budget for both the revenues and expenses (including any applicable overheads charged on PECO's books) associated with the provision of the services. The PECO department providing the service will be accountable for the profit or loss on the service they provide and the Exelon Entity will have budget responsibility for the market price of the service provided.

[Insert effective years in the format of year-year] Affiliate Level Arrangement–ALA[1] No. [enter ALA/SLA number][2]

Affiliate Level Arrangement ("ALA")[1] between [insert provider business unit full company name – Area/Department providing service] ("[insert provider business unit abbreviated name]") and [insert receiver business unit full company name] ("[insert receiver business unit abbreviated name]")

Purpose

The purpose of this ALA[1] is to **[Insert a high-level summary of the business objectives that the providing business unit is intended to address. An overview of the services covered by the ALA[1] should be presented. An overall description of the contents of the ALA should be discussed.]**

Governing Agreement

This Affiliate Level Arrangement ("ALA")[1] is governed by the provisions of the **[insert governing agreement of the provider]**[3] or **[insert governing agreement of the receiver]**[3].

Terms and Conditions

This document commences on **[insert date in the format of month day, year]** and extends until the end of **[insert year]**.

Scope of Services

This document constitutes an arrangement between the **[insert receiver business unit]** and **[insert provider business unit]** for the **[insert a high level description of the service]**. This document specifies the service expectations between **[insert provider business unit]** and **[insert receiver business unit]** and provides:

- A description of the service to be delivered
- The billing approach for the services
- The metrics by which the effectiveness of the services is monitored
- The roles and responsibilities of both parties

This document has been reviewed by **[insert provider business unit]** and **[insert receiver business unit]** Accounting, **[insert Area/Department providing service]**, and Legal including a review for compliance with regulatory provisions, if any.

Scope of Services
(Provide a detailed breakdown of the scope of services provided)

Service Responsibility Matrix

(Provide a breakdown of responsibilities between the Service Provider, the Customer, and any 3rd parties, which must be honored in order for the services to be provided.)

Services, Tasks	***(Service Provider)***	***(Customer)***
(List Service)		
(List Breakdown)		
(List Service)		
(List Breakdown)		
(List Service)		
(List Breakdown)		

Service Costing Schedule

Rules of Costs to be Billed:

This section provides rules of costs to be billed by provider of services to receipt of services.

Provider of Services									
	ComEd	**PECO**	**BGE**	**Genco**	**DPL**	**ACE**	**PEPCO**	**PHISCO**	**BSC**
Recipient of Services									
ComEd	N/A	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	See GSA and SLA[1]
PECO	Fully Distributed Cost[4,5]	N/A	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	N/A	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	See GSA and SLA[1]
BGE	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	N/A	Lower of Fully Distributed Cost[4] or FMV[6]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	See GSA and SLA[1]
Genco	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	N/A	Higher of Fully Distributed Cost or FMV[6]	Higher of Fully Distributed Cost or FMV[6]	Higher of Fully Distributed Cost or FMV[6]	Higher of Fully Distributed Cost or FMV[6]	See GSA and SLA[1]
DPL	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	N/A	See PHI CAM	See PHI CAM	See PHI CAM / Service Agreement	See GSA and SLA[1]
ACE	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	See PHI CAM	N/A	See PHI CAM	See PHI CAM / Service Agreement	See GSA and SLA[1]
PEPCO	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	See PHI CAM	See PHI CAM	N/A	See PHI CAM / Service Agreement	See GSA and SLA[1]
PHISCO	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	See PHI CAM	See PHI CAM	See PHI CAM	N/A	See GSA and SLA[1]
BSC	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Lower of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	N/A

Provider of Services										
		ComEd	PECO	BGE	Genco	DPL	ACE	PEPCO	PHISCO	BSC
Recipient of Services										
	ComEd	N/A	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	See GSA and SLA[1]
	PECO	Fully Distributed Cost[4,5]	N/A	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	N/A	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	See GSA and SLA[1]
	BGE	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	N/A	Lower of Fully Distributed Cost[4] or FMV[6]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	See GSA and SLA[1]
	Genco	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	N/A	Higher of Fully Distributed Cost or FMV[6]				See GSA and SLA[1]
	DPL	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	N/A	See PHI CAM	See PHI CAM	See PHI CAM	See GSA and SLA[1]
	ACE	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	See PHI CAM	N/A	See PHI CAM	See PHI CAM	See GSA and SLA[1]
	PEPCO	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	See PHI CAM	See PHI CAM	N/A	See PHI CAM	See GSA and SLA[1]
	PHISCO	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Fully Distributed Cost[4,5]	Lower of Fully Distributed Cost[4] or FMV[6]	See PHI CAM	See PHI CAM	See PHI CAM	N/A	See GSA and SLA[1]
	BSC	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Lower of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	Higher of Fully Distributed Cost[4] or FMV[6]	N/A

Charging Table:

Select one cost method per service/transaction.

Service/Transaction	Fully Distributed Cost[6]	Prevailing Price[5]	FMV[6]
(List Service/Transaction)			
(List Service/Transaction)			

Monthly Billing Table:

*This section provides a monthly cost estimate for **[insert customer]** based on estimated transaction volumes.*

Service/Transaction	Estimated Transactions Per Month (Quantity)	Billing Per Transaction (Rate)	Estimated Monthly Billing
(List Service/Transaction)			
(List Service/Transaction)			
(List Service/Transaction)			
(List Service/Transaction)			
		Total	

Performance Metrics & Performance Reporting

(Describe the specific criteria, which will be used to measure the performance of the services provided.)

Process Performance Metrics	Performance Target	Reporting Frequency

Customer Service Performance Metrics[7]	Performance Target	Reporting Frequency

Signatures	
[insert name of VP/Director/Manager in the format of First, Last] **[insert title]** **[insert provider business unit company name]** _____ _____ Signature Date	**[insert affiliate name of VP/Director/Manager in the format of First, Last]** **[insert title]** **[insert affiliate business unit company name]** _____ _____ Signature Date

Appendix A – Work Order

[work order template to be added]

Endnotes to Template

[1]**ALA/SLA:** Affiliated Level Agreement (ALA) if the providing company is ComEd, PECO, BGE, or Genco. Service Level Agreement (SLA) if the providing company is BSC.

[2]**ALA Number:** The ALA reference number is derived as follows: the first digit is the providing company code, the second digit is the receiving company code, and the final 2 digits are numeric, indicating the number of the ALA between the 2 entities. For example: PC01, where the provider is PECO, the receiving company is ComEd and this is the first ALA between the two entities. The Company codes are:

B = BSC M = BGE
C = ComEd P = PECO
G = Genco A = ACE
D = DPL E = PEPCO
S = PHISCO

Note that the ALA can be among more than 2 entities. If that is the case, digits are added so that all company codes are represented.

[3]**Governance:** This section should reference the governance of both the provider and the receiver.

ComEd – The governance is the Affiliated Interest Agreement ("AIA") and the Cost Allocation Manual ("CAM") as approved by the Illinois Commerce Commission, as appropriate.

PECO – The governance is the PECO Mutual Services Agreement ("MSA") and the Cost Allocation Manual ("CAM") as filed with or approved by the Pennsylvania Public Utility Commission, as appropriate.

BGE – The governance is the General Services Agreement ("GSA") and the BGE Cost Allocation Manual ("CAM"), both as filed with Maryland Public Service Commission.

Genco – Genco is not regulated at the state level. However, Genco is regulated by FERC and would be subject to FERC's rules on what can be charged for services between affiliates.

BSC – The governance is the General Services Agreement ("GSA") and the BSC Cost Allocation Manual ("CAM").

ACE, DPL, Pepco and PHISCO – The governance is the PHI Cost Allocation Manual ("PHI CAM"), as approved by the New Jersey Board of Public Utilities ("NJPBU") and as filed with the Delaware Public Service Commission ("DEPSC"), the District of Columbia Public Service Commission ("DCPSC") and the Maryland Public Service Commission ("MPSC"),

[4]**Fully Distributed Cost:** Fully Distributed Cost includes the actual direct costs or allocated costs incurred by a Providing Company to provide a service or facility, plus indirect costs and other appropriate overheads.

[5]**Prevailing Price:** Services will be priced at Fully Distributed Cost, except that if there is a Prevailing Price for the service, it may only be provided if Fully Distributed Cost is equal to or less than the Prevailing Price. Prevailing Price is generally defined as the price that has been charged to the general public. In the case of services or facilities provided by ComEd to an Exelon Entity, Prevailing Price will only apply to services or facilities provided for sale to the general public. This includes electric service, service provided under an ICC approved pricing mechanism such as Rate CS, and Competitive Services provided to the general public.

[6] **Fair Market Value:** The resultant price set by an arms-length transaction between a willing buyer and a willing seller, both of whom are adequately informed of the appropriate facts, and neither of whom is under any compulsion to buy or sell.

[7] **Customer Service Performance Metrics:** Customer service performance metrics are for Nuclear only.

SDR-OM-16
Marissa Humphrey

Q. SDR-OM-16 Please provide the annual level of outside services employees for the preceding three calendar years. Include in your response a breakdown of the test year amount indicating the service provider and the type of service performed.

A. SDR-OM-16

2021 - $76,783,391
2022 - $82,082,744
2023 - $86,777,867
2024 (FTY) - $94,820,732
2025 (FPFTY) - $98,278,819

PECO does not budget by FERC account. For further detail pertaining to the FPFTY and FTY budgets by FERC account, refer to Exhibit MJT-1 and MJT-2, respectively.

Refer to Attachment SDR-OM-16(a) for the breakdown of the 2023 information by service provider and type of service. The breakdown of the FTY and FPTY budgeted data by service provider and type of service is not expected to differ significantly from 2023 breakdown.

PECO Energy Company
Outside Services (FERC 923)
For the Year Ended December 31, 2023
Presentation Basis - Electric Distribution ONLY

Function	Service	Vendor	Sum of Allocated Amount
BSC	BSC Exelon Utilities Services	BSC	5,746,284
	BSC Real Estate Srvcs	BSC	870,641
	Communication Services	BSC	1,505,757
	ESC Business Ctr Svcs	BSC	153,825
	Executive Services	BSC	7,812,444
	Financial Services	BSC	14,978,244
	Human Resource Services	BSC	7,444,219
	IT Non-Telecom Services	BSC	20,754,567
	Legal Gov Services	BSC	7,205,574
	Legal Services	BSC	949
	Other Services	BSC	3,245,301
	Reg & Govt Affair Services	BSC	1,012,753
	Security Services	BSC	8,072,541
	Supply Services	BSC	327,951
BSC Total			**79,131,052**
Contracting, Professional	Engineering	FAEGRE DRINKER BIDDLE AND REATH LLP	3,681
	Governmental, Legal & External Affair	PAISNER LITVIN LLP	1,005
		JENNER & BLOCK LLP	2,635
		DAVIS WRIGHT TREMAINE LLP	4,979
		STEPTOE & JOHNSON	5,134
		KELLER AND HECKMAN	8,620
		HOLLAND & KNIGHT LLP	12,425
		HUNTON ANDREWS KURTH LLP	13,483
		GRIESING LAW LLC	14,826
		ALAN SEAGRAVE LAW OFFICE	22,477
		LAW FIRM OF RUSSELL R. JOHNSON	22,531
		SAUL EWING LLP	30,120
		BALLARD SPAHR ANDREWS & INGERSOLL LLP	45,445
		KIRKPATRICK & LOCKHART PRESTON	62,844
		LITTLER MENDELSON PC	62,960
		DILWORTH PAXSON LLP	277,232
		BLANK ROME LLP	278,363
		MORGAN, LEWIS & BOCKIUS,LLP	886,851
	Information Technology	Other	70,898
	Legal Services	SWANSON MARTIN & BELL LLP	237
		REGER RIZZO AND DARNALL LLP	364
		ZONES LLC	570
		Other	1,565
		STRADLEY RONON STEVENS AND YOUNG LLP	2,223
		VENABLE LLP	4,088
		BAKER AND HOSTETLER LLP	32,228
		FAEGRE DRINKER BIDDLE AND REATH LLP	51,415
		TROUTMAN PEPPER HAMILTON SANDERS LLP	112,559
		CONNECTEDSIGN LLC	5,481
		UNITED RENTALS	9,727
		GREENCASTLE ASSOCIATES CONSULTING LLC	13,283
		ENDEVOR LLC	14,188
		AON CONSULTING INC	19,872
		BEACON HILL STAFFING GROUP LLC	27,211
		XPLORA SEARCH GROUP INC	33,726
		THE FELICITY GROUP LTD	216,634
		JONES SIGN CO INC	300,614
		Other	645,466
	Other Services	Other	(30,257)
		ATLANTIC RESOURCE PARTNERS PHILADELPHIA LLC	13,482
		MEDTOX LABORATORIES INC	38,004
		PAUL RESTALL COMPANY INC	49,956
	Staff Augmentation	PONTOON SOLUTIONS INC	71,758
		Other	1,003,195
Contracting, Professional Total			**4,464,098**
Contracting, Services	Advertising Services	NEWBOLD SOUND LLC	602
		Other	410,211
	Communication & Publication Services	VAULT COMMUNICATIONS INC	264
	Communication/Publication Svcs	Other	278,966
		Other	6,191
	Guard/Security Services	UNIVERSAL PROTECTION SERVICE LP DBA ALLIED UNIVERSAL SECURIT	5,266
		Other	633,236
	Janitorial Services	CSI INTERNATIONAL INC	20,060
	Other Services	PSC INDUSTRIAL OUTSOURCING LP	(7,660)
		JUDGE ELECTRICAL INC	205
		AULD AND ASSOCIATES INVESTIGATIONS INC	1,195
		CARDIO PARTNERS INC	1,888
		TRAFFIC CONTROL SERVICES LLC	2,428
		PIVIT GLOBAL INC	2,566
		KENNINGTON & GUNENC LLC	6,337

PECO Energy Company
Outside Services (FERC 923)
For the Year Ended December 31, 2023
Presentation Basis - Electric Distribution ONLY

Function	Service	Vendor	Sum of Allocated Amount
		PAUL RESTALL COMPANY INC	7,593
		MRS AUDIO VISUAL INC	8,396
		PEL PRODUCTIONS	12,172
		CBM FOOD SERVICES	13,376
		UNITED RENTALS	33,116
		LIVE MARKETING INC	70,386
		UNIVERSAL PROTECTION SERVICE LP DBA ALLIED UNIVERSAL SECURIT	114,501
		COMPASS TRAINING SOLUTIONS LLC	119,167
		IMS TECHNOLOGY SERVICES INC	147,612
		Other	1,202,413
	Public Relation Services	Other	21,435
Contracting, Services Total			**3,111,920**
I/C Other Revenue	Other Services	Other	10
I/C Other Revenue Total			**10**
Contracting, Other	Contracting, Other	Other	1,456
	Other Services	Other	69,331
Contracting, Other Total			**70,786**
Grand Total			**86,777,867**

SDR-OM-17
Marissa Humphrey

Q. SDR-OM-17 Please describe each budgeted or planned cost savings program to be implemented during the present and subsequent year. Please identify the cost of implementing the program and the anticipated annual savings.

A. SDR-OM-17 PECO's projected annual O&M growth rate since 2022 is 25% lower than the average 5.5% inflation increase in the Consumer Price Index observed since 2021. The company's projected O&M growth rate is 4.1% when adjusted for storms and "make ready" work requested by third parties. O&M is actively managed through the company's budgeting process which is designed to control O&M growth and provide funding to achieve operational goals and regulatory mandates.

Q. SDR-OM-18 Please explain how the Company has treated reserve accruals and balances for ratemaking purposes and provide the requested level of any self-funded reserve accruals by type of item (e.g. injuries and damages).

A. SDR-OM-18 For details, refer to PECO Statement No. 2, the direct testimony of Marissa Humphrey, and PECO Statement No. 3, the direct testimony of Michael J. Trzaska.

The Company's rate base claim is not based on a reserve accrual or balance methodology. For example, the Company's plant in service claim for the FPFTY (2025) is based on December 31, 2023 original cost plant balances, adjusted for plant additions expected to be placed in service during the FTY and the FPFTY.

The budgeted levels were adjusted appropriately to reflect known and measurable changes anticipated to occur within the FTY and the FPFTY or, with respect to wage and salary increases, shortly after the end of the FPFTY.

The Company's ratemaking claims are based on normalized levels of expense and revenue using the Company's budgeted test year data representing an estimate of the level of revenue and expense that will be incurred during the future test year ending (FTY) December 31, 2024 and during the fully projected future test year (FPFTY) ending December 31, 2025, and not reserve accruals or balances.

Q. SDR-OM-19 Submit a listing of all amortization claims included in the total operation and maintenance expenses. Include the following information:

a. Total expense being amortized.
b. Length of amortization (months or years).
c. Remaining unamortized balance.
d. Commission Docket where amortization initially claimed or approved.

A. SDR-OM-19 Refer to Exhibits MJT-1 and MJT-2 and PECO Statement No. 3, the direct testimony of Michael J. Trzaska, for detail regarding Energy Efficiency and Demand Response regulatory programs and the treatment of the related amortization claims in the revenue requirement model. Refer to SDR-GEN-2 for the most recent FERC Form 1, page 232, for further detail regarding these and other programs not discussed in the direct testimony of Michael J. Trzaska.

Q. SDR-OM-20 Provide the total amount of pension expense included in the future test year and explain the basis for the claim (e.g. FASB 87 or ERISA). Include a schedule of actual payments to the pension fund for the past five years.

A. SDR-OM-20 Pension costs for financial reporting purposes are based on ASC 715 (formerly FAS 87) and the total ASC 715 costs are allocated to capital and expense. Refer to line 14 of Schedule D-9 in Exhibit MJT-1 and Exhibit MJT-2 line 14 for pension expense for electric distribution.

The ratemaking expense claims in the FTY and FPFTY are based upon a five-year average of the expense portion of pension contributions. The Company considers various factors when making pension funding decisions, including actuarially determined minimum contribution requirements under the Employee Retirement Income Security Act of 1974, as amended (ERISA) and contributions required to avoid benefit restrictions and at-risk status as defined by the Pension Protection Act of 2006 (the Act). Refer to line 13 of Schedule D-9 in Exhibit MJT-1 and Exhibit MJT-2 for further explanation of this claim.

The chart below shows the actual payments to the pension fund associated with the electric distribution business for the past five years.

($ in thousands)	**2023**	**2022**	**2021**	**2020**	**2019**
PECO Distribution Payments to the Pension Fund	$ 1,091	$ 11,795	$ 13,380	$ 13,953	$ 20,409

Q. SDR-OM-21 Please provide a copy of the Company's most recent pension plan actuarial study.

A. SDR-OM-21 Refer to Confidential Attachment SDR-OM-21(a), which has been redacted to remove certain information that is not applicable to PECO.

THE ATTACHMENT IS CONFIDENTIAL AND IS SUBMITTED ONLY IN THE NON-PUBLIC VERSION TO THE COMMISSION.

Q. SDR-OM-22 Provide the following information with regards to the claim for rate case expenses:

a. A description of the estimated rate case expenses.
b. An explanation of and the supporting rationale for the claimed normalization period.
c. Provide a summary detailing expenses incurred to date. Update this response as additional invoices are received.

A. SDR-OM-22

a. Refer to PECO Exhibits MJT-1 and MJT-2, Schedule D-7, and PECO Statement No. 3, the direct testimony of Michael J. Trzaska.

b. The Company projects that it will need to file another rate case in two to three years, which formed the basis for the two-year normalization period.

c. Refer to the table below for the summary showing the Company's 2024 Electric Rate Case expenses incurred as of February 29, 2024.

2024 Electric Rate Case Expense through February 29, 2024

Legal Support	$ 175,864
IT Support	
Contracting Support	39,309
	$ 215,173

Q. SDR-OM-23 Supply the following information for the last five base rate filings:

a. Docket No.
b. Date filed.
c. Dates rates became effective.

A. SDR-OM-23 Refer to the information below for the applicable electric base rate cases:

Docket No.	Date Filed	Rate Effective Date
R-2021-3024601	3/30/2021	1/1/2022
R-2018-3000164	3/29/2018	1/1/2019
R-2015-2468981	3/27/2015	1/1/2016
R-2010-2161575	3/31/2010	1/1/2011
R-891364	7/21/1989	4/20/1990

Q. SDR-OM-24 Please provide a comparison of the estimated rate case expenses reflected in the Company's filing with the actual expenses incurred by the Company's last two rate cases according to the same categories.

A. SDR-OM-24 Refer to PECO Exhibit MJT-1, Schedule D-7 for the estimate of rate case expenses included in the Company's filing.

Actual rate case expenses for the Company's previous base rate case at Docket No. R-2021-3024601, which was filed in March 2021, are provided below:

	(Thousand $)
External Consultants	$7
External Legal	939
Materials, IT Costs	160
Travel, Copies, etc.	11
Total	$1,117

Actual rate case expenses for the Company's previous base rate case at Docket No. R-2018-3000164, which was filed in March 2018, are provided below:

	(Thousand $)
External Consultants	$112
External Legal	1,316
Materials, IT Costs	46
Travel, Copies, etc.	3
Total	$1,477

Q. SDR-OM-25 Please explain what assumptions are made in the projected expenses for the FTY with regard to the level or number of employee vacancies. For example, are all budgeted positions assumed to be filled or is an historical average level of vacancies reflected?

A. SDR-OM-25 The Company includes labor changes in the budget for estimated vacancies throughout the year based on recent trends and current resource staffing plans. The Company's budget data is used as the basis for its future test year and fully projected test year employee expense claims. Please refer to PECO Statement No. 3, the Direct Testimony of Michael J. Trzaska

SDR-OM-26
Marissa Humphrey

Q. SDR-OM-26 Please identify all budgeted employee positions for the FTY which are not currently filled. For each position, provide the wage expense included in the FTY, whether the position is a new position or a position vacated by the departure or transfer of a previous employee, and the date at which the position is expected to be filled.

A. SDR-OM-26 There are 137 budgeted distribution employee positions for the FTY that are not currently filled as of 1/31/2024.

Work Type	# of Open Positions	Wage Exp in Budget	Status	Expected Date to Be Filled By
Field Ops	99	$ 5,046,113	New and Vacated	Throughout 2024
Customer Ops	15	$ 743,752	New and Vacated	Throughout 2024
Back Office/Support	23	$ 1,593,478	New and Vacated	Throughout 2024
Total	**137**	**$ 7,383,342**		

Assuming the Company is fully staffed at the end of 2024. There will be 14 budgeted distribution employee positions for the year end FPFTY that are not expected to be filled as of 12/31/2024.

Work Type	# of Open Positions	Wage Exp in Budget	Status	Expected Date to Be Filled By
Field Ops	12	$ 631,743	New and Vacated	Throughout 2025
Back Office/Support	2	$ 110,167	New and Vacated	Throughout 2025
Total	**14**	**$ 741,911**		

Majority of open positions in the Field Ops work group will be filled by members of the Aerial Line school, Energy Tech school, Substation Tech school and Underground Splicing school in 2024. Back Office and Support open positions include openings in support of existing baseline work and various capital expansion projects.

SDR-OM-27
Marissa Humphrey

Q. SDR-OM-27 Please provide the following labor data for the preceding three calendar years and the current year-to-date including monthly data for most recent twelve months.

a. Number of budgeted and actual employees broken down between category type used by the Company (e.g. union, non-union, salaried, hourly, temporary, etc.);
b. Regular payroll broken down between expensed, capitalized, and other;
c. Overtime payroll broken down between expensed, capitalized, and other
d. Temporary payroll broken down between expensed, capitalized, and other; and
e. Other payroll (specify) broken down between expensed, capitalized and other.

A. SDR-OM-27 Refer to Table 1 in Attachment SDR-OM-27(a) for a comparison of PECO's actual and budgeted electric distribution employee headcount at December 31, 2021 and at December 31, 2022 and monthly for calendar year 2023 and January 2024.

Refer to Table 2 in Attachment SDR-OM-27(a) for PECO's actual electric distribution employee headcount shown separately for (1) salaried and hourly employees; and (2) unionized and non-unionized employees.

Please refer to Attachment SDR-OM-27(b-e) for Payroll information addressing subparts (b) through (e).

TABLE 1

PECO Actual and Budgeted Electric Distribution Employee Headcount*
December 31, 2021 & December 31, 2022 & monthly for calendar year 2023, January 2024

Electric Distribution Employees

	Actual	Budget
2021-12	2,030	2,162
2022-12	2,086	2,188
2023-01	2,103	2,184
2023-02	2,108	2,197
2023-03	2,129	2,204
2023-04	2,137	2,212
2023-05	2,137	2,213
2023-06	2,141	2,220
2023-07	2,145	2,229
2023-08	2,165	2,230
2023-09	2,229	2,244
2023-10	2,218	2,246
2023-11	2,215	2,247
2023-12	2,213	2,246
2024-01	2,203	2,246

*Temporary employees are not included in the Company's official headcount.

TABLE 2

PECO Actual and Budgeted Electric Distribution Employee Headcount*
Salary and Hourly Employees, Unionized and Non-Unionized Employees
December 31, 2021 & December 31, 2022 & monthly for calendar year 2023, January 2024

	Non-Union		Union		Exempt		Non-Exempt	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
2021-12	1,058	1,132	972	1,031	857	918	1,173	1,245
2022-12	1,108	1,146	978	1,042	903	932	1,183	1,256
2023-01	1,124	1,132	979	1,051	921	918	1,182	1,266
2023-02	1,127	1,137	981	1,060	926	921	1,182	1,276
2023-03	1,139	1,139	990	1,065	937	923	1,192	1,281
2023-04	1,144	1,143	993	1,069	939	925	1,198	1,287
2023-05	1,146	1,143	991	1,069	941	925	1,196	1,287
2023-06	1,158	1,147	984	1,074	952	928	1,189	1,292
2023-07	1,162	1,153	983	1,077	958	933	1,187	1,296
2023-08	1,169	1,153	996	1,077	965	934	1,201	1,296
2023-09	1,177	1,157	1,052	1,087	971	936	1,258	1,308
2023-10	1,172	1,158	1,046	1,088	967	937	1,251	1,309
2023-11	1,170	1,159	1,045	1,088	964	938	1,250	1,309
2023-12	1,168	1,158	1,044	1,088	963	937	1,250	1,309
2024-01	1,162	1,158	1,041	1,088	959	937	1,244	1,309

*Temporary employees are not included in the Company's official headcount.

PECO
Distribution Labor Data
(Thousands of Dollars)

		2021 Actual		2022 Actual		2023 Actual
Capital Base Payroll	$	87,912	$	90,640	$	100,308
Capital Overtime		33,085		36,514		41,194
Capital Pensions & Benefits		17,413		12,555		12,432
Expense Base Payroll		116,787		120,192		123,516
Expense Overtime		37,880		38,646		40,379
Expense Pensions & Benefits		22,814		17,162		15,430
Total	**$**	**315,891**	**$**	**315,709**	**$**	**333,258**

Notes: Base payroll includes payroll for temporary employees
Payroll is not available by regular/temporary splits

Q. SDR-OM-28 Please provide a copy of all incentive/bonus plans and provide the level of such expenses for the preceding three calendar years and included in the FTY.

(Specific information by individual should be treated in a confidential manner.)

A. SDR-OM-28 Refer to the following attachments:

Confidential Attachment SDR-OM-28(a.1) (2023 AIP PECO Brochure)

Confidential Attachment SDR-OM-28(a.2) (2023 AIP for those represented by Local 614)

Confidential Attachment SDR-OM-28(a.3) (2023 Utilities Long Term Performance Program (LTPP) Summary)

Confidential Attachment SDR-OM-28(a.4) (2023 Restricted Stock Unit Award (RCU) Summary)

Confidential Attachment SDR-OM-28(a.5) (2023-2025 Exelon Long-Term Performance Share Award Program Summary)

Confidential Attachment SDR-OM-28(a.6) (2023-2025 Exelon Long Term Performance Cash Award Program)

THE ATTACHMENTS ARE CONFIDENTIAL AND ARE SUBMITTED ONLY IN THE NON-PUBLIC VERSION TO THE COMMISSION.

SDR-OM-29
Marissa Humphrey

Q. SDR-OM-29 Please provide the percentage wage rate increases granted by the Company by date and employee classification for the preceding three calendar years and the current year-to-date.

(Specific information by individual should be treated in a confidential manner.)

A. SDR-OM-29

	Average Wage Increase for Hourly Employees	Average Merit Increase Pool for Management Employees
2021	2.5%	2.0%
2022	2.5%	2.5%
2023	2.5%	4.0%
2024	2.5%	3.0%

Q. SDR-OM-30 Please identify the amount of overtime and show the percent of payroll for each of the two preceding calendar years.

A. SDR-OM-30 Overtime expense as a percentage of payroll is shown below for the two preceding calendar years.

	2022	2023
Overtime ($1,000's)	$38,646	$40,379
OT % of Payroll	24.3%	24.6%

Q. SDR-OM-31 Provide the average starting salary for union, non-union, and the Company as a whole including the supporting calculations.

A. SDR-OM-31 The average starting annual earnings for unionized employees is as follows:

Union (2023) $59,659*
Union (2024) $61,336*

Starting wages and salaries for non-unionized employees vary depending on the level of experience and market-reference range for the appropriate job classification. Therefore, a standard starting salary is not available.

*Please see Attachment SDR-OM-31(a) for the calculations supporting the determination of average starting earnings for unionized positions. Average annual earnings were calculated based on 2,080 hours per work year and average hourly wage rates of $28.68 and $29.49 for 2023 and 2024 respectively.

Union

Attachment SDR-OM-31(a)

Title	1/1/2023 Starting Hourly Wage	1/1/2023 Starting Annual Earnings	1/1/2024 Starting Hourly Wage	1/1/2024 Starting Annual Earnings
Billing Consultant	18.08	$ 37,608	18.53	$ 38,547
Customer Service Center Clerk	12.05	$ 25,072	12.35	$ 25,691
Equipment Update Clerk	18.63	$ 38,760	19.11	$ 39,740
Mapping Records Clerk	18.63	$ 38,760	19.11	$ 39,740
Materials Process Clerk	18.63	$ 38,760	19.11	$ 39,740
Meter Process Clerk	18.63	$ 38,760	19.11	$ 39,740
Work Process Clerk	18.63	$ 38,760	19.11	$ 39,740
Corporate Operator (Customer Consultant II)	15.54	$ 32,321	15.93	$ 33,131
Contractor Liaison	22.17	$ 46,115	22.72	$ 47,266
Customer Consultant	26.21	$ 54,515	27.89	$ 58,012
Customer Consultant-PT	26.21	$ 54,515	27.89	$ 58,012
High Bill Consultant	28.52	$ 59,312	29.23	$ 60,805
Specialized Consultant	34.41	$ 71,571	36.30	$ 75,494
Facilities Drafter	24.03	$ 49,974	24.63	$ 51,232
Engineering Assistant	28.54	$ 59,355	29.25	$ 60,847
Lab Tech	29.53	$ 61,423	30.27	$ 62,958
Design & Construction Consultant	30.54	$ 63,523	31.30	$ 65,111
Metering DCC	30.54	$ 63,523	31.30	$ 65,111
Designer	30.54	$ 63,523	31.30	$ 65,111
Maintenance Assistant	54.52	$ 113,401	55.88	$ 116,237
Designer T&S	34.06	$ 70,846	34.91	$ 72,616
Line School Apprentice	24.62	$ 51,210	25.24	$ 52,499
Plant Mechanic B	24.35	$ 50,656	24.96	$ 51,914
Engineering Tech C	32.33	$ 67,243	33.14	$ 68,928
Tech Maintenance C	32.33	$ 67,243	33.14	$ 68,928
Energy Tech (Entry)	24.35	$ 50,656	24.96	$ 51,914
Revenue Protection Technician	41.38	$ 86,069	42.41	$ 88,222
Tool Mechanic	31.72	$ 65,985	32.51	$ 67,627
Equipment Operator Helper	20.89	$ 43,450	21.41	$ 44,537
Truck Driver	27.66	$ 57,543	28.36	$ 58,992
Equipment Operator Transportation	35.50	$ 73,831	36.39	$ 75,686
General Utility Worker	20.87	$ 43,408	21.39	$ 44,495
General Facilities Mechanic	45.11	$ 93,829	46.24	$ 96,175
Facilities PM Technician	49.59	$ 103,146	50.83	$ 105,726
High Rise Mechanic	54.52	$ 113,401	55.88	$ 116,237
Union Average	$ 28.68	$ 59,659	$ 29.49	$ 61,336

Q. SDR-OM-32 Provide the operation and maintenance expense allocation percentage for payroll and benefits.

A. SDR-OM-32 Refer to Attachment SDR-OM-32(a) for the operation and maintenance expense allocation percentage for payroll and benefits.

PECO Energy Company

Presentation Basis: Electric Distribution Only

Payroll Data
(In Thousands)

		2023
Operating and Maintenance Expense	$	188,100
Capital		157,609
Balance at end of year	$	345,709
Percentage Charged to Operation and Maintenance Expense		**54.41%**

Benefits Data
(In Thousands)

		2023
Operating and Maintenance Expense	$	15,665
Capital		12,746
Balance at end of year	$	28,411
Percentage Charged to Operation and Maintenance Expense		**55.14%**

Notes: (1) Benefits include fringe benefits (Medical, Dental, Vision, 401K, and other benefit plans) and Pension/Post-Retirement benefits.

Q. SDR-OM-33 Provide an explanation of the budgeting process for payroll.

A. SDR-OM-33 Payroll is budgeted based on the headcount reflected in the staffing plans approved by the PECO CEO and Vice President of Human Resources (these approved staffing plans are referred to herein as "Complement"). Prior to being entered in the budget system, that approved Complement is reduced by a vacancy rate for positions that may be unfilled at any point in time over the course of a year. The result is the net headcount, which is entered into the budget system at the department and position level. Next, the current average labor rates are entered into the budget system by job level, as adjusted for projected wage increases. The net headcount and labor rates generate the total payroll. The total payroll is then assigned to specific projects based on the budgeted work plan. A final check then takes place to ensure the net headcount at the department and position level matches what has been assigned to specific projects.

Q. SDR-OM-34 Please identify the amount of postretirement benefits expenses under SFAS No. 106 which were recorded in the historical test year and are projected for the future test year. Please identify the total amount and the portion charged to O&M. Explain how the future test year expense was projected.

A. SDR-OM-34 Refer to Attachment SDR-OM-34(a).

PECO Energy
Postretirement Benefits Other than Pension ASC 715 (formerly SFAS No. 106) Costs
(in thousands)

	12 Months Ended 12/31/2023		12 Months Ended 12/31/2024 (Projected)		12 Months Ended 12/31/2025 (Projected)	
Operating & Maintenance						
Electric Distribution	$ 36		$ 528	B	$ 1,212	B
Electric Transmission	$ 3		$ 39		$ 93	
Gas	$ 11		$ 164		$ 377	
Non-Utility	$ 0		$ 5		$ 11	
Total Operating & Maintenance	$ 50		$ 735		$ 1,692	
Total Capital	$ 40		$ 639		$ 1,509	
Total Company Activity - Operating & Maintenance and Capital	$ 91	A	$ 1,375	A	$ 3,201	A

A - PECO's total costs agree to actuarial studies performed by Towers Watson; Refer to SDR-OM-35
B - The above costs were allocated based on PECO's labor profile.

Q. SDR-OM-35 Please provide a copy of the Company's most recent SFAS No. 106 actuarial report.

A. SDR-OM-35 Refer to SDR-OM-21's Confidential Attachment SDR-OM-21(a), which has been redacted to remove certain information that is not applicable to PECO.

THE ATTACHMENT IS CONFIDENTIAL AND IS SUBMITTED ONLY IN THE NON-PUBLIC VERSION TO THE COMMISSION.

Q. SDR-OM-36 Please reconcile the historical and future test year Accounting Standards Codification (ASC) 715 (formerly SFAS No. 106) postretirement benefits other than pension expense levels with the amount identified in the actuarial report.

A. SDR-OM-36 Refer to Attachment SDR-OM-34(a).

Q. SDR-OM-37 Please identify the actual or projected amounts contributed to Accounting Standards Codification (ASC) 715 (formerly SFAS No. 106) postretirement benefits other than pension funds for the historic and future test years. Identify the actual or projected dates and amounts of the contributions.

A. SDR-OM-37 The Company contributed $13,890 to its total company Medical/Dental Trust Post Retirement (OPEB) contributions in December 2023. The Company is forecasted to contribute $1,279,000 and $3,190,000 in December 2024 and December 2025, respectively.

Q. SDR-OM-38 Please explain the funding options or plans which are being used for SFAS No. 106 costs. Identify the portion of the costs which are eligible for tax preferred funding.

A. SDR-OM-38 There are two voluntary employees' beneficiary association (VEBA) trusts that are being used for SFAS No. 106 costs. A VEBA is a tax-exempt trust set up by an employer to cover employee eligible medical welfare benefits. The two VEBA trusts used to fund postretirement benefits are the Medical/Dental VEBA Trust and the Life Insurance VEBA Trust. The Life Insurance VEBA is used to pay life insurance benefits and the Medical/Dental VEBA is used to pay medical and dental benefits.

Q. SDR-OM-39 Is the Company studying and/or anticipating any changes to its postretirement benefits offered to employees as a result of SFAS No. 106 or for other reasons? If yes, please provide such study and/or explain the anticipated change.

A. SDR-OM-39 At this time, the Company is not anticipating any changes to its post-retirement benefits offered to employees. The Company periodically reviews the competitiveness and cost of its post-retirement benefits and has been monitoring ongoing health care legislation as part of a continuing effort to assess whether changes should be made to these benefits; however, no changes are being considered by senior management at this time.

SDR-OM-40
Caroline Fulginiti

Q. SDR-OM-40 Identify the total revenues for the year in which bad debt write-offs for the preceding three calendar years are associated. If the Company relates bad debts to other than total sales to ultimate customers, please specify what revenues are utilized.

A. SDR-OM-40

See below for Total Revenues for 2021-2023 (in $000s):

Type	2021	2022	2023
PECO Billings (a)	2,391,464	2,807,328	2,863,931
Supplier Billings (b)	973,550	1,002,762	1,016,077
Total	3,365,014	3,810,090	3,880,008

(a) Represents amounts billed by PECO for distribution service and default service
(b) Represents amounts billed by PECO on behalf of electric generation suppliers

Q. SDR-OM-41 Provide the following information, for the future test year and the three previous years, by customer class:

a. Total gross write-offs of uncollectible accounts.
b. Total recoveries of uncollectible accounts.
c. Net write-offs of uncollectible accounts.
d. Total revenues.

A. SDR-OM-41

Forecast - 2025 Charge-Off Analysis (Excluding Late Payment Charges)

	A=B+C	B	C	D
	Gross Write Offs	**Recoveries**	**Net Write Offs**	**Billed Revenue PECO & Supplier**
Residential				
Residential	57,226,909	13,360,468	43,826,420	2,231,730,429
InPA	268,694	302,112	14,935	-
Commercial				
SC&I	3,838,166	958,860	2,889,352	749,195,005
LC&I	332,455	296,348	80,227	510,052,571
Other				
Street Lighting	2,962	-	2,820	22,915,936
Not Specified	-	-	-	-
Total of Rate Schedules	61,669,186	14,917,788	46,813,754	3,513,893,941

Forecast - 2024 Charge-Off Analysis (Excluding Late Payment Charges)

	A=B+C	B	C	D
	Gross Write Offs	**Recoveries**	**Net Write Offs**	**Billed Revenue PECO & Supplier**
Residential				
Residential	59,578,754	13,007,296	46,546,419	2,179,549,903
InPA	279,737	294,126	15,861	-
Commercial				
SC&I	3,995,902	933,514	3,068,674	731,677,930
LC&I	346,118	288,514	85,207	498,126,932
Other				
Street Lighting	3,084	-	2,995	22,380,134
Not Specified	-	-	-	-
Total of Rate Schedules	64,203,595	14,523,450	49,719,156	3,431,734,899

2023 Charge-Off Analysis (Excluding Late Payment Charges)

	A=B+C	B	C	D
	Gross Write Offs	**Recoveries**	**Net Write Offs**	**Billed Revenue PECO & Supplier**
Residential				
Residential	63,732,078	12,460,716	51,271,363	2,459,582,377
InPA	299,238	281,766	17,472	
Commercial				
SC&I	4,274,462	894,287	3,380,176	825,685,221
LC&I	370,246	276,391	93,856	562,127,172
Other				
Street Lighting	3,299	-	3,299	25,255,573
Not Specified	-			
Total of Rate Schedules	68,679,323	13,913,159	54,766,165	3,872,650,343

*The amounts relate to the in-program arrearage forgiveness program (Docket No. M-2012-2290911). All associated billings are included within residential billings.

2022 Charge-Off Analysis (Excluding Late Payment Charges)				
	A=B+C	B	C	D
	Gross Write Offs	Recoveries	Net Write Offs	Billed Revenue PECO & Supplier
Residential				
Residential	54,581,648	10,803,172	43,778,476	2,382,544,665
InPA	166,717	194,788	(28,071)	
Commercial				
SC&I	3,544,757	674,127	2,870,630	795,544,141
LC&I	636,311	125,245	511,066	597,190,399
Other				
Street Lighting	1,644	4	1,640	25,694,163
Not Specified	-			
Total of Rate Schedules	58,931,077	11,797,336	47,133,741	3,800,973,368
*The amounts relate to the in-program arrearage forgiveness program (Docket No. M-2012-2290911). All associated billings are included within residential billings.				

2021 Charge-Off Analysis (Excluding Late Payment Charges)				
	A=B+C	B	C	D
	Gross Write Offs	Recoveries	Net Write Offs	Billed Revenue PECO & Supplier
Residential				
Residential	43,222,915	12,408,270	30,814,645	2,086,441,053
InPA	2,860,073	465,067	2,395,006	
Commercial				
SC&I	2,389,099	411,960	1,977,139	687,222,398
LC&I	970,271	462,555	507,715	559,607,440
Other				
Street Lighting	3,877	-	3,877	24,182,211
Not Specified	-			
Total of Rate Schedules	49,446,234	13,747,852	35,698,382	3,357,453,102
*The amounts relate to the in-program arrearage forgiveness program (Docket No. M-2012-2290911). All associated billings are included within residential billings.				

Q. SDR-OM-42 Please provide a comparison of the actual and budgeted vegetation control/tree trimming costs for the preceding two calendar years. Explain any variance in excess of 10%.

A. SDR-OM-42

Year	Budget	Actual	Variance	Variance %
2022	50,193,687	52,103,714	(1,910,027)	-4%
2023	46,681,386	45,150,286	1,531,100	3%

SDR-OM-43
Marissa Humphrey

Q. SDR-OM-43 Please identify the budgeted level of tree trimming costs for the FTY.

A. SDR-OM-43

	Budget
2024	50,260,812
2025	56,360,961

Q. SDR-OM-44 Please provide all workpapers and supporting documentation, to the extent not otherwise provided, for the adjustments to rate base and operating income reflected in the Company's filing.

A. SDR-OM-44 Refer to Exhibit MJT-1, Exhibit MJT-2, Exhibit MJT-3, and PECO Statement No. 3, the direct testimony of Michael J. Trzaska.

Q. SDR-RB-1

a. Provide a detailed explanation of the Procedures utilized to determine the level of Total Rate Base Elements.
b. Explain in detail the test that the Company utilized to ensure that non used and useful plant was eliminated from its claim.

A. SDR-RB-1

a. Refer to PECO Exhibits MJT-1 and MJT-2, Schedules C-1 to C-12, and PECO Statement No. 3, the direct testimony of Michael J. Trzaska, for the procedures utilized to determine the level of total rate base elements for the test year.

b. To ensure that only plant used in utility operations is included in the Company's claim in the current proceeding, the PECO Plant Accounting Department works with operations to perform a detailed review of assets before they are placed in service (moved from account 107 to account 106) and again before the assets are unitized (moved from account 106 to account 101). Additionally, PECO Plant Accounting holds formal annual meetings with representatives of PECO's Real Estate Department to discuss the classification of PECO's land assets. The focus of these meetings includes the review of PECO's Plant Held for Future Use and Non-Utility Plant to identify any changes in the status of that property. This assessment also involves potential changes to the classification of utility property. Land that is not used and useful in the Company's utility business is recorded in either account 105, Plant Held for Future Use, or account 121, Non-Utility Plant. Neither of these accounts is included in the Company's claim.

Q. SDR-RB-2 Please provide a detailed comparison of actual and budgeted construction expenditures for the preceding three calendar years and the current year-to-date. Update as additional data become available.

A. SDR-RB-2

	Actual	Budget	Variance	
2021	$ 820,235,291	$ 754,694,322	$ (65,540,969)	(1)
2022	881,523,491	814,671,310	(66,852,181)	(2)
2023	971,770,381	982,411,946	10,641,565	(3)
YTD 2024	105,165,195	88,846,681	(16,318,514)	(4)

(1) The 2021 variance of ($65.5M) is primarily due to Storm Corrective Maintenance, Non-Storm Corrective Maintenance, LTIIP, and New Business.
(2) The 2022 variance of ($66.9M) is primarily due to Non-Storm Corrective Maintenance, Underground Residential Development, and New Business.
(3) The 2023 variance of $10.6M is primarily due to supply chain and permitting issues impacting LTIIP Mainstem Cable Replacements.
(4) The YTD 2024 variance of ($16.3M) is primarily due to a Major Storm in January 2024.

Q. SDR-RB-3 Please provide a detailed comparison by function of actual and budgeted plant additions and retirements for the preceding three calendar years and the current year-to-date. Update as additional data become available.

A. SDR-RB-3 For periods covered in this response, plant additions were estimated in the manner described in the response to Attachment V-A-3(a.3). PECO does not budget plant retirements.

Refer to Attachment SDR-RB-3(a) for 2021 through 2023 and January 2024 year-to-date actual and budgeted plant additions by function.

PECO Energy Company
Actual - vs Budget Plant Additions by Function
(in millions)

Function	Actual	Budget[1]	Variance	
2021	$ 687,350,442	$ 740,659,602	$ 53,309,160	**A**
2022	$ 735,758,206	$ 735,405,354	$ (352,852)	
2023	$ 736,341,558	$ 928,898,495	$ 192,556,937	**B**
2024 YTD	$ 73,878,138	$ 85,105,999	$ 11,227,861	**C**

[1] ***2021-23 budget amounts are based on 2021 Distribution Rate Case budget***

A - Variance due to planned LTIIP additions moving into 2022

B - Variance due to planned additions for LTIIP (recovered through DSIC outside of test year), system reliability and capacity expansion projects and distribution IT enhancements pushed to 2024

C - Variance due to timing of capital additions to occur later in the year

Q. SDR-RB-4 For each future test year plant addition of greater than $100,000, provide a schedule showing: a complete description of the project, anticipated retirements related to the plant addition, budgeted cost of total project, starting date of project and original anticipated in-service date.

A. SDR-RB-4 PECO does not forecast plant additions and retirements at either a project or utility account level of detail.

Refer to Attachment V-A-3(a.3) for an explanation of the methodology used to forecast plant additions and retirements for the fully projected future test year and the future test year.

Q. SDR-RB-5 Provide a schedule of the total cost of plant additions and retirements by plant account for each quarter of the historic test year and Company's estimated quarterly plant additions and retirements for the future (pro forma) test year. Also, provide the Company's projected capital additions and/or construction expenditures for the two calendar years subsequent to the future test year.

A. SDR-RB-5 Refer to Attachment SDR-RB-5(a.1) for the total cost of additions and retirements by plant account for each quarter of the historic test year (2023).

Refer to Attachment SDR-RB-5(a.2) for estimated quarterly plant additions for the future test year (2024) and fully projected future test year (2025). Retirements are estimated using a three-year historical average at the account level except for Utility Account E303 Misc Intangible Plant which now uses specific asset retirement forecasts. Years 2021 through 2023 were used to calculate the average.

Refer to Confidential Attachment SDR-RB-5(a.3) for the Company's projected capital additions for the two calendar years subsequent to the fully projected future test year (2026 and 2027). Retirements are estimated using a three-year historical average at the account level except for Utility Account E303 Misc Intangible Plant which now uses specific asset retirement forecasts. Years 2021 through 2023 were used to calculate the average.

ATTACHMENT SDR-RB-5(a.3) IS CONFIDENTIAL AND IS SUBMITTED ONLY IN THE NON-PUBLIC VERSION TO THE COMMISSION.

PECO Business - 10200
Electric Plant Additions & Retirements
Quarterly 2023

			end_month									
			03/2023		06/2023		09/2023		12/2023		Total Sum of additions	Total Sum of retirements
Product	func_class	Utility Account	Sum of additions	Sum of retirements	Sum of additions	Sum of retirements	Sum of additions	Sum of retirements	Sum of additions	Sum of retirements		
Common	PECO Common - General Plant	303 Software	-	-	-	-	-	(492,718)	-	-	-	(492,718)
		303 Software-5 Year Life	2,973,161	-	4,922,474	-	1,626,515	(76,473,301)	18,783,261	-	28,305,412	(76,473,301)
		3033 Cloud Srvc Cont 3YR	1,573,287	-	-	-	1,697,076	-	507,758	-	3,778,120	-
		3035 Cloud Srvc Contract 5YR	3,393,887	-	1,562,743	-	2,564,182	-	605,616	-	8,126,428	-
		390 Structure Building	(1,112,245)	(127,249)	132,306	(85,916)	126,600	(250,823)	(3,177,908)	(2,739,442)	(4,031,247)	(3,203,431)
		390 Structure Improvement	1,074,437	(587,185)	513,582	(12,551)	12,520,690	(118,308)	20,121,945	-	34,230,654	(718,043)
		390 Structure Special Purpose	228,737	-	-	-	(64,400)	-	391,107	-	555,444	-
		391 Computer Equipment	1,178,272	-	4,075,770	-	660,554	(5,795,928)	4,853,375	-	10,767,972	(5,795,928)
		391 Furniture and Appliances	239,700	-	57,930	-	(25,384)	(863,609)	1,703,567	-	1,975,813	(863,609)
		391 Office Machines	-	-	-	-	-	(4,856)	-	-	-	(4,856)
		392 Automobiles	-	-	-	-	-	-	-	-	-	-
		392 Heavy Trucks	548,886	-	4,001,601	(2,203,754)	3,728,001	(1,021,693)	3,832,310	(511,794)	12,110,799	(3,737,240)
		392 Light Trucks	1,862,915	-	1,284,439	(1,102,211)	811,226	(463,617)	2,014,793	(102,394)	5,973,373	(1,668,222)
		392 Medium Trucks	1,425,267	-	454,522	-	778,113	-	980,466	-	3,638,367	-
		392 Other transprtn (off road)	4,170	-	-	-	-	-	88,375	-	92,545	-
		392 Tractors	-	-	142,056	-	-	-	-	-	142,056	-
		392 Trailers	27,421	-	77,236	-	54,664	(39,250)	209,034	-	368,355	(39,250)
		393 Stores Equipment	-	-	121,632	-	-	(83,816)	-	-	121,632	(83,816)
		394 Common Tools	-	-	-	-	-	-	-	-	-	-
		394 Construction Tools	-	-	-	-	-	-	-	-	-	-
		394 Garage Equipment	-	-	14,086	-	7,098	(286,765)	12,991	-	34,176	(286,765)
		397 Communication Equipment	820,441	(143,693)	1,021,703	(80,439)	1,157,036	(157,947)	9,295,329	-	12,294,509	(382,079)
		398 Miscellaneous Equipment	-	-	-	-	-	(29,625)	-	-	-	(29,625)
		399.1 ARO Costs -Common	-	-	-	(220)	52,391	-	-	-	52,391	(220)
	PECO Common - General Plant Total		**14,238,336**	**(858,128)**	**18,382,082**	**(3,485,091)**	**25,694,363**	**(86,082,256)**	**60,222,019**	**(3,353,630)**	**118,536,799**	**(93,779,104)**
Common Sum			**14,238,336**	**(858,128)**	**18,382,082**	**(3,485,091)**	**25,694,363**	**(86,082,256)**	**60,222,019**	**(3,353,630)**	**118,536,799**	**(93,779,104)**
Electric	PECO Electric - Distribution Plant	360 Land owned in fee	-	-	-	-	-	-	-	-	-	-
		360 Right of Way	157,809	-	181,418	-	201,584	-	146,665	-	687,476	-
		361 Structure Building	12,962	(199,283)	16,252,144	(2,759)	2,074,247	(45,100)	1,852,336	-	20,191,690	(247,141)
		361 Structure Improvement	4,241,624	(424,229)	658,157	(146,293)	263,937	(452,553)	322,689	-	5,486,407	(1,023,076)
		361 Structure Special Purpose	-	-	49,455	-	6,891	-	-	-	56,346	-
		362 Station Equipment	3,202,912	(325,136)	3,342,776	(483,321)	2,632,262	(615,859)	2,352,449	(177,530)	11,530,399	(1,601,846)
		364 Poles, Towers and Fixtures	28,721,912	(4,639,532)	33,413,400	(4,895,897)	26,108,907	(4,896,267)	26,514,284	(7,223,972)	114,758,503	(21,655,669)
		365 Overhead Cndctrs & Devices	48,825,877	(2,853,996)	41,601,811	(2,927,461)	25,938,591	(2,965,537)	34,034,934	(5,304,210)	150,401,212	(14,051,205)
		366 Undergrnd Conduit & Manhole	21,533,449	(361,910)	15,383,499	(169,056)	11,069,446	(153,351)	28,208,047	(457,930)	76,194,441	(1,142,247)
		367 Undergrnd Cndctrs & Devices	34,801,236	(4,237,079)	27,890,582	(4,401,314)	40,521,857	(5,036,021)	54,631,407	(9,236,846)	157,845,081	(22,911,260)
		368 Line Transformers	15,889,482	(3,597,787)	14,730,293	(3,020,492)	24,596,506	(4,736,748)	29,871,262	(6,286,556)	85,087,543	(17,641,583)
		369 Aerial Services	1,744,669	(27,408)	2,582,462	(16,297)	1,460,304	(11,579)	2,065,153	(14,428)	7,852,589	(69,712)
		369 Underground Services	400,542	(20,506)	589,840	(27,254)	270,563	(20,467)	175,614	(45,867)	1,436,559	(114,094)
		370 Meters	14,379	-	1,767	-	1,141	-	-	-	17,286	-
		370 Smart Meters LCI	180,905	-	195,121	-	333,220	-	314,909	-	1,024,155	-
		370 Smart Meters RES	1,030,993	(4,000)	1,068,489	(5,407)	1,312,964	(7,389)	1,904,620	(11,130)	5,317,066	(27,926)
		370 Smart Meters SCI	25,748	-	26,432	-	49,904	-	42,229	-	144,312	-
		370.1 Meter Transformers	249,480	-	(169,705)	-	130,767	-	95,989	-	306,531	-
		373 Aerial Street Lighting	162	(18)	108	(0)	(2,021)	(71)	208	(69)	(1,543)	(159)
		373 Street Lighting&Signal Sys	192,914	(6,112)	154,797	(117,105)	100,647	(3,019)	(390,654)	(198,603)	57,705	(324,839)
		373 Underground Street lighting	(1,338,429)	(164,890)	424,191	(110,878)	278,025	(72,903)	2,133,716	(55,663)	1,497,505	(404,335)
		374 Distr ARO Costs	-	(3,209)	-	(33,908)	(369,895)	(2,228)	465,676	(7,622)	95,781	(46,968)
	PECO Electric - Distribution Plant Total		**159,888,627**	**(16,865,095)**	**158,377,036**	**(16,357,444)**	**136,979,847**	**(19,019,094)**	**184,741,533**	**(29,020,426)**	**639,987,043**	**(81,262,058)**
	PECO Electric - General Plant	390 Structure Building	222,352	(21,188)	19,389	-	-	(1,656)	-	(142,181)	241,742	(165,025)
		390 Structure Improvement	-	-	38,967	-	-	-	220,613	-	259,580	-
		390 Structure Special Purpose	-	-	194,294	-	-	-	-	-	194,294	-
		391 Computer Equipment	191,336	-	559,510	-	236,502	(11,280,085)	1,108,122	-	2,095,471	(11,280,085)
		391 Furniture and Appliances	24,820	-	20,409	-	24,647	-	14,617	-	84,493	-
		391 Office Machines	-	-	-	-	-	-	-	-	-	-
		391 Smart Meter Comp Equip	-	-	-	-	-	(77,250)	-	-	-	(77,250)
		393 Stores Equipment	-	-	-	-	-	(1,657)	-	-	-	(1,657)
		394 Tools, Shop & Garage Equip	1,510,850	-	454,876	-	1,050,041	(521,433)	991,889	-	4,007,655	(521,433)
		395 Laboratory Equip - Meter	-	-	-	-	-	-	-	-	-	-
		395 Laboratory Equip - Testing	-	-	-	-	-	(55,889)	-	-	-	(55,889)
		397 Communication Equipment	439,594	(225,478)	1,279,268	(127,403)	400,150	(609,120)	1,006,754	(1,031,532)	3,125,766	(1,993,533)
		397 SM Comm Equip	-	-	-	(17,317)	-	-	-	(136,368)	-	(153,686)
		398 Miscellaneous Equipment	34,836	-	-	-	-	49,903	-	(49,903)	34,836	-
		399.1 Genrl ARO Costs	-	-	76,000	-	60,000	163,293	(30,000)	(173,494)	106,000	(10,202)
	PECO Electric - General Plant Total		**2,423,788**	**(246,666)**	**2,642,714**	**(144,720)**	**1,771,341**	**(12,333,895)**	**3,311,995**	**(1,533,478)**	**10,149,837**	**(14,258,759)**
	PECO Electric - Intangible Plant	303 Software-5 Year Life	577,840	-	1,045,241	-	1,112,135	(75,241,355)	3,668,213	-	6,403,428	(75,241,355)
		3035 Cloud Srvc Cont 5YR	-	-	-	-	-	-	2,171,847	-	2,171,847	-
	PECO Electric - Intangible Plant Total		**577,840**	**-**	**1,045,241**	**-**	**1,112,135**	**(75,241,355)**	**5,840,060**	**-**	**8,575,276**	**(75,241,355)**
	PECO Electric - Transmission Plant	350 Land owned in fee	-	-	-	-	-	-	-	-	-	-
		352 Structure Building	(200,011)	(56,062)	(61,875)	-	-	-	-	-	(261,886)	(56,062)
		352 Structure Improvement	31,446	(2,123)	685,464	(1,917)	(156,812)	-	769,496	(48,574)	1,329,594	(52,614)
		352 Structure Special Purpose	-	-	-	-	-	(57,216)	-	-	-	(57,216)
		353 Station Equipment	(1,107,854)	(298,434)	12,148,288	(3,044,106)	3,393,689	(269,765)	4,111,140	(324,809)	18,545,264	(3,937,114)
		354 Towers and Fixtures	-	-	-	-	-	-	-	(168,709)	-	(168,709)
		355 Poles and Fixtures	187,564	-	12,414	-	29,502	-	4,129,158	-	4,358,637	-
		356 Overhead Cndctrs & Devices	2,329,089	-	788,297	(939)	4,824,473	-	7,409,689	(122,927)	15,351,549	(123,865)
		357 Underground Conduit	381,988	-	25,643,757	(19,774)	169,353	-	77,519	-	26,272,617	(19,774)
		358 Undergrnd Cndctrs & Devices	1,475,907	(49,508)	18,953,819	(64,283)	(308,732)	-	288,918	-	20,409,911	(113,791)
		359 Road and Trails	(113,623)	-	-	-	-	-	113,623	-	-	-
		359.1 Trans-ARO Costs	-	(105)	-	-	(296,062)	-	296,062	-	-	(105)
	PECO Electric - Transmission Plant Total		**2,984,506**	**(406,233)**	**58,170,164**	**(3,131,018)**	**7,655,411**	**(326,981)**	**17,195,605**	**(665,019)**	**86,005,686**	**(4,529,252)**
Electric Sum			**165,874,761**	**(17,517,994)**	**220,235,155**	**(19,633,182)**	**147,518,734**	**(106,921,325)**	**211,089,193**	**(31,218,923)**	**744,717,843**	**(175,291,424)**
Grand Total			**180,113,097**	**(18,376,122)**	**238,617,236**	**(23,118,273)**	**173,213,097**	**(193,003,581)**	**271,311,212**	**(34,572,553)**	**863,254,642**	**(269,070,528)**

PECO Energy Company
Plant In Service Additions and Retirements
Quarterly 2024-2025

Total Projected Additions	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
Common	154,757,879	53,595,624	15,884,809	24,838,607	12,682,953	18,039,370	28,592,551	38,785,361
Electric - Transmission	35,807,263	62,093,360	6,731,944	53,529,643	13,796,359	6,137,122	10,409,949	55,610,229
Electric - Distribution	292,049,494	192,914,545	200,665,801	365,606,741	172,252,154	267,391,077	212,525,398	408,919,030
Electric - General Plant	2,560,595	2,573,821	2,259,100	2,335,194	2,055,554	2,308,085	2,540,047	4,590,927
Electric - Intangible Plant	1,045,113	42,385,301	1,791,367	5,997,951	1,072,164	1,061,898	1,170,948	36,070,475
Total	**486,220,345**	**353,562,651**	**227,333,021**	**452,308,137**	**201,859,184**	**294,937,552**	**255,238,891**	**543,976,022**

Total Projected Retirements	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
Common	(4,909,058)	(4,909,058)	(164,831,653)	(4,909,058)	(4,909,058)	(4,909,058)	(18,055,255)	(4,909,058)
Electric - Transmission	(970,908)	(970,908)	(970,908)	(970,908)	(970,908)	(970,908)	(970,908)	(970,908)
Electric - Distribution	(19,478,297)	(19,478,297)	(19,478,297)	(19,478,297)	(19,478,297)	(19,478,297)	(19,478,297)	(19,478,297)
Electric - General Plant	(2,631,130)	(2,631,130)	(2,631,130)	(2,631,130)	(2,631,130)	(2,631,130)	(2,631,130)	(2,631,130)
Electric - Intangible Plant	(2)	(2)	(56,604,517)	(2)	(2)	(2)	(37,728,834)	(2)
Total	**(27,989,395)**	**(27,989,395)**	**(244,516,506)**	**(27,989,395)**	**(27,989,395)**	**(27,989,395)**	**(78,864,424)**	**(27,989,395)**

NOTE: Amounts for Common Plant and Electric - General Plant are shown unallocated.

Q. SDR-RB-6 Please provide the actual monthly balance of each of the following items for each month of the historic and future test years to date. Update as additional monthly balances become available.

a. Electric Plant in Service
b. Plant Held for Future Use, if a claim is made for AFUDC treatment
c. CWIP - Pollution Control Expenditures
d. Accumulated Depreciation and Amortization
e. Plant Materials and Supplies
f. Fuel Supplies
g. Accumulated deferred income taxes broken down by Accounts 190, 282 and 283

A. SDR-RB-6

a. Refer to Attachment SDR-RB-6(a).
b. No claims are being made for AFUDC treatment on Plant Held for Future Use.
c. All pollution control expenditures have been unitized to Plant in Service. There are no pollution control programs in CWIP.
d. Refer to Attachment SDR-RB-6(d).
e. Refer to Attachment SDR-RB-6(e).
f. Refer to Attachment SDR-RB-6(e).
g. Refer to Attachment SDR-RB-6(e).

PECO Business - 10200
Electric Plant in Service
YTD 2023 & 2024

Sum of end_bal			end_month										
Product	func_class	Utility Account	01/2023	02/2023	03/2023	04/2023	05/2023	06/2023	07/2023	08/2023	09/2023	10/2023	11/2023	12/2023
Common	PECO Common - General Plant	301 Organization	677,136	677,136	677,136	677,136	677,136	677,136	677,136	677,136	677,136	677,136	677,136	677,136
		303 Software	492,718	492,718	492,718	492,718	492,718	492,718	492,718	492,718	-	-	-	-
		392 Automobiles	67,549	67,549	67,549	67,549	67,549	67,549	67,549	67,549	67,549	67,549	67,549	67,549
		392 Heavy Trucks	100,270,052	100,279,628	100,385,337	100,126,995	101,854,846	102,183,184	103,022,013	104,286,584	104,889,492	106,897,442	107,331,600	108,210,009
		392 Light Trucks	42,358,341	43,415,583	43,958,978	43,929,984	44,226,678	44,141,206	44,832,515	44,952,432	44,488,815	45,267,573	46,380,053	46,401,214
		392 Medium Trucks	27,101,005	27,101,005	27,707,035	28,161,556	28,161,556	28,161,556	28,230,028	28,590,703	28,939,669	28,939,669	29,705,109	29,920,135
		392 Other transprtn (off road)	5,938,680	5,938,680	5,942,850	5,942,850	5,942,850	5,942,850	5,942,850	5,942,850	5,942,850	5,942,850	6,031,225	6,031,225
		392 Tractors	279,351	279,351	279,351	279,351	421,406	421,406	421,406	421,406	421,406	421,406	421,406	421,406
		392 Trailers	5,285,731	5,285,731	5,287,863	5,343,164	5,343,164	5,365,099	5,414,063	5,419,763	5,380,513	5,380,513	5,526,802	5,589,548
		393 Stores Equipment	1,301,795	1,301,795	1,301,795	1,423,427	1,423,427	1,423,427	1,339,611	1,339,611	1,339,611	1,339,611	1,339,611	1,339,611
		394 Construction Tools	-	-	-	-	-	-	-	-	-	-	-	-
		394 Garage Equipment	1,794,163	1,794,163	1,794,163	1,797,663	1,801,573	1,808,249	1,616,974	1,694,946	1,528,582	1,531,076	1,538,837	1,541,574
		396 Power Operated Equipment	185,066	185,066	185,066	185,066	185,066	185,066	185,066	185,066	185,066	185,066	185,066	185,066
		397 Communication Equipment	91,876,517	91,658,698	92,331,976	92,335,252	92,377,999	93,273,241	93,501,297	93,783,332	94,272,330	95,203,554	93,848,326	96,193,676
		398 Miscellaneous Equipment	1,220,986	1,220,986	1,220,986	1,220,986	1,220,986	1,220,986	1,191,360	1,191,360	1,191,360	1,191,360	1,191,360	1,191,360
		303 Software - transfer	-	-	-	-	-	-	-	-	-	-	-	-
		303 Software-5 Year Life	350,981,069	351,059,119	353,012,089	357,369,209	357,390,892	357,934,563	357,981,812	357,955,774	282,900,118	282,900,004	287,160,461	301,683,379
		3033 Cloud Srvc Cont 3YR	6,184,196	6,203,917	6,203,917	6,203,917	6,203,917	6,203,917	6,203,917	6,283,256	7,900,993	7,907,706	7,870,724	8,408,751
		3035 Cloud Srvc Contract 5YR	11,540,340	11,612,466	12,210,638	12,178,832	12,404,728	13,773,381	14,562,944	14,756,676	16,337,563	16,334,685	16,320,430	16,943,179
		389 Land owned in fee	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868	6,778,868
		389 Right of Way	4,188	4,188	4,188	4,188	4,188	4,188	4,188	4,188	4,188	4,188	4,188	4,188
		390 Structure Building	246,914,285	246,875,459	245,635,671	245,748,288	245,713,727	245,682,061	245,882,821	245,709,760	245,557,837	239,126,647	239,368,306	239,640,488
		390 Structure Improvement	94,778,660	94,939,461	95,382,570	96,245,315	95,898,808	95,883,601	107,176,580	108,166,397	108,285,984	123,908,805	128,401,240	128,407,928
		390 Structure Special Purpose	2,397,587	2,634,264	2,626,323	2,626,323	2,626,323	2,626,323	2,626,323	2,626,323	2,561,923	2,561,923	2,936,327	2,953,030
		391 Computer Equipment	39,801,684	39,910,320	40,936,941	43,920,700	44,618,866	45,012,712	39,573,515	39,795,741	40,064,998	40,472,503	43,783,557	44,918,373
		391 Furniture and Appliances	25,502,431	25,506,483	25,729,605	25,787,535	25,787,535	25,787,535	24,917,173	24,898,542	24,898,542	26,604,632	26,659,329	26,602,108
		391 Office Machines	105,429	105,429	105,429	105,429	105,429	105,429	100,573	100,573	100,573	100,573	100,573	100,573
		394 Common Tools	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121	1,010,121
		397 Communictn Eqp-Fiber Optic	25,135,623	25,135,623	25,135,623	25,135,623	25,135,623	25,135,623	25,135,623	25,135,623	25,135,623	25,135,623	25,135,623	32,509,605
		399 Other Tangible Prop-Common	-	-	-	-	-	-	-	-	-	-	-	-
		399.1 ARO Costs -Common	1,032,945	1,032,945	1,032,945	1,032,945	1,032,945	1,032,725	1,032,725	1,032,725	1,085,117	1,085,117	1,085,117	1,029,562
	PECO Common - General Plant Total		1,091,016,518	1,092,506,754	1,097,437,731	1,106,130,991	1,108,908,928	1,112,334,722	1,119,921,773	1,123,300,027	1,051,946,829	1,066,976,200	1,080,858,945	1,108,759,663
Common Total			1,091,016,518	1,092,506,754	1,097,437,731	1,106,130,991	1,108,908,928	1,112,334,722	1,119,921,773	1,123,300,027	1,051,946,829	1,066,976,200	1,080,858,945	1,108,759,663
Electric	PECO Electric - Distribution Plant	360 Land and Land Rights	52,865,771	52,915,598	53,502,368	53,564,267	53,620,668	53,683,786	53,786,042	53,936,201	53,998,539	54,041,936	54,041,936	54,159,051
		361 Structures and Improvements	183,859,270	183,887,775	187,872,547	188,175,206	188,346,572	204,683,251	205,318,609	205,986,403	206,530,673	206,984,742	208,262,735	208,819,322
		362 Station Equipment	1,233,400,884	1,233,644,246	1,234,886,386	1,234,608,737	1,235,427,759	1,237,745,840	1,238,509,470	1,239,154,277	1,239,762,244	1,240,964,055	1,241,296,582	1,247,092,868
		364 Poles, Towers and Fixtures	1,078,554,947	1,085,567,873	1,092,277,201	1,099,619,623	1,110,929,725	1,120,794,704	1,127,052,854	1,136,938,450	1,142,007,344	1,146,287,021	1,152,898,104	1,161,297,656
		365 Overhead Conductors & Devices	1,837,548,387	1,843,816,173	1,858,242,705	1,864,492,810	1,877,585,855	1,896,917,055	1,904,094,568	1,910,440,378	1,919,890,108	1,932,349,586	1,929,716,315	1,948,620,831
		366 Underground Conduit	695,575,999	698,556,865	710,023,698	712,629,053	716,589,646	725,238,142	732,907,587	741,762,228	736,154,236	746,270,438	752,979,159	765,407,398
		367 Underground Conductors & Devices	1,682,631,193	1,691,687,224	1,697,082,931	1,708,308,473	1,715,048,636	1,720,572,199	1,726,562,527	1,740,805,655	1,756,058,035	1,761,552,161	1,780,035,140	1,801,734,416
		368 Line Transformers	715,300,501	717,877,157	719,474,859	723,528,748	729,920,344	731,184,659	737,599,568	747,871,190	751,044,418	759,504,955	770,997,872	774,629,124
		369 Services	458,991,866	459,628,418	460,510,164	461,417,998	462,264,305	463,638,916	464,035,001	464,834,761	465,337,736	465,968,382	466,844,298	467,518,208
		370 Meters	340,485,331	341,367,665	341,732,970	342,122,759	342,670,996	342,849,667	343,652,862	344,351,569	344,670,273	345,350,029	345,941,255	347,016,891
		371 Installations on Customer Premises	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383	13,772,383
		373 Street Lighting and Signal Systems	69,098,245	69,329,511	67,621,941	67,775,077	67,778,792	67,973,054	68,130,981	68,444,253	68,273,712	68,513,666	66,641,421	66,272,521
		374 Asset Retirement Costs for Distribution Plant	3,015,947	3,014,992	3,014,278	2,984,284	2,980,727	2,980,370	2,978,968	2,979,000	2,608,247	2,608,247	2,608,085	2,693,063
	PECO Electric - Distribution Plant Total		8,365,100,722	8,395,065,880	8,440,014,432	8,472,999,419	8,516,936,407	8,582,034,025	8,618,355,689	8,671,126,590	8,700,045,608	8,744,124,204	8,786,035,284	8,859,033,732
	PECO Electric - General Plant	389 Land and Land Rights	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459	1,063,459
		390 Structures and Improvements	50,428,732	50,658,256	50,629,896	50,629,896	50,668,863	50,882,547	50,882,547	50,882,547	50,880,890	50,738,710	50,919,420	50,959,322
		391 Office Furniture and Equipment	39,776,555	39,793,066	39,971,219	40,082,953	40,121,867	40,551,138	29,303,187	29,396,955	29,454,952	29,834,544	29,838,912	30,577,691
		393 Stores Equipment	46,471	46,471	46,471	46,471	46,471	46,471	44,814	44,814	44,814	44,814	44,814	44,814
		394 Tools, Shop & Garage Equipment	50,011,583	50,561,300	51,068,363	51,567,779	51,292,348	51,523,239	51,478,054	51,795,108	52,051,847	52,598,802	52,770,562	53,043,736
		395 Laboratory Equipment	311,026	311,026	311,026	311,026	311,026	311,026	255,137	255,137	255,137	255,137	255,137	255,137
		398 Miscellaneous Equipment	662,067	662,202	662,202	662,202	662,202	662,202	712,105	712,105	712,105	712,105	712,105	712,105
		397 Communication Equipment	182,036,531	182,082,391	182,305,968	182,394,836	182,997,110	183,440,516	183,402,208	183,332,593	183,231,546	182,632,616	182,716,451	183,070,400
		399.1 Asset Retirement Costs for General Plant	1,707,746	1,707,746	1,707,746	1,707,746	1,707,746	1,783,746	1,783,746	1,783,746	1,977,039	1,977,039	1,977,039	1,958,394
	PECO Electric - General Plant Total		326,044,170	326,885,916	327,766,349	328,466,367	328,871,092	330,264,343	318,925,256	319,266,463	319,671,788	319,857,224	320,297,899	321,685,057
	PECO Electric - Intangible Plant	302 Franchises and Consents	162,934	162,934	162,934	162,934	162,934	162,934	162,934	162,934	162,934	162,934	162,934	162,934
		303 Miscellaneous Intangible Plant	230,594,237	230,560,761	230,565,622	230,940,714	230,946,224	231,610,863	232,365,639	245,028,600	157,481,643	161,124,997	161,534,679	163,321,703
	PECO Electric - Intangible Plant Total		230,757,171	230,723,696	230,728,556	231,103,648	231,109,158	231,773,797	232,528,573	245,191,534	157,644,577	161,287,931	161,697,613	163,484,637
	PECO Electric - Transmission Plant	350 Land and Land Rights	64,913,907	69,200,028	69,200,028	69,200,028	69,200,028	69,225,693	69,225,693	69,225,693	69,225,693	69,225,693	69,225,693	75,731,181
		352 Structures and Improvements	98,876,878	98,906,503	98,662,221	98,860,202	99,246,460	99,283,893	98,998,717	99,074,736	99,069,865	98,899,838	100,905,701	101,496,047
		353 Station Equipment	998,868,078	998,975,643	998,875,620	997,261,521	1,001,223,897	1,007,979,803	1,009,350,650	1,009,664,700	1,011,103,727	1,013,266,907	1,016,050,946	1,009,734,352
		354 Towers and Fixtures	291,484,464	291,484,464	291,484,464	291,484,464	291,484,464	291,484,464	291,484,464	291,484,464	291,484,464	291,454,408	291,315,755	291,315,755
		355 Poles and Fixtures	25,282,843	25,372,302	25,425,026	25,390,129	25,432,750	25,437,440	25,447,591	25,458,417	25,466,941	29,594,438	29,549,441	29,596,100
		356 Overhead Conductors and Devices	264,572,442	264,598,375	265,279,813	265,990,301	266,172,661	266,067,171	266,643,444	267,199,259	270,891,645	276,572,087	276,999,204	278,178,407
		357 Underground Conduit	16,264,346	16,295,072	16,302,538	16,728,365	41,786,119	41,926,522	41,913,359	41,961,524	42,095,874	42,136,910	42,138,508	42,173,393
		358 Underground Conductors & Devices	107,238,748	107,349,427	107,349,427	106,840,755	126,068,587	126,238,962	125,566,718	125,745,704	125,930,230	125,957,587	126,230,750	126,219,148
		359 Road and Trails	2,734,843	2,734,843	2,621,221	2,621,221	2,621,221	2,621,221	2,621,221	2,621,221	2,621,221	2,621,221	2,621,221	2,621,221
		359.1 Asset Retirement Costs for Transmission Plant	800,374	800,354	800,354	800,354	800,354	800,354	800,354	800,354	504,293	504,293	504,293	504,293
	PECO Electric - Transmission Plant Total		1,871,036,924	1,871,430,891	1,876,000,712	1,875,177,339	1,924,036,542	1,931,065,523	1,932,052,211	1,933,236,072	1,938,393,953	1,950,233,381	1,955,541,512	1,957,569,897
Electric Total			10,792,938,986	10,824,106,383	10,874,510,050	10,907,746,772	11,000,953,199	11,075,137,687	11,101,861,729	11,168,820,659	11,115,755,926	11,175,502,739	11,223,572,308	11,301,773,323
Grand Total			11,883,955,504	11,916,613,137	11,971,947,781	12,013,877,764	12,109,862,127	12,187,472,409	12,221,783,502	12,292,120,686	12,167,702,755	12,242,478,940	12,304,431,253	12,410,532,986

PECO Business - 10200
Accumulated Provision and Amortization
YTD 2023 & 2024

Sum of Total Reserve	Start Month	1/1/2023	2/1/2023	3/1/2023	4/1/2023	5/1/2023	6/1/2023	7/1/2023	8/1/2023	9/1/2023	10/1/2023	11/1/2023	12/1/2023
Common													
General Plant - Common													
390 Structure Building		66,771,724	67,084,309	67,341,533	67,585,798	67,980,473	69,305,794	69,638,728	69,967,042	70,107,813	67,140,271	67,403,932	67,709,546
390 Structure Improvement		2,523,816	2,693,733	2,372,350	2,411,920	2,230,017	1,780,489	1,951,093	2,118,940	2,318,929	3,408,130	3,604,646	2,964,291
390 Structure Special Purpose		190,178	194,756	199,551	204,329	209,098	213,856	218,606	223,346	228,013	232,607	237,562	242,895
391 Computer Equipment		18,588,564	19,234,591	19,879,668	20,610,945	21,333,044	22,050,135	17,044,332	17,690,525	18,369,929	19,039,732	19,700,360	20,453,881
391 Furniture and Appliances		5,068,420	5,243,790	5,184,692	5,362,473	5,539,039	5,312,983	4,622,737	4,775,238	4,945,622	4,990,521	5,177,682	5,363,113
391 Office Machines		18,485	19,649	20,798	21,931	23,049	24,152	20,384	21,458	22,517	23,562	24,593	25,611
392 Automobiles		73,256	72,998	72,751	72,515	72,290	72,075	71,870	71,675	71,488	71,309	71,139	70,977
392 Heavy Trucks		45,321,060	45,882,874	46,494,435	46,787,041	47,341,187	45,963,095	46,542,142	47,126,021	47,030,135	47,631,917	48,240,031	48,419,776
392 Light Trucks		19,714,518	19,985,733	20,367,839	20,037,671	20,319,048	20,108,073	20,393,407	20,680,148	20,787,522	21,069,484	21,359,213	21,550,768
392 Medium Trucks		10,132,554	10,419,027	10,705,780	10,996,644	11,286,434	11,571,332	11,853,998	12,131,549	12,412,370	12,691,395	12,972,172	13,256,484
392 Other transprttn (off road)		4,186,566	4,205,540	4,224,430	4,243,038	4,261,445	4,279,588	4,297,599	4,315,415	4,333,038	4,350,470	4,368,193	4,386,201
392 Tractors		294,025	293,250	292,516	291,820	294,917	301,605	307,940	313,939	319,622	325,004	330,101	334,929
392 Trailers		3,152,215	3,174,279	3,196,125	3,218,043	3,240,020	3,261,883	3,283,887	3,305,945	3,288,555	3,310,189	3,332,356	3,366,616
393 Stores Equipment		362,812	371,050	379,216	387,843	396,929	405,934	331,045	339,893	348,664	357,358	365,975	374,517
394 Common Tools		306,195	311,903	317,564	323,180	328,750	334,275	339,755	345,191	350,583	355,931	361,236	366,497
394 Construction Tools		(3,525)	(3,231)	(2,962)	(2,715)	(2,489)	(2,281)	(2,091)	(1,917)	(1,757)	(1,611)	(1,477)	(1,354)
394 Garage Equipment		801,374	808,757	816,086	823,373	830,633	837,878	558,685	566,846	574,617	581,720	588,810	595,885
396 Power Operated Equipment		184,829	184,847	184,863	184,878	184,892	184,905	184,917	184,928	184,938	184,948	184,957	184,965
397 Communication Equipment		33,796,375	34,271,690	34,602,306	35,076,249	35,547,612	35,938,759	36,411,095	36,882,187	37,195,296	37,668,170	38,137,127	38,627,321
398 Miscellaneous Equipment		803,305	810,886	818,329	825,637	832,812	839,857	817,149	823,941	830,609	837,157	843,585	838,773
399.1 ARO Costs -Common		(472,137)	(464,015)	(455,893)	(447,771)	(439,649)	(431,747)	(423,625)	(415,503)	(354,990)	(346,868)	(338,746)	(330,624)
General Plant - Common Total		211,814,611	214,796,415	217,011,977	219,014,841	221,809,550	222,352,641	218,461,653	221,466,807	223,363,513	223,921,396	226,963,446	228,801,069
Intangible-Miscellaneous - Common													
303 Miscellaneous Intangible Plant		21,476,262	21,476,262	21,476,262	21,476,262	21,476,262	21,476,262	21,476,262	21,476,262	-	-	-	-
303 Software		45,104,292	45,855,560	44,323,508	44,902,071	46,078,288	46,726,362	47,291,450	47,987,277	19,522,858	19,832,636	20,158,099	20,509,381
303 Software-5 Year Life		200,455,541	202,635,922	207,213,633	209,659,449	211,466,557	213,928,533	216,364,204	218,769,866	195,083,801	197,563,154	200,212,717	202,956,371
3033 Cloud Srvc Cont 3YR		2,501,212	2,660,090	2,819,844	2,978,959	3,138,072	3,297,187	3,455,596	3,614,399	3,784,146	3,963,593	4,142,314	4,326,638
3035 Cloud Srvc Contract 5YR		3,804,029	3,996,974	4,190,591	4,398,722	4,603,534	4,822,064	5,058,794	5,303,908	5,563,800	5,836,825	6,121,835	6,399,545
Intangible-Miscellaneous - Common Total		**273,341,336**	**276,624,807**	**280,029,838**	**283,415,463**	**286,762,714**	**290,250,409**	**293,646,306**	**297,151,713**	**223,954,606**	**227,196,209**	**230,634,966**	**234,191,934**
Common Total		**485,155,948**	**491,421,222**	**497,041,815**	**502,430,304**	**508,572,264**	**512,603,050**	**512,107,959**	**518,618,519**	**447,318,119**	**451,117,605**	**457,598,412**	**462,993,004**
Electric													
Distribution													
360 Land and Land Rights		298,846	298,846	310,058	310,058	310,058	310,058	310,058	310,058	310,058	310,058	310,058	310,085
361 Structures and Improvements		44,417,535	44,727,549	44,804,028	45,092,956	45,219,070	45,517,053	45,277,374	45,562,009	45,942,885	46,200,211	46,533,330	46,767,489
362 Station Equipment		487,122,314	488,722,521	490,021,755	491,607,789	493,029,993	494,247,096	495,966,834	498,537,050	499,679,400	500,231,835	501,973,959	502,906,513
364 Poles, Towers and Fixtures		108,584,501	106,877,544	105,404,569	104,195,023	103,459,299	102,685,840	101,442,975	100,445,623	100,309,598	100,759,147	99,361,957	97,703,840
365 Overhead Conductors & Devices		280,978,895	281,786,320	282,710,787	283,750,900	284,658,364	285,171,493	286,035,519	287,159,202	288,673,166	291,267,022	291,664,486	292,179,557
366 Underground Conduit		172,884,995	173,119,933	173,161,709	173,612,727	174,014,701	174,728,259	175,424,986	176,196,508	177,462,293	178,921,569	179,456,740	180,286,549
367 Underground Conductors & Devices		200,409,537	200,517,490	199,903,360	200,006,497	200,751,159	200,919,051	199,666,757	200,655,477	199,499,305	197,671,364	194,080,388	194,984,164
368 Line Transformers		181,830,889	183,090,773	180,969,005	182,113,635	183,183,076	181,748,071	182,480,319	183,583,556	180,818,336	180,681,559	180,213,746	177,956,968
369 Services		190,314,956	190,984,875	191,488,639	192,163,435	192,838,920	193,367,114	194,050,163	194,734,062	195,300,482	195,973,273	196,640,353	197,179,733
370 Meters		178,945,008	180,649,650	182,344,275	184,027,773	185,700,783	187,354,136	189,002,056	190,638,131	192,244,891	193,845,235	195,440,010	197,011,396
371 Installations on Customer Premises		10,089,882	10,145,706	10,200,680	10,254,817	10,308,128	10,360,627	10,412,326	10,463,237	10,513,373	10,562,745	10,611,365	10,659,244
373 Street Lighting and Signal Systems		32,782,787	32,872,384	33,008,710	33,123,000	33,109,533	33,411,205	33,514,833	33,629,145	33,765,236	33,923,100	33,974,949	33,964,667
374 Asset Retirement Costs for Distribution Plant		2,100,860	2,099,697	2,098,774	2,068,571	2,064,804	2,064,238	2,062,619	2,062,433	2,078,919	2,133,431	2,140,706	2,140,683
Distribution Total		1,890,761,005	1,895,893,287	1,896,426,349	1,902,327,180	1,908,647,889	1,911,884,240	1,915,646,819	1,923,976,492	1,926,597,942	1,932,480,548	1,932,402,046	1,934,050,890
General Plant - Electric													
390 Structures and Improvements		15,213,607	15,315,367	15,384,974	15,549,655	15,649,635	15,683,715	15,783,932	15,918,193	16,016,086	15,896,252	15,992,670	16,089,940
391 Office Furniture and Equipment		21,463,798	22,126,665	22,768,425	23,391,628	23,994,434	24,583,559	13,803,357	14,362,732	14,904,190	15,365,597	15,882,557	16,394,166
393 Stores Equipment		23,480	23,840	24,195	24,543	24,887	25,225	23,901	24,228	24,550	24,868	25,180	25,487
394 Tools, Shop & Garage Equipment		17,766,995	18,055,875	18,309,134	18,639,777	18,889,537	19,178,038	18,945,684	19,235,719	19,525,726	19,816,726	20,108,334	20,399,327
395 Laboratory Equipment		267,195	268,639	270,030	271,370	272,662	273,907	219,218	220,377	221,494	222,572	223,613	224,619
397 Communication Equipment		66,105,581	66,909,202	67,656,848	68,489,725	69,287,365	70,025,409	70,863,080	71,690,260	71,774,619	71,563,391	72,312,324	73,081,403
398 Miscellaneous Equipment		(263,353)	(258,211)	(253,010)	(247,840)	(242,699)	(237,588)	(182,603)	(177,552)	(172,529)	(167,535)	(162,571)	(157,635)
399.1 Asset Retirement Costs for General Plant		1,228,643	1,243,292	1,257,941	1,272,590	1,287,239	1,312,745	1,338,251	1,363,757	1,560,056	1,593,062	1,626,069	1,648,873
General Plant - Electric Total		121,805,947	123,684,670	125,418,536	127,391,450	129,163,058	130,845,010	120,794,821	122,637,714	123,854,191	124,314,932	126,008,176	127,706,180
Intangible-Miscellaneous - Electric													
303 Miscellaneous Intangible Plant		165,718,484	167,602,911	169,495,813	171,388,664	173,281,304	175,177,547	177,081,079	179,050,675	105,695,891	107,107,592	108,745,970	110,293,056
Intangible-Miscellaneous - Electric Total		165,718,484	167,602,911	169,495,813	171,388,664	173,281,304	175,177,547	177,081,079	179,050,675	105,695,891	107,107,592	108,745,970	110,293,056
Transmission		-	-	-	-	-	-	-	-	-	-	-	-
350 Land and Land Rights		(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)
352 Structures and Improvements		26,005,809	26,153,027	26,312,323	26,484,902	26,641,155	26,614,629	26,735,157	26,897,780	27,055,274	27,128,250	27,495,186	27,657,315
353 Station Equipment		228,117,645	229,490,443	230,684,502	229,698,231	230,617,098	231,734,978	233,145,005	234,606,227	235,848,891	236,949,815	238,321,368	240,303,600
354 Towers and Fixtures		170,392,962	170,684,244	170,974,826	171,264,708	171,639,551	171,928,039	172,215,833	172,502,934	172,789,343	173,045,007	173,001,294	173,286,098
355 Poles and Fixtures		3,141,839	3,166,527	3,190,991	3,218,583	3,246,521	3,279,226	3,311,483	3,343,869	3,379,575	3,457,031	3,497,877	3,537,076
356 Overhead Conductors and Devices		89,719,439	90,029,400	90,149,406	90,282,869	90,422,085	91,053,005	91,503,941	91,807,829	92,124,660	92,289,254	92,611,160	92,938,418
357 Underground Conduit		2,427,624	2,406,089	2,371,679	2,501,591	2,455,772	2,511,359	2,583,995	2,672,150	2,726,007	2,792,587	2,863,454	2,935,064
358 Underground Conductors & Devices		47,637,432	47,507,664	47,591,869	47,153,767	47,033,091	47,189,568	47,603,053	47,729,878	47,901,931	48,088,912	48,188,015	48,374,546
359 Road and Trails		2,168,062	2,170,913	2,173,464	2,175,717	2,177,958	2,180,188	2,182,407	2,184,614	2,186,811	2,188,996	2,191,171	2,193,334
359.1 Asset Retirement Costs for Transmission Plant		42,348	43,891	45,454	47,016	48,579	50,142	51,704	53,267	55,801	58,335	60,869	63,402
Transmission Total		569,653,138	571,652,176	573,494,492	572,827,361	574,281,789	576,541,113	579,332,556	581,798,526	584,068,272	585,998,166	588,230,372	591,288,832
Electric Total		2,747,938,573	2,758,833,045	2,764,835,190	2,773,934,654	2,785,374,041	2,794,447,909	2,792,855,275	2,807,463,407	2,740,216,297	2,749,901,239	2,756,386,565	2,763,338,958
Grand Total		**3,233,094,521**	**3,250,254,267**	**3,261,877,005**	**3,276,364,958**	**3,293,946,304**	**3,307,050,959**	**3,304,963,234**	**3,326,081,926**	**3,187,534,416**	**3,201,018,844**	**3,212,984,977**	**3,226,331,962**

Note: Amounts for Common Plant and Electric - General Plant are shown unallocated.

PECO Energy Company
Attachment SDR-RB-6e
Actual Monthly Balance by Account for Historic Period
Presentation Basis - Total Company unless noted
(in thousands)

	ACCT		2023 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Electric Plant in Service			(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
Plant held for Future Us, if a claim is made for AFUDC treatment			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CWIP - Pollution Control Expenditures			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Accumulated Depreciation and Amortization			(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Plant Materials and Supplies (Electric Distribution only)			29,869	28,004	25,312	25,243	25,333	26,142	27,571	32,726	33,687	34,044	36,128	39,019
Fuel Supplies (Electric Distribution only)			-	-	-	-	-	-	-	-	-	-	-	-
Accumulated deferred income taxes broken down by Accts 190,282, and 283	**190**	All			211,012			224,696			242,028			278,205
		Electric												230,445
		Gas												60,932
		Non-utility												(13,172)
	282	All			(2,168,357)			(2,199,519)			(2,236,248)			(2,264,522)
		Electric												(1,624,042)
		Gas												(640,480)
		Non-utility												-
	283	All			(291,721)			(292,906)			(294,921)			(334,277)
		Electric												(275,230)
		Gas												(59,047)
		Non-utility												-

(a) - Refer to Attachment SDR-RB-6A
(b) - Refer to Attachment SDR-RB-6D

PECO Energy Company
Attachment SDR-RB-6e
Actual Monthly Balance by Account for FTY
Presentation Basis - Total Company unless noted
(in thousands)

	ACCT		2024 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Electric Plant in Service														
Plant held for Future Us, if a claim is made for AFUDC treatment														
CWIP - Pollution Control Expenditures														
Accumulated Depreciation and Amortization														
Plant Materials and Supplies (Electric Distribution only)														
Fuel Supplies (Electric Distribution only)														
Accumulated deferred income taxes broken down by Accts 190,282, and 283	**190**	All			315,874			334,319			358,780			341,102
		Electric												289,285
		Gas												78,249
		Non-utility												(26,431)
	282	All			(2,332,223)			(2,360,163)			(2,397,627)			(2,434,514)
		Electric												(1,738,106)
		Gas												(696,408)
		Non-utility												-
	283	All			(335,925)			(336,814)			(337,998)			(339,011)
		Electric												(278,896)
		Gas												(60,115)
		Non-utility												-

PECO Energy Company
Attachment SDR-RB-6e
Actual Monthly Balance by Account for FPFTY
Presentation Basis - Total Company unless noted
(in thousands)

	ACCT		2025 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Electric Plant in Service														
Plant held for Future Us, if a claim is made for AFUDC treatment														
CWIP - Pollution Control Expenditures														
Accumulated Depreciation and Amortization														
Plant Materials and Supplies (Electric Distribution only)														
Fuel Supplies (Electric Distribution only)														
Accumulated deferred income taxes broken down by Accts 190,282, and 283	**190**	All			364,446			376,291			389,340			389,035
		Electric												327,919
		Gas												92,654
		Non-utility												(31,537)
	282	All			(2,507,494)			(2,541,426)			(2,579,379)			(2,623,337)
		Electric												(1,865,171)
		Gas												(758,166)
		Non-utility												-
	283	All			(339,852)			(340,188)			(340,536)			(341,024)
		Electric												(280,112)
		Gas												(60,911)
		Non-utility												-

Q. SDR-RB-7 If a claim for AFUDC treatment on Future Use Property is made, please indicate for each property included in Property Held for Future Use, the following:

a. The original cost and date of purchase,
b. The planned use of the property,
c. The date first included in rate base,
d. The date on which the item is expected to be placed in service.

A. SDR-RB-7 Not applicable. The Company is not making a claim for AFUDC on Future Use Property.

Q. SDR-RB-8 If the Company has included any costs associated with canceled construction projects or obsolete inventory in the FTY, please separately identify the items, provide the related amounts, and explain the reason for the cancellation or obsolescence.

A. SDR-RB-8 The Company has not included any costs associated with canceled construction projects or obsolete inventory in the future test year or fully projected future test year.

Q. SDR-RB-9 Please provide workpapers showing the development of the allocation of common utility plant, etc. (if applicable). Include all calculations performed to develop the allocation and all supporting documents, studies, or other information used. Common utility plant refers to any plant in service, which is used as a common facility between the Company and an affiliate or non-affiliate and from which a billing results.

A. SDR-RB-9 Refer to Attachment SDR-RB-9(a) for Common Utility Plant Calculations.

PECO ENERGY
Development of Factors for Allocation of Common Plant - 2023
Data as of December 31, 2022

		[A] Plant in Service @ 12/31/2022	[B] Total Revenue YTD Dec 2022	[C] Total Customers Month-end Dec 22
Electric	**a**	$ 10,721,421,025	$ 3,046,455,944	1,694,725
Gas	**b**	3,619,823,531	738,180,816	548,565
Subtotal	**c**	$ 14,341,244,556	$ 3,784,636,760	2,243,290
Common		1,084,001,968		
Total		$ 15,425,246,524	$ 3,784,636,760	2,243,290

Allocation Factors:		**Plant in Service**	**Total Revenue**	**Total Customers**	**2023**
Electric	**a/c =**	74.76%	80.50%	75.55%	**76.93%**
Gas	**b/c =**	25.24%	19.50%	24.45%	**23.07%**
Total	**c/c =**	100.00%	100.00%	100.00%	**100.00%**

PECO Energy Company
A&G Allocations - Transmission and Distribution
Data as of December 31, 2022

		O&M Direct Payroll Distribution YTD Dec 2022	
Transmission	**A**		$ 20,075,386
Electric Distribution:			
Distribution		105,241,937	
Customer Accounts		34,860,119	
Customer Service & Informational exps		1,756,930	
Sales		316,559	
Electric Distribution Total	**B**		142,175,545
Total Transmission and Electric Distribution	**C**		$ 162,250,931

Allocation Factors:

Transmission	**A/C =**	**12.37%**
Electric Distribution	**B/C =**	**87.63%**
Total		**100.00%**

Q. SDR-RB-10 Provide a detailed schedule, on a yearly basis for the last five calendar years, the amount of the initially approved construction budget, (by the Board of Directors) and the actual corresponding amount of completed construction.

A. SDR-RB-10

	Actual	Budget	Variance
2019	$ 697,435,021	$ 598,471,214	$ (98,963,807)
2020	842,445,080	704,053,439	(138,391,641)
2021	820,235,291	754,694,322	(65,540,969)
2022	881,523,491	814,671,310	(66,852,181)
2023	971,770,381	982,411,946	10,641,565

Q. SDR-RB-11 Provide a detailed schedule, for the last five rate cases of the amount of forecasted completed plant in service as claimed by the Company and the corresponding amount of plant in service actually completed by the Company by the end of the test year.

A. SDR-RB-11 The requested information is shown in the table below:

Docket No.	Test Year End	Forecasted (Thousand$)	Actual (Thousand$)
R-2021-3024601	12/31/2022	$9,704,217	$9,551,749 [(a)]
R-2018-3000164	12/31/2019	$7,796,582	$7,831,120 [(b)]
R-2015-2468981	12/31/2016	$6,582,669	$6,557,410 [(c)]
R-2010-2161575	12/31/2010	$4,963,804	$4,928,556 [(d)]
R-891364	3/31/1990	$12,133,093	$12,219,838 [(e)]

(a) 2022 FERC Form No. 1, includes distribution and allocated intangible, general and common plant
(b) 2019 FERC Form No. 1, includes distribution and allocated intangible, general and common plant
(c) 2016 FERC Form No. 1, includes distribution and allocated intangible, general and common plant
(d) 2010 FERC Form No. 1, includes distribution and allocated intangible, general and common plant
(e) 1990 FERC Form No. 1, includes electric and allocated common plant

Q. SDR-RB-12 Explain in detail. What accounts were the contributions in aid of construction contributed for? Did the Company depreciate any of the contribution in Aid of construction?

A. SDR-RB-12 Contributions in aid of construction (CIAC) originate from three primary sources: commercial new business, government-mandated projects and independent power producers' connections to the Company's transmission infrastructure. The predominant accounts associated with these activities are as follows:

- 303 – Software 5-year life
- 353 – Station Equipment
- 356 – Overhead Conductors and Devices
- 362 – Station Equipment
- 364 – Poles, Towers, and Fixtures
- 365 – Overhead Conductors and Devices
- 366 – Underground Conduit and Manhole
- 367 – Underground Conductors and Devices
- 370 – Meters
- 397 – Communication Equipment

CIAC is credited to the Company's internal construction costs at a project level on a dollar-for-dollar basis as incurred. The effect of this accounting results in a reduction of the Company-funded project costs, thereby reducing the depreciable cost of the project upon completion. The timing of applying the CIAC funds to the project costs is controlled to ensure no inadvertent depreciation is recognized on project costs placed in service with unapplied CIAC.

Q. SDR-RB-13 Please provide all workpapers and supporting documentation relied upon to derive the projected balance of customer advances.

A. SDR-RB-13

Refer to Schedule C-9 of PECO Exhibits MJT-1 and MJT-2 for the amounts of customer advances that are being deducted from rate base for the fully projected future test year and the future test year, respectively. The amounts are the same in both instances and are based on the average of actual customer deposits for the thirteen months ended December 31, 2023.

Q. SDR-RB-14 Please provide the same information requested in the previous question with regard to projected balance of customer deposits.

A. SDR-RB-14 Refer to Schedule C-7 in PECO Exhibits MJT-1 and MJT-2 for the amounts of customer deposits that the Company is deducting from rate base for the fully projected future test year and the future test year, respectively. The amounts are the same in both instances and reflect an average of actual customer deposits recorded for the thirteen months ending December 31, 2023.

Q. SDR-RB-15 Please provide the actual balances of customer advances and customer deposits for each month from the commencement of the HTY through the most recent month available. Update as additional monthly balances become available.

A. SDR-RB-15 Refer to Attachment SDR-RB-15(a).

PECO Energy Company
Customer Advances
12/31/23

	Customer Advances	
Jan-23	$	2,508,592
Feb-23	$	2,977,719
Mar-23	$	3,238,708
Apr-23	$	3,066,007
May-23	$	2,900,369
Jun-23	$	2,423,194
Jul-23	$	2,392,965
Aug-23	$	2,049,063
Sep-23	$	3,859,052
Oct-23	$	3,860,756
Nov-23	$	2,763,874
Dec-23	$	2,854,833

PECO Energy Company
Customer Deposits
12/31/23

	Residential	Small C&I	Large C&I	Street & Highway Lighting	Total
Jan-23	$ 18,976,110	$ 27,995,792	$ 4,488,338	$ 2,570	$ 51,462,810
Feb-23	$ 19,166,270	$ 28,616,243	$ 4,577,734	$ 3,006	$ 52,363,253
Mar-23	$ 19,446,458	$ 29,151,833	$ 4,688,806	$ 3,103	$ 53,290,200
Apr-23	$ 20,076,586	$ 29,600,085	$ 4,702,179	$ 4,849	$ 54,383,699
May-23	$ 20,877,249	$ 30,111,191	$ 5,001,143	$ 4,871	$ 55,994,454
Jun-23	$ 21,537,503	$ 30,629,231	$ 5,007,846	$ 4,906	$ 57,179,487
Jul-23	$ 22,060,100	$ 31,522,169	$ 5,456,037	$ 9,510	$ 59,047,816
Aug-23	$ 22,549,161	$ 32,437,953	$ 5,578,981	$ 5,077	$ 60,571,173
Sep-23	$ 22,772,379	$ 33,030,882	$ 5,746,241	$ 5,307	$ 61,554,809
Oct-23	$ 23,058,188	$ 33,456,444	$ 5,895,957	$ 5,535	$ 62,416,124
Nov-23	$ 23,275,953	$ 33,716,486	$ 5,924,169	$ 5,508	$ 62,922,115
Dec-23	$ 23,214,733	$ 33,881,866	$ 6,100,711	$ 5,420	$ 63,202,730

Q. SDR-RB-16 If a claim for prepayments is included in the Work Capital Account, please provide a breakdown of the monthly balance of prepayments by type of prepayment for the preceding three calendar years and the current year-to-date. Update as additional monthly balances become available.

A. SDR-RB-16 Refer to the Direct Testimony of Michael J. Trzaska, Exhibit MJT-1 and Exhibit MJT-2, Schedule C-4, page 36 for the monthly balances of prepaid expenses for the year 2023 and to Attachment SDR-RB-16(a) for the monthly balances of prepaid expenses for 2022 and 2021.

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
Year Ending December 31, 2022
($ in Thousands)

Average Prepaid Expense

Line No.	Description	Reference	EPRI Dues	EEI Dues	EAP Membership Dues	Prepaid Rents & Pole Attachments	PUC Assessment Electric	Land Leasing	Maintenance	IT License & Maintenance	Business Support Systems	VEBA Adjust	Facilities Contracts	IT License & Maintenance	Fleet Activities	IT License & Maintenance	Customer Experience	Postage	Total Prepayment
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1	December					$263	$3,942	$221	$27	$233	$0	$1,850	$0	$96	$393	$266	$228	$727	
2	January			$692	$214	263	3,285			84		1,850	0	88	406	225	197	761	
3	February			629	195	694	2,628			72	347	1,850	185	193	451	276	166	660	
4	March		$262	566	175	476	1,971	213		60	462	2,466	167	96	463	236	136	663	
5	April		262	503	156	327	1,314			48	789	2,466	148	88	472	195	105	743	
6	May		175	440	136	148	657			295	674	2,466	130	80	461	155	222	586	
7	June		175	377	117	122	5,437	207		251	573	1,591	111	96	463	134	170	660	
8	July		175	314	97	593	4,797			206	515	1,591	93	88	469	240	140	531	
9	August		87	252	78	418	4,156			162	623	1,591	74	80	403	206	197	558	
10	September		87	189	58	378	6,862			129	523	1,756	56	96	423	172	146	607	
11	October		87	126	39	447	4,851			97	423	1,956	37	88	416	139	94	651	
12	November			63	19	273	4,244			65	324	1,756	19	80	433	105	173	733	
13	December					331	3,638	194		32	217	2,394		96	448	71	327	1,247	
14																			
15	Total	SUM L1 to L13	$1,310	$4,151	$1,286	$4,734	$47,782	$835	$27	$1,735	$5,470	$25,585	$1,019	$1,266	$5,700	$2,420	$2,300	$9,130	
16																			
17	Distribution Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	67.41%	67.41%	67.41%	67.41%	74.50%	74.50%	74.50%	
18																			
19	Distribution Amount	L15 * L17	$1,310	$4,151	$1,286	$4,734	$47,782	$835	$27	$1,735	$5,470	$17,247	$687	$854	$3,843	$1,803	$1,714	$6,802	
20																			
21	Number of Months	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	
22																			
23	Monthly Average	L19 / L21	$101	$319	$99	$364	$3,676	$64	$2	$133	$421	$1,327	$53	$66	$296	$139	$132	$523	
24																			
25	**Rate Case Amount**																		**$7,714**

PECO Electric Operations
Before The Pennsylvania Public Utility Commission
Year Ending December 31, 2021
($ in Thousands)

Average Prepaid Expense

Line No.	Description	Reference	EPRI Dues	EEI Dues	EAP Membership Dues	Prepaid Rents & Pole Attachments	PUC Assessment Electric	Land Leasing	Maintenance	IT License & Maintenance	Business Support Systems	VEBA Adjust	Facilities Contracts	IT License & Maintenance	Fleet Activities	IT License & Maintenance	Customer Experience	Postage	Total Prepayment
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1	December					$176	$3,701	$246	$53	$261	$143	$1,299	$0	$96	$363	$36	$242	$652	
2	January			$452		778	3,084		53	895	115	1,299	0	88	377	52	218	540	
3	February		$278	411	$191	743	2,467		27	225	86	1,299	191	80	376	31	360	394	
4	March		278	370	172	553	1,850	248	27	115	218	1,883	172	96	387	190	328	408	
5	April		278	329	153	372	1,234		27	456	29	1,883	153	88	398	134	245	758	
6	May		185	288	134	247	617		27	204		1,883	134	80	390	126	182	619	
7	June		185	247	115	178	4,909	245	27	102		1,896	115	96	416	271	125	727	
8	July		185	205	95	638	4,295		27			1,896	96	88	404	244	103	636	
9	August		93	164	76	599	3,682		27	366	(51)	1,896	77	80	344	216	80	720	
10	September		93	123	57	435	5,913	233	27	366	201	2,537	58	96	361	189	58	586	
11	October		93	82	38	472	5,256		27	532	67	2,537	38	88	361	161	36	685	
12	November			41	19	438	4,599		27	382	84	2,537	19	80	383	134	14	538	
13	December					263	3,942	221	27	233		1,850	0	96	393	266	228	727	
14																			
15	Total	SUM L1 to L13	$1,667	$2,712	$1,050	$5,891	$45,548	$1,194	$400	$4,135	$891	$24,694	$1,054	$1,153	$4,953	$2,049	$2,218	$7,990	
16																			
17	Distribution Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	67.41%	67.41%	67.41%	67.41%	74.50%	74.50%	74.50%	
18																			
19	Distribution Amount	L15 * L17	$1,667	$2,712	$1,050	$5,891	$45,548	$1,194	$400	$4,135	$891	$16,646	$710	$778	$3,339	$1,527	$1,653	$5,953	
20																			
21	Number of Months	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	
22																			
23	Monthly Average	L19 / L21	$128	$209	$81	$453	$3,504	$92	$31	$318	$69	$1,280	$55	$60	$257	$117	$127	$458	
24																			
25	**Rate Case Amount**																		**$7,238**

Q. SDR-RB-17 Please provide a copy of the workpapers supporting how the lead/lag days were determined for the lead/lag cash working capital analysis.

A. SDR-RB-17 Refer to Schedule C-4 of PECO Exhibits MJT-1, MJT-2, and MJT-3 and PECO Statement No. 3, the direct testimony of Michael J. Trzaska.

Q. SDR-RB-18 Please identify the amount of Clean Air Act Amendment (CAAA) permit fees included in test year expenses and the category in which they are included in the lead/lag working capital study.

A. SDR-RB-18 Not applicable. PECO does not own any generation but instead purchases power from wholesale generation suppliers and the PJM capacity and energy markets to serve its default service customers.

Q. SDR-RB-19 Please provide the actual or projected payment dates for the CAAA permit fees for each state to which fees are paid for the preceding three calendar years and the current year.

A. SDR-RB-19 Not applicable. PECO does not own any generation but instead purchases power from wholesale generation suppliers and the PJM capacity and energy markets to serve its default service customers.

Q. SDR-RB-20 Has the Company claimed any construction work in progress? If so, provide a detailed schedule. Also provide a schedule listing the estimated completion date of CWIP and the estimated in service date.

A. SDR-RB-20 Not applicable. The Company has not claimed any construction work in progress.

Q. SDR-RB-21 Please explain how the Company determined the projected future test year tonnage or gallons of fuel inventory at each power station and provide workpapers supporting the derivation of those amounts.

A. SDR-RB-21 Not applicable. PECO does not own any generation but instead purchases power from wholesale generation suppliers and the PJM capacity and energy markets to serve its default service customers.

Q. SDR-RB-22 Please explain and provide all workpapers showing the derivation of the estimated 13-month average inventory value of the fuel at each power station.

A. SDR-RB-22 Not applicable. PECO does not own any generation but instead purchases power from wholesale generation suppliers and the PJM capacity and energy markets to serve its default service customers.

Q. SDR-RB-23 Please provide the actual fuel inventory in tons or gallons and dollars at each power station at the end of each month from the commencement of the HTY through the most recent month available. Update as additional data become available.

A. SDR-RB-23 Not applicable. PECO does not own any generation but instead purchases power from wholesale generation suppliers and the PJM capacity and energy markets to serve its default service customers.

Q. SDR-RB-24 Please explain how the materials and supplies balances for the FTY were projected including inventory valuation method. Provide all supporting workpapers. If the Company uses a model to calculate material and Supply levels, supply an illustrative example of how the monthly balances are derived.

A. SDR-RB-24 Refer to Schedule C-11 of PECO Exhibits MJT-1, MJT-2, and MJT-3 for the Company's claim for materials and supplies, which is based on the average of recorded month end balances for electric operations for the thirteen months ended December 31, 2023.

Q. SDR-ROR-1 Please supply copies of the following documents for the Company and, if applicable, its parent:

a. Most recent Annual Report to
b. Shareholders (including any statistical supplements);
c. Most recent SEC Form 10-K;
d. All SEC Form 10-Q reports issued within last year.

A. SDR-ROR-1 Please see the following attachments:

a. Refer to Attachment SDR-ROR-1(a)
b. Refer to Attachment SDR-ROR-1(a)
c. Refer to Attachment SDR-ROR-1(c)
d. Refer to Attachment SDR-ROR-1(d.1), Attachment SDR-ROR-1(d.2), and Attachment SDR-ROR-1(d.3)

exelon[SM]

Powering a Cleaner and Brighter Future for Our Customers and Communities

Notice of the Annual Meeting and 2023 Proxy Statement

Table of **Contents**

Notice of the Annual Meeting of Shareholders and 2023 Proxy Statement 1

Letter from the Board of Directors to Our Shareholders 2

About Exelon 4

ESG Highlights 6

Proxy Voting Roadmap 16

Board and Corporate Governance Matters 17

Proposal 1 Election of Directors ✓

Director Qualifications and Nomination 17
Board Matrix 18
Director Nominees 21
Overview of Board's Role 27
Oversight of Risk 27
Board Dynamics 31
Board Committees 32
Board, Committee, and Individual Director Evaluations 34
Director Orientation and Education 36
Governance Matters 36
Director Compensation 37

Audit and Risk Committee Matters 39

Proposal 2 Ratification of PwC as Exelon's Independent Auditor for 2023 ✓

Evaluation of the Independent Auditor 39
Critical Audit Matters 41
Independent Auditor Fees 41
Report of the Audit and Risk Committee 42

Executive Compensation 43

Proposal 3 Say-on-Pay: Advisory Vote on Executive Compensation ✓

Compensation Discussion & Analysis (CD&A) 44

Compensation Governance and Oversight 55
Compensation Committee Report 59
Preview of 2023 Executive Compensation 60
Executive Compensation Tables 61
CEO Pay Ratio 75
Pay for Performance 75

Advisory Vote on the Frequency of an Advisory Vote on Executive Compensation 80

Proposal 4 Say-on-Frequency: Advisory Vote on the Frequency of an Advisory Vote on Executive Compensation ✓

Ownership of Exelon Stock 81

Other Significant Owners of Exelon Stock 82

Additional Information 83

Frequently Asked Questions 85

Appendix 88

A - Definitions of Non-GAAP Measures 88
B - Categorical Standards of Independence 89
C - Key Terms & Acronyms 90

Vote Recommendations ✓ FOR ✗ AGAINST

Cautionary Statements Regarding Forward-Looking Information

This proxy statement contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. The factors that could cause actual results to differ materially from the forward-looking statements made by Exelon Corporation include those factors discussed herein, as well as (1) the Registrants' 2022 Annual Report on Form 10-K filed with the SEC on February 14, 2023 in (a) Part I, ITEM 1A. Risk Factors; (b) Part I, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations, and (c) Part I, ITEM 8. Financial Statements: Note 18, Commitments and Contingencies; and (2) other factors discussed in filings with the SEC by the Registrants.

Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this proxy statement. Exelon does not undertake any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this proxy statement.

Non-GAAP financial measures discussed in this Proxy Statement are identified by the phrase "non-GAAP" and/or an asterisk (*). Reconciliations of these non-GAAP measures to the most comparable GAAP measures are provided in Appendix A.

Notice of the Annual Meeting of Shareholders and **2023 Proxy Statement**

March 15, 2023

To the shareholders of Exelon Corporation:

Our annual meeting of shareholders will be held on Tuesday, April 25, 2023, at 9:00 a.m. ET. Shareholders may attend the virtual Annual Meeting by logging on to: **www.virtualshareholdermeeting.com/EXC2023**. Shareholders may begin logging in to the meeting at 8:45 a.m. ET and will need the 16-digit control number found on your proxy card or voting instruction form to attend the virtual meeting.

Logistics

DATE & TIME

Tuesday, April 25, 2023
9:00 a.m. ET

Shareholders may begin logging in to the meeting at 8:45 a.m. ET.

ATTEND THE ANNUAL MEETING

Shareholders may attend the virtual Annual Meeting by logging on to: **www.virtualshareholdermeeting.com/EXC2023**.

Shareholders will conduct any other business properly presented before the meeting. The Board of Directors knows of no other matters to be presented for action at the annual meeting. If any matter is presented from the floor of the annual meeting, the individuals serving as proxies will vote such matters in the best interest of all shareholders. Your signed proxy card gives this authority to the designated proxy holders: Gayle Littleton and Carter Culver.

RECORD DATE

Shareholders as of 5:00 p.m. ET on **March 1, 2023** are entitled to receive notice of and vote at the annual meeting.

EVERY VOTE IS IMPORTANT.

Please act as soon as possible to vote your shares, even if you plan to participate in the annual meeting online. If you are a beneficial shareholder, your broker will not be able to vote your shares with respect to the election of directors and most of the other matters presented during the meeting unless you have given your broker specific instructions to do so. We strongly encourage you to vote and greatly appreciate your prompt response.

Items of Business

1	Election of Directors	✓ **FOR** each Director Nominee
2	Ratify appointment of PricewaterhouseCoopers LLP as independent auditor for 2023	✓ **FOR**
3	Advisory vote on Executive Compensation	✓ **FOR**
4	Advisory vote on frequency of advisory vote on Executive Compensation	✓ **FOR** the option of **ONE year**

Virtual Meeting

Our Annual Meeting is taking place in a virtual-only format which allows us to connect with more shareholders and answer more questions while providing our shareholders with all of the same rights including the opportunities to vote and ask questions that they would have had at an in-person meeting. For more information, please see the FAQ.

- Shareholders may submit questions in advance of the meeting at **www.proxyvote.com**.
- Shareholders may also submit questions live during the meeting at **www.virtualshareholdermeeting.com/EXC2023**

If you cannot attend the meeting, a replay of our 2023 annual meeting webcast will be available at the Investor Relations section of our website for one year following the date of the meeting. A list of answers to appropriate questions submitted by shareholders before and during the annual meeting will also be available.

Advance Voting

ONLINE

Vote online at **www.proxyvote.com** 24 hours a day

BY PHONE

Call toll-free 1-800-690-6903

BY MAIL

If you have received a printed version of these proxy materials, mark, date, sign and mail your proxy card in the postage-paid envelope provided

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on April 25, 2023: The Notice of 2023 Annual Meeting, Proxy Statement, and 2022 Annual Report on Form 10-K are available at **www.proxyvote.com**.

On or about March 15, 2023, we will mail to our shareholders a Notice Regarding the Availability of Proxy Materials, which will indicate how to access our proxy materials on the Internet. By furnishing the Notice Regarding the Availability of Proxy Materials we are lowering the costs and reducing the environmental impact of our annual meeting.

Letter from the **Board of Directors** to Our Shareholders

March 15, 2023

Dear Fellow Shareholders,

This is an exciting time at Exelon as we focus on our strategic vision to lead the energy transformation. 2022 was a monumental year for the company, and as a Board, we are proud of the way the entire Exelon team rose to the challenge of the separation and established a strong, focused, and successful transmission and distribution energy delivery company.

CREATING VALUE

There's no doubt the separation from Constellation has created value for our shareholders, and since the separation, management has continued to execute on the strategic plans and achieve the targets presented pre-separation at the Analyst Day held in January 2022. As the country's largest energy utility by customer count, Exelon continues to leverage the power of our platform and maintain operational excellence to serve our customers and our communities. As a Board, we believe the combination of operational expertise with financial execution ensures we create value for shareholders. Equally important, we continue to live our core value of supporting our communities' environmental and social equity needs.

SUCCESSFUL LEADERSHIP TRANSITION

At the end of the year, we bid farewell to president and CEO Chris Crane. We thank him for his vision, which led to where we are today and set the new Exelon up for success.

In Calvin Butler, the Board has selected a president and CEO who has been instrumental in Exelon's growth and transformation, reflecting his 14 years on our senior leadership team. We know his experience and leadership will be a guiding force in driving the execution of Exelon's commitments to ensure that customers, equity, and support for the communities remain at the center of our strategy.

In addition, Jeanne Jones became Exelon's Chief Financial Officer in October of last year. She has a depth of financial experience across Exelon's businesses both at corporate and the operating companies.

We have great confidence in Calvin and Jeanne and are pleased with their smooth transitions into their new roles.

NEW BUSINESS STRATEGY

Our business faces a complex and accelerating mandate from customers and stakeholders to help lead the clean energy transformation. Our job is to oversee management's efforts to effectively confront climate change, implement rapidly changing technology, shape and align with energy policies and meet heightened expectations for economic and social equity.

We believe the Company's evolved business strategy, along with the quality of its diverse leadership team and deep bench strength, positions it well in the face of these challenges by:

- Delivering customer value through energy delivery, energy efficiency and beneficial electrification programs, technologies, rebates, and incentives that help manage and optimize energy use;
- Strengthening the Company's infrastructure to meet heightened resilience and reliability challenges from climate change, new technology, changing fuel supply, cyber security threats and aging infrastructure;
- Modernizing energy delivery systems to accommodate more electrification and distributed energy resources, including gas delivery systems to reduce emissions and accept clean fuels; and
- Investing in communities to support equity, affordability, and environmental and sustainability goals.

Foundational to this strategy is Exelon's own Path to Clean goal – which commits to reducing operations-driven emissions by half by 2030 and achieving net-zero emissions from operations by 2050, while working with our communities to achieve their clean energy and emissions-reduction goals.

INVESTING IN OUR CUSTOMERS

Achieving the clean energy, emissions-reduction and other goals set by the jurisdictions where Exelon operates requires significant investment, and the Board has approved management's proposal to invest $31 billion of capital over the next four years. In 2022, the Board oversaw the stewardship of $7.2 billion in capital investments for the benefit of customers – more than ever before. These investments must be made in a way that maintains or improves reliability to ensure a stronger, cleaner, more resilient grid, while balancing the need to maintain affordability for customers. The average Exelon electric bill remains below the national average, and electric rates in the cities we serve are 23% below those of the largest U.S. cities.

We are particularly proud of management's efforts, in 2022 alone, to connect more than 470,000 eligible customers to $589.2 million in available energy assistance.

LEADING WITH OUR VALUES

The Board continues to support management's efforts to promote equity and economic opportunity in our diverse communities.

The Racial Equity Capital Fund (RECF), formed last year, provides capital to minority-owned businesses over the next three years, with each of Exelon's six utilities and the Exelon Foundation contributing to the $36 million fund. BGE recently announced the first funding from the RECF – a $1 million investment in Sweeten, a Black- and woman-owned software company known for bringing trust, transparency, and data-driven decision-making to the construction industry.

The Company also spent more than $2.8 billion with diverse suppliers in 2022.

NEW ESG ENHANCEMENT TO COMPENSATION PLAN DESIGN

The Compensation Committee recently oversaw the enhancement of the design of the annual incentive plan to add an ESG modifier, which is tied to the holistic evaluation of quantitative and qualitative achievement of 2030 Path to Clean goals and various DEI measures.

BOARD CHANGES

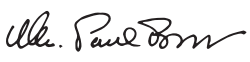
We are sincerely grateful to Ann Berzin, Paul Joskow and Carlos Gutierrez for their dedicated expertise and the wise counsel each contributed during their respective terms in service on our Board.

We are proud to submit new Board nominees Charisse Lillie and Matthew Rogers to you for approval of their elections to our Board at the upcoming April 25, 2023, Annual Shareholders Meeting.

Thank you for your continued support of Exelon. We are confident in the future of our company and its ability to lead the energy transformation.

Anthony Anderson

Ann Berzin



W. Paul Bowers

Calvin G. Butler, Jr.

Marjorie Rodgers Cheshire

Carlos Gutierrez

Linda Jojo

Paul Joskow

John Young

About **Exelon**

On February 1, 2022, Exelon completed the separation of its six regulated electric and gas utilities, from its competitive power generation and energy supply businesses, resulting in two publicly traded companies. The separation provided each company the financial and strategic independence to focus on its specific customer needs, while executing its core business strategy.

Delivering Sustainable Value as the Premier Transmission & Delivery Utility

Exelon's fully regulated transmission and distribution (T&D) utilities are positioned to deliver smart, clean, reliable, affordable, and resilient energy to our customers while continuing to foster economic opportunity and equity in the diverse communities we serve. At Exelon, we are committed to innovation, best-in-class performance and thought leadership to help drive progress for our customers and communities.

Financial Discipline

- **Shareholder Return:** Expect ~60% dividend payout ratio resulting in dividend growing in line with 6-8% operating EPS CAGR through 2026
- **Organic Growth:** Reinvestment of free cash to fund utility capital programs with only $425M of equity in the plan
- **Strong Balance Sheet:** Maintain balance sheet through balanced funding strategy to support investment grade credit ratings

Operational Excellence

- **Safely Powering Reliability and Resilience:** Track record of top quartile reliability performance
- **Delivering a World-Class Customer Experience**: Helping customers take control of energy usage while delivering top quartile customer satisfaction results
- **Constructive Regulatory Environments:** ~100% of rate base growth covered by alternative recovery mechanisms and ~73% decoupled from volumetric risk

Leading ESG Profile

- **No Owned Generation Supply:** Pure-play T&D utility
- **Advancing Clean and Affordable Energy Choices:** Building a smarter, stronger, and cleaner energy grid with options that meet customer needs while prioritizing affordability and equity
- **Supporting Communities:** Powering the economic health of the diverse communities we serve, while advancing social equity

The Exelon Family of Companies

atlantic city electric℠ AN EXELON COMPANY
Electricity in southern NJ

bge℠ AN EXELON COMPANY
Electricity & natural gas in MD

comed℠ AN EXELON COMPANY
Electricity in northern IL

delmarva power℠ AN EXELON COMPANY
Electricity & natural gas in DE and electricity in MD

peco℠ AN EXELON COMPANY
Electricity & natural gas in eastern PA

pepco℠ AN EXELON COMPANY
Electricity in D.C. and MD

6 T&D-only utilities
Operate across seven regulatory jurisdictions

4 major metro areas served
Chicago, Philadelphia, Baltimore, and D.C.

$19 billion
operating revenue in 2022

$31 billion
Projected capital investment through 2026

19,063
Employees across our operating companies[1]

10.6 million
Electric and gas customers served by our 6 utilities[2]

(1) As of 12/31/22.

(2) Customer count reflects the sum of Exelon's total gas and electric customer base as of 12/31/22; Exelon consolidated customer count may not sum due to rounding

Our Director Nominees

Calvin G. Butler, Jr.
PRESIDENT & CEO, EXELON

Anthony Anderson
INDEPENDENT
Former Vice Chair and Midwest Area Managing Partner of Ernst & Young

Directors' Race/Ethnicity
50%
Diverse

Directors' Tenure
4.4 years
Average Tenure[1]

John Young
INDEPENDENT - BOARD CHAIR
Former President and CEO of Energy Future Holdings Corp.

W. Paul Bowers
INDEPENDENT
Former Chairman and CEO of Georgia Power Company

Directors' Gender
38%
Female

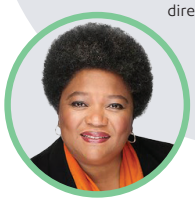
Directors' Age
61.6 years
Average Age

Matthew Rogers
INDEPENDENT
Operating Partner, Ajax Strategies, LLC

Marjorie Rodgers Cheshire
INDEPENDENT
Principal, A&R Development Corp.

Independence
88%
Independent

[1] Average tenure for incumbent directors standing for re-election.



Charisse Lillie
INDEPENDENT
CEO, CRL Consulting, LLC

Linda Jojo
INDEPENDENT
Executive Vice President, Chief Customer Officer of United Airlines Holdings, Inc.

Name	Age	Tenure (years)	Gender	Race or Ethnicity	Independent	Board Committees		
						Audit & Risk	Compensation	Corporate Governance
Anderson	67	10.1	Male	Black	●		●	CHAIR
Bowers[1]	66	1.6	Male	White	●	CHAIR		●
Butler	53	0.2	Male	Black				
Cheshire[2]	54	2.6	Female	Black	●	●	●	
Jojo	57	7.5	Female	White	●	●	CHAIR	
Lillie	70	—	Female	Black	●			
Rogers	60	—	Male	White	●			
Young	66	4.7	Male	White	●			●

(1) Ms. Berzin, the current Chair of the Audit and Risk Committee, is not standing for re-election. If re-elected, Mr. Bowers will assume the role of Chair of the Audit and Risk Committee effective April 25, 2023.

(2) If re-elected, Ms. Cheshire will assume the role of Chair of the Compensation Committee effective April 25, 2023.

ESG Highlights: Leading the Way to a Sustainable Future

The following highlights some of the key environmental, social and governance (ESG) issues that are core to Exelon's strategy and culture. As our Company evolves, our focus on these critical issues remains unwavering.

Environment

Preparing for the Future of Energy Delivery

ENERGY SYSTEM RESILIENCE

Resilient systems support energy delivery through modernized and well-maintained T&D systems and investments in new customer-facing technologies that enable adaptability and flexibility.

INVESTMENTS IN INFRASTRUCTURE

Continued investments in the electric grid – including preparing for increasing levels of electrification and distributed energy resources – and gas infrastructure enables reliable and more efficient transmission and distribution of electricity and gas to our customers.

INNOVATIVE SOLUTIONS

In support of our Net-Zero goal as well as our communities' clean energy goals, Exelon is working to advance new and emerging technologies that will be needed to achieve deep decarbonization ambitions, from low carbon fuels to grid flexibility.

Addressing Climate Change

CLIMATE CHANGE: RISKS AND OPPORTUNITIES

Climate change exacerbates many system challenges, such as storm restoration, and presents risks to energy system resilience. However, efforts to mitigate climate change also present business opportunities such as integration of lower carbon energy sources and distributed resources. Through scenario planning, Exelon has developed and will continue to develop plans to manage risks and pursue opportunities to benefit customers.

GHG EMISSIONS

GHG emissions drive climate change impacts and must be reduced to mitigate those impacts. Through its Path to Clean goal, Exelon will work both to reduce operations-driven emissions by 50% from a 2015 baseline by 2030 and to achieve net-zero with regard to those emissions by 2050.

BENEFICIAL ELECTRIFICATION

Beneficial electrification combined with a decarbonized electric grid is foundational to meeting decarbonization goals, and also presents growth opportunities in transportation, industrial, residential, and commercial building sectors aligned with our strategic objectives.

Environmental Responsibility

WATER MANAGEMENT

Climate change and increasing demands for shared water resources require Exelon to conserve and protect water quality through proactive stormwater management, mitigation of potential environmental impacts, and restoration or enhancement of natural habitats and biodiversity to contribute to healthy watersheds.

HABITAT AND BIODIVERSITY

Exelon's utility service areas cover 25,600 square miles of territory that includes important habitats. Exelon is committed to environmental stewardship and works to protect the biodiversity in these service areas through a variety of Wildlife Habitat Council and National Wildlife Federation certified projects.

Commitment to Sustainability

Sustainability continues to be a fundamental element of our business strategy. Exelon is an advocate for meaningful climate policies in all of our jurisdictions, and Exelon's utilities are effectively promoting energy efficiency programs and integration of customer renewables into our distribution systems. With the separation of Constellation Energy in February 2022, Exelon is now a pure-play T&D utility company that does not own power generation. This allows Exelon to focus on customer and community interest in clean, reliable, and affordable energy delivery systems. As the nation's largest T&D company by number of customers served, we have the size and scale to help lead the energy transformation and power the economic health and well-being of the large and diverse metropolitan areas we serve, while advocating for energy equity.

Exelon's culture of embracing and empowering innovation and new technologies enables us to help shape new solutions and deliver sustainable value while building the integrated energy system of the future. We bring together passionate employees and external experts to develop innovative solutions to address our biggest business challenges. New technologies and business approaches help drive operational excellence and improve services for our customers.

For more information about our business strategy and sustainability practices, please refer to the Exelon Corporation Sustainability Report posted on our website at: **www.exeloncorp.com/sustainability.**

NET-ZERO: PATH TO CLEAN

In 2021, we announced our goal to reduce our operations-driven emissions 50% by 2030 and ultimately to net-zero by 2050 as part of our continuing efforts to address the climate crisis.

Our goal focuses first on how we can lead by example by continuing to reduce our own greenhouse (GHG) emissions from our own operations, and also reinforces our commitment to support our customers and communities in achieving their decarbonization ambitions through access to clean and affordable energy solutions. This goal builds on our longstanding commitment to tackle climate change and power a healthy, sustainable future for our customers and communities.

Exelon has line of sight to achieving ~80% of the targeted reductions leveraging existing tools and resources and is proactively working to help ensure the industry is developing solutions to address the remaining 20%.

Operations-Driven Goals

(Scope 1 & 2 Emissions)

To make progress toward our 2050 goal of net-zero emissions from operations, we are taking actions in the following areas:

- Electrifying 30% of our light and heavy-duty vehicle fleet by 2025 and 50% by 2030
- Focusing technology and infrastructure investments on increasing energy efficiency and utilizing clean electricity for buildings we own
- Investing in equipment and processes to reduce SF6 leakage from our systems
- Modernizing natural gas infrastructure to increase safety and reliability and to minimize methane leaks

Supporting Clean Energy Goals in our Communities

(Customer-driven Scope 2 and Scope 3 Emissions)

Beyond our own operations, we will continue to advocate for sound climate policies and technology solutions that reduce emissions while maintaining affordability, help our communities thrive and ensure that the economic and environmental benefits of clean energy are shared equitably. Our actions will focus on empowering our customers and supporting our communities with:

- Leak detection technologies to increase safety and reduce natural gas emissions
- Transportation electrification, efficiency, and conservation programs
- Leveraging alternative fuels to reduce natural gas lifecycle emissions
- Partnering with communities to develop and implement clean infrastructure solutions that are accessible to all customers
- Investing in and supporting small businesses that are tackling climate problems in our communities
- Building connected communities that harness digital solutions to integrate clean technologies

What is Scope 1, Scope 2, and Scope 3?

Scope 1, 2 and 3 is a way of categorizing the different kinds of GHG emissions a company creates in its own operations and in its wider value chain.

Scope 1: Direct emissions from company-owned and controlled sources - e.g., company facilities and vehicles, fugitive emissions.

Scope 2: Indirect emissions from the consumption of purchased electricity.

Exelon divides these into operations-driven Scope 2, associated with our occupied building use, and customer-driven Scope 2, associated with T&D system use and losses.

Scope 3: Indirect emissions that occur in the company's value chain - i.e., emissions associated with the production, generation, and end-use of the energy our customers consume.

Exelon groups customer-driven Scope 2 T&D use with Scope 3 customer emissions for the purposes of GHG emissions management efforts.

Voluntary Sustainability Reporting and Stakeholder Engagement

In addition to our annual Corporate Sustainability Report, we publish a number of other voluntary reports and respond to voluntary surveys each year. Environmental and sustainability issues are regularly discussed during investor engagement meetings, at Exelon Board and Committee meetings, and at the utility board meetings. Throughout the year, we actively seek feedback from our shareholders and other stakeholders about the types of reporting that are most useful so that we can continue to evolve and improve our reports. Since 2008, Exelon has engaged with Ceres – a leading coalition of investors, environmental groups, and public interest organizations – to help Exelon advance our sustainability performance, inform our response to issues including climate change, water use, and environmental justice, and provide feedback on our sustainability reporting.

In its voluntary sustainability reporting, Exelon uses or maps to the following: the Global Reporting Initiative (GRI) Standards and the Electric Utilities Sector Supplement; the Task Force on Climate-related Financial Disclosures (TCFD) core elements; and the Sustainability Accounting Standards Board (SASB) Electric Utilities & Power Generators Standard.

Please see Exelon's ESG resources page for additional information: **https://investors.exeloncorp.com/esg**.

Board Oversight of Sustainability and Climate Change

The Corporate Governance Committee of the Exelon Board of Directors is tasked with overseeing sustainability and climate change strategies and efforts to protect and improve the environment. In addition to regular engagement with management, the Committee reviews and provides input on an annual report from management on issues such as climate change scenario planning, our GHG emission reduction goals, strategies for a decarbonized economy, and investor interest in sustainability practices and reporting. While the Corporate Governance Committee has primary oversight, the interdisciplinary nature of these issues leads every standing committee of the Board to consider the Company's efforts in managing these topics.

Because sustainability is a core part of our business strategy, environmental, climate-related, and other sustainability topics are inherently part of the full Board's discussions on many topics, including long-term planning, financial risks, policy issues, and other transformational changes occurring in the energy industry.

Social

Partnering with Our Communities

COMMUNITY EMPOWERMENT AND WORKFORCE DEVELOPMENT

Our success is inextricably linked with the success of the communities that we serve. Exelon supports local communities through jobs, taxes paid, corporate philanthropy, community engagement, investments, and stakeholder partnerships that grow opportunities for people and regional economies.

ENVIRONMENTAL JUSTICE

Exelon considers community needs, including environmental justice, in its business decisions to enable customers, business partners and members of the community to fully and equitably participate in, and benefit from, social, environmental and economic progress.

PUBLIC HEALTH AND SAFETY

Exelon is focused on protecting the public health and safety of those in the communities we serve in the course of our daily operations and in the case of an emergency event.

Creating Value for Our Customers

ENERGY AFFORDABILITY

Through updated regulatory frameworks and investment prioritization to support the grid of the future, Exelon strives to provide our customers with the benefits of lower carbon energy solutions and smart grid technologies while maintaining energy affordability.

INNOVATIVE PRODUCTS AND SERVICES

By delivering equitable access to innovative products and services, we give customers more choices and control over their energy usage.

SERVICES TO CUSTOMERS

Providing reliable and resilient service, achieving high customer satisfaction and empowering customers to buy, manage and use energy efficiently and cost-effectively are critical to providing value to our customers.

Investing in Our Workplace

DIVERSITY, EQUITY, AND INCLUSION (DEI)

A diverse, equitable, and inclusive workplace helps ensure that our employees and supply chain reflect the varied perspectives of our customers and communities, allowing Exelon to succeed by drawing upon a broad range of ideas and resources.

COMMUNITY ENGAGEMENT

Our employees are our greatest asset. Employees who are invested in their communities help us succeed in understanding and meeting customer expectations and continuing to innovate into the next-generation energy company.

HEALTH, SAFETY, AND WELLNESS

We continually strive to minimize health and safety hazard exposure to employees as they work and we also support employee wellness (mental and physical) through various programs.

TALENT ATTRACTION, DEVELOPMENT AND RETENTION

Exelon must continue to seek skilled applicants and develop and retain employees in craft, business, and STEM areas. This will enable Exelon to maintain the cutting-edge workforce we need to best serve our customers as the energy company of the future.

Diversity, Equity, and Inclusion

At Exelon, we know that engaging and supporting a diverse workforce at all levels of the organization is key to fostering innovation, growing an inclusive and cooperative culture, and delivering strong performance. We have long been committed to cultivating diversity, equity and inclusion across our Company and building a strong culture of mutual respect. As a diverse company, we are better able to serve the diverse communities where we live and work. The challenges brought on by ongoing racial and social injustices led us to take a deeper look at opportunities to improve and expand our commitment to diversity, equity, and inclusion.

Our DEI strategy is centered around three primary values:

1. Providing a workplace that ensures mutual respect and where each individual has the opportunity to grow and contribute at their greatest potential.

2. Attracting, retaining, and developing employees who will best serve and represent our customers, partners, and communities.

3. Integrating diversity, equity, and inclusion as a business imperative and a core value.

Examples of our DEI-focused culture include:

Pay Equity: To support the company's pay equity goals, Exelon conducts analysis on gender and racial pay equity.

Racial Equity Task Force: In 2020, Exelon established a companywide Racial Equity Task Force that has been working to drive progress in five key areas: Culture, Customers, Community, Workforce Development, and Policy Reform. In 2022, we added a sixth key area of Environmental Justice.

Equal by 30: Exelon is an ambassador for Clean Energy Education & Empowerment International's *Equal by 30* campaign to work toward equal pay, equal leadership, and equal opportunities for women in the clean energy sector by 2030.

Religious Accommodations: Company policy provides for reasonable accommodation of employees' religious practices including time and space for prayer and accommodations for religious dress/attire and dietary restrictions. Additionally, employees receive 4 floating holidays per year.

DEI Performance Goals: Beginning in 2021, all management employees were required to have a DEI performance goal that factors into their performance evaluation.

Gender Parity: Exelon has a particular focus on creating an environment that attracts and retains women by enabling them to stay in the workforce, grow with the company, and move up the ranks.

Racial Equity Capital Fund (RECF): In 2022, Exelon launched the RECF, in partnership with the Exelon Foundation, to expand access to capital to minority businesses so they can create more jobs, grow their companies, and reinvest in their neighborhoods and communities.

Employee Resource Groups: Exelon supports 10 ERGs that are open to all employees to share experiences and connect with colleagues. Over 10,000 employees participate in at least one ERG, and there are over 40 chapters spread across the company.

DEI Resources and Webinars: Regular communication from senior leadership reinforces our values and expectations and highlights engagement opportunities and educational resources.

Diverse Suppliers: Exelon publishes an annual report detailing our spending with diverse suppliers – nearly $3 billion in 2022.

Please see Exelon's ESG resources page for additional information: **https://investors.exeloncorp.com/esg**.

Board Oversight of DEI Culture

The Exelon Board of Directors is focused on building and maintaining a corporate culture that values and prioritizes diversity, equity, and inclusion, including with respect to Board composition. As the Board is routinely in the process of refreshing its composition, diversity is, and has been, a key consideration in evaluating potential candidates as discussed further on page 31. Beyond diversity in the boardroom, the Board regularly engages with management on issues related to DEI and corporate culture including Exelon's diversity strategies, goals, and progress toward such goals, spending with diverse suppliers, and related matters.

The Board also appreciates that transparency helps to support continuous improvement. For the last several years, Exelon has published a DEI Report as well as a Diverse Business Empowerment Annual Report detailing our spending with diverse-certified suppliers. In 2021, Exelon began publishing its EEO-1 Report on its website, an ESG Report (in addition to our annual Corporate Sustainability Report) and expanded disclosures about Board diversity.

Our Workforce

We believe our employees are Exelon's greatest asset. Our practices, policies and business strategy are designed to attract and retain a diverse, talented, and engaged workforce.

Talent Management

Engaged Workforce

An Employee Engagement Survey is typically conducted every other year to help identify organizational strengths and areas of opportunity. Results are shared with senior management and the Board. All members of management are strongly encouraged to engage with employees where there are opportunities for improvement. As of the most recent survey conducted in 2022, to which 85% of our employees responded, our "Supervisory Effectiveness" and "DEI" scores measured above our external benchmarks and "Social and Environmental Responsibility" and "Ethics" also received strong ratings.

Career Development

Exelon is committed to helping current employees grow their skills and careers to develop a diverse talent pipeline for future jobs through training opportunities, mentoring programs, continuous feedback and development discussions, and evaluations. All employees have annual goal setting and development conversations with their managers. We understand that continued education leads to a more engaged, skilled, and productive workforce, and we support our employees in their educational endeavors. Exelon offers a variety of live and on-demand professional development workshops and classes as well as tuition reimbursement up to $10,000 annually or $15,000 annually for graduate classes.

Qualifications

Beginning in 2023, we updated the minimum qualifications for exempt roles below the executive level at Exelon by recognizing years of experience in lieu of a degree where applicable. While maintaining our focus on safety and operational excellence, the changes were implemented to recognize relevant career related experience, expand opportunities for promotion and lateral movement for all employees, and enable larger candidate pools for hiring managers. These adjustments provide more opportunities for movement and career growth throughout the company for current employees and help us to continue to attract the best and brightest external talent.

Well-Being and Benefits

At Exelon, people are encouraged to thrive outside the workplace as well. To provide for our employees, Exelon offers a full suite of wellness benefits targeted at supporting work-life balance and physical, mental, and financial health.

BENEFIT HIGHLIGHTS:

- ✓ Up to 16 weeks maternity/bonding care for eligible mothers
- ✓ Up to 8 weeks of bonding care for other new parents
- ✓ Up to 2 weeks paid leave to care for a critically ill family member
- ✓ Counseling and other wellness services
- ✓ Paid time off for volunteer work
- ✓ 401k matching contributions
- ✓ Hybrid workplace options
- ✓ Back-up childcare, tutoring, and sitter services

NEW BENEFITS ADDED IN 2022:

- ✓ Bereavement leave (three days of paid leave) expanded to explicitly include pregnancy loss. Benefit is available to a previously pregnant individual as well as the spouse or partner of a previously pregnant individual.[1]
- ✓ Employees and their dependents covered under Exelon's medical plan seeking a covered procedure/service that is not available within 100 miles of their home can be reimbursed for lodging and transportation, based on IRS allowable reimbursements, up to a lifetime maximum of $10,000, tax free.

[1] Applicable to all non-represented employees and to represented employees in accordance with their collective bargaining agreements.

TOTAL EMPLOYEES

19,063

DIVERSE HIRING IN 2022

62.8%

of new hires were women and/or people of color

EXELON'S EXECUTIVE COMMITTEE

64.3%

are women and/or people of color

2022 TURNOVER RATE

8.3%

of which approximately half were planned retirements

(Excludes departures in connection with separation transaction in February 2022)

EXELON'S WORKFORCE DIVERSITY BY THE NUMBERS[1]

Women	
Overall	27.8%
Management	31.7%
People of Color	
Overall	39.4%
Management	35.8%
Aged < 30	10.6%
Aged 30 - 50	55.3%
Aged > 50	34.0%
Veterans	5.6%
Disabled	2.6%

[1] All statistics are as of 12/31/22. Information about gender, race or ethnicity, veteran-status, and disability is self-identified by employees. For more information, please see the Company's EEO-1 Reports posted on exeloncorp.com. "Management" defined as executive and senior level officials and managers and employees who have direct reports and/or supervisory responsibilities.

Community Engagement

Volunteering and Charitable Contributions

Exelon has a long history of volunteerism to help improve the quality of life for people in the communities where we live, work, and serve. We provide opportunities for company-sponsored volunteerism and matching financial support. In 2022, the Exelon Foundation, Exelon's family of companies, and our employees donated approximately $68 million to non-profit organizations and provided over 126,500 hours of volunteering.

Additionally, the Exelon Foundation matched employee donations to eligible non-profit organizations, dollar for dollar, up to $5,000. (Beginning in 2023, the limit was increased to $10,000 per calendar year.) All full-time and part-time employees of the Exelon family of companies are eligible to participate.

Workforce Development

Creating a reliable workforce pipeline is crucial to ensuring the success of the industry and meeting the needs of society for dependable power. As we promote STEM education for future leaders, it is our responsibility to also support underrepresented populations and build a diverse workforce. Exelon is committed to exposing young people within our communities to career opportunities in the energy industry. Through internships, university and veteran recruiting, STEM academies, and partnerships with organizations such as the Society of Women Engineers, Society of Asian Scientists and Engineers, Society of Hispanic Professional Engineers, and the National Society of Black Engineers, we are committed to providing professional development and opportunities for the next generation of our workforce.

Exelon's Workforce Development approach is also focused on addressing economic inequities in the communities we serve. We recognize that systemic racism and bias have disproportionately impacted some communities. In 2022, Exelon invested over $14 million to support more than 80 different workforce development programs across Exelon and our six utilities. These programs seek to bring economic equity, empowerment, and employment opportunity to underserved and under-resourced communities. Additionally, as part of Exelon's ongoing efforts to promote workforce development and empower young women, the Exelon Foundation, in partnership with The National Energy Education Development Project, created free year-round STEM programming to engage high school girls from under-resourced communities in our key markets: the metro areas of Chicago, Philadelphia, Baltimore and D.C.

Our workforce development strategy is centered on four areas:

STEM Education and Vocational Awareness	Eliminating or Reducing Barriers	Partnering to Create Opportunities	Thought Leadership
Spark students' interest in and knowledge of STEM and careers in the energy industry.	Reduce or remove employment barriers faced by youth and work-ready adults in underserved and under-resourced communities.	Partnerships with employers, nonprofits, and community groups to expand training and job opportunities for youth and work-ready adults.	Drive positive community impact, develop, and leverage best practices, and broadly share our successes.

Governance

Compliance & Ethics

STRONG, EFFECTIVE INTERNAL CONTROLS

Exelon is committed to maintaining a robust, comprehensive compliance and ethics program and recognizes that a successful program must constantly evolve in the face of changing risks.

SUSTAINABLE SUPPLY CHAIN

We work with our suppliers and industry peers to build a sustainable supply chain that delivers quality products and services for Exelon, supports local and diverse businesses in the communities where we operate, drives efficiency through the supply chain, ensures supply chain continuity, and upholds human rights.

Risk Management and Corporate Governance

RISK MANAGEMENT

An ethical culture with strong corporate governance and risk management processes is critical to maximizing Exelon's operational results, minimizing risks, and ensuring compliance with applicable laws and regulations.

CYBERSECURITY

Our business serves millions of customers, including governmental customers, making us part of the nation's critical infrastructure. We frequently assess our cybersecurity capabilities and embrace continuous improvement to protect assets critical to grid reliability and national security, as well as customer information.

Meeting Stakeholder Expectations

PROACTIVE ENGAGEMENT

Through regular engagement with our shareholders and other stakeholders, we improve our understanding of stakeholder priorities and emerging trends affecting our business. We use stakeholder feedback to inform our governance practices, sustainability strategy, and business plans.

POLICY ENGAGEMENT

Exelon engages with policymakers to find solutions that provide value to customers, support our business interests, and create desirable outcomes for stakeholders. This includes encouraging our industry associations to support robust, forward-looking responses to combat climate change and social equity challenges.

*For information about Board Governance and related corporate governance matters, please see page 17.

Culture of Compliance and Ethics

Exelon is committed to maintaining a robust, comprehensive compliance and ethics program, and recognizes that an effective program must constantly evolve in the face of changing risks. Exelon's Compliance and Ethics office provides governance and oversight of Exelon's compliance with its regulatory obligations and is the primary resource for ethics advice and interpretation of the Code of Business Conduct and Supplier Code of Conduct. Our Compliance and Ethics office conducts an annual risk assessment to identify compliance risks across the organization and assess controls for those risks. It works with business teams to ensure the appropriate design, implementation and testing of controls concerning compliance obligations.

Code of Business Conduct & Supplier Code of Conduct

Exelon maintains a detailed Code of Business Conduct (the Code), applicable to all employees, officers, and directors across the enterprise. The Code sets out Exelon's core values — which include acting with integrity — and addresses a wide range of topics, among them conflicts of interest, workplace conduct, safety, protecting confidential information and other company assets, bribery, and corruption. The Code highlights the importance of speaking up and strictly prohibits any form of retaliation for raising questions or concerns about potential violations of the Code or compliance with applicable laws and regulations. All employees must participate in annual Code of Business Conduct training. Additionally, non-represented employees are required to complete an annual certification disclosing potential conflicts of interest and affirming their understanding of the Code. Completion of the training and certifications is tracked. New employees are required to complete Code of Business Conduct training when they join Exelon. The Code was most recently reviewed and updated in June 2022.

Conformance with Exelon's ethics and compliance policies and programs under the Company's Code of Business Code is also incorporated into the performance management assessment of all management employees to reinforce the company's culture of compliance and may impact annual incentive payouts. This performance management assessment helps to reinforce Exelon's commitment to ethical behavior, compliance with its Code, and the obligation of all employees to speak up about potential noncompliance with those standards.

In 2022, Exelon implemented a Supplier Code of Conduct, which focuses on the responsibilities of all suppliers, contractors, and agents. Prior to implementation of the Supplier Code of Conduct, these entities were subject to Exelon's Code of Business Conduct. The new Supplier Code of Conduct outlines Exelon's expectations and standards for ethical conduct with which all Suppliers, their subcontractors, and their respective workforces must comply when working on behalf of Exelon. It addresses a wide range of obligations for suppliers relating to, among other things, compliance with all applicable laws and regulations, maintenance of high ethical standards, public and workplace safety, human rights and labor standards, diversity, the environment, conflicts of interest, bribery and corruption, fair competition, accurate recordkeeping, and retaliation.

Ethics Training and Helpline

Exelon regularly trains our workforce on ethics expectations and provides tools for our employees to meet those expectations. In addition to annual Code of Business Conduct training, the Compliance & Ethics Office delivers mandatory training addressing Security Awareness (including cybersecurity and phishing), Harassment Prevention, and other important topics.

Exelon maintains a 24-hour ethics helpline that allows employees, suppliers, and the public to report ethics concerns, potential legal or regulatory violations, and pose questions. The helpline has both a phone and web portal option and reporters have the option to remain anonymous. The Compliance and Ethics office oversees the intake, investigation, and resolution of reports of potential compliance violations and violations of the Code of Business Conduct and Supplier Code of Conduct.

Oversight of Interactions with Public Officials

In 2020, Exelon implemented four companywide ethics policies that substantially increased oversight of our interactions with public officials, implemented a series of new controls, and enhanced guidance and training. Among other things, the policies require tracking and review of requests, referrals, and recommendations from public officials; strengthen due diligence and supervision of lobbyists and political consultants; and require regular reporting to the Audit and Risk Committee of Exelon's Board of Directors and to the boards of each of Exelon's utilities regarding interactions with public officials. These policies were developed with the support of outside counsel and following a review of policies of other companies. These policies are regularly reviewed and were last updated in June 2022.

These policies are overseen by the Executive Vice President, Compliance, Audit and Risk who reports to Exelon's CEO and the Chair of the Audit and Risk Committee and serves as a member of Exelon's Executive Committee. This oversight structure ensures independence and central oversight of compliance activities, and facilitates sharing of insights regarding compliance, ethics, audit, and enterprise risk matters across operating companies.

Cybersecurity

Our business serves millions of homes and businesses, as well as governmental customers, in some of the most densely populated areas of the country, making us part of the nation's critical infrastructure. Our Corporate & Information Security Services (CISS) team maintains an enterprise wide, risk-based, intelligence-driven, "defense-in-depth" security posture. This strategy is regularly tested through auditing, assessments, tabletops, and other exercises designed to assess effectiveness. Exelon protects assets critical to grid reliability and national security through the implementation of the North American Electric Reliability Corporation's Critical Infrastructure Protection requirements. Regulated critical cyber assets are isolated within restricted networks, segmented from the enterprise IT environment and the Internet, continuously monitored for malicious activity, and routinely evaluated for vulnerabilities. Additionally, as noted above, employees are subject to annual mandatory training addressing security awareness, including cybersecurity and phishing.

Cybersecurity is a high priority at Exelon and accordingly, the Board devotes significant time and attention to overseeing cyber and information security risk. In 2022, the Board adopted a Cybersecurity Oversight Policy to specifically address their oversight of management's cybersecurity program and Exelon's enterprise-wide risk related to cybersecurity, including management's identification, assessment, and mitigation of cybersecurity risks.

Policy Engagement

Transparent Reporting of Political Contributions

Since 2013, Exelon has published semi-annual reports of its political contributions on its website. Exelon is in the top 12% of all S&P companies in the CPA-Zicklin index for Corporate Political Disclosure and Accountability, earning the designation as an "Index Trendsetter." These reports include contributions to political parties, political committees, candidates for political office, and 501(c)(4) entities. The reports also include dues paid to trade organizations and similar non-profit entities and identifies the portion of those dues that were used for expenditures or contributions that are non-deductible. Political contribution reports as well as Exelon's Corporate Political Contribution Guidelines are available at **www.exeloncorp.com**.

In 2022, Exelon enhanced its corporate political contributions reporting by disclosing dues paid to trade associations in excess of $10,000 (previously reported all dues over $50,000) and building internal processes to work towards disclosures of any 501(c)(6) trade organization where an Exelon executive (or an executive of any of our controlled affiliates) has a board seat; 501(c)(3) charitable organizations that receive company matching funds of over $5,000 to the limit of $10,000 from senior executives; and reporting payments to trade associations that include funds for grassroots lobbying.

Lobbying

Exelon's public policy positions and advocacy are developed and directed by the company's executive leadership team in consultation with the Board of Directors on major policy initiatives and strategic policy alternatives. For over 20 years, Exelon has been a strong advocate for sound energy and environmental policies which address customer expectations, help create value for our investors, and contribute to meeting national and state energy and environmental goals. Exelon supports policies that:

- ✓ Advance an **affordable and clean energy** future for our customers and communities
- ✓ Enable **innovative technologies** to serve customer needs
- ✓ Ensure the **reliability, security, and efficiency** of the nation's critical electric grid
- ✓ Ensure and **protect customer choice** with fair and equal access to the marketplace

As referenced above, in 2020, Exelon implemented a new policy that strengthened the due diligence and supervision of lobbyists and political consultants. Any indication of conduct that could violate Company policies concerning political activity, lobbying laws or regulations, or anti-bribery laws must be promptly escalated to Exelon's Executive Vice President for Compliance, Audit, and Risk, Chief Legal Officer, and Chief Compliance and Ethics Officer for review. In addition to routine monitoring of the activities and services provided by lobbyists and political consultants engaged by Exelon, each individual or firm is subject to mid-year and annual performance reviews.

Trade Associations

As we work to advance public policy, we work with many associations and business groups, such as Edison Electric Institute, American Gas Association, and Business Roundtable, on a wide variety of matters, including clean energy, cybersecurity, supply chain, tax policy, workforce development and other related business issues. In many cases, we are in alignment with the advocacy positions of these organizations, but not always. In cases where our views diverge, we typically advocate for change in the association's positions. In addition, we may voice our positions separately or in conjunction with stakeholders who are more closely aligned with us. Through these alliances and other efforts, Exelon helps advance policies that support an affordable, safe, resilient, and reliable clean energy future and benefit our customers and shareholders.

Proxy **Voting Roadmap**

1 Election of Directors

SEE PAGE 17

Elect **8** Director nominees named in the proxy statement.

The Board recommends a vote "FOR" each Director nominee.

2 Ratification of Independent Auditor

SEE PAGE 39

Ratify the appointment of PricewaterhouseCoopers LLP (PwC) as Exelon's independent auditor for 2023.

PwC has served as the Company's independent auditor since the Company's formation in 2000. PwC has become deeply familiar with the Company's operations and businesses, accounting policies and practices, and internal controls over financial reporting. The Audit and Risk Committee believes this experience and expertise is valuable to the Company and its shareholders.

The Board recommends a vote "FOR" the ratification of PricewaterhouseCoopers LLP as Exelon's independent auditor for 2023.

3 Say-on-Pay

SEE PAGE 43

Approve, on an advisory basis, the compensation paid to the Company's named executive officers, as disclosed in this proxy statement.

Our compensation program is largely performance-based and is driven by rigorous goals that are tied to achieving financial and operational results that align the interests of executives with those of the Company's shareholders.

The Board recommends a vote "FOR" the approval of the compensation paid to the Company's named executive officers.

4 Say-on-Frequency

SEE PAGE 80

Approve, on an advisory basis, the frequency of an advisory vote on executive compensation.

The proxy card provides shareholders with the opportunity to choose among four options (holding the vote every year, every two years, every three years, or abstaining) and, therefore, shareholders will not be voting to approve or disapprove the board's recommendation.

The Board recommends a vote for the option of "ONE YEAR" as the preferred frequency for future advisory votes on executive compensation.

Board and Corporate Governance Matters

PROPOSAL 1

Election of Directors

The Corporate Governance Committee collaborates with the Board Chair to determine the appropriate mix of skills and characteristics that our Board requires. The Board has determined that the current composition and size of the Board is appropriate for Exelon, considering the Company's size, geographic scope, and need to access a wide range of views and backgrounds to reflect the diversity and complexity of our business and the markets and communities we serve. There are 8 nominees for election at the 2023 annual meeting.

The Board recommends a vote "FOR" each Director nominee.

Director Qualifications and Nomination

Effective oversight of Exelon's strategic direction requires our Board to be composed of diverse individuals who possess attributes and core competencies important to our Company. The Corporate Governance Committee identifies and recommends Director nominees for election to the Board and periodically retains a board search firm to assist with the identification of potential candidates.

The Board values the diversity of thought that arises from Directors possessing different backgrounds, gender, age, race/ethnicity, and geographic experiences. The Board also deeply values the enhanced and thoughtful deliberations resulting from a balance of short-and long-tenured Directors who provide a mix of fresh perspectives and new ideas with deep and important utility, regulated industry, and business cycle experiences.

The Corporate Governance Committee and the Board determine the appropriate mix of skills and characteristics required to meet the needs of the Board as a whole, taking into account the short-and long-term strategies of the Company to determine the current and future skills and experiences required of the Board. All candidates should demonstrate the following attributes to qualify for Board service:

- Highest personal and professional ethics, integrity, and values
- Broad training and experience at the policy-making level in business, government, education, or technology
- Willingness to remain current with industry and other developments relevant to Exelon's strategic direction
- A commitment to representing the long-term interests of shareholders, customers, employees, and communities served by the Company and its subsidiaries
- An inquiring and independent mind, practical wisdom, and mature judgment
- Expertise that is useful to the enterprise and complementary to the background and experience of other Directors
- Willingness to devote the required amount of time to carrying out the duties and responsibilities of Board membership and a commitment to serve over a period of years to develop knowledge about Exelon's principal operations
- Involvement only in activities or interests that do not conflict with responsibilities to Exelon and its shareholders

Director Skills

As part of its regular, on-going review of the skills necessary to support a balanced board with the appropriate experiences aligned with Exelon's long-term strategies, the Corporate Governance Committee has selected the followings skills and attributes. This list of skills and the following matrix are a valuable tool for the Board as they plan for upcoming retirements and consider which skills and experiences need to be replaced or added. When a specific expertise is needed that isn't present among the Directors, the Board will bring in outside advisors to assist with filling in any gaps.

Skills

Accounting and Finance

Experience in accounting, finance, and capital management, including oversight of financial statements and operating results; experience assessing the financial merits of strategic opportunities.

Executive

CEO or other executive management leadership experience with an understanding of how to lead complex organizations.

Talent Management

Experience in planning and building a talented workforce that meets the needs essential to the Company's operations; understanding the drivers of individual growth and development; familiarity with developing effective compensation and benefits programs.

Technology and Innovation

Management or oversight experience with technologies key to the energy markets including business systems, customer platforms, or grid operations; an understanding of recent innovations in utility operational technology; experience implementing efficiency improvements or other business transformations through technology.

Safety and Cybersecurity

Experience monitoring and overseeing safety and physical security measures necessary for safe transmission and distribution (T&D) operations; understanding of cyber threats, risk mitigation and policy.

Utility Operations and Infrastructure

Experience in the energy or utility industries or other expertise in energy markets, technology, renewable and clean energy, electric and gas transmission and distribution; understanding of the public policy issues and risks associated with the reliability, resiliency, and safety of the electric and gas transmission and distribution systems.

Regulatory and Policy

Experience in regulatory affairs, public policy, or government; exposure to heavily regulated industries and their governing bodies; experience directly managing one or more members of management engaged in policy or regulatory affairs.

Risk Management

Experience identifying, assessing, and controlling financial or business risks including those risks with potential to impact public safety, operations, and shareholder value, including environmental impacts.

Corporate Governance

Experience maintaining board and management accountability; a deep understanding of strong governance and compliance practices that protect and align with the interests of investors and other stakeholders; experience in investor relations.

Environment and Sustainability

Experience in overseeing or advising on environmental, climate or sustainability practices; understanding of environmental policy, regulation, risk, and business operations in regulated industries; experience in managing environmental impacts; in-depth knowledge of operational risks.

Business Development and Transformation

Experience in business development, strategy, or marketing; experience creating long-term value through organic growth, innovation, and strategic initiatives; experience managing businesses and operations that have been impacted by transformational change.

Attributes

Community

Experience living or working in one of the jurisdictions served by an Exelon utility and knowledge of the local community and the regional business and political environment.

Military Experience

Prior military service (including reserve duty) brings unique skills and insight to the Board and reflects the Company's commitment to helping veterans translate their skills into the energy industry.

The following matrix identifies the **five most prominent skills and core competencies** and other attributes that each Director brings to their service to Exelon's Board and Committees. While each independent Director possesses numerous other skills and competencies not identified below, we believe that identifying the five most prominent skills and competencies provides a much more meaningful presentation of the key contributions and value that each Director brings to their service on the Board and to Exelon shareholders. We have reviewed this presentation with shareholders and have consistently received positive feedback that this narrowed scope is informative. As CEO, Mr. Butler possesses all listed skills.

Exelon Board of Directors 2023 Matrix:

	Anderson	Bowers	Butler	Cheshire	Jojo	Lillie	Rogers	Young
Governance Attributes								
Independent	●	●		●	●	●	●	●
Audit Committee Financial Expert	●	●					●	●
Committee Chair[1]	CGC	ARC			CC			
Skills								
Accounting and Finance	●	●	●				●	
Executive	●	●	●	●		●		●
Talent Management	●		●		●	●		
Technology and Innovation			●		●		●	
Safety and Cybersecurity			●		●			
Utility Operations and Infrastructure		●	●		●		●	●
Regulatory and Policy		●	●	●		●	●	●
Risk Management	●		●	●		●		
Corporate Governance	●	●	●	●		●		●
Environment and Sustainability			●				●	
Business Development and Transformation			●	●	●			●
Attributes								
Exelon Community	●		●	●	●	●		●
Military Experience								●
Gender								
Female				●	●	●		
Male	●	●	●				●	●
Non-Binary/Other								
Race/Ethnicity								
Black / African American	●		●	●		●		
White		●			●		●	●
Other Demographic Information								
Age	67	66	53	54	57	70	60	66
Tenure (years)	10.1	1.6	0.2	2.6	7.5	—	—	4.7
LGBTQ+								
Disabled								

(1) If re-elected, Mr. Bowers will assume the role of Chair of the Audit and Risk Committee, and Ms. Cheshire will assume the role of Chair of the Compensation Committee effective April 25, 2023.

Director Diversity

The Governance Committee is committed to continuously evolving and enhancing our disclosures about Board diversity in response to feedback from shareholders and other stakeholders. Beginning in 2021, Exelon surveyed the Board and asked each Director to self-identify their race/ethnicity, gender identity, disability, military experience, and LGBTQ+ identity. For 2022, this information is also being presented in compliance with Nasdaq's disclosure format.

*This following matrix presents information about each director nominee and excludes Ann Berzin, Carlos Gutierrez and Paul Joskow who are not standing for re-election at the 2023 annual meeting.

Board Diversity Matrix

Total number of Directors: **8**

	Female	Male	Non-Binary	Did Not Disclose Gender
Gender Identity	3	5	–	–
Demographic Information				
African American or Black	2	2	–	–
Alaskan Native or Native American	–	–	–	–
Asian	–	–	–	–
Hispanic or Latinx	–	–	–	–
Native Hawaiian or Other Pacific Islander	–	–	–	–
White	1	3	–	–
Two or More Races/Ethnicities	–	–	–	–

Directors identifying as LGBTQ+: **0**

Directors identifying as having a Disability: **0**

Directors who did not disclose demographic background: **0**

Director Independence

The Board has determined that all non-employee Directors who served on the Board in 2022 and all nominees for election, except for Mr. Butler as Exelon's CEO, are independent according to applicable law and the listing standards of The Nasdaq Stock Market LLC (Nasdaq), as incorporated into the Independence Standards for Directors in Exelon's Corporate Governance Principles. In accordance with the Independence Standards for Directors, the Board determined that certain categories of relationships as set forth in the Appendix do not create a conflict of interest that would impair a Director's independence. The Board also determined that the members of the Audit and Risk, Compensation, and Corporate Governance Committees are independent within the meaning of applicable laws, Nasdaq governance requirements, and the Independence Standards for Directors.

When assessing the independence of Director nominees, the Corporate Governance Committee considers the impact that tenure may have on the independence of certain longer-tenured incumbent Board nominees. The Board determined that the independence of our longer-tenured Directors had not been diminished as these members continued to thoughtfully challenge and provide reasoned, balanced, and insightful guidance to management. The Board values the perspectives that such Directors contribute to Board discussions, having served Exelon during periods of various industry and company-specific developments and with different members of management over the years.

Related Person Transactions

Exelon has adopted a written policy on the review, approval, or ratification of transactions with related persons, which is overseen by the Corporate Governance Committee and is available on our website. The policy provides that the Committee or the Committee Chair will review any proposed, existing, or completed transactions in which the amount involved exceeds $120,000 and in which any related person had, has, or will have a direct or indirect material interest. In general, related persons are directors and executive officers and their immediate family members, as well as shareholders beneficially owning 5% or more of Exelon's outstanding stock as defined in SEC rules. The Exelon Chief Legal Officer reviews relevant information on transactions, arrangements, and relationships disclosed and makes a determination as to the existence of a related person transaction as defined by SEC rules and the policy.

Related person transactions that are in, or not inconsistent with, the best interests of Exelon are approved by the Corporate Governance Committee and reported to the Board. Related person transactions are disclosed in accordance with applicable SEC and other regulatory requirements.

There were no related person transactions identified for 2022.

Director Nominees

As referenced in the Board letter to shareholders included with this proxy statement, three of our directors are not standing for re-election. The Board is deeply grateful to Ms. Berzin, Dr. Joskow, and Secretary Gutierrez for their years of valued contributions and insights into Exelon's business and strategy.

The Board nominates the eight candidates named below for election as Directors. If elected by shareholders, each Director will serve a term ending with the 2024 annual meeting. Each nominee has agreed to be named in this proxy statement and to serve as a Director if elected. If any Director is unable to stand for election at the annual meeting, the Board may reduce the number of Directors or designate a substitute. In that case, shares represented by proxies may be voted for a substitute Director. Exelon does not expect that any Director nominee will be unable to serve.

The Corporate Governance Committee and the Board believe the skills and experiences detailed above are well represented among the Director nominees and reflect an effective mix of backgrounds, experience, and diversity. In addition to the skills, characteristics, core competencies and other attributes previously described, the Corporate Governance Committee also considers whether each nominee has the time available, in light of other business and personal commitments, to effectively serve on Exelon's Board. Among the criteria the Committee considers is the degree to which any incumbent Director nominee demonstrates effective and productive preparedness and engagement.

Calvin G. Butler, Jr.

PRESIDENT AND CEO

Age: **53**

Director Since: **December 2022**

Other Public Company Boards: **0**

Committees: **None**

Mr. Butler joined Exelon in 2008 and has more than 28 years of leadership experience in the utilities industry and in regulatory, legislative, and public affairs. Mr. Butler's extensive executive management experience, together with his regulatory, external affairs, customer service and innovation and technology expertise, allow him to provide valuable perspectives and insights on a variety of topics to the Board. He has been recognized by several organizations for his leadership and community commitment.

Career Highlights

- President and CEO, Exelon (2022 – Present)
- Chief Operating Officer, Exelon (2021 – 2022)
- Senior Executive Vice President and Chief Executive Officer, Exelon Utilities (2019 – 2022)
- Chief Executive Officer, Baltimore Gas and Electric Company (2014 – 2019)

Other Professional Experience

- Vice-Chair, Institute of International Education
- Chair, Greater Baltimore Committee
- Trustee, Bradley University
- Trustee, Library of Congress, James Madison Council

Former Public Company Boards (Last 5 years)

- RLI Insurance Company (2016 – February 2023)
- M&T Bank Corporation (2020 – 2022)

John Young

BOARD CHAIR; INDEPENDENT

Age: **66**

Director Since: **July 2018**

Chair Since: **April 2022**

Other Public Company Boards: **0**

Committees: **Corporate Governance**

Mr. Young has far-reaching leadership and operational expertise derived from his experiences in the industry, including as a former nuclear utility CEO. His deep industry knowledge brings valuable and broad industry insights to the Board. Additionally, his background in finance and investor relations brings important investor perspectives.

Career Highlights

- President, CEO, and Director, Energy Future Holdings Corp., formerly held a portfolio of competitive and regulated energy companies (2008 – 2016)
- Chief Financial Officer, Exelon Corporation (2005 – 2008)
- President, Exelon Generation (2004 – 2005)
- Various executive roles with Sierra Pacific Resources (now NV Energy), a Nevada public gas and electric utility company (2000 – 2003) and Southern Company, an Atlanta-based public gas and electric utility company (1983 – 2000)

Other Professional Experience

- Director, United Services Automobile Association (USAA)
- Former Director, Nuclear Energy Institute
- Former Director, Edison Electric Institute

Anthony Anderson

INDEPENDENT

Age: **67**

Director Since: **January 2013**

Other Public Boards: **3**

Committees: **Corporate Governance, Chair; Compensation**

Mr. Anderson's comprehensive finance, risk management, corporate governance, and executive leadership skills were gained through his board service experiences and his successful 35-year career with Ernst & Young a global assurance, tax, transaction, and advisory services firm. Mr. Anderson's 20+ years of experience as an audit partner and certified public accountant, culminating in his role as Vice Chair of EY, deeply enhance his contributions to the Exelon Board and add value to his leadership of Corporate Governance Committee.

Career Highlights

- Vice Chair and Midwest Area Managing Partner, Ernst & Young (2000–2012)
- Managing Partner, Pacific Southwest Region, Ernst & Young (1994–2000)

Other Professional Experience

- Executive Committee member, United States Golf Association
- Former Director, First American Financial
- Former Director, Federal Reserve Bank of Chicago

Other Public Company Boards

- AAR Corp. (Since 2012)
  Committees: Compensation; Nominating & Governance (CH)
- Avery Dennison (Since 2012)
  Committees: Governance; Audit & Finance
- Marsh & McLennan Companies (Since 2016)
  Committees: Audit; ESG

W. Paul Bowers

INDEPENDENT

Age: **66**

Director Since: **July 2021**

Other Public Company Boards: **1**

Committees: **Audit and Risk, Chair*; Corporate Governance**

Mr. Bowers' extensive experience in the utilities industry as well as broad financial knowledge and business experience bring great value to his service on the Board. His background serving as both a CEO and a CFO gives him a unique perspective on long-term strategy, corporate development, decisive leadership, and risk management.

Career Highlights

- Chair and CEO, Georgia Power Company (2011–2021)
- President, Georgia Power Company (2011-2020)
- Chief Financial Officer, Southern Company (2008-2010)
- President, Southern Company Generation (2001-2008)

Other Professional Experience

- Director, Children's Healthcare of Atlanta
- Director, BrandSafway, a CD&R - Brookfield company
- Former Member, Federal Reserve Bank of Atlanta, Energy Policy Council
- Former Director, Nuclear Energy Institute
- Former Chair, Nuclear Electric Insurance Ltd.
- Former Chair, Metro Atlanta Chamber of Commerce
- Former Chair, Georgia Chamber of Commerce

Other Public Company Boards

- AFLAC (Since 2013); Lead Director *Committees:* Audit and Risk; Corporate Development (CH); Corporate Social Responsibility and Sustainability; Executive

* If re-elected, Mr. Bowers will assume the role of Chair of the Audit and Risk Committee effective April 25, 2023.

Marjorie Rodgers Cheshire

INDEPENDENT

Age: **54**

Director Since: **July 2020**

Other Public Company Boards: **1**

Committees: **Audit and Risk; Compensation***

Ms. Cheshire's experience in organizational leadership and her deep background in compliance, strategy, asset management, marketing and brand development are of significant value to the Board. Additionally, her involvement in the Baltimore community and her familiarity with this important market brings beneficial perspectives and insights.

Career Highlights

- Principal, A&R Development Corp., a diversified real estate investment company (2004 – Present); formerly President and Chief Operating Officer (2004 - 2021)
- Senior Director of Brand & Consumer Marketing, National Football League (2001 –2004)
- Vice President of Business Development, Oxygen Media (2000-2001)

Other Professional Experience

- Chair, Baltimore Equitable Insurance
- Trustee, Baltimore School for the Arts
- Trustee, Johns Hopkins Medicine

Other Public Company Boards

- PNC Financial Services Group (Since 2014) *Committees:* Nominating & Governance; Risk; Special Committee on Equity & Inclusion (CH); Compliance Subcommittee (CH)

* If re-elected, Ms. Cheshire will assume the role of Chair of the Compensation Committee effective April 25, 2023.

Linda Jojo

INDEPENDENT

Age: **57**

Director Since: **September 2015**

Other Public Company Boards: **0**

Committees: **Compensation, Chair; Audit and Risk**

Ms. Jojo's wealth of experience leading complex IT organizations brings valuable technology and innovation expertise to the Board. Her background in computer science and industrial engineering lends expertise to the Board's risk oversight and cybersecurity programs and initiatives. Her current role as Chief Customer Officer at United Airlines also brings valuable experience in oversight of contact centers, customer solutions and innovation. Additionally, her experience working with organizations preparing young people for STEM careers brings insight to the Board's oversight of Exelon's youth outreach and workforce development programs.

Career Highlights

- Executive Vice President, Chief Customer Officer of United Airlines Holdings, Inc. (2022 - Present); previously Executive Vice President, Technology & Chief Digital Officer (2017 – 2022) and Executive Vice President & Chief Information officer (2014 – 2017)
- Executive Vice President and Chief Information Officer, Rogers Communications Inc., wireless communications and media company (2011 – 2014)
- Senior Vice President and Chief Information Officer, Energy Future Holdings Corporation, formerly held a portfolio of competitive and regulated energy companies (2008 – 2011)

Other Professional Experience

- Director, Federal Reserve Bank of Chicago
- Chair, Board of Trustees, Adler Planetarium
- Trustee, Rensselaer Polytechnic Institute
- Director, Hero Digital Holdings LLC

Charisse Lillie
INDEPENDENT

NEW Director Nominee

Age: **70**

Other Public Company Boards: **0**

Committees: **If elected, Ms. Lillie's committee assignments will be determined by the Board at a later date.**

Ms. Lillie is CEO of CRL Consulting LLC, a consulting firm focused on corporate governance, diversity, equity, and inclusion and corporate social responsibility. Prior to this, Ms. Lillie held several senior roles at Comcast Cable including as SVP of Human Resources, President of the Comcast Foundation, and VP of Community Investment, Comcast Corporation until 2016. Ms. Lillie served as a director of the Federal Reserve Bank of Philadelphia from 1996 until 2002 and was a partner in the law firm of Ballard Spahr Andrews & Ingersoll. LLP where she chaired the Litigation department from 2002 until 2005. Ms. Lillie spent several years in public service and taught law at Villanova School of Law.

Career Highlights

- CEO, CRL Consulting LLC (2017 – Present)
- Vice President, Community Investment, Comcast Corporation (2008 – 2017); previously Vice President, Human Resources (2005 – 2008)
- Executive Vice President, Comcast Foundation (2008 – 2011 and 2016 – 2017); previously President (2011 – 2016)
- Partner, Ballard Spahr Andrews & Ingersoll, LLP (1992 – 2005); including Chair of Litigation Department (2002 – 2005)
- City Solicitor, City of Philadelphia (1990 – 1992)
- General Counsel to the Redevelopment Authority of the City of Philadelphia (1988 – 1990)
- Assistant U.S. Attorney for the Eastern District of Pennsylvania (Civil Division (1985 – 1988)

Other Professional Experience

- Director, Penn Mutual Life Insurance Company
- Director, Independent Health Group Inc.
- Director, Franklin Institute Science Museum
- Distinguished Director, United Way of Greater Pennsylvania and Southern New Jersey
- Director, PECO Energy Company *(If elected, Ms. Lillie will step off of the PECO board.)*
- Former Director, Federal Reserve Bank of Philadelphia

Matthew Rogers
INDEPENDENT

NEW Director Nominee

Age: **60**

Other Public Company Boards: **0**

Committees: **If elected, Mr. Rogers' committee assignments will be determined by the Board at a later date.**

Mr. Rogers is a global energy and environmental sustainability leader, who has focused on the role technologies play in restructuring energy markets. He has extensive global consulting experience as a former McKinsey Senior Partner where he led the Energy and Sustainability practices and served electric and gas utilities, major oil companies, and energy technology innovators globally. As a former Senior Advisor to the US Secretary of Energy, he had operational responsibility for the Department of Energy's $35B in Recovery Act appropriations, funding more than 5,000 projects to accelerate US clean energy innovation. Mr. Rogers has written and spoken extensively on electric power, gas, sustainability, and energy transitions.

Career Highlights

- Operations Partner, Ajax Strategies, a venture capital firm focused on technologies to reduce greenhouse gas emissions (2022 – Present)
- Chief Executive Officer, Mission Possible Partnership, organization supporting public and private sector partnerships working toward the energy transition (2022)
- Senior Partner Emeritus, McKinsey & Company (2021 - Present); previously Senior Partner (2005 – 2021) including McKinsey's Sustainability Practice Leader (2015 – 2017); and Partner (1999 – 2005)
- U.S. Secretary of Energy Advisory Board (2011 – 2013)
- Senior Advisor, U.S. Secretary of Energy (2009 – 2010)

Other Professional Experience

- Director, Natel Energy, a hydropower company
- Board Advisor, Ojjo, a solar foundations installer
- Member, National Petroleum Council

Overview of Board's Role

Exelon's business, property and affairs are managed under the direction of the Board of Directors. The Board considers the interests of all of its constituencies including shareholders, customers, employees, and the communities we serve. The Board is committed to ensuring that Exelon conducts business in accordance with the highest standards of ethics, integrity, and transparency.

Governance Highlights

Exelon's Board remains committed to maintaining the highest standards of corporate governance. We believe our strong corporate governance practices help us achieve our performance goals and maintain the trust and confidence of our shareholders, employees, customers, regulators, and other stakeholders. Below is a summary of our corporate governance practices and more detail is presented in our Corporate Governance Principles, which are available on the Exelon website at **www.exeloncorp.com** on the Governance page.

Proxy Access

- Eligible shareholders may submit nominees for consideration by the Corporate Governance Committee or nominate Directors through Exelon's "proxy access" bylaws.

Oversight of Risk Management

- The Board regularly reviews management's systematic approach to identifying and assessing risks faced by Exelon and each business unit, taking into account emerging trends and developments and incorporating capital investment and business opportunities. Our Audit and Risk Committee oversees Exelon's risk management strategy, policies and practices, and risk exposures. Oversight of cybersecurity and related risks are overseen by the Board.

Shareholder Engagement

- Exelon has a long-standing practice of engaging with our shareholders on corporate governance matters throughout the year, as may be necessary or helpful, to understand the positions of our investors and to share Exelon's perspective on matters of mutual interest. See also the Compensation Discussion & Analysis section for a summary of the input received during 2022 related to our executive compensation program.

Continuing Education

- Continuing director education is provided during Board and Committee meetings. The Company also encourages and pays for Director participation in externally offered director development opportunities.

Other Governance Best Practices

- Independent Directors meet regularly in executive sessions without management during Board and Committee meetings.
- Transparent political activities and contributions are provided through semi-annual reporting on **www.exeloncorp.com.**

Governance Snapshot

Director Elections:
Annual

Vote Standard:
Majority
of votes cast in uncontested elections

Chair Independence:
Independent

Committee Independence:
100% Independent

Board Self-Evaluation:
Annual

Committee Self-Evaluation:
Annual

Director Evaluation:
Biennial
includes input from peers and executive management

Mandatory Retirement Age:
75

Director Stock Ownership:
5x annual cash retainer
within 5 years; hedging, pledging, and short sales prohibited

Outside Boards (Non-CEOs):
Maximum of 3
in addition to Exelon (4 total)

Outside Boards (Active CEOs):
Maximum of 1
in addition to Exelon (2 total)

Investor Engagement

Our relationship with our shareholders is an important part of our company's success and our long tradition of engaging with our investors enables valuable insights for the Board and its Committees into investor perspectives and priorities. During 2022, Exelon's engagement team, comprising members of the Office of Corporate Governance, Investor Relations, Executive Compensation, Environmental Strategy, and Compliance met to discuss a wide variety of issues with investors.

In 2022, Exelon contacted the holders of nearly 50% of our outstanding shares with offers to engage. Portfolio managers and governance professionals that accepted included a significant cross-section of our shareholder base, representing approximately 36% of Exelon's outstanding shares.

The feedback received from shareholders and other stakeholder groups is shared with each Board Committee and the Board, as appropriate, on a regular basis throughout the year. Our Audit and Risk, Corporate Governance, and Compensation Committees will often adopt or recommend Board approval of suggested enhancements to policies, practices, or disclosures to meet investor concerns or expectations relating to new issues or emerging trends.

We believe that our approach to engaging openly with our investors on topics such as environmental strategy, corporate governance, executive compensation, and other human capital management issues drives increased accountability, improves decision making, and ultimately creates long-term value.

Annual Engagement Cycle

ANNUAL MEETING

- Opportunity for shareholders to ask questions directly to senior management and the Board and to vote on management and shareholder proposals.

SPRING/SUMMER

- Review annual meeting results and develop focused off-season engagement plan
- Review governance practices in light of investor feedback and governance trends

PRE-ANNUAL MEETING

- Engage with shareholders on proxy matters, including any shareholder proposals
- Answer questions about proxy issues and the Board's vote recommendations

FALL/WINTER

- Engage with shareholders to solicit feedback and understand their priorities
- Evaluate potential changes to governance policies, compensation practices or other disclosures

RECENT ACTIONS DEMONSTRATING RESPONSIVENESS TO INVESTOR FEEDBACK

During 2022, ESG topics continued to be a focal point in nearly all investor engagements. Many investors were keenly interested in Exelon's strategy to meet future challenges and the Board's role in oversight of these critical issues. In 2022, our Investor Relations team refreshed an in-depth ESG Report that is available on our investor relations webpage (**investors.exeloncorp.com**) and contains detailed information covering a range of topics frequently requested by investors. This report is supplemental to and complements the Corporate Sustainability Report.

Other recent updates include publishing Exelon's EEO-1 reports; reporting in compliance with the SASB Standards; voluntarily enhancing disclosure about Director diversity; and updating outside board service limits to allow fewer outside boards.

Board Oversight of Risk

The Company operates in a complex market and regulatory environment. The Board has broad responsibility to provide oversight of significant risks primarily through direct engagement with management and through delegation of ongoing risk oversight responsibilities to the Committees. Any risk oversight area not allocated to a Committee remains with the Board. Risk items that are overseen by the full Board are generally those that are deemed most critical to our operations or strategy.

Each Committee reports regularly to the Board on discussions of enterprise risks for which it is responsible. Furthermore, the Board regularly discusses short-, medium-, and long-term enterprise risks in connection with the evaluation of capital investments, other business opportunities and strategies as well as emerging trends or developments. Reports provided by senior leadership, as well as third-party experts, support oversight of the key risks delegated to each Committee and the full Board.

Board of Directors

The **Full Board** has primary responsibility for risk oversight including the following areas:

- ✓ Oversight of enterprise risk and risk management strategies, policies, procedures, and mitigation efforts
- ✓ Cybersecurity
- ✓ Utility operations, strategy, and safety
- ✓ DEI initiatives and diverse business spending
- ✓ Business risks and capital allocation related to climate change

AUDIT AND RISK COMMITTEE

- ✓ Reviews internal audit risk assessment and oversee risks associated with financial reporting
- ✓ Oversees tax strategy and assessment of tax risks
- ✓ Reviews conflicts of interest, ethics, and compliance issues
- ✓ Oversees compliance with policies governing interactions with public officials

COMPENSATION COMMITTEE

- ✓ Oversees compensation philosophy and strategy to align with Exelon's strategic and operating objectives
- ✓ Evaluates risks related to compensation policies and practices
- ✓ Oversees matters related to corporate culture and human capital

CORPORATE GOVERNANCE COMMITTEE

- ✓ Oversees CEO succession planning
- ✓ Reviews risks related to governance and shareholder activism
- ✓ Oversees sustainability and climate change strategies and efforts to protect and improve the environment
- ✓ Oversees political contributions

Management

Management is primarily responsible for:

- ✓ Identifying risk and risk controls related to significant business activities
- ✓ Mapping the risks to company strategy
- ✓ Developing programs and recommendations to determine the sufficiency of risk identification, the balance of potential risk to potential reward, and the appropriate manner in which to manage risk

Enterprise Risk Management

Managing business risks of all types, from operational, financial, and regulatory risks to global risks like climate change, is central to Exelon's business. Our Enterprise Risk Management (ERM) team, in collaboration with our operating companies, is responsible for coordinating Exelon's risk management program. As part of its risk oversight program, Exelon has adopted a Three Lines operating model of governance developed by the Institute of Internal Auditors and updated in 2020. The Three Lines Model delineates responsibilities across business operations, risk, and oversight functions to support coordinated management and oversight of risks.

The Three Lines model allocates risk management responsibilities among three distinct groups:

- First Line: Function that own and manage risk
- Second Line: Function that monitor internal and external compliance regarding risk-related matters
- Third Line: Function that provides independent assurance. At Exelon, this is Exelon Audit Services (EAS)

The ERM team works collaboratively with business teams to help them identify and assess risks, and to better understand how to manage risks and establish tolerances that allow for growth while staying within our risk appetite. This includes but is not limited to supporting business teams in connection with the following processes:

- Identifying and assessing the management of top enterprise risks
- Monitoring top enterprise risks using enterprise risk management tools, such as Key Risk Indicators (KRIs) and bow-tie risk assessments
- Identifying, monitoring, and assessing emerging risks
- Reviewing proposed capital projects

ERM provides an enterprise-wide view of risks and risk management practices and provides reporting regarding risk management issues to senior leadership and the Board of Directors. Each operating company has a Risk Management Committee tasked with identifying and evaluating the most significant risks of the business and the actions needed to manage and mitigate those risks. The senior executives of the business, as well as ERM, discuss risks with the Audit and Risk Committee of the Exelon Board of Directors.

Other Board Responsibilities

Oversight of Strategy

The Board and its Committees provide oversight of the Company's business strategy throughout the year. Various elements of strategy are discussed at every Board meeting, as well as at many meetings of the Board's Committees, and the Board receives regular updates on progress and execution from, and provides guidance to, our management team. The Board dedicates at least one meeting each year to a deep dive on strategic planning and oversight. These sessions create a dedicated forum for a fluid exchange of viewpoints and ideas on the Company's strategic direction and identifying new opportunities and risks as management executes upon the Company's strategy. In 2022, the key focus of the Board's strategy retreat was "Leading the Energy Transformation."

Oversight of ESG

The Board's oversight of strategy and risks includes oversight of key ESG matters at both the committee and full Board levels. Issues such as climate, DEI, safety, and cybersecurity are important to the long-term success of the Company and, accordingly, are integrated into topics reviewed and discussed at Board meetings throughout the year.

Each of our Committees have oversight of relevant ESG issues. The Audit and Risk Committee reviews SEC disclosures related to human capital management and environmental risks as well as maintaining oversight of the finance organization and independent auditor's commitments to diverse teams. The Compensation Committee is actively involved in overseeing policies related to talent development, DEI, and corporate culture. The Corporate Governance Committee is tasked with overseeing sustainability and climate change strategies and efforts to protect and improve the environment as well as overseeing political contributions. The full Board oversees all other ESG issues including but not limited to cybersecurity; evaluating business risks related to climate change; reviewing investment and divestment opportunities related to climate risks; diversity initiatives and diverse suppliers; workforce development; and corporate philanthropy.

Oversight of Utility Boards

Each of Exelon's six utilities are wholly or majority owned by Exelon (i.e., controlled companies). However, each utility maintains its own board of directors with independent directors to demonstrate independent and engaged oversight of utility operations.

In 2020, as part of the Company's comprehensive review of oversight and compliance practices, the Corporate Governance Committee and Board adopted revisions to the utility boards' governance and structural documents to reflect strong and consistent governance practices including clearly defining utility director qualifications and core competencies, including the need to reflect the diversity of the communities served; clarifying utility boards' duties and limits of authority to align with the parameters of the controlled company structure; and implementing formal annual utility board and director evaluations.

Pursuant to its charter, the Exelon Corporate Governance Committee's responsibilities for oversight of the Utility Boards include (1) determining utility board size and consulting on the appropriate skills needed for each utility board; (2) assessing potential utility board candidates and approving utility director elections; (3) reviewing and recommending evaluation processes and criteria and annually reviewing the results of completed evaluations; and (4) annually reviewing all utility board governing documents, policies, and practices to ensure alignment with Exelon interests and best practices for controlled company governance and recommending revisions as needed.

Board Dynamics

Board Leadership

Exelon's bylaws permit the independent members of the Board to determine the leadership structure of the Board including whether the roles of Board Chair and Chief Executive Officer should be performed by the same individual or whether the roles should be performed by separate individuals. As a matter of policy, the Board believes that separation of these functions is not required, and whether to combine the roles or not is a matter for the Board's sole discretion, taking into consideration the current and anticipated circumstances of the Company, the skills, and experiences of the individual or individuals in question, and the leadership composition of the Board.

The Board reviews its leadership structure periodically and as circumstances warrant. The Board separated the roles of Board Chair and Chief Executive Officer in 2012 and continues to find that this leadership structure ensures independent oversight and promotes the Board's ability to effectively represent the best interests of all shareholders.

The Board is committed to continued independent oversight at all times, and our Corporate Governance Principles provide that the independent members of the Board shall select and elect a Lead Independent Director in the event the Board Chair and Chief Executive Officer roles are held by the same individual, or the person holding the role of Board Chair is not independent under Exelon's Independence Standards for Directors.

Director Tenure

The Board generally believes that a mix of long-and short-tenured directors promotes an appropriate balance of views and insights and allows the Board as a whole to benefit from the historical and institutional knowledge that longer-tenured directors possess, and the fresh perspectives contributed by newer directors.

If each director nominee is elected to the Board, after the 2023 Annual Shareholders' Meeting, our incumbent directors will have served an average of 4.4 years on the Board. We believe that this mix of tenure on the Board represents a diversified "portfolio" of new perspectives and deep institutional knowledge.

Board Diversity and Refreshment

The Corporate Governance Committee regularly reviews the composition of the Board and while the Committee does not prescribe diversity standards, it considers diversity to be an important consideration when evaluating Board composition and director qualifications. The Corporate Governance Committee considers all aspects of diversity such as diversity of gender, race or ethnicity, background, skills, as well as professional and life experience.

The Corporate Governance Committee is also responsible for considering the long-term composition of the Board and believes in balancing the value of industry knowledge and experience from longer-tenured directors with the new perspectives and fresh ideas that come from adding new directors to the Board. The Committee also closely considers the pacing of expanding the Board so that new additions have sufficient overlap with longer-tenured directors to learn the business and understand the operations and culture of the Board. The Board also considers a gradual refreshment process to be appropriate so that there aren't significant disruptions to the normal course of business.

Director Attendance

The Board of Directors held 9 meetings during 2022, including a strategy retreat with senior officers of Exelon and its subsidiary companies. Each incumbent Director nominee attended at least 75% of the combined Board and Committee meetings of which he or she was a member. Attendance at Board and Committee meetings during 2022 averaged 99% for incumbent Directors as a group. All Directors attended the 2022 annual shareholders meeting.

Board Committees

There are currently three standing committees of the Board: Audit and Risk; Compensation; and Corporate Governance. The Board Chair and CEO generally attend all Committee meetings and all Committees meet regularly in executive session without management present. Each Committee is governed by a Board-approved charter stating its responsibilities, which is reviewed annually and updated as appropriate. The charters are available on the Exelon website at **www.exeloncorp.com** on the "Governance Overview" page and in print to any shareholder who requests a copy from Exelon's Corporate Secretary.

		Committee Membership as of March 15, 2023		
		Audit and Risk	Compensation	Corporate Governance
Anderson			●	CHAIR
Berzin[1]		CHAIR		●
Bowers[2]		●		●
Butler				
Cheshire[3]		●	●	
Gutierrez[1]		●	●	
Jojo		●	CHAIR	
Joskow[1]		●		
Young				●
Total Number of Meetings in 2022:		5	5	6

(1) Ms. Berzin, Secretary Gutierrez, and Dr. Joskow are not standing for re-election.

(2) If re-elected, Mr. Bowers will assume the role of Chair of the Audit and Risk Committee effective April 25, 2023.

(3) If re-elected, Ms. Cheshire will assume the role of Chair of the Compensation Committee effective April 25, 2023.

During 2022, there was one additional standing committee: the Generation Oversight Committee. The Generation Oversight Committee was dissolved in February 2022 upon the closing of the separation.

If elected, the Board will determine Committee assignments for Ms. Lillie and Mr. Rogers in due course. Until such assignments are made, it is anticipated that each new member would attend all Committee meetings as part of their onboarding.

Committee Responsibilities

Audit and Risk Committee

Chair: **Ann Berzin***

Members: **Bowers, Cheshire, Gutierrez, Jojo, Joskow**

Meetings in 2022: 5

Committee is 100% Independent

Committee Responsibilities:

- Assists Board in the oversight and review of the quality and integrity of the Company's financial statements and internal controls over financial reporting
- Appoints, retains, and oversees the independent auditor and evaluates its qualifications, performance, independence, and fees
- Oversees the Company's internal audit function
- Oversees risk management functions and strategies, including compliance with risk management program, but excluding cyber
- Oversees compliance with Exelon's Code of Business Conduct, and the process for the receipt and response to complaints regarding accounting, internal controls, ethics, or audit matters

Audit Committee Financial Experts

The Board of Directors has determined that Ms. Berzin and Mr. Bowers, are "Audit Committee Financial Experts" as defined by SEC rules.

See page 42 for the Audit Committee Report.

* Ms. Berzin is not standing for re-election. If re-elected, Mr. Bowers will assume the role of Chair of the Audit and Risk Committee effective April 25, 2023.

Compensation Committee

Chair: **Linda Jojo***

Members: **Anderson, Cheshire, Gutierrez**

Meetings in 2022: 5

Committee is 100% Independent

Committee Responsibilities:

- Assists Board in establishing performance criteria, evaluation, and compensation for CEO
- Approves executive compensation program design for executive officers, other than the CEO
- Monitors and reviews leadership and succession information for executive roles
- Retains the Committee's independent compensation consultant
- Reviews Compensation Discussion and Analysis and prepares Compensation Committee Report for this proxy statement

Compensation Committee Interlocks and Insider Participation

During 2022, none of Exelon's executive officers served on the board of directors of any entities whose executive officers serve on the Compensation Committee.

See page 59 for the Compensation Committee Report.

* If re-elected, Ms. Cheshire will assume the role of Chair of the Compensation Committee effective April 25, 2023.

Corporate Governance Committee

Chair: **Tony Anderson**

Meetings in 2022: 6

Members: **Berzin, Bowers, Young**

Committee is 100% Independent

Committee Responsibilities:

- Identifies and recommends qualified candidates for election by the Board and shareholders and oversees Board and Committee structure and composition
- Recommends Corporate Governance Guidelines and advises on corporate governance issues including evaluation processes for the Board, Committees, each Director, the Board Chair and CEO
- Oversees Exelon's environmental strategies, including climate change and sustainability policies
- Oversees Utility board governance policies and practices, qualifications and election of Utility directors, and annual review of the Utility boards and directors
- Reviews Exelon's director compensation program and retains an independent compensation consultant
- Authorized to retain an independent search firm to identify Director candidates

Board, Committee, and Individual Director Evaluations

Our Board seeks to operate with the highest degree of effectiveness, supporting a dynamic boardroom culture of independent thought Exelon has strong evaluation processes for its Board, Board Committees, and individual Directors.

Annual Board Evaluations

The Board conducts an annual assessment of its performance and effectiveness. The process is coordinated by the Board Chair and the Chair of the Corporate Governance Committee and considers recommendations from the Corporate Governance Committee on the process and criteria to be used for Board, Committee, and individual Director evaluations. The Corporate Governance Committee oversees and approves the annual formal board evaluation process.

1 INTERVIEWS

The Board Chair or the chair of the Corporate Governance Committee conduct one-on-one interviews with each Board member to discuss the below topics, among others that may arise. Directors are provided a list of questions and discussion topics to review prior to their interview. Interviews also seek practical input on what the Board should continue doing, start doing, and stop doing.

- Overall Board performance and areas of focus including strategic and business issues, challenges, and opportunities
- Board meeting logistics
- CEO, senior management, and Director succession planning
- Accountability to shareholder views
- Board Committee structure and composition
- Board culture and composition
- Management engagement with the Board and Committees
- Quality of materials provided to the Directors

2 DISCUSSION AND NEXT STEPS

Following the completion of such interviews, the Board Chair and chair of the Corporate Governance Committee collaborate to prepare and provide to the Board a summary of the assessment input provided. From there, the Board develops plans to take actions based on the results, as appropriate.

2022 OUTCOME

The Board's current structure, composition, and effectiveness were deemed to be very strong in light of consistently collaborative interactions.

Annual Committee Evaluations

All of the Board's standing Committees conduct annual assessments of their performance.

1 **QUESTIONNAIRES**	Committee Members complete written questionnaires focusing on the performance of each committee including whether Committee members possess the right skills and experiences or whether additional education or training is required, the sufficiency of their charters, whether there are sufficient meetings covering the right topics, whether meeting materials and presenters are effective, and other matters. In addition, these assessments also seek practical input on what Committees should continue doing, start doing, and stop doing.
2 **DISCUSSION AND NEXT STEPS**	A summary of all Committee assessment results is provided to the Corporate Governance Committee and Board for review and discussion. From there, the Board and Committees develop action plans based on the results, as appropriate
2022 OUTCOME	The Committees' current structure, composition, and effectiveness were deemed to be very strong in light of consistently collaborative interactions.

Biennial Individual Director Evaluations

Individual Director performance assessments include peer review by all members of the Board as well as input from members of senior management on the contributions and performance of each Director. Each Director is evaluated every other year and newer directors generally aren't reviewed until they've completed at least one full year on the Board.

1 INTERVIEWS

All Directors are interviewed by the Chair of the Corporate Governance Committee or by the Board Chair to provide input on each Director undergoing assessment. In addition, select members of senior management are interviewed to provide input based on their regular interactions with Directors. Directors and members of senior managements are provided a list of questions and discussion topics to review prior to their interviews. The interviews included the below topics as well as practical input on what Directors should continue doing, start doing, and stop doing.

- Meeting preparedness
- Meaningful and constructive participation and contributions
- Demonstrated independence
- Respectful, effective, and candid communication skills
- Company and industry knowledge
- Strategic foresight
- Openness to new learnings and training

2 DISCUSSION AND NEXT STEPS

After discussing the process and overall results with the Corporate Governance Committee, the Committee Chair collaborates with the Board Chair to provide constructive feedback separately to individual Directors for developmental opportunities. Individual assessment results are discussed with the Corporate Governance Committee in executive session.

Annual Utility Board and Director Evaluations

Oversight of the utility boards was strengthened in 2020 to provide for annual assessments of each utility board and utility director. Utility directors are provided a list of questions and topics to review prior to discussion with the utilities board chair (Calvin Butler). Results of these interviews are summarized orally and presented to the Corporate Governance Committee or Board as deemed appropriate. The Committee then develops plans to take actions based on the results, as appropriate feedback is communicated to individual directors as needed.

Director Orientation and Education

The Board has an orientation and onboarding program for new Directors and provides continuing education for all Directors that is overseen by the Corporate Governance Committee. The orientation program is tailored to the needs of each new Director depending on his or her level of experience serving on other boards and knowledge of the Company or industry. Materials provided to new Directors include information on the Company's vision and strategic direction, financial matters, principal operating businesses, corporate governance practices, Code of Business Conduct, risk management framework, and other key policies and practices, including each of the Company's policies related to interactions with public officials. The onboarding process includes a series of one-on-one meetings with members of senior management and their staff for deep-dive briefings on business units. New Directors are also invited to tour various Company facilities, depending on their orientation needs and preferences.

Continuing Education and Site Visits

Continuing director education is provided during portions of Board and Committee meetings and is focused on topics necessary to enable the Board to effectively consider issues before them at that time (such as new regulatory or accounting standards). Education may take the form of presentations from senior leadership or other subject matter experts within the Company, presentations from external advisors, or "white papers" which are deep dives into timely subjects or topics. The Audit and Risk Committee plans for at least one meeting a year in which a session is devoted to education on new accounting rules and standards and topics deemed to be helpful to having a good understanding of our accounting practices and financial statements.

Additionally, Directors may attend educational seminars and programs sponsored by external organizations. Directors may self-identify programs or choose from a curated list of external educational opportunities, including programs related to board governance and related matters as well as utility industry educational programs. The Company covers the cost for any Director who wishes to attend external programs and seminars on topics relevant to their service as Directors.

Directors are also invited from time to time to tour other facilities such as Exelon's cyber operations center, substations, and utility operations control centers. During these visits, Directors are able to interact directly with employees staffing key functions.

Governance Matters

Corporate Governance Principles

Our Corporate Governance Principles, together with the articles of incorporation, bylaws, Committee charters, and other policies and practices, provide the framework for the effective governance of Exelon. The Corporate Governance Principles address matters including the Board's responsibilities and role; Board structure, Director selection, evaluation, and other expectations; Board operations; Board Committees; and additional matters such as succession planning, executive stock ownership requirements, and our recoupment policy. The Corporate Governance Principles are reviewed periodically and were last amended in July 2022 to reflect evolving governance trends and to remain contemporary with the needs of the Company and its stakeholders.

Process for Communicating with the Board

Shareholders and other interested persons can communicate with any Director or the independent Directors as a group by writing to them at Exelon Corporation, Attn: Office of the Corporate Secretary, 10 South Dearborn Street, P.O. Box 805398, Chicago, IL 60680-5398. The Board has instructed the Corporate Secretary to review communications initially and transmit a summary to the Directors and to exclude from transmittal any communications that are commercial advertisements, other forms of solicitation, general shareholder service matters, or individual service or billing complaints. Under the Board policy, the Corporate Secretary will forward to the Directors any communication raising substantial issues. All communications are available to the Directors upon request.

Shareholders may also report an ethics concern with the Exelon Ethics Hotline by calling 1-800-23-ETHIC (1-800-233-8442). You may also report an ethics concern via email to **EthicsOffice@exeloncorp.com**.

Director Compensation

The Corporate Governance Committee is responsible for reviewing and making recommendations to the Board regarding its non-employee Director compensation program. The Committee is authorized to engage outside advisors and consultants in connection with its review and analysis of Director compensation. The Committee takes various factors into consideration, including responsibilities of Directors generally, Board and Committee leadership roles such as the Board Chair and Committee Chairs, as well as the form and amount of compensation paid to directors at comparable companies. In 2022, the Committee engaged Meridian Compensation Partners, LLC (Meridian) to support the annual review of non-employee Director pay.

The non-employee Director compensation program comprises cash and equity components. The Board targets total compensation to be at the median level of compensation paid to directors at the peer group of companies used to benchmark executive compensation.

Cash Fees

The table opposite sets forth the cash compensation paid in 2022 to Exelon's non-employee Directors. Directors may elect to defer any portion of cash compensation into a non-qualified multi-fund deferred compensation plan. Under the plan, each Director has an unfunded account where the dollar balance can be invested in one or more of several mutual funds, including one fund composed entirely of Exelon common stock. Fund balances (including amounts invested in the Exelon common stock fund) are settled in cash and may be distributed in a lump sum or in annual installment payments upon a Director reaching age 65, age 72, or upon departure from the Board. These funds are identical to those that are available to Company employees who participate in the Exelon Employee Savings Plan.

Additionally, Directors who serve as members of special committees that may be formed from time to time receive fees of $5,000 per quarter for as long as the Committee remains needed, provided that the Board may determine that additional fees are appropriate depending on the nature and scope of the special committee.

Role	Annual Cash Retainer ($)
Non-Employee Director	125,000
Board Chair	180,000
Committee Chairs:	
Audit and Risk Committee	25,000
Compensation Committee	20,000
Corporate Governance Committee	20,000

Equity Compensation

A significant portion of Director compensation is provided in the form of equity to align the interests of Directors with the interests of shareholders. In 2022, Exelon's non-employee Directors received deferred stock units (DSUs) valued at $155,000. DSUs were granted quarterly in arrears and credited to a notional account based upon the closing price of Exelon common stock on the date the quarterly dividend is paid. DSUs earn dividend equivalents which are reinvested as additional stock units. Directors may opt to receive their DSUs upon reaching age 65, age 72, or upon their departure from the Board. DSUs will be settled in shares of Exelon common stock and will be distributed in either a lump sum or in annual installments based on each Director's election.

Based upon the Corporate Governance Committee's review of peer benchmarking completed in December 2022, the Board approved an increase in the value of directors' deferred stock units to $165,000 per year, effective January 2023. No other changes were made to the Director's compensation program.

The table below sets forth the amount of DSUs held by each non-employee Director as of December 31, 2022. The balances reported include additional DSUs accumulated as dividend equivalents.

Name	Total Deferred Stock Units (#)
Anderson	51,467
Berzin[1]	99,795
Bowers	5,292
Cheshire	10,380
Gutierrez	4,274
Jojo	37,229
Joskow	76,307
Young	20,578
Total All Directors	**305,322**

1. For Ms. Berzin, the balance also includes DSUs granted under the legacy Constellation Energy Group, Inc. Deferred Compensation Plan for directors that will be settled in cash on a 1 for 1 basis.

Stock Ownership Requirement

In December 2021, based on the Corporate Governance Committee's review of benchmarking information, the Board updated the Director share ownership requirement to five times the annual cash retainer. (The previous requirement had been a fixed number of shares.) All directors are required to meet the minimum stock ownership requirement within five years after their election to the Board. DSUs as well as common shares beneficially owned directly or indirectly are counted towards meeting the stock ownership guidelines. For more information about each Director's stock ownership, please refer to the "Stock Ownership of Directors and Executive Officers" table.

Other Benefits Provided

From time to time, Exelon Directors are invited to bring spouses or guests to Exelon or industry related events. When such invitations are extended, Exelon covers the cost of spousal or guest travel, meals, lodging and related activities. The value of spousal or guest related travel is calculated according to IRS regulations and imputed to the Director as additional taxable income. Directors also receive reimbursement to cover the additional taxes owed on such imputed income. However, in most cases there is no direct incremental cost to Exelon of providing transportation and lodging for a Director's spouse or guest when he or she accompanies the Director, and the only additional costs are those for meals and activities and to reimburse the Director for the taxes on the imputed income.

Additionally, under Exelon's matching gift program, the Exelon Foundation matches donations to eligible non-profit organizations, dollar for dollar, up to $15,000 per calendar year for Directors.

2022 Director Compensation

The following table summarizes the compensation paid for each of our non-employee Directors who served as a member of the Board and its Committees in 2022.

Director Name	Cash Fees ($) (Note 4)	Equity Compensation ($)	All Other Compensation ($) (Note 5)	Total Compensation ($)
Anderson	166,722	155,000	2,091	323,813
Berzin[1]	150,000	155,000	18,286	323,286
Bowers	144,674	155,000	15,000	314,674
Brlas[2]	12,486	13,347	—	25,833
Cheshire	144,674	155,000	15,000	314,674
de Balmann[2]	14,208	13,347	—	27,555
Gutierrez[1]	125,000	155,000	—	280,000
Jojo	138,626	155,000	15,000	308,626
Joskow[1]	125,000	155,000	—	280,000
Lawless[2]	14,208	13,347	—	27,555
Richardson[2]	14,208	13,347	—	27,555
Shattuck[3]	144,758	49,821	515,000	709,579
Young	257,510	155,000	857	413,367
Total All Directors	**1,452,074**	**1,343,209**	**581,234**	**3,376,520**

(1) Ms. Berzin, Secretary Gutierrez, and Dr. Joskow are not standing for election at Exelon's 2023 annual meeting of shareholders.

(2) Ms. Brlas, Mr. de Balmann, Mr. Lawless, and Admiral Richardson departed the Board in connection with the separation of Constellation from Exelon, effective February 1, 2022.

(3) Mr. Shattuck retired and did not stand for election at Exelon's 2022 annual meeting of shareholders.

(4) Includes annual Board and Committee retainers including any amounts voluntarily deferred into the Director Deferred Compensation Plan. Amounts reported for Ms. Cheshire and Messrs. Anderson, Bowers, de Balmann, Lawless, and Shattuck each include fees for membership on one or more special committees. Prorated retainers were paid to Ms. Brlas and Messrs. de Balmann, Lawless, Richardson, and Shattuck.

(5) Amounts reported in this column include contributions made by Exelon in honor of Board service or under Exelon's matching gift program. Amounts reported in this column include contributions of $15,000 for each of Mses. Berzin, Cheshire and Jojo and Messrs. Bowers and Shattuck in matching gifts. For Mr. Shattuck, who departed from the Board in 2022, the amount shown reflects a one-time contribution of $500,000 made by Exelon to charitable organizations in honor of his years of service to Exelon. For Mr. Anderson, Ms. Berzin and Mr. Young the amount shown includes $818, $660, and $595 respectively which represent the incremental cost for certain, non-travel related benefits, as described above, primarily related to the Exelon Board Strategy Retreat. All spouse or guest travel on corporate aircraft occurred at the invitation of Exelon and in conjunction with the director traveling to and from Exelon business events so there was no incremental cost to Exelon for any spouse or guest travel other than the reimbursement of income taxes owed by the director for these benefits. Mr. Anderson, Ms. Berzin, and Mr. Young received $1,274, $2,626, and $262 respectively for the reimbursement of additional taxes due on the value of the travel and non-travel related benefits received.

Audit Matters

PROPOSAL 2

Ratification of PricewaterhouseCoopers LLP as Exelon's Independent Auditor for 2023

The Audit and Risk Committee and the Board of Directors have determined that the retention of PricewaterhouseCoopers LLP (PwC) as the independent auditor remains in the best interests of the Company and its shareholders based on the Audit and Risk Committee's level of satisfaction with the quality of services provided by PwC and consideration of factors described below. PwC has served as the Company's independent auditor since 2000. The Committee believes PwC's tenure as Exelon's independent auditor is a benefit to audit quality given its experience with the Company and knowledge of the business. Because of PwC's familiarity with Exelon, the firm has developed and implemented efficient and innovative audit processes, which has enabled the provision of services for fees considered competitive by the Committee and has demonstrated an ability to focus on risks significant to the Company and its industry.

The Board recommends a vote "FOR" the ratification of PricewaterhouseCoopers LLP as Exelon's Independent Auditor for 2023.

Evaluation of the Independent Auditor

The Audit and Risk Committee regularly considers the independence, qualifications, compensation, and performance of its independent auditor. In 2018, the Committee approved an evaluation framework developed by management to assist with the Committee's annual assessment of the independent audit firm, which includes the solicitation of feedback from management and the members of the Audit and Risk Committee. Results of the full assessment were discussed by the Committee as part of its annual review process. Using the framework, the Audit and Risk Committee assessed the following four areas in addition to a consideration of the independent audit firm's independence.

QUALITY OF THE INDEPENDENT AUDIT FIRM AND AUDIT PROCESS	• The number of restatements, material weaknesses and significant deficiencies to determine if any items should have been reasonably identified by the independent audit firm. • Results of the 2021 PCAOB Inspection report issued in November 2022. • The risk associated with the independent audit firm based on their financial stability, compliance with applicable laws and professional standards, pending litigation or judgments against the independent audit firm, and results of applicable independent audit firm inspections.
ALIGNMENT WITH EXELON'S CORE VALUES	• Whether the independent audit firm and onsite team demonstrate a commitment to diversity, equity, and inclusion (DEI) aligned with Exelon's core values. • Annual DEI assessment of third-party finance vendors by management led to PwC's appointment to the DEI honor roll for the tenth consecutive year.
LEVEL OF SERVICE PROVIDED BY THE INDEPENDENT AUDIT FIRM	• Results of annual assessment distributed to the Committee and management with high interactions with the independent audit firm. • Open access and engagement with PwC subject matter experts providing valuable insights on matters important to Exelon.
GOOD FAITH NEGOTIATION OF FEES	• Robust biennial fee negotiations process. • Review of fees incurred for reasonableness against the annually approved fees and reported current fee estimates provided to the Committee quarterly.

Independence

In addition to the assessment areas discussed above, the Committee also engaged in an assessment of PwC's independence controls through the provision of its required communications in addition to the independence demonstrated by PwC through forthright, candid and prompt communications in general, and on related independence matters, when needed. Based on the results of its assessment, the Audit and Risk Committee found PwC to be independent from the Company and its management and appointed PwC as its independent auditor for 2023.

Tenure

PwC has served as the Company's independent auditor since 2000. In considering the tenure of PwC as our independent auditor, the Committee carefully considers the benefits of a long tenure in light of the robust controls in place to safeguard independence.

Benefits of Tenure

- **Enhanced Audit Quality.** PwC's deep familiarity with the utilities industry and Exelon's businesses and operations, accounting policies and practices, and internal controls over financial reporting is valuable to the Company and its shareholders. PwC's institutional knowledge and experience is balanced by the fresh perspective delivered by changes in the audit team resulting from mandatory audit partner rotation and routine turnover within the team that provides for new perspectives while still keeping the historic understanding of the Company.
- **Continuity Mitigates Disruption Risk.** Bringing on a new independent auditor, without reasonable cause, would require management to devote significant resources and time to educating a new independent auditor to reach a comparable level of familiarity with our business and control framework, potentially distracting from management's focus on financial reporting and internal controls.
- **Efficient Audit Plans.** PwC's knowledge of our business and control framework allows it to develop and implement efficient and innovative audit processes, enabling the provision of services for fees considered by the Committee to be competitive.

Key Independence Controls

- **Committee Oversight.** The Committee and Chair hold regular executive sessions with the independent auditor during which the Committee discusses the scope of PwC's audit; any problems or difficulties encountered or observations made. Additionally, on at least an annual basis PwC provides the Committee reports regarding its independence.
- **Lead Partner Rotation.** Under current legal requirements, the lead engagement partner for the independent audit firm may not serve in that role for more than five consecutive fiscal years, and the Committee ensures the regular rotation of the audit engagement team partners as required by law. The Committee is directly involved in the consideration and selection of its lead engagement partner.
- **Limits on non-audit services.** The Committee has exclusive authority to pre-approve non-audit services and determine whether such services are consistent with auditor independence.
- **Independence assessment.** On at least an annual basis, PwC provides the Committee reports regarding independence; conducts periodic internal reviews of its audit and other work and assesses the adequacy of partners and other staff serving the Company's account consistent with independence requirements.

Request for Shareholder Ratification

As a matter of good corporate governance, the Board submits the selection of its independent audit firm to shareholders for ratification each year. If the selection of PwC is not ratified by shareholders, the Audit and Risk Committee will reconsider its selection, but no assurance can be given that the Committee will change the appointment. Even if the selection of PwC is ratified, the Audit and Risk Committee may appoint a different independent audit firm at any time if it determined that such a change would be appropriate.

Representatives of PwC will participate in the annual meeting to answer questions and will have the opportunity to make a statement.

Critical Audit Matters

In conformance with Public Company Accounting Oversight Board rules, the Committee reviewed and discussed with PwC one critical audit matter arising from the current period audit of Exelon's financial statements. Critical audit matters (CAMs) are defined to be any matter arising from the audit of the financial statements that was communicated or required to be communicated to the Audit and Risk Committee and that 1) relate to accounts or disclosures that are material to the financial statements and 2) involve especially challenging, subjective, or complex audit judgment. The Committee concurred with PwC's assessment and identification of the CAMs contained in its Audit Report included within Exelon's 2022 Annual Report on Form 10-K.

Independent Auditor Fees

The table presents all fees billed to us by PwC for the two most recent fiscal years. The fees for 2021 included the audit of Exelon inclusive of Constellation Energy Group, which was spun-off to Exelon shareholders in 2022.

	Year Ended December 31,	
(in thousands)	**2022**	**2021**
Audit Fees[1]	**$15,269**	$24,432
Audit Related Fees[2]	**225**	1,080
Tax Fees[3]	**662**	1,530
All Other Fees[4]	**2,666**	1,228
Total:	**$18,822**	$28,270

1. Audit fees include financial statement audits and reviews under statutory or regulatory requirements and services that generally only the auditor reasonably can provide, including SEC and FERC financial statement audits and reviews, review of documents filed with the SEC, issuance of comfort letters and consents for debt issuances and other attest services required by statute or regulation.
2. Audit related fees consist of assurance and related services that are traditionally performed by the principal auditor and are reasonably related to the performance of the audit or review of the financial statements, audits of stand-alone financial statements or other assurance services to comply with contractual requirements, financial accounting, or reporting and control consultations.
3. Tax fees consist of tax compliance, planning and advice services, including tax return preparation, refund claims, tax payment planning, assistance with tax audits and appeals, advice related to mergers and acquisitions and transactions, or requests for rulings or technical advice from tax authorities.
4. All other fees primarily reflect system implementation quality assurance services, some of which will be allocated to Constellation Energy Group pursuant to separation-related services agreements, but also include fees incurred in connection with the receipt of an SEC subpoena requesting information related to the facts underlying the deferred prosecution agreement entered into by ComEd.

Fees Subject to Pre-Approval Policy

Pursuant to the Audit and Risk Committee's pre-approval policy, the Committee pre-approves all audit and non-audit services to be provided by the independent auditor taking into account the nature, scope, and projected fees of each service as well as any potential implications for auditor independence. The policy specifically sets forth services that the independent auditor is prohibited from performing by applicable law or regulation. Further, the Audit and Risk Committee may prohibit other services that in its view may compromise, or appear to compromise, the independence and objectivity of the independent auditor. Predictable and recurring audit and permitted non-audit services are considered for pre-approval by the Audit and Risk Committee on an annual basis.

For any services not covered by these initial pre-approvals, the Audit and Risk Committee has delegated authority to the Committee Chair to pre-approve any audit or permitted non-audit service with fees in amounts less than $500,000. Services with fees exceeding $500,000 require full Committee pre-approval. The Audit and Risk Committee receives quarterly reports on the actual services provided by and fees incurred with the independent auditor. No services were provided pursuant to the de minimis exception to the pre-approval requirements contained in the SEC's rules.

Report of the Audit and Risk Committee

Management has primary responsibility for preparing the Company's financial statements and establishing effective internal controls over financial reporting. PricewaterhouseCoopers LLP (PwC), the Company's independent auditor for the year ended December 31, 2022, is responsible for auditing those financial statements and expressing an opinion on the conformity of the Company's audited financial statements with generally accepted accounting principles and on the effectiveness of the Company's internal controls over financial reporting based on criteria established in 2013 by the Committee of Sponsoring Organizations of the Treadway Commission.

The Audit and Risk Committee has reviewed and discussed with management and PwC the Company's audited financial statements for the year ended December 31, 2022, including the critical accounting policies applied by the Company in the preparation of these financial statements and PwC's evaluation of the Company's internal control over financial reporting. The Audit and Risk Committee has also discussed with PwC the matters required to be discussed pursuant to PCAOB standards and had the opportunity to ask PwC questions relating to such matters. PwC has provided to the Audit and Risk Committee the written disclosures and PCAOB-required letter regarding its communications with the Audit and Risk Committee concerning independence, and the Audit and Risk Committee has discussed the independent audit firm's independence with PwC.

In reliance on these reviews and discussions and other information considered by the Committee in its judgment, the Audit and Risk Committee recommended to the Board, and the Board approved, that the audited financial statements be included in Exelon Corporation's Annual Report on Form 10-K for the year ended December 31, 2022, for filing with the SEC.

Ann Berzin, **Chair**
Paul Bowers
Marjorie Rodgers Cheshire
Carlos Gutierrez
Linda Jojo
Paul Joskow

Executive Compensation

PROPOSAL 3

Say-on-Pay: Advisory Vote on Executive Compensation

We provide shareholders with a say-on-pay vote every year at the annual meeting of shareholders. While the vote is non-binding, the Board and Compensation Committee take the results of the vote into consideration when evaluating the executive compensation program. Accordingly, you may vote to approve or not approve the following advisory resolution on the compensation of the named executive officers at the 2023 annual meeting:

RESOLVED, that the Company's shareholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's proxy statement for the 2023 Annual Meeting of Shareholders pursuant to the rules of the SEC, including the Compensation Discussion and Analysis, the 2022 Summary Compensation Table and the other related tables and disclosure.

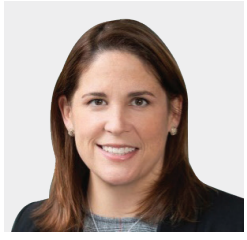
The Board recommends a vote "FOR" the approval of the compensation paid to the Company's named executives, as disclosed in this proxy statement.

Compensation Discussion & Analysis (CD&A)

Overview

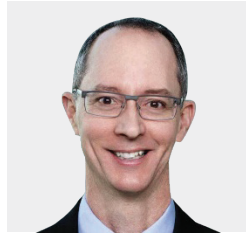
This CD&A discusses Exelon's 2022 compensation for our named executive officers (or NEOs) comprising our CEO, CFO, and the three other most highly compensated executive officers serving as of the end of 2022. These officers are listed below.

Calvin G. Butler, Jr.
President & Chief Executive Officer, Exelon



Jeanne Jones
Executive Vice President and Chief Financial Officer, Exelon

Gayle Littleton
Executive Vice President and Chief Legal Officer, Exelon



David Glockner
Executive Vice President, Compliance, Audit and Risk, Exelon

Gil Quiniones
Chief Executive Officer, ComEd

The CD&A also describes the compensation of the Company's former President and Chief Executive Officer, **Christopher Crane** and former Senior Executive Vice President and Chief Financial Officer, **Joseph Nigro**. Mr. Crane retired from his position as President and Chief Executive Officer effective December 30, 2022 and Mr. Nigro ceased serving as the Company's Chief Financial Officer effective October 17, 2022.

Compensation Philosophy and Objectives

The goals of our executive compensation program are to motivate executives to achieve long-term success and grow shareholder value and to encourage the retention of key talent. The Committee sets challenging performance metrics that are tied to the Company's financial and operational goals. Financial targets are based our internal business plans and external market factors. The following objectives and principles guide the design of our compensation program:

Objective	Practices that Support this Philosophy
ACCOUNTABILITY AND LONG-TERM PERFORMANCE	• Our compensation program promotes pay-for-performance by linking business performance with shareholder returns and payouts and supporting the execution of Exelon's business strategy over multi-year periods to drive the success of our long-term strategy. • We set target performance levels that are challenging, but reasonably achievable, and are aligned to the goals we communicate to investors. • Incentive compensation is tied to Exelon's overall company performance; for Utility executives, the majority of their annual incentive is tied to utility-specific results.
INVESTOR ALIGNMENT	• We engage directly with shareholders and will initiate responsive actions when appropriate. • Executive stock ownership requirements align the long-term interests of our executives with our shareholders. • The Compensation Committee may exercise discretion when necessary to align actual payouts with business performance and shareholder returns.
BALANCE	• Our design balances short-and long-term objectives as well as financial and operational goals to motivate measured, but sustainable and appropriate, risk-taking. • Cash payments reward the achievement of short-term goals while equity awards encourage our executives to deliver strong results over multi-year performance periods.
COMPETITIVE	• Competitive compensation is provided to attract, engage, and retain talented executives with a strong track record of success, assuring a high performing and stable executive leadership team. • Our compensation program factors in the size and complexity of Exelon's business, peer group market data, internal equity considerations, experience, succession planning, performance, and retention.

2022 Compensation Program Structure

In keeping with Exelon's executive compensation philosophy and objectives, the Compensation Committee oversaw the design of the executive compensation program comprising fixed and variable compensation elements as summarized below.

The following table provides a summary of the compensation program for each of our NEOs. Since Mr. Quiniones is the CEO of ComEd, his AIP goals are based on a mix of Adjusted (non-GAAP) operating EPS and ComEd-specific operational goals.

Pay Element	Form	Measurement/Performance	Purpose
Salary	Cash	Merit Based	Fixed income at competitive, market-based levels attracts and retains top talent.
Annual Incentive Plan (AIP)	Cash	**60%** - Adjusted (non-GAAP) operating EPS* **15%** - Outage Duration (CAIDI) **15%** - Outage Frequency (SAIFI) **10%** - Customer Satisfaction Index	Motivates executives to achieve key financial and operational objectives using adjusted (non-GAAP) operating EPS* and operational goals that reflect our commitment to remain a leading energy provider.
Long-Term Incentive Plan (LTIP)	**67%** Performance Shares	**33.4%** - Exelon CFO/Debt* **33.3%** - Exelon Net Income* **33.3%** - Utility Earned ROE* (Based on cumulative performance over 3-year cycle for Exelon Net Income* defined as adjusted (non-GAAP) operating earnings and 3-year average for Exelon CFO/Debt* and Utility Earned ROE*; subject to a 3-year TSR Modifier)	Drives executive focus on long-term goals supporting utility growth, financial results, and capital stewardship. Rewards the relative achievement of financial goals and Exelon's TSR as compared with the TSR of utility peers (UTY) over three-year period (TSR Modifier).
	33% Restricted Stock Units	Time-based award vests one-third per year over 3 years; no performance metrics	Balances LTI portfolio by providing executives with market competitive time-based awards.

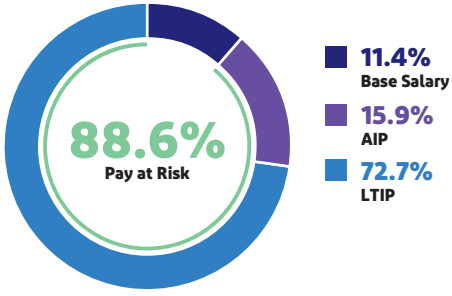
* See Appendix A for definitions of non-GAAP measures.

Alignment between Business Strategy & Compensation

Exelon's value proposition, as articulated below in five strategic business objectives, reflects our continued focus on key strategic initiatives expected to drive strong operational and financial performance. The table below demonstrates the linkage between Exelon's value proposition and the compensation components or metrics used in our executive compensation program.

2022 Strategic Business Objectives	Compensation Component or Metric		2022 Performance Highlights
	AIP	LTIP	
1 **OPERATIONAL EXCELLENCE TO SUPPORT ACHIEVEMENT OF FINANCIAL OBJECTIVES**	**OUTAGE DURATION, OUTAGE FREQUENCY, & CUSTOMER SATISFACTION**		All utilities achieved top-quartile CAIDI; BGE, ComEd, and PECO achieved best-on-record SAIFI performance; gas utilities achieved top decile odor response; and 3 of our 4 utilities achieved top quartile customer satisfaction.
2 **EPS GROWTH OF 6-8% AND RATE BASE GROWTH OF 8.1% FROM 2021 - 2025**	**ADJUSTED (NON-GAAP) OPERATING EPS***	**EXELON NET INCOME***	Adjusted (non-GAAP) operating EPS* of $2.27, exceeding the midpoint of guidance of $2.25 and rate base growth representing 8.1% growth over guidance for 2021 provided during 2022 Analyst Day.
3 **SUPPORT UTILITY GROWTH, DEBT REDUCTION AND THE DIVIDEND**		**EXELON CFO/DEBT***	Issued $575M of equity to support a balanced funding strategy in support of a strong balance sheet and paid out $1.35 per share of dividends in alignment with our total shareholder return proposition.
4 **INVEST IN UTILITIES WHERE WE CAN EARN AN APPROPRIATE RETURN**		**UTILITY EARNED ROE***	Invested approximately $7.2 billion at our electric and gas companies to replace aging infrastructure and enhance reliability and resiliency for the benefit of customers.
5 **CREATE SUSTAINABLE VALUE FOR SHAREHOLDERS BY EXECUTING BUSINESS STRATEGY**		**RELATIVE TSR** (Modifier)	Outperformed the UTY by 7.68% for 2022 with Exelon's TSR at 8.33%.

CEO Pay for Performance Alignment



Calvin Butler

Upon Mr. Butler's promotion to the role of President and Chief Executive Officer effective December 31, 2022, the Compensation Committee and Board approved the following compensation for Mr. Butler. In keeping with its prior practice, a significant portion of Mr. Butler's total direct compensation is in the form of long-term incentives at 73%, which is consistent with the compensation of CEOs in Exelon's peer group.

Base Salary: Effective December 31, 2022, Mr. Butler's base salary was increased 28.5% from $975,000 to $1,250,000.

AIP Award Payout: Payout for 2022 performance results was pro-rated to align with Mr. Butler's promotions on October 17, 2022 (to the role of President and Chief Operating Officer) and December 31, 2022, and based on Exelon's above target performance of 110.75%.

2020-2022 Performance Share Payout: Performance, inclusive of the TSR modifier was above target at 104.98%.

Christopher Crane

The Compensation Committee and Board approved the following compensation for Mr. Crane in February 2022. Consistent with prior years, a significant portion of Mr. Crane's total direct compensation was in the form of long-term incentives at 76%, which is consistent with the compensation of CEOs in Exelon's peer group.

Base Salary: Base salary was increased 2.5% from $1,305,930 to $1,338,578.

AIP Award Payout: Payout for 2022 performance results was pro-rated to align with Mr. Crane's retirement date of December 30, 2022, and based on Exelon's above target performance of 110.75%.

2020-2022 Performance Share Payout: Performance, inclusive of the TSR modifier was above target at 104.98%. The independent members of the Board approved the Compensation Committee's recommendation to reduce the payout of Mr. Crane's 2020-2022 performance share award by $4,249,809, an adjustment intended to reflect the impact to Mr. Crane's performance share payout if the corporate fine paid in connection with the 2020 deferred prosecution agreement entered into by Exelon subsidiary Commonwealth Edison Company had been taken into account in the financial performance calculations for 2020 that were used to determine that payout. The independent directors believe this adjustment is appropriate because Mr. Crane was serving as CEO of Exelon, Commonwealth Edison's parent, at the time the conduct described in Commonwealth Edison's deferred prosecution agreement occurred. More generally, the independent directors believe this adjustment is consistent with Exelon's commitment to CEO accountability for all aspects of the Company's performance and is supportive of its strong culture of ethics and compliance.

Shareholder Engagement

The Compensation Committee regularly reviews executive compensation, taking into consideration input received through Exelon's regular and ongoing engagement with investors. Feedback is solicited over the course of the year through our ongoing shareholder engagement program and in connection with the annual meeting of shareholders. As discussed on page 28, during 2022, Exelon engaged with a significant cross-section of our shareholder base, representing approximately 36% of Exelon's outstanding shares. Feedback from all discussions was shared with the appropriate Board Committee and/or the full Board.

3-YEAR AVERAGE SAY-ON-PAY SUPPORT:

93.5%

Shareholders expressed overall approval for Exelon's executive compensation program and design, as demonstrated by the 2022 say-on-pay vote results of 93.98%. Some investors also expressed support for the addition of an ESG-focused metric as part of the AIP. The Compensation Committee engaged in a study of the feasibility of including an ESG-related performance metric as part of the AIP design for 2023. Based on input and market research from its independent compensation consultant, Meridian Compensation Partners, LLC, the Compensation Committee approved a change to the 2023 AIP design to include an ESG modifier that will align and reinforce the Company's focus on driving its ESG strategy. Starting with the 2023 AIP (payable in the first quarter of 2024), the ESG modifier may increase or decrease the overall payout up to ±10%. See discussion on page 60 for more details.

Base Salary

When evaluating whether to make adjustments to base salary, the Compensation Committee considers a number of factors including the outcome of the annual merit review and results of the annual market assessment of NEO and CEO compensation provided by the Committee's independent compensation consultant. The Committee also takes into account the need to retain an experienced team along with job promotions, individual performance; scope of responsibility, leadership skills and values, current compensation, internal equity, and other legacy matters.

For the CEO's compensation, the Compensation Committee recommends CEO compensation to the independent members of the Board. In February 2022, the Compensation Committee recommended a 2.5% increase to Mr. Crane's base salary based on the annual market assessment conducted by the independent compensation consultant, Meridian Compensation Partners LLC. In December 2022, the Compensation Committee approved a 28.2% increase to Mr. Butler's base salary, which reflects the annual market assessment of his compensation and his promotion to CEO.

For the NEOs' compensation, the Compensation Committee sets base salaries for each NEO (other than CEO), which may be adjusted following an annual review. Base salary adjustments are effective as of March 1 each year. In January 2022 as part of its annual review, the Compensation Committee approved a 2.5% increase in base salary for all NEOs except for Mr. Quiniones due to his date of hire.

Annual Incentive Program (AIP)

AIP Overview

The AIP is an annual cash incentive program that provides our NEOs the opportunity to receive an annual cash award based on the achievement of predetermined financial and operational goals.

In connection with the separation of Constellation from Exelon, which was effective February 1, 2022, the metrics for the 2022 AIP program were adjusted to reflect the financial and operational goals of post-separation Exelon. The AIP program retains focus on a single financial metric (adjusted (non-GAAP) operating EPS*) and operational metrics that are aligned with the focus on driving outstanding customer experiences. Operational metrics continue to include measurements of the duration and frequency of outages as captured by CAIDI and SAIFI and introduces a new customer satisfaction metric.

The following table provides a summary of the 2022 AIP program for each of our NEOs other than Mr. Quiniones.

	Metrics	Purpose
Financial Goals (60%)	**Adjusted (non-GAAP) Operating EPS* (60%)** The Company's net income from ongoing business activities divided by average shares outstanding during the year and adjusted to exclude certain costs, expenses, gains and losses, and other specified items.	Supports commitment to provide solid returns to our shareholders and to support and grow our dividend.
Operational Goals (40%)	**Outage Duration (CAIDI) (15%):** Measure of the total number of customer interruption minutes divided by the total number of customers served.	Supports commitment to providing reliable power and quickly responding to interruptions, which are essential to operations and customer satisfaction.
	Outage Frequency (SAIFI) (15%): Measure of the total number of customer interruptions divided by the total number of customers served.	Supports commitment to dependable infrastructure and reliable power, which are essential to operations and customer satisfaction.
	Customer Satisfaction Index (10%): An index score for each customer segment is computed by averaging the mean ratings from three measures: overall satisfaction, meeting expectations and overall favorability.	Supports commitment to meeting the needs and expectations of our customers with best-in-class service.

Since Mr. Quiniones is CEO of ComEd, his AIP goals are based on 25% Adjusted (non-GAAP) operating EPS* and 75% ComEd-specific goals:

	Metrics		
Exelon Goals (25%)	**Adjusted (non-GAAP) Operating EPS***		
ComEd-only Goals (75%)	• 25% ComEd Operating Net Income*	• 2.5% Safety Best Practices	• 5.0% First Contact Resolution
	• 20% ComEd Total O&M Expense	• 5.0% Outage Frequency (SAIFI)	• 5.0% Customer Satisfaction Index
	• 2.5% Value Based Engagements	• 5.0% Outage Duration (CAIDI)	• 5.0% EIMA Reliability Metrics Index

AIP Goal Setting and Rigor

Exelon's goal-setting process employs a multi-layered approach and analysis that incorporates a blend of objective and subjective business considerations and other analytical methods to ensure that the goals are sufficiently rigorous. Such considerations include:

- **Recent History** - Goals generally reflect a logical progression of results from the recent past
- **Relative Performance** - Performance is evaluated against a relevant group of the Company's peers
- **Shareholder Expectations** - Goals are aligned with externally communicated financial guidance and shareholder expectations
- **Strategic Objectives** - Near-and intermediate-term goals follow a trend line consistent with long-term aspirations
- **Sustainable Sharing** - Earned awards reflect a balance of shared benefits for shareholders and participants

The Compensation Committee annually reviews AIP components, targets, and payouts to ensure that they are challenging, contain appropriate stretch, and are designed to mitigate excessive risk taking. The Committee considers short- and long-term financial and operational results relative to our internal goals. Goals for the AIP, including adjusted (non-GAAP) operating EPS*, are set in January/early February around the same time that Exelon provides full-year guidance for EPS and other key financial metrics. Each financial and operational goal includes "threshold," "target," and "distinguished" performance levels.

FINANCIAL GOALS 60%

Building on past goal rigor, the Compensation Committee set an adjusted (non-GAAP) operating EPS* AIP target for 2022 at $2.25, with a "distinguished" goal set significantly above the upper end of Exelon's full-year EPS guidance.

The following table depicts Exelon's goal setting rigor and practice of setting the adjusted (non-GAAP) operating EPS* target at the mid-point (or higher) of the guidance range. The guidance ranges for 2020 and 2021 included Exelon's generation business which was spun-off in February 2022. The 2022 target shown below represents an 8% increase compared to the pre-separation adjusted (non-GAAP) operating EPS* target for the utilities.

Year	Initial Full-Year Guidance Range	Target (100%)	Performance as Percentage of Target
2022	$2.18 - $2.32	$2.25	112.5%
2021	$2.60 - $3.00	$2.87	106.7%
2020	$3.00 - $3.30	$3.19 - $3.22	75.0%

OPERATIONAL GOALS 40%

Operational target metrics for 2022 were set at challenging levels that corresponded to top quartile performance compared to industry standards. Distinguished performance levels were set to outpace the industry's best-in-class performance.

The following table shows the target and relative performance for each operational metric. Only one year of data is shown for Customer Satisfaction Index which was a new metric in 2022.

AIP Operational Goals	Year	Target (100%)	Performance as Percentage of Target
Outage Duration (CAIDI)	2022	80	100.0%
	2021	84	160.0%
	2020	85	200.0%
Outage Frequency (SAIFI)	2022	0.61	140.0%
	2021	0.69	160.0%
	2020	0.69	176.9%
Customer Satisfaction Index[1]	2022	8.15	72.5%

(1) New metric in 2022

2022 AIP Performance and Payout Determinations

The following table details the 2022 threshold, target, and distinguished or maximum performance goals, and the results achieved. The performance factor for 2022 AIP awards was calculated to be **110.75%** of target.

AIP targets are set and expressed as a percentage of base salary. At the end of the year, the performance factor is calculated based on the weighted average of the actual results for each of the performance metrics. The final AIP award is calculated by multiplying the target award by the performance factor. Final awards can range from 0% to 200% of target. There are no individual performance modifiers for Exelon's executive officers, including the NEOs.

	Performance Scale			Performance		
AIP Metrics:	**Threshold (50%)**	**Target (100%)**	**Distinguished (200%)**	**Actual Performance**	**as % of Target**	**Weighted Performance**
Adjusted (non-GAAP) Operating EPS*	$2.09	$2.25	$2.41	$2.27	112.5%	67.5%
CAIDI	90	80	65	80	100.0%	15.0%
SAIFI	0.80	0.61	0.46	0.55	140.0%	21.0%
Customer Service	7.95	8.15	8.40	8.04	72.5%	7.25%
				Performance Factor:		**110.75%**

The following table shows actual AIP payout amounts awarded to Exelon's NEOs.

Name	**AIP Target (% of Salary)**	**Dollar Value of AIP Target ($)**	**Performance Factor**	**Actual Award ($)**
Butler[1]	103.36%	965,606	110.75%	1,069,409
Jones[2]	64.09%	333,832	111.93%	373,663
Littleton[3]	86.09%	535,712	110.75%	593,301
Glockner	80.00%	496,920	110.75%	550,339
Quiniones[4]	80.00%	468,000	130.00%	608,400
Crane[5]	160.00%	2,135,857	110.75%	2,365,462
Nigro	100.00%	842,935	110.75%	933,551

1. Mr. Butler's AIP target is a blended target based on the percentage of the year in his former positions of Executive Vice President and Chief Operating Officer (AIP target of 100%) and President and Chief Operating Officer (AIP target of 115%) and in his current position as President and Chief Executive Officer (AIP target of 140%).
2. Ms. Jones' AIP target is prorated based on her former AIP target of 55% (with a performance factor of 112.61%) and her current AIP target of 90% (with a performance factor of 110.75%) in connection with her promotion to Executive Vice President and Chief Financial Officer on October 17, 2022.
3. Ms. Littleton's AIP target is prorated based on her former target of 85% and her current AIP target of 90% effective as of October 17, 2022.
4. Mr. Quiniones' original formulaic AIP Performance Factor for the ComEd CEO plan was 149.27%. A material portion of Mr. Quiniones' AIP payout is based on the performance of ComEd (metrics noted above). However, the Company limits the amount of any potential AIP award earned if overall company profitability is below particular thresholds, which limit ensures alignment with shareholders. Consequently, Mr. Quinones' AIP award was reduced from 149.27% of target to 130% of target.
5. Mr. Crane's award is pro-rated to reflect his employment for 364 days in 2022.

Long-Term Incentive Program (LTIP)

LTIP Overview & Goal Setting Process

The Compensation Committee grants long-term equity incentive awards annually at its first regular meeting each year. Once the total target equity incentive award is determined, the value is split between RSUs (33%) and performance shares (67%). RSUs vest ratably over three years and are not subject to performance metrics. RSUs receive dividend equivalents that are reinvested as additional RSUs and remain subject to the same vesting conditions as the underlying RSUs.

Impact of Separation on the 2020 – 2022 and 2021 - 2023 LTIP Programs

Performance shares are typically earned based on performance achieved over a three-year period; however, under the terms of Exelon's Long-Term Incentive Plans, the Compensation Committee is authorized to "appropriately adjust" outstanding equity-based compensation awards in the event of a spin-off transaction. The Compensation Committee made the adjustments discussed below by using the five-day pre- and post-separation volume-weighted average prices (VWAP) in order to maintain overall award values.

2020 – 2022 Performance Shares - In connection with the Company's spin-off of Constellation Energy Group on February 1, 2022, the Compensation Committee adjusted the 2020-2022 performance shares based on performance metrics achieved for the two-year period of January 1, 2020 - December 31, 2021. Similarly, the TSR modifier (described in more detail below), was also measured for the same two year-period. Following the determination of the performance metrics as of December 31, 2021, the Compensation Committee determined to convert the awards to time-based awards that vested on the original schedule, i.e., at the Committee's January 23, 2023, meeting at which point the value of the awards was calculated based on the day's closing stock price of $41.82.

2021 – 2023 Performance Shares – Target performance share awards were adjusted by the TSR multiplier of 23.17% calculated based on Exelon's 2021 TSR relative to that of the UTY for the 2021 calendar year. On January 28, 2022, the Compensation Committee detemined to further adjust the awards by modifying the performance goals to reflect adjusted utility-based performance goals for Exelon participants and generation-based performance goals for Constellation Energy Group participants. All other terms of the awards remain unchanged.

The performance metrics underlying the 2020-2022 and 2021-2023 performance share awards are listed below.

Metrics:	Utility Earned ROE* (33.3%)	Utility Net Income* (33.3%)	Exelon FFO/Debt* (33.4%)
Definition:	Average utility ROE weighted by year-end rate base.	Aggregate utility adjusted (non-GAAP) operating earnings*, including Exelon hold-co net operating income (loss).	Ratio of funds from operations to total debt.
Purpose:	Measure of value created by utility businesses. Aligned with our strategy to invest in our utilities where we can earn an appropriate return.	Measures financial performance of the utilities. Aligned with our strategy to grow our regulated utility business.	Key ratio for determining our credit rating and thereby our access to capital. Aligned with our strategy to generate free cash and reduce debt.

The 2022-2024 LTIP program is generally consistent with the prior structure detailed above with one modification that changes the credit rating metric used from Funds from Operations (FFO)/Debt (an S&P metric) to Cash from Operations (CFO)/Debt (a Moody's metric).

LTIP Goal Setting

Performance share targets are based on external commitments and performance scales aligned to industry standards. The 2020-2022 performance scale range for the Utility Earned ROE and Utility Net Income metrics were based on setting threshold performance at 90% and distinguished performance at 110%, with target performance set in line with external commitments. Target performance for the Exelon FFO/Debt metric is aligned with the expectations of credit rating agencies.

The Compensation Committee used the following process to determine performance share award targets:

- Performance targets (including threshold, target, and distinguished levels) for each of the metrics are set in January or February of each performance cycle.
- We do not disclose actual three-year targets used in our performance share award cycles until each cycle has been completed. We feel it is important to safeguard the confidentiality of our long-term outlook on projected performance, especially in light of changes in our industry, with our peer companies, and the overall utility market. This policy supports the propriety of our long-standing disclosure practices to only issue annual performance guidance as part of our financial disclosure policies.
- At the end of the three-year cycle, the performance factor is calculated based on the weighted average of the actual results for each of the performance metrics. (As noted above, for the 2020 – 2022 cycle, the performance metrics were measured over a two-year period.)

LTIP Goal Rigor

To ensure adequate rigor for the financial targets applicable to the 2020-2022 performance share award cycle, targets were aligned to Exelon's long-range business plan and external commitments.

	Performance Cycle:	Target 100%	Performance as Percentage of Target
Utility ROE*	2020 - 2022	9.4%	90.0%
	2019 - 2021	9.3%	94.4%
	2018 - 2020	9.3%	76.9%
Utility Net Income* (in millions)	2020 - 2022	$2,317	85.2%
	2019 - 2021	$2,053	97.2%
	2018 - 2020	$1,880	76.1%
Exelon FFO/Debt* (%)	2020 - 2022	≥18%<22%	100.0%
	2019 - 2021	≥18%<22%	50.0%
	2018 - 2020	≥18%<22%	75.0%

2020 - 2022 LTIP Performance and Payout Determinations

The following table details the threshold, target, and distinguished (or maximum) performance goals, and the results achieved for the 2020 – 2022 performance cycle. (See page 52 for performance calculation detail.)

	Performance Scale							
LTIP Metrics:	Threshold (50%)	75%	Target (100%)	125%	Distinguished (150%)	Final Plan Performance	Performance as % of Target	Weighted Performance
Utility Earned ROE*	8.4%	—	9.4%	—	10.1%	9.2%	90.00%	29.97%
Utility Net Income* (in millions)	$2,051	—	$2,317	—	$2,515	$2,238	85.15%	28.36%
Exelon FFO/Debt* (%)	≥16<17	≥17<18	≥18<22	≥22<24	≥24.0	18.9%	100.00%	33.40%
							2020 – 2022 Performance Factor	**91.73%**

The performance factor is subject to a TSR modifier that compares Exelon's performance relative to the performance of the PHLX Utility Sector Index (UTY) on a point-by-point basis for the full three-year performance cycle. The TSR modifier is calculated by subtracting the TSR of the UTY over the same performance period from Exelon's TSR for the period.

The final factor is calculated by multiplying the performance factor x (100% + TSR Modifier). The final factor is applied to the individual's target equity incentive award to determine the final award. If the final performance factor is greater than 100% but Exelon's absolute TSR for the 36-month period is negative, performance share award payouts will be capped at 100%. *(Note: Starting with awards granted in 2021, the TSR cap was eliminated after a review of market practice by the Committee's independent compensation consultant.)*

For the 2020-2022 LTIP, the Compensation Committee approved a payout of **104.98%**, based on 2020 - 2022 performance and the application of a positive TSR modifier:

2020-2021 Exelon TSR*		35.91%
2020-2021 UTY TSR*	–	21.46%
TSR Modifier:		**14.45%**

Performance Factor	x	(100%	+	TSR Modifier)	=	Overall Award Payout
91.73%	**x**	(100%	+	14.45%)	**=**	**104.98%**

* As noted above, a two-year TSR from January 1, 2020 – December 31, 2021, was used for the determination of payout for the 2020 – 2022 cycle due to the spin-off of Constellation Energy Group.

The following table shows how the payout formula was calculated and actual performance share amounts awarded for 2020-2022 with a performance factor of 104.98% as determined by the Compensation Committee on January 28, 2022.

Ms. Littleton and Mr. Quiniones did not receive 2020-2022 performance share awards as they were hired after July 1, 2020.

	Target Performance Shares (# shares) (Note 1)								
NEO	Target At Time of Grant		Conversion Factor		Adjusted Target		Performance Factor		Final Award (# shares)	Award Value ($) (Note 2)
Butler	30,759	x	1.3184	=	40,552	x	104.98%	=	42,571	1,780,316
Jones	4,835	x	1.3184	=	6,374	x	104.98%	=	6,691	279,799
Glockner	31,735	x	1.3184	=	41,839	x	104.98%	=	43,923	1,836,866
Crane	155,913	x	1.3184	=	205,555	x	104.98%	=	215,793	9,024,460
Nigro	33,858	x	1.3184	=	44,638	x	104.98%	=	46,861	1,959,748

(1) The number of performance shares reflects an adjustment made at the time of separation and approved by the Compensation Committee in order to preserve the overall value of the original award. The target number of performance shares was multiplied by the ratio of the pre-separation value of Exelon's stock (5-day volume weighted average price (VWAP) divided by the post-separation value of Exelon's stock (5-day VWAP) resulting in a conversion factor of 1.3184.

(2) Award values calculated based on Exelon's closing stock price on January 23, 2023, of $41.82. The award value for Mr. Crane does not reflect the $4,249,809 reduction approved by the independent members of the Board as discussed on page 47.

Performance Awards Settled in Common Stock and/or Cash. Pursuant to the terms of the long-term incentive program, performance share award payouts are settled in the form of 50% shares of Exelon common stock and 50% in cash unless participants have achieved 200% or more of their stock ownership requirement as of the measurement date of June 30, 2022 in which case performance share award payouts are settled 100% in cash.

Compensation Governance and Oversight

Strong Compensation Practices

WHAT WE DO:

- ✓ Pay for performance
- ✓ Significant stock ownership requirements for Directors and Executive Officers
- ✓ Cap incentive awards and conduct an annual risk assessment of the compensation programs
- ✓ Double-trigger for change-in-control benefits
- ✓ Independent compensation consultant advises the Compensation Committee
- ✓ Limited perquisites based on sound business rationale
- ✓ Clawback policy for incentive compensation awards
- ✓ Conduct analysis on gender and racial pay equity
- ✓ Engage in year-round shareholder outreach
- ✓ Prohibit hedging, short sales, derivative transactions or pledging of Company stock
- ✓ Annually assess our programs against peer companies and best practices
- ✓ Set appropriate levels of "stretch" in incentive targets

WHAT WE DO NOT DO:

- ✗ No guaranteed minimum payout of AIP or LTIP programs
- ✗ No employment agreements
- ✗ No excise tax gross-ups for change-in-control agreements
- ✗ No dividend-equivalents on performance shares
- ✗ The value of LTIP awards is not included in pension or severance calculations
- ✗ No additional credited service under supplemental pension plans since 2004
- ✗ No option repricing or buyouts[1]

(1) The Company has not issued options since 2012 and there are no options outstanding.

Independent Compensation Consultant

The Compensation Committee retains the services of Meridian Compensation Partners, LLC (Meridian), an independent compensation consultant to support its duties and responsibilities.

Meridian reports directly to the Compensation Committee. A representative of Meridian attends meetings of the Compensation Committee, as requested, and communicates with the Committee Chair between meetings. Meridian also reports to the Corporate Governance Committee at least annually on matters related to director compensation.

Meridian provides advice and counsel on executive and director compensation matters and provides information and advice regarding market trends, competitive compensation programs, and strategies. In addition, they provide:

- Annual market data for each senior executive position
- Evaluation of Exelon's compensation strategy
- Assessment of any management recommendations for changes to the compensation structure
- Assistance with ensuring the Company's executive compensation programs are designed and administered consistent with the Compensation Committee's requirements
- Ad hoc support on executive compensation matters and related governance trends

Annual Independence Evaluation

The Compensation Committee annually reviews the compensation, performance, and independence of Meridian and approves the firm's fees and other retention terms. The Compensation Committee has assessed the independence of Meridian and concluded that they are independent and that no conflict of interest exists that would prevent Meridian from serving as an independent consultant to the Compensation Committee.

Compensation Decisions

Setting Target Compensation

Executive Officers. The Compensation Committee is responsible for overseeing the development and administration of the executive compensation program for executive officers other than the CEO. For officers other than the CEO, the CEO prepares recommendations for approval by the Committee. The recommendations prepared by the CEO reflect a variety of factors including experience in role, individual performance, retention considerations, succession considerations, competitive posture vs. our peer group (or other relevant market reference points) and internal equity. Annually, the Committee reviews each element of the executive officers' compensation including base salary, annual and long-term incentive target opportunities.

Chief Executive Officer. The CEO's compensation is approved by the independent members of the Board, based on the recommendations of the Compensation Committee. The Compensation Committee developed compensation for both Messrs. Crane and Butler based on a similar set of factors as were considered for the other NEOs including experience in role, individual performance, company results, retention considerations, competitive posture vs. our peer group (or other relevant market reference points) and internal equity. The factors are similar, but the outcomes can vary based on relative experience in role. In developing its recommendation for the Board, the Committee engages its independent compensation consultant and considers multiple potential alternatives. Annually, the Compensation Committee reviews each element of the CEO's compensation including base salary, annual and long-term incentive target opportunities.

Benefits

Limited Perquisites

We provide limited perquisites to our executive officers, consistent with the Company's goal of providing market-based compensation and benefits. The Compensation Committee has approved the following perquisites:

- **Limited tax assistance** is provided when: employees are required to relocate; work outside their state of home residence and encounter double taxation in states and localities where tax credits are not permitted in home state tax filings; income is imputed as a result of business-requested spousal travel; and travel and lodging is required of certain executives in connection with regulatory requirements in connection with the Company's 2016 acquisition of Pepco Holdings, Inc.
- **Transportation related benefits** including limited personal use of corporate aircraft for certain executives, including spouse, domestic partner, other family members or guests. These benefits allow certain of our executives to perform job duties in a safe, secure environment and promotes effective use of their time. During the period of March 19, 2020 until December 1, 2022, Exelon implemented a COVID-related travel policy that reflected that the CEO approved the use of corporate aircraft for directors and certain executives to enable safe transport. Under the policy, which resulted in an increased use of aircraft for personal use, these directors and executives were asked to avoid commercial air travel where possible.
  - With respect to the CEO's usage of the corporate aircraft, the Compensation Committee approves an annual jet usage cap. Mr. Crane's annual jet usage limit was 75 hours for 2022. For 2023, the Committee approved an annual corporate jet usage cap for Mr. Butler of the lesser of 100 hours and $300,000 of aggregate incremental cost.
  - With the termination of the COVID-related travel policy on December 1, 2022, personal use of corporate aircraft by all executives is subject to approval by the CEO in accordance with the corporate aviation policy.

  In 2022, the Audit and Risk Committee oversaw a review of director and executive personal transportation conducted by Exelon Audit Services under the direction of Legal to ensure compliance with corporate policies, tax regulations and SEC disclosure requirements. It was determined that not all incremental costs for personal use of corporate aircraft, primarily the incremental costs associated with the repositioning of corporate aircraft, had been captured by existing processes, and in certain instances, the standard that was applied for determining whether travel on corporate aircraft was a perquisite was not consistent with applicable SEC guidance. The revised disclosure of perquisite amounts is reflected on page 62 in the footnotes to the "All Other Compensation" table for personal jet usage in 2020 and 2021. As a result of this review, the Company has strengthened its tracking, disclosure, and other processes involving executive personal transportation.

  Exelon also offers Company cars and driver services for NEOs and certain other officers enabling the effective performance of their duties among the Company's various offices and facilities. Certain NEOs are also entitled to limited personal use of the Company's cars and drivers including for purposes of commuting to work locations. Costs reported represent estimated incremental costs based upon driver wages multiplied by the average overtime rate for drivers plus an additional amount for fuel.

- **Travel and lodging benefits** provided to certain executives pursuant to regulatory commitments in connection with the Company's 2016 acquisition of Pepco Holdings, Inc.
- **Matching charitable contributions by the Exelon Foundation** for executives, including the NEOs, that may contribute up to $10,000 of contributions made to qualified charitable organizations. In 2022, the Exelon Foundation matched charitable contributions up to $5,000 for all other employees. Beginning in 2023, the limit was increased to $10,000 per calendar year for all employees.
- **Use of corporate-leased skyboxes** for various sporting events is provided to certain executives for employee recognition and team building.
- **Personal financial planning services and physical examinations.**

Deferred Compensation and Retirement Benefits

- **Employee Savings Plan (ESP):** Substantially all employees are eligible to participate in the ESP, our 401(k) plan. Exelon maintains the ESP to attract and retain qualified employees, including the NEOs, and encourage retirement savings, which may be supplemented by Company matching and profit-sharing contributions. NEOs are also eligible to participate in the excess matching feature of the Deferred Compensation Plan (DCP) which permits the Company to credit related matching contributions that would have been contributed to the ESP but for the applicable limits under the tax code.
- **Deferred Compensation Plan (DCP):** Exelon offers a DCP which is an unfunded, non-qualified plan that permits the deferral of certain cash compensation until a specified date or a participant's retirement, disability, death, or other separation from service.
- **Pension Benefits:** Normal retirement benefits become payable when participants attain age 65. Exelon sponsors the Exelon Corporation Retirement Program, a defined benefit pension plan that includes the Service Annuity System (SAS), a traditional pension plan covering NEOs who commenced employment prior to January 1, 2001, and the Cash Balance Pension Plan (CBPP), an account-based plan covering eligible NEOs hired between January 1, 2001, and February 1, 2018, and certain NEOs who previously elected to transfer to the CBPP from the SAS.
- **Supplemental Management Retirement Plan (SMRP):** The Company also provides unfunded benefits to certain employees, including the NEOs, under the SMRP which is a nonqualified plan that provides additional benefits that the SAS and CBPP cannot pay due to applicable limits under the tax code.

Peer Group Used for Benchmarking 2022 Executive Compensation

In connection with the separation of Exelon's utility and generation businesses in February 2022 and the Compensation Committee's responsibility to oversee the ongoing effectiveness of Exelon's executive compensation program design, the Committee closely evaluated and approved changes to Exelon's peer group for 2022.

We continue to use a blended peer group for assessing our executive compensation program that consists of two subgroups: energy services peers and general industry peers. The 2022 peer group is more heavily weighted in energy services companies that are comparable in business, size, and complexity to Exelon. We use a blended peer group because Exelon's market for attracting talent includes general industry peers. Exelon evaluates its peer group on an annual basis and adjusts for changes with our energy and general industry peers when needed.

The 2022 compensation peer group is comprised of thirteen energy services companies and five general industry companies.

ENERGY SERVICES PEERS:

- American Electric Power Co.
- Consolidated Edison, Inc.
- Dominion Energy, Inc.
- Duke Energy Corp.
- Edison International
- Entergy Corp.
- Eversource Energy
- FirstEnergy Corp.
- NextEra Energy, Inc.
- PG&E Corp.
- Sempra Energy
- The Southern Company
- Xcel Energy

GENERAL INDUSTRY SERVICES PEERS:

- International Paper Company
- ConocoPhillips
- Union Pacific Corp.
- Eaton Corp.
- Occidental Petroleum Corp.

Relative Revenue & Market Capitalization

Based on publicly available information, Exelon's revenues are in the 47th percentile and Exelon's market capitalization is in the 44th percentile relative to the peer group based on the four fiscal quarters prior to December 31, 2022.

Because there is a correlation between the size of an organization and its compensation levels, market data is statistically adjusted using a regression analysis. This commonly applied technique allows for a more precise estimate of the market value of Exelon given the size/scope of responsibility for Exelon's executive roles. Each element of NEO compensation is then compared to these size-adjusted medians of the peer group.

Clawback Policy

In 2018, the Board of Directors revised its Clawback Policy to broaden the discretionary ability to clawback incentive compensation when deemed appropriate in the event of (a) a financial restatement or (b) a significant financial loss or serious reputational harm. Exelon anticipates revising its Clawback Policy, as needed, to conform with applicable clawback policy mandates issued by the SEC and as may be issued under Nasdaq listing standards.

Financial Restatement: Under the current policy, the Board has sole discretion to recoup incentive compensation if it determines that (a) the incentive compensation was based on the achievement of financial or other results that were subsequently restated or corrected, (b) the incentive plan participant engaged in fraud or intentional misconduct that caused or contributed to the need for restatement or correction, (c) a lower incentive plan award would have been made to the participant based on the restated or corrected results, and (d) recoupment is not precluded by applicable law or employment agreements.

Financial Loss or Reputational Harm: The Board or Compensation Committee may also seek to recoup incentive compensation paid or payable to current or former incentive plan participants if, in its sole discretion, the Board or Compensation Committee determines that the current or former incentive plan participant breached a restrictive covenant or engaged or participated in misconduct or intentional or reckless acts or omissions or serious neglect of responsibilities that caused or contributed to a significant financial loss or serious reputational harm to Exelon or its subsidiaries regardless of whether a financial statement restatement or correction of incentive plan results was required, and recoupment is not precluded by applicable law or employment agreements.

Stock Ownership and Trading Requirements

To strengthen the alignment of executive interests with those of shareholders, executives at the vice president level or above are required to own certain multiples of base salary of Exelon common stock within five years of the date of hiring or promotion to a new position.

As of the annual measurement date of June 30, 2022, all active NEOs had exceeded their stock ownership requirement except Mr. Quiniones who was hired in November 2021. For additional details about NEO stock ownership, please see the Beneficial Ownership Table.

	As of June 30, 2022	
NEO	Required Ownership	Actual Ownership
Butler[1]	3x	9.1x
Jones[2]	2x	3.6x
Littleton	3x	3.8x
Glockner	3x	6.2x
Quiniones	2x	0.7x
Crane	6x	24.4x
Nigro	3x	11.7x

The following types of ownership count towards meeting the stock ownership guidelines:

- restricted shares and restricted stock units (RSUs),
- shares acquired and held through the exercise of stock options,
- shares held in the Exelon Corporation Deferred Compensation Plan, dividend reinvestment plan, and 401(k) savings plan, and
- common shares beneficially owned directly or indirectly, including shares held in trust.

(1) In connection with his promotion to CEO, Mr. Butler's stock ownership requirement was increased to 6x his base salary effective December 31, 2022.

(2) In connection with her promotion to CFO, Ms. Jones's stock ownership requirement was increased to 3x her base salary effective October 17, 2022.

Prohibition on Hedging and Pledging of Common Stock

Our insider trading policy includes provisions that prohibit Directors and employees (including officers) and certain of their related persons (including certain family members and entities in which they own a significant interest) from engaging in short sales, put or call options, hedging transactions, pledging, or other derivative transactions involving Exelon stock.

Risk Management Assessment of Compensation Policies and Practices

The Compensation Committee reviews Exelon's compensation policies and practices as they relate to the Company's risk management practices and risk-taking incentives. In 2022, Exelon's compensation group partnered with the independent compensation consultant, Meridian Partners, to assess and validate that the controls in place continued to mitigate incentive compensation risks. Following this assessment, the Committee believes that the risks arising from the Company's compensation policies and practices are not reasonably likely to have a material adverse effect on Exelon. In this regard, the Compensation Committee considered the following compensation program features, which balance the degree of risk taking:

- The AIP includes multiple incentive performance measures with a balance of financial and non-financial metrics
- Long-term incentives include multiple vehicles and performance metrics and three-year overlapping performance periods that are aligned with long-term stock ownership requirements
- Incentive metrics, performance goals, and capital allocation require multiple approval levels and oversight
- Total compensation pay mix includes effective and market aligned balance of short- and long-term incentive compensation elements
- Incentive compensation is balanced by formulaic and discretionary funding
- Short- and long-term incentive awards contain award caps or modifiers
- Reasonable change-in-control and severance benefits are within common market norms
- Consistent and meaningful stock ownership requirements create sustained and consistent ownership stakes

Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis contained in this proxy statement. Based on such review and discussion, the Committee recommended the Board approve the Compensation Discussion and Analysis be included in the 2023 Proxy Statement.

THE COMPENSATION COMMITTEE

Linda Jojo, Chair
Anthony Anderson
Marjorie Rodgers Cheshire
Carlos Gutierrez

Preview of 2023 Executive Compensation Changes

2023 AIP Design

Exelon's 2023 AIP program will have two major enhancements:

- **New Performance Metric**: Customer Average Interruption Duration Index (CAIDI) will be replaced with System Average Interruption Duration Index (SAIDI) weighted at 15%, which will provide a better measurement of grid reliability and is the metric used by regulators to assess Exelon's performance.
- **New ESG Modifier**: Up to ±10% of the overall AIP payout for each NEO will be determined based on an ESG modifier, which will be based on environmental and social measures directly aligned to Exelon's progress on its Path to Clean and DEI goals. The Compensation Committee will conduct a holistic evaluation of Exelon's performance based on:
  a. Environmental: goal linked to the quantitative achievement of the 2030 component of Exelon's Path to Clean goal to reduce aggregate total operations-driven GHG emissions by 50% from a 2015 baseline by 2030, which will incorporate a qualitative assessment of the performance achieved; and
  b. Social: quantitative goals for measuring DEI initiatives including diverse hiring slates, spend with diverse suppliers, and employee engagement survey scores, which will incorporate a qualitative assessment of the performance achieved.

2022 Design	2023 Design
Adjusted (non-GAAP) Operating EPS* **(60%)**	Adjusted (non-GAAP) Operating EPS* **(60%)**
Outage Duration (CAIDI) (**15%**)	System Outage Duration (SAIDI) (**15%**) **NEW**
Outage Frequency (SAIFI) (**15%**)	Outage Frequency (SAIFI) (**15%**)
Customer Satisfaction Index (**10%**)	Customer Satisfaction Index (**10%**)
	ESG Modifier (**±10%**) **NEW**

2023 – 2025 LTIP

No changes were made to the overall design of the LTIP program for the 2023 – 2025 cycle.

Executive Compensation Tables

Summary Compensation Table

	Year	Salary ($)	Bonus ($) (Note 1)	Stock Awards ($) (Note 2)	Non-Equity Incentive Plan Compensation ($) (Note 3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (Note 4)	All Other Compensation ($) (Note 5)	Total ($)
Calvin G. Butler Jr. President and CEO, Exelon	2022	928,281	—	3,423,719	1,069,409	198,532	666,150	6,286,091
	2021	780,398	—	2,459,853	819,734	149,556	387,401	4,596,942
	2020	700,000	—	2,023,356	637,623	127,209	183,565	3,671,753
Jeanne Jones Executive Vice President and CFO, Exelon	2022	515,317	57,500	535,013	373,663	94,763	34,352	1,610,608
Gayle Littleton Executive Vice President and Chief Legal Officer, Exelon	2022	618,854	850,000	1,444,375	593,301	—	125,499	3,632,029
David Glockner Executive Vice President, Compliance, Audit, and Risk, Exelon	2022	618,415	—	1,519,293	550,339	—	102,177	2,790,224
Gil Quiniones CEO, ComEd	2022	585,000	—	1,272,139	608,400	—	248,858	2,714,397
Christopher Crane Former CEO, Exelon	2022	1,332,683	—	11,768,964	2,365,462	12,647,990	1,969,881	30,084,980
	2021	1,303,595	—	10,823,207	2,169,124	1,071,663	299,413	15,667,002
	2020	1,293,000	—	10,256,308	1,897,536	757,754	235,453	14,440,051
Joseph Nigro Former Senior Executive Vice President and CFO, Exelon	2022	839,223		3,209,758	933,551	254,633	111,439	5,348,604
	2021	820,906	—	2,951,815	881,259	213,011	206,528	5,073,519
	2020	810,511	—	2,227,287	782,882	244,253	135,311	4,200,244

Notes to the Summary Compensation Table

1. The amount shown for Ms. Jones is a recognition award. The amount shown for Ms. Littleton represents a portion of a sign-on offer extended in connection with her joining Exelon in November 2020.
2. The amounts shown include the aggregate grant date fair value of restricted stock unit and performance share awards granted in 2022. The grant date fair values of the stock awards have been computed in accordance with FASB ASC Topic 718 using the assumptions described in Note 20 of the Combined Notes to Consolidated Financial Statements included in Exelon's 2022 Annual Report on Form 10-K. Previously reported grant date fair values for the 2020 and 2021 performance share awards were inadvertently overstated as a result of applying an incorrect fair value to each target performance share award. For the 2020 performance share awards, grant date fair values for Messrs. Butler, Crane and Nigro were overstated by $146,716, $743,705, and $161,503, respectively. For the 2021 performance share awards, grant date fair values for Messrs. Butler, Crane, and Nigro were overstated by $40,185, $176,812, and $48,221, respectively. The revised amounts for 2020 and 2021 are reflected in the Stock Awards column of the Summary Compensation Table above.

The 2022-2024 performance share award component of the stock award values depicted above are subject to performance conditions and the grant date fair value assumes the achievement of the target level of performance. The below table shows the grant date fair value for the 2022-2024 performance share awards based on achieving target and maximum performance:

	Performance Share Award Grant Date Fair Value ($)	
	At Target	At Maximum
Butler	2,369,428	4,281,092
Jones	370,246	668,961
Littleton	999,591	1,806,066
Glockner	1,051,450	1,899,763
Quiniones	880,399	1,590,708
Crane	8,144,830	14,716,110
Nigro	2,221,330	4,013,508

3. The amounts shown represent payments made pursuant to the Annual Incentive Plan.
4. The amounts shown in this column represent the change in the accumulated pension and non-qualified deferred compensation benefits for the NEOs from December 31, 2021, to December 31, 2022. The increased value disclosed for Mr. Crane reflects a required change in the interest rate used to report the present value of his pension benefit pursuant to his 2022 retirement. For additional details, see the description in footnote 2 to the Pension Benefits Table. None of the NEOs had above market earnings in a non-qualified deferred compensation account in 2022.
5. All Other Compensation: The following table describes the incremental cost of other benefits provided in 2022.

All Other Compensation

Name	Perquisites ($) (Note 1)	Reimbursement for Income Taxes ($) (Note 2)	Company Contributions to Savings Plans ($) (Note 3)	Company Paid Term Life Insurance Premiums ($) (Note 4)	Total ($)
Butler	619,452	4,690	38,308	3,700	666,150
Jones	22,135	—	9,150	3,067	34,352
Littleton	54,202	—	66,661	4,636	125,499
Glockner	31,135	—	64,462	6,580	102,177
Quiniones	142,422	85,944	20,167	325	248,858
Crane	508,917	1,367,255	39,994	53,715	1,969,881
Nigro	79,062	3,089	24,955	4,333	111,439

Notes to All Other Compensation Table

1. Amounts reported for personal benefits provided to NEOs include certain perquisites as detailed below:
   - **Personal use of corporate aircraft** - Amounts reported for the personal use of corporate aircraft are based on the aggregate incremental cost to Exelon and are calculated using the hourly incremental cost for flight services, including federal excise taxes, fuel charges, and domestic segment fees. During the period of March 19, 2020 until December 1, 2022, Exelon implemented a COVID-related travel policy that provided directors and executives with the use of corporate aircraft to enable safe transport. Under the policy, which resulted in an increased use of aircraft for personal use, these directors and executives were asked to avoid commercial air travel where possible.
     - As discussed in the Compensation Governance and Oversight section on page 56, it was determined that not all incremental costs were reported for the use of corporate aircraft in 2020 and 2021. The revised aggregate incremental cost amounts for the use of corporate aircraft in 2020 for Messrs. Butler, Crane, and Nigro were $109,923, $102,826, and $56,511, respectively, representing an increase in the incremental cost amounts previously reported of $76,281, $20,953, and $34,470, respectively. The revised aggregate incremental cost amounts for the use of corporate aircraft in 2021 for Messrs. Butler, Crane, and Nigro were $340,019, $169,812, and $157,604, respectively, representing an increase in the aggregate incremental cost amounts previously reported of $279,381, $86,436, and $148,129, respectively.
     - For 2022, the amounts for Messrs. Butler, Crane and Nigro and Ms. Littleton include $586,337, $420,191, $51,649, and $27,362, respectively.
   - **Fleet services** - Exelon provides fleet services of Company cars and driver services for NEOs and other officers enabling the performance of duties among the Company's various offices and facilities. Certain executive officers are also entitled to limited personal use of the Company's cars and drivers including commuting to work locations. Costs reported represent estimated incremental costs based upon driver wages multiplied by the average overtime rate for drivers plus an additional amount for fuel. For 2022, the reported amounts include $61,886 for Mr. Crane.

- **Benefits resulting from compliance with state public service commission requirements** – Ms. Jones is subject to a state public service commission requirement to maintain her principal workplace in the District of Columbia pursuant to a regulatory order issued in 2016 that related to the approval of the acquisition of Pepco Holdings Inc. Previously, Messrs. Butler and Nigro were subject to the requirement. Pursuant to this legacy obligation, Exelon provides travel and lodging benefits to the executives covered.
- **Relocation benefits** - Amount reported for Mr. Quiniones includes $126,605 of relocation benefits provided pursuant to Exelon's standard relocation benefits program, which is available to all management level employees when needed.
- **Financial Planning** - Annual financial planning allowance up to $16,840 for each executive officer.
- **Charitable contributions** – Annual Company matching gift to qualified charitable organizations allowance up to $10,000 for each executive officer. Matching gifts are funded by the Exelon Foundation.
- **Health Benefits** – NEOs and executive officers may use Company-provided medical providers for comprehensive physical examinations and related medical testing and are entitled to Health Savings Account contribution benefits.

2. Exelon provides reimbursements of certain tax obligations, such as those incurred when: employees are required to work outside their state of home residence and encounter double taxation in states and localities where tax credits are not permitted in home state tax filings; business-requested spousal travel expenses are imputed to the employee; and for required relocation incurred in compliance with regulatory requirements. For Mr. Crane, the reported amount also reflects $603,425, representing a benefit under the non-qualified Supplemental Management Retirement Plan that is provided to participants in order to equalize the after-tax treatment of their qualified and supplemental pension benefits. This benefit is provided to all participants in the SMRP.
3. Each of the NEOs are eligible to participate in the Company's 401(k) and Deferred Compensation Plans. Amounts reported represent Company matching contributions to the NEOs' 401(k) accounts and/or Deferred Compensation Plans.
4. Exelon provides basic term life insurance, accidental death and disability insurance, and long-term disability insurance to all employees, including NEOs. The values shown in this column include the premiums paid during 2022 for additional term life insurance policies for the NEOs and for additional long-term disability insurance over and above the basic coverage provided to all employees.

Grants of Plan-Based Awards

Name	Approval Date	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (Note 1) Threshold ($)	Target ($)	Maximum ($)	Estimated Future Payouts Under Equity Incentive Plan Awards (Note 2) Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#) (Note 3)	Grant Date Fair Value of Stock and Option Awards ($) (Note 4)
Butler	1/28/22	2/08/22	87,500	1,750,000	3,500,000					
	1/28/22	2/08/22				8,294	49,757	99,514		2,369,428
	1/28/22	2/08/22							24,507	1,054,291
Jones	1/28/22	2/08/22	29,250	585,000	1,170,000					
	1/28/22	2/08/22				1,296	7,775	15,550		370,246
	1/28/22	2/08/22							3,830	164,767
Littleton	1/28/22	2/08/22	29,250	585,000	1,170,000					
	1/28/22	2/08/22				3,499	20,991	41,982		999,591
	1/28/22	2/08/22							10,339	444,784
Glockner	1/28/22	2/08/22	24,846	496,920	993,840					
	1/28/22	2/08/22				3,681	22,080	44,160		1,051,450
	1/28/22	2/08/22							10,875	467,843
Quiniones	1/28/22	2/08/22	5,850	468,000	936,000					
	1/28/22	2/08/22				3,082	18,488	36,976		880,399
	1/28/22	2/08/22							9,106	391,740
Crane	2/08/22	2/08/22	107,086	2,141,725	4,283,450					
	2/08/22	2/08/22				28,512	171,038	342,076		8,144,830
	2/08/22	2/08/22							84,243	3,624,134
Nigro	1/28/22	2/08/22	42,147	842,935	1,685,870					
	1/28/22	2/08/22				7,776	46,647	93,294		2,221,330
	1/28/22	2/08/22							22,976	988,428

Notes to Grants of Plan-Based Awards Table

1. All NEOs have annual incentive plan target opportunities based on a fixed percentage of base salaries. Under the terms of the AIP, threshold performance earns 50% of the respective target, while performance at plan earns 100% of the respective target and the maximum payout is capped at 200% of target. The possible payout at threshold for AIP shown in the table was calculated at 5% of target, which is 50% performance on the lowest weighted AIP performance metric, and assumes performance for all other performance metrics is below threshold (for Mr. Quiniones the calculation is 1.25% of target, which is 50% on the lowest weighted AIP performance metric). For additional information about the terms of these programs, refer to the Compensation Discussion and Analysis (CD&A).
2. NEOs have a long-term performance share target opportunity that is a fixed number of performance shares commensurate with the officer's position. The possible payout at threshold for performance share awards was calculated at 16.67% of target which is 50% performance on the lowest weighted long-term performance share metric. The maximum possible payout for performance shares was calculated at 150% of target, prior to application of a TSR modifier, which may increase or decrease the amount of awards but which may not cause payment to exceed 200% of target. For additional information about the terms of this program, refer to the CD&A.
3. Reflects the number of restricted stock units granted during 2022, the first third of the RSU award will vest in 2023, the second third of the RSU award in 2024 and the final third of the RSU award in 2025.
4. This column shows the grant date fair value, calculated in accordance with FASB ASC Topic 718, of the performance share awards and restricted stock units granted to each NEO during 2022. Fair value of performance share awards is based on an estimated payout of 100% of target.

Outstanding Equity Awards at Year End

No stock option awards are outstanding, and no stock option awards have been granted since 2012.

All equity awards granted prior to February 1, 2022 were modified at the time of Exelon's separation from Constellation Energy in order to preserve the overall value of the original award. The target number of performance shares was multiplied by the ratio of the pre-separation value of Exelon's stock (5-day volume weighted average price (VWAP)) divided by the post-separation value of Exelon's stock (5-day VWAP) resulting in a conversion factor of 1.3184. Values in columns (a) and (c) below reflect post-separation adjusted awards.

	Stock Awards			
	(a)	(b)	(c)	(d)
Name	Number of Shares or Units of Stock That Have Not Yet Vested (#) (Note 2)	Market Value of Shares or Units of Stock That Have Not Yet Vested ($) (Note 3)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Yet Vested (#) (Note 4)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Yet Vested ($) (Note 5)
Butler	130,529	5,642,763	112,502	4,863,461
Jones	33,998	1,469,755	16,334	706,139
Littleton	47,877	2,069,713	52,364	2,263,709
Glockner	72,772	3,145,921	57,719	2,495,203
Quiniones	9,388	405,832	18,488	799,236
Crane[1]	—	—	—	—
Nigro	100,008	4,323,354	121,941	5,271,523

Notes to Outstanding Equity Table

1. All of Mr. Crane's outstanding equity awards vested prior to year end in connection with his retirement on December 30, 2022.
2. The amount shown in column (a) includes the performance share awards granted in 2020 and subject to a three-year performance period that ended on December 31, 2022 and which vested on January 23, 2023. The amount shown also includes the following tranches of unvested restricted stock unit (RSU) awards: the final third of an award granted in January 2020, which vested on January 23, 2023; two-thirds of an award granted in January 2021, the second third of which vested on January 23, 2023; and the full award granted on January 28, 2022, the first third of which vested on January 23, 2023 and one third of which will vest on the date of each of the Compensation Committee's first regular meetings in 2024 and 2025, respectively. All RSU awards accrue additional shares through automatic dividend reinvestment.
   - For Mr. Butler, the amount in column (a) also includes a promotion-related restricted stock unit award for 37,532 (post-adjustment) shares granted on December 2, 2019, that will vest on December 2, 2024.
   - For Ms. Jones, the amount in in column (a) also includes a retention restricted stock unit award for 19,776 (post-adjustment) shares granted on January 29, 2018, that vested on January 29, 2023.
   - For Ms. Littleton, the amount in column (a) also includes a retention restricted stock unit award for 28,318 (post-adjustment) shares granted on November 9, 2020, that will vest on December 31, 2023.
3. The value of the awards in column (b) is determined by multiplying the number of shares or units in column (a) by the closing price on December 30, 2022 of $43.23 (December 31, 2022 being a Saturday).
4. The amount in column (c) reflects the target number of performance shares granted under the LTIP in 2021 (for the performance period ending on December 31, 2023) and 2022 (for the performance period ending on December 31, 2024). The ultimate number of shares earned, if any, will be based on the actual performance results at the end of each respective performance period with final awards vesting in January/February 2024 for the 2021-2023 cycle and January/February 2025 for the 2022-2024 cycle.
5. The value in column (d) is determined by multiplying the number of shares in column (c) by the closing price on December 30, 2022 of $43.23 (December 31, 2022 being a Saturday).

Option Exercises and Stock Vested

No stock option awards are outstanding or have been granted since 2012 and no stock options were exercised in 2022.

	Stock Awards	
Name	Number of Shares Acquired on Vesting (#) (Note 1)	Value Realized on Vesting ($) (Note 2)
Butler	62,337	3,541,345
Jones	6,032	344,239
Littleton	3,274	185,733
Glockner	9,258	525,198
Quiniones	—	—
Crane	958,204	44,114,088
Nigro	83,829	4,769,948

Notes to Option Exercises and Stock Vested Table

1. Share amounts are composed of the 2019-2021 performance share awards that vested on January 28, 2022 and the following tranches of prior RSU awards that vested on January 6, 2022:
   - the final third of the RSU awards granted in 2019,
   - the second third of the RSU awards granted in 2020, and
   - the first third of the RSU awards granted in 2021.

   For each of Messrs. Butler and Nigro, the number of shares also includes 40,000 shares from retention stock awards granted to each of them on January 29, 2018 which vested on January 6, 2022. For Mr. Crane, the amount includes vested awards and awards that remain eligible to vest subject to Exelon's performance through each applicable performance period.
2. The value of the awards is determined by multiplying the number of shares that vested by the market value of the underlying shares. Values shown for Mr. Crane's 2020-2022 performance share award reflects actual performance and for his 2021-2023 and 2022-2024 performance share awards, the value reflects target level performance.

Pension Benefits

Exelon sponsors the Exelon Corporation Retirement Program, a defined benefit pension plan that includes the Service Annuity System (SAS), a traditional pension plan covering NEOs who commenced employment prior to January 1, 2001 and the Cash Balance Pension Plan (CBPP), an account-based plan covering eligible NEOs hired between January 1, 2001, and February 1, 2018 and certain NEOs who previously elected to transfer to the CBPP from the SAS. The Retirement Program is intended to be tax-qualified under Section 401(a) of the Internal Revenue Code.

Service Annuity System (SAS)

Mr. Crane participated in the SAS prior to his retirement. The annuity benefit payable at normal retirement age under the SAS is equal to the sum of 1.25% of the participant's earnings as of December 25, 1994, reduced by a portion of the participant's earned Social Security benefit as of that date, plus 1.6% of the participant's highest average annual pay, multiplied by the participant's years of credited service (up to a maximum of 40 years). Pension-eligible compensation under the SAS's Final Average Pay Formula includes base pay and annual incentive awards. Benefits under the SAS are vested after five years of service.

"Normal retirement age" under the SAS is 65 and the plan also offers early retirement benefits, which are payable if a participant retires after attainment of age 50 and completion of 10 years of service. The annual pension payable under the plan is determined as of the early retirement date, reduced by 2% for each year of payment before age 60 to age 58, then 3% for each year before age 58 to age 50. In addition, the early retirement benefit is supplemented prior to age 65 by a temporary payment equal to 80% of the participant's estimated monthly Social Security benefit. The supplemental benefit is partially offset by a reduction in the regular annuity benefit.

Cash Balance Pension Plan (CBPP)

Messrs. Butler and Nigro and Ms. Jones participate in the CBPP. Under the CBPP, a notional account is established for each participant, and the account balance grows as a result of annual benefit credits and annual investment credits. NEOs who transferred from the SAS to the CBPP also have a frozen transferred SAS benefit and received a "transition" credit based on age, service and compensation at the time of transfer. When the CBPP was initially established in 2001, it provided an annual benefit credit of 5.75% of an employee's base pay and annual incentive award for the year, and an annual investment credit based on the average of that year's S&P 500 stock index return and the 30-year Treasury rate for the month of November (subject to a 4% minimum). The benefit and investment credit rates have been subsequently modified periodically pursuant to U.S. Treasury Department guidance on cash balance plans. NEO participants in the CBPP currently receive an annual benefit credit ranging from 7.0% to 10.5% (depending on length of service) of base salary and annual incentive award, and an annual investment credit based on the third segment spot rate of interest on long-term investment grade corporate bonds for the month of November of the year credited (subject to a 4% minimum). Benefits vest after three years of service and are payable in an annuity or a lump sum at any time following termination of employment. Apart from the benefit credits and the vesting requirement, years of service are not relevant to a determination of accrued benefits under the CBPP.

In 2018, the Company also provided a one-time Transition Benefit Credit to all CBPP participants in recognition of the transition to a fully fixed income investment credit rate. The amount of the credit ranged from 0% to 30.5% of 2018 annualized base pay, based on years of service as of December 31, 2007.

Supplemental Management Retirement Plan (SMRP)

NEOs who participate in a pension plan also participate in the SMRP, which Exelon sponsors as permitted by the Employee Retirement Income Security Act (ERISA). The SMRP provides non-qualified supplemental benefits to the benefits provided under the tax-qualified Retirement Program for individuals whose annual compensation exceeds the limits imposed under the Internal Revenue Code. Under the terms of the SMRP, participants are provided the amount of benefits they would have received under the SAS or CBPP as applicable but for the application of the Internal Revenue Code limits. The SMRP offers a lump sum as an optional form of payment. The SMRP also provides a benefit based on the amount of FICA taxes (and, in certain situations, a state income tax differential) imposed on the participant's SMRP benefits. This benefit is provided in order to equalize the after-tax treatment of participants' qualified and non-qualified pension benefits. This benefit is provided to all participants in the SMRP (currently over 180, less than half of which are executives (i.e., Vice President level or above).

For participants in the SAS, the SMRP lump sum includes the value of the marital annuity, death benefits and other early retirement subsidies at a designated interest rate. The interest rate applicable for distributions to participants in the SAS in 2022 is 1.85%. For participants in the CBPP, the lump sum is the value of the non-qualified account balance. The values of the lump sum amounts do not include the value of any pension benefits covered under the qualified pension plans, and the methods and assumptions used to determine the non-qualified lump sum amounts are different from the assumptions used to generate the present values shown in the tables of benefits to be received upon retirement, termination due to death or disability, involuntary separation not related to a change in control, or upon a qualifying termination following a change in control which appear later in this proxy statement.

In addition, Mr. Crane received a grant of additional credited service under the SMRP upon joining the Company (then ComEd) in 1998. As part of his original offer of employment, Mr. Crane was granted the right to earn one additional year of service credit for each year of employment up to a maximum of ten additional years as an incentive to join the Company. Mr. Crane received ten years of credited service as of September 28, 2008, the tenth anniversary of his employment date with the Company.

Since 2004, Exelon does not grant additional years of credited service to executives under the SMRP for any period in which services are not actually performed, except that up to two years of service credits may be provided upon a qualifying termination of employment under severance or up to 2.99 years of service under change in control agreements, and performance-based awards or awards which are intended to make up for lost pension benefits from another employer.

The amount of the change in the pension value for each of the participating NEOs is included in the "Change in Pension Value and Nonqualified Deferred Compensation Earnings" column of the Summary Compensation Table above. The present value of each participating NEO's accumulated pension benefit is shown in the following table. The present value for CBPP participants is the account balance.

Mr. Crane's present value as of December 31, 2022 is based on his 2022 retirement date; his actual SMRP lump sum conversion rate of 1.85% as specified under the terms of the SMRP; the SAS applicable discount rate of 5.53%; and the SAS's applicable mortality table.

Pension Benefits

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit ($)	Payments during last FY ($)
Butler	Cash Balance Pension Plan	14.91	384,785	—
	Supplemental Management Retirement Plan	14.91	896,843	—
Jones	Cash Balance Pension Plan	15.41	360,432	—
	Supplemental Management Retirement Plan	15.41	168,853	—
Littleton[1]	Cash Balance Pension Plan	—	—	—
	Supplemental Management Retirement Plan	—	—	—
Glockner[1]	Cash Balance Pension Plan	—	—	—
	Supplemental Management Retirement Plan	—	—	—
Quiniones[1]	Cash Balance Pension Plan	—	—	—
	Supplemental Management Retirement Plan	—	—	—
Crane	Service Annuity System	24.26	1,364,225	—
	Supplemental Management Retirement Plan[2]	34.26	33,385,457	—
Nigro	Cash Balance Pension Plan	26.42	584,437	—
	Supplemental Management Retirement Plan	26.42	1,591,135	—

Notes to Pension Benefits Table

1. Due to their dates of hire, Ms. Littleton, Mr. Glockner and Mr. Quiniones do not participate in the defined benefit pension plans.

2. The lump sum basis used to report the above-disclosed value of Mr. Crane's non-qualified SMRP benefit changed pursuant to required disclosure rules applicable to his 2022 retirement, but the actual value of his benefit did not change. In prior years, the value reported in the Pension Benefits Table reflected Mr. Crane's benefit using the same interest rate assumption that the Company uses for certain other financial reporting purposes pursuant to applicable disclosure rules, and the value of his benefit using the interest rate specified under the terms of the SMRP was reported in a footnote to this table. The pension benefits provided to Mr. Crane under the terms of the plans were not enhanced in 2022 or otherwise in connection with his retirement. Payments made upon termination may be delayed by six months in accordance with U.S. Treasury Department guidance.

Deferred Compensation Programs

Exelon Corporation Employee Savings Plan

The Employee Savings Plan (ESP) is intended to be tax-qualified under Sections 401(a) and 401(k) of the Internal Revenue Code. Exelon maintains the ESP to attract and retain qualified employees, including the NEOs, and encourage retirement savings. The ESP provides the opportunity for participants, including NEOs, to direct pre-tax, after-tax, and Roth payroll contributions of up to 50% of base salaries, which may be supplemented by Company matching and profit-sharing contributions. In addition, Ms. Littleton, and Messrs. Glockner and Quiniones, who are not eligible for pension benefits, also receive an annual non-discretionary 401(k) contribution equal to 4% of base pay and annual non-equity incentive compensation. Contributions to the ESP are invested in participant-selected investment funds, which may include the Exelon Corporation stock fund. Distributions are payable pursuant to participant-selected elections after termination of employment. Prior to termination of employment, in-service "hardship" withdrawals or loans are permitted in limited circumstances.

Exelon Corporation Deferred Compensation Plan

The Exelon Corporation Deferred Compensation Plan (DCP) is a non-qualified plan established to facilitate tax and retirement planning. Once ESP participants, including NEOs, reach their statutory contribution limit during the year, payroll contributions and Company contributions will be credited to individual accounts as provided for under the DCP as directed by participant elections filed the preceding year. Available notional investment options under the DCP consist of a basket of investment fund benchmarks that are substantially the same as funds available through the ESP and are generally payable upon termination of employment in connection with participants' prior distribution elections. Deferred amounts represent unfunded, unsecured obligations of the Company.

Nonqualified Deferred Compensation

Name	Executive Contributions in last FY ($) (Note 1)	Registrant Contributions in last FY ($) (Note 2)	Aggregate Earnings in last FY ($) (Note 3)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at last FYE ($) (Note 4)
Butler	99,656	25,302	(39,064)	—	372,403
Jones	—	—	—	—	—
Littleton	22,035	46,113	(12,655)	—	86,698
Glockner	31,058	43,712	(23,976)	—	179,614
Quiniones	13,406	9,725	(270)	—	22,861
Crane	111,548	33,464	(374,385)	—	2,821,595
Nigro	26,342	15,805	(60,745)	—	299,568

Notes to Nonqualified Deferred Compensation Table

1. The amounts shown are included in the Salary column of the Summary Compensation Table.
2. The amounts shown are included in the All Other Compensation column of the Summary Compensation Table.
3. The amount shown under aggregate earnings reflects the NEO's gain or loss based upon the individual allocation of his notional account balance into the basket of mutual fund benchmarks. These gains or losses do not represent current income to the NEO and have not been included in any of the compensation tables shown above because the plan does not provide for above market earnings.
4. The amounts shown include amounts deferred in prior years and reported as compensation in the Summary Compensation Table through 2021: $127,667 for Mr. Butler, $1,881,043 for Mr. Crane, and $153,554 for Mr. Nigro.

Potential Payments upon Termination with or without a Change in Control

Each NEO is entitled to certain compensation in the event his or her employment terminates in certain circumstances, including a termination in connection with or upon a change in control of Exelon. The Compensation Committee adopted changes to severance and change in control benefits effective in 2020, with the amount of benefits payable being contingent upon a variety of factors, including the circumstances under which employment terminates.

Severance Benefits

NEOs are entitled to certain payments and benefits in connection with the Company's termination of their employment other than for cause or disability or in connection with the NEO's resignation for good reason, as provided for in the Senior Management Severance Plan (SMSP). Benefits under the SMSP are noted in the table on the following page.

Payments under the SMSP are subject to reduction by Exelon to the extent necessary to avoid imposition of excise taxes imposed by Section 4999 of the Internal Revenue Code on excess parachute payments or under similar state or local law, but only if doing so results in the executive receiving a lesser reduction in after-tax payments.

The SMSP includes the following definitions with respect to severance benefits:

"**Cause**" with respect to severance benefits (or change in control benefits discussed below) generally means any of the following (a) refusal to perform or habitual neglect in the performance of duties or responsibilities or of specific directives of the officer to whom the executive reports or of the Board of Directors of Exelon or any of its participating subsidiaries which are not materially inconsistent with the scope and nature of the executive's duties and responsibilities; (b) willful or reckless commission of acts or omissions which have resulted in, or in Exelon's reasonable judgment are likely to result in, a material loss or material damage to the reputation of Exelon or any of its affiliates, or that compromise the safety of any employee or other person; (c) commission of a felony or any crime involving dishonesty or moral turpitude; (d) material violation of the Code of Business Conduct (or any corporate policies referenced therein), or of any statutory or common-law duty of loyalty; or (e) any breach by the executive of any of his or her restrictive covenants.

"**Good reason**" generally means:

- with respect to severance benefits payable upon a regular termination of employment, a material reduction of the executive's salary unless such reduction is part of a policy, program or arrangement applicable to peer executives of Exelon or of the Executive's business unit; a demotion below an executive salary band level; with respect to the CEO, a material adverse reduction in the executive's position or duties, but excluding any such change caused solely by a disposition of all or a significant portion of Exelon's business or operations; and
- with respect to severance benefits payable upon a termination in connection with or upon a change in control of Exelon, a material reduction of the executive's salary, incentive compensation opportunity or aggregate benefits; a material adverse reduction in the Executive's position, duties or responsibilities (excluding, other than with respect to the Chief Executive Officer, a change in reporting relationship); a relocation that increases the Executive's one-way commuting distance to his or her primary business location or Exelon's principal offices by more than fifty miles; a material breach of the terms of the individual change in control agreements or the SMSP, as applicable, by Exelon or its successor.

Change in Control Benefits

Pursuant to the SMSP, NEOs are eligible for certain benefits upon certain involuntary terminations by the Company or a resignation for "good reason" in connection with a change in control of Exelon.

A "**change in control**" generally includes any of the following:

- when any person or group acquires 20% of Exelon's then outstanding common stock or voting securities,
- the incumbent members of the Exelon Board (or new members nominated by a majority of incumbent Directors) cease to constitute at least a majority of the members of the Exelon Board,
- consummation of a reorganization, merger or consolidation, or sale or other disposition of at least 50% of Exelon's operating assets (excluding a transaction where Exelon shareholders retain at least 60% of the voting power), or
- upon shareholder approval of a plan of complete liquidation or dissolution.

If the executive resigns for good reason or his or her employment is terminated by Exelon other than for cause or disability, during the period commencing 90 days before a change of control or during the 24-month period following a change in control, the executive is entitled to the benefits outlined in the below table.

	Severance Benefits	Change in Control Severance Benefits
Severance Pay	Continued payment of base salary for a period of 24 months (12 months for Mr. Quiniones) after termination of employment paid in regular payroll installments.	Continued payment of base salary for a period of 2.99 years (two years for Mr. Quiniones) after termination of employment paid in regular payroll installments.
Annual Incentive Award	Pro-rated award for the year in which termination of employment occurs, and target awards for a period of 24 months (12 months for Mr. Quiniones) thereafter paid in regular payroll installments	Pro-rated award for the year in which termination of employment occurs, and target awards for a period of 2.99 years (two years for Mr. Quiniones) thereafter paid in regular payroll installments.
Equity Awards	*See below table.*	*See below table.*
Supplemental Management Retirement Plan Benefits	Benefit equal to the amount payable under the SMRP, if any, determined as if the severance period constituted service and the severance pay constituted covered compensation for purposes of the basic benefit under the SMRP.	Benefit is equal to the amount payable under the SMRP, if any, determined as if the SMRP benefit were fully vested and the severance pay constituted covered compensation for purposes of the basic benefit under the SMRP.
Insurance, Health, and Welfare Benefits	Life, disability, accident, health, and other welfare benefit coverage continues during the severance pay period on the same terms and conditions applicable to active employees. Executives who were hired prior to January 1, 2018 and attained age 40 prior to January 1, 2021 are eligible for retiree health coverage if they have attained age 50 and completed at least 10 years of service as of the last day of the severance period.	Life, disability, accident, health, and other welfare benefit coverage continues during the severance pay period on the same terms and conditions applicable to active employees. Executives who were hired prior to January 1, 2018 and attained age 40 prior to January 1, 2021 are eligible for retiree health coverage if they have attained age 50 and completed at least 10 years of service as of the last day of the severance period.
Financial Planning	Outplacement and financial planning services for at least 12 months.	Outplacement and financial planning services for at least 12 months.

The following table summarizes the treatment of outstanding equity awards granted under the Exelon Long-Term Incentive Plans and related severance arrangements upon a termination of employment for the respective reasons stated below.

	Restricted Stock Units (RSUs)	Long Term Incentive Awards *(Including performance share awards)*
Retirement[1] or Disability	Unvested awards granted in prior years vest; award granted in current year vests if termination date is after June 30	Prior year awards vest and current year award vests on prorated basis, each based on actual performance and payable when paid to active executives
Death	Unvested awards vest	Prior year awards vest and current year award vests on prorated basis, each based on actual performance and payable when paid to active executives
Voluntary Termination *(Other than retirement eligible)*	Unvested awards are forfeited	Unvested awards are forfeited
Involuntary Termination[2]	Unvested awards vest on a pro-rated basis	Prior and current year awards vest on prorated basis, each based on actual performance and payable when paid to active executives
Involuntary Termination upon a Change in Control	Unvested awards vest	Unvested awards vest based on actual or deemed performance and payable upon termination

(1) For purposes of equity awards, "retirement" means termination of employment after attaining age 55 and completing at least 10 years of service with the Company.

(2) A termination by the Company prior to attainment of retirement eligibility for reasons other than for cause or disability, or a resignation by an eligible executive for good reason; executive required to execute a waiver and release of claims.

Estimated Value of Benefits to be Received Upon Retirement

The following table shows the estimated value of payments and other benefits to be conferred upon each NEO assuming they retired as of December 31, 2022. These payments and benefits are in addition to the present value of the accumulated benefits from each NEO's qualified and non-qualified pension plans shown in the tables within the Pension Benefit section and the aggregate balance due to each NEO that is shown in the tables within the Deferred Compensation section.

As Mr. Crane did in fact retire as of December 30, 2022, the below values reflect the actual benefits he received.

Name	Cash Payment ($) (Note 1)	Value of Unvested Equity Awards ($) (Note 2)	Total Value of All Payments and Benefits ($) (Note 3)
Butler	1,069,000	—	1,069,000
Jones	374,000	—	374,000
Littleton	593,000	—	593,000
Glockner	550,000	—	550,000
Quiniones	608,000	—	608,000
Crane	2,365,462	33,017,444	35,382,906
Nigro	934,000	9,595,000	10,529,000

Notes to Benefits to be Received Upon Retirement Table

1. Under the terms of the 2022 AIP, a pro-rated actual incentive award is payable upon retirement based on the number of days worked during the year of retirement. The amount above represents the executive's 2022 annual incentive payout after Company/business unit performance was determined.
2. Includes the value of the executives' unvested performance share awards granted in 2020 (based on actual performance), and 2021 and 2022 (assuming target performance) and the accelerated portion of the executives' RSU awards that, per applicable awards terms, would vest upon retirement. The value of the shares is based on Exelon's closing stock price on December 30, 2022 of $43.23 (December 31, 2022 being a Saturday).
3. The total value for Mr. Crane reflects actual amounts received as a result of his retirement.

Estimated Value of Benefits to be Received Upon Termination due to Death or Disability

The following table shows the estimated value of payments and other benefits to be conferred upon each NEO assuming employment is terminated due to death or disability as of December 31, 2022. These payments and benefits are in addition to the present value of the accumulated benefits from the NEO's qualified and non-qualified pension plans shown in the table within the Pension Benefit section and the aggregate balance due to each NEO shown in the table within the Deferred Compensation section.

Mr. Crane is excluded from the below table as he retired as of December 30, 2022.

Name	Cash Payment ($) (Note 1)	Value of Unvested Equity Awards ($) (Note 2)	Total Value of All Payments and Benefits ($) (Note 3)
Butler	1,069,000	10,506,000	11,575,000
Jones	374,000	2,176,000	2,550,000
Littleton	593,000	4,334,000	4,927,000
Glockner	550,000	5,641,000	6,191,000
Quiniones	608,000	1,205,000	1,813,000
Nigro	934,000	9,595,000	10,529,000

Notes to Benefits to be Received Upon Termination due to Death or Disability Table

1. Under the terms of the 2022 AIP, a pro-rated annual incentive award is payable upon death or disability based on the number of days worked during the year of termination. The amount above represents the executives' 2022 annual incentive payout after Company/business unit performance was determined.
2. Includes the value of the executives' unvested performance share awards granted in 2020 (based on actual performance), and 2021 and 2022 (assuming target performance) and the accelerated portion of the executives' RSU awards that, per applicable award terms, would vest upon death or disability. The value of the shares is based on Exelon's closing stock price on December 30, 2022 of $43.23 (December 31, 2022 being a Saturday).
3. Estimate of total payments and benefits based on termination due to death or disability on December 31, 2022.

Estimated Value of Benefits to be Received Upon Involuntary Separation Not Related to a Change in Control

The following table shows the estimated value of payments and other benefits to be conferred upon each NEO assuming they were terminated as of December 31, 2022, under the terms of the Senior Management Severance Plan.

These payments and benefits are in addition to the present value of the accumulated benefits from the NEO's qualified and non-qualified pension plans shown in the table within the Pension Benefit section and the aggregate balance due to each NEO shown in the table within the Deferred Compensation section.

Mr. Crane is excluded from the below table as he retired as of December 30, 2022.

Name	Cash Payment ($) (Note 1)	Retirement Benefit Enhancement ($) (Note 2)	Value of Unvested Equity Awards ($) (Note 3)	Health and Welfare Benefit Continuation ($) (Note 4)	Perquisites And Other Benefits ($) (Note 5)	Total Value of All Payments and Benefits ($)
Butler	7,069,000	350,000	6,558,000	47,200	40,000	14,064,000
Jones	2,844,000	185,000	1,666,000	38,000	40,000	4,773,000
Littleton	3,063,000	—	2,450,000	46,000	40,000	5,599,000
Glockner	2,786,000	—	4,021,000	19,000	40,000	6,866,000
Quiniones	1,661,000	—	401,000	3,000	40,000	2,105,000
Nigro	4,306,000	287,000	9,595,000	38,000	40,000	14,266,000

Notes to Benefits to be Received Upon Involuntary Separation Not Related to a Change in Control Table

1. Represents the estimated severance benefit equal to two times (one times for Mr. Quiniones) the sum of the executive's (i) current base salary and (ii) the target annual incentive for the year of termination, plus a pro-rated annual incentive award for the year in which termination occurs. The amount above represents the executives' 2022 annual incentive payout after Company/business unit performance was determined.
2. Represents the estimated retirement benefit enhancement that consists of a one-time lump sum payment based on the actuarial present value of a benefit under the non-qualified pension plan assuming that the severance pay period was taken into account for purposes of vesting, and the severance pay constituted covered compensation for purposes of the non-qualified pension plan.
3. Includes the value of the executives' unvested performance share awards granted in 2020 (based on actual performance), and 2021 and 2022 (assuming target performance) and the unvested portion of the executives' RSU awards that, per applicable award terms, would vest upon an involuntary separation not related to a change of control. The value of the shares is based on Exelon's closing stock price on December 30, 2022 of $43.23 (December 31, 2022 being a Saturday).
4. Estimated costs of healthcare, life insurance, and long-term disability coverage which continue during the severance period.
5. Estimated costs of outplacement and financial planning services for up to 12 months for all NEOs.

Estimated Value of Benefits to be Received Upon a Qualifying Termination following a Change in Control

The following table shows the estimated value of payments and other benefits to be conferred upon each NEO assuming termination upon a qualifying change in control as of December 31, 2022. Such payments and benefits are in addition to the present value of accumulated benefits from the NEO's qualified and non-qualified pension plans shown in the table within the Pension Benefit section and the aggregate balance due to each NEO shown in the table within the Deferred Compensation section.

Mr. Crane is excluded from the below table as he retired as of December 30, 2022.

Name	Cash Payment ($) (Note 1)	Retirement Benefit Enhancement ($) (Note 2)	Value of Unvested Equity Awards ($) (Note 3)	Health and Welfare Benefit Continuation ($) (Note 4)	Perquisites And Other Benefits ($) (Note 5)	Scaleback	Total Value of All Payments and Benefits ($)
Butler	10,039,000	523,000	10,506,000	71,000	40,000	—	21,179,000
Jones	4,067,000	277,000	2,176,000	57,000	40,000	—	6,617,000
Littleton	4,286,000	—	4,334,000	68,000	40,000	—	8,728,000
Glockner	3,893,000	—	5,641,000	28,000	40,000	—	9,602,000
Quiniones	2,714,000	—	1,205,000	6,000	40,000	—	3,965,000
Nigro	5,975,000	428,000	9,595,000	57,000	40,000	—	16,095,000

Notes to Benefits to be Received Upon a Qualifying Termination following a Change in Control Table

1. Represents the estimated cash severance benefit equal to 2.99 times (two times for Mr. Quiniones) the sum of the executive's (i) current base salary and (ii) the annual incentive award at target, plus a pro-rated annual incentive award for the year in which termination occurs. The amount above represents the executives' 2022 annual incentive payout after Company/business unit performance was determined.
2. Represents the estimated retirement benefit enhancement that consists of a one-time lump sum payment based on the actuarial present value of a benefit under the non-qualified pension plan assuming that two years of the severance pay constituted covered compensation for purposes of the non-qualified pension plan.
3. Includes the value of the executives' unvested performance shares, which will vest upon termination at the actual level earned and awarded (for 2020, based on actual performance and for 2021 and 2022, assuming target performance) and the accelerated portion of the executives' RSUs that would vest upon a qualifying termination following a change in control. The value of the shares is based on Exelon's closing stock price on December 30, 2022 of $43.23 (December 31, 2022 being a Saturday).
4. Estimated costs of healthcare, life insurance and long-term disability coverage which continue during the severance period.
5. Estimated costs of outplacement and financial planning services for up to 12 months for all NEOs.

CEO Pay Ratio

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act and SEC rules, we are providing the following information about the relationship of annual total compensation, calculated pursuant to SEC rules, of our median employee and our CEO, Calvin G. Butler Jr.

For the year ended December 31, 2022, the total compensation for Mr. Butler was $6,286,091 as reported in the "Total" column of the Summary Compensation Table on page 61. Since Mr. Butler was appointed CEO effective December 31, 2022, we annualized his salary and non-equity incentive plan compensation values, as disclosed in the Summary Compensation Table, and added the disclosed values of his stock awards, pension, and all other compensation to arrive at a value of $7,476,526. The total annual compensation for the median employee was $143,354. Based on these values, the ratio of annual total compensation of our CEO and the median of the annual total compensation of all employees for 2022 was 52:1, demonstrating Exelon's commitment to balance equitable compensation stewardship with competitively based compensation that drives and rewards performance.

On December 31, 2022, our employee population consisted of approximately 19,063 individuals (including the CEO). The consistently applied compensation measure used to identify the median employee was W-2 Box 1 wages for employees as of December 31, 2022. After identifying the median employee, the annual total compensation for the median employee was calculated using the same methodology used in compiling the Summary Compensation Table in this proxy statement for our NEOs. This ratio is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K. We believe the methodology, assumptions, and estimates used in determining the ratio are reasonable given our specific employee population.

Because SEC rules provide flexibility in determining the methodology, assumptions, and estimates used to determine pay ratios and the fact that workforce composition issues differ significantly between companies, comparability of pay ratios amongst companies may be limited.

Pay For Performance

As required by Section 953(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(v) of Regulation S-K, we are providing the following information about the relationship between executive compensation actually paid and certain financial performance of the Company. For further information concerning the Company's variable pay-for-performance philosophy and how the Company aligns executive compensation with the Company's performance, refer to the Compensation Discussion and Analysis.

							Value of initial fixed $100 investment based on:			
	Summary Compensation Table Total for PEO ($)		Compensation Actually Paid to PEO ($)		Average Summary Compensation Table Total for Non-PEO NEOs ($)	Average Compensation Actually Paid to Non-PEO NEOs ($)	Exelon Total Shareholder Return ($)	Peer Group Total Shareholder Return ($)	Net Income (millions) ($)	Utility Earned ROE*
Year (a)	Butler (b1)	Crane (b2)	Butler (c1)	Crane (c2)	(d)	(e)	(f)	(g)	(h)	(i)
2022	6,286,091	30,084,980	5,509,746	10,875,275	3,219,172	2,890,661	147	122	2,054	9.4%
2021	—	15,667,002	—	29,721,525	5,459,913	7,403,484	136	121	1,616	9.2%
2020	—	14,440,051	—	9,364,603	4,611,546	3,334,402	96	103	1,099	8.7%

Notes to Pay-For-Performance Table

1. The dollar amounts reported in column (b1) are the amounts of total compensation reported for Mr. Butler (our current Chief Executive Officer) for 2022 in the "Total" column of the Summary Compensation Table.
2. The dollar amounts reported in column (b2) are the amounts of total compensation reported for Mr. Crane (our former Chief Executive Officer) for each corresponding year in the "Total" column of the Summary Compensation Table.

3. The dollar amounts reported in columns (c1) and (c2) represent the amount of "compensation actually paid" to Messrs. Butler and Crane, as computed in accordance with Item 402(v) of Regulation S-K. The dollar amounts do not reflect the actual amount of compensation earned by or paid to Messrs. Crane and Butler during the applicable year. Compensation actually paid is determined using the following assumptions:

Date	Performance Share Cycle	Closing Stock Price ($)	Performance	TSR	Performance fair value multiplier
12/31/2022	2022-2024	43.23	89.19%	108.60%	96.86%
12/31/2022	2021-2023	43.23	88.29%	107.10%	94.56%
12/31/2022	2020-2022	43.23	100.00%	100.00%	100.00%
12/31/2021	2021-2023	57.76	96.22%	128.10%	123.26%
12/31/2021	2020-2022	57.76	91.73%	124.10%	113.84%
12/31/2021	2019-2021	57.76	80.53%	87.69%	70.62%
12/31/2020	2020-2022	42.22	90.33%	95.10%	85.90%
12/31/2020	2019-2021	42.22	82.27%	78.90%	64.91%
12/31/2020	2018-2020	42.22	76.01%	83.74%	63.65%
12/31/2019	2019-2021	45.59	96.30%	76.30%	73.48%
12/31/2019	2018-2020	45.59	99.97%	96.90%	96.87%
12/31/2019	2017-2019	45.59	114.76%	93.85%	107.70%

In accordance with the requirements of Item 402(v) of Regulation S-K, the following adjustments were made to their total compensation for each year to determine the compensation actually paid:

		Adjustments				
Year	Reported Summary Compensation Table Total for PEO ($)	Reported Value of Equity Awards (a) ($)	Equity Award Adjustments (b) ($)	Reported Change in the Actuarial Present Value of Pension Benefits (c) ($)	Pension Benefit Adjustments (d) ($)	Compensation Actually Paid to PEO ($)
2022 - Butler	6,286,091	(3,423,719)	2,745,053	(198,532)	100,853	5,509,746
2022 - Crane	30,084,980	(11,768,964)	4,732,580	(12,647,990)	474,669	10,875,275
2021 - Crane	15,667,002	(10,823,207)	25,401,442	(1,071,663)	547,951	29,721,525
2020 - Crane	14,440,051	(10,256,308)	5,382,246	(757,754)	556,368	9,364,603

a) The grant date fair value of equity awards represents the total of the amounts reported in the "Stock Awards" columns in the Summary Compensation Table for the applicable year.

b) The amounts deducted or added in calculating the equity award adjustments are as follows:

	Year End Fair Value of Equity Awards ($)	Year over Year Change in Fair Value of Outstanding and Unvested Equity Awards ($)	Fair Value as of Vesting Date of Equity Awards Granted and Vested in the Year ($)	Year over Year Change in Fair Value of Equity Awards Granted in Prior Years that Vested in the Year ($)	Fair Value at the End of the Prior Year of Equity Awards that Failed to Meet Vesting Conditions in the Year ($)	Total Equity Award Adjustments ($)
2022 - Butler	3,175,677	(371,367)	—	(59,257)	—	2,745,053
2022 - Crane	10,916,328	(1, 221,723)	—	(134,318)	(4,827,707)	4,732,580
2021 - Crane	17,095,928	8,081,315	—	224,199	—	25,401,442
2020 - Crane	9,023,213	(4,145,220)	—	504,253	—	5,382,246

c) The amounts included in this column are the amounts reported in "Change in Pension and Nonqualified Deferred Compensation" column of the Summary Compensation Table for each applicable year.

d) The total pension benefit adjustments for each applicable year include the aggregate of two components: (i) the actuarially determined service cost for services rendered by Mr. Crane or Mr. Butler during the applicable year (the "service cost"); and (ii) the entire cost of benefits granted in a plan amendment (or initiation) during the applicable year that are attributed by the benefit formula to services rendered in periods prior to the plan amendment or initiation (the "prior service cost"), in each case, calculated in accordance with US GAAP. The amounts deducted or added in calculating the pension benefit adjustments are as follows:

	Service Cost ($)	Prior Service Cost ($)	Total Pension Benefit Adjustments ($)
2022 - Butler	100,853	—	100,853
2022 - Crane	474,669	—	474,669
2021 - Crane	547,951	—	547,951
2020 - Crane	556,368	—	556,368

4. The dollar amounts reported in column (d) represent the average of the amounts reported for the Company's named executive officers (NEOs) as a group (excluding the PEO(s)) in the "Total" column of the Summary Compensation Table in each applicable year. The names of each of the NEOs (excluding the PEO(s)) included for purposes of calculating the average amounts in each applicable year are as follows: (i) for 2022, Jeanne Jones, Joseph Nigro, Gayle Littleton, David Glockner, and Gil Quiniones; (ii) for 2021, Calvin Butler, Jr., Joseph Nigro, Bryan Hanson, James McHugh, Kenneth Cornew, and William Von Hoene, Jr.; and (iii) for 2020, Calvin Butler, Jr., Joseph Nigro, Kenneth Cornew, and William Von Hoene, Jr.

5. The dollar amounts reported in column (e) represent the average amount of "compensation actually paid" to the NEOs as a group (excluding the PEO(s)), as computed in accordance with Item 402(v) of Regulation S-K. The dollar amounts do not reflect the actual average amount of compensation earned by or paid to the NEOs as a group (excluding the PEO(s)) during the applicable year. In accordance with the requirements of Item 402(v) of Regulation S-K, the following adjustments were made to average total compensation for the NEOs as a group (excluding the PEO(s)) for each year to determine the compensation actually paid, using the same methodology described above in Note 3:

	Average Reported Summary Compensation Table Total for Non-PEO NEOs ($)	Average Reported Value of Equity Awards ($)	Average Equity Award Adjustments (a) ($)	Average Reported Change in the Actuarial Present Value of Pension Benefits ($)	Average Pension Benefit Adjustments (b) ($)	Average Compensation Actually Paid to Non-PEO NEOs ($)
2022	3,219,172	(1,596,116)	1,300,459	(69,879)	37,024	2,890,661
2021	5,459,913	(2,482,776)	4,497,496	(210,792)	139,643	7,403,484
2020	4,611,546	(2,423,879)	1,244,418	(228,141)	130,458	3,334,402

a) The amounts deducted or added in calculating the total average equity award adjustments are as follows:

	Average Year End Fair Value of Equity Awards ($)	Year over Year Average Change in Fair Value of Outstanding and Unvested Equity Awards ($)	Average Fair Value as of Vesting Date of Equity Awards Granted and Vested in the Year ($)	Year over Year Average Change in Fair Value of Equity Awards Granted in Prior Years that Vested in the Year ($)	Average Fair Value at the End of the Prior Year of Equity Awards that Failed to Meet Vesting Conditions in the Year ($)	Average Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value or Total Compensation ($)	Total Average Equity Award Adjustments ($)
2022	1,480,481	(162,202)	—	(17,819)	—	—	1,300,459
2021	2,889,493	1,563,343	—	44,660	—	—	4,497,496
2020	2,132,461	(998,587)	—	110,543	—	—	1,244,418

b) The amounts deducted or added in calculating the total pension benefit adjustments are as follows:

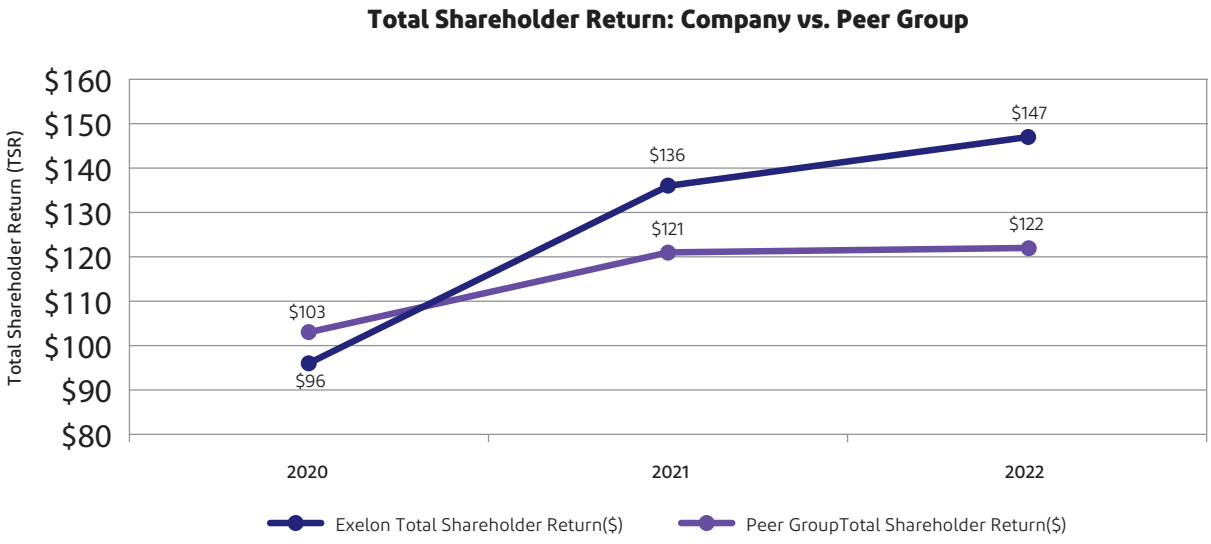
	Average Service Cost ($)	Average Prior Service Cost ($)	Total Average Pension Benefit Adjustments ($)
2022	37,024	—	37,024
2021	139,643	—	139,643
2020	130,458	—	130,458

6. The values in column (f) represent cumulative TSR which is calculated by dividing the sum of the cumulative amount of dividends for the measurement period, assuming dividend reinvestment, and the difference between the Company's share price at the end and the beginning of the measurement period by the Company's share price at the beginning of the measurement period.
7. The values in column (g) represent the peer group TSR. The peer group used for this purpose is the published industry index: Philadelphia Utility Index, a market capitalization-weighted index composed of geographically diverse public utility stocks.
8. The dollar amounts reported in column (h) represent the amount of net income reflected in the Company's audited financial statements for the applicable year.
9. Utility Earned ROE in column (i) is calculated using adjusted (non-GAAP) operating earnings, reflecting all lines of business for the utility businesses (electric distribution, gas distribution, transmission), divided by average shareholder's equity over the year. Management uses operating ROE as a measurement of the actual performance of the company's utility business. While the Company uses numerous financial and non-financial performance measures for the purpose of evaluating performance for the Company's compensation programs, the Company has determined that Utility Earned ROE is the financial performance measure that, in the Company's assessment, represents the most important performance measure (that is not otherwise required to be disclosed in the table) used by the company to link compensation actually paid to the company's NEOs, for the most recently completed fiscal year, to company performance.

Discussion

TSR Absolute and Relative Performance to the UTY

The chart below compares the cumulative TSR outperformance of Exelon to the peer group (UTY).

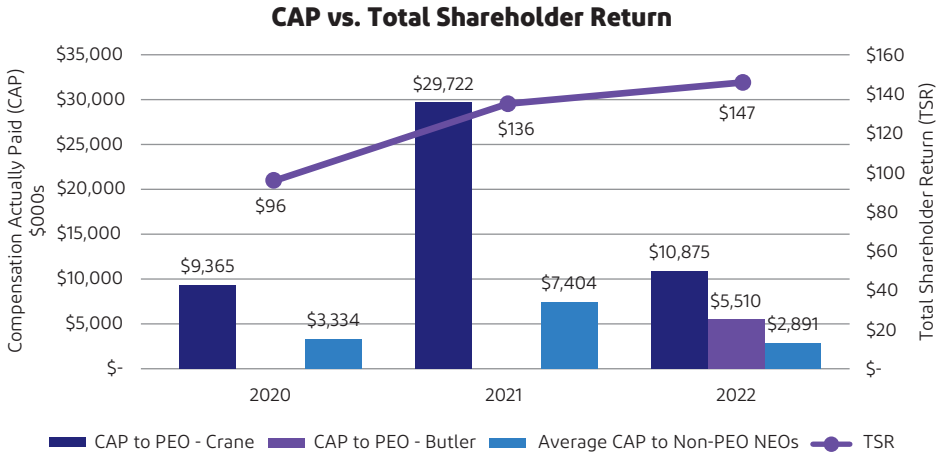


Exelon's Financial Metrics that Align to the Overall Business Strategy to Drive Compensation

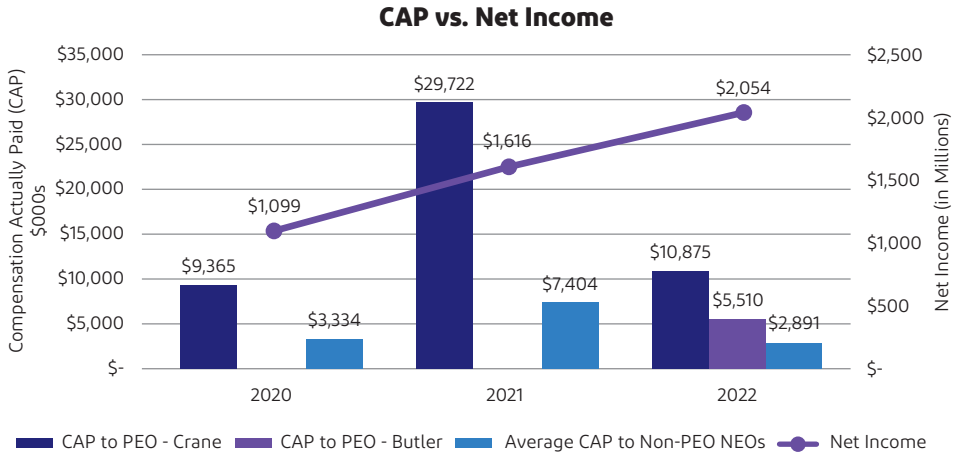
The following are the most important financial performance measures, as determined by the Company, that link compensation actually paid to our NEOs to the Company's performance for the most recently completed fiscal year: Adjusted (non-GAAP) operating EPS*, Exelon Net Income (GAAP), and Utility Earned ROE*.

Exelon's Pay for Performance Alignment

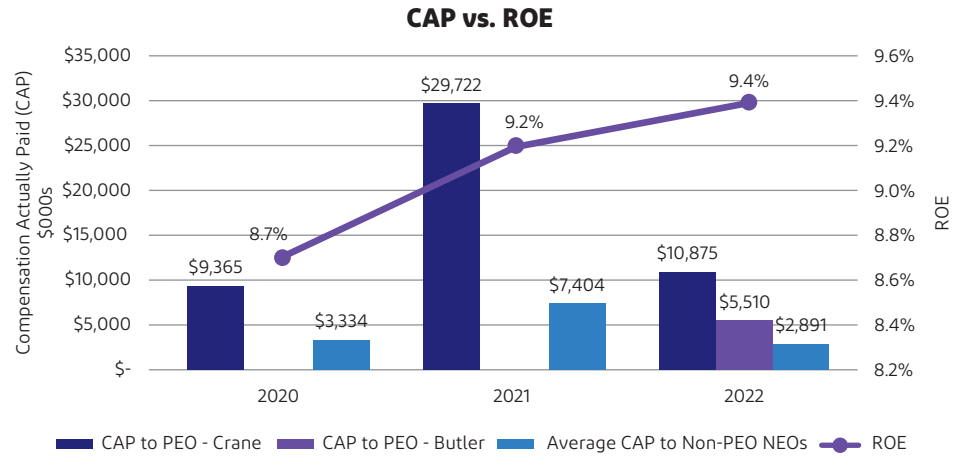
The chart below compares the PEO and other NEOs' Compensation Actually Paid (CAP) to TSR.



The chart below compares the PEO and other NEOs' CAP to Exelon Net Income (GAAP).



The chart below compares the PEO and other NEOs' CAP to Utility Earned ROE.



Advisory Vote on the **Frequency of an Advisory Vote** on **Executive Compensation**

PROPOSAL 4

Say-on-Frequency: Advisory Vote on the Frequency of an Advisory Vote on Executive Compensation

The Board recommends a vote FOR the option of "ONE YEAR" as the preferred frequency for future advisory votes on executive compensation.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 14A of the Exchange Act, and related SEC rules provide that shareholders be given the opportunity to cast an advisory (non-binding) vote on how often the Company should include an advisory vote on executive compensation in its proxy materials for future annual shareholder meetings.

Shareholders may vote to have the say-on-pay vote every year, every two years, or every three years, or shareholders may abstain from voting on this proposal. When shareholders voted on this matter in 2017, the majority voted to hold the say-on-pay vote every year.

Our Board of Directors continues to believe that an annual advisory vote on executive compensation is the appropriate alternative for Exelon. Exelon values the direct input it receives from shareholders on executive compensation and other matters. An annual advisory vote on executive compensation is consistent with our policy of seeking input from and engaging in discussions with our shareholders on corporate governance matters and our executive compensation philosophy, policies, and practices. Given the large number of Exelon shareholders, we are unable to receive direct feedback from all, therefore we believe that an annual advisory vote on the compensation of our named executive officers will allow all of our shareholders to provide us with their general input on our compensation philosophy, policies, and practices. Our Board therefore recommends that you vote for a one-year interval for the advisory vote on executive compensation.

The proxy card provides shareholders with the opportunity to choose among four options (holding the vote every year, every two years, or every three years, or abstaining) and, therefore, shareholders will not be voting to approve or disapprove the Board's recommendation.

The frequency option that receives the most votes from shareholders will be considered by the Board and the Compensation Committee as the shareholders' recommendation as to the frequency of future advisory votes on our compensation philosophy, policies, and practices. However, the outcome of this advisory vote on the frequency of the advisory vote on the compensation of our named executive officers will not be considered as binding.

Exelon expects that the question of frequency of say-on-pay voting will be presented for a vote of shareholders again in 2029.

Ownership of **Exelon Stock**

Stock Ownership of Directors and Executive Officers

The following table shows the ownership of Exelon common stock as of February 1, 2023, by each Director and each NEO in the Summary Compensation Table, and for all Directors and executive officers as a group. No stock option awards are outstanding, and no stock option awards have been granted since 2012.

The shares owned by Directors and executive officers, both individually and as a group, constitute less than 1% of the total number of shares of common stock outstanding.

	Shares Owned Directly or Indirectly (Note 1)	Total Shares Beneficially Owned
Non-Employee Directors		
Anthony Anderson	51,467	51,467
Ann Berzin	157,345	157,345
W. Paul Bowers	9,792	9,792
Marjorie Rodgers Cheshire	14,028	14,028
Carlos Gutierrez	4,274	4,274
Linda Jojo	37,229	37,229
Paul Joskow	85,999	85,999
John Young	20,578	20,578
Named Executive Officers		
Calvin G. Butler Jr.	191,926	191,926
Jeanne Jones	39,088	39,088
Gayle Littleton	61,484	61,484
David Glockner	45,225	45,225
Gil Quiniones	17,688	17,688
Christopher M. Crane	696,341	696,341
Joseph Nigro	157,149	157,149
Directors & Executive Officers as a group (19 people)[2]	**1,814,063**	**1,814,063**

(1) Includes any shares as to which the individual has sole or shared voting or investment power, Directors' deferred stock units granted under the Exelon deferred stock unit plan along with accumulated units from automatic dividend reinvestment, officers' RSUs and deferred shares held in the Stock Deferral Plan, and Directors' and officers' phantom shares held in a non-qualified deferred compensation plan which will be settled in cash on a 1 for 1 basis upon retirement or termination.

(2) Total includes shares held by all Directors and NEOs as well as Exelon executive officers listed in Item 1, "Executive Officers of the Registrants" in Exelon's 2022 Annual Report on Form 10-K filed on February 14, 2023.

Other **Significant Owners** of **Exelon Stock**

Shown in the table below are those owners who are known to Exelon to hold more than 5% of the outstanding common stock. This information is based on the most recent Schedule 13G (or Schedule 13G/A) filings made with the SEC:

- BlackRock, Inc. on January 30, 2023
- Wellington Management Group LLP, Wellington Group Holdings LLP, Wellington Investment Advisors Holdings LLP, and Wellington Management Company LLP jointly filed on February 6, 2023
- State Street Corporation on February 6, 2023
- The Vanguard Group on February 9, 2023

Name and Address of Beneficial Owner	Shares Beneficially Owned	Percentage of Class
Wellington Management Group LLP[1]	**96,329,140**	**9.71%**
Wellington Group Holdings LLP		
Wellington Investment Advisors Holdings LLP		
Wellington Management Company LLP		
c/o Wellington Management Company LLP, 280 Congress Street, Boston, MA 02210		
The Vanguard Group[2]	**91,771,885**	**9.25%**
100 Vanguard Blvd., Malvern, PA 19355		
BlackRock, Inc.[3]	**83,420,998**	**8.4%**
55 East 52nd Street, New York, NY 10055		
State Street Corporation[4]	**58,786,029**	**5.93%**
State Street Financial Center, 1 Lincoln Street, Boston, MA 02111		

(1) Wellington Management Group LLP, Wellington Group Holdings LLP, and Wellington Investment Advisors Holdings LLP disclosed in its Schedule 13G/A that it has sole voting power over 0 shares, shared voting power over 92,398,561 shares, sole dispositive power over 0 shares, and shared dispositive power over 96,329,140 shares. Wellington Management Company LLP disclosed in its Schedule 13G/A that it has sole voting power over 0 shares, shared voting power of 90,430,461 shares, sole dispositive power over 0 shares and shared dispositive power over 91,874,225 shares.

(2) The Vanguard Group disclosed in its Schedule 13G/A that it has sole voting power over 0 shares, shared voting power over 1,316,532 shares, sole dispositive power over 87,727,034 shares, and shared dispositive power over 4,044,851 shares.

(3) BlackRock, Inc. disclosed in its Schedule 13G/A that it has sole voting power over 74,157,679 shares, shared voting power over 0 shares, sole dispositive power over 83,420,998 shares, and shared dispositive power over 0 shares.

(4) State Street Corporation disclosed in its Schedule 13G/A that it has sole voting power over 0 shares, shared voting power over 49,000,024 shares, sole dispositive power over 0 shares, and shared dispositive power over 58,747,137 shares.

Additional **Information**

Shareholder Proposals

Shareholder proposals must be submitted in writing to the Corporate Secretary at the address noted below. Exelon must receive your proposal no earlier than October 17, 2023, and no later than November 16, 2023. Exelon will consider only proposals meeting the requirements of the applicable rules of the SEC. Under our bylaws, the proposal must also disclose fully all ownership interests the proponent has in Exelon and contain a representation as to whether the shareholder has any intention of delivering a proxy statement to the other shareholders of Exelon. We strongly encourage any shareholder interested in submitting a proposal to contact our Corporate Secretary in advance of this deadline to discuss the proposal. Submitting a shareholder proposal does not guarantee that we will include it in our proxy statement. Our Corporate Governance Committee reviews all shareholder proposals and makes recommendations to the Board for action on such proposals.

Director Nominations

A shareholder who wishes to recommend a candidate (including a self-nomination) to be considered by the Corporate Governance Committee for nomination as a Director must submit the recommendation in writing to the Chair of the Corporate Governance Committee c/o the Corporate Secretary at the address noted below. The Corporate Governance Committee will consider all recommended candidates and self-nominees when making its recommendation to the full Board of Directors to nominate a slate of Directors for election.

A shareholder may also use one of two alternative provisions of Exelon's bylaws to nominate a candidate for election as a director:

- **Method 1:** Notice of the proposed nomination must be received by Exelon no earlier than October 17, 2023, and no later than November 16, 2023. The notice must include information required under the bylaws, including: (a) information about the nominating shareholder, (b) information about the candidate that would be required to be included in a proxy statement under the rules of the SEC, (c) a representation as to whether the shareholder intends to deliver a proxy statement to the other shareholders of Exelon, and (d) the signed consent of the candidate to serve as a Director of Exelon, if elected. Under this procedure, any shareholder can nominate any number of candidates for director for election at the annual meeting, but the shareholder's nominees will not be included in Exelon's proxy statement or form of proxy for the meeting.
- **Method 2 (Proxy-Access):** Subject to the requirements set forth in the bylaws, any shareholder or group of up to 20 shareholders holding both investment and voting rights with respect to at least 3% of Exelon's outstanding common stock continuously for at least three years may nominate up to 20% of the Exelon Directors to be elected. The nominating shareholder(s) must provide notice of the proposed nomination and other required information must be received by Exelon no earlier than October 17, 2023, and no later than November 16, 2023. The notice must include information required under the bylaws, including: (a) information about the nominating shareholder(s), (b) information about the candidate(s) including information that would be required to be included in a proxy statement under the rules of the SEC, and (c) the signed consent of each candidate to serve as a Director of Exelon, if elected. Under this procedure, the shareholder's nominees will be included in the Exelon proxy statement and the form of proxy for the meeting.

Exelon will not consider any proposal or nomination that does not comply with the requirements of the SEC and Exelon's bylaws. Exelon's bylaws are amended from time to time. Please review the bylaws posted on our website to determine if any changes to the nomination process or requirements have been made.

Availability of Corporate Documents

The Exelon Corporate Governance Principles, the Exelon Code of Business Conduct, the Exelon Amended and Restated Bylaws, and the charters for each of the standing Committees of the Board of Directors are available on the Exelon website at www.exeloncorp.com. Copies are available without charge to any shareholder who requests them by writing to Exelon's Corporate Secretary at the address noted below. In addition, our political contributions guidelines, biographical information concerning each Director, and all our filings submitted to the SEC are also available on our website. Web links throughout this document are provided for convenience only and are not intended to be active hyperlinks to the referenced websites. Information contained on our website is not part of this proxy statement.

Exelon Corporation
Attn: Office of the Corporate Secretary
10 South Dearborn Street,
P.O. Box 805398,
Chicago, Illinois 60680-5398

Voting Recommendations & Standards

As of March 1, 2023, there were 994,298,998 shares of common stock outstanding and entitled to vote. Each share of common stock is entitled to one vote on each matter properly brought before the meeting.

The following table summarizes the Board's voting recommendations for each proposal, the vote required for each proposal to pass and the effect of abstentions and uninstructed shares on each proposal. The presence of the holders of a majority of the outstanding shares of common stock entitled to vote at the annual meeting, in person or represented by proxy, is necessary to constitute a quorum.

Proposals		Board Recommendation	Voting Standard	Abstentions	Broker Non-votes
1	Election of 8 Directors	✓ **FOR ALL**	Majority of votes cast for each Director	No Effect	No Effect
2	Ratification of PricewaterhouseCoopers LLP as Exelon's Independent Auditor for 2023	✓ **FOR**	Majority of votes cast	No Effect	Discretionary Voting Permitted[1]
3	Advisory Vote to approve Executive Compensation (Say-on-Pay)	✓ **FOR**	Majority of votes cast	No Effect	No Effect
4	Advisory Vote on Frequency of an Advisory Vote on Executive Compensation (Say-on-Frequency)	✓ **FOR One year**	Majority of votes cast	No Effect	No Effect

(1) Brokers and banks have discretionary authority to vote shares in the absence of instructions on matters considered "routine," such as the ratification of the appointment of the auditors. They do not have discretionary authority to vote shares in the absence of instructions on "non-routine" matters, such as the election of directors, say-on-pay, and say-on-frequency. Broker non-votes will not be counted as shares entitled to vote on any of the foregoing non-routine matters and will have no impact on the vote's outcome.

Abandoned Property

Escheatment is the process through which abandoned or unclaimed assets are turned over to the state in accordance with each state's abandoned property laws. Every year, shareholder accounts can be deemed "abandoned" simply because the account owner has not initiated any action with respect to the account in several years. After a period of time, the institution holding the account is legally required to turn the assets over to the state. When Exelon's records show that you have not voted your shares or otherwise initiated any contact (as defined by each state's statute) within a certain number of years, we are required to send you a letter notifying you of the pending action by the state and asking you to contact us immediately so that we may record proof that you are still in control of your account. Many states further require us to use specific legal wording in the letter, and as a result many people assume that the warning letter is an attempt at fraud and ignore it.

Exelon's transfer agent is Equinity Trust Company, which does business as EQ Shareowner Services. If you ever receive a letter from **EQ Shareowner Services** or their affiliate **EQ Unify** based in St. Paul, Minnesota regarding your Exelon stock account, PLEASE TAKE IT SERIOUSLY. Please read the letter carefully to consider your options. You may call 1-800-626-8729 to verify your identity to one of EQ's account representatives OR you may also contact Exelon's Corporate Secretary at the address shown above to confirm its authenticity.

Frequently Asked **Questions**

Q: How can I participate in the annual meeting?

Exelon's 2023 Annual Meeting will be held exclusively via live webcast. There will be no physical meeting location for shareholders to attend; however, we are committed to ensuring that shareholders will be afforded the same rights and opportunities to participate as they would at an in-person meeting. You will be able to attend the meeting online, vote your shares electronically and submit questions before or during the virtual Annual Meeting.

To participate in the Annual Meeting, visit: **www.virtualshareholdermeeting.com/EXC2023** on April 25, 2023, and enter the 16-digit control number included on your proxy card, your Notice of Internet Availability of the Proxy Materials or the instructions that were included with your proxy materials.

The Annual Meeting will begin promptly at 9:00 a.m. ET on April 25, 2023. Online check-in will begin at 8:45 a.m. ET. Please allow ample time for the online check-in process.

Q: What is the pre-meeting forum?

One of the benefits of holding the Annual Meeting via live webcast is that it allows us to communicate more effectively with shareholders via a pre-meeting forum that you can access by visiting **www.proxyvote.com**. On our pre-meeting forum, you can submit a question in writing in advance of the Annual Meeting and access copies of our proxy materials. Through the pre-meeting forum, we can respond to more questions than we were able to respond to at previous in-person meetings.

Appropriate questions submitted by shareholders will be read during the Q&A portion of the Annual Meeting unedited. If multiple questions are submitted on the same topic, we will summarize and respond collectively. Depending on the number of questions submitted, we may not be able to answer all questions during the Annual Meeting. We will post answers to all appropriate questions received in advance of or during the Annual Meeting, including those questions that we do not have time to answer during the Annual Meeting, on the Investor Relations section of our website after the Annual Meeting: **investors.exeloncorp.com/**.

Q: What if I have technical difficulties or trouble accessing the virtual Annual Meeting?

If you have any difficulty accessing the live webcast of the Annual Meeting during the online check-in process or during the Annual Meeting itself, please call the technical support number that will be posted on the virtual Annual Meeting log-in page.

Q: How do I vote?

Your vote is important. We encourage you to vote promptly. You may vote in the following ways:

- By Internet: If you have internet access, you may vote by internet. You will need the control number included on your Notice Regarding the Availability of Proxy Materials, proxy card or voting instruction form (VIF), as applicable. You may vote in a secure manner at **www.proxyvote.com** 24 hours a day. You will be able to confirm that the system has properly recorded your votes, and you do not need to return your proxy card or VIF.
- By Telephone: If you are in the U.S. or Canada, you can vote by calling **1-800-690-6903** (toll free) and following the recorded instructions. You will need the control number included on your Notice Regarding the Availability of Proxy Materials, proxy card or VIF, as applicable. You may vote by telephone 24 hours a day. The telephone voting system has easy-to-follow instructions and allows you to confirm that the system has properly recorded your votes. If you vote by telephone, you do not need to return your proxy card or your VIF.
- By Mail: If you are a holder of record and received a full paper set of materials, you can vote by marking, dating, and signing your proxy card and returning it by mail in the postage-paid envelope provided. If you are a beneficial holder of shares held of record by a bank or broker or other street name, please complete and mail the VIF provided by the holder of record.
- Online during the Annual Meeting: If you attend the virtual Annual Meeting, you may vote online during the meeting prior to the closing of the polls.

Q: Could other matters be decided at the Annual Meeting?

As of the date this proxy statement went to press, we knew of no matters to be raised at the Annual Meeting other than those referred to in this proxy statement.

Q: Who is entitled to vote?

Holders of Exelon common stock as of 5:00 p.m. ET on March 1, 2023 are entitled to receive notice of the Annual Meeting and to vote their shares. Each share of common stock is entitled to one vote on each matter.

Q: How many votes do you need to hold the Annual Meeting?

A quorum is required to transact business at the Annual Meeting. Pursuant to our bylaws, shareholders holding shares of stock constituting at least a majority of the votes entitled to be cast constitutes a quorum. Shareholders may be present virtually or may be represented by proxy. Abstentions that are marked on the proxy form and broker non-votes are included for the purpose of determining a quorum but shares that otherwise are not voted are not counted toward a quorum.

Q: What are broker non-votes?

Broker non-votes occur when a beneficial owner of shares held in "street name" does not give instructions to the broker, bank or other nominee holding the shares as to how to vote on matters deemed "non-routine." Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker, bank or other nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker, bank, or other nominee can still vote the shares with respect to matters that are considered to be "routine," but cannot vote the shares with respect to "non-routine" matters.

Q: Where can I view a replay of the Annual Meeting and the answers to questions submitted by shareholders?

A replay of the Annual Meeting webcast, as well as answers to questions submitted by shareholders before or during the Annual Meeting will be available for one year following the date of the meeting on the investor relations page of our website: investors.exeloncorp.com.

Q: Can I change my vote?

Yes. If you are a holder of record, you may change your vote by submitting a subsequent proxy, by written request received by the Corporate Secretary prior to the Annual Meeting or by attending the Annual Meeting and voting your shares. If your shares are held through a broker, bank, or other nominee, you must follow the instructions of your broker, bank or other nominee to revoke your voting instructions.

Q: What is the difference between holding shares as a "shareholder of record" and as a "beneficial owner"?

If your shares are registered directly in your name with Exelon's transfer agent, EQ Shareowner Services, you are the "shareholder of record" of those shares. This Notice of Annual Meeting and Proxy Statement and accompanying documents have been provided directly to you by Exelon.

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the "beneficial owner" of those shares and your shares may be referred to as being held in "street name." This Notice of Annual Meeting and Proxy Statement and the accompanying documents have been forwarded to you by your broker, bank or other holder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record how to vote your shares by using the voting instruction card or by following their instructions for voting by telephone or on the internet.

Q: Who will count the votes?

Representatives of Broadridge Financial Communications and Exelon's Office of Corporate Governance will tabulate the votes and act as inspectors of the election.

Q: Where can I find the voting results?

We will report the voting results in a Form 8-K to be filed with the SEC within four business days following our Annual Meeting.

Q: If I am a participant in the Exelon Savings Plan (401(k) retirement plan), how do I vote shares held in my plan account?

If you are a participant in the Exelon Savings Plan, you have the right to provide voting directions to the plan trustee, Northern Trust, by submitting your proxy card for those shares of Exelon Corporation common stock that are held by the plan and allocated to your account. Plan participant proxies are treated confidentially. If you elect not to provide voting directions to the plan trustee, the plan trustee will vote the Exelon shares allocated to your plan account in the same proportion as those shares held by the plan for which the plan trustee has received voting directions from other plan participants. The plan trustee will follow participant's voting directions and the plan procedure for voting in the absence of voting directions, unless it determines that to do so would be contrary to the Employee Retirement Income Security Act of 1974 (ERISA). Because the plan trustee must process voting instructions from participants before the date of the Annual Meeting, you must deliver your voting instructions no later than April 20, 2023, at 11:59pm ET.

Q: Can I access the notice of annual meeting, proxy statement and annual report (Form 10-K) on the internet?

As permitted by SEC rules, we are making this proxy statement and our annual report available to shareholders electronically via the internet at **www.proxyvote.com**. On or around March 15, 2023, we began mailing to our shareholders a notice containing instructions on how to access this proxy statement and our annual report and how to vote online. If you received that notice, you will not receive a printed copy of the proxy materials unless you request it by following the instructions for requesting such materials contained on the notice. In addition, shareholders may request to receive proxy materials in printed form or electronically by email on an ongoing basis. Exelon encourages shareholders to take advantage of the availability of the proxy materials on the internet in order to save Exelon the cost of producing and mailing documents to you, reduce the amount of mail you receive and help preserve resources.

Shareholders of record: If you vote on the internet at **www.proxyvote.com**, simply follow the prompts for enrolling in the electronic delivery service.

Beneficial owners: You also may be able to receive copies of these documents electronically. Please check the information provided in the proxy materials sent to you by your bank, broker or other holder of record regarding the availability of this service.

Q: What is "householding" and how does it affect me?

Shareholders of record who have the same address and last name may receive only one copy of this Notice of Annual Meeting and Proxy Statement and the 2022 Annual Report, unless we are notified that one or more of these shareholders wishes to continue receiving individual copies. This procedure will reduce our printing costs and postage fees. Shareholders who receive proxy materials in paper form will continue to receive separate proxy cards/voting instruction forms to vote their shares. Shareholders who receive the Notice of Internet Availability of Proxy Materials will receive instructions on submitting their proxy cards/voting instruction form via the internet.

If you would like to change your householding election, request that a single copy of the proxy materials be sent to your address, or request a separate copy of the proxy materials, please contact our distribution agent, Broadridge Financial Solutions, by writing to Broadridge, Householding Department, 51 Mercedes Way, Edgewood, New York 11717 or calling 1-866-540-7095. If you hold your shares in street name, please contact your bank, broker, or other record holder to request information about householding.

Q: Why did I receive more than one proxy card?

If you receive more than one proxy card/voting instruction form, your shares are probably registered in more than one account or you may hold shares both as a registered shareholder and through the Exelon 401(k) Savings Plan. You should vote each proxy card/voting instruction form you receive.

Q: Who will pay for the cost of this proxy solicitation?

Exelon will pay the cost of soliciting proxies. Proxies may be solicited on our behalf by Directors, officers or employees in person or by telephone, electronic transmission and facsimile transmission. We have hired Morrow Sodali, LLC (Morrow) to distribute and solicit proxies. We will pay Morrow a fee of $20,000 plus reasonable expenses for these services.

Appendix A

Definitions of Non-GAAP Measures

Exelon reports its financial results in accordance with accounting principles generally accepted in the United States (GAAP) and supplements its reporting with certain non-GAAP financial measures, including:

- Adjusted (non-GAAP) operating earnings per share
- Adjusted operating earnings
- Operating ROE
- CFO (Cash from Operations)/Debt
- FFO (Funds from Operations)/Debt

These non-GAAP financial measures are not a presentation defined under GAAP and may not be comparable to other companies' presentations. Exelon provides these non-GAAP financial measures as supplemental information and should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP measures.

This information is intended to enhance an investor's overall understanding of period over period financial results and provide an indication of Exelon's baseline operating performance by excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this information is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets, and planning and forecasting of future periods.

Adjusted (non-GAAP) operating earnings per share excludes certain costs, expenses, gains and losses and other specified items considered by management to be not directly related to the ongoing operations of the business.

The table below reconciles reported GAAP earnings per share to adjusted (non-GAAP) operating earnings per share for 2022 (amounts may not add due to rounding).

2022 GAAP Net Income	$ 2.08
Adjustments:	
Asset impairments	0.04
Separation costs	0.02
Income tax-related adjustments	0.12
2022 Adjusted (non-GAAP) Operating Earnings Per Share	$ 2.27

Adjusted operating earnings excludes certain costs, expenses, gains and losses and other specified items considered by management to be not directly related to the ongoing operations of the business.

The table below reconciles between Net income attributable to common shareholders from continuing operations as determined in accordance with GAAP and adjusted (non-GAAP) operating earnings for 2022 (amounts may not add due to rounding).

Net Income from Continuing Operations	$ 2,054
Adjustments:	
Market-to-market impact of economic hedging activities	4
Asset impairments	38
Asset retirement obligation	(4)
ERP system implementation costs	1
Separation costs	24
Income tax-related adjustments	122
2022 Adjusted operating earnings	$ 2,239

Operating ROE is calculated using operating net income divided by average equity for the period. The operating income reflects all lines of business for the utility business (electric distribution, gas distribution, transmission).

CFO (Cash from Operations)/Debt is a coverage ratio that compares cash flow from operations adjusted for common dividends and change in cash on hand to total debt. The ratio is calculated following Moody's current methodology.

FFO (Funds from Operations)/Debt is a coverage ratio that compares funds from operations to total debt. The ratio is calculated following S&P's current methodology.

The most directly comparable GAAP measure to CFO and FFO is GAAP Cash Flow from Operations and the most directly comparable GAAP measure to Debt is Long-Term Debt plus Short-Term Borrowings. Management uses CFO/Debt (and previously, FFO/Debt) to evaluate financial risk by measuring the company's ability to service debt using cash from operations. We believe the measure enhances an investor's overall understanding of the creditworthiness of Exelon's operating companies.

Due to the forward-looking nature of some forecasted non-GAAP measures, information to reconcile the forecasted adjusted (non-GAAP) measures to the most directly comparable GAAP measure may not be currently available; therefore, management is unable to reconcile these measures.

Appendix B

Categorical Standards of Independence

The Board has determined that the following categories of relationships do not affect an Exelon director's independence unless any such relationship affects a director's independence by reason of the independence standards set forth in the listing rules of the Nasdaq stock market. The categorical standards are intended to assist the Board with independence determinations in connection with relationships not specifically covered by the independence standards set forth in the listing rules of the Nasdaq stock market. The Board may determine that other relationships do not affect independence.

Immaterial position and ownership interest: The relationship arises solely from (1) such director's (or a family member's) position as a director, trustee, advisory board member, or similar position with another company or organization; (2) such director's (or a family member's) direct or indirect ownership of a 10% or less equity interest in another company or organization; or (3) a combination of the relationships described in clauses (1) and (2).

Immaterial business relationships: A director's (or a family member's) relationship with another company that participates in a transaction with the Company or its consolidated subsidiaries where: the rates or charges involved are determined by competitive bid or are competitive with current prices generally available to the public for similar goods and services; the transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; the transaction involves services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services, or commercial banking services provided on arm's length terms and in the ordinary course of business; the provider of goods or services in a transaction is determined by the purchaser to be the only practical source to obtain the goods or services; or the interest arises solely from direct or indirect ownership of debt or equity securities of the Company or its subsidiaries where all holders of the same class of securities have the same rights and receive the same benefits on a pro rata basis.

Immaterial transactions: A director's (or family member's) relationship with another company that has made payments to, or received payments from, the Company for property or services in an amount which, in the last fiscal year, does not exceed the greater of $200,000 or 5% of such other company's consolidated gross revenues for such year.

Immaterial indebtedness: A director's relationship as an executive officer, or where any member of his or her family is an executive officer, of any other company which is indebted to the Company, or to which the Company is indebted, in each case excluding normal trade debt, and the total principal amount of such indebtedness is less than the greater of $200,000 or 5% of the total consolidated assets of such other company.

Immaterial investment: A director's (or family member's) relationship with another company (1) in which Exelon or any of its consolidated subsidiaries (including any benefit plan or arrangement sponsored by Exelon or its consolidated subsidiaries), or any nuclear decommissioning trust or other segregated investment fund maintained by Exelon or its subsidiaries makes investments or places funds for investment management or (2) which underwrites or invests in securities issued by Exelon or any of its consolidated subsidiaries, all in the ordinary course of such other company's business on terms and under circumstances similar to those available to or from entities unaffiliated with such director.

Immaterial non-profit relationships: A director's relationship as a current employee or where any family member serves as executive officer of a charitable or educational organization which receives contributions from the Company or any of its consolidated subsidiaries in its most recent fiscal year of less than the greater of $200,000 or 5% of that organization's consolidated gross revenues in that year. In any other circumstances, a director's relationship with a charitable or educational organization to which the Company or any of its consolidated subsidiaries makes contributions where the aggregate contributions made by the Company or any of its consolidated subsidiaries to that organization in its most recent fiscal year were less than the greater of $1 million or 5% of that organization's consolidated gross receipts for that year.

Appendix C

Key Terms & Acronyms

ACE	Atlantic City Electric Company[1]
AIP	Annual incentive plan
ARC	Audit and Risk Committee
ASC	Accounting Standards Codification
BGE	Baltimore Gas and Electric Company[1]
CAIDI	Customer Average Interruption Duration Index
CAM	Critical Audit Matters
CBPP	Cash Balance Pension Plan
CC	Compensation Committee
CD&A	Compensation Discussion and Analysis
CGC	Corporate Governance Committee
CISS	Corporate & Information Security Services
ComEd	Commonwealth Edison Company[1]
CSI	Customer Satisfaction Index
DEI	Diversity, equity, and inclusion
DPL	Delmarva Power & Light Company[1]
E&S	Environment and social
EPS	Earnings per share
ERG	Employee resource group
ERISA	Employee Retirement Income Security Act of 1974
ESG	Environment, social and governance
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FFO	Funds from operations
GAAP	Generally accepted accounting principles
GHG	Greenhouse gases
GRI	Global Reporting Initiative
IRS	Internal Revenue Service
LTIP	Long-term incentive plan
NEO	Named executive officer
O&M	Operations and maintenance
PCAOB	Public Company Accounting Oversight Board
PECO	PECO Energy Company[1]
Pepco	Potomac Electric Power Company[1]
PEO	Principal executive officer
PHI	Pepco Holdings LLC[1]
PwC	PricewaterhouseCoopers LLP
RECF	Racial Equity Capital Fund
ROE	Return on equity
RSU	Restricted stock unit
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SAS	Service Annuity System
SASB	Sustainability Accounting Standards Board
SEC	Securities and Exchange Commission
SMRP	Supplemental Management Retirement Plan
SMSP	Senior Management Severance Plan
STEM	Science, technology, engineering, and mathematics
T&D	Transmission and distribution
TCFD	Task Force on Climate-Related Financial Disclosures
TSR	Total shareholder return
UTY	PHLX utility sector index
VIF	Voting instruction form
VWAP	Volume weighted average price

(1) An Exelon subsidiary company.

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

exelon[SM]

Thank you for being a shareholder!

Useful Links & Phone Numbers:

Resources for the 2023 Annual Meeting:

To vote in advance of the 2023 Annual Meeting:	**proxyvote.com**
To attend the 2023 Annual Meeting:	**virtualshareholdermeeting.com/EXC2023**
To view shareholder Q&A:	**investors.exeloncorp.com/events-and-presentations**
To view a replay of the 2023 meeting:	**investors.exeloncorp.com/events-and-presentations**
To vote your shares over the phone:	1-800-690-6903

Other Resources:

To view copies of our corporate documents:	**exeloncorp.com/leadership-and-governance/governance-overview**
To view our latest Sustainability Report:	**exeloncorp.com/sustainability**
To change your householding election:	1-866-540-7095 (Broadridge Financial Solutions)
To contact our transfer agent:	1-800-626-8729 (EQ Shareowner Services)
For institutional analysts and investor inquiries:	1-312-394-2345
To report an ethics concern or question:	1-800-233-8442

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2023
or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Name of Registrant; State or Other Jurisdiction of Incorporation; Address of Principal Executive Offices; and Telephone Number	IRS Employer Identification Number
001-16169	EXELON CORPORATION (a Pennsylvania corporation) 10 South Dearborn Street P.O. Box 805379 Chicago, Illinois 60680-5379 (800) 483-3220	23-2990190
001-01839	COMMONWEALTH EDISON COMPANY (an Illinois corporation) 10 South Dearborn Street Chicago, Illinois 60603-2300 (312) 394-4321	36-0938600
000-16844	PECO ENERGY COMPANY (a Pennsylvania corporation) P.O. Box 8699 2301 Market Street Philadelphia, Pennsylvania 19101-8699 (215) 841-4000	23-0970240
001-01910	BALTIMORE GAS AND ELECTRIC COMPANY (a Maryland corporation) 2 Center Plaza 110 West Fayette Street Baltimore, Maryland 21201-3708 (410) 234-5000	52-0280210
001-31403	PEPCO HOLDINGS LLC (a Delaware limited liability company) 701 Ninth Street, N.W. Washington, District of Columbia 20068-0001 (202) 872-2000	52-2297449
001-01072	POTOMAC ELECTRIC POWER COMPANY (a District of Columbia and Virginia corporation) 701 Ninth Street, N.W. Washington, District of Columbia 20068-0001 (202) 872-2000	53-0127880
001-01405	DELMARVA POWER & LIGHT COMPANY (a Delaware and Virginia corporation) 500 North Wakefield Drive Newark, Delaware 19702-5440 (202) 872-2000	51-0084283
001-03559	ATLANTIC CITY ELECTRIC COMPANY (a New Jersey corporation) 500 North Wakefield Drive Newark, Delaware 19702-5440 (202) 872-2000	21-0398280

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
EXELON CORPORATION:		
Common Stock, without par value	EXC	The Nasdaq Stock Market LLC
PECO ENERGY COMPANY:		
Trust Receipts of PECO Energy Capital Trust III, each representing a 7.38% Cumulative Preferred Security, Series D, $25 stated value, issued by PECO Energy Capital, L.P. and unconditionally guaranteed by PECO Energy Company	EXC/28	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Title of Each Class

COMMONWEALTH EDISON COMPANY:

Common Stock Purchase Warrants (1971 Warrants and Series B Warrants)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Exelon Corporation	Yes ☐	No ☒
Commonwealth Edison Company	Yes ☐	No ☒
PECO Energy Company	Yes ☒	No ☐
Baltimore Gas and Electric Company	Yes ☒	No ☐
Pepco Holdings LLC	Yes ☐	No ☒
Potomac Electric Power Company	Yes ☐	No ☒
Delmarva Power & Light Company	Yes ☐	No ☒
Atlantic City Electric Company	Yes ☐	No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Exelon Corporation	Yes ☐	No ☒
Commonwealth Edison Company	Yes ☐	No ☒
PECO Energy Company	Yes ☐	No ☒
Baltimore Gas and Electric Company	Yes ☐	No ☒
Pepco Holdings LLC	Yes ☐	No ☒
Potomac Electric Power Company	Yes ☐	No ☒
Delmarva Power & Light Company	Yes ☐	No ☒
Atlantic City Electric Company	Yes ☐	No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Exelon Corporation	Large Accelerated Filer ☒	Accelerated Filer ☐	Non-accelerated Filer ☐	Smaller Reporting Company ☐	Emerging Growth Company ☐
Commonwealth Edison Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
PECO Energy Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Baltimore Gas and Electric Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Pepco Holdings LLC	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Potomac Electric Power Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Delmarva Power & Light Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Atlantic City Electric Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The estimated aggregate market value of the voting and non-voting common equity held by nonaffiliates of each registrant as of June 30, 2023 was as follows:

Exelon Corporation Common Stock, without par value	$40,536,144,047
Commonwealth Edison Company Common Stock, $12.50 par value	No established market
PECO Energy Company Common Stock, without par value	None
Baltimore Gas and Electric Company, without par value	None
Pepco Holdings LLC	Not applicable
Potomac Electric Power Company	None
Delmarva Power & Light Company	None
Atlantic City Electric Company	None

The number of shares outstanding of each registrant’s Common stock as of January 31, 2024 was as follows:

Exelon Corporation Common Stock, without par value	999,538,542
Commonwealth Edison Company Common Stock, $12.50 par value	127,021,399
PECO Energy Company Common Stock, without par value	170,478,507
Baltimore Gas and Electric Company Common Stock, without par value	1,000
Pepco Holdings LLC	Not applicable
Potomac Electric Power Company Common Stock, $0.01 par value	100
Delmarva Power & Light Company Common Stock, $2.25 par value	1,000
Atlantic City Electric Company Common Stock, $3.00 par value	8,546,017

Documents Incorporated by Reference

Portions of the Exelon Proxy Statement for the 2023 Annual Meeting of Shareholders and the Commonwealth Edison Company 2023 Information Statement are incorporated by reference in Part III.

PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC, Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company meet the conditions set forth in General Instruction I(1)(a) and (b) of Form 10-K and are therefore filing this Form in the reduced disclosure format.

TABLE OF CONTENTS

		Page No.
GLOSSARY OF TERMS AND ABBREVIATIONS		1
FILING FORMAT		5
CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION		5
WHERE TO FIND MORE INFORMATION		5
PART I		
ITEM 1.	BUSINESS	6
	General	6
	Utility Operations	7
	Exelon's Strategy and Outlook	10
	Employees	11
	Environmental Matters and Regulation	13
	Executive Officers of the Registrants	18
ITEM 1A.	RISK FACTORS	20
ITEM 1B.	UNRESOLVED STAFF COMMENTS	31
ITEM 1C.	CYBERSECURITY	31
ITEM 2.	PROPERTIES	33
ITEM 3.	LEGAL PROCEEDINGS	34
ITEM 4.	MINE SAFETY DISCLOSURES	34
PART II		
ITEM 5.	MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES	35
ITEM 6.	[RESERVED]	39
ITEM 7.	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	40
	Exelon Corporation	40
	Executive Overview	40
	Financial Results of Operations	40
	Significant 2023 Transactions and Recent Developments	42
	Other Key Business Drivers and Management Strategies	45
	Critical Accounting Policies and Estimates	47
	Results of Operations	55
	Commonwealth Edison Company	55
	PECO Energy Company	58
	Baltimore Gas and Electric Company	62
	Pepco Holdings LLC	65
	Potomac Electric Power Company	66
	Delmarva Power & Light Company	69
	Atlantic City Electric Company	73
	Liquidity and Capital Resources	75
ITEM 7A.	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	91
ITEM 8.	FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	93
	Exelon Corporation	
	Consolidated Statements of Operations and Comprehensive Income	117

	Page No.
Consolidated Statements of Cash Flows	118
Consolidated Balance Sheets	119
Consolidated Statements of Changes in Shareholders' Equity	121
Commonwealth Edison Company	
Consolidated Statements of Operations and Comprehensive Income	122
Consolidated Statements of Cash Flows	123
Consolidated Balance Sheets	124
Consolidated Statements of Changes in Shareholders' Equity	126
PECO Energy Company	
Consolidated Statements of Operations and Comprehensive Income	127
Consolidated Statements of Cash Flows	128
Consolidated Balance Sheets	129
Consolidated Statements of Changes in Shareholder's Equity	131
Baltimore Gas and Electric Company	
Statements of Operations and Comprehensive Income	132
Statements of Cash Flows	133
Balance Sheets	134
Statements of Changes in Shareholder's Equity	136
Pepco Holdings LLC	
Consolidated Statements of Operations and Comprehensive Income	137
Consolidated Statements of Cash Flows	138
Consolidated Balance Sheets	139
Consolidated Statements of Changes in Member's Equity	141
Potomac Electric Power Company	
Statements of Operations and Comprehensive Income	142
Statements of Cash Flows	143
Balance Sheets	144
Statements of Changes in Shareholder's Equity	146
Delmarva Power & Light Company	
Statements of Operations and Comprehensive Income	147
Statements of Cash Flows	148
Balance Sheets	149
Statements of Changes in Shareholder's Equity	151
Atlantic City Electric Company	
Consolidated Statements of Operations and Comprehensive Income	152
Consolidated Statements of Cash Flows	153
Consolidated Balance Sheets	154
Consolidated Statements of Changes in Shareholder's Equity	156
Combined Notes to Consolidated Financial Statements	
1. Significant Accounting Policies	157
2. Discontinued Operations	164

		Page No.
	3. Regulatory Matters	167
	4. Revenue from Contracts with Customers	189
	5. Segment Information	191
	6. Accounts Receivable	198
	7. Property, Plant, and Equipment	200
	8. Jointly Owned Electric Utility Plant	202
	9. Asset Retirement Obligations	203
	10. Leases	203
	11. Asset Impairments	209
	12. Intangible Assets	209
	13. Income Taxes	211
	14. Retirement Benefits	218
	15. Derivative Financial Instruments	230
	16. Debt and Credit Agreements	234
	17. Fair Value of Financial Assets and Liabilities	242
	18. Commitments and Contingencies	249
	19. Shareholders' Equity	258
	20. Stock-Based Compensation Plans	259
	21. Changes in Accumulated Other Comprehensive Income (Loss)	263
	22. Supplemental Financial Information	264
	23. Related Party Transactions	269
ITEM 9.	**CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**	272
ITEM 9A.	**CONTROLS AND PROCEDURES**	272
ITEM 9B.	**OTHER INFORMATION**	272
ITEM 9C.	**DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**	272
PART III		
ITEM 10.	**DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE**	273
ITEM 11.	**EXECUTIVE COMPENSATION**	274
ITEM 12.	**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**	275
ITEM 13.	**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE**	276
ITEM 14.	**PRINCIPAL ACCOUNTING FEES AND SERVICES**	277
PART IV		
ITEM 15.	**EXHIBITS, FINANCIAL STATEMENT SCHEDULES**	278
ITEM 16.	**FORM 10-K SUMMARY**	322
SIGNATURES		323
	Exelon Corporation	323
	Commonwealth Edison Company	324
	PECO Energy Company	325
	Baltimore Gas and Electric Company	326
	Pepco Holdings LLC	327
	Potomac Electric Power Company	328
	Delmarva Power & Light Company	329
	Atlantic City Electric Company	330

GLOSSARY OF TERMS AND ABBREVIATIONS

Exelon Corporation and Related Entities	
Exelon	Exelon Corporation
ComEd	Commonwealth Edison Company
PECO	PECO Energy Company
BGE	Baltimore Gas and Electric Company
Pepco Holdings or PHI	Pepco Holdings LLC (formerly Pepco Holdings, Inc.)
Pepco	Potomac Electric Power Company
DPL	Delmarva Power & Light Company
ACE	Atlantic City Electric Company
Registrants	Exelon, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE, collectively
Utility Registrants	ComEd, PECO, BGE, Pepco, DPL, and ACE, collectively
Legacy PHI	PHI, Pepco, DPL, ACE, PES, and PCI, collectively
BSC	Exelon Business Services Company, LLC
EEDC	Exelon Energy Delivery Company, LLC
Exelon Corporate	Exelon in its corporate capacity as a holding company
Exelon Enterprises	Exelon Enterprises Company, LLC
Exelon InQB8R	Exelon InQB8R, LLC
PCI	Potomac Capital Investment Corporation and its subsidiaries
PEC L.P.	PECO Energy Capital, L.P.
PECO Trust III	PECO Energy Capital Trust III
PECO Trust IV	PECO Energy Capital Trust IV
Pepco Energy Services or PES	Pepco Energy Services, Inc. and its subsidiaries
PHI Corporate	PHI in its corporate capacity as a holding company
PHISCO	PHI Service Company
UII	Unicom Investments, Inc.
Former Related Entities	
Constellation	Constellation Energy Corporation
Generation or CEG	Constellation Energy Generation, LLC (formerly Exelon Generation Company, LLC, a subsidiary of Exelon as of December 31, 2021 prior to separation on February 1, 2022)
CENG	Constellation Energy Nuclear Group, LLC

GLOSSARY OF TERMS AND ABBREVIATIONS

Other Terms and Abbreviations

2022 Form 10-K	The Registrants' Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on February 14, 2023
ABO	Accumulated Benefit Obligation
AECs	Alternative Energy Credits that are issued for each megawatt hour of generation from a qualified alternative energy source
AFUDC	Allowance for Funds Used During Construction
AMI	Advanced Metering Infrastructure
AOCI	Accumulated Other Comprehensive Income (Loss)
ARO	Asset Retirement Obligation
ATM	At the market
ARP	Alternative Revenue Program
BGS	Basic Generation Service
BSA	Bill Stabilization Adjustment
CBAs	Collective Bargaining Agreements
CEJA	Climate and Equitable Jobs Act; Illinois Public Act 102-0662 signed into law on September 15, 2021
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended
CIP	Conservation Incentive Program
Clean Air Act	Clean Air Act of 1963, as amended
Clean Water Act	Federal Water Pollution Control Amendments of 1972, as amended
CMC	Carbon Mitigation Credit
CODMs	Chief Operating Decision Makers
Conectiv	Conectiv, LLC, a wholly owned subsidiary of PHI and the parent of DPL and ACE during the Predecessor periods
DC PLUG	District of Columbia Power Line Undergrounding Initiative
DCPSC	District of Columbia Public Service Commission
DEPSC	Delaware Public Service Commission
DOEE	Department of Energy & Environment
DPA	Deferred Prosecution Agreement
DPP	Deferred Purchase Price
EIMA	Energy Infrastructure Modernization Act (Illinois Senate Bill 1652 and Illinois House Bill 3036)
EPA	United States Environmental Protection Agency
ERCOT	Electric Reliability Council of Texas
ERISA	Employee Retirement Income Security Act of 1974, as amended
EROA	Expected Rate of Return on Assets
ERP	Enterprise Resource Program
ETAC	Energy Transition Assistance Charge
FEJA	Illinois Public Act 99-0906 or Future Energy Jobs Act
FERC	Federal Energy Regulatory Commission
GAAP	Generally Accepted Accounting Principles in the United States
GCR	Gas Cost Rate
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GSA	Generation Supply Adjustment
GWhs	Gigawatt hours
ICC	Illinois Commerce Commission

GLOSSARY OF TERMS AND ABBREVIATIONS

Other Terms and Abbreviations

IIJA	Infrastructure Investment and Jobs Act
IIP	Infrastructure Investment Program
Illinois Settlement Legislation	Legislation enacted in 2007 affecting electric utilities in Illinois
IPA	Illinois Power Agency
IRA	Inflation Reduction Act
IRC	Internal Revenue Code
IRS	Internal Revenue Service
ISOs	Independent System Operators
LNG	Liquefied Natural Gas
LTIP	Long-Term Incentive Plan
LTRRPP	Long-Term Renewable Resources Procurement Plan
MDPSC	Maryland Public Service Commission
MGP	Manufactured Gas Plant
mmcf	Million Cubic Feet
MMG	Middle Mile Grant
MRP	Multi-Year Rate Plan
MRV	Market-Related Value
MW	Megawatt
MWh	Megawatt hour
N/A	Not applicable
NAV	Net Asset Value
NDT	Nuclear Decommissioning Trust
NERC	North American Electric Reliability Corporation
NJBPU	New Jersey Board of Public Utilities
NPDES	National Pollutant Discharge Elimination System
NPNS	Normal Purchase Normal Sale scope exception
NPS	National Park Service
NRD	Natural Resources Damages
OCI	Other Comprehensive Income
OPEB	Other Postretirement Employee Benefits
PAPUC	Pennsylvania Public Utility Commission
PCBs	Polychlorinated Biphenyls
PGC	Purchased Gas Cost Clause
PJM	PJM Interconnection, LLC
PJM Tariff	PJM Open Access Transmission Tariff
POLR	Provider of Last Resort
PPA	Purchase Power Agreement
PP&E	Property, Plant, and Equipment
PRPs	Potentially Responsible Parties
PSEG	Public Service Enterprise Group Incorporated
RCRA	Resource Conservation and Recovery Act of 1976, as amended
REC	Renewable Energy Credit which is issued for each megawatt hour of generation from a qualified renewable energy source
Regulatory Agreement Units	Nuclear generating units or portions thereof whose decommissioning-related activities are subject to regulatory agreements with the ICC and PAPUC
RES	Retail Electric Suppliers
RFP	Request for Proposal

GLOSSARY OF TERMS AND ABBREVIATIONS

Other Terms and Abbreviations

Rider	Reconcilable Surcharge Recovery Mechanism
RGGI	Regional Greenhouse Gas Initiative
ROE	Return on equity
ROU	Right-of-use
RPS	Renewable Energy Portfolio Standards
RTEP	Regional Transmission Expansion Plan
RTO	Regional Transmission Organization
S&P	Standard & Poor's Ratings Services
SEC	United States Securities and Exchange Commission
SOA	Society of Actuaries
SOFR	Secured Overnight Financing Rate
SOS	Standard Offer Service
SSA	Social Security Administration
STRIDE	Maryland Strategic Infrastructure Development and Enhancement Program
TCJA	Tax Cuts and Jobs Act
Transition Bonds	Transition Bonds issued by Atlantic City Electric Transition Funding LLC
USAO	United States Attorney's Office for the Northern District of Illinois
ZEC	Zero Emission Credit

FILING FORMAT

This combined Annual Report on Form 10-K is being filed separately by Exelon Corporation, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC, Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company (Registrants). Information contained herein relating to any individual Registrant is filed by such Registrant on its own behalf. No Registrant makes any representation as to information relating to any other Registrant.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Report contains certain forward-looking statements within the meaning of federal securities laws that are subject to risks and uncertainties. Words such as “could,” “may,” “expects,” “anticipates,” “will,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “predicts,” "should," and variations on such words, and similar expressions that reflect our current views with respect to future events and operational, economic and financial performance, are intended to identify such forward-looking statements.

The factors that could cause actual results to differ materially from the forward-looking statements made by the Registrants include those factors discussed herein, including those factors discussed with respect to the Registrants discussed in (a) Part I, ITEM 1A. Risk Factors, (b) Part II, ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations, (c) Part II, ITEM 8. Financial Statements and Supplementary Data: Note 18, Commitments and Contingencies, and (d) other factors discussed in filings with the SEC by the Registrants.

Investors are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this Report. None of the Registrants undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this Report.

WHERE TO FIND MORE INFORMATION

The SEC maintains an Internet site at www.sec.gov that contains reports, proxy and information statements, and other information that the Registrants file electronically with the SEC. These documents are also available to the public from commercial document retrieval services and free of charge at the Registrants’ website at www.exeloncorp.com. Information contained on the Registrants’ website shall not be deemed incorporated into, or to be a part of, this Report.

PART I

ITEM 1.

General

Corporate Structure and Business and Other Information

Exelon is a utility services holding company engaged in the energy transmission and distribution businesses through ComEd, PECO, BGE, Pepco, DPL, and ACE.

On February 21, 2021, Exelon's Board of Directors approved a plan to separate the Utility Registrants and Generation. The separation was completed on February 1, 2022, creating two publicly traded companies, Exelon and Constellation. See Note 2 – Discontinued Operations of the Combined Notes to Consolidated Financial Statements for additional information.

Name of Registrant	Business	Service Territories
Commonwealth Edison Company	Purchase and regulated retail sale of electricity	Northern Illinois, including the City of Chicago
	Transmission and distribution of electricity to retail customers	
PECO Energy Company	Purchase and regulated retail sale of electricity and natural gas	Southeastern Pennsylvania, including the City of Philadelphia (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Pennsylvania counties surrounding the City of Philadelphia (natural gas)
Baltimore Gas and Electric Company	Purchase and regulated retail sale of electricity and natural gas	Central Maryland, including the City of Baltimore (electricity and natural gas)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	
Pepco Holdings LLC	Utility services holding company engaged, through its reportable segments: Pepco, DPL, and ACE	Service Territories of Pepco, DPL, and ACE
Potomac Electric Power Company	Purchase and regulated retail sale of electricity	District of Columbia and Major portions of Montgomery and Prince George's Counties, Maryland
	Transmission and distribution of electricity to retail customers	
Delmarva Power & Light Company	Purchase and regulated retail sale of electricity and natural gas	Portions of Delaware and Maryland (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Portions of New Castle County, Delaware (natural gas)
Atlantic City Electric Company	Purchase and regulated retail sale of electricity	Portions of Southern New Jersey
	Transmission and distribution of electricity to retail customers	

Business Services

Through its business services subsidiary, BSC, Exelon provides its subsidiaries with a variety of support services at cost, including legal, human resources, finance, information technology, and supply management services. PHI also has a business services subsidiary, PHISCO, which provides a variety of support services at cost, including legal, finance, engineering, customer operations, transmission and distribution planning, asset management, system operations, and power procurement, to PHI operating Registrants. The costs of BSC and PHISCO are directly charged or allocated to the applicable subsidiaries. The results of Exelon's corporate operations are presented as "Other" within the consolidated financial statements and include intercompany eliminations unless otherwise disclosed.

Utility Registrants

Utility Operations

Service Territories and Franchise Agreements

The following table presents the size of service territories, populations of each service territory, and the number of customers within each service territory for the Utility Registrants as of December 31, 2023:

	ComEd	PECO	BGE	Pepco	DPL	ACE
Service Territories (in square miles)						
Electric	11,450	1,900	2,300	650	5,400	2,700
Natural Gas	N/A	1,900	3,050	N/A	250	N/A
Total[(a)]	11,450	2,100	3,250	650	5,400	2,700
Service Territory Population (in millions)						
Electric	9.2	4.1	3.0	2.4	1.5	1.2
Natural Gas	N/A	2.5	2.9	N/A	0.6	N/A
Total[(b)]	9.2	4.1	3.2	2.4	1.5	1.2
Main City	Chicago	Philadelphia	Baltimore	District of Columbia	Wilmington	Atlantic City
Main City Population	2.6	1.6	0.6	0.7	0.1	0.1
Number of Customers (in millions)						
Electric	4.1	1.7	1.3	0.9	0.6	0.6
Natural Gas	N/A	0.6	0.7	N/A	0.1	N/A
Total[(c)]	4.1	1.7	1.3	0.9	0.6	0.6

(a) The number of total service territory square miles counts once only a square mile that includes both electric and natural gas services, and thus does not represent the combined total square mileage of electric and natural gas service territories.

(b) The total service territory population counts once only an individual who lives in a region that includes both electric and natural gas services, and thus does not represent the combined total population of electric and natural gas service territories.

(c) The number of total customers counts once only a customer who is both an electric and a natural gas customer, and thus does not represent the combined total of electric customers and natural gas customers.

The Utility Registrants have the necessary authorizations to perform their current business of providing regulated electric and natural gas distribution services in the various municipalities and territories in which they now supply such services. These authorizations include charters, franchises, permits, and certificates of public convenience issued by local and state governments and state utility commissions. ComEd's, BGE's (gas), Pepco DC's, and ACE's rights are generally non-exclusive while PECO's, BGE's (electric), Pepco MD's, and DPL's rights are generally exclusive. Certain authorizations are perpetual while others have varying expiration dates. The Utility Registrants anticipate working with the appropriate governmental bodies to extend or replace the authorizations prior to their expirations. The current ComEd Franchise Agreement with the City of Chicago (the City) has been in force since 1992. The Franchise Agreement became terminable on one year notice as of December 31, 2020. It now continues in effect indefinitely unless and until either party issues a notice of termination, effective one year later, or it is replaced by mutual agreement with a new franchise agreement between ComEd and the City. If either party terminates and no new agreement is reached between the parties, the parties could continue with ComEd providing electric services within the City with no franchise agreement in place. The City also has an option to terminate and purchase the ComEd system (“municipalize”), which also requires one year notice. Neither party has issued a notice of termination at this time, the City has not exercised its municipalization option, and no new agreement has become effective. ComEd is in the process of pursuing a new agreement with the City.

While Exelon and ComEd cannot predict the ultimate outcome, fundamental changes in the agreement or other adverse actions affecting ComEd’s business in the City would require changes in their business planning models

and operations and could have a material adverse impact on Exelon's and ComEd's consolidated financial statements. If the City were to disconnect from the ComEd system, ComEd would seek full compensation for the business and its associated property taken by the City, as well as for all damages resulting to ComEd and its system. ComEd would also seek appropriate compensation for stranded costs with FERC.

Utility Regulations

State utility commissions regulate the Utility Registrants' electric and gas distribution rates and service, issuances of certain securities, and certain other aspects of the business. The following table outlines the state commissions responsible for utility oversight:

Registrant	Commission
ComEd	ICC
PECO	PAPUC
BGE	MDPSC
Pepco	DCPSC/MDPSC
DPL	DEPSC/MDPSC
ACE	NJBPU

The Utility Registrants are public utilities under the Federal Power Act subject to regulation by FERC related to transmission rates and certain other aspects of the utilities' business. The U.S. Department of Transportation also regulates pipeline safety and other areas of gas operations for PECO, BGE, and DPL. The U.S. Department of Homeland Security (Transportation Security Administration) provided new security directives in 2021 that regulate cyber risks for certain gas distribution operators. Additionally, the Utility Registrants are subject to NERC mandatory reliability standards, which protect the nation's bulk power system against potential disruptions from cyber and physical security breaches.

Seasonality Impacts on Delivery Volumes

The Utility Registrants' electric distribution volumes are generally higher during the summer and winter months when temperature extremes create demand for either summer cooling or winter heating. For PECO, BGE, and DPL, natural gas distribution volumes are generally higher during the winter months when cold temperatures create demand for winter heating.

ComEd, BGE, Pepco, DPL Maryland, and ACE have electric distribution decoupling mechanisms and BGE has a natural gas decoupling mechanism that eliminate the favorable and unfavorable impacts of weather and customer usage patterns on electric distribution and natural gas delivery volumes. As a result, ComEd's, BGE's, Pepco's, DPL Maryland's, and ACE's electric distribution revenues and BGE's natural gas distribution revenues are not materially impacted by delivery volumes. PECO's and DPL Delaware's electric distribution revenues and natural gas distribution revenues are impacted by delivery volumes.

Electric and Natural Gas Distribution Services

The Utility Registrants are allowed to recover reasonable costs and fair and prudent capital expenditures associated with electric and natural gas distribution services and earn a return on those capital expenditures, subject to commission approval. ComEd recovers costs through a performance-based rate formula. ComEd is required to file an update to the performance-based rate formula on an annual basis. On September 15, 2021, Illinois passed CEJA, which contains requirements for ComEd to transition away from the performance-based rate formula by the end of 2022 and would allow for the submission of either a general rate or multi-year rate plan. On February 3, 2022, the ICC approved a tariff that establishes the process under which ComEd will reconcile its 2022 and 2023 rate year revenue requirements with actual costs. ComEd's electric distribution costs are currently recovered through a multi-year rate plan with case proceedings as filed with the ICC. PECO's and DPL's electric and gas distribution costs and ACE's electric distribution costs have generally been recovered through rate case proceedings, with PECO utilizing a fully projected future test year while DPL and ACE utilize a historical test year. BGE's electric and gas distribution costs and Pepco's and DPL Maryland's electric distribution costs are currently recovered through multi-year rate case proceedings, as the MDPSC and the DCPSC allow utilities to file multi-year rate plans. In certain instances, the Utility Registrants use specific recovery mechanisms

as approved by their respective regulatory agencies. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

ComEd, Pepco, DPL and ACE customers have the choice to purchase electricity, and PECO and BGE customers have the choice to purchase electricity and natural gas from competitive electric generation and natural gas suppliers. DPL customers, with the exception of certain commercial and industrial customers, do not have the choice to purchase natural gas from competitive natural gas suppliers. The Utility Registrants remain the distribution service providers for all customers and are obligated to deliver electricity and natural gas to customers in their respective service territories while charging a regulated rate for distribution service. In addition, the Utility Registrants also retain significant default service obligations to provide electricity to certain groups of customers in their respective service areas who do not choose a competitive electric generation supplier. PECO, BGE, and DPL also retain significant default service obligations to provide natural gas to certain groups of customers in their respective service areas who do not choose a competitive natural gas supplier.

For customers that choose to purchase electric generation or natural gas from competitive suppliers, the Utility Registrants act as the billing agent and therefore do not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from a Utility Registrant, the Utility Registrants are permitted to recover the electricity and natural gas procurement costs from customers without mark-up or with a slight mark-up and therefore record the amounts in Operating revenues and Purchased power and fuel expense. As a result, fluctuations in electricity or natural gas sales and procurement costs have no significant impact on the Utility Registrants' Net income.

See ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, Results of Operations and Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information regarding electric and natural gas distribution services.

Procurement of Electricity and Natural Gas

Exelon does not generate the electricity it delivers. The Utility Registrants' electric supply for its customers is primarily procured through contracts as directed by their respective state laws and regulatory commission actions. The Utility Registrants procure electricity supply from various approved bidders or from purchases on the PJM operated markets.

PECO's, BGE's, and DPL's natural gas supplies are purchased from a number of suppliers for terms that currently do not exceed three years. PECO, BGE, and DPL each have annual firm transportation contracts of 445,000 mmcf, 268,000 mmcf, and 44,000 mmcf, respectively, for delivery of gas. To supplement gas transportation and supply at times of heavy winter demands and in the event of temporary emergencies, PECO, BGE, and DPL have available storage capacity from the following sources:

	Peak Natural Gas Sources (in mmcf)		
	LNG Facility	Propane-Air Plant	Underground Storage Service Agreements[(a)]
PECO	1,200	150	19,400
BGE	1,056	550	22,000
DPL	250	N/A	3,900

(a) Natural gas from underground storage represents approximately 27%, 42%, and 33% of PECO's, BGE's, and DPL's 2023-2024 heating season pipeline capacity, respectively.

PECO, BGE, and DPL have long-term interstate pipeline contracts and also participate in the interstate markets by releasing pipeline capacity or bundling pipeline capacity with gas for off-system sales. Off-system gas sales are low-margin direct sales of gas to wholesale suppliers of natural gas. Earnings from these activities are shared between the utilities and customers. PECO, BGE, and DPL make these sales as part of a program to balance its supply and cost of natural gas. The off-system gas sales are not material to PECO, BGE, and DPL.

See ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK, Commodity Price Risk (All Registrants), for additional information regarding Utility Registrants' contracts to procure electric supply and natural gas.

Energy Efficiency Programs

The Utility Registrants are generally allowed to recover costs associated with the energy efficiency and demand response programs they offer. Each commission approved program seeks to meet mandated electric consumption reduction targets and implement demand response measures to reduce peak demand. The programs are designed to meet standards required by each respective regulatory agency.

ComEd, with limited exceptions, earns a return on its energy efficiency costs through a regulatory asset. ACE earns a return on most of its energy efficiency and demand response program costs through a regulatory asset. Historically, BGE, Pepco Maryland, and DPL Maryland deferred most of their energy efficiency program costs to a regulatory asset and either deferred most of their demand response program costs to a regulatory asset or capitalized them. Beginning in 2024, BGE, Pepco, and DPL will begin deferring less energy efficiency and demand response program costs to a regulatory asset. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Capital Investment

The Utility Registrants' businesses are capital intensive and require significant investments, primarily in electric transmission and distribution and natural gas transportation and distribution facilities, to ensure the adequate capacity, reliability, and efficiency of their systems. See ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, Liquidity and Capital Resources, for additional information regarding projected 2024 capital expenditures.

Transmission Services

Under FERC's open access transmission policy, the Utility Registrants, as owners of transmission facilities, are required to provide open access to their transmission facilities under filed tariffs at cost-based rates approved by FERC. The Utility Registrants and their affiliates are required to comply with FERC's Standards of Conduct regulation governing the communication of non-public transmission information between the transmission owner's employees and wholesale merchant employees.

PJM is the regional grid operator and operates pursuant to FERC-approved tariffs. PJM is the transmission provider under, and the administrator of, the PJM Tariff. PJM operates the PJM energy, capacity, and other markets, and, through central dispatch, controls the day-to-day operations of the bulk power system for the region. The Utility Registrants are members of PJM and provide regional transmission service pursuant to the PJM Tariff. The Utility Registrants and the other transmission owners in PJM have turned over control of certain of their transmission facilities to PJM, and their transmission systems are under the dispatch control of PJM. Under the PJM Tariff, transmission service is provided on a region-wide, open-access basis using the transmission facilities of the PJM transmission owners.

The Utility Registrants' transmission rates are based on a FERC approved formula and established on an annual basis as shown below:

	Approval Date
ComEd	January 2008
PECO	December 2019
BGE	April 2006
Pepco	April 2006
DPL	April 2006
ACE	April 2006

Exelon's Strategy and Outlook

Following the separation on February 1, 2022, Exelon is now a transmission and distribution company, focused on delivering electricity and natural gas service to our customers and communities. Exelon's businesses remain focused on maintaining industry leading operational excellence, meeting or exceeding their financial commitments, ensuring timely recovery on investments to enable customer benefits, supporting clean energy

policies including those that advance our jurisdictions' clean energy targets, and continued commitment to corporate responsibility.

Exelon's strategy is to improve reliability and operations, enhance the customer experience, and advance clean and affordable energy choices, while ensuring ratemaking mechanisms provide the utilities fair financial returns. The jurisdictions in which Exelon has operations have set some of the nation's leading clean energy targets and our strategy is to enable that future for all our stakeholders. The Utility Registrants invest in rate base that supports service to our customers and the community, including investments that sustain and improve reliability and resiliency and that enhance the service experience of our customers. The Utility Registrants make these investments prudently at a reasonable cost to customers. Exelon seeks to leverage its scale and expertise across the utilities platform through enhanced standardization and sharing of resources and best practices to achieve improved operational and financial results.

Management continually evaluates growth opportunities aligned with Exelon's businesses, assets, and markets, leveraging Exelon's expertise in those areas and offering sustainable returns.

The Utility Registrants anticipate investing approximately $35 billion over the next four years in electric and natural gas infrastructure improvements and modernization projects, including smart grid technology, storm hardening, advanced reliability technologies, and transmission projects, which is projected to result in an increase to current rate base of approximately $19 billion by the end of 2027. These investments provide greater reliability, improved service for our customers, increased capacity to accommodate new technologies and support a cleaner grid, and a stable return for the company.

In August 2021, Exelon announced a Path to Clean goal to collectively reduce its operations-driven GHG emissions 50% by 2030 against a 2015 baseline and to reach net zero operations-driven GHG emissions by 2050, while supporting customers and communities in achieving their GHG reduction goals (Path to Clean). Exelon's quantitative goals include its Scope 1 and 2 GHG emissions, with the exception of Scope 2 emissions associated with system losses of electric power delivered to customers ("line losses"), and build upon Exelon's long-standing commitment to reducing our GHG emissions. Exelon's Path to Clean efforts extend beyond these quantitative goals to include efforts such as customer energy efficiency programs, which support reductions in customers' direct emissions and have the potential to reduce Exelon's Scope 3 emissions and Scope 2 line losses as well. See ITEM 1. BUSINESS — Environmental Matters and Regulation — Climate Change for additional information.

Various market, financial, regulatory, legislative, and operational factors could affect Exelon's success in pursuing its strategies. Exelon continues to assess infrastructure, operational, policy, and legal solutions to these issues. See ITEM 1A. RISK FACTORS for additional information.

Employees

The Registrants strive to create a workplace culture that promotes and embodies diversity, inclusion, innovation, and safety for their employees. In order to provide the services and products that their customers expect, the Registrants aspire to create teams that reflect the diversity of the communities that the Registrants serve. Therefore, the Registrants take steps to attract and retain highly qualified and diverse talent and seek to create hiring and promotion practices that are equitable and neutralize any bias, including unconscious bias. The Registrants provide growth opportunities, competitive compensation and benefits, and a variety of training and development programs. The Registrants are committed to helping all employees grow their skills and careers largely through numerous training opportunities, mentorship programs, continuous feedback and development discussions, and evaluations. Employees are encouraged to thrive outside the workplace as well. The Registrants provide a full suite of wellness benefits targeted at supporting work-life balance, physical, mental and financial health, and industry-leading paid leave policies.

The Registrants typically conduct an employee engagement survey every other year to help identify organizational strengths and areas of opportunity for growth. The survey results are reviewed with senior management and the Exelon Board of Directors.

Diversity Metrics

The following tables show diversity metrics for all employees and management as of December 31, 2023.

Employees	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Female[a][b]	5,637	1,672	813	808	1,320	335	137	107
People of Color[a][b]	8,174	2,822	1,084	1,273	1,895	867	233	158
Aged <30	2,295	817	406	319	460	157	107	65
Aged 30-50	11,189	3,976	1,592	1,914	2,352	754	491	351
Aged >50	6,478	1,881	1,040	1,062	1,471	443	320	205
Total Employees[c]	19,962	6,674	3,038	3,295	4,283	1,354	918	621

Management[d]	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Female[a][b]	1,159	268	146	138	251	58	14	21
People of Color[a][b]	1,303	388	143	190	313	119	35	30
Aged <30	21	4	4	3	5	1	1	2
Aged 30-50	2,045	580	208	314	447	123	63	45
Aged >50	1,410	384	173	172	292	66	44	40
Within 10 years of retirement eligibility	1,998	551	228	244	412	102	58	58
Total Employees in Management[c]	3,476	968	385	489	744	190	108	87

(a) To effectuate Exelon's pay equity goals, Exelon conducts analysis on gender and racial pay equity.
(b) Information concerning women and people of color is based on self-disclosed information.
(c) Total employees represents the sum of the aged categories.
(d) Management is defined as executive/senior level officials and managers as well as all employees who have direct reports and/or supervisory responsibilities.

Turnover Rates

As turnover is inherent, management succession planning is performed and tracked for all executives and critical key manager positions. Management frequently reviews succession planning to ensure the Registrants are prepared when positions become available.

The table below shows the average turnover rate for all employees for the last three years of 2021 to 2023.

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Retirement Age	3.41 %	3.84 %	3.97 %	2.85 %	3.36 %	3.20 %	3.71 %	3.79 %
Voluntary	3.07 %	2.63 %	2.92 %	2.08 %	2.83 %	3.25 %	1.73 %	2.29 %
Non-Voluntary	0.87 %	0.73 %	1.13 %	0.88 %	1.08 %	1.76 %	0.66 %	0.75 %

Collective Bargaining Agreements

Approximately 43% of Exelon's employees participate in CBAs. The following table presents employee information, including information about CBAs, as of December 31, 2023.

	Total Employees Covered by CBAs	Number of CBAs	CBAs New and Renewed in 2023[(a)]	Total Employees Under CBAs New and Renewed in 2023
Exelon	8,555	10	2	1,813
ComEd	3,583	2	—	—
PECO	1,438	2	—	—
BGE	1,433	1	1	1,433
PHI	2,096	5	1	380
Pepco	860	1	—	—
DPL	637	2	—	—
ACE	405	2	1	380

(a) Does not include CBAs that were extended in 2023 while negotiations are ongoing for renewal.

Environmental Matters and Regulation

The Registrants are subject to comprehensive and complex environmental legislation and regulation at the federal, state, and local levels, including requirements relating to climate change, air and water quality, solid and hazardous waste, and impacts on species and habitats.

The Exelon Board of Directors is responsible for overseeing the management of environmental matters. Exelon has a management team to address environmental compliance and strategy, including the CEO; the Senior Vice President and Chief Strategy and Sustainability Officer; as well as senior management of the Utility Registrants. Performance of those individuals directly involved in environmental compliance and strategy is reviewed and affects compensation as part of the annual individual performance review process. The Audit and Risk Committee oversees compliance with environmental laws and regulations, including environmental risks related to Exelon's operations and facilities, as well as SEC disclosures related to environmental matters. Exelon's Corporate Governance Committee has the authority to oversee Exelon's climate change and sustainability policies and programs, as discussed in further detail below. The respective Boards of the Utility Registrants oversee environmental issues related to these companies. The Exelon Board of Directors has general oversight responsibilities for ESG matters, including strategies and efforts to protect and improve the quality of the environment.

Climate Change

As detailed below, the Registrants face climate change mitigation and transition risks as well as adaptation risks. Mitigation and transition risks include changes to the energy systems as a result of new technologies, changing customer expectations and/or voluntary GHG goals, as well as local, state or federal regulatory requirements intended to reduce GHG emissions. Adaptation risk refers to risks to the Registrants' facilities or operations that may result from changes to the physical climate and environment, such as changes to temperature, weather patterns and sea level.

Climate Change Mitigation and Transition

The Registrants support comprehensive federal climate legislation that addresses the urgent need to substantially reduce national GHG emissions while providing appropriate protections for consumers, businesses, and the economy. In the absence of comprehensive federal climate legislation, Exelon supports the EPA moving forward with meaningful regulation of GHG emissions under the Clean Air Act.

The Registrants currently are subject to, and may become subject to additional, federal and/or state legislation and/or regulations addressing GHG emissions. The direct (Scope 1) GHG emission sources associated with the Registrants include sulfur hexafluoride (SF6) leakage from electric transmission and distribution operations, fossil fuel combustion in motor vehicles and refrigerant leakage from chilling and cooling equipment. In addition, PECO, BGE, and DPL, as distributors of natural gas, have natural gas (methane) leakage on the natural gas systems. The Registrants also have indirect (Scope 2 and 3) emissions associated with the production of the

electricity they consume and deliver, and indirect (Scope 3) emissions associated with the production of natural gas they deliver and consumer use of such natural gas.

Exelon uses definitions and protocols provided by the World Resources Institute for its GHG inventory. In 2022, Exelon's Scope 1 and 2 GHG emissions, were just over 5.7 million metric tons carbon dioxide equivalent using the World Resources Institute Corporate Standard Market-based accounting. Of these emissions, 0.5 million metric tons are considered to be operations-driven and in more direct control of our employees and processes. The majority of these operations-driven emissions are fugitive emissions from the gas delivery systems of Registrants PECO, BGE, and DPL. The remaining 5.2 million metric tons, approximately 91%, are the indirect emissions associated with the electric transmission and distribution system and primarily consists of losses resulting from the Utility Registrant's delivery of electricity to their customers (line losses). These emissions are driven primarily by customer demand for electricity and the mix of generation assets supplying energy to the electric grid. The Registrants do not own generation and must comply with applicable legal and regulatory requirements governing procurement of electricity for delivery to retail customers and use of the system to support other transmission transactions. However, the Registrants do engage in efforts that help to reduce these emissions, including customer programs to drive customer energy efficiency, to help manage peak demands, and to enable distributed solar generation.

In August 2021, Exelon announced a Path to Clean goal to collectively reduce its operations-driven GHG emissions 50% by 2030 against a 2015 baseline, and to reach net zero operations-driven GHG emissions by 2050, while also supporting customers and communities to achieve their clean energy and emissions reduction goals. Exelon’s quantitative goals include its Scope 1 and 2 GHG emissions with the exception of Scope 2 line losses, and build upon Exelon's long-standing commitment to reducing our GHG emissions. Exelon's activities in support of the Path to Clean goal will include efficiency and clean electricity for operations, vehicle fleet electrification, equipment and processes to reduce sulfur hexafluoride (SF6) leakage, investments in natural gas infrastructure to minimize methane leaks and increase safety and reliability, and investment and collaboration to develop new technologies. Beyond 2030, Exelon recognizes that technology advancement and continued policy support will be needed to ensure achievement of Net-Zero by 2050. Exelon is laying the groundwork by partnering with national labs, universities and research consortia to research, develop, and pilot clean technologies that will be needed, as well as working with our states, jurisdictions and policy makers to understand the scope and scale of energy transformation, and needed policies and incentives, that will be needed to reach local ambitions for GHG emissions reductions. The Utility Registrants are also supporting customers and communities to achieve their clean energy and emissions goals through significant energy efficiency programs. During 2024 - 2027, estimated customer program energy efficiency investments across the Utility Registrants total $5.1 billion. These programs enable customer savings through home energy audits, lighting discounts, appliance recycling, home improvement rebates, equipment upgrade incentives and innovative programs like smart thermostats and combined heat and power programs.

As an energy delivery company, Exelon can play a role in helping to reduce GHG emissions in its service territories. In connecting end users of energy to electric and gas supply, Exelon can leverage its assets and customer interface to help support efficient use of lower emitting resources as they become available. Electrification, where feasible, for transportation, buildings, and industry coupled with simultaneous decarbonization of electric generation, can be an important means to reduce emissions. Exelon is advocating for public policy supportive of vehicle electrification, investing in enabling infrastructure and technology, and supporting customer education and adoption. In addition, the Utility Registrants have a goal to electrify 30% of their own vehicle fleet by 2025, increasing to 50% by 2030. Clean fuels and other emerging technologies can also support the transition, lessen the strain on electric system expansion, and support energy system resiliency. Exelon, and its registrants PECO, BGE, and DPL that own gas distribution assets, are also continuing to explore these other decarbonization opportunities, supporting pilots of emerging energy technologies and clean fuels to support both operational and customer-driven emissions reductions. The energy transition may present challenges for the Utility Registrants and their service territories. Exelon believes its market and business model could be significantly affected by the transition of the energy system, such as through an increased electric load and decreased demand for natural gas, potentially accompanied by changes in technology, customer expectations, and/or regulatory structures. See ITEM 1A. RISK FACTORS. The Registrants are potentially affected by emerging technologies that could over time affect or transform the energy industry.

Climate Change Adaptation

The Registrants' facilities and operations are subject to the impacts of global climate change. Long-term shifts in climactic patterns, such as sustained higher temperatures and sea level rise, may present challenges for the Registrants and their service territories. Exelon believes its operations could be significantly affected by the physical risks of climate change. See ITEM 1A. RISK FACTORS for additional information related to the Registrants' risks associated with climate change.

The Registrants' assets undergo seasonal readiness efforts to ensure that they are prepared for the weather projections for the summer and winter months. The Registrants consider and review national climate assessments to inform their planning. Each of the Utility Registrants also has well established system recovery plans and is investing in its systems to install advanced equipment and reinforce the local electric system, making it more weather resistant and less vulnerable to anticipated storm damage.

International Climate Change Agreements. At the international level, the United States is a party to the United Nations Framework Convention on Climate Change (UNFCCC). The Parties to the UNFCCC adopted the Paris Agreement at the 21st session of the UNFCCC Conference of the Parties (COP 21) on December 12, 2015. Under the Agreement, which became effective on November 4, 2016, the parties committed to try to limit the global average temperature increase and to develop national GHG reduction commitments. On November 4, 2020, the United States formally withdrew from the Paris Agreement, but on January 20, 2021, President Biden accepted the Agreement, which resulted in the United States' formal re-entry on February 19, 2021. The United States has set an economy-wide target of reducing its net GHG emissions by 50-52% below 2005 levels by 2030. On November 11, 2022, at the UNFCCC Conference of the Parties (COP 27), President Biden recommitted the U.S. to these goals and detailed the significant domestic climate actions the U.S. had taken to spur a new era of clean American manufacturing, enhance energy security, and drive down the costs of clean energy for consumers in the U.S. and around the world.

Federal Climate Change Legislation and Regulation. On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA), which, among other things, aims to reduce U.S. carbon emissions and promote economic development through investments in clean and renewable energy projects. The consumer-facing clean energy tax credits created or expanded by the IRA are intended to drive rapid adoption of energy efficiency, electric transportation, and solar energy which would require Exelon's utilities to expand and modernize infrastructure, systems and services to integrate and optimize these resources.

State Climate Change Legislation and Regulation. A number of states in which the Registrants operate have state and regional programs to reduce GHG emissions and renewable and other portfolio standards, which impact the power sector. See discussion below for additional information on renewable and other portfolio standards.

Certain northeast and mid-Atlantic states (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia) currently participate in the RGGI. The program requires most fossil fuel-fired power plant owners and operators in the region to hold allowances, purchased at auction, for each ton of CO2 emissions. Non-emitting resources do not have to purchase or hold these allowances. Pennsylvania joined RGGI in April 2022.

Broader state programs impact other sectors as well, such as the District of Columbia's Clean Energy DC Omnibus Act and cross-sector GHG reduction plans, which resulted in recent requirements for Pepco to develop 5-year and 30-year decarbonization programs and strategies. Maryland expects to meet and exceed the mandate set in the Greenhouse Gas Emissions Reduction Act to reduce statewide GHG emissions 40% (from 2006 levels) by 2030, and the state's Climate Solutions Now Act of 2022 further updates requirements with a proposal to reduce emissions 60% (from 2006 levels) by 2031. New Jersey accelerated its goals through Executive Order 274, which establishes an interim goal of 50% reductions below 2006 levels by 2030 and affirms its goal of achieving 80% reductions by 2050 and includes programs to drive greater amounts of electrified transportation. Delaware's Climate Change Solutions Act established in August 2023 sets a statewide GHG emissions reduction goal of 50% by Jan 1, 2030 and a net-zero GHG emissions goal by Jan 1, 2050, on a net basis as compared to a 2005 baseline. Illinois' climate bill, CEJA, establishes decarbonization requirements for the state to transition to 100% clean energy by 2050 and supports programs to improve energy efficiency, manage energy demand, attract clean energy investment and accelerate job creation. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on CEJA.

The Registrants cannot predict the nature of future regulations or how such regulations might impact future financial statements.

Renewable and Clean Energy Standards. Each of the states where Exelon operates have adopted some form of renewable or clean energy procurement requirement. These standards impose varying levels of mandates for procurement of renewable or clean electricity (the definition of which varies by state) and/or energy efficiency. These are generally expressed as a percentage of annual electric load, often increasing by year. The Utility Registrants comply with these various requirements through acquiring sufficient bundled or unbundled credits such as RECs, CMCs, or ZECs, or paying an alternative compliance payment, and/or a combination of these compliance alternatives. The Utility Registrants are permitted to recover from retail customers the costs of complying with their state RPS requirements, including the procurement of RECs or other alternative energy resources. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Other Environmental Regulation

Water Quality

Under the federal Clean Water Act, NPDES permits for discharges into waterways are required to be obtained from the EPA or from the state environmental agency to which the permit program has been delegated, and permits must be renewed periodically. Certain of Exelon's facilities discharge water into waterways and are therefore subject to these regulations and operate under NPDES permits.

Under Clean Water Act Section 404 and state laws and regulations, the Registrants may be required to obtain permits for projects involving dredge or fill activities in waters of the United States.

Where Registrants' facilities are required to secure a federal license or permit for activities that may result in a discharge to covered waters, they may be required to obtain a state water quality certification under Clean Water Act section 401.

Solid and Hazardous Waste and Environmental Remediation

CERCLA provides for response and removal actions coordinated by the EPA in the event of threatened releases of hazardous substances and authorizes the EPA either to clean up sites at which hazardous substances have created actual or potential environmental hazards or to order persons responsible for the situation to do so. Under CERCLA, generators and transporters of hazardous substances, as well as past and present owners and operators of hazardous waste sites, are strictly, jointly and severally liable for the cleanup costs of hazardous waste at sites, many of which are listed by the EPA on the National Priorities List (NPL). These PRPs can be ordered to perform a cleanup, can be sued for costs associated with an EPA-directed cleanup, may voluntarily settle with the EPA concerning their liability for cleanup costs, or may voluntarily begin a site investigation and site remediation under state oversight. Most states have also enacted statutes that contain provisions substantially similar to CERCLA. Such statutes apply in many states where the Registrants currently own or operate, or previously owned or operated, facilities, including Delaware, Illinois, Maryland, New Jersey, and Pennsylvania and the District of Columbia. In addition, RCRA governs treatment, storage and disposal of solid and hazardous wastes and cleanup of sites where such activities were conducted.

The Registrants' operations have in the past, and may in the future, require substantial expenditures in order to comply with these Federal and state environmental laws. Under these laws, the Registrants may be liable for the costs of remediating environmental contamination of property now or formerly owned by them and of property contaminated by hazardous substances generated by them. The Registrants own or lease a number of real estate parcels, including parcels on which their operations or the operations of others may have resulted in contamination by substances that are considered hazardous under environmental laws. The Registrants and their subsidiaries are, or could become in the future, parties to proceedings initiated by the EPA, state agencies, and/or other responsible parties under CERCLA and RCRA or similar state laws with respect to a number of sites or may undertake to investigate and remediate sites for which they may be subject to enforcement actions by an agency or third-party.

ComEd's and PECO's environmental liabilities primarily arise from contamination at former MGP sites, which were operated by ComEd's and PECO's predecessor companies. ComEd, pursuant to an ICC order, and PECO, pursuant to settlements of natural gas distribution rate cases with the PAPUC, have an on-going process to recover certain environmental remediation costs of the MGP sites through a provision within customer rates. BGE, Pepco, DPL, and ACE do not have material contingent liabilities relating to MGP sites. The amount to be

expended in 2024 for activities associated with the environmental investigation and remediation related to contamination at former MGP sites and other gas purification sites is estimated to be approximately $36 million which consists primarily of $25 million at ComEd.

As of December 31, 2023, the Registrants have established appropriate contingent liabilities for environmental remediation requirements. In addition, the Registrants may be required to make significant additional expenditures not presently determinable for other environmental remediation costs.

See Note 3 — Regulatory Matters and Note 18 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for additional information regarding the Registrants' environmental matters, remediation efforts, and related impacts to the Registrants' Consolidated Financial Statements.

Information about our Executive Officers as of February 21, 2024

Exelon

Name	Age	Position	Period
Butler Jr., Calvin G.	54	President and Chief Executive Officer, Exelon	2022 - Present
		Chief Operating Officer, Exelon	2021 - 2022
		Senior Executive Vice President, Exelon	2019 - 2022
		Chief Executive Officer, Exelon Utilities	2019 - 2022
		Chief Executive Officer, BGE	2014 - 2019
Jones, Jeanne	44	Executive Vice President and Chief Financial Officer, Exelon	2022 - Present
		Senior Vice President, Corporate Finance, Exelon	2021 - 2022
		Senior Vice President and Chief Financial Officer, ComEd	2018 - 2021
Glockner, David	63	Executive Vice President, Compliance, Audit and Risk, Exelon	2020 - Present
		Chief Compliance Officer, Citadel LLC	2017 - 2020
Littleton, Gayle E.	51	Executive Vice President, Chief Legal Officer, and Corporate Secretary, Exelon	2020 - Present
		Partner, Jenner & Block LLP	2015 - 2020
Quiniones, Gil C.	57	Chief Executive Officer, ComEd	2021 - Present
		President, ComEd	2024 - Present
		President and Chief Executive Officer, New York Power Authority	2011 - 2021
Innocenzo, Michael A.	58	President and Chief Executive Officer, PECO	2018 - Present
Khouzami, Carim V.	49	President, BGE	2021 - Present
		Chief Executive Officer, BGE	2019 - Present
		Senior Vice President & COO, Exelon Utilities	2018 - 2019
Anthony, J. Tyler	59	President and Chief Executive Officer, PHI, Pepco, DPL, and ACE	2021 - Present
		Senior Vice President and Chief Operating Officer, PHI, Pepco, DPL, and ACE	2016 - 2021
Kleczynski, Robert A.	55	Senior Vice President, Controller and Tax, Exelon	2023 - Present
		Senior Vice President, Exelon	2020 - 2023
		Vice President, Exelon	2018 - 2020
		General Tax Officer, Exelon	2018 - 2023
David Velazquez	64	Executive Vice President, Operations and Technology, Exelon Business Services Company, LLC	2023 - Present
		Executive Vice President, Utility Operations, Exelon Business Services Company, LLC	2021 -2023
		President and Chief Executive Officer, PHI, Pepco, DPL, and ACE	2016 - 2021

ComEd

Name	Age	Position	Period
Quiniones, Gil	57	Chief Executive Officer, ComEd	2021 - Present
		President, ComEd	2024 - Present
		President and Chief Executive Officer, New York Power Authority	2011 - 2021
Perez, David R.	54	Executive Vice president and Chief Operating Officer, ComEd	2024 - Present
		Senior Vice President, Distribution Operations	2019 - 2023
Levin, Joshua	44	Senior Vice President, Chief Financial Officer & Treasurer, ComEd	2023 - Present
		Vice President, Financial, Planning and Analysis	2021 - 2023
		Director of Financial Planning and Analysis, ComEd	2019 - 2021
Rippie, E. Glenn	63	Senior Vice President and General Counsel, ComEd	2022 - Present
		Senior Vice President and Deputy General Counsel, Energy Regulation, Exelon	2022 - Present
		Partner, Jenner & Block LLP	2019 - 2021
		Partner and Chief Financial Officer, Rooney, Rippie & Ratnaswamy, LLP	2010 - 2019
Binswanger, Lewis	64	Senior Vice President, Governmental, Regulatory and External Affairs, ComEd	2022 - Present
		Vice President, External Affairs, Nicor Gas	2013 - 2022

PECO

Name	Age	Position	Period
Innocenzo, Michael A.	58	President and Chief Executive Officer, PECO	2018 - Present
Levine, Nicole	47	Senior Vice President and Chief Operations Officer, PECO	2022 - Present
		Vice President, Electrical Operations, PECO	2018 - 2022
Humphrey, Marissa	44	Senior Vice President, Chief Financial Officer and Treasurer, PECO	2022 - Present
		Vice President, Regulatory Policy and Strategy (NJ/DE), PHI, DPL, and ACE	2021 - 2022
		Vice President, Finance, Exelon Utilities	2019 - 2020
		Vice President, Financial Planning and Analysis, PHI, Pepco, DPL, and ACE	2016 - 2019
Oliver, Douglas	49	Senior Vice President, Governmental, Regulatory and External Affairs, PECO	2023 - Present
		Vice President, Governmental and External Affairs, PECO	2019 - 2023
		Vice President, Communications, PECO	2018 - 2019
Gay, Anthony	58	Vice President and General Counsel, PECO	2019 - Present
		Vice President, Governmental and External Affairs, PECO	2016 - 2019

BGE

Name	Age	Position	Period
Khouzami, Carim V.	49	President, BGE	2021 - Present
		Chief Executive Officer, BGE	2019 - Present
		Senior Vice President & COO, Exelon Utilities	2018 - 2019
Dickens, Derrick	59	Senior Vice President and Chief Operating Officer, BGE	2021 - Present
		Senior Vice President, Customer Operations, PHI, Pepco, DPL, and ACE	2020 - 2021
		Vice President, Technical Services, BGE	2016 - 2020
Vahos, David M.	51	Senior Vice President, Chief Financial Officer and Treasurer, BGE	2016 - Present
Núñez, Alexander G.	52	Senior Vice President, Governmental, Regulatory and External Affairs, BGE	2021 - Present
		Senior Vice President, Regulatory Affairs and Strategy, BGE	2020 - 2021
		Senior Vice President, Regulatory and External Affairs, BGE	2016 - 2020
Ralph, David	57	Vice President and General Counsel, BGE	2021 - Present
		Associate General Counsel, BGE	2019 - 2021
		Assistant General Counsel, Exelon	2017 - 2019

PHI, Pepco, DPL, and ACE

Name	Age	Position	Period
Anthony, J. Tyler	59	President and Chief Executive Officer, PHI, Pepco, DPL, and ACE	2021 - Present
		Senior Vice President and Chief Operating Officer, PHI, Pepco, DPL, and ACE	2016 - 2021
Olivier, Tamla	51	Senior Vice President and Chief Operating Officer, PHI, Pepco, DPL, and ACE	2021 - Present
		Senior Vice President, Customer Operations, BGE	2020 - 2021
		Senior Vice President, Constellation NewEnergy, Inc.	2016 - 2020
Barnett, Phillip S.	60	Senior Vice President, Chief Financial Officer and Treasurer, PHI, Pepco, DPL, and ACE	2018 - Present
Oddoye, Rodney	47	Senior Vice President, Governmental, Regulatory and External Affairs, PHI, Pepco, DPL, and ACE	2021 - Present
		Senior Vice President, Governmental and External Affairs, BGE	2020 - 2021
		Vice President, Customer Operations, BGE	2018 - 2020
Bancroft, Anne	57	Vice President and General Counsel, PHI, Pepco, DPL, and ACE	2021 - Present
		Associate General Counsel, Exelon	2017 - 2021

ITEM 1A. RISK FACTORS

Each of the Registrants operates in a complex market and regulatory environment that involves significant risks, many of which are beyond that Registrant's direct control. Such risks, which could negatively affect one or more

of the Registrants' consolidated financial statements, are captured below. Although the risks are generally organized by category and separately described, many of these risks are interrelated. Additionally, the risks should be considered holistically with other information included in this filing and future filings with the SEC.

Risks related to market and financial factors primarily include:

- the demand for electricity, reliability of service, and affordability in the markets where the Utility Registrants conduct their business,
- the ability of the Utility Registrants to operate their respective transmission and distribution assets, their ability to access capital markets, and the impacts on their results of operations, financial condition or liquidity/cash flows due to public health crises, epidemics or pandemics, and
- emerging technologies and business models, including those related to climate change mitigation and transition to a low carbon economy.

Risks related to legislative, regulatory, and legal factors primarily include changes to, and compliance with, the laws and regulations that govern:

- utility regulatory business models,
- energy, environmental, and climate policy, and
- tax policy.

Risks related to operational factors primarily include:

- changes in the global climate could produce extreme weather events, which could put the Registrant's facilities at risk, and such changes could also affect the levels and patterns of demand for energy and related services,
- the ability of the Utility Registrants to maintain the reliability, resiliency, and safety of their energy delivery systems, which could affect their ability to deliver energy to their customers and affect their operating costs, and
- physical and cyber security risks for the Utility Registrants as the owner-operators of transmission and distribution facilities.

Risks related to the separation primarily include:

- challenges to achieving the benefits of separation and
- performance by Exelon and Constellation under the transaction agreements, including indemnification responsibilities.

There may be further risks and uncertainties that are not presently known or that are not currently believed to be material that could negatively affect the Registrants' consolidated financial statements in the future.

Risks Related to Market and Financial Factors

The Registrants are potentially affected by emerging technologies that could over time affect or transform the energy industry (All Registrants).

Advancements in power generation technology, including commercial and residential solar generation installations and commercial micro turbine installations, are improving the cost-effectiveness of customer self-supply of electricity. Improvements in energy storage technology, including batteries and fuel cells, could also better position customers to meet their around-the-clock electricity requirements. Improvements in energy efficiency of lighting, appliances, equipment and building materials will also affect energy consumption by customers. Changes in power generation, storage, and use technologies could have significant effects on customer behaviors and their energy consumption.

These developments could affect levels of customer-owned generation, customer expectations, and current business models and make portions of the Utility Registrants' transmission and/or distribution facilities uneconomic prior to the end of their useful lives. Increasing pressure from both the private and public sectors to take actions to mitigate climate change could also push the speed and nature of this transition. These factors could affect the Registrants' consolidated financial statements through, among other things, increased Operating and maintenance expenses, increased capital expenditures, and potential asset impairment charges or accelerated depreciation over shortened remaining asset useful lives.

Market performance and other factors could decrease the value of employee benefit plan assets and could increase the related employee benefit plan obligations, which then could require significant additional funding (All Registrants).

Disruptions in the capital markets and their actual or perceived effects on particular businesses and the greater economy could adversely affect the value of the investments held within Exelon's employee benefit plan trusts. The asset values are subject to market fluctuations and will yield uncertain returns, which could fall below Exelon's projected return rates. A decline in the market value of the pension and OPEB plan assets would increase the funding requirements associated with Exelon's pension and OPEB plan obligations. Additionally, Exelon's pension and OPEB plan liabilities are sensitive to changes in interest rates. As interest rates decrease, the liabilities increase, potentially increasing benefit costs and funding requirements. Changes in demographics, including increased numbers of retirements or changes in life expectancy assumptions or changes to Social Security or Medicare eligibility requirements could also increase the costs and funding requirements of the obligations related to the pension and OPEB plans. See Note 14 — Retirement Benefits of the Combined Notes to Consolidated Financial Statements for additional information.

The Registrants could be negatively affected by unstable capital and credit markets (All Registrants).

The Registrants rely on the capital markets, particularly for publicly offered debt, as well as the banking and commercial paper markets, to meet their financial commitments and short-term liquidity needs. Disruptions in the capital and credit markets in the United States or abroad could negatively affect the Registrants' ability to access the capital markets or draw on their respective bank revolving credit facilities. The banks may not be able to meet their funding commitments to the Registrants if they experience shortages of capital and liquidity or if they experience excessive volumes of borrowing requests within a short period of time. The inability to access capital markets or credit facilities, and longer-term disruptions in the capital and credit markets because of uncertainty, changing or increased regulation, reduced alternatives, or failures of significant financial institutions could result in the deferral of discretionary capital expenditures, or require a reduction in dividend payments or other discretionary uses of cash. In addition, the Registrants have exposure to worldwide financial markets, including Europe, Canada, and Asia. Disruptions in these markets could reduce or restrict the Registrants' ability to secure sufficient liquidity or secure liquidity at reasonable terms. As of December 31, 2023, approximately 23%, 10%, and 16% of the Registrants' available credit facilities were with European, Canadian, and Asian banks, respectively. Additionally, higher interest rates may put pressure on the Registrants' overall liquidity profile, financial health and impact financial results. See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the credit facilities.

If any of the Registrants were to experience a downgrade in its credit ratings to below investment grade or otherwise fail to satisfy the credit standards in its agreements with its counterparties or regulatory financial requirements, it would be required to provide significant amounts of collateral that could affect its liquidity and could experience higher borrowing costs (All Registrants).

The Utility Registrants' operating agreements with PJM and PECO's, BGE's, and DPL's natural gas procurement contracts contain collateral provisions that are affected by their credit rating and market prices. If certain wholesale market conditions were to exist and the Utility Registrants were to lose their investment grade credit ratings (based on their senior unsecured debt ratings), they would be required to provide collateral in the forms of letters of credit or cash, which could have a material adverse effect upon their remaining sources of liquidity. PJM collateral posting requirements will generally increase as market prices rise and decrease as market prices fall. Collateral posting requirements for PECO, BGE, and DPL, with respect to their natural gas supply contracts, will generally increase as forward market prices fall and decrease as forward market prices rise. If the Utility

Registrants were downgraded, they could experience higher borrowing costs as a result of the downgrade. In addition, changes in ratings methodologies by the agencies could also have an adverse negative impact on the ratings of the Utility Registrants.

The Utility Registrants conduct their respective businesses and operate under governance models and other arrangements and procedures intended to assure that the Utility Registrants are treated as separate, independent companies, distinct from Exelon and other Exelon subsidiaries in order to isolate the Utility Registrants from Exelon and other Exelon subsidiaries in the event of financial difficulty at Exelon or another Exelon subsidiary. These measures (commonly referred to as “ring-fencing”) could help avoid or limit a downgrade in the credit ratings of the Utility Registrants in the event of a reduction in the credit rating of Exelon. Despite these ring-fencing measures, the credit ratings of the Utility Registrants could remain linked, to some degree, to the credit ratings of Exelon. Consequently, a reduction in the credit rating of Exelon could result in a reduction of the credit rating of some or all of the Utility Registrants. A reduction in the credit rating of a Utility Registrant could have a material adverse effect on the Utility Registrant.

See ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — Liquidity and Capital Resources — Credit Matters and Cash Requirements — Security Ratings for additional information regarding the potential impacts of credit downgrades on the Registrants’ cash flows.

The impacts of significant economic downturns or increases in customer rates, could lead to decreased volumes delivered and increased expense for uncollectible customer balances (All Registrants).

The impacts of significant economic downturns on the Utility Registrants' customers and the related regulatory limitations on residential service terminations for the Utility Registrants, could result in an increase in the number of uncollectible customer balances and related expense. Further, increases in customer rates, including those related to increases in Purchased power and natural gas prices, could result in declines in customer usage and lower revenues for the Utility Registrants that do not have decoupling mechanisms.

See ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK for additional information on the Registrants’ credit risk.

The Registrants could be negatively affected by the impacts of weather (All Registrants).

Weather conditions directly influence the demand for electricity and natural gas and affect the price of energy commodities. Temperatures above normal levels in the summer tend to increase summer cooling electricity demand and revenues, and temperatures below normal levels in the winter tend to increase winter heating electricity and gas demand and revenues. Moderate temperatures adversely affect the usage of energy and resulting operating revenues at PECO and DPL Delaware. Due to revenue decoupling, operating revenues from electric distribution at ComEd, BGE, Pepco, DPL Maryland, and ACE and gas distribution at BGE are not affected by abnormal weather.

Extreme weather conditions or damage resulting from storms could stress the Utility Registrants' transmission and distribution systems, communication systems, and technology, resulting in increased maintenance and capital costs and limiting each Utility Registrant's ability to meet peak customer demand. First and third quarter financial results, in particular, are substantially dependent on weather conditions, and could make period comparisons less relevant.

Climate change projections suggest increases to summer temperature and humidity trends, as well as more erratic precipitation and storm patterns over the long-term in the areas where the Utility Registrants have transmission and distribution assets. The frequency in which weather conditions emerge outside the current expected climate norms could contribute to weather-related impacts discussed above.

Long-lived assets, goodwill, and other assets could become impaired (All Registrants).

Long-lived assets represent the single largest asset class on the Registrants’ statements of financial position. In addition, Exelon, ComEd, and PHI have material goodwill balances.

The Registrants evaluate the recoverability of the carrying value of long-lived assets to be held and used whenever events or circumstances indicating a potential impairment exist. Factors such as, but not limited to, the business climate, including current and future energy and market conditions, environmental regulation, and the condition of assets are considered.

ComEd and PHI perform an assessment for possible impairment of their goodwill at least annually or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting units below their carrying amount. Regulatory actions or changes in significant assumptions, including discount and growth rates, utility sector market performance and transactions, projected operating and capital cash flows for ComEd's, Pepco's, DPL's, and ACE's business, and the fair value of debt, could potentially result in future impairments of Exelon's, ComEd's, and PHI's goodwill.

An impairment would require the Registrants to reduce the carrying value of the long-lived asset or goodwill to fair value through a non-cash charge to expense by the amount of the impairment. See ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — Critical Accounting Policies and Estimates, Note 7 — Property, Plant, and Equipment, Note 11 — Asset Impairments, and Note 12 — Intangible Assets of the Combined Notes to the Consolidated Financial Statements for additional information on long-lived asset impairments and goodwill impairments.

The Registrants could incur substantial costs in the event of non-performance by third-parties under indemnification agreements, or when the Registrants have guaranteed their performance (All Registrants).

The Registrants have entered into various agreements with counterparties that require those counterparties to reimburse a Registrant and hold it harmless against specified obligations and claims. To the extent that any of these counterparties are affected by deterioration in their creditworthiness or the agreements are otherwise determined to be unenforceable, the affected Registrant could be held responsible for the obligations. Each of the Utility Registrants has transferred its former generation assets to one or more third parties and in each case the transferee has agreed to assume certain obligations and to indemnify the applicable Utility Registrant for such obligations. In connection with the restructurings under which ComEd, PECO, and BGE transferred their generating assets to Constellation, Constellation assumed certain of ComEd's, PECO's, and BGE's rights and obligations with respect to their former generation assets. Further, ComEd, PECO, and BGE have entered into agreements with third parties under which the third-party agreed to indemnify ComEd, PECO, or BGE for certain obligations related to their respective former generation assets that have been assumed by Constellation as part of the restructuring. If Constellation or a transferee of one of the Utility Registrant's generation assets experienced events that reduced its creditworthiness or the indemnity arrangement became unenforceable, the applicable Utility Registrant could be liable for any existing or future claims. In addition, the Utility Registrants have residual liability under certain laws in connection with their former generation assets.

The Registrants have issued indemnities to third parties regarding environmental or other matters in connection with purchases and sales of assets, including several of the Utility Registrants in connection with Constellation's absorption of their former generating assets. The Registrants could incur substantial costs to fulfill their obligations under these indemnities.

The Registrants have issued guarantees of the performance of third parties, which obligate the Registrants to perform if the third parties do not perform. In the event of non-performance by those third parties, the Registrants could incur substantial cost to fulfill their obligations under these guarantees.

Risks Related to Legislative, Regulatory, and Legal Factors

The Registrants' businesses are highly regulated and electric and gas revenue and earnings could be negatively affected by legislative and/or regulatory actions (All Registrants).

Substantial aspects of the Registrants' businesses are subject to comprehensive Federal or state legislation and/or regulation.

The Utility Registrants' consolidated financial statements are heavily dependent on the ability of the Utility Registrants to recover their costs for the retail purchase, transmission, and distribution of power and natural gas to their customers.

Fundamental changes in laws or regulations or adverse legislative or regulatory actions affecting the Registrants' businesses would require changes in their business planning models and operations. Registrants cannot always predict when or whether legislative or regulatory action will occur and may not be able to influence the outcome of legislative or regulatory initiatives.

Changes in the Utility Registrants' respective terms and conditions of service, including their respective rates, along with adoption of new rate structures and constructs, or establishment of new rate cases, are subject to regulatory approval proceedings and/or negotiated settlements that are at times contentious, lengthy, and subject to appeal, which lead to uncertainty as to the ultimate result, and which could result in uncertainties in rate case outcomes, and/or introduce time delays in effectuating rate changes (All Registrants).

The Utility Registrants are required to engage in regulatory approval proceedings as a part of the process of establishing the terms and rates for their respective services, adoption of new rate structures and constructs or establishment of new rate cases. These proceedings typically involve multiple parties, including governmental bodies and officials, consumer advocacy groups, and various consumers of energy, who have differing concerns but who have the common objective of limiting rate increases or even reducing rates. Decisions are subject to appeal, potentially leading to additional uncertainty associated with the approval proceedings. The potential duration of such proceedings creates a risk that rates ultimately approved by the applicable regulatory body may not be sufficient for a Utility Registrant to recover its costs once the rates become effective. Established rates are also subject to subsequent prudency reviews by state regulators, whereby various portions of rates could be adjusted, subject to refund or disallowed, including recovery mechanisms for costs associated with the procurement of electricity or gas, credit losses, MGP remediation, smart grid infrastructure, and energy efficiency and demand response programs. In certain instances, the Utility Registrants could agree to negotiated settlements related to various rate matters, customer initiatives, or franchise agreements. These settlements are subject to regulatory approval. The ultimate outcome and timing of regulatory rate proceedings have a significant effect on the ability of the Utility Registrants to recover their costs or earn an adequate return.

In addition to potential timing delays, the Registrants also face other uncertainties in rate proceedings that could impact recovery, including not obtaining anticipated allowed rates of return, allowed capital structures, or allowed return on pension assets, and various other factors.

See Note 3 — Regulatory Matters of the Combined Notes to the Consolidated Financial Statements for additional information.

The Registrants could be subject to higher costs and/or penalties related to mandatory reliability standards, including the likely exposure of the Utility Registrants to the results of PJM's RTEP and NERC compliance requirements (All Registrants).

The Utility Registrants as users, owners, and operators of the bulk power transmission system are subject to mandatory reliability standards promulgated by NERC and enforced by FERC. The standards are based on the functions that need to be performed to ensure the bulk power system operates reliably and are guided by reliability and market interface principles. Compliance with or changes in the reliability standards could subject the Registrants to higher operating costs and/or increased capital expenditures. In addition, the ICC, PAPUC, MDPSC, DCPSC, DEPSC, and NJBPU impose certain distribution reliability standards on the Utility Registrants. If the Utility Registrants were found in non-compliance with the Federal or state mandatory reliability standards, they could be subject to remediation costs as well as sanctions, which could include substantial monetary penalties.

The Registrants could incur substantial costs to fulfill their obligations related to environmental and other matters (All Registrants).

The Registrants are subject to extensive environmental regulation and legislation by local, state, and Federal authorities. These laws and regulations affect the way the Registrants conduct their operations and make capital expenditures, including how they handle air and water emissions, hazardous and solid waste, and activities affecting surface waters, groundwater, and aquatic and other species. Violations of these requirements could subject the Registrants to enforcement actions, capital expenditures to bring existing facilities into compliance, additional operating costs for remediation and clean-up costs, civil penalties and exposure to third parties' claims

for alleged health or property damages, or operating restrictions to achieve compliance. In addition, the Registrants are subject to liability under these laws for the remediation costs for environmental contamination of property now or formerly owned by the Registrants and of property contaminated by hazardous substances they generated or released. Remediation activities associated with MGP operations conducted by predecessor companies are one component of such costs. Also, the Registrants are currently involved in several proceedings relating to sites where hazardous substances have been deposited and could be subject to additional proceedings in the future. See ITEM 1. BUSINESS — Environmental Matters and Regulation for additional information.

The Registrants could be negatively affected by federal and state RPS and/or energy conservation legislation, along with energy conservation by customers (All Registrants).

Changes to current state legislation or the development of Federal legislation that requires the use of low-emission, renewable, and/or alternate fuel sources could significantly impact the Utility Registrants, especially if timely cost recovery is not allowed.

Federal and state legislation mandating the implementation of energy conservation programs that require the implementation of new technologies, such as smart meters and smart grid, could increase capital expenditures and could significantly impact the Utility Registrants' consolidated financial statements if timely cost recovery is not allowed. These energy conservation programs, regulated energy consumption reduction targets, and new energy consumption technologies could cause declines in customer energy consumption and lead to a decline in the Registrants' earnings, if timely recovery is not allowed. See ITEM 1. BUSINESS — Environmental Matters and Regulation — Renewable and Clean Energy Standards and "The Registrants are potentially affected by emerging technologies that could over time affect or transform the energy industry" above for additional information.

The Registrants could be negatively affected by challenges to tax positions taken, tax law changes, and the inherent difficulty in quantifying potential tax effects of business decisions. (All Registrants).

The Registrants are required to make judgments to estimate their obligations to taxing authorities, which includes general tax positions taken and associated reserves established. Tax obligations include, but are not limited to: income, real estate, sales and use, and employment-related taxes and ongoing appeal issues related to these tax matters. All tax estimates could be subject to challenge by the tax authorities. Additionally, earnings may be impacted due to changes in federal or local/state tax laws, and the inherent difficulty of estimating potential tax effects of ongoing business decisions. See Note 1 — Significant Accounting Policies and Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information.

Legal proceedings could result in a negative outcome, which the Registrants cannot predict (All Registrants).

The Registrants are involved in legal proceedings, claims, and litigation arising out of their business operations. The material ones are summarized in Note 18 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements. Adverse outcomes in these proceedings could require significant expenditures, result in lost revenue, or restrict or disrupt business activities.

The Registrants could be subject to adverse publicity and reputational risks, which make them vulnerable to negative customer perception and could lead to increased regulatory oversight or other consequences (All Registrants).

The Registrants could be the subject of public criticism. Adverse publicity could render public service commissions and other regulatory and legislative authorities less likely to view energy companies generally, or the Registrants specifically, in a favorable light, and could cause the Registrants to be susceptible to less favorable legislative and regulatory outcomes, as well as increased regulatory oversight and more stringent legislative or regulatory requirements.

The activities associated with the past Deferred Prosecution Agreement and the now resolved associated SEC investigation could have a material adverse effect on Exelon’s and ComEd’s

reputation and relationship with legislators, regulators, and customers that could affect their ability to achieve actions and approvals (Exelon and ComEd).

On July 17, 2020, ComEd entered into a Deferred Prosecution Agreement with the USAO for the Northern District of Illinois to resolve the USAO's investigation into Exelon's and ComEd's lobbying activities in the State of Illinois. Exelon was not made a party to the DPA and no charges were brought against Exelon. Under the DPA, the USAO filed a single charge alleging that ComEd improperly gave and offered to give jobs, vendor subcontracts, and payments associated with those jobs and subcontracts for the benefit of the Speaker of the Illinois House of Representatives and the Speaker's associates, with the intent to influence the Speaker's action regarding legislation affecting ComEd's interests. The DPA provided that the USAO would defer any prosecution of such charge and any other criminal or civil case against ComEd in connection with the matters identified therein for a three-year period. That period expired, and the pending charge was dismissed, in July 2023. In October 2019, the SEC notified Exelon and ComEd that it had opened an investigation into their lobbying activities in the state of Illinois. On September 28, 2023, Exelon and ComEd reached a settlement with the SEC to fully resolve the matter.

The DPA and the settlement with the SEC could have a material adverse impact on Exelon's and ComEd's reputation or relationships with regulatory and legislative authorities, customers, and other stakeholders. Those impacts could affect, or make more difficult, their efforts to achieve actions or approvals associated with operations. See Note 18 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for more information regarding the DPA and SEC settlement.

Risks Related to Operational Factors

The Registrants are subject to risks associated with climate change (All Registrants).

The Registrants periodically perform analyses to better understand long-term projections of climate change and how those changes in the physical environments where they operate could affect their facilities and operations. The Registrants primarily operate in the Midwest and Mid-Atlantic of the United States, areas that historically have been prone to various types of severe weather events, and the Registrants have well-developed response and recovery programs based on these historical events. However, the Registrants' physical facilities could be at greater risk of damage as changes in the global climate affect temperature and weather patterns, including if such climate changes result in more intense, frequent and extreme weather events, elevated levels of precipitation, sea level rise, increased surface water temperatures, wildfires and/or other effects. Over time, the Registrants are making additional investments to protect their facilities from physical climate-related risks.

In addition, changes to the climate may impact levels and patterns of demand for energy and related services, which could affect Registrants' operations and business. Over time, the Registrants are making additional investments to adapt to changes in operational requirements to manage demand changes and customer expectations caused by climate change.

Climate Change risks include changes to energy systems due to new technologies, changing customer expectations and/or voluntary GHG goals, as well as local, state, or federal regulatory requirements intended to reduce GHG emissions, including through limitation of the use of natural gas. The Registrants also periodically perform analyses of potential energy system transition pathways to reduce economy-wide GHG emissions to mitigate climate change. To the extent additional GHG reduction legislation and/or regulation becomes effective at the Federal and/or state levels, the Registrants could incur costs to further limit the GHG emissions from their operations or otherwise comply with applicable requirements and such legislation and/or regulation could otherwise adversely affect the Registrants' businesses. See ITEM 1. BUSINESS — Environmental Matters and Regulation — Climate Change and ITEM 1.A. "The Registrants are potentially affected by emerging technologies that could over time affect or transform the energy industry" above for additional information.

The Utility Registrants' operating costs are affected by their ability to maintain the availability and reliability of their delivery and operational systems (All Registrants).

Failures of the equipment or facilities used in the Utility Registrants' delivery systems could interrupt electric transmission and/or electric or natural gas delivery, which could result in a loss of revenues and an increase in maintenance and capital expenditures. Equipment or facilities failures can occur due to several factors, including natural causes such as weather or information systems failure. Specifically, if the implementation of AMI, smart

grid, or other technologies in the Utility Registrants' service territory fail to perform as intended or are not successfully integrated with billing and other information systems, or if any of the financial, accounting, or other data processing systems fail or have other significant shortcomings, the Utility Registrants' financial results could be negatively impacted. In addition, dependence upon automated systems could further increase the risk that operational system flaws or internal and/or external tampering or manipulation of those systems will result in losses that are difficult to detect.

Regulated utilities, which are required to provide service to all customers within their respective service territories, have generally been afforded liability protections against claims by customers relating to failure of service. Under Illinois law, however, ComEd could be required to pay damages to its customers in some circumstances involving extended outages affecting large numbers of its customers, which could be material.

The Registrants are subject to physical security and cybersecurity risks (All Registrants).

Risks from cybersecurity and physical threats to energy infrastructures are increasing. Threat actors, including sophisticated nation-state actors, continue to seek to exploit potential vulnerabilities in the electric and natural gas utility industry, grid infrastructure, and other energy infrastructures, and attacks and disruptions, both physical, cyber, and hybrid targeting physical and cyber assets, are becoming increasingly sophisticated and dynamic. Several U.S. government agencies have warned of increased risks related to physical attacks, ransomware attacks and cybersecurity threats related to the energy sector and its supply chains, and that the risks may escalate during periods of heightened geopolitical tensions. Continued implementation of advanced digital technologies increases the potentially unfavorable impacts of such attacks. In addition, the rapid evolution and increased adoption of artificial intelligence technologies may intensify the Registrants' cybersecurity risks.

A security breach of the Registrants' physical assets or information systems or those of the Registrants' competitors, vendors, business partners and interconnected entities (including RTOs and ISOs) could materially impact Registrants by, among other things, impairing the availability of electricity and gas distributed by Registrants and/or the reliability of transmission and distribution systems, damaging grid infrastructure, interrupting critical business functions, impairing the availability of vendor services and materials that the Registrants rely on to maintain their operations, or by leading to the theft or inappropriate release of certain types of information, including critical infrastructure information, system data and architecture, sensitive customer, vendor, or employee data, or other confidential data. The Registrants' reliance on vendors to provide services and equipment, and its shared information systems with Constellation pursuant to the Transition Services Agreement between Exelon and Constellation, increases the risk to assets, systems, and data. While some of the Registrants' vendors have experienced cybersecurity incidents, such incidents have not, to Registrants' knowledge, resulted in material impact to any of the Registrants to date. The risk of these events and security breaches occurring continues to intensify. The Registrants have been, and will likely continue to be, subjected to physical and cyber-attacks. While to date none of the Registrants has directly experienced a material breach or material disruption to its network or information systems or operations, as such attacks continue to increase in sophistication and frequency, the Registrants may be subject to a material breach or material disruption in the future.

If a significant physical or cybersecurity breach or disruption were to occur, the Registrants' reputation could be negatively affected, customer confidence in the Registrants could be diminished and the Registrants could be subject to legal claims, regulatory exposure, loss of revenues, increased costs including for infrastructure repairs, or operations shutdown, all of which could materially affect the Registrants' financial condition and materially damage its business reputation. Moreover, the amount and scope of insurance maintained against losses resulting from any such security breaches or disruptions may not be sufficient to cover losses or otherwise adequately compensate for any disruptions to business that could result. The continued increase in Federal and state regulatory requirements related to cybersecurity and evolving threat actor-capabilities could require changes to current measures taken by the Registrants or to their business operations and could adversely affect their consolidated financial statements.

The Registrants’ employees, contractors, customers, and the general public could be exposed to a risk of injury due to the nature of the energy industry (All Registrants).

Employees and contractors throughout the organization work in, and customers and the general public could be exposed to, potentially dangerous environments near the Registrants’ operations. As a result, employees,

contractors, customers, and the general public are at some risk for serious injury, including loss of life. These risks include gas explosions, pole strikes, and electric contact cases.

Extreme weather events, natural disasters, operational accidents such as wildfires or natural gas explosions, war, acts and threats of terrorism, public health crises, epidemics, pandemics, or other significant events could negatively impact the Registrants' results of operations, ability to raise capital and future growth (All Registrants).

The Utility Registrants' infrastructures and/or operations could be affected by extreme weather events, natural disasters, or operational accidents such as wildfires or natural gas explosions which could result in increased costs, including supply chain costs and third-party property damage. An extreme weather event, natural disaster, or operational accident within the Utility Registrants' service areas can also directly affect their capital assets, causing disruption in service to customers due to downed wires and poles or damage to other operating equipment.

The impact that potential terrorist attacks could have on the industry and the Registrants is uncertain. The Registrants face a risk that their operations would be direct targets or indirect casualties of an act of terror. Any retaliatory military strikes or sustained military campaign could affect Registrants' operations in unpredictable ways, such as changes in insurance markets and disruptions of supplies and markets. Furthermore, such events could compromise the physical or cybersecurity of the Registrants' facilities, which could adversely affect the Registrants' ability to manage their businesses effectively. Instability in the financial markets as a result of terrorism, war, natural disasters, public health crises, epidemics, pandemics, credit crises, recession, or other significant events also could result in a decline in energy consumption or interruption of fuel or the supply chain. In addition, the implementation of security guidelines and measures has resulted in and is expected to continue to result in increased costs.

The Registrants could be significantly affected by public health crises, epidemics, or pandemics. The Registrants have plans in place to respond to such events. However, depending on the severity and the resulting impacts to workforce and other resource availability, a public health crisis, epidemic, or pandemic could adversely affect our vendors, or customers and customer demand as well as the Registrants' ability to operate their transmission and distribution assets.

In addition, on behalf of the Registrants Exelon maintains a level of insurance coverage consistent with industry practices against property, casualty, and cybersecurity losses subject to unforeseen occurrences or catastrophic events that could damage or destroy assets or interrupt operations. However, there can be no assurance that the amount of insurance will be adequate to address such property and casualty losses.

The Registrants' businesses are capital intensive, and their assets could require significant expenditures to maintain, are subject to operational failure and could be impacted by lack of availability of labor, materials or parts, which could result in potential liability (All Registrants).

The Utility Registrants' businesses are capital intensive and require significant investments in transmission and distribution infrastructure projects. Equipment, even if maintained in accordance with good utility practices, is subject to operational failure, including events that are beyond the Utility Registrants' control, and could require significant expenditures to operate efficiently. Disruptions or cost increases in the supply chain, including shortages in labor, materials or parts, could materially impact the timing and execution of capital projects, as well as other aspects of the Registrants' businesses. The Registrants' consolidated financial statements could be negatively affected if they were unable to effectively manage their capital projects or raise the necessary capital, or if they are deemed liable for operational failure. See ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — Liquidity and Capital Resources for additional information regarding the Registrants' potential future capital expenditures.

The Utility Registrants' respective ability to deliver electricity, their operating costs, and their capital expenditures could be negatively impacted by transmission congestion and failures of neighboring transmission systems (All Registrants).

Demand for electricity within the Utility Registrants' service areas could stress available transmission capacity requiring alternative routing or curtailment of electricity usage. Also, insufficient availability of electric supply to meet customer demand could jeopardize the Utility Registrants' ability to comply with reliability standards and

strain customer and regulatory agency relationships. As is the case for electric utilities generally, potential concerns over transmission capacity or generation facility retirements could result in PJM or FERC requiring the Utility Registrants to upgrade or expand their respective transmission systems through additional capital expenditures.

PJM's systems and operations are designed to ensure the reliable operation of the transmission grid and prevent the operations of one utility from having an adverse impact on the operations of the other utilities. However, service interruptions at other utilities may cause interruptions in the Utility Registrants' service areas.

The Registrants' performance could be negatively affected if they fail to attract and retain an appropriately qualified workforce (All Registrants).

Certain events, such as the separation transaction, an employee strike, loss of employees, loss of contract resources due to a major event, and an aging workforce without appropriate replacements, could lead to operating challenges and increased costs for the Registrants. Such challenges include lack of resources, loss of knowledge and a lengthy time period associated with skill development. As a result of such events, costs, including costs for contractors to replace employees, productivity costs, and safety costs, could rise. The Registrants are particularly affected due to the specialized knowledge required of the technical and support employees needed to conduct Registrants' transmission and distribution operations as well as areas where new technologies are pertinent.

The Registrants' performance could be negatively affected by poor performance of third-party contractors that perform periodic or ongoing work (All Registrants).

The Registrants rely on third-party contractors to perform operations, maintenance, and construction work. Performance standards typically are included in all contractual obligations, but poor performance may impact capital execution plans or operations, or have adverse financial or reputational consequences.

The Registrants could make acquisitions or investments in new business initiatives and new markets, which may not be successful or achieve the intended financial results (All Registrants).

The Utility Registrants face risks associated with regulator-mandated or other new business initiatives, such as smart grids and broader beneficial electrification. Such risks include, but are not limited to, cost recovery, regulatory concerns, cybersecurity, and obsolescence of technology. Such initiatives may not be successful, and failures could result in adverse financial or reputational consequences.

Risks Related to the Separation (Exelon)

In connection with the separation into two public companies, Exelon and Constellation have agreed to indemnify each other for certain liabilities. If Exelon is required to pay under these indemnities to Constellation, Exelon's financial results could be negatively impacted. The Constellation indemnities may not be sufficient to hold Exelon harmless from the full amount of liabilities for which Constellation has been allocated responsibility, and Constellation may not be able to satisfy its indemnification obligations in the future.

Pursuant to the separation agreement and certain other agreements between Exelon and Constellation, each party agreed to indemnify the other for certain liabilities, generally for uncapped amounts. Liabilities subject to Exelon's indemnity obligations to Constellation generally are not subject to caps, may be significant and could negatively impact Exelon's business. Any amounts Exelon is required to pay pursuant to these indemnity obligations could require Exelon to divert cash that would otherwise have been used in furtherance of its operating business. Further, third parties could seek to hold Exelon responsible for any of the liabilities that Constellation has agreed to retain and for which Constellation is obligated to indemnify Exelon. The indemnities from Constellation for Exelon's benefit may not be sufficient to protect Exelon against the full amount of such liabilities, and Constellation may not be able to fully satisfy its indemnification obligations. Even if Exelon ultimately succeeds in recovering from Constellation any amounts for which Exelon is held liable, Exelon may be temporarily required to bear these losses. Each of these risks could negatively affect Exelon's business, results of operations and financial condition.

ITEM 1B. UNRESOLVED STAFF COMMENTS

All Registrants

None.

ITEM 1C. CYBERSECURITY

Risk management and strategy

Cybersecurity risk for all Registrants is managed at the enterprise-level. Management of material risks from cybersecurity threats is integrated into the Registrants' overall risk management processes and is monitored as an enterprise risk. Exelon's Chief Information Security Officer (CISO) and cybersecurity management team regularly hold meetings with senior management of each Registrant, facilitated by Exelon's enterprise risk management team, to discuss issues pertaining to cybersecurity risk management, including changes in the nature and origin of threats, threat actor and risk mitigation activities, and regulatory developments. Exelon Legal and compliance professionals engage with the CISO and cybersecurity management team to address tactical and strategic cybersecurity risks. Exelon monitors cybersecurity risks through key risk indicators to identify potential changes in risk exposure and provide the Board of Directors with information about the monitoring of key risks in connection with its oversight of the Registrants' enterprise risk management system.

The CISO, through Exelon's Cyber Information and Security Services (CISS), reviews external and internal sources to obtain cyber threat intelligence to develop strategic and tactical threat assessments that inform the enterprise-wide cyber risk mitigation programs and actions. Exelon uses a wide range of tools, including endpoint, anomaly and network detection, logging and monitoring of security events, network segmentation, firewalls, hardening and securing devices, cyber vulnerability detection and patch management, cyber threat hunting, malware forensic analysis, industry-specific reports, and tabletop exercises to inform the cybersecurity management team. Exelon protects assets critical to grid reliability and national security through the implementation of the North American Electric Reliability Corporation's Critical Infrastructure Protection requirements, and gas pipeline security under the U.S. Department of Homeland Security's Transportation Safety Administration's Security Directives. Exelon maintains security relationships with law enforcement and U.S. intelligence agencies, coordinates with the Electricity Information Sharing and Analysis Center (E-ISAC) and participates in the Department of Energy's Cybersecurity Risk Information Sharing Program (CRISP) to strengthen the security of the energy grid, develop and deploy new technologies, share information, design and participate in drills and exercises such as the bi-annual Grid Security Exercises and facilitate cross-sector coordination. Exelon applies stringent employee and contractor screening, and advances security awareness through training and monitoring programs that address both cyber and physical threats. Exelon employees are subject to annual mandatory training addressing security awareness, including cybersecurity and phishing. Exelon maintains cyber insurance coverage at limits consistent with the utility industry and reviews policy coverage and limits on an annual basis.

In assessing the effectiveness of its cybersecurity risk management program, the CISO makes use of external perspectives from regulatory compliance audits and inspections, external audits of the Registrants' financial systems, and third-party incident response and detection analytics. Cybersecurity risks associated with the Registrants' use of certain third-party service providers are evaluated and managed through CISS' Third Party Security team that leverages security risk assessments, contractual terms and conditions, and security awareness training for such providers. Additionally, those providers are required to report cybersecurity incidents, including the unauthorized use or disclosure of Registrants' confidential information to Exelon's security operations center. Third Party Security investigates certain third-party cybersecurity events as part of Exelon's incident response program.

Governance

The Exelon Board of Directors is responsible for oversight of risks from cybersecurity threats. As part of its responsibility and as documented in the 2022 Cybersecurity Oversight Policy, the Board of Directors oversees Exelon's cybersecurity program and Exelon's enterprise-wide risk related to cybersecurity, including management's identification, assessment, and mitigation of cybersecurity risks. At each regular quarterly meeting, the Board of Directors engages with the CISO and a cross-functional management team regarding the risks from cybersecurity threats. The CISO and professionals from the legal and compliance departments brief

the Board of Directors on relevant topics, including information security and operational security, legislative and regulatory developments, and notable external cyber events relevant to Exelon and the industry more broadly. Management engages with the Board of Directors on risks from cybersecurity threats as appropriate outside of the quarterly meetings.

The CISO manages Exelon's enterprise-wide cybersecurity programs and reports to Exelon's Chief Information Officer. The CISO has been responsible for assessing and managing material risks from cybersecurity threats at Exelon since 2018 and was named to the current role in 2022. The CISO has 25 years of information technology and cybersecurity experience in the critical infrastructure sector, of which 23 years have been in the utility industry. The CISO leads CISS, which manages centralized information technology and operational technology security programs for the Registrants. The programs are aligned to the National Institute of Standards and Technology Cyber Security Framework (NIST CSF) and integrate cyber asset identification; threat assessment; risk assessment; risk management; and risk monitoring. CISS operates a security operations center for monitoring, identifying, and mitigating potential cybersecurity events or incidents.

Exelon maintains a single, centralized cybersecurity incident response program and plan that aligns with NIST CSF by integrating the identify, determine/classify, escalate and respond functions (which track the lifecycle of an event or incident). Security threats and incidents are identified and assessed to determine potential impact and escalated to senior cybersecurity management and the CISO. The CISO directs the security incident response team to contain, eradicate, and recover from an active threat. Exelon leverages the expertise of dedicated incident response vendors that can provide timely and specialized support to respond and recover from an event. The CISO and a cross-functional team convene as needed to evaluate cybersecurity events, including third-party events. The legal and compliance departments provide incident response support to the CISO, manage cybersecurity-related legal and compliance issues, and direct materiality evaluations using both qualitative and quantitative factors for each Registrant.

Although the Registrants have not experienced any material cybersecurity events to date, cybersecurity threats could materially affect each Registrant's business strategy, results of operations, or financial condition, as further discussed in the risk factor entitled "The Registrants are subject to physical and cybersecurity risks" in ITEM 1A. of this report.

ITEM 2. PROPERTIES

The Utility Registrants

The Utility Registrants' electric substations and a portion of their transmission rights are located on property that they own. A significant portion of their electric transmission and distribution facilities are located above or underneath highways, streets, other public places, or property that others own. The Utility Registrants believe that they have satisfactory rights to use those places or property in the form of permits, grants, easements, licenses, and franchise rights; however, they have not necessarily undertaken to examine the underlying title to the land upon which the rights rest.

Transmission and Distribution

The Utility Registrants' high voltage electric transmission lines owned and in service at December 31, 2023 were as follows:

Voltage	Circuit Miles					
(Volts)	ComEd	PECO	BGE	Pepco	DPL	ACE
765,000	90	—	—	—	—	—
500,000[(a)]	—	188	216	108	16	—
345,000	2,678	—	—	—	—	—
230,000	—	550	352	782	472	258
138,000	2,268	135	55	61	587	214
115,000	—	—	700	25	—	—
69,000	—	177	—	—	568	664

(a) In addition, PECO, DPL, and ACE have an ownership interest located in Delaware and New Jersey. See Note 8 — Jointly Owned Electric Utility Plant of the Combined Notes to the Consolidated Financial Statements for additional information.

The Utility Registrants' electric distribution system includes the following number of circuit miles of overhead and underground lines:

Circuit Miles	ComEd	PECO	BGE	Pepco	DPL	ACE
Overhead	35,366	12,983	9,151	4,174	6,019	7,343
Underground	32,818	9,676	18,071	7,358	6,589	3,033

Gas

The following table presents PECO's, BGE's, and DPL's natural gas pipeline miles at December 31, 2023:

	PECO	BGE	DPL
Transmission[(a)]	6	149	8
Distribution	7,305	7,562	2,209
Service piping	6,494	6,497	1,492
Total	13,805	14,208	3,709

(a) DPL has a 10% undivided interest in approximately 8 miles of natural gas transmission mains located in Delaware, which are used by DPL for its natural gas operations and by 90% owner for distribution of natural gas to its electric generating facilities.

The following table presents PECO's, BGE's, and DPL's natural gas facilities:

Registrant	Facility	Location	Storage Capacity (mmcf)	Send-out or Peaking Capacity (mmcf/day)
PECO	LNG Facility	West Conshohocken, PA	1,200	195
PECO	Propane Air Plant	Chester, PA	105	25
BGE	LNG Facility	Baltimore, MD	1,056	332
BGE	Propane Air Plant	Baltimore, MD	550	85
DPL	LNG Facility	Wilmington, DE	250	25

PECO, BGE, and DPL also own 30, 27, and 10 natural gas city gate stations and direct pipeline customer delivery points at various locations throughout their gas service territory, respectively.

First Mortgage and Insurance

The principal properties of ComEd, PECO, PEPCO, DPL, and ACE are subject to the lien of their respective Mortgages under which their respective First Mortgage Bonds are issued. See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information.

The Utility Registrants maintain property insurance against loss or damage to their properties by fire or other perils, subject to certain exceptions. For their insured losses, the Utility Registrants are self-insured to the extent that any losses are within the policy deductible or exceed the amount of insurance maintained. Any such losses could have a material adverse effect in the consolidated financial condition or results of operations of the Utility Registrants.

Exelon

Security Measures

The Registrants have initiated and work to maintain security measures. On a continuing basis, the Registrants evaluate enhanced security measures at certain critical locations, enhanced response and recovery plans, long-term design changes, and redundancy measures. Additionally, the energy industry has strategic relationships with governmental authorities to ensure that emergency plans are in place and critical infrastructure vulnerabilities are addressed in order to maintain the reliability of the country's energy systems.

ITEM 3. LEGAL PROCEEDINGS

All Registrants

The Registrants are parties to various lawsuits and regulatory proceedings in the ordinary course of their respective businesses. For information regarding material lawsuits and proceedings, see Note 3 — Regulatory Matters and Note 18 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements. Such descriptions are incorporated herein by these references.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable

PART II

(Dollars in millions, except per share data, unless otherwise noted)

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Exelon

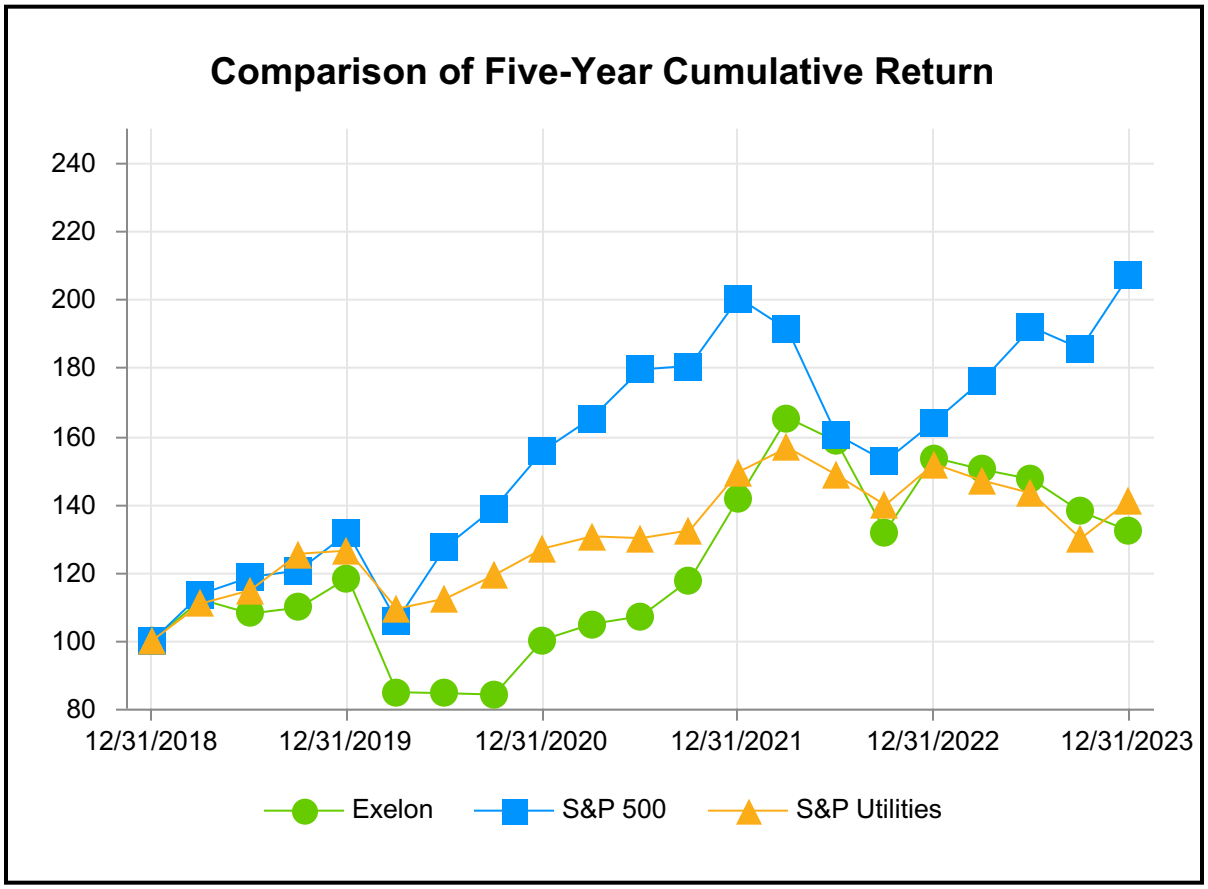
Exelon's common stock is listed on the Nasdaq (trading symbol: EXC). As of January 31, 2024, there were 999,538,542 shares of Common stock outstanding and approximately 76,661 record holders of Common stock.

Stock Performance Graph

The performance graph below illustrates a five-year comparison of cumulative total returns based on an initial investment of $100 in Exelon Common stock, compared with the S&P 500 Stock Index and the S&P Utility Index, for the period 2019 through 2023. Cumulative total returns account for the separation of Constellation, as the spin-off dividend was assumed to have been reinvested upon receipt.

This performance chart assumes:

- $100 invested on December 31, 2018 in Exelon Common stock, the S&P 500 Stock Index, and the S&P Utility Index; and
- All dividends are reinvested.



	Value of Investment at December 31,					
	2018	2019	2020	2021	2022	2023
Exelon Corporation	$100.00	$104.28	$100.22	$141.73	$153.53	$132.08
S&P 500	$100.00	$131.49	$155.68	$200.37	$164.08	$207.21
S&P Utilities	$100.00	$126.35	$126.96	$149.39	$151.73	$140.99

ComEd

As of January 31, 2024, there were 127,021,399 outstanding shares of Common stock, $12.50 par value, of ComEd, of which 127,002,904 shares were indirectly held by Exelon. As of January 31, 2024, in addition to Exelon, there were 281 record holders of ComEd Common stock. There is no established market for shares of the Common stock of ComEd.

PECO

As of January 31, 2024, there were 170,478,507 outstanding shares of Common stock, without par value, of PECO, all of which were indirectly held by Exelon.

BGE

As of January 31, 2024, there were 1,000 outstanding shares of Common stock, without par value, of BGE, all of which were indirectly held by Exelon.

PHI

As of January 31, 2024, Exelon indirectly held the entire membership interest in PHI.

Pepco

As of January 31, 2024, there were 100 outstanding shares of Common stock, $0.01 par value, of Pepco, all of which were indirectly held by Exelon.

DPL

As of January 31, 2024, there were 1,000 outstanding shares of Common stock, $2.25 par value, of DPL, all of which were indirectly held by Exelon.

ACE

As of January 31, 2024, there were 8,546,017 outstanding shares of Common stock, $3.00 par value, of ACE, all of which were indirectly held by Exelon.

All Registrants

Dividends

Under applicable Federal law, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE can pay dividends only from retained, undistributed, or current earnings. A significant loss recorded at ComEd, PECO, BGE, PHI, Pepco, DPL, or ACE may limit the dividends that these Registrants can distribute to Exelon.

ComEd has agreed, in connection with a financing arranged through ComEd Financing III, that ComEd will not declare dividends on any shares of its capital stock in the event that: (1) it exercises its right to extend the interest payment periods on the subordinated debt securities issued to ComEd Financing III; (2) it defaults on its guarantee of the payment of distributions on the preferred trust securities of ComEd Financing III; or (3) an event of default occurs under the Indenture under which the subordinated debt securities are issued. No such event has occurred.

PECO has agreed, in connection with financings arranged through PEC L.P. and PECO Trust IV, that PECO will not declare dividends on any shares of its capital stock in the event that: (1) it exercises its right to extend the interest payment periods on the subordinated debentures which were issued to PEC L.P. or PECO Trust IV; (2) it defaults on its guarantee of the payment of distributions on the Series D Preferred Securities of PEC L.P. or the preferred trust securities of PECO Trust IV; or (3) an event of default occurs under the Indenture under which the subordinated debentures are issued. No such event has occurred.

BGE is subject to restrictions established by the MDPSC that prohibit BGE from paying a dividend on its common shares if (a) after the dividend payment, BGE's equity ratio would be below 48% as calculated pursuant to the MDPSC's ratemaking precedents or (b) BGE's senior unsecured credit rating is rated by two of the three major credit rating agencies below investment grade. No such event has occurred.

Pepco is subject to certain dividend restrictions established by settlements approved by the MDPSC and DCPSC that prohibit Pepco from paying a dividend on its common shares if (a) after the dividend payment, Pepco's equity ratio would be below 48% as calculated pursuant to the MDPSC's and DCPSC's ratemaking precedents, or (b) Pepco's senior unsecured credit rating is rated by one of the three major credit rating agencies below investment grade. No such event has occurred.

DPL is subject to certain dividend restrictions established by settlements approved by the DEPSC and MDPSC that prohibit DPL from paying a dividend on its common shares if (a) after the dividend payment, DPL's equity ratio would be below 48% as calculated pursuant to the DEPSC's and MDPSC's ratemaking precedents, or (b) DPL's corporate issuer or senior unsecured credit rating, or its equivalent, is rated by any of the three major credit rating agencies below the generally accepted definition of investment grade. No such event has occurred.

ACE is subject to certain dividend restrictions established by settlements approved by the NJBPU that prohibit ACE from paying a dividend on its common shares if (a) after the dividend payment, ACE's common equity ratio would be below 48% as calculated pursuant to the NJBPU's ratemaking precedents, or (b) ACE's senior corporate issuer or senior unsecured credit rating is rated by one of the three major credit rating agencies below investment grade. ACE is also subject to a dividend restriction which requires ACE to notify and obtain the prior approval of the NJBPU before dividends can be paid if its equity as a percent of its total capitalization, excluding securitization debt, falls below 30%. No such event has occurred.

Exelon's Board of Directors approved an updated dividend policy for 2024. The 2024 quarterly dividend will be $0.38 per share.

As of December 31, 2023, Exelon had Retained earnings of $5,490 million, ComEd had Retained earnings of $2,374 million, PECO had Retained earnings of $2,019 million, BGE had Retained earnings of $2,244 million, and PHI had Undistributed losses of $275 million.

The following table sets forth Exelon's quarterly cash dividends per share paid during 2023 and 2022:

	2023				2022			
(per share)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Exelon	$ 0.3600	$ 0.3600	$ 0.3600	$ 0.3600	$ 0.3375	$ 0.3375	$ 0.3375	$ 0.3375

The following table sets forth PHI's quarterly distributions and ComEd's, PECO's, BGE's, Pepco's, DPL's, and ACE's quarterly common dividend payments:

	2023				2022			
(in millions)	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
ComEd	$ 187	$ 185	$ 187	$ 187	$ 144	$ 145	$ 145	$ 144
PECO	102	101	101	101	100	99	100	100
BGE	78	79	79	80	74	75	75	76
PHI	103	198	100	112	125	230	293	102
Pepco	52	85	67	48	63	100	258	42
DPL	36	37	18	42	48	39	15	41
ACE	15	75	15	21	17	90	19	19

First Quarter 2024 Dividend

On February 21, 2024, Exelon's Board of Directors declared a regular quarterly dividend of $0.38 per share on Exelon's Common stock for the first quarter of 2024. The dividend is payable on Friday, March 15, 2024, to shareholders of record of Exelon as of 5 p.m. Eastern time on Monday, March 4, 2024.

ITEM 6. [RESERVED]

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars in millions except per share data, unless otherwise noted)

Exelon

Executive Overview

Exelon is a utility services holding company engaged in the energy transmission and distribution businesses through its six reportable segments: ComEd, PECO, BGE, Pepco, DPL, and ACE. See Note 1 — Significant Accounting Policies and Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for additional information regarding Exelon's principal subsidiaries and reportable segments.

Exelon's consolidated financial information includes the results of its seven separate operating subsidiary registrants, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE, which, along with Exelon, are collectively referred to as the Registrants. The following combined Management's Discussion and Analysis of Financial Condition and Results of Operations is separately filed by Exelon, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE. However, none of the Registrants makes any representation as to information related solely to any of the other Registrants. For discussion of the Utility Registrants' year ended December 31, 2022 compared to the year ended December 31, 2021, refer to ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS in the 2022 Form 10-K, which was filed with the SEC on February 14, 2023.

COVID-19. There were no material impacts to the Registrants from unfavorable economic conditions due to COVID-19 for the years ended December 31, 2023 and 2022, other than the 2022 impairment discussed below.

The Registrants assessed long-lived assets, goodwill, and investments for recoverability. Exelon and BGE recorded a pre-tax impairment charge of $48 million in 2022 as a result of COVID-19 impacts on office use. See Note 11 — Asset Impairments for additional information related to this impairment assessment.

Financial Results of Operations

GAAP Results of Operations. The following table sets forth Exelon's GAAP consolidated Net income attributable to common shareholders from continuing operations by Registrant for the year ended December 31, 2023 compared to the same period in 2022. For additional information regarding the financial results for the years ended December 31, 2023 and 2022, see the discussions of Results of Operations by Registrant.

	2023	2022	Favorable (Unfavorable) Variance
Exelon	$ 2,328	$ 2,054	$ 274
ComEd	1,090	917	173
PECO	563	576	(13)
BGE	485	380	105
PHI	590	608	(18)
Pepco	306	305	1
DPL	177	169	8
ACE	120	148	(28)
Other[(a)]	(400)	(427)	27

(a) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities, and other financing and investing activities.

The separation of Constellation, including Generation and its subsidiaries, met the criteria for discontinued operations and as such, Generation's results of operations are presented as discontinued operations and have been excluded from Exelon's continuing operations for the year ended December 31, 2022 presented in the table

above. See Note 1 — Significant Accounting Policies and Note 2 — Discontinued Operations for additional information.

Accounting rules require certain BSC costs previously allocated to Generation to be presented as part of Exelon's continuing operations as these costs do not qualify as expenses of the discontinued operations. Such costs are included in Other in the table above and were $28 million on a pre-tax basis, for the year ended December 31, 2022. There were no such costs included in Exelon's continuing operations for the year ended December 31, 2023

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income attributable to common shareholders from continuing operations** increased by $274 million and Diluted earnings per average common share from continuing operations increased to $2.34 in 2023 from $2.08 in 2022 primarily due to:

- Higher electric distribution and transmission earnings from higher allowed ROE due to an increase in treasury rates and higher rate base at ComEd;
- Favorable impacts of rate increases at PECO, BGE, and PHI;
- Favorable impacts of the multi-year plans including the recognition of the reconciliation in 2023 at BGE;
- Higher carrying costs related to the CMC regulatory assets at ComEd; and
- Lower BSC costs presented in Exelon's continuing operations, which were previously allocated to Generation but do not qualify as expenses of the discontinued operation per the accounting rules.

The increases were partially offset by:

- Higher interest expense at PECO, BGE, PHI, and Exelon Corporate;
- Unfavorable weather at PECO and PHI;
- Higher depreciation expense at PECO, BGE, and PHI;
- Higher contracting costs at PHI;
- Higher storm costs at PECO and BGE; and
- Higher realized losses from hedging activity at Exelon Corporate.

Adjusted (non-GAAP) operating earnings. In addition to Net income, Exelon evaluates its operating performance using the measure of Adjusted (non-GAAP) operating earnings because management believes it represents earnings directly related to the ongoing operations of the business. Adjusted (non-GAAP) operating earnings exclude certain costs, expenses, gains and losses, and other specified items. This information is intended to enhance an investor's overall understanding of year-over-year operating results and provide an indication of Exelon's baseline operating performance excluding items not considered by management to be directly related to the ongoing operations of the business. In addition, this information is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets, and planning and forecasting of future periods. Adjusted (non-GAAP) operating earnings is not a presentation defined under GAAP and may not be comparable to other companies' presentations or deemed more useful than the GAAP information provided elsewhere in this report.

The following table provides a reconciliation between Net income attributable to common shareholders from continuing operations as determined in accordance with GAAP and Adjusted (non-GAAP) operating earnings for the year ended December 31, 2023 compared to 2022:

(In millions, except per share data)	2023	Earnings per Diluted Share	2022	Earnings per Diluted Share
Net income attributable to common shareholders from continuing operations	**$ 2,328**	**$ 2.34**	**$ 2,054**	**$ 2.08**
Mark-to-market impact of economic hedging activities (net of taxes of $1 and $1, respectively)	(4)	—	4	—
Change in environmental liabilities (net of taxes of $8)	29	0.03	—	—
ERP system implementation costs (net of taxes of $0)[(a)]	—	—	1	—
Asset retirement obligations (net of taxes of $1 and $2, respectively)	(1)	—	(4)	—
SEC matter loss contingency (net of taxes of $0)	46	0.05	—	—
Asset impairments (net of taxes of $10)[(b)]	—	—	38	0.04
Separation costs (net of taxes of $7 and $10, respectively)[(c)]	22	0.02	24	0.02
Change in FERC audit liability (net of taxes of $4)	11	0.01	—	—
Income tax-related adjustments (entire amount represents tax expense)[(d)]	(54)	(0.05)	122	0.12
Adjusted (non-GAAP) operating earnings	**$ 2,377**	**$ 2.38**	**$ 2,239**	**$ 2.27**

Note:
Amounts may not sum due to rounding.
Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net income and Adjusted (non-GAAP) operating earnings is based on the marginal statutory federal and state income tax rates for each Registrant, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. The marginal statutory income tax rates for 2023 and 2022 ranged from 24.0% to 29.0%.

(a) Reflects costs related to a multi-year ERP system implementation, which are recorded in Operating and maintenance expense.
(b) Reflects costs related to the impairment of an office building at BGE, which are recorded in Operating and maintenance expense.
(c) Represents costs related to the separation primarily comprised of system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation, and employee-related severance costs, which are recorded in Operating and maintenance expense and Other, net.
(d) In 2022, for PECO, primarily reflects an adjustment to exclude one-time non-cash impacts associated with the remeasurement of deferred income taxes as a result of the reduction in Pennsylvania corporate income tax rate. For Corporate, in connection with the separation, Exelon recorded an income tax expense primarily due to the long-term marginal state income tax rate change, the recognition of valuation allowances against the net deferred tax assets positions for certain standalone state filing jurisdictions, and nondeductible transaction costs partially offset by a one-time impact associated with a state tax benefit. In 2023, reflects the adjustment to state deferred income taxes due to changes in forecasted apportionment.

Significant 2023 Transactions and Developments

Separation

On February 21, 2021, Exelon's Board of Directors approved a plan to separate the Utility Registrants and Generation, creating two publicly traded companies ("the separation"). Exelon completed the separation on February 1, 2022. Constellation was newly formed and incorporated in Pennsylvania on June 15, 2021 for the purpose of separation and holds Generation. The separation represented a strategic shift that would have a major effect on Exelon's operations and financial results. Accordingly, the separation meets the criteria for discontinued operations. See Note 2 — Discontinued Operations of the Combined Notes to Consolidated Financial Statements for additional information on the separation and discontinued operations.

In connection with the separation, Exelon incurred separation costs impacting continuing operations of $29 million and $34 million on a pre-tax basis for the year ended December 31, 2023 and 2022, respectively, which are recorded in Operating and maintenance expense. These costs are excluded from Adjusted (non-GAAP) Operating Earnings. The separation costs are primarily comprised of system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation, and employee-related severance costs.

At-the-Market Program

In November and December 2023, Exelon issued approximately 3.6 million shares of Common stock at an average gross price of $39.58 per share. The net proceeds from these issuances were $140 million, which were used for general corporate purposes. See Note 19 — Shareholders' Equity of the Combined Notes to Consolidated Financial Statements for additional information.

Distribution Base Rate Case Proceedings

The Utility Registrants file base rate cases with their regulatory commissions seeking increases or decreases to their electric transmission and distribution, and gas distribution rates to recover their costs and earn a fair return on their investments. The outcomes of these regulatory proceedings impact the Utility Registrants' current and future financial statements.

The following tables show the Utility Registrants' completed and pending distribution base rate case proceedings in 2023. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on these and other regulatory proceedings.

Completed Distribution Base Rate Case Proceedings

Registrant/ Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Approved Revenue Requirement Increase	Approved ROE	Approval Date	Rate Effective Date
ComEd - Illinois	April 15, 2022	Electric	$ 199	$ 199	7.85%	November 17, 2022	January 1, 2023
	January 17, 2023	Electric	$ 1,487	$ 501	8.905%	December 14, 2023	January 1, 2024
	April 21, 2023	Electric	$ 247	$ 259	8.91%	November 30, 2023	January 1, 2024
PECO - Pennsylvania	March 31, 2022	Natural Gas	$ 82	$ 55	N/A	October 27, 2022	January 1, 2023
BGE - Maryland	May 15, 2020 (amended September 11, 2020)	Electric	$ 203	$ 140	9.50 %	December 16, 2020	January 1, 2021
		Natural Gas	$ 108	$ 74	9.65 %		
	February 17, 2023	Electric	$ 313	$ 179	9.50%	December 14, 2023	January 1, 2024
		Natural Gas	$ 289	$ 229	9.45%		
Pepco - Maryland	October 26, 2020 (amended March 31, 2021)	Electric	$ 104	$ 52	9.55 %	June 28, 2021	June 28, 2021
DPL - Maryland	May 19, 2022	Electric	$ 38	$ 29	9.60 %	December 14, 2022	January 1, 2023
ACE - New Jersey	February 15, 2023 (amended August 21, 2023)	Electric	$ 92	$ 45	9.60 %	November 17, 2023	December 1, 2023

Pending Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Requested ROE	Expected Approval Timing
Pepco - District of Columbia	April 13, 2023	Electric	$ 191	10.50%	Third quarter of 2024
Pepco - Maryland	May 16, 2023 (amended January 26, 2024)	Electric	$ 188	10.50%	Second quarter of 2024
DPL - Delaware	December 15, 2022 (amended September 29, 2023)	Electric	$ 39	10.50%	Second quarter of 2024

Transmission Formula Rates

The following total increases/(decreases) were included in the Utility Registrants' 2023 annual electric transmission formula rate updates. All rates are effective June 1, 2023 to May 31, 2024, subject to review by interested parties pursuant to review protocols of each Utility Registrants' tariff. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Registrant	Initial Revenue Requirement Increase	Annual Reconciliation Increase (Decrease)	Total Revenue Requirement Increase	Allowed Return on Rate Base	Allowed ROE
ComEd	$ 20	$ 63	$ 83	8.09 %	11.50 %
PECO	$ 24	$ 23	$ 47	7.41 %	10.35 %
BGE	$ 19	$ (12)	$ 4	7.34 %	10.50 %
Pepco	$ 37	$ (5)	$ 32	7.57 %	10.50 %
DPL	$ 32	$ (3)	$ 29	7.08 %	10.50 %
ACE	$ 41	$ (12)	$ 29	7.08 %	10.50 %

ComEd's FERC Audit

The Utility Registrants are subject to periodic audits and investigations by FERC. FERC's Division of Audits and Accounting initiated a nonpublic audit of ComEd in April 2021 evaluating ComEd's compliance with (1) approved terms, rates and conditions of its federally regulated service; (2) accounting requirements of the Uniform System of Accounts; (3) reporting requirements of the FERC Form 1; and (4) the requirements for record retention. The audit period extends back to January 1, 2017. During the first quarter of 2023, ComEd was provided with information from FERC about several potential findings, including ComEd's methodology regarding the allocation of certain overhead costs to capital under FERC regulations. Based on the preliminary findings and discussions with FERC staff, ComEd determined that a loss was probable and recorded a regulatory liability to reflect its best estimate of that loss in the first quarter of 2023.

On July 27, 2023, FERC issued a final audit report which included, among other things, findings and recommendations related to ComEd's methodology regarding the allocation of certain overhead costs to capitalized construction costs under FERC regulations, including a suggestion that refunds may be due to customers for amounts collected in previous years. On August 28, 2023, ComEd filed a formal notice of the issues it will contest. On December 14, 2023, FERC appointed a settlement judge for the contested overhead allocation findings. The final outcome and resolution of any contested audit issues as well as a reasonable estimate of potential future losses cannot be accurately estimated at this stage; however, the final resolution of these matters could result in recognition of future losses, above the amounts currently accrued, that could be material to the Exelon and ComEd financial statements.

ACE Employee Strike

ACE's collective bargaining agreement with the International Brotherhood of Electrical Workers (IBEW) Local 210, expired on November 2, 2023. On November 5, 2023, IBEW Local 210 initiated a strike in ACE's service territory. While the work stoppage did not result in a disruption in service to customers, Exelon, PHI, and ACE incurred unfavorable impacts to Net income of approximately $31 million, $31 million, and $32 million for the year ended December 31, 2023. On December 5, 2023, IBEW Local 210 ratified a new collective bargaining agreement with ACE and ceased the work stoppage.

Other Key Business Drivers and Management Strategies

Utility Rates and Rate Proceedings

The Utility Registrants file rate cases with their regulatory commissions seeking increases or decreases to their electric transmission and distribution, and gas distribution rates to recover their costs and earn a fair return on their investments. The outcomes of these regulatory proceedings impact the Utility Registrants' current and future

results of operations, cash flows, and financial positions. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on these regulatory proceedings.

Legislative and Regulatory Developments

Infrastructure Investment and Jobs Act

On November 15, 2021, President Biden signed the $1.2 trillion IIJA into law. IIJA provides for approximately $550 billion in new federal spending. Categories of funding include funding for a variety of infrastructure needs, including but not limited to: (1) power and grid reliability and resilience, (2) resilience for cybersecurity to address critical infrastructure needs, and (3) electric vehicle charging infrastructure for alternative fuel corridors. Federal agencies are developing guidelines to implement spending programs under IIJA. The time needed to develop these guidelines will vary with some limited program applications opened as early as the first quarter of 2022. The Registrants continue to evaluate programs under the legislation and consider possible opportunities to apply for funding, either directly or in potential collaborations with state and/or local agencies and key stakeholders. The Registrants cannot predict the ultimate timing and success of securing funding from programs under IIJA.

In September 2022, ComEd and BGE applied for the MMG, which establishes and funds construction, improvement, or acquisition of middle mile broadband infrastructure which creates high-speed internet services. The MMG addresses inequitable broadband access by expansion and extension of the middle mile infrastructure in underserved communities. In June 2023, the National Telecommunications and Information Administration (NTIA) announced it selected two of the applications submitted by BGE and ComEd; awarding ComEd and BGE $14.5 million and $15.4 million respectively. The applications selected by NTIA for BGE and ComEd proposed projects designed to enhance electric grid reliability and resiliency while leading and advancing shared local, state, and national goals to increase broadband connectivity, redundancy, affordability, and equity.

In March 2023, Exelon, ComEd, and PHI submitted three applications related to the Smart Grid Grants program under section 40107 of IIJA. These applications are focused on replacing existing Advanced Distribution Management Systems (ADMS) in support of distributed energy resources (DERs) and grid-edged technologies, strengthening interoperability and data architecture of systems in support of two-way power flows and accelerating advanced metering deployment in disadvantaged communities. In October 2023, ComEd's project, Deployment of a Community-Oriented Interoperable Control Framework for Aggregating and Integrating Distributed Energy Resources and Other Grid-Edge Devices, was recommended by the Grid Deployment Office (GDO) for negotiation of a final award up to $50 million. This project will enable ComEd and its local partners to deploy the next generation of grid technologies that support the growth of solar and electric vehicles (EVs), while piloting new local workforce training initiatives to support job creation connected to the clean energy transition. The GDO has indicated the award negotiation process can take approximately 120 days.

In April 2023, ComEd, PECO, BGE, and PHI submitted seven applications related to the Grid Resilience Grants program under section 40101(c) of IIJA. These applications are broadly focused on improving grid resilience with an emphasis on disadvantaged communities, relief of capacity constraints and modernizing infrastructure, deployment of DER and microgrid technologies and providing improved resilience through storm hardening projects. In October 2023, PECO's project, Creating a Resilient, Equitable, and Accessible Transformation in Energy for Greater Philadelphia (CREATE), was recommended by the GDO for negotiation of a final award up to $100 million. This project will support critical electric infrastructure investments to help reduce the impact of extreme weather and historic flooding on the Registrants' electric distribution system. The GDO has indicated the award negotiation process can take approximately 120 days.

The Registrants are supporting three different Regional Clean Hydrogen Hub opportunities, covering all five states that Exelon operates in plus Washington D.C. under a program that will create networks of hydrogen producers, consumers, and local connective infrastructure to accelerate the use of hydrogen as a clean energy carrier that can deliver or store energy. Applications for the three opportunities under this program were submitted in April 2023. In October 2023 the DOE announced it selected two of the projects for further negotiation: (1) the Mid-Atlantic Clean Hydrogen Hub (MACH2), which is being supported by PECO and PHI, and (2) the Midwest Alliance for Clean Hydrogen (MachH2), which is being supported by ComEd.

In November 2023, the GDO announced up to $3.9 billion available through the second-round funding opportunity of the Grid Resilience and Innovation Partnerships (GRIP) Program for Fiscal Years 2024 and 2025. This funding opportunity focuses on projects that will improve electric transmission by increasing funding and

advancing interconnection processes for faster build out of energy projects, create comprehensive solutions that link grid communications systems and operations to increase resilience and reduce power outages and threats, and deploy advanced technologies such as distributed energy resources and battery systems to provide essential grid services to ensure American communities across the country have access to affordable, reliable, clean electricity. Exelon, ComEd, BGE, PHI, Pepco, DPL, and ACE submitted seven concept papers in response to the second round of the GRIP program. The concept papers are focused on improving the resilience of the electric grid and deployment of technologies to enhance grid flexibility and deliver benefits to customers and communities across the Exelon footprint. The GDO is expected to issue notifications of encouragement/ discouragement for full applications in the first quarter of 2024. Exelon cannot predict if their concept papers will receive a notification of encouragement to submit a full application.

PJM Regional Transmission Expansion

On April 6, 2023, PJM received a deactivation notice for Brandon Shores, a 1,282 MW coal generation plant located in BGE service territory. The deactivation was requested for June 1, 2025 and will result in numerous reliability issues across the region. In June 2023, PJM assigned a portion of transmission system upgrades to mitigate these reliability impacts to PECO, BGE, and Pepco. In July 2023, PJM Board of Managers approved assigning Exelon transmission system upgrades to mitigate these reliability impacts to PECO, BGE, and Pepco. The initial projected capital expenditures associated with these upgrades are approximately $80 million, $650 million, and $80 million for PECO, BGE, and Pepco, respectively. These amounts include a scope reduction estimated by PJM for PECO of $60 million associated with a transmission proposal window, as disclosed at a Transmission Expansion Advisory Committee meeting on October 31, 2023. The upgrades are expected to be completed by the end of 2028.

Separately, PJM held a competitive transmission proposal window from February 24, 2023 through May 31, 2023 to address reliability issues driven by significant load increases in northern Virginia. PECO, BGE, and Pepco submitted four solution proposals. At a meeting of the Transmission Expansion Advisory Committee on October 31, 2023, PJM recommended that PECO, BGE, Pepco, and DPL be awarded a portion of the work for the proposed solution. Initial estimated costs for these upgrades are approximately $70 million, $700 million, $80 million, and $5 million for PECO, BGE, Pepco, and DPL, respectively. The PJM Board of Managers approved the solution in December 2023 and the upgrades are expected to be completed by the end of 2030.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP requires that management apply accounting policies and make estimates and assumptions that affect results of operations and the amounts of assets and liabilities reported in the financial statements. Management believes that the accounting policies described below require significant judgment in their application or incorporate estimates and assumptions that are inherently uncertain and that may change in subsequent periods. Additional information on the application of these accounting policies can be found in the Combined Notes to Consolidated Financial Statements.

Goodwill (Exelon, ComEd, and PHI)

As of December 31, 2023, Exelon's $6.6 billion carrying amount of goodwill consists of $2.6 billion at ComEd and $4 billion at PHI. These entities are required to perform an assessment for possible impairment of their goodwill at least annually or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting units below their carrying amount. A reporting unit is an operating segment or one level below an operating segment (known as a component) and is the level at which goodwill is assessed for impairment. ComEd has a single operating segment and reporting unit. PHI's operating segments and reporting units are Pepco, DPL, and ACE. See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for additional information. Exelon's and ComEd's goodwill has been assigned entirely to the ComEd reporting unit. Exelon's and PHI's goodwill has been assigned to the Pepco, DPL, and ACE reporting units in the amounts of $2.1 billion, $1.4 billion, and $0.5 billion, respectively. See Note 12 — Intangible Assets of the Combined Notes to Consolidated Financial Statements for additional information.

Entities assessing goodwill for impairment have the option of first performing a qualitative assessment to determine whether a quantitative assessment is necessary. As part of the qualitative assessments, Exelon, ComEd, and PHI evaluate, among other things, management's best estimate of projected operating and capital cash flows for their businesses, outcomes of recent regulatory proceedings, changes in certain market

conditions, including the discount rate and regulated utility peer EBITDA multiples, and the passing margin from their last quantitative assessments performed.

Application of the goodwill impairment assessment requires management judgment, including the identification of reporting units and determining the fair value of the reporting unit, which management estimates using a weighted combination of a discounted cash flow analysis and a market multiples analysis. Significant assumptions used in these fair value analyses include discount and growth rates, utility sector market performance and transactions, and projected operating and capital cash flows for ComEd's, Pepco's, DPL's, and ACE's businesses and the fair value of debt.

While the 2023 annual assessments indicated no impairments, certain assumptions used in the assessment are highly sensitive to changes. Adverse regulatory actions or changes in significant assumptions could potentially result in future impairments of Exelon's, ComEd's, or PHI's goodwill, which could be material.

See Note 1 — Significant Accounting Policies and Note 12 — Intangible Assets of the Combined Notes to Consolidated Financial Statements for additional information.

Unamortized Energy Contract Liabilities (Exelon and PHI)

Unamortized energy contract liabilities represent the remaining unamortized balances of non-derivative electricity contracts that Exelon acquired as part of the PHI merger. The initial amount recorded represents the difference between the fair value of the contracts at the time of acquisition and the contract value based on the terms of each contract. Offsetting regulatory assets were also recorded for those energy contract costs that are probable of recovery through customer rates. The unamortized energy contract liabilities and the corresponding regulatory assets, respectively, are amortized over the life of the contract in relation to the expected realization of the underlying cash flows. Amortization of the unamortized energy contract liabilities are recorded through Purchased power and fuel expense. See Note 3 — Regulatory Matters and Note 12 — Intangible Assets of the Combined Notes to Consolidated Financial Statements for additional information.

Depreciable Lives of Property, Plant, and Equipment (All Registrants)

The Registrants have significant investments in electric and natural gas transmission and distribution assets. These assets are generally depreciated on a straight-line basis, using the group, or composite methods of depreciation. The group approach is typically for groups of similar assets that have approximately the same useful lives and the composite approach is used for heterogeneous assets that have different lives. Under both methods, a reporting entity depreciates the assets over the average life of the assets in the group. The estimation of asset useful lives requires management judgment, supported by formal depreciation studies of historical asset retirement experience. Depreciation studies are conducted periodically and as required by a rate regulator or regulatory action, or changes in retirement patterns indicate an update is necessary.

Depreciation studies generally serve as the basis for amounts allowed in customer rates for recovery of depreciation costs. Generally, the Registrants adjust their depreciation rates for financial reporting purposes concurrent with adjustments to depreciation rates reflected in customer rates, unless the depreciation rates reflected in customer rates do not align with management's judgment as to an appropriate estimated useful life or have not been updated on a timely basis. Depreciation expense and customer rates for ComEd, BGE, Pepco, DPL, and ACE include an estimate of the future costs of dismantling and removing plant from service upon retirement. See Note 3 — Regulatory Matters of the Combined Notes to the Consolidated Financial Statements for information regarding regulatory liabilities and assets recorded by ComEd, BGE, Pepco, DPL, and ACE related to removal costs.

PECO's removal costs are capitalized to accumulated depreciation when incurred and recorded to depreciation expense over the life of the new asset constructed consistent with PECO's regulatory recovery method. Estimates for such removal costs are also evaluated in the periodic depreciation studies.

Changes in estimated useful lives of electric and natural gas transmission and distribution assets could have a significant impact on the Registrants' future results of operations. See Note 1 — Significant Accounting Policies of the Combined Notes to Consolidated Financial Statements for information regarding depreciation and estimated service lives of the property, plant, and equipment of the Registrants.

Retirement Benefits (All Registrants)

Exelon sponsors defined benefit pension plans and OPEB plans. The measurement of the plan obligations and costs of providing benefits involves various factors, including the development of valuation assumptions and inputs and accounting policy elections. When developing the required assumptions, Exelon considers historical information as well as future expectations. The measurement of benefit obligations and costs is affected by several assumptions including the discount rate, the long-term expected rate of return on plan assets, the anticipated rate of increase of health care costs, Exelon's contributions, the rate of compensation increases, and the long-term expected investment rate credited to employees of certain plans, among others. The assumptions are updated annually and upon any interim remeasurement of the plan obligations.

Pension and OPEB plan assets include cash and cash equivalents, equity securities, including U.S. and international securities, and fixed income securities, as well as certain alternative investment classes such as real estate, private equity, private credit, and hedge funds.

Expected Rate of Return on Plan Assets. In determining the EROA, Exelon considers historical economic indicators (including inflation and GDP growth) that impact asset returns, as well as expectation regarding future long-term capital market performance, weighted by Exelon's target asset class allocations. Exelon calculates the amount of expected return on pension and OPEB plan assets by multiplying the EROA by the MRV of plan assets at the beginning of the year, taking into consideration anticipated contributions and benefit payments to be made during the year. In determining MRV, the authoritative guidance for pensions and postretirement benefits allows the use of either fair value or a calculated value that recognizes changes in fair value in a systematic and rational manner over not more than five years. For the majority of pension plan assets, Exelon uses a calculated value that adjusts for 20% of the difference between fair value and expected MRV of plan assets. Use of this calculated value approach enables less volatile expected asset returns to be recognized as a component of pension cost from year to year. For OPEB plan assets and certain pension plan assets, Exelon uses fair value to calculate the MRV.

Discount Rate. The discount rates are determined by developing a spot rate curve based on the yield to maturity of a universe of high-quality non-callable (or callable with make whole provisions) bonds with similar maturities to the related pension and OPEB obligations. The spot rates are used to discount the estimated future benefit distribution amounts under the pension and OPEB plans. The discount rate is the single level rate that produces the same result as the spot rate curve. Exelon utilizes an analytical tool developed by its actuaries to determine the discount rates.

Mortality. The mortality assumption is composed of a base table that represents the current expectation of life expectancy of the population adjusted by an improvement scale that attempts to anticipate future improvements in life expectancy. Exelon's mortality assumption utilizes the SOA 2019 base table (Pri-2012) and MP-2021 improvement scale adjusted to use Proxy SSA ultimate improvement rates.

Sensitivity to Changes in Key Assumptions. The following tables illustrate the effects of changing certain of the actuarial assumptions discussed above, while holding all other assumptions constant:

	Actual Assumption			(Decrease) Increase		
Actuarial Assumption	Pension	OPEB	Change in Assumption	Pension	OPEB	Total
Change in 2023 cost:						
Discount rate[(a)]	5.53%	5.51%	0.5%	$ (17)	$ (2)	$ (19)
	5.53%	5.51%	(0.5)%	$ 21	$ 2	$ 23
EROA	7.00%	6.50%	0.5%	$ (54)	$ (6)	$ (60)
	7.00%	6.50%	(0.5)%	$ 54	$ 6	$ 60
Change in benefit obligation at December 31, 2023:						
Discount rate[(a)]	5.19%	5.17%	0.5%	$ (449)	$ (82)	$ (531)
	5.19%	5.17%	(0.5)%	$ 513	$ 92	$ 605

(a) In general, the discount rate will have a larger impact on the pension and OPEB cost and obligation as the rate moves closer to 0%. Therefore, the discount rate sensitivities above cannot necessarily be extrapolated for larger increases or decreases in the discount rate. Additionally, Exelon utilizes a liability-driven investment strategy for its pension asset portfolio. The sensitivities shown above do not reflect the offsetting impact that changes in discount rates may have on pension asset returns.

See Note 1 — Significant Accounting Policies and Note 14 — Retirement Benefits of the Combined Notes to Consolidated Financial Statements for additional information regarding the accounting for the defined benefit pension plans and OPEB plans.

Regulatory Accounting (All Registrants)

For their regulated electric and gas operations, the Registrants reflect the effects of cost-based rate regulation in their financial statements, which is required for entities with regulated operations that meet the following criteria: (1) rates are established or approved by a third-party regulator; (2) rates are designed to recover the entities' cost of providing services or products; and (3) a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. Regulatory assets represent incurred costs that have been deferred because of their probable future recovery from customers through regulated rates. Regulatory liabilities represent (1) revenue or gains that have been deferred because it is probable such amounts will be returned to customers through future regulated rates; or (2) billings in advance of expenditures for approved regulatory programs. If it is concluded in a future period that a separable portion of operations no longer meets the criteria discussed above, the Registrants would be required to eliminate any associated regulatory assets and liabilities and the impact, which could be material, would be recognized in the Consolidated Statements of Operations and Comprehensive Income.

The following table illustrates gains (losses) to be included in net income that could result from the elimination of regulatory assets and liabilities and charges against OCI related to deferred costs associated with Exelon's pension and OPEB plans that are recorded as Regulatory assets in Exelon's Consolidated Balance Sheets (before taxes) at December 31, 2023:

(In millions)	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Gain (loss)	$ 1,920	$ 3,555	$ (514)	$ (156)	$ (949)	$ (203)	$ 143	$ (462)
Charge against OCI[(a)]	(2,868)	—	—	—	—	—	—	—

(a) Exelon's charge against OCI (before taxes) consists of up to $2.1 billion, $355 million, $485 million, $298 million, $122 million, and $22 million related to ComEd's, BGE's, PHI's, Pepco's, DPL's, and ACE's respective portions of the deferred costs associated with Exelon's pension and OPEB plans. Exelon also has a net regulatory liability of $102 million (before taxes) related to PECO's portion of the deferred costs associated with Exelon's OPEB plans that would result in an increase in OCI if reversed.

See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information regarding regulatory matters, including the regulatory assets and liabilities of the Registrants.

For each regulatory jurisdiction in which they conduct business, the Registrants assess whether the regulatory assets and liabilities continue to meet the criteria for probable future recovery or refund at each balance sheet date and when regulatory events occur. This assessment includes consideration of recent rate orders, historical regulatory treatment for similar costs in each Registrant's jurisdictions, and factors such as changes in applicable regulatory and political environments. If the assessments and estimates made by the Registrants for regulatory assets and regulatory liabilities are ultimately different than actual regulatory outcomes, the impact in their consolidated financial statements could be material.

Refer to the revenue recognition discussion below for additional information on the annual revenue reconciliations associated with ICC-approved electric distribution and energy efficiency formula rates for ComEd, and FERC transmission formula rate tariffs for the Utility Registrants.

Derivative Financial Instruments (All Registrants)

The Registrants use derivative instruments to manage commodity price risk and interest rate risk related to ongoing business operations. See Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information.

Determining whether a contract qualifies as a derivative requires that management exercise significant judgment, including assessing market liquidity as well as determining whether a contract has one or more underlying and one or more notional quantities.

All derivatives are recognized on the balance sheet at their fair value, except for certain derivatives that qualify for, and are elected under, NPNS. For derivatives that qualify and are designated as cash flow hedges, changes in fair value each period are initially recorded in AOCI and recognized in earnings when the hedged transaction affects earnings. For derivatives intended to serve as economic hedges, which are not designated for hedge accounting, changes in fair value each period are recognized in earnings on the Consolidated Statement of Operations and Comprehensive Income or are recorded as a regulatory asset or liability when there is an ability to recover or return the associated costs or benefits in accordance with regulatory requirements.

NPNS. Contracts that are designated as NPNS are not required to be recorded at fair value, but rather on an accrual basis of accounting. Determining whether a contract qualifies for NPNS requires judgment on whether the contract will physically deliver and requires that management ensure compliance with all the associated qualification and documentation requirements. For all NPNS derivative instruments, accounts payable is recorded when derivatives settle and expense is recognized in earnings as the underlying physical commodity is consumed. Contracts that qualify for NPNS are those for which physical delivery is probable, quantities are expected to be used or sold in the normal course of business over a reasonable period, and the contract is not financially settled on a net basis. See Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for all contracts that are accounted for under NPNS.

Commodity Contracts. The Registrants make estimates and assumptions concerning future commodity prices, interest rates, and the timing of future transactions and their probable cash flows in deciding whether to enter derivative transactions, and in determining the initial accounting treatment for derivative transactions. The Registrants categorize these derivatives under a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

Derivative contracts can be traded in both exchange-based and non-exchange-based markets. Exchange-based derivatives that are valued using unadjusted quoted prices in active markets are generally categorized in Level 1 in the fair value hierarchy. Certain derivative pricing is verified using indicative price quotations available through brokers or over-the-counter, online exchanges. For derivatives that trade in liquid markets, the model inputs are generally observable. Such instruments are categorized in Level 2. For derivatives that trade in less liquid markets with limited pricing information, the model inputs generally would include both observable and unobservable inputs and are categorized in Level 3.

The Registrants consider nonperformance risk, including credit risk in the valuation of derivative contracts, and both historical and current market data in the assessment of nonperformance risk. The impacts of nonperformance and credit risk to date have generally not been material to the Registrants' financial statements.

Interest Rate Derivative Instruments. Exelon Corporate utilizes interest rate swaps to manage interest rate risk on existing and planned future debt issuances as well as potential fluctuations in Electric operating revenues at the corporate level in consolidation, which are directly correlated to yields on U.S. Treasury bonds under ComEd's distribution formula rate. The fair value of the swaps is calculated by discounting the future net cash flows to the present value based on the terms and conditions of the agreements and the forward interest rate curves. As these inputs are based on observable data and valuations of similar instruments, the interest rate derivatives are primarily categorized in Level 2 in the fair value hierarchy.

See ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK and Note 17 — Fair Value of Financial Assets and Liabilities and Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information regarding the Registrants' derivative instruments.

Income Taxes (All Registrants)

Significant management judgment is required in determining the Registrants' provisions for income taxes, primarily due to the uncertainty related to tax positions taken, as well as deferred tax assets and liabilities and valuation allowances. The Registrants account for uncertain income tax positions using a benefit recognition model with a two-step approach including a more-likely-than-not recognition threshold and a measurement approach based on the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. Management evaluates each position based solely on the technical merits and facts and circumstances of the position, assuming the position will be examined by a taxing authority having full knowledge of all relevant information. Significant judgment is required to determine whether the recognition threshold has been met and, if so, the appropriate amount of tax benefits to be recorded in the Registrants' consolidated financial statements.

The Registrants evaluate quarterly the probability of realizing deferred tax assets by reviewing a forecast of future taxable income and their intent and ability to implement tax planning strategies, if necessary, to realize deferred tax assets. The Registrants also assess negative evidence, such as the expiration of historical operating loss or tax credit carryforwards, that could indicate the Registrant's inability to realize its deferred tax assets. Based on the combined assessment, the Registrants record valuation allowances for deferred tax assets when it is more-likely-than-not such benefit will not be realized in future periods.

Actual income taxes could vary from estimated amounts due to the future impacts of various items, including future changes in income tax laws, the Registrants' forecasted financial condition and results of operations, failure to successfully implement tax planning strategies, as well as results of audits and examinations of filed tax returns by taxing authorities. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information.

Accounting for Loss Contingencies (All Registrants)

In the preparation of their financial statements, the Registrants make judgments regarding the future outcome of contingent events and record liabilities for loss contingencies that are probable and can be reasonably estimated based upon available information. The amount recorded may differ from the actual expense incurred when the uncertainty is resolved. Such difference could have a significant impact in the Registrants' consolidated financial statements.

Environmental Costs. Environmental investigation and remediation liabilities are based upon estimates with respect to the number of sites for which the Registrants will be responsible, the scope and cost of work to be performed at each site, the portion of costs that will be shared with other parties, the timing of the remediation work, regulations, and the requirements of local governmental authorities. Annual studies and/or reviews are conducted at ComEd, PECO, BGE, and DPL to determine future remediation requirements for MGP sites and estimates are adjusted accordingly. In addition, periodic reviews are performed at each of the Registrants to assess the adequacy of other environmental reserves. These matters, if resolved in a manner different from the estimate, could have a significant impact in the Registrants' consolidated financial statements. See Note 18 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for additional information.

Other, Including Personal Injury Claims. The Registrants are self-insured for general liability, automotive liability, workers' compensation, and personal injury claims to the extent that losses are within policy deductibles

or exceed the amount of insurance maintained. The Registrants have reserves for both open claims asserted, and an estimate of claims incurred but not reported (IBNR). The IBNR reserve is estimated based on actuarial assumptions and analysis and is updated annually. Future events, such as the number of new claims to be filed each year, the average cost of disposing of claims, as well as the numerous uncertainties surrounding litigation and possible state and national legislative measures could cause the actual costs to be higher or lower than estimated. Accordingly, these claims, if resolved in a manner different from the estimate, could have a material impact to the Registrants' consolidated financial statements.

Revenues (All Registrants)

Sources of Revenue and Determination of Accounting Treatment. The Registrants earn revenues from the sale and delivery of power and natural gas in regulated markets. The accounting treatment for revenue recognition is based on the nature of the underlying transaction and applicable authoritative guidance. The Registrants primarily apply the Revenue from Contracts with Customers, and Alternative Revenue Program accounting guidance to recognize revenues as discussed in more detail below.

Revenue from Contracts with Customers. The Registrants recognize revenues in the period in which the performance obligations within contracts with customers are satisfied, which generally occurs when power and natural gas are physically delivered to the customer. Transactions of the Registrants within the scope of Revenue from Contracts with Customers generally include sales to utility customers under regulated service tariffs.

The determination of the Registrants' power and natural gas sales to individual customers is based on systematic readings of customer meters, generally monthly. At the end of each month, amounts of energy delivered to customers since the date of the last meter reading are estimated, and corresponding unbilled revenue is recorded. The measurement of unbilled revenue is affected by the following factors: daily customer usage measured by generation or gas throughput volume, customer usage by class, losses of energy during delivery to customers and applicable customer rates. Increases or decreases in volumes delivered to the Registrant's customers and favorable or unfavorable rate mix due to changes in usage patterns in customer classes in the period could be significant to the calculation of unbilled revenue. In addition, revenues may fluctuate monthly as a result of customers electing to use an alternative supplier, since unbilled commodity revenues are not recorded for these customers. Changes in the timing of meter reading schedules and the number and type of customers scheduled for each meter reading date also impact the measurement of unbilled revenue; however, total operating revenues would remain materially unchanged. See Note 1 — Significant Accounting Policies of the Combined Notes to Consolidated Financial Statements for additional information.

Alternative Revenue Program Accounting. Certain of the Registrants' ratemaking mechanisms qualify as ARPs if they (i) are established by a regulatory order and allow for automatic adjustment to future rates, (ii) provide for additional revenues (above those amounts currently reflected in the price of utility service) that are objectively determinable and probable of recovery, and (iii) allow for the collection of those additional revenues within 24 months following the end of the period in which they were recognized. For mechanisms that meet these criteria, which include the Registrants' formula rate mechanisms and revenue decoupling mechanisms, the Registrants adjust revenue and record an offsetting regulatory asset or liability once the condition or event allowing additional billing or refund has occurred. The ARP revenues presented in the Registrants' Consolidated Statements of Operations and Comprehensive Income include both: (i) the recognition of "originating" ARP revenues (when the regulator-specified condition or event allowing for additional billing or refund has occurred) and (ii) an equal and offsetting reversal of the "originating" ARP revenues as those amounts are reflected in the price of utility service and recognized as Revenue from Contracts with Customers.

ComEd records ARP revenue for its best estimate of the electric distribution, energy efficiency, distributed generation rebates, and transmission revenue impacts resulting from future changes in rates that ComEd believes are probable of approval by the ICC and FERC in accordance with its formula rate mechanisms. BGE, Pepco, DPL, and ACE record ARP revenue for their best estimate of the electric and natural gas distribution revenue impacts resulting from future changes in rates that they believe are probable of approval by the MDPSC, DCPSC, and/or NJBPU in accordance with their revenue decoupling mechanisms. PECO, BGE, Pepco, DPL, and ACE record ARP revenue for their best estimate of the transmission revenue impacts resulting from future changes in rates that they believe are probable of approval by FERC in accordance with their formula rate mechanisms. Estimates of the current year revenue requirement are based on actual and/or forecasted costs and investments in rate base for the period and the rates of return on common equity and associated regulatory

capital structure allowed under the applicable tariff. The estimated reconciliation can be affected by, among other things, variances in costs incurred, investments made, allowed ROE, and actions by regulators or courts.

See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Allowance for Credit Losses on Customer Accounts Receivable (All Registrants)

The Registrants estimate the allowance for credit losses on customer receivables by applying loss rates developed specifically for each company based on historical loss experience, current conditions, and forward-looking risk factors to the outstanding receivable balance by customer risk segment. Risk segments represent a group of customers with similar forward-looking credit quality indicators and risk factors that are comprised based on various attributes, including delinquency of their balances and payment history and represent expected, future customer behavior. Loss rates applied to the accounts receivable balances are based on a historical average of charge-offs as a percentage of accounts receivable in each risk segment. The Registrants' customer accounts are generally considered delinquent if the amount billed is not received by the time the next bill is issued, which normally occurs on a monthly basis. The Registrants' customer accounts are written off consistent with approved regulatory requirements. The Registrants' allowances for credit losses will continue to be affected by changes in volume, prices, and economic conditions as well as changes in ICC, PAPUC, MDPSC, DCPSC, DEPSC, and NJBPU regulations.

Results of Operations by Registrant

Results of Operations—ComEd

	2023	2022	Favorable (Unfavorable) Variance
Operating revenues	$ 7,844	$ 5,761	$ 2,083
Operating expenses			
Purchased power	2,816	1,109	(1,707)
Operating and maintenance	1,450	1,412	(38)
Depreciation and amortization	1,403	1,323	(80)
Taxes other than income taxes	369	374	5
Total operating expenses	6,038	4,218	(1,820)
Gain on sales of assets	—	(2)	2
Operating income	1,806	1,541	265
Other income and (deductions)			
Interest expense, net	(477)	(414)	(63)
Other, net	75	54	21
Total other income and (deductions)	(402)	(360)	(42)
Income before income taxes	1,404	1,181	223
Income taxes	314	264	(50)
Net income	$ 1,090	$ 917	$ 173

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income** increased by $173 million primarily due to increases in electric distribution formula rate earnings (reflecting higher allowed ROE due to an increase in U.S. Treasury rates and the impacts of higher rate base) and carrying costs related to CMC regulatory assets.

The changes in **Operating revenues** consisted of the following:

	2023 vs. 2022 Increase
Distribution	$ 384
Transmission	11
Energy efficiency	64
Other	7
	466
Regulatory required programs	1,617
Total increase	$ 2,083

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. Operating revenues are not impacted by abnormal weather, usage per customer, or number of customers as a result of revenue decoupling mechanisms implemented pursuant to FEJA.

Distribution Revenue. EIMA and FEJA provide for a performance-based formula rate, which requires an annual reconciliation of the revenue requirement in effect to the actual costs that the ICC determines are prudently and reasonably incurred in a given year. Electric distribution revenue varies from year to year based upon fluctuations in the underlying costs (e.g., severe weather and storm restoration), investments being recovered, and allowed ROE. Electric distribution revenue increased during the year ended December 31, 2023, compared to the same period in 2022, due to higher allowed ROE due to an increase in U.S. Treasury rates, the impact of a higher rate base, and higher fully recoverable costs.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs, capital investments being recovered, and the highest daily peak load, which is updated annually in January based on the prior calendar year. Generally, increases/decreases in the highest daily peak load will result in higher/lower transmission revenue. Transmission revenues increased during the year ended December 31, 2023, compared to the same period in 2022, primarily due to the impact of a higher rate base and higher fully recoverable costs.

Energy Efficiency Revenue. FEJA provides for a performance-based formula rate, which requires an annual reconciliation of the revenue requirement in effect to the actual costs that the ICC determines are prudently and reasonably incurred in a given year. Under FEJA, energy efficiency revenue varies from year to year based upon fluctuations in the underlying costs, investments being recovered, and allowed ROE. Energy efficiency revenue increased during the year ended December 31, 2023, compared to the same period in 2022, primarily due to the impact of a higher rate base, and increased regulatory asset amortization, which is fully recoverable.

Other Revenue primarily includes assistance provided to other utilities through mutual assistance programs. Other revenue increased for the year ended December 31, 2023, compared to the same period in 2022, which primarily reflects mutual assistance revenues associated with storm restoration efforts.

Regulatory Required Programs represents revenues collected under approved riders to recover costs incurred for regulatory programs such as recoveries under the credit loss expense tariff, environmental costs associated with MGP sites, ETAC, and costs related to electricity, ZEC, CMC, and REC procurement. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information regarding CMCs. ETAC is a retail customer surcharge collected by electric utilities operating in Illinois established by CEJA and remitted to an Illinois state agency for programs to support clean energy jobs and training. The riders are designed to provide full and current cost recovery. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries as ComEd remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, ComEd either acts as the billing agent or the competitive supplier separately bills its own customers, and therefore does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from ComEd, ComEd is permitted to recover the electricity, ZEC, CMC, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power expense related to the electricity, ZECs, CMCs, and RECs.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of ComEd's revenue disaggregation.

The increase of $1,707 million for the year ended December 31, 2023, compared to the same period in 2022, in **Purchased power expense** is primarily due to the CMCs from the participating nuclear-powered generating facilities, which is offset by an increase in Operating revenues as part of regulatory required programs. See Note 3 - Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information regarding CMCs.

The changes in **Operating and maintenance expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
BSC costs	$ 36
Labor, other benefits, contracting, and materials	35
Storm-related costs	(10)
Pension and non-pension postretirement benefits expense	(13)
Other	53
	101
Regulatory required programs[(a)]	(63)
Total increase	$ 38

(a) ComEd is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through a rider mechanism.

The changes in **Depreciation and amortization expense** consisted of the following:

	2023 vs. 2022 Increase
Depreciation and amortization[(a)]	$ 64
Regulatory asset amortization[(b)]	16
Total increase	$ 80

(a) Reflects ongoing capital expenditures and higher depreciation rates effective January 2023.
(b) Includes amortization of ComEd's energy efficiency formula rate regulatory asset.

Interest expense, net increased $63 million for the year ended December 31, 2023, compared to the same period in 2022, primarily due to an increase in interest rates and the issuance of debt in 2022 and 2023.

Effective income tax rates were 22.4% and 22.4% for the years ended December 31, 2023 and 2022, respectively. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations—PECO

	2023	2022	(Unfavorable) Favorable Variance
Operating revenues	$ 3,894	$ 3,903	$ (9)
Operating expenses			
Purchased power and fuel	1,544	1,535	(9)
Operating and maintenance	1,003	992	(11)
Depreciation and amortization	397	373	(24)
Taxes other than income taxes	202	202	—
Total operating expenses	3,146	3,102	(44)
Operating income	748	801	(53)
Other income and (deductions)			
Interest expense, net	(201)	(177)	(24)
Other, net	36	31	5
Total other income and (deductions)	(165)	(146)	(19)
Income before income taxes	583	655	(72)
Income taxes	20	79	59
Net income	$ 563	$ 576	$ (13)

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income** decreased by $13 million, primarily due to unfavorable weather and increases in depreciation and amortization expense and interest expense, partially offset by an increase in gas distribution rates and Pennsylvania corporate income tax legislation passed in July 2022 driving a one-time non-cash decrease to net income for 2022.

The changes in **Operating revenues** consisted of the following:

	2023 vs. 2022 (Decrease) Increase		
	Electric	Gas	Total
Weather	$ (103)	$ (37)	$ (140)
Volume	1	1	2
Pricing	31	52	83
Transmission	23	—	23
Other	(3)	6	3
	(51)	22	(29)
Regulatory required programs	88	(68)	20
Total decrease	$ 37	$ (46)	$ (9)

Weather. The demand for electricity and natural gas is affected by weather conditions. With respect to the electric business, very warm weather in summer months and, with respect to the electric and natural gas businesses, very cold weather in winter months are referred to as “favorable weather conditions” because these weather conditions result in increased deliveries of electricity and natural gas. Conversely, mild weather reduces demand. For the year ended December 31, 2023 compared to the same period in 2022, Operating revenues related to weather decreased due to the impact of unfavorable weather conditions in PECO's service territory.

Heating and cooling degree days are quantitative indices that reflect the demand for energy needed to heat or cool a home or business. Normal weather is determined based on historical average heating and cooling degree days for a 30-year period in PECO’s service territory. The changes in heating and cooling degree days in PECO’s service territory for the years ended December 31, 2023 compared to the same period in 2022 and normal weather consisted of the following:

PECO Service Territory	For the Years Ended December 31, 2023	2022	Normal	% Change 2023 vs. 2022	2023 vs. Normal
Heating Degree-Days	3,587	4,135	4,399	(13.3)%	(18.5)%
Cooling Degree-Days	1,345	1,743	1,440	(22.8)%	(6.6)%

Volume. Electric volume, exclusive of the effects of weather, for the year ended December 31, 2023 compared to the same period in 2022, remained relatively consistent. Natural gas volume for the year ended December 31, 2023 compared to the same period in 2022, remained relatively consistent.

Electric Retail Deliveries to Customers (in GWhs)	2023	2022	% Change	Weather - Normal % Change[(b)]
Residential	13,262	14,379	(7.8)%	0.5 %
Small commercial & industrial	7,367	7,701	(4.3)%	(0.3)%
Large commercial & industrial	13,638	14,046	(2.9)%	(0.8)%
Public authorities & electric railroads	606	638	(5.0)%	(5.0)%
Total electric retail deliveries[(a)]	34,873	36,764	(5.1)%	(0.3)%

(a) Reflects delivery volumes from customers purchasing electricity directly from PECO and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

Number of Electric Customers	At December 31, 2023	2022
Residential	1,535,927	1,525,635
Small commercial & industrial	156,248	155,576
Large commercial & industrial	3,127	3,121
Public authorities & electric railroads	10,417	10,393
Total	1,705,719	1,694,725

Natural Gas Deliveries to customers (in mmcf)	2023	2022	% Change	Weather - Normal % Change[(b)]
Residential	35,842	42,135	(14.9)%	(3.2)%
Small commercial & industrial	21,182	23,449	(9.7)%	(1.7)%
Large commercial & industrial	51	31	64.5 %	2.7 %
Transportation	23,741	25,011	(5.1)%	(2.4)%
Total natural gas deliveries[(a)]	80,816	90,626	(10.8)%	(2.6)%

(a) Reflects delivery volumes from customers purchasing natural gas directly from PECO and customers purchasing electricity from a competitive natural gas supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

Number of Gas Customers	At December 31, 2023	2022
Residential	507,197	502,944
Small commercial & industrial	45,001	44,957
Large commercial & industrial	9	9
Transportation	627	655
Total	552,834	548,565

Pricing for the year ended December 31, 2023 compared to the same period in 2022 increased primarily due to an increase in gas distribution rates charged to customers, coupled with higher overall effective rates for both electric and gas attributable to decreased usage.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered.

Other Revenue primarily includes revenue related to late payment charges. Other revenues for the year ended December 31, 2023 compared to the same period in 2022, remained relatively consistent.

Regulatory Required Programs represents revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency, PGC, and the GSA. The riders are designed to provide full and current cost recovery as well as a return. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Income taxes. Customers have the choice to purchase electricity and natural gas from competitive electric generation and natural gas suppliers. Customer choice programs do not impact the volume of deliveries as PECO remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, PECO either acts as the billing agent or the competitive supplier separately bills its own customers and therefore PECO does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from PECO, PECO is permitted to recover the electricity, natural gas, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power and fuel expense related to the electricity, natural gas, and RECs.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of PECO's revenue disaggregation.

The increase of $9 million for the year ended December 31, 2023, compared to the same period in 2022, in **Purchased power and fuel expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Storm-related costs	$ 22
BSC costs	15
Pension and non-pension postretirement benefits expense	(3)
Labor, other benefits, contracting, and materials	(2)
Other[(a)]	(31)
	1
Regulatory Required Programs	10
Total increase	$ 11

(a) Due to one-time charitable contributions for the year ended December 31, 2022

The changes in **Depreciation and amortization expense** consisted of the following:

	2023 vs. 2022 Increase
Depreciation and amortization[(a)]	$ 24
Regulatory asset amortization	—
Total increase	$ 24

(a) Depreciation and amortization expense increased primarily due to ongoing capital expenditures.

Interest expense, net increased $24 million for the year ended December 31, 2023, compared to the same period in 2022, primarily due to the issuance of debt in 2022 and 2023 and increases in interest rates.

Effective income tax rates were 3.4% and 12.1% for the years ended December 31, 2023 and 2022, respectively. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations—BGE

	2023	2022	Favorable (Unfavorable) Variance
Operating revenues	$ 4,027	$ 3,895	$ 132
Operating expenses			
Purchased power and fuel	1,531	1,567	36
Operating and maintenance	741	877	136
Depreciation and amortization	654	630	(24)
Taxes other than income taxes	319	302	(17)
Total operating expenses	3,245	3,376	131
Operating income	782	519	263
Other income and (deductions)			
Interest expense, net	(182)	(152)	(30)
Other, net	18	21	(3)
Total other income and (deductions)	(164)	(131)	(33)
Income before income taxes	618	388	230
Income taxes	133	8	(125)
Net income	$ 485	$ 380	$ 105

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income** increased $105 million primarily due to favorable impacts of the multi-year plans including the recognition of the reconciliation in 2023 and an asset impairment in 2022, partially offset by an increase in depreciation expense, interest expense, and increase in income taxes in 2023 as compared to 2022. See Note 11 — Asset Impairments for additional information on the asset impairment and Note 3 — Regulatory Matters for additional information on multi-year plan order.

The changes in **Operating revenues** consisted of the following:

	2023 vs. 2022 Increase (Decrease)		
	Electric	Gas	Total
Distribution	$ 78	$ 45	$ 123
Transmission	56	—	56
Other	(1)	2	1
	133	47	180
Regulatory required programs	104	(152)	(48)
Total increase (decrease)	$ 237	$ (105)	$ 132

Revenue Decoupling. The demand for electricity and natural gas is affected by weather and customer usage. However, Operating revenues are not impacted by abnormal weather or usage per customer as a result of a monthly rate adjustment that provides for fixed distribution revenue per customer by customer class. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on revenue decoupling for BGE.

	At December 31,	
Number of Electric Customers	**2023**	**2022**
Residential	1,211,889	1,204,429
Small commercial & industrial	115,787	115,524
Large commercial & industrial	13,072	12,839
Public authorities & electric railroads	261	266
Total	1,341,009	1,333,058

	At December 31,	
Number of Gas Customers	**2023**	**2022**
Residential	657,823	655,373
Small commercial & industrial	37,993	38,207
Large commercial & industrial	6,309	6,233
Total	702,125	699,813

Distribution Revenue increased for the year ended December 31, 2023 compared to the same period in 2022, due to favorable impacts of the multi-year plans.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the year ended December 31, 2023 compared to the same period in 2022 primarily due to increases in underlying costs and capital investments.

Other Revenue includes revenue related to late payment charges, mutual assistance, off-system sales, and service application fees. Other Revenue remained relatively consistent for the year ended December 31, 2023 compared to the same period in 2022.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as conservation, demand response, STRIDE, and the POLR mechanism. The riders are designed to provide full and current cost recovery, as well as a return in certain instances. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity and natural gas from competitive electric generation and natural gas suppliers. Customer choice programs do not impact the volume of deliveries as BGE remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, BGE acts as the billing agent and therefore does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from BGE, BGE is permitted to recover the electricity and natural gas procurement costs from customers and therefore records the amounts related to the electricity and/or natural gas in Operating revenues and Purchased power and fuel expense. BGE recovers electricity and natural gas procurement costs from customers with a slight mark-up.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of BGE's revenue disaggregation.

The decrease of $36 million for the year ended December 31, 2023 compared to the same period in 2022 in **Purchased power and fuel expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
BSC costs	$ 18
Storm-related costs	12
Labor, other benefits, contracting, and materials	12
Pension and non-pension postretirement benefits expense	5
Credit loss expense	(8)
Impairment on long-lived assets[(a)]	(48)
Multi-year plan reconciliations[(b)]	(112)
Other	(17)
	(138)
Regulatory required programs	2
Total decrease	$ (136)

(a) See Note 11 — Asset Impairments for additional information on the asset impairment taken in 2022.
(b) See Note 3 — Regulatory Matters for additional information on multi-year plan reconciliations.

The changes in **Depreciation and amortization expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Depreciation and amortization[(a)]	$ 30
Regulatory required programs	(5)
Regulatory asset amortization	(1)
Total increase	$ 24

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Taxes other than income taxes increased by $17 million for the year ended December 31, 2023 compared to the same period in 2022, primarily due to increased property taxes.

Interest expense, net increased $30 million for the year ended December 31, 2023 compared to the same period in 2022, due to the issuance of debt in 2022 and 2023 and increases in interest rates.

Effective income tax rates were 21.5% and 2.1% for the years ended December 31, 2023 and 2022, respectively. The change is primarily due to decreases in the multi-year plans' accelerated income tax benefits in 2023 compared to 2022. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on both the three-year electric and natural gas distribution multi-year plans and Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations—PHI

PHI's Results of Operations include the results of its three reportable segments, Pepco, DPL, and ACE. PHI also has a business services subsidiary, PHISCO, which provides a variety of support services and the costs are directly charged or allocated to the applicable subsidiaries. Additionally, the results of PHI's corporate operations include interest costs from various financing activities. All material intercompany accounts and transactions have been eliminated in consolidation. The following table sets forth PHI's GAAP consolidated Net income, by Registrant, for the year ended December 31, 2023 compared to the same period in 2022. See the Results of Operations for Pepco, DPL, and ACE for additional information.

	2023	2022	(Unfavorable) Favorable Variance
PHI	$ 590	$ 608	$ (18)
Pepco	306	305	1
DPL	177	169	8
ACE	120	148	(28)
Other[(a)]	(13)	(14)	1

(a) Primarily includes eliminating and consolidating adjustments, PHI's corporate operations, shared service entities, and other financing and investing activities.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income** decreased by $18 million primarily due to higher contracting costs as a result of the ACE employee strike, an increase in environmental liabilities at Pepco, an increase in interest expense, depreciation expense, and unfavorable weather at DPL Delaware electric and natural gas service territories, partially offset by higher distribution rates at DPL Delaware, favorable impacts of the Pepco Maryland and DPL Maryland multi-year plans, and higher transmission rates.

Results of Operations—Pepco

	2023	2022	Favorable (Unfavorable) Variance
Operating revenues	$ 2,824	$ 2,531	$ 293
Operating expenses			
Purchased power	974	834	(140)
Operating and maintenance	572	507	(65)
Depreciation and amortization	441	417	(24)
Taxes other than income taxes	390	382	(8)
Total operating expenses	2,377	2,140	(237)
Gain on sales of assets	9	—	9
Operating income	456	391	65
Other income and (deductions)			
Interest expense, net	(165)	(150)	(15)
Other, net	66	55	11
Total other income and (deductions)	(99)	(95)	(4)
Income before income taxes	357	296	61
Income taxes	51	(9)	(60)
Net income	$ 306	$ 305	$ 1

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income** increased by $1 million primarily due to favorable impacts of the Maryland multi-year plan, higher transmission rates, customer growth, and a gain on sale of land in the fourth quarter of 2023, partially offset by an increase in environmental liabilities, depreciation expense, and interest expense.

	2023 vs. 2022 Increase
Distribution	$ 94
Transmission	55
Other	3
	152
Regulatory required programs	141
Total increase	$ 293

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in both Maryland and the District of Columbia are not impacted by abnormal weather or usage per customer as a result of a BSA that provides for a fixed distribution charge per customer by customer class. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on revenue decoupling for Pepco Maryland and District of Columbia.

	At December 31,	
Number of Electric Customers	2023	2022
Residential	866,018	856,037
Small commercial & industrial	54,142	54,339
Large commercial & industrial	22,941	22,841
Public authorities & electric railroads	208	197
Total	943,309	933,414

Distribution Revenue increased for the year ended December 31, 2023 compared to the same period in 2022, primarily due to higher rates due to the expiration of customer offsets, favorable impacts of the Maryland multi-year plan, and customer growth.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the year ended December 31, 2023 compared to the same period in 2022 primarily due to increases in underlying costs and capital investment.

Other Revenue includes rental revenue, revenue related to late payment charges, mutual assistance revenues, and recoveries of other taxes.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, DC PLUG, and SOS procurement and administrative costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries, as Pepco remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, Pepco acts as the billing agent and therefore, Pepco does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from Pepco, Pepco is permitted to recover the electricity and REC procurement costs from customers and therefore records the amounts related to the electricity and RECs in Operating revenues and Purchased power expense. Pepco recovers electricity and REC procurement costs from customers with a slight mark-up.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of Pepco's revenue disaggregation.

The increase of $140 million for the year ended December 31, 2023 compared to the same period in 2022, in **Purchased power expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Labor, other benefits, contracting, and materials[(a)]	$ 26
BSC and PHISCO costs	14
Pension and non-pension postretirement benefits expense	11
Credit loss expense	(3)
Storm-related costs	(9)
Other	16
	55
Regulatory required programs	10
Total increase	$ 65

(a) Primarily reflects an increase in environmental liabilities for the year ended December 31, 2023.

The changes in **Depreciation and amortization expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Depreciation and amortization[(a)]	$ 22
Regulatory asset amortization	13
Regulatory required programs	(11)
Total increase	$ 24

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Taxes other than income taxes increased $8 million for the year ended December 31, 2023 compared to the same period in 2022, primarily due to an increase in property taxes.

Interest expense, net increased $15 million for the year ended December 31, 2023 compared to the same period in 2022 primarily due to an increase in interest rates and the issuance of debt in 2022 and 2023.

Gain on sales of assets for the year ended December 31, 2023 compared to the same period in 2022 increased $9 million due to the sale of land in the fourth quarter of 2023.

Other, **net** increased $11 million for the year ended December 31, 2023 compared to the same period in 2022, primarily due to higher AFUDC equity.

Effective income tax rates were 14.3% and (3.0)% for the years ended December 31, 2023 and 2022, respectively. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations—DPL

	2023	2022	Favorable (Unfavorable) Variance
Operating revenues	$ 1,688	$ 1,595	$ 93
Operating expenses			
Purchased power and fuel	737	706	(31)
Operating and maintenance	364	349	(15)
Depreciation and amortization	244	232	(12)
Taxes other than income taxes	75	72	(3)
Total operating expenses	1,420	1,359	(61)
Operating income	268	236	32
Other income and (deductions)			
Interest expense, net	(74)	(66)	(8)
Other, net	18	13	5
Total other income and (deductions)	(56)	(53)	(3)
Income before income taxes	212	183	29
Income taxes	35	14	(21)
Net income	$ 177	$ 169	$ 8

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income** increased by $8 million primarily due to favorable impacts of the Maryland multi-year plan, higher Delaware electric and natural gas distribution rates, and higher transmission rates, partially offset by unfavorable weather conditions in Delaware electric and natural gas service territories, and an increase in depreciation expense and interest expense.

The changes in **Operating revenues** consisted of the following:

	2023 vs. 2022 (Decrease) Increase		
	Electric	Gas	Total
Weather	$ (10)	$ (6)	$ (16)
Volume	(6)	(5)	(11)
Distribution	34	7	41
Transmission	42	—	42
Other	5	—	5
	65	(4)	61
Regulatory required programs	61	(29)	32
Total increase	$ 126	$ (33)	$ 93

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in Maryland are not impacted by abnormal weather or usage per customer as a result of a BSA that provides for a fixed distribution charge per customer by customer class. While Operating revenues from electric distribution customers in Maryland are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on revenue decoupling for DPL Maryland.

Weather. The demand for electricity and natural gas in Delaware is affected by weather conditions. With respect to the electric business, very warm weather in summer months and, with respect to the electric and natural gas businesses, very cold weather in winter months are referred to as "favorable weather conditions" because these weather conditions result in increased deliveries of electricity and natural gas. Conversely, mild weather reduces demand. During the year ended December 31, 2023 compared to the same period in 2022, Operating revenues

related to weather decreased due to unfavorable weather conditions in DPL's Delaware electric and natural gas service territories.

Heating and cooling degree days are quantitative indices that reflect the demand for energy needed to heat or cool a home or business. Normal weather is determined based on historical average heating and cooling degree days for a 20-year period in DPL's Delaware electric service territory and a 30-year period in DPL's Delaware natural gas service territory. The changes in heating and cooling degree days in DPL's Delaware service territory for the year ended December 31, 2023 compared to same period in 2022 and normal weather consisted of the following:

	For the Years Ended December 31,			% Change	
Delaware Electric Service Territory	2023	2022	Normal	2023 vs. 2022	2023 vs. Normal
Heating Degree-Days	3,845	4,428	4,585	(13.2)%	(16.1)%
Cooling Degree-Days	1,275	1,382	1,276	(7.7)%	(0.1)%

	For the Years Ended December 31,			% Change	
Delaware Natural Gas Service Territory	2023	2022	Normal	2023 vs. 2022	2023 vs. Normal
Heating Degree-Days	3,845	4,428	4,662	(13.2)%	(17.5)%

Volume, exclusive of the effects of weather, decreased for the year ended December 31, 2023 compared to the same period in 2022 primarily due to customer usage, partially offset by customer growth.

Electric Retail Deliveries to Delaware Customers (in GWhs)	2023	2022	% Change	Weather - Normal % Change [b]
Residential	3,065	3,242	(5.5)%	(1.4)%
Small commercial & industrial	1,399	1,443	(3.0)%	(1.4)%
Large commercial & industrial	3,071	3,162	(2.9)%	(2.0)%
Public authorities & electric railroads	33	33	— %	1.2 %
Total electric retail deliveries[a]	7,568	7,880	(4.0)%	(1.6)%

	At December 31,	
Number of Total Electric Customers (Maryland and Delaware)	2023	2022
Residential	485,713	481,688
Small commercial & industrial	64,220	63,738
Large commercial & industrial	1,260	1,235
Public authorities & electric railroads	593	597
Total	551,786	547,258

(a) Reflects delivery volumes from customers purchasing electricity directly from DPL and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 20-year average.

Natural Gas Retail Deliveries to Delaware Customers (in mmcf)	2023	2022	% Change	Weather - Normal % Change[b]
Residential	7,326	8,709	(15.9)%	(6.4)%
Small commercial & industrial	3,660	4,176	(12.4)%	(2.1)%
Large commercial & industrial	1,588	1,697	(6.4)%	(6.4)%
Transportation	6,004	6,696	(10.3)%	(7.1)%
Total natural gas deliveries[a]	18,578	21,278	(12.7)%	(5.7)%

Number of Delaware Natural Gas Customers	At December 31, 2023	2022
Residential	129,903	129,502
Small commercial & industrial	10,133	10,144
Large commercial & industrial	14	17
Transportation	163	156
Total	140,213	139,819

(a) Reflects delivery volumes from customers purchasing natural gas directly from DPL and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

Distribution Revenue increased for the year ended December 31, 2023 compared to the same period in 2022 primarily due favorable impacts of the Maryland multi-year plan that became effective January 2023, favorable impacts of the higher electric distribution rates in Delaware that became effective July 2023, and higher natural gas distribution rates effective in August 2022.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the year ended December 31, 2023 compared to the same period in 2022 primarily due to increases in underlying costs and capital investment.

Other Revenue includes rental revenue, revenue related to late payment charges, mutual assistance revenues, and recoveries of other taxes.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, DE Renewable Portfolio Standards, SOS procurement and administrative costs, and GCR costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. All customers have the choice to purchase electricity from competitive electric generation suppliers; however, only certain commercial and industrial customers have the choice to purchase natural gas from competitive natural gas suppliers. Customer choice programs do not impact the volume of deliveries as DPL remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, DPL either acts as the billing agent or the competitive supplier separately bills its own customers, and therefore does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from DPL, DPL is permitted to recover the electricity, natural gas, and REC procurement costs from customers and therefore records the amounts related to the electricity, natural gas, and RECs in Operating revenues and Purchased power and fuel expense. DPL recovers electricity and REC procurement costs from customers with a slight mark-up, and natural gas costs without mark-up.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of DPL's revenue disaggregation.

The increase of $31 million for the year ended December 31, 2023 compared to the same period in 2022, in **Purchased power and fuel expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Pension and non-pension postretirement benefits expense	$ 6
Storm-related costs	5
BSC and PHISCO costs	4
Labor, other benefits, contracting, and materials	1
Credit loss expense	(3)
Other	2
Total increase	$ 15

The changes in **Depreciation and amortization expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Depreciation and amortization[(a)]	$ 17
Regulatory asset amortization	(1)
Regulatory required programs	(4)
Total increase	$ 12

(a) For the year ended December 31, 2023, reflects ongoing capital expenditures, higher distribution depreciation rates in Maryland effective March 2022, and higher transmission depreciation rates effective September 2022.

Interest expense, net increased $8 million for the year ended December 31, 2023 compared to the same period in 2022 primarily due to the issuance of debt in 2022 and 2023.

Other, net increased $5 million for the year ended December 31, 2023 compared to the same period in 2022, primarily due to higher AFUDC equity.

Effective income tax rates were 16.5% and 7.7% for the years ended December 31, 2023 and 2022, respectively. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the change in effective income tax rates.

Results of Operations—ACE

	2023	2022	Favorable (Unfavorable) Variance
Operating revenues	$ 1,522	$ 1,431	$ 91
Operating expenses			
Purchased power	637	624	(13)
Operating and maintenance	386	331	(55)
Depreciation and amortization	283	261	(22)
Taxes other than income taxes	8	9	1
Total operating expenses	1,314	1,225	(89)
Operating income	208	206	2
Other income and (deductions)			
Interest expense, net	(72)	(66)	(6)
Other, net	20	11	9
Total other income and (deductions)	(52)	(55)	3
Income before income taxes	156	151	5
Income taxes	36	3	(33)
Net income	$ 120	$ 148	$ (28)

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022. **Net income** decreased $28 million primarily due to higher contracting costs primarily due to the ACE employee strike, and an increase in depreciation expense, and interest expense, partially offset by higher transmission rates.

The changes in **Operating revenues** consisted of the following:

	2023 vs. 2022 Increase
Distribution	$ 33
Transmission	46
Other	1
	80
Regulatory required programs	11
Total increase	$ 91

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in New Jersey are not impacted by abnormal weather or usage per customer as a result of the CIP which became effective, prospectively, in the third quarter of 2021. The CIP compares current distribution revenues by customer class to approved target revenues established in ACE's most recent distribution base rate case. The CIP is calculated annually, and recovery is subject to certain conditions, including an earnings test and ceilings on customer rate increases. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers. See Note 3 — Regulatory Matters of the Combined Notes to the Consolidated Financial Statements for additional information on the ACE CIP.

Number of Electric Customers	At December 31, 2023	2022
Residential	504,919	502,247
Small commercial & industrial	62,646	62,246
Large commercial & industrial	2,909	3,051
Public authorities & electric railroads	727	734
Total	571,201	568,278

Distribution Revenue increased for the year ended December 31, 2023 compared to the same period in 2022 due to higher distribution rates primarily due to the expiration of customer credits related to the TCJA tax benefits.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the year ended December 31, 2023 compared to the same period in 2022 primarily due to increases in capital investment and underlying costs.

Other Revenue includes rental revenue, service connection fees, and mutual assistance revenues.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, Societal Benefits Charge, Transition Bonds, and BGS procurement and administrative costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries, as ACE remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, ACE acts as the billing agent and therefore, ACE does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from ACE, ACE is permitted to recover the electricity, ZEC, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power expense related to the electricity, ZECs, and RECs.

See Note 5 - Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of ACE's revenue disaggregation.

The increase of $13 million for the year ended December 31, 2023 compared to same period in 2022, in **Purchased power expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Labor, other benefits, contracting and materials[(a)]	$ 41
BSC and PHISCO costs	9
Pension and non-pension postretirement benefits expense	1
Storm-related costs	1
Credit loss expense	1
Other	3
	56
Regulatory required programs[(b)]	(1)
Total increase	$ 55

(a) Reflects an increase in contracting costs for the year ended December 31, 2023, primarily due to the ACE employee strike.

(b) ACE is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through the Societal Benefits Charge.

The changes in **Depreciation and amortization expense** consisted of the following:

	2023 vs. 2022 Increase (Decrease)
Depreciation and amortization[(a)]	$ 23
Regulatory required programs[(b)]	(1)
Total increase	$ 22

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures and higher transmission depreciation rates effective September 2022.
(b) Regulatory required programs decreased primarily due to the regulatory asset amortization of the PPA termination obligation which is fully offset in Operating revenues.

Interest expense, net increased $6 million for the year ended December 31, 2023 compared to the same period in 2022 primarily due to an increase in interest rates and the issuance of debt in 2022 and 2023.

Effective income tax rates were 23.1% and 2.0% for the years ended December 31, 2023 and 2022, respectively. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Liquidity and Capital Resources

All results included throughout the liquidity and capital resources section are presented on a GAAP basis.

The Registrants' operating and capital expenditures requirements are provided by internally generated cash flows from operations, as well as funds from external sources in the capital markets and through bank borrowings. The Registrants' businesses are capital intensive and require considerable capital resources. Each of the Registrants annually evaluates its financing plan, dividend practices, and credit line sizing, focusing on maintaining its investment grade ratings while meeting its cash needs to fund capital requirements, including construction expenditures, retire debt, pay dividends, and fund pension and OPEB obligations. The Registrants spend a significant amount of cash on capital improvements and construction projects that have a long-term return on investment. Additionally, the Utility Registrants operate in rate-regulated environments in which the amount of new investment recovery may be delayed or limited and where such recovery takes place over an extended period of time. Each Registrant's access to external financing on reasonable terms depends on its credit ratings and current overall capital market business conditions, including that of the utility industry in general. If these conditions deteriorate to the extent that the Registrants no longer have access to the capital markets at reasonable terms, the Registrants have access to credit facilities with aggregate bank commitments of $4.0 billion, as of December 31, 2023. The Registrants utilize their credit facilities to support their commercial paper programs, provide for other short-term borrowings, and to issue letters of credit. See the "Credit Matters and Cash Requirements" section below for additional information. The Registrants expect cash flows to be sufficient to meet operating expenses, financing costs, and capital expenditure requirements. See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants' debt and credit agreements.

Cash flows related to Generation have not been presented as discontinued operations and are included in the Consolidated Statements of Cash Flows for all periods presented. The Exelon Consolidated Statement of Cash Flows for the year ended December 31, 2023 includes no cash flows from Generation. The Exelon Consolidated Statement of Cash Flows for the year ended December 31, 2022 includes one months of cash flows from Generation. See below for additional reasons for the changes in cash flows.

Cash Flows from Operating Activities

The Utility Registrants' cash flows from operating activities primarily result from the transmission and distribution of electricity and, in the case of PECO, BGE, and DPL, gas distribution services. The Utility Registrants' distribution services are provided to an established and diverse base of retail customers. The Utility Registrants' future cash flows may be affected by the economy, weather conditions, future legislative initiatives, future

regulatory proceedings with respect to their rates or operations, and their ability to achieve operating cost reductions. Additionally, ComEd is required to purchase CMCs from participating nuclear-powered generating facilities for a five-year period, and all of its costs of doing so will be recovered through a new rider. The price to be paid for each CMC is established through a competitive bidding process. ComEd will provide net payments to, or collect net payments from, customers for the difference between customer credits issued and the credit to be received from the participating nuclear-powered generating facilities. ComEd's cash flows are affected by the establishment of CMC prices and the timing of recovering costs through the CMC regulatory asset.

See Note 3 — Regulatory Matters and Note 18 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for additional information on regulatory and legal proceedings and proposed legislation.

The following table provides a summary of the change in cash flows from operating activities for the years ended December 31, 2023 and 2022 by Registrant:

Increase (decrease) in cash flows from operating activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Net income	$ 157	$ 173	$ (13)	$ 105	$ (18)	$ 1	$ 8	$ (28)
Adjustments to reconcile net income to cash:								
Non-cash operating activities	(864)	(336)	(116)	(103)	28	34	(16)	5
Option premiums (paid), net	39	—	—	—	—	—	—	—
Collateral (paid) received, net	(1,394)	18	—	(41)	(344)	(49)	(199)	(96)
Income taxes	52	106	106	54	66	79	26	(11)
Pension and non-pension postretirement benefit contributions	487	143	17	49	54	(1)	(3)	4
Regulatory assets and liabilities, net	887	973	14	(132)	75	24	59	(28)
Changes in working capital and other noncurrent assets and liabilities	469	(426)	170	259	193	140	80	(29)
(Decrease) increase in cash flows from operating activities	$ (167)	$ 651	$ 178	$ 191	$ 54	$ 228	$ (45)	$ (183)

Changes in the Registrants' cash flows from operations were generally consistent with changes in each Registrant's respective results of operations, as adjusted by changes in working capital in the normal course of business, except as discussed below. See above for additional information related to cash flows from Generation. Significant operating cash flow impacts for the Registrants and Generation for the years ended December 31, 2023 and 2022 were as follows:

- See Note 22 —Supplemental Financial Information of the Combined Notes to Consolidated Financial Statements and the Registrants' Consolidated Statements of Cash Flows for additional information on **non-cash operating activities**.

- **Changes in collateral** depended upon whether the Registrant was in a net mark-to-market liability or asset position, and collateral may have been required to be posted with or collected from its counterparties. In addition, the collateral posting and collection requirements differed depending on whether the transactions were on an exchange or in the over-the-counter markets. Changes in collateral for the Utility Registrants are dependent upon the credit exposure of procurement contracts that may require suppliers to post collateral. The amount of cash collateral received from external counterparties increased due to rising energy prices. See Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information.

- See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements and the Registrants' Consolidated Statements of Cash Flows for additional information on **income taxes.**

- Changes in **Pension and non-pension postretirement benefit contributions** relate to Exelon's funding strategy and incremental contributions made in 2022 in connection with the separation. See Note 14 — Retirement Benefits

- **Changes in Regulatory assets and liabilities, net,** are due to the timing of cash payments for costs recoverable, or cash receipts for costs recovered, under our regulatory mechanisms differs from the recovery period of those costs. Included within the changes is energy efficiency spend for ComEd of $416 million and $394 million for the years ended December 31, 2023 and 2022, respectively. Also included within the changes is energy efficiency and demand response programs spend for BGE, Pepco, DPL, and ACE of $132 million, $70 million, $25 million, and $20 million for the year ended December 31, 2023, respectively, and $113 million, $71 million, $28 million, and $11 million for the year ended December 31, 2022, respectively. PECO had no energy efficiency and demand response programs spend recorded to a regulatory asset for the years ended December 31, 2023 and 2022. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

- **Changes in working capital and other noncurrent assets and liabilities** for the Utility Registrants and Exelon Corporate total $146 million and for Generation total $323 million. The change for Generation primarily relates to the revolving accounts receivable financing arrangement. The change in working capital and other noncurrent assets and liabilities for Exelon Corporate and the Utility Registrants is dependent upon the normal course of operations for all Registrants. For ComEd, it is also dependent upon whether the participating nuclear-powered generating facilities owe money to ComEd as a result of the established pricing for CMCs. For the year ended December 31, 2023, the established pricing resulted in ComEd owing payments to nuclear-powered generating facilities, which is reported within the cash flows from operations as a change in Accounts payable and accrued expense.

Cash Flows from Investing Activities

The following table provides a summary of the change in cash flows from investing activities for the years ended December 31, 2023 and 2022 by Registrant:

(Decrease) increase in cash flows from investing activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Capital expenditures	$ (261)	$ (70)	$ (77)	$ (105)	$ (279)	$ (83)	$ (132)	$ (62)
Investment in NDT fund sales, net	28	—	—	—	—	—	—	—
Collection of DPP	(169)	—	—	—	—	—	—	—
Proceeds from sales of assets and businesses	9	—	—	—	10	10	—	—
Other investing activities	8	(20)	(6)	(4)	2	5	(3)	(1)
(Decrease) increase in cash flows from investing activities	$ (385)	$ (90)	$ (83)	$ (109)	$ (267)	$ (68)	$ (135)	$ (63)

Significant investing cash flow impacts for the Registrants for 2023 and 2022 were as follows:

- Variances in **Capital expenditures** are primarily due to the timing of cash expenditures for capital projects. See the "Credit Matters and Cash Requirements" section below for additional information on projected capital expenditure spending for the Utility Registrants. See Note 2 — Discontinued Operations of the Combined Notes to Consolidated Financial Statements for Capital expenditures related to Generation prior to the separation.

- **Collection of DPP** relates to Generation's revolving accounts receivable financing agreement which Generation entered into in April 2020.

Cash Flows from Financing Activities

The following table provides a summary of the change in cash flows from financing activities for the years ended December 31, 2023 and 2022 by Registrant:

(Decrease) increase in cash flows from financing activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Changes in short-term borrowings, net	$ (2,199)	$ (402)	$ (313)	$ (350)	$ 34	$ (291)	$ (18)	$ 343
Long-term debt, net	(124)	225	100	150	(40)	35	25	(100)
Changes in intercompany money pool	—	—	—	—	(16)	—	—	—
Issuance of common stock	(423)	—	—	—	—	—	—	—
Dividends paid on common stock	(99)	(168)	(6)	(16)	—	211	10	19
Repayments on short-term borrowings with maturities greater than 90 days	1,350	(150)	—	—	—	—	—	—
Distributions to member	—	—	—	—	237	—	—	—
Contributions from parent/member	—	(15)	74	99	(312)	(157)	(48)	(110)
Transfer of cash, restricted cash, and cash equivalents to Constellation	2,594	—	—	—	—	—	—	—
Other financing activities	(7)	(3)	9	4	(19)	(16)	(6)	—
Increase (decrease) in cash flows from financing activities	$ 1,092	$ (513)	$ (136)	$ (113)	$ (116)	$ (218)	$ (37)	$ 152

Significant financing cash flow impacts for the Registrants for 2023 and 2022 were as follows:

- **Changes in short-term borrowings, net**, is driven by repayments on and issuances of notes due in less than 365 days. Refer to Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on Short-term borrowings for the Registrants.
- **Long-term debt, net,** varies due to debt issuances and redemptions each year. Refer to the debt issuances and redemptions tables below for additional information for the Registrants.
- **Changes in intercompany money pool** are driven by short-term borrowing needs. Refer below for more information regarding the intercompany money pool.
- **Issuance of common stock** relates to the August 2022 underwritten public offering of Exelon common stock as well as 2023 issuances under the ATM program. See Note 19 — Shareholders' Equity of the Combined Notes to Consolidated Financial Statements for additional information.
- Exelon's ability to pay **dividends** on its Common stock depends on the receipt of dividends paid by its operating subsidiaries. The payments of dividends to Exelon by its subsidiaries in turn depend on their results of operations and cash flows and other items affecting Retained earnings. See Note 18 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for additional information on dividend restrictions. See below for quarterly dividends declared.
- **Repayments on short-term borrowings,** varies due to debt issuances and redemptions each year. Refer to Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on repayments on short-term borrowings for the Registrants.
- Refer to Note 2 — Discontinued Operations for the T**ransfer of cash, restricted cash, and cash equivalents to Constellation** related to the separation.
- **Other financing activities** primarily consists of debt issuance costs. See debt issuances table below for additional information on the Registrants' debt issuances.

Debt Issuances and Redemptions

See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information of the Registrants' long-term debt. Debt activity for 2023 and 2022 by Registrant was as follows:

During 2023, the following long-term debt was issued:

Company	Type	Interest Rate	Maturity	Amount	Use of Proceeds
Exelon	Notes	5.15%	March 15, 2028	$1,000	Repay existing indebtedness and for general corporate purposes.
Exelon	Notes	5.30%	March 15, 2033	850	Repay existing indebtedness and for general corporate purposes.
Exelon	Notes	5.60%	March 15, 2053	650	Repay existing indebtedness and for general corporate purposes.
ComEd	First Mortgage Bonds, Series 134	4.90%	February 1, 2033	400	Repay outstanding commercial paper obligations and to fund other general corporate purposes.
ComEd	First Mortgage Bonds Series 135	5.30%	February 1, 2053	575	Repay outstanding commercial paper obligations and to fund other general corporate purposes.
PECO	First and Refunding Mortgage Bonds	4.90%	June 15, 2033	575	Refinance existing indebtedness, refinance outstanding commercial paper obligations, and for general corporate purposes.
BGE	Notes	5.40%	June 1, 2053	700	Repay outstanding commercial paper obligations, repay existing indebtedness, and for general corporate purposes.
Pepco	First Mortgage Bonds	5.35%	September 13, 2033	100	Repay existing indebtedness and for general corporate purposes.
Pepco	First Mortgage Bonds	5.30%	March 15, 2033	85	Repay existing indebtedness and for general corporate purposes.
Pepco	First Mortgage Bonds	5.40%	March 15, 2038	40	Repay existing indebtedness and for general corporate purposes.
Pepco	First Mortgage Bonds	5.57%	March 15, 2053	125	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	5.30%	March 15, 2033	60	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	5.57%	March 15, 2053	65	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	5.45%	November 8, 2033	340	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	5.55%	November 8, 2038	75	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	5.72%	November 8, 2053	110	Repay existing indebtedness and for general corporate purposes.
ACE	First Mortgage Bonds	5.57%	March 15, 2053	75	Repay existing indebtedness and for general corporate purposes.

During 2022, the following long-term debt was issued:

Company	Type	Interest Rate	Maturity	Amount	Use of Proceeds
Exelon	SMBC Term Loan Agreement	SOFR plus 0.65%	July 21, 2023[b]	$300	Fund a cash payment to Constellation and for general corporate purposes.
Exelon	U.S. Bank Term Loan Agreement	SOFR plus 0.65%	July 21, 2023[b]	300	Fund a cash payment to Constellation and for general corporate purposes.
Exelon	PNC Term Loan Agreement	SOFR plus 0.65%	July 24, 2023[b]	250	Fund a cash payment to Constellation and for general corporate purposes.
Exelon	Notes[a]	2.75%	March 15, 2027	650	Repay existing indebtedness and for general corporate purposes.
Exelon	Notes[a]	3.35%	March 15, 2032	650	Repay existing indebtedness and for general corporate purposes.
Exelon	Notes[a]	4.10%	March 15, 2052	700	Repay existing indebtedness and for general corporate purposes.
Exelon	Long-Term Software License Agreements	2.30%	December 1, 2025	17	Procurement of software licenses
Exelon	Long-Term Software License Agreements	3.70%	August 9, 2025	8	Procurement of software licenses
Exelon	SMBC Term Loan Agreement	SOFR plus 0.85%	April 7, 2024	500	Repay existing indebtedness and for general corporate purposes.
ComEd	First Mortgage Bonds, Series 132	3.15%	March 15, 2032	300	Repay outstanding commercial paper obligations and to fund other general corporate purposes.
ComEd	First Mortgage Bonds, Series 133	3.85%	March 15, 2052	450	Repay outstanding commercial paper obligations and to fund other general corporate purposes.
PECO	First and Refunding Mortgage Bonds	4.60%	May 15, 2052	350	Refinance existing indebtedness and for general corporate purposes.
PECO	First and Refunding Mortgage Bonds	4.375%	August 15, 2052	425	Refinance outstanding commercial paper and for general corporate purposes.
BGE	Notes	4.55%	June 1, 2052	500	Repay outstanding commercial paper obligations, repay existing indebtedness, and for general corporate purposes.
Pepco	First Mortgage Bonds	3.97%	March 24, 2052	400	Repay existing indebtedness and for general corporate purposes.
Pepco	First Mortgage Bonds	3.35%	September 15, 2032	225	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	3.06%	February 15, 2052	125	Repay existing indebtedness and for general corporate purposes.
ACE	First Mortgage Bonds	2.27%	February 15, 2032	25	Repay existing indebtedness and for general corporate purposes.
ACE	First Mortgage Bonds	3.06%	February 15, 2052	150	Repay existing indebtedness and for general corporate purposes.

(a) In connection with the issuance and sale of the Notes, Exelon entered into a Registration Rights Agreement with the representatives of the initial purchasers of the Notes and other parties. Pursuant to the Registration Rights Agreement, Exelon filed a registration statement on August 3, 2022, with respect to an offer to exchange the Notes for substantially similar notes of Exelon that are registered under the Securities Act. An exchange offer of registered notes for the Notes was completed on January 12, 2023. The registered notes issued in exchange for Notes in the exchange offer have terms identical in all respects to the Notes, except that their issuance was registered under the Securities Act.

(b) During the third quarter of 2022, the SMBC Term Loan, U.S. Bank Term Loan, and PNC Term Loan were all reclassified to Long-term debt due within one year on the Exelon Consolidated Balance Sheet, given that the Term Loans have maturity dates of July 21, 2023, and July 24, 2023, respectively.

During 2023, the following long-term debt was retired and/or redeemed:

Company	Type	Interest Rate	Maturity	Amount
Exelon	SMBC Term Loan Agreement	SOFR plus 0.65%	July 21, 2023	$ 300
Exelon	US Bank Term Loan Agreement	SOFR plus 0.65%	July 21, 2023	300
Exelon	PNC Term Loan Agreement	SOFR plus 0.65%	July 24, 2023	250
Exelon	Long-Term Software License Agreement	3.70%	August 9, 2025	6
Exelon	Long-Term Software License Agreement	3.95%	May 1, 2024	2
Exelon	Long-Term Software License Agreement	3.70%	August 9, 2025	1
Exelon	Long-Term Software License Agreement	2.30%	December 1, 2025	4
PECO	Loan Agreement	2.00%	June 20, 2023	50
BGE	Notes	3.35%	July 1, 2023	300
DPL	First Mortgage Bonds	3.50%	November 15, 2023	500

During 2022, the following long-term debt was retired and/or redeemed:

Company	Type	Interest Rate	Maturity	Amount
Exelon	Junior Subordinated Notes	3.50%	May 2, 2022	$ 1,150
Exelon	Long-Term Software License Agreement	3.96%	May 1, 2024	2
Exelon	Long-Term Software License Agreement	2.30%	December 1, 2025	4
ComEd	Long-Term Software License Agreement	3.70%	August 9, 2025	1
PECO	First Mortgage Bonds	2.375%	September 15, 2022	350
BGE	Notes	2.80%	August 15, 2022	250
ACE	First Mortgage Bonds	3.05%	April 1, 2022	200
ACE	Tax-Exempt Bonds	1.70%	September 1, 2022	110

Additionally, in connection with the separation, on January 31, 2022, Exelon Corporate received cash from Generation of $258 million to settle an intercompany loan that mirrored the terms and amounts of the third-party debt obligations. The loan agreements were entered into as part of the 2012 Constellation merger. See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the mirror debt.

From time to time and as market conditions warrant, the Registrants may engage in long-term debt retirements via tender offers, open market repurchases or other viable options to reduce debt on their respective balance sheets.

Dividends

Quarterly dividends declared by the Exelon Board of Directors during the year ended December 31, 2023 and for the first quarter of 2024 were as follows:

Period	Declaration Date	Shareholder of Record Date	Dividend Payable Date	Cash per Share[(a)]
First Quarter 2023	February 14, 2023	February 27, 2023	March 10, 2023	$ 0.3600
Second Quarter 2023	April 25, 2023	May 15, 2023	June 9, 2023	$ 0.3600
Third Quarter 2023	July 25, 2023	August 15, 2023	September 8, 2023	$ 0.3600
Fourth Quarter 2023	November 1, 2023	November 15, 2023	December 8, 2023	$ 0.3600
First Quarter 2024	February 21, 2024	March 4, 2024	March 15, 2024	$ 0.3800

(a) Exelon's Board of Directors approved an updated dividend policy for 2024. The 2024 quarterly dividend will be $0.38 per share.

Credit Matters and Cash Requirements

The Registrants fund liquidity needs for capital expenditures, working capital, energy hedging, and other financial commitments through cash flows from continuing operations, public debt offerings, commercial paper markets, and large, diversified credit facilities. The credit facilities include $4.0 billion in aggregate total commitments of which $2.4 billion was available to support additional commercial paper as of December 31, 2023, and of which no financial institution has more than 6% of the aggregate commitments for the Registrants. The Registrants had access to the commercial paper markets and had availability under their revolving credit facilities during 2023 to fund their short-term liquidity needs, when necessary. Exelon Corporate and the Utility Registrants each have a 5-year revolving credit facility. See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information. The Registrants had access to the commercial paper markets and had availability under their revolving credit facilities during 2023 to fund their short-term liquidity needs, when necessary. The Registrants routinely review the sufficiency of their liquidity position, including appropriate sizing of credit facility commitments, by performing various stress test scenarios, such as commodity price movements, increases in margin-related transactions, changes in hedging levels, and the impacts of hypothetical credit downgrades. The Registrants closely monitor events in the financial markets and the financial institutions associated with the credit facilities, including monitoring credit ratings and outlooks, credit default swap levels, capital raising, and merger activity. See PART I, ITEM 1A. RISK FACTORS for additional information regarding the effects of uncertainty in the capital and credit markets.

The Registrants believe their cash flow from operating activities, access to credit markets, and their credit facilities provide sufficient liquidity to support the estimated future cash requirements discussed below.

On August 4, 2022, Exelon entered into an agreement with certain underwriters in connection with an underwritten public offering of 12.995 million shares of its Common stock, no par value. The net proceeds were $563 million before expenses paid. Exelon used the proceeds, together with available cash balances, to repay $575 million in borrowings under a $1.15 billion term loan credit facility. See Note 19 — Shareholders' Equity and Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information.

On August 4, 2022, Exelon executed an equity distribution agreement (“Equity Distribution Agreement”) with certain sales agents and forward sellers and certain forward purchasers establishing an ATM equity distribution program under which it may offer and sell shares of its Common stock, having an aggregate gross sales price of up to $1.0 billion. Exelon has no obligation to offer or sell any shares of Common stock under the Equity Distribution Agreement and may at any time suspend or terminate offers and sales under the Equity Distribution Agreement. In November and December 2023, Exelon issued approximately 3.6 million shares of Common stock at an average gross price of $39.58 per share. The net proceeds from these issuances were $140 million, which were used for general corporate purposes. As of December 31, 2023, $858 million of Common stock remained available for sale pursuant to the ATM program.

Pursuant to the Separation Agreement between Exelon and Constellation Energy Corporation, Exelon made a cash payment of $1.75 billion to Generation on January 31, 2022. See Note 2 — Discontinued Operations of the Combined Notes to Consolidated Financial Statements for additional information on the separation.

The following table presents the incremental collateral that each Utility Registrant would have been required to provide in the event each Utility Registrant lost its investment grade credit rating at December 31, 2023 and available credit facility capacity prior to any incremental collateral at December 31, 2023:

	PJM Credit Policy Collateral	Other Incremental Collateral Required[(a)]	Available Credit Facility Capacity Prior to Any Incremental Collateral
ComEd	$ —	$ —	$ 788
PECO	—	25	435
BGE	—	61	258
Pepco	—	—	168
DPL	—	10	237
ACE	—	—	101

(a) Represents incremental collateral related to natural gas procurement contracts.

Capital Expenditures

As of December 31, 2023, estimates of capital expenditures for plant additions and improvements are as follows:

(in millions)[a]	2024 Transmission	2024 Distribution	2024 Gas	Total 2024	Beyond 2024[b]
Exelon	N/A	N/A	N/A	$ 7,425	$ 27,100
ComEd [c]	550	1,600	N/A	2,150	9,150
PECO	75	1,225	400	1,700	5,650
BGE	475	625	500	1,600	6,075
PHI	550	1,325	100	1,975	6,275
Pepco	200	750	N/A	950	2,925
DPL	200	325	100	600	1,825
ACE	150	275	N/A	425	1,500

(a) Numbers rounded to the nearest $25M and may not sum due to rounding.
(b) Includes estimated capital expenditures for the Utility Registrants from 2025 to 2027.
(c) Effective in 2024, ComEd has chosen to update its rate of capitalization of certain overhead costs on a prospective basis.

Projected capital expenditures and other investments are subject to periodic review and revision to reflect changes in economic conditions and other factors. Projected capital expenditures at the Utility Registrants are for continuing projects to maintain and improve operations, including enhancing reliability and adding capacity to the transmission and distribution systems. The Utility Registrants anticipate that they will fund their capital expenditures with a combination of internally generated funds and borrowings and additional capital contributions from parent.

Retirement Benefits

Management considers various factors when making pension funding decisions, including actuarially determined minimum contribution requirements under ERISA, contributions required to avoid benefit restrictions and at-risk status as defined by the Pension Protection Act of 2006 (the Act), management of the pension obligation, and regulatory implications. The Act requires the attainment of certain funding levels to avoid benefit restrictions (such as an inability to pay lump sums or to accrue benefits prospectively), and at-risk status (which triggers higher minimum contribution requirements and participant notification). The projected contributions below reflect a funding strategy to make annual contributions with the objective of achieving 100% funded status on an ABO basis over time. This funding strategy helps minimize volatility of future period required pension contributions. Exelon's estimated annual qualified pension contributions will be $93 million in 2024. Unlike the qualified pension plans, Exelon's non-qualified pension plans are not funded, given they are not subject to statutory minimum contribution requirements.

While OPEB plans are also not subject to statutory minimum contribution requirements, Exelon does fund certain of its plans. For Exelon's funded OPEB plans, contributions generally equal accounting costs, however, Exelon's management has historically considered several factors in determining the level of contributions to its OPEB plans, including liabilities management, levels of benefit claims paid, and regulatory implications (amounts deemed prudent to meet regulatory expectations and best assure continued rate recovery). The amounts below include benefit payments related to unfunded plans.

The following table provides all Registrants' planned contributions to the qualified pension plans, planned benefit payments to non-qualified pension plans, and planned contributions to OPEB plans in 2024:

	Qualified Pension Plans	Non-Qualified Pension Plans	OPEB
Exelon	$ 93	$ 15	$ 47
ComEd	3	1	18
PECO	2	1	1
BGE	17	1	14
PHI	66	8	11
Pepco	—	1	10
DPL	—	—	—
ACE	7	—	—

To the extent interest rates decline significantly or the pension and OPEB plans earn less than the expected asset returns, annual pension contribution requirements in future years could increase. Conversely, to the extent interest rates increase significantly or the pension and OPEB plans earn greater than the expected asset returns, annual pension and OPEB contribution requirements in future years could decrease. Additionally, expected contributions could change if Exelon changes its pension or OPEB funding strategy.

See Note 14 — Retirement Benefits of the Combined Notes to Consolidated Financial Statements for additional information on pension and OPEB contributions.

Cash Requirements for Other Financial Commitments

The following tables summarize the Registrants' future estimated cash payments as of December 31, 2023 under existing financial commitments:

Exelon

	2024	Beyond 2024	Total	Time Period
Long-term debt and finance leases[(a)]	$ 1,403	$ 39,876	$ 41,279	2024 - 2053
Interest payments on long-term debt[(b)]	1,659	26,936	28,595	2024 - 2053
Operating leases	49	302	351	2024 - 2099
Fuel purchase agreements[(c)]	281	1,557	1,838	2024 - 2039
Electric supply procurement	3,808	2,222	6,030	2024 - 2027
Long-term renewable energy and REC commitments	366	1,672	2,038	2024 - 2038
Other purchase obligations[(d)]	4,839	3,236	8,075	2024 - 2031
DC PLUG obligation	3	—	3	2024
ZEC commitments	218	421	639	2024 - 2027
Pension contributions[(e)]	93	1,000	1,093	2024 - 2029
Total cash requirements	$ 12,719	$ 77,222	$ 89,941	

(a) Includes amounts from ComEd and PECO financing trusts.
(b) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances. Variable rate interest obligations are estimated based on rates as of December 31, 2023. Includes estimated interest payments due to ComEd and PECO financing trusts.
(c) Represents commitments to purchase natural gas and related transportation, storage capacity, and services.
(d) Represents the future estimated value at December 31, 2023 of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between the Registrants or subsidiary and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.
(e) These amounts represent Exelon's expected contributions to its qualified pension plans. Qualified pension contributions for years after 2029 are not included.

ComEd

	2024	Beyond 2024	Total	Time Period
Long-term debt[(a)]	$ 250	$ 11,567	$ 11,817	2024 - 2053
Interest payments on long-term debt[(b)]	470	8,240	8,710	2024 - 2053
Operating leases	—	—	—	2024 - 2026
Electric supply procurement	417	196	613	2024 - 2026
Long-term renewable energy and REC commitments	336	1,523	1,859	2024 - 2038
Other purchase obligations[(c)]	1,244	835	2,079	2024 - 2031
ZEC commitments	218	421	639	2024 - 2027
Total cash requirements	$ 2,935	$ 22,782	$ 25,717	

(a) Includes amounts from ComEd financing trust.
(b) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances. Includes estimated interest payments due to the ComEd financing trust.
(c) Represents the future estimated value, as of December 31, 2023, of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between ComEd and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.

PECO

	2024	Beyond 2024	Total	Time Period
Long-term debt[(a)]	$ —	$ 5,384	$ 5,384	2024 - 2052
Interest payments on long-term debt[(b)]	222	4,097	4,319	2024 - 2052
Operating leases	—	—	—	2024 - 2034
Fuel purchase agreements[(c)]	140	571	711	2024 - 2039
Electric supply procurement	729	183	912	2024 - 2025
Other purchase obligations[(d)]	785	759	1,544	2024 - 2031
Total cash requirements	$ 1,876	$ 10,994	$ 12,870	

(a) Includes amounts from PECO financing trusts.
(b) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances. Includes estimated interest payments due to the PECO financing trusts.
(c) Represents commitments to purchase natural gas and related transportation, storage capacity, and services.
(d) Represents the future estimated value, as of December 31, 2023, of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between PECO and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.

BGE

	2024	Beyond 2024	Total	Time Period
Long-term debt	$ —	$ 4,650	$ 4,650	2024 - 2053
Interest payments on long-term debt[(a)]	184	3,775	3,959	2024 - 2053
Operating leases	4	34	38	2024 - 2099
Fuel purchase agreements[(b)]	108	792	900	2024 - 2038
Electric supply procurement	1,097	746	1,843	2024 - 2026
Other purchase obligations[(c)]	928	433	1,361	2024 - 2029
Total cash requirements	$ 2,321	$ 10,430	$ 12,751	

(a) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances.
(b) Represents commitments to purchase natural gas and related transportation, storage capacity, and services.
(c) Represents the future estimated value, as of December 31, 2023, of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between BGE and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.

PHI

	2024	Beyond 2024	Total	Time Period
Long-term debt and finance leases	$ 644	$ 7,631	$ 8,275	2024 - 2053
Interest payments on long-term debt[(a)]	296	4,500	4,796	2024 - 2053
Operating leases	36	164	200	2024 - 2032
Fuel purchase agreements[(b)]	33	194	227	2024 - 2029
Electric supply procurement	1,565	1,097	2,662	2024 - 2027
Long-term renewable energy and REC commitments	30	149	179	2024 - 2033
Other purchase obligations[(c)]	1,379	394	1,773	2024 - 2031
DC PLUG obligation	3	—	3	2024
Total cash requirements	$ 3,986	$ 14,129	$ 18,115	

(a) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances. Variable rate interest obligations are estimated based on rates as of December 31, 2023.
(b) Represents commitments to purchase natural gas and related transportation, storage capacity, and services.
(c) Represents the future estimated value, as of December 31, 2023, of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between Pepco, DPL, ACE, and PHISCO and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.

Pepco

	2024	Beyond 2024	Total	Time Period
Long-term debt and finance leases	$ 405	$ 3,746	$ 4,151	2024 - 2053
Interest payments on long-term debt[(a)]	152	2,809	2,961	2024 - 2053
Operating leases	7	34	41	2024 - 2032
Electric supply procurement	776	574	1,350	2024 - 2027
Other purchase obligations[(b)]	661	231	892	2024 - 2031
DC PLUG obligation	3	—	3	2024
Total cash requirements	$ 2,004	$ 7,394	$ 9,398	

(a) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances.
(b) Represents the future estimated value, as of December 31, 2023, of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between Pepco and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.

DPL

	2024	Beyond 2024	Total	Time Period
Long-term debt and finance leases	$ 84	$ 2,012	$ 2,096	2024 - 2053
Interest payments on long-term debt[(a)]	70	1,048	1,118	2024 - 2053
Operating leases	9	46	55	2024 - 2031
Fuel purchase agreements[(b)]	33	194	227	2024 - 2029
Electric supply procurement	445	245	690	2024 - 2026
Long-term renewable energy and REC commitments	30	149	179	2024 - 2033
Other purchase obligations[(c)]	291	81	372	2024 - 2031
Total cash requirements	$ 962	$ 3,775	$ 4,737	

(a) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances. Variable rate interest obligations are estimated based on rates as of December 31, 2023.
(b) Represents commitments to purchase natural gas and related transportation, storage capacity, and services.
(c) Represents the future estimated value, as of December 31, 2023, of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between DPL and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.

ACE

	2024	Beyond 2024	Total	Time Period
Long-term debt and finance leases	$ 154	$ 1,688	$ 1,842	2024 - 2053
Interest payments on long-term debt[(a)]	60	537	597	2024 - 2053
Operating leases	3	7	10	2024 - 2029
Electric supply procurement	344	278	622	2024 - 2026
Other purchase obligations[(b)]	386	53	439	2024 - 2028
Total cash requirements	$ 947	$ 2,563	$ 3,510	

(a) Interest payments are estimated based on final maturity dates of debt securities outstanding as of December 31, 2023 and do not reflect anticipated future refinancing, early redemptions, or debt issuances.

(b) Represents the future estimated value, as of December 31, 2023, of the cash flows associated with all contracts, both cancellable and non-cancellable, entered into between ACE and third-parties for the provision of services and materials, entered into in the normal course of business not specifically reflected elsewhere in this table. These estimates are subject to significant variability from period to period.

See Note 18 — Commitments and Contingencies and Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information of the Registrants' other commitments potentially triggered by future events. Additionally, see below for where to find additional information regarding the financial commitments in the tables above in the Combined Notes to the Consolidated Financial Statements:

Item	Location within Notes to the Consolidated Financial Statements
Long-term debt	Note 16 — Debt and Credit Agreements
Interest payments on long-term debt	Note 16 — Debt and Credit Agreements
Finance leases	Note 10 — Leases
Operating leases	Note 10 — Leases
Long-term renewable energy and REC commitments	Note 3 — Regulatory Matters
ZEC commitments	Note 3 — Regulatory Matters
DC PLUG obligation	Note 3 — Regulatory Matters
Pension contributions	Note 14 — Retirement Benefits

Credit Facilities

Exelon Corporate, ComEd, and BGE meet their short-term liquidity requirements primarily through the issuance of commercial paper. PECO meets its short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the Exelon intercompany money pool. Pepco, DPL, and ACE meet their short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the PHI intercompany money pool. PHI Corporate meets its short-term liquidity requirements primarily through the issuance of short-term notes and the Exelon intercompany money pool. The Registrants may use their respective credit facilities for general corporate purposes, including meeting short-term funding requirements and the issuance of letters of credit.

See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants' credit facilities and short term borrowing activity.

Capital Structure

As of December 31, 2023, the capital structures of the Registrants consisted of the following:

	Exelon[(a)]	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Long-term debt	59 %	43 %	44 %	44 %	42 %	49 %	49 %	48 %
Long-term debt to affiliates[(b)]	1 %	1 %	2 %	— %	— %	— %	— %	— %
Common equity	37 %	54 %	53 %	53 %	— %	49 %	49 %	47 %
Member's equity	— %	— %	— %	— %	56 %	— %	— %	— %
Commercial paper and notes payable	3 %	2 %	1 %	3 %	2 %	2 %	2 %	5 %

(a) As of December 31, 2022, Exelon's Long-term debt and Common equity capital structure percentages were 57% and 38%, respectively. The change in capital structure percentages above is a result of a decrease in common equity due to the separation of Constellation in addition to an increase in long-term debt issuances. See Note 2 — Discontinued Operations for additional information regarding the separation.

(b) Includes approximately $390 million, $205 million, and $184 million owed to unconsolidated affiliates of Exelon, ComEd, and PECO respectively. These special purpose entities were created for the sole purposes of issuing mandatory redeemable trust preferred securities of ComEd and PECO.

Security Ratings

The Registrants' access to the capital markets, including the commercial paper market, and their respective financing costs in those markets, may depend on the securities ratings of the entity that is accessing the capital markets.

The Registrants' borrowings are not subject to default or prepayment as a result of a downgrading of securities, although such a downgrading of a Registrant's securities could increase fees and interest charges under that Registrant's credit agreements.

As part of the normal course of business, the Registrants enter into contracts that contain express provisions or otherwise permit the Registrants and their counterparties to demand adequate assurance of future performance when there are reasonable grounds for doing so. In accordance with the contracts and applicable contracts law, if the Registrants are downgraded by a credit rating agency, it is possible that a counterparty would attempt to rely on such a downgrade as a basis for making a demand for adequate assurance of future performance, which could include the posting of additional collateral. See Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information on collateral provisions.

The credit ratings for Exelon Corporate, PECO, BGE, PHI, Pepco, DPL, and ACE did not change for the year ended December 31, 2023. On July 26, 2023, S&P raised ComEd's long-term issuer credit rating from 'BBB+' to a 'A-'. S&P also affirmed the current 'A' rating on ComEd's senior secured debt and 'A-2' short-term rating, which influences long and short-term borrowing cost. On December 20, 2023, Moody's revised its outlook on ComEd to negative from stable due to the final order issued by the ICC on December 14, 2023 rejecting ComEd's proposed Grid Plan and establishing retail rates for 2024-2027 as further discussed in Note 3 — Regulatory Matters. At the same time, Moody's affirmed ComEd's current 'A1' senior secured debt rating and its 'P-2' short-term rating.

Intercompany Money Pool

To provide an additional short-term borrowing option that will generally be more favorable to the borrowing participants than the cost of external financing, both Exelon and PHI operate an intercompany money pool. Maximum amounts contributed to and borrowed from the money pool by participant and the net contribution or borrowing as of December 31, 2023, are presented in the following tables.

	For the Year Ended December 31, 2023		As of December 31, 2023
Exelon Intercompany Money Pool	Maximum Contributed	Maximum Borrowed	Contributed (Borrowed)
Exelon Corporate	$ 510	$ —	$ 225
PECO	305	(238)	—
BSC	—	(350)	(205)
PHI Corporate	—	(65)	(65)
PCI	45	—	45

	For the Year Ended December 31, 2023		As of December 31, 2023
PHI Intercompany Money Pool	Maximum Contributed	Maximum Borrowed	Contributed (Borrowed)
Pepco	$ 106	$ (55)	$ —
DPL	147	(2)	—
ACE	—	(147)	—

Shelf Registration Statements

Exelon, ComEd and Pepco have a currently effective combined shelf registration statement that expires in 2025. PECO and BGE plan to file a new combined shelf registration in the first quarter of 2024. DPL and ACE periodically issue securities through the private placement markets. The ability of each Registrant to sell securities off the shelf registration statement or to access the private placement markets will depend on a number of factors at the time of the proposed sale, including other required regulatory approvals, as applicable, the current financial condition of the Registrant, its securities ratings and market conditions.

Regulatory Authorizations

The Utility Registrants are required to obtain short-term and long-term financing authority from Federal and State Commissions as follows:

	At December 31, 2023					
	Short-term Financing Authority [f]			Remaining Long-term Financing Authority		
	Commission	Expiration Date	Amount	Commission	Expiration Date	Amount
ComEd[a]	FERC	December 31, 2025	$ 2,500	ICC	January 1, 2025	$ 368
PECO	FERC	December 31, 2025	1,500	PAPUC	December 31, 2024	550
BGE[b]	FERC	December 31, 2025	700	MDPSC	N/A	1,100
Pepco[c]	FERC	December 31, 2025	500	MDPSC / DCPSC	December 31, 2025	1,050
DPL[d]	FERC	December 31, 2025	500	MDPSC / DEPSC	December 31, 2025	550
ACE[e]	NJBPU	December 31, 2025	350	NJBPU	December 31, 2024	625

(a) On June 29, 2023, ComEd filed an application for $2 billion in new money long-term debt financing authority from the ICC, which was approved on December 14, 2023. The finance authority under the approved application has an effective date of January 1, 2024, and extends the expiration date to January 1, 2027.

(b) On December 21, 2022, BGE received approval from the MDPSC for $1.8 billion in new long-term financing authority with an effective date of January 4, 2023.

(c) On June 9, 2022 and June 30, 2022, Pepco received approval from the MDPSC and DCPSC, respectively, for $1.4 billion in new long-term financing authority. The long-term financing authority became effective on the date of respective approvals and has an expiration date of December 31, 2025.

(d) On November 2, 2022, DPL filed with the MDPSC and DEPSC for approval of $1.2 billion in new long-term financing authority with an effective date of December 14, 2022. The financing authority filed with MDPSC does not have an expiration date, while the financing authority filed with DEPSC has an expiration date of December 31, 2025.
(e) On July 14, 2023, ACE filed an application with the NJBPU for renewal of its short-term financing authority through December 31, 2025. ACE received approval on December 20, 2023.
(f) On October 2, 2023, ComEd, PECO, BGE, Pepco, and DPL filed applications with FERC for renewal of their short-term financing authority through December 31, 2025. ComEd, PECO, Pepco, and DPL received approval on December 7, 2023. BGE received approval on December 8, 2023.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Registrants hold commodity and financial instruments that are exposed to the following market risks:

- Commodity price risk, which is discussed further below.
- Counterparty credit risk associated with non-performance by counterparties on executed derivative instruments and participation in all, or some of the established, wholesale spot energy markets that are administered by PJM. The credit policies of PJM may, under certain circumstances, require that losses arising from the default of one member on spot energy market transactions be shared by the remaining participants. See Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for a detailed discussion of counterparty credit risk related to derivative instruments.
- Equity price and interest rate risk associated with Exelon's pension and OPEB plan trusts. See Note 14 — Retirement Benefits of the Combined Notes to Consolidated Financial Statements for additional information.
- Interest rate risk associated with changes in interest rates for the Registrants' outstanding long-term debt. This risk is significantly reduced as substantially all of the Registrants' outstanding debt has fixed interest rates. There is inherent interest rate risk related to refinancing maturing debt by issuing new long-term debt. The Registrants use a combination of fixed-rate and variable-rate debt to manage interest rate exposure. See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information. In addition, Exelon Corporate may utilize interest rate derivatives to lock in rate levels in anticipation of future financings, which are typically designated as cash flow hedges, or to lock in rate levels on borrowings, which are typically designated as economic hedges. See Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information.
- Electric operating revenues risk associated with ComEd's distribution formula rate. ComEd's ROE for its electric distribution service through 2023 was directly correlated to yields on U.S. Treasury bonds. Exelon Corporate utilized interest rate derivatives to mitigate volatility and manage risk to Exelon, which were typically accounted for as economic hedges. See Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information. Beginning January 1, 2024 ComEd's ROE for its electric distribution service will use a fixed rate and no longer be exposed to volatility in yields on U.S. Treasury bonds. See Note 3 — Regulatory Matters for additional information.

The Utility Registrants operate primarily under cost-based rate regulation limiting exposure to the effects of market risk. Hedging programs are utilized to reduce exposure to energy and natural gas price volatility and have no direct earnings impacts as the costs are fully recovered through regulatory-approved recovery mechanisms.

Exelon manages these risks through risk management policies and objectives for risk assessment, control and valuation, counterparty credit approval, and the monitoring and reporting of risk exposures. Risk management issues are reported to Exelon's Board of Directors, Exelon's Audit and Risk Committee, and/or the applicable Utility Board Registrant. The Registrants do not execute derivatives for speculative or proprietary trading purposes.

Commodity Price Risk (All Registrants)

Commodity price risk is associated with price movements resulting from changes in supply and demand, fuel costs, market liquidity, weather conditions, governmental regulatory and environmental policies, and other factors. To the extent the total amount of energy Exelon purchases differs from the amount of energy it has contracted to sell, Exelon is exposed to market fluctuations in commodity prices. Exelon seeks to mitigate its commodity price risk through the sale and purchase of electricity and natural gas.

ComEd entered into 20-year floating-to-fixed renewable energy swap contracts beginning in June 2012, which are considered an economic hedge and have changes in fair value recorded to an offsetting regulatory asset or liability. ComEd has block energy contracts to procure electric supply that are executed through a competitive procurement process, which are considered derivatives and qualify for NPNS, and as a result are accounted for on an accrual basis of accounting. PECO, BGE, Pepco, DPL, and ACE have contracts to procure electric supply that are executed through a competitive procurement process. BGE, Pepco, DPL, and ACE have certain full requirements contracts, which are considered derivatives and qualify for NPNS, and as a result are accounted for on an accrual basis of accounting. Other full requirements contracts are not derivatives.

PECO, BGE, and DPL also have executed derivative natural gas contracts, which qualify for NPNS, to hedge their long-term price risk in the natural gas market.

For additional information on these contracts, see Note 3 — Regulatory Matters and Note 15 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements.

The following table presents maturity and source of fair value for Exelon's and ComEd's mark-to-market commodity contract liabilities. The table provides two fundamental pieces of information. First, the table provides the source of fair value used in determining the carrying amount of Exelon's and ComEd's total mark-to-market liabilities. Second, the table shows the maturity, by year, of Exelon's and ComEd's commodity contract liabilities giving an indication of when these mark-to-market amounts will settle and require cash. See Note 17 — Fair Value of Financial Assets and Liabilities of the Combined Notes to Consolidated Financial Statements for additional information regarding fair value measurements and the fair value hierarchy.

	Maturities Within						
Commodity derivative contracts[(a)]:	2024	2025	2026	2027	2028	2029 and Beyond	Total Fair Value
Prices based on model or other valuation methods (Level 3)	$ (27)	$ (19)	$ (16)	$ (16)	$ (17)	$ (38)	$ (133)

(a) Represents ComEd's net liabilities associated with the floating-to-fixed energy swap contracts with unaffiliated suppliers.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Management's Report on Internal Control Over Financial Reporting

The management of Exelon Corporation (Exelon) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Exelon's management conducted an assessment of the effectiveness of Exelon's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in Internal Control —Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, Exelon's management concluded that, as of December 31, 2023, Exelon's internal control over financial reporting was effective.

The effectiveness of Exelon's internal control over financial reporting as of December 31, 2023, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

February 21, 2024

Management's Report on Internal Control Over Financial Reporting

The management of Commonwealth Edison Company (ComEd) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ComEd's management conducted an assessment of the effectiveness of ComEd's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in Internal Control —Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, ComEd's management concluded that, as of December 31, 2023, ComEd's internal control over financial reporting was effective.

February 21, 2024

Management's Report on Internal Control Over Financial Reporting

The management of PECO Energy Company (PECO) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PECO's management conducted an assessment of the effectiveness of PECO's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in Internal Control —Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, PECO's management concluded that, as of December 31, 2023, PECO's internal control over financial reporting was effective.

February 21, 2024

Management's Report on Internal Control Over Financial Reporting

The management of Baltimore Gas and Electric Company (BGE) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

BGE's management conducted an assessment of the effectiveness of BGE's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in Internal Control —Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, BGE's management concluded that, as of December 31, 2023, BGE's internal control over financial reporting was effective.

February 21, 2024

Management's Report on Internal Control Over Financial Reporting

The management of Pepco Holdings LLC (PHI) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PHI's management conducted an assessment of the effectiveness of PHI's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, PHI's management concluded that, as of December 31, 2023, PHI's internal control over financial reporting was effective.

February 21, 2024

Management's Report on Internal Control Over Financial Reporting

The management of Potomac Electric Power Company (Pepco) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Pepco's management conducted an assessment of the effectiveness of Pepco's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in Internal Control —Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, Pepco's management concluded that, as of December 31, 2023, Pepco's internal control over financial reporting was effective.

February 21, 2024

Management's Report on Internal Control Over Financial Reporting

The management of Delmarva Power & Light Company (DPL) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

DPL's management conducted an assessment of the effectiveness of DPL's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in Internal Control —Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, DPL's management concluded that, as of December 31, 2023, DPL's internal control over financial reporting was effective.

February 21, 2024

Management's Report on Internal Control Over Financial Reporting

The management of Atlantic City Electric Company (ACE) is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ACE's management conducted an assessment of the effectiveness of ACE's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria in Internal Control —Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, ACE's management concluded that, as of December 31, 2023, ACE's internal control over financial reporting was effective.

February 21, 2024

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Exelon Corporation

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the consolidated financial statements, including the related notes, of Exelon Corporation and its subsidiaries (the "Company") as listed in the index appearing under Item 15(a)(1)(i), and the financial statement schedules listed in the index appearing under Item 15(a)(1)(ii), (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control Over Financial Reporting appearing under Item 8. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the consolidated financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the consolidated financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be recovered and settled, respectively, in future rates. As of December 31, 2023, there were $10.9 billion of regulatory assets and $10.0 billion of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Chicago, Illinois
February 21, 2024

We have served as the Company's auditor since 2000.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Commonwealth Edison Company

Opinion on the Financial Statements

We have audited the consolidated financial statements, including the related notes, of Commonwealth Edison Company and its subsidiaries (the "Company") as listed in the index appearing under Item 15(a)(2)(i), and the financial statement schedule listed in the index appearing under Item 15(a)(2)(ii) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the consolidated financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the consolidated financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be

recovered and settled, respectively, in future rates. As of December 31, 2023, there were $4.1 billion of regulatory assets and $7.7 billion of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Chicago, Illinois
February 21, 2024

We have served as the Company's auditor since 2000.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of PECO Energy Company

Opinion on the Financial Statements

We have audited the consolidated financial statements, including the related notes, of PECO Energy Company and its subsidiaries (the "Company") as listed in the index appearing under Item 15(a)(3)(i), and the financial statement schedule listed in the index appearing under Item 15(a)(3)(ii) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the consolidated financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the consolidated financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be

recovered and settled, respectively, in future rates. As of December 31, 2023, there were $920 million of regulatory assets and $406 million of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 21, 2024

We have served as the Company's auditor since 1932.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of Baltimore Gas and Electric Company

Opinion on the Financial Statements

We have audited the financial statements, including the related notes, of Baltimore Gas and Electric Company (the "Company") as listed in the index appearing under Item 15(a)(4)(i), and the financial statement schedule listed in the index appearing under Item 15(a)(4)(ii) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be recovered and settled,

respectively, in future rates. As of December 31, 2023, there were $956 million of regulatory assets and $800 million of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Baltimore, Maryland
February 21, 2024

We have served as the Company's auditor since at least 1993. We have not been able to determine the specific year we began serving as auditor of the Company.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Member of Pepco Holdings LLC

Opinion on the Financial Statements

We have audited the consolidated financial statements, including the related notes, of Pepco Holdings LLC and its subsidiaries (the "Company") as listed in the index appearing under Item 15(a)(5)(i), and the financial statement schedule listed in the index appearing under Item 15(a)(5)(ii) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the consolidated financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the consolidated financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be

recovered and settled, respectively, in future rates. As of December 31, 2023, there were $1.9 billion of regulatory assets and $1.0 billion of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 21, 2024

We have served as the Company's auditor since 2001.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of Potomac Electric Power Company

Opinion on the Financial Statements

We have audited the financial statements, including the related notes, of Potomac Electric Power Company (the "Company") as listed in the index appearing under Item 15(a)(6)(i), and the financial statement schedule listed in the index appearing under Item 15(a)(6)(ii) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be recovered and settled,

respectively, in future rates. As of December 31, 2023, there were $600 million of regulatory assets and $397 million of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 21, 2024

We have served as the Company's auditor since at least 1993. We have not been able to determine the specific year we began serving as auditor of the Company.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of Delmarva Power & Light Company

Opinion on the Financial Statements

We have audited the financial statements, including the related notes, of Delmarva Power & Light Company (the "Company") as listed in the index appearing under Item 15(a)(7)(i), and the financial statement schedule listed in the index appearing under Item 15(a)(7)(ii) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be recovered and settled,

respectively, in future rates. As of December 31, 2023, there were $272 million of regulatory assets and $415 million of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 21, 2024

We have served as the Company's auditor since at least 1993. We have not been able to determine the specific year we began serving as auditor of the Company.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of Atlantic City Electric Company

Opinion on the Financial Statements

We have audited the consolidated financial statements, including the related notes, of Atlantic City Electric Company and its subsidiary (the "Company") as listed in the index appearing under Item 15(a)(8)(i), and the financial statement schedule listed in the index appearing under Item 15(a)(8)(ii) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Rate Regulation

As described in Notes 1 and 3 to the consolidated financial statements, the Company applies the authoritative guidance for accounting for certain types of regulation, which requires management to record in the consolidated financial statements the effects of cost-based rate regulation for entities with regulated operations that meet the following criteria, (i) rates are established or approved by a third-party regulator; (ii) rates are designed to recover the entity's cost of providing services or products; and (iii) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Company accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction under state public utility laws and the FERC under various Federal laws. Upon updates in material regulatory and legislative proceedings, where applicable, management will record new regulatory assets or liabilities and will assess whether it is probable that its currently recorded regulatory assets and liabilities will be

recovered and settled, respectively, in future rates. As of December 31, 2023, there were $608 million of regulatory assets and $146 million of regulatory liabilities.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of rate regulation is a critical audit matter are the high degree of audit effort to assess the impact of regulation on accounting for regulatory assets and liabilities and to evaluate the complex audit evidence related to whether the regulatory assets and liabilities will be recovered and settled.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to accounting for regulatory matters and evaluation of new and existing regulatory assets and liabilities. These procedures also included, among others, obtaining the Company's correspondence with regulators, evaluating the reasonableness of management's interpretation of regulatory guidance and proceedings and the related accounting implications, and recalculating regulatory assets and liabilities based on provisions outlined in rate orders and other correspondence with regulators.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 21, 2024

We have served as the Company's auditor since 1998.

Exelon Corporation and Subsidiary Companies
Consolidated Statements of Operations and Comprehensive Income

(In millions, except per share data)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 19,267	$ 16,899	$ 16,245
Natural gas operating revenues	1,764	2,018	1,522
Revenues from alternative revenue programs	696	161	171
Total operating revenues	21,727	19,078	17,938
Operating expenses			
Purchased power	7,648	5,380	4,703
Purchased fuel	593	834	504
Purchased power and fuel from affiliates	—	159	1,178
Operating and maintenance	4,559	4,673	4,547
Depreciation and amortization	3,506	3,325	3,033
Taxes other than income taxes	1,408	1,390	1,291
Total operating expenses	17,714	15,761	15,256
Gain (loss) on sale of assets and businesses	10	(2)	—
Operating income	4,023	3,315	2,682
Other income and (deductions)			
Interest expense, net	(1,704)	(1,422)	(1,264)
Interest expense to affiliates	(25)	(25)	(25)
Other, net	408	535	261
Total other income and (deductions)	(1,321)	(912)	(1,028)
Income from continuing operations before income taxes	2,702	2,403	1,654
Income taxes	374	349	38
Net income from continuing operations after income taxes	2,328	2,054	1,616
Net income from discontinued operations after income taxes (Note 2)	—	117	213
Net income	2,328	2,171	1,829
Net income attributable to noncontrolling interests	—	1	123
Net income attributable to common shareholders	$ 2,328	$ 2,170	$ 1,706
Amounts attributable to common shareholders:			
Net income from continuing operations	2,328	2,054	1,616
Net income from discontinued operations	—	116	90
Net income attributable to common shareholders	$ 2,328	$ 2,170	$ 1,706
Comprehensive income, net of income taxes			
Net income	$ 2,328	$ 2,171	$ 1,829
Other comprehensive (loss) income, net of income taxes			
Pension and non-pension postretirement benefit plans:			
Prior service benefits reclassified to periodic benefit cost	—	(1)	(4)
Actuarial losses reclassified to periodic benefit cost	26	42	223
Pension and non-pension postretirement benefit plans valuation adjustments	(109)	46	432
Unrealized (loss) gain on cash flow hedges	(5)	2	(1)
Other comprehensive (loss) income	(88)	89	650
Comprehensive income	2,240	2,260	2,479
Comprehensive income attributable to noncontrolling interests	—	1	123
Comprehensive income attributable to common shareholders	$ 2,240	$ 2,259	$ 2,356
Average shares of common stock outstanding:			
Basic	996	986	979
Assumed exercise and/or distributions of stock-based awards	1	1	1
Diluted	997	987	980
Earnings per average common share from continuing operations			
Basic	$ 2.34	$ 2.08	$ 1.65
Diluted	$ 2.34	$ 2.08	$ 1.65
Earnings per average common share from discontinued operations			
Basic	$ —	$ 0.12	$ 0.09
Diluted	$ —	$ 0.12	$ 0.09

See the Combined Notes to Consolidated Financial Statements

Exelon Corporation and Subsidiary Companies
Consolidated Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 2,328	$ 2,171	$ 1,829
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation, amortization, and accretion, including nuclear fuel and energy contract amortization	3,506	3,533	7,573
Asset impairments	—	48	552
Gain on sales of assets and businesses	(10)	(8)	(201)
Deferred income taxes and amortization of investment tax credits	319	255	18
Net fair value changes related to derivatives	22	(53)	(568)
Net realized and unrealized losses (gains) on NDT funds	—	205	(586)
Net unrealized losses on equity investments	—	16	160
Other non-cash operating activities	(335)	370	(200)
Changes in assets and liabilities:			
Accounts receivable	(37)	(1,222)	(703)
Inventories	(45)	(121)	(141)
Accounts payable and accrued expenses	(191)	1,318	440
Option premiums paid, net	—	(39)	(338)
Collateral (paid) received, net	(146)	1,248	(74)
Income taxes	48	(4)	327
Regulatory assets and liabilities, net	(439)	(1,326)	(634)
Pension and non-pension postretirement benefit contributions	(129)	(616)	(665)
Other assets and liabilities	(188)	(905)	(3,777)
Net cash flows provided by operating activities	4,703	4,870	3,012
Cash flows from investing activities			
Capital expenditures	(7,408)	(7,147)	(7,981)
Proceeds from NDT fund sales	—	488	6,532
Investment in NDT funds	—	(516)	(6,673)
Collection of DPP	—	169	3,902
Proceeds from sales of assets and businesses	25	16	877
Other investing activities	8	—	26
Net cash flows used in investing activities	(7,375)	(6,990)	(3,317)
Cash flows from financing activities			
Changes in short-term borrowings	(313)	986	269
Proceeds from short-term borrowings with maturities greater than 90 days	400	1,300	1,380
Repayments on short-term borrowings with maturities greater than 90 days	(150)	(1,500)	(350)
Issuance of long-term debt	5,825	6,309	3,481
Retirement of long-term debt	(1,713)	(2,073)	(1,640)
Issuance of common stock	140	563	—
Dividends paid on common stock	(1,433)	(1,334)	(1,497)
Acquisition of CENG noncontrolling interest	—	—	(885)
Proceeds from employee stock plans	41	36	80
Transfer of cash, restricted cash, and cash equivalents to Constellation	—	(2,594)	—
Other financing activities	(114)	(102)	(80)
Net cash flows provided by financing activities	2,683	1,591	758
Increase (decrease) in cash, restricted cash, and cash equivalents	11	(529)	453
Cash, restricted cash, and cash equivalents at beginning of period	1,090	1,619	1,166
Cash, restricted cash, and cash equivalents at end of period	$ 1,101	$ 1,090	$ 1,619
Supplemental cash flow information			
(Decrease) increase in capital expenditures not paid	$ (215)	$ 36	$ 16
Increase in DPP	—	348	3,652
(Decrease) increase in PP&E related to ARO update	(13)	332	642

See the Combined Notes to Consolidated Financial Statements

Exelon Corporation and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 445	$ 407
Restricted cash and cash equivalents	482	566
Accounts receivable		
Customer accounts receivable	2,659	2,544
Customer allowance for credit losses	(317)	(327)
Customer accounts receivable, net	2,342	2,217
Other accounts receivable	1,101	1,426
Other allowance for credit losses	(82)	(82)
Other accounts receivable, net	1,019	1,344
Inventories, net		
Fossil fuel	94	208
Materials and supplies	707	547
Regulatory assets	2,215	1,641
Other	473	406
Total current assets	7,777	7,336
Property, plant, and equipment (net of accumulated depreciation and amortization of $17,251 and $15,930 as of December 31, 2023 and 2022, respectively)	73,593	69,076
Deferred debits and other assets		
Regulatory assets	8,698	8,037
Goodwill	6,630	6,630
Receivable related to Regulatory Agreement Units	3,232	2,897
Investments	251	232
Other	1,365	1,141
Total deferred debits and other assets	20,176	18,937
Total assets	$ 101,546	$ 95,349

See the Combined Notes to Consolidated Financial Statements

Exelon Corporation and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 2,523	$ 2,586
Long-term debt due within one year	1,403	1,802
Accounts payable	2,846	3,382
Accrued expenses	1,375	1,226
Payables to affiliates	5	5
Regulatory liabilities	389	437
Mark-to-market derivative liabilities	74	8
Unamortized energy contract liabilities	8	10
Other	968	1,155
Total current liabilities	9,591	10,611
Long-term debt	39,692	35,272
Long-term debt to financing trusts	390	390
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	11,956	11,250
Regulatory liabilities	9,576	9,112
Pension obligations	1,571	1,109
Non-pension postretirement benefit obligations	527	507
Asset retirement obligations	267	269
Mark-to-market derivative liabilities	106	83
Unamortized energy contract liabilities	27	35
Other	2,088	1,967
Total deferred credits and other liabilities	26,118	24,332
Total liabilities	75,791	70,605
Commitments and contingencies		
Shareholders' equity		
Common stock (No par value, 2,000 shares authorized, 999 shares and 994 shares outstanding as of December 31, 2023 and 2022, respectively)	21,114	20,908
Treasury stock, at cost (2 shares as of December 31, 2023 and 2022)	(123)	(123)
Retained earnings	5,490	4,597
Accumulated other comprehensive loss, net	(726)	(638)
Total shareholders' equity	25,755	24,744
Total liabilities and shareholders' equity	$ 101,546	$ 95,349

See the Combined Notes to Consolidated Financial Statements

Exelon Corporation and Subsidiary Companies
Consolidated Statements of Changes in Equity

(In millions, shares in thousands)	Issued Shares	Common Stock	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss, net	Noncontrolling Interests	Total Equity
Balance at December 31, 2020	977,466	$ 19,373	$ (123)	$ 16,735	$ (3,400)	$ 2,283	$ 34,868
Net income	—	—	—	1,706	—	123	1,829
Long-term incentive plan activity	1,734	69	—	—	—	—	69
Employee stock purchase plan issuances	2,091	90	—	—	—	—	90
Changes in equity of noncontrolling interests	—	—	—	—	—	(37)	(37)
Acquisition of CENG noncontrolling interest	—	1,080	—	—	—	(1,965)	(885)
Deferred tax adjustment related to acquisition of CENG noncontrolling interest	—	(290)	—	—	—	—	(290)
Common stock dividends ($1.53/common share)	—	—	—	(1,499)	—	—	(1,499)
Acquisition of other noncontrolling interest	—	2	—	—	—	(2)	—
Other comprehensive income, net of income taxes	—	—	—	—	650	—	650
Balance at December 31, 2021	981,291	$ 20,324	$ (123)	$ 16,942	$ (2,750)	$ 402	$ 34,795
Net income	—	—	—	2,170	—	1	2,171
Long-term incentive plan activity	561	1	—	—	—	—	1
Employee stock purchase plan issuances	983	41	—	—	—	—	41
Changes in equity of noncontrolling interests	—	—	—	—	—	(7)	(7)
Distribution of Constellation (Note 2)	—	(21)	—	(13,179)	2,023	(396)	(11,573)
Issuance of common stock	12,995	563	—	—	—	—	563
Common stock dividends ($1.35/common share)	—	—	—	(1,336)	—	—	(1,336)
Other comprehensive income, net of income taxes	—	—	—	—	89	—	89
Balance at December 31, 2022	995,830	$ 20,908	$ (123)	$ 4,597	$ (638)	$ —	$ 24,744
Net income	—	—	—	2,328	—	—	2,328
Long-term incentive plan activity	659	19	—	—	—	—	19
Employee stock purchase plan issuances	1,173	47	—	—	—	—	47
Issuance of common stock	3,587	140	—	—	—	—	140
Common stock dividends ($1.44/common share)	—	—	—	(1,435)	—	—	(1,435)
Other comprehensive loss, net of income taxes	—	—	—	—	(88)	—	(88)
Balance at December 31, 2023	1,001,249	$ 21,114	$ (123)	$ 5,490	$ (726)	$ —	$ 25,755

See the Combined Notes to Consolidated Financial Statements

Commonwealth Edison Company and Subsidiary Companies
Consolidated Statements of Operations and Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 7,272	$ 5,478	$ 6,323
Revenues from alternative revenue programs	556	267	42
Operating revenues from affiliates	16	16	41
Total operating revenues	7,844	5,761	6,406
Operating expenses			
Purchased power	2,816	1,050	1,888
Purchased power from affiliates	—	59	383
Operating and maintenance	1,096	1,094	1,048
Operating and maintenance from affiliates	354	318	307
Depreciation and amortization	1,403	1,323	1,205
Taxes other than income taxes	369	374	320
Total operating expenses	6,038	4,218	5,151
Loss on sale of assets	—	(2)	—
Operating income	1,806	1,541	1,255
Other income and (deductions)			
Interest expense, net	(464)	(401)	(376)
Interest expense to affiliates	(13)	(13)	(13)
Other, net	75	54	48
Total other income and (deductions)	(402)	(360)	(341)
Income before income taxes	1,404	1,181	914
Income taxes	314	264	172
Net income	$ 1,090	$ 917	$ 742
Comprehensive income	$ 1,090	$ 917	$ 742

See the Combined Notes to Consolidated Financial Statements

Commonwealth Edison Company and Subsidiary Companies
Consolidated Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 1,090	$ 917	$ 742
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation and amortization	1,403	1,323	1,205
Deferred income taxes and amortization of investment tax credits	196	241	244
Other non-cash operating activities	(536)	(165)	126
Changes in assets and liabilities:			
Accounts receivable	(138)	(163)	(25)
Receivables from and payables to affiliates, net	(2)	(34)	32
Inventories	(82)	(28)	(2)
Accounts payable and accrued expenses	(87)	406	—
Collateral received, net	69	51	—
Income taxes	106	—	—
Regulatory assets and liabilities, net	(60)	(1,033)	(388)
Pension and non-pension postretirement benefit contributions	(41)	(184)	(196)
Other assets and liabilities	(70)	(134)	(143)
Net cash flows provided by operating activities	1,848	1,197	1,595
Cash flows from investing activities			
Capital expenditures	(2,576)	(2,506)	(2,387)
Other investing activities	8	28	26
Net cash flows used in investing activities	(2,568)	(2,478)	(2,361)
Cash flows from financing activities			
Changes in short-term borrowings	(225)	427	(323)
Proceeds from short-term borrowings with maturities greater than 90 days	400	150	—
Repayments on short-term borrowings with maturities greater than 90 days	(150)	—	—
Issuance of long-term debt	975	750	1,150
Retirement of long-term debt	—	—	(350)
Dividends paid on common stock	(746)	(578)	(507)
Contributions from parent	655	670	791
Other financing activities	(14)	(11)	(16)
Net cash flows provided by financing activities	895	1,408	745
Increase (decrease) in cash, restricted cash, and cash equivalents	175	127	(21)
Cash, restricted cash, and cash equivalents at beginning of period	511	384	405
Cash, restricted cash, and cash equivalents at end of period	$ 686	$ 511	$ 384
Supplemental cash flow information			
Decrease in capital expenditures not paid	$ (10)	$ (20)	$ (46)

See the Combined Notes to Consolidated Financial Statements

Commonwealth Edison Company and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 110	$ 67
Restricted cash and cash equivalents	402	327
Accounts receivable		
Customer accounts receivable	860	558
Customer allowance for credit losses	(69)	(59)
Customer accounts receivable, net	791	499
Other accounts receivable	242	441
Other allowance for credit losses	(17)	(17)
Other accounts receivable, net	225	424
Receivables from affiliates	3	3
Inventories, net	279	196
Regulatory assets	1,335	775
Other	123	92
Total current assets	3,268	2,383
Property, plant, and equipment (net of accumulated depreciation and amortization of $7,222 and $6,673 as of December 31, 2023 and 2022, respectively)	29,088	27,513
Deferred debits and other assets		
Regulatory assets	2,794	2,667
Goodwill	2,625	2,625
Receivable related to Regulatory Agreement Units	2,954	2,660
Investments	6	6
Prepaid pension asset	1,217	1,206
Other	875	601
Total deferred debits and other assets	10,471	9,765
Total assets	$ 42,827	$ 39,661

See the Combined Notes to Consolidated Financial Statements

Commonwealth Edison Company and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 602	$ 577
Long-term debt due within one year	250	—
Accounts payable	867	1,010
Accrued expenses	576	415
Payables to affiliates	72	74
Customer deposits	118	108
Regulatory liabilities	191	226
Mark-to-market derivative liabilities	27	5
Other	219	191
Total current liabilities	2,922	2,606
Long-term debt	11,236	10,518
Long-term debt to financing trusts	205	205
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	5,327	5,021
Regulatory liabilities	7,493	6,913
Asset retirement obligations	149	148
Non-pension postretirement benefit obligations	161	165
Mark-to-market derivative liabilities	106	79
Other	865	642
Total deferred credits and other liabilities	14,101	12,968
Total liabilities	28,464	26,297
Commitments and contingencies		
Shareholders' equity		
Common stock ($12.50 par value, 250 shares authorized, 127 shares outstanding as of December 31, 2023 and 2022)	1,588	1,588
Other paid-in capital	10,401	9,746
Retained earnings	2,374	2,030
Total shareholders' equity	14,363	13,364
Total liabilities and shareholders' equity	$ 42,827	$ 39,661

See the Combined Notes to Consolidated Financial Statements

Commonwealth Edison Company and Subsidiary Companies
Consolidated Statements of Changes in Shareholders' Equity

(In millions)	Common Stock	Other Paid-In Capital	Retained Earnings	Total Shareholders' Equity
Balance at December 31, 2020	$ 1,588	$ 8,285	$ 1,456	$ 11,329
Net income	—	—	742	742
Common stock dividends	—	—	(507)	(507)
Contributions from parent	—	791	—	791
Balance at December 31, 2021	$ 1,588	$ 9,076	$ 1,691	$ 12,355
Net income	—	—	917	917
Common stock dividends	—	—	(578)	(578)
Contributions from parent	—	670	—	670
Balance at December 31, 2022	$ 1,588	$ 9,746	$ 2,030	$ 13,364
Net income	—	—	1,090	1,090
Common stock dividends	—	—	(746)	(746)
Contributions from parent	—	655	—	655
Balance at December 31, 2023	$ 1,588	$ 10,401	$ 2,374	$ 14,363

See the Combined Notes to Consolidated Financial Statements

PECO Energy Company and Subsidiary Companies
Consolidated Statements of Operations and Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 3,202	$ 3,156	$ 2,613
Natural gas operating revenues	690	738	538
Revenues from alternative revenue programs	(7)	2	26
Operating revenues from affiliates	9	7	21
Total operating revenues	3,894	3,903	3,198
Operating expenses			
Purchased power	1,270	1,160	699
Purchased fuel	274	342	188
Purchased power from affiliates	—	33	194
Operating and maintenance	786	791	757
Operating and maintenance from affiliates	217	201	177
Depreciation and amortization	397	373	348
Taxes other than income taxes	202	202	184
Total operating expenses	3,146	3,102	2,547
Operating income	748	801	651
Other income and (deductions)			
Interest expense, net	(192)	(165)	(149)
Interest expense to affiliates, net	(9)	(12)	(12)
Other, net	36	31	26
Total other income and (deductions)	(165)	(146)	(135)
Income before income taxes	583	655	516
Income taxes	20	79	12
Net income	$ 563	$ 576	$ 504
Comprehensive income	$ 563	$ 576	$ 504

See the Combined Notes to Consolidated Financial Statements

PECO Energy Company and Subsidiary Companies
Consolidated Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 563	$ 576	$ 504
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation and amortization	397	373	348
Deferred income taxes and amortization of investment tax credits	(43)	70	11
Other non-cash operating activities	13	40	—
Changes in assets and liabilities:			
Accounts receivable	67	(205)	(35)
Receivables from and payables to affiliates, net	(1)	(31)	21
Inventories	34	(56)	(26)
Accounts payable and accrued expenses	(78)	152	15
Income taxes	86	(20)	5
Regulatory assets and liabilities, net	(31)	(45)	(21)
Pension and non-pension postretirement benefit contributions	(1)	(18)	(18)
Other assets and liabilities	13	5	(31)
Net cash flows provided by operating activities	1,019	841	773
Cash flows from investing activities			
Capital expenditures	(1,426)	(1,349)	(1,240)
Other investing activities	2	8	9
Net cash flows used in investing activities	(1,424)	(1,341)	(1,231)
Cash flows from financing activities			
Change in short-term borrowings	(74)	239	—
Issuance of long-term debt	575	775	750
Retirement of long-term debt	(50)	(350)	(300)
Changes in Exelon intercompany money pool	—	—	(40)
Dividends paid on common stock	(405)	(399)	(339)
Contributions from parent	348	274	414
Other financing activities	(6)	(15)	(9)
Net cash flows provided by financing activities	388	524	476
(Decrease) increase in cash, restricted cash, and cash equivalents	(17)	24	18
Cash, restricted cash, and cash equivalents at beginning of period	68	44	26
Cash, restricted cash, and cash equivalents at end of period	$ 51	$ 68	$ 44
Supplemental cash flow information			
(Decrease) increase in capital expenditures not paid	$ (56)	$ 9	$ 26

See the Combined Notes to Consolidated Financial Statements

PECO Energy Company and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 42	$ 59
Restricted cash and cash equivalents	9	9
Accounts receivable		
Customer accounts receivable	527	635
Customer allowance for credit losses	(95)	(105)
Customer accounts receivable, net	432	530
Other accounts receivable	117	153
Other allowance for credit losses	(8)	(9)
Other accounts receivable, net	109	144
Receivables from affiliates	2	4
Inventories, net		
Fossil fuel	50	99
Materials and supplies	67	52
Regulatory assets	127	80
Other	65	38
Total current assets	903	1,015
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,097 and $4,078 as of December 31, 2023 and 2022, respectively)	13,128	12,125
Deferred debits and other assets		
Regulatory assets	793	652
Receivable related to Regulatory Agreement Units	278	237
Investments	35	30
Prepaid pension asset	429	413
Other	29	30
Total deferred debits and other assets	1,564	1,362
Total assets	$ 15,595	$ 14,502

See the Combined Notes to Consolidated Financial Statements

PECO Energy Company and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 165	$ 239
Long-term debt due within one year	—	50
Accounts payable	512	668
Accrued expenses	236	142
Payables to affiliates	39	42
Customer deposits	79	63
Regulatory liabilities	92	75
Other	59	32
Total current liabilities	1,182	1,311
Long-term debt	5,134	4,562
Long-term debt to financing trusts	184	184
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	2,321	2,213
Regulatory liabilities	314	270
Asset retirement obligations	26	28
Non-pension postretirement benefit obligations	286	286
Other	79	85
Total deferred credits and other liabilities	3,026	2,882
Total liabilities	9,526	8,939
Commitments and contingencies		
Shareholder's equity		
Common stock (No par value, 500 shares authorized, 170 shares outstanding as of December 31, 2023 and 2022)	4,050	3,702
Retained earnings	2,019	1,861
Total shareholder's equity	6,069	5,563
Total liabilities and shareholder's equity	$ 15,595	$ 14,502

See the Combined Notes to Consolidated Financial Statements

PECO Energy Company and Subsidiary Companies
Consolidated Statements of Changes in Shareholder's Equity

(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2020	$ 3,014	$ 1,519	$ 4,533
Net income	—	504	504
Common stock dividends	—	(339)	(339)
Contributions from parent	414	—	414
Balance at December 31, 2021	$ 3,428	$ 1,684	$ 5,112
Net income	—	576	576
Common stock dividends	—	(399)	(399)
Contributions from parent	274	—	274
Balance at December 31, 2022	$ 3,702	$ 1,861	$ 5,563
Net income	—	563	563
Common stock dividends	—	(405)	(405)
Contributions from parent	348	—	348
Balance at December 31, 2023	$ 4,050	$ 2,019	$ 6,069

See the Combined Notes to Consolidated Financial Statements

Baltimore Gas and Electric Company
Statements of Operations and Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 3,065	$ 2,890	$ 2,497
Natural gas operating revenues	869	1,037	801
Revenues from alternative revenue programs	84	(47)	12
Operating revenues from affiliates	9	15	31
Total operating revenues	4,027	3,895	3,341
Operating expenses			
Purchased power	1,311	1,186	699
Purchased fuel	220	363	243
Purchased power and fuel from affiliates	—	18	233
Operating and maintenance	520	670	618
Operating and maintenance from affiliates	221	207	193
Depreciation and amortization	654	630	591
Taxes other than income taxes	319	302	283
Total operating expenses	3,245	3,376	2,860
Operating income	782	519	481
Other income and (deductions)			
Interest expense, net	(182)	(152)	(138)
Other, net	18	21	30
Total other income and (deductions)	(164)	(131)	(108)
Income before income taxes	618	388	373
Income taxes	133	8	(35)
Net income	$ 485	$ 380	$ 408
Comprehensive income	$ 485	$ 380	$ 408

See the Combined Notes to Consolidated Financial Statements

Baltimore Gas and Electric Company
Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 485	$ 380	$ 408
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation and amortization	654	630	591
Asset impairments	—	48	—
Deferred income taxes and amortization of investment tax credits	66	9	(17)
Other non-cash operating activities	(1)	135	75
Changes in assets and liabilities:			
Accounts receivable	89	(197)	30
Receivables from and payables to affiliates, net	(5)	(2)	(13)
Inventories	47	(61)	(29)
Accounts payable and accrued expenses	(75)	77	14
Collateral (paid) received, net	(22)	19	3
Income taxes	37	(17)	20
Regulatory assets and liabilities, net	(292)	(160)	(152)
Pension and non-pension postretirement benefit contributions	(19)	(68)	(81)
Other assets and liabilities	(13)	(33)	(120)
Net cash flows provided by operating activities	951	760	729
Cash flows from investing activities			
Capital expenditures	(1,367)	(1,262)	(1,226)
Other investing activities	7	11	18
Net cash flows used in investing activities	(1,360)	(1,251)	(1,208)
Cash flows from financing activities			
Changes in short-term borrowings	(72)	278	130
Issuance of long-term debt	700	500	600
Retirement of long-term debt	(300)	(250)	(300)
Dividends paid on common stock	(316)	(300)	(292)
Contributions from parent	385	286	257
Other financing activities	(7)	(11)	(6)
Net cash flows provided by financing activities	390	503	389
(Decrease) increase in cash, restricted cash, and cash equivalents	(19)	12	(90)
Cash, restricted cash, and cash equivalents at beginning of period	67	55	145
Cash, restricted cash, and cash equivalents at end of period	$ 48	$ 67	$ 55
Supplemental cash flow information			
(Decrease) increase in capital expenditures not paid	$ (44)	$ 35	$ (59)

See the Combined Notes to Consolidated Financial Statements

Baltimore Gas and Electric Company
Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 47	$ 43
Restricted cash and cash equivalents	1	24
Accounts receivable		
Customer accounts receivable	527	617
Customer allowance for credit losses	(46)	(54)
Customer accounts receivable, net	481	563
Other accounts receivable	106	132
Other allowance for credit losses	(7)	(10)
Other accounts receivable, net	99	122
Inventories, net		
Fossil fuel	35	91
Materials and supplies	74	65
Prepaid utility taxes	56	52
Regulatory assets	229	177
Other	25	13
Total current assets	1,047	1,150
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,744 and $4,583 as of December 31, 2023 and 2022, respectively)	12,102	11,338
Deferred debits and other assets		
Regulatory assets	727	527
Investments	9	7
Prepaid pension asset	248	291
Other	51	37
Total deferred debits and other assets	1,035	862
Total assets	$ 14,184	$ 13,350

See the Combined Notes to Consolidated Financial Statements

Baltimore Gas and Electric Company
Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 336	$ 408
Long-term debt due within one year	—	300
Accounts payable	344	462
Accrued expenses	203	159
Payables to affiliates	35	39
Customer deposits	114	105
Regulatory liabilities	27	47
Other	34	55
Total current liabilities	1,093	1,575
Long-term debt	4,602	3,907
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	1,945	1,832
Regulatory liabilities	773	816
Asset retirement obligations	32	30
Non-pension postretirement benefit obligations	158	166
Other	91	88
Total deferred credits and other liabilities	2,999	2,932
Total liabilities	8,694	8,414
Commitments and contingencies		
Shareholder's equity		
Common stock (No par value, 0 shares[(a)] authorized, 0 shares[(a)] outstanding as of December 31, 2023 and 2022)	3,246	2,861
Retained earnings	2,244	2,075
Total shareholder's equity	5,490	4,936
Total liabilities and shareholder's equity	$ 14,184	$ 13,350

(a) In millions, shares round to zero. Number of shares is 1,500 authorized and 1,000 outstanding as of December 31, 2023 and 2022.

See the Combined Notes to Consolidated Financial Statements

Baltimore Gas and Electric Company
Statements of Changes in Shareholder's Equity

(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2020	$ 2,318	$ 1,879	$ 4,197
Net income	—	408	408
Common stock dividends	—	(292)	(292)
Contributions from parent	257	—	257
Balance at December 31, 2021	$ 2,575	$ 1,995	$ 4,570
Net income	—	380	380
Common stock dividends	—	(300)	(300)
Contributions from parent	286	—	286
Balance at December 31, 2022	$ 2,861	$ 2,075	$ 4,936
Net income	—	485	485
Common stock dividends	—	(316)	(316)
Contributions from parent	385	—	385
Balance at December 31, 2023	$ 3,246	$ 2,244	$ 5,490

See the Combined Notes to Consolidated Financial Statements

Pepco Holdings LLC and Subsidiary Companies
Consolidated Statements of Operations and Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 5,748	$ 5,376	$ 4,769
Natural gas operating revenues	205	238	168
Revenues from alternative revenue programs	64	(59)	91
Operating revenues from affiliates	9	10	13
Total operating revenues	6,026	5,565	5,041
Operating expenses			
Purchased power	2,250	1,984	1,417
Purchased fuel	98	129	73
Purchased power from affiliates	—	51	367
Operating and maintenance	1,110	966	925
Operating and maintenance from affiliates	179	191	179
Depreciation and amortization	990	938	821
Taxes other than income taxes	487	475	458
Total operating expenses	5,114	4,734	4,240
Gain on sales of assets	9	—	—
Operating income	921	831	801
Other income and (deductions)			
Interest expense, net	(323)	(292)	(267)
Other, net	108	78	69
Total other income and (deductions)	(215)	(214)	(198)
Income before income taxes	706	617	603
Income taxes	116	9	42
Net income	$ 590	$ 608	$ 561
Comprehensive income	$ 590	$ 608	$ 561

See the Combined Notes to Consolidated Financial Statements

Pepco Holdings LLC and Subsidiary Companies
Consolidated Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 590	$ 608	$ 561
Adjustments to reconcile net income to net cash flows used in operating activities:			
Depreciation and amortization	990	938	821
Gain on sales of assets	(9)	—	—
Deferred income taxes and amortization of investment tax credits	29	(9)	24
Other non-cash operating activities	110	163	(12)
Changes in assets and liabilities:			
Accounts receivable	(79)	(184)	(48)
Receivables from and payables to affiliates, net	(8)	(46)	6
Inventories	(42)	(34)	(16)
Accounts payable and accrued expenses	40	30	34
Collateral (paid) received, net	(196)	148	49
Income taxes	65	(1)	17
Regulatory assets and liabilities, net	(61)	(136)	(99)
Pension and non-pension postretirement benefit contributions	(24)	(78)	(48)
Other assets and liabilities	(101)	(149)	(132)
Net cash flows provided by operating activities	1,304	1,250	1,157
Cash flows from investing activities			
Capital expenditures	(1,988)	(1,709)	(1,720)
Proceeds from sales of long-lived assets	10	—	—
Other investing activities	8	6	2
Net cash flows used in investing activities	(1,970)	(1,703)	(1,718)
Cash flows from financing activities			
Changes in short-term borrowings	(20)	(54)	100
Issuance of long-term debt	1,075	925	825
Retirement of long-term debt	(500)	(310)	(260)
Change in Exelon intercompany money pool	21	37	(14)
Distributions to member	(513)	(750)	(703)
Contributions from member	475	787	683
Other financing activities	(41)	(22)	(17)
Net cash flows provided by financing activities	497	613	614
(Decrease) increase in cash, restricted cash, and cash equivalents	(169)	160	53
Cash, restricted cash, and cash equivalents at beginning of period	373	213	160
Cash, restricted cash, and cash equivalents at end of period	$ 204	$ 373	$ 213
Supplemental cash flow information			
(Decrease) increase in capital expenditures not paid	$ (109)	$ 136	$ (6)

See the Combined Notes to Consolidated Financial Statements

Pepco Holdings LLC and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 180	$ 198
Restricted cash and cash equivalents	24	175
Accounts receivable		
Customer accounts receivable	745	734
Customer allowance for credit losses	(107)	(109)
Customer accounts receivable, net	638	625
Other accounts receivable	310	300
Other allowance for credit losses	(50)	(46)
Other accounts receivable, net	260	254
Receivable from affiliates	3	2
Inventories, net		
Fossil fuel	9	18
Materials and supplies	287	236
Regulatory assets	337	455
Other	100	96
Total current assets	1,838	2,059
Property, plant, and equipment (net of accumulated depreciation and amortization of $3,175 and $2,618 as of December 31, 2023 and 2022, respectively)	18,851	17,686
Deferred debits and other assets		
Regulatory assets	1,587	1,610
Goodwill	4,005	4,005
Investments	143	138
Prepaid pension asset	268	353
Other	211	231
Total deferred debits and other assets	6,214	6,337
Total assets	$ 26,903	$ 26,082

See the Combined Notes to Consolidated Financial Statements

Pepco Holdings LLC and Subsidiary Companies
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings	$ 394	$ 414
Long-term debt due within one year	644	591
Accounts payable	683	771
Accrued expenses	338	260
Payables to affiliates	59	66
Borrowings from Exelon intercompany money pool	65	44
Customer deposits	100	88
Regulatory liabilities	71	76
Unamortized energy contract liabilities	8	10
PPA Termination Obligation	49	87
Other	138	330
Total current liabilities	2,549	2,737
Long-term debt	8,004	7,529
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	3,031	2,895
Regulatory liabilities	904	1,011
Asset retirement obligations	55	59
Non-pension postretirement benefit obligations	40	50
Unamortized energy contract liabilities	27	35
Other	511	536
Total deferred credits and other liabilities	4,568	4,586
Total liabilities	15,121	14,852
Commitments and contingencies		
Member's equity		
Membership interest	12,057	11,582
Undistributed losses	(275)	(352)
Total member's equity	11,782	11,230
Total liabilities and member's equity	$ 26,903	$ 26,082

See the Combined Notes to Consolidated Financial Statements

Pepco Holdings LLC and Subsidiary Companies
Consolidated Statements of Changes in Equity

(In millions)	Membership Interest	Undistributed (Losses)/Gains	Total Member's Equity
Balance at December 31, 2020	$ 10,112	$ (68)	$ 10,044
Net income	—	561	561
Distribution to member	—	(703)	(703)
Contributions from member	683	—	683
Balance at December 31, 2021	$ 10,795	$ (210)	$ 10,585
Net Income	—	608	608
Distribution to member	—	(750)	(750)
Contributions from member	787	—	787
Balance at December 31, 2022	$ 11,582	$ (352)	$ 11,230
Net income	—	590	590
Distribution to member	—	(513)	(513)
Contributions from member	475	—	475
Balance at December 31, 2023	$ 12,057	$ (275)	$ 11,782

See the Combined Notes to Consolidated Financial Statements

Potomac Electric Power Company
Statements of Operations and Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 2,793	$ 2,557	$ 2,216
Revenues from alternative revenue programs	22	(31)	53
Operating revenues from affiliates	9	5	5
Total operating revenues	2,824	2,531	2,274
Operating expenses			
Purchased power	974	795	353
Purchased power from affiliate	—	39	271
Operating and maintenance	336	284	258
Operating and maintenance from affiliates	236	223	213
Depreciation and amortization	441	417	403
Taxes other than income taxes	390	382	373
Total operating expenses	2,377	2,140	1,871
Gain on sales of assets	9	—	—
Operating income	456	391	403
Other income and (deductions)			
Interest expense, net	(165)	(150)	(140)
Other, net	66	55	48
Total other income and (deductions)	(99)	(95)	(92)
Income before income taxes	357	296	311
Income taxes	51	(9)	15
Net income	$ 306	$ 305	$ 296
Comprehensive income	$ 306	$ 305	$ 296

See the Combined Notes to Consolidated Financial Statements

Potomac Electric Power Company
Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 306	$ 305	$ 296
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation and amortization	441	417	403
Gain on sales of assets	(9)	—	—
Deferred income taxes and amortization of investment tax credits	(15)	(17)	(8)
Other non-cash operating activities	53	36	(52)
Changes in assets and liabilities:			
Accounts receivable	(29)	(104)	(28)
Receivables from and payables to affiliates, net	(3)	(33)	6
Inventories	(24)	(16)	(8)
Accounts payable and accrued expenses	6	24	16
Collateral (paid) received, net	(25)	24	2
Income taxes	60	(19)	11
Regulatory assets and liabilities, net	(45)	(69)	(81)
Pension and non-pension postretirement benefit contributions	(12)	(11)	(11)
Other assets and liabilities	(5)	(66)	(84)
Net cash flows provided by operating activities	699	471	462
Cash flows from investing activities			
Capital expenditures	(957)	(874)	(843)
Proceeds from sale of long-lived assets	10	—	—
Other investing activities	8	3	(1)
Net cash flows used in investing activities	(939)	(871)	(844)
Cash flows from financing activities			
Changes in short-term borrowings	(167)	124	140
Issuance of long-term debt	350	625	275
Retirement of long-term debt	—	(310)	—
Dividends paid on common stock	(252)	(463)	(268)
Contributions from parent	308	465	244
Other financing activities	(26)	(10)	(6)
Net cash flows provided by financing activities	213	431	385
(Decrease) increase in cash, restricted cash, and cash equivalents	(27)	31	3
Cash, restricted cash, and cash equivalents at beginning of period	99	68	65
Cash, restricted cash, and cash equivalents at end of period	$ 72	$ 99	$ 68
Supplemental cash flow information			
(Decrease) increase in capital expenditures not paid	$ (55)	$ 65	$ 30

See the Combined Notes to Consolidated Financial Statements

Potomac Electric Power Company
Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 48	$ 45
Restricted cash and cash equivalents	24	54
Accounts receivable		
Customer accounts receivable	369	351
Customer allowance for credit losses	(52)	(47)
Customer accounts receivable, net	317	304
Other accounts receivable	166	180
Other allowance for credit losses	(28)	(25)
Other accounts receivable, net	138	155
Receivables from affiliates	2	—
Inventories, net	159	135
Regulatory assets	150	235
Other	51	53
Total current assets	889	981
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,284 and $4,067 as of December 31, 2023 and 2022, respectively)	9,430	8,794
Deferred debits and other assets		
Regulatory assets	450	437
Investments	124	119
Prepaid pension asset	246	273
Other	55	53
Total deferred debits and other assets	875	882
Total assets	$ 11,194	$ 10,657

See the Combined Notes to Consolidated Financial Statements

Potomac Electric Power Company
Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 132	$ 299
Long-term debt due within one year	405	4
Accounts payable	321	382
Accrued expenses	191	125
Payables to affiliates	32	34
Customer deposits	47	39
Regulatory liabilities	15	6
Merger related obligation	25	26
Other	61	93
Total current liabilities	1,229	1,008
Long-term debt	3,691	3,747
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	1,431	1,382
Regulatory liabilities	382	455
Asset retirement obligations	37	39
Other	280	244
Total deferred credits and other liabilities	2,130	2,120
Total liabilities	7,050	6,875
Commitments and contingencies		
Shareholder's equity		
Common stock ($0.01 par value, 200 shares authorized, 0 shares[(a)] outstanding as of December 31, 2023 and 2022)	3,075	2,767
Retained earnings	1,069	1,015
Total shareholder's equity	4,144	3,782
Total liabilities and shareholder's equity	$ 11,194	$ 10,657

(a) In millions, shares round to zero. Number of shares is 100 outstanding as of December 31, 2023 and 2022.

See the Combined Notes to Consolidated Financial Statements

Potomac Electric Power Company
Statements of Changes in Shareholder's Equity

(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2020	$ 2,058	$ 1,145	$ 3,203
Net income	—	296	296
Common stock dividends	—	(268)	(268)
Contributions from parent	244	—	244
Balance at December 31, 2021	$ 2,302	$ 1,173	$ 3,475
Net income	—	305	305
Common stock dividends	—	(463)	(463)
Contributions from parent	465	—	465
Balance at December 31, 2022	$ 2,767	$ 1,015	$ 3,782
Net income	—	306	306
Common stock dividends	—	(252)	(252)
Contributions from parent	308	—	308
Balance at December 31, 2023	$ 3,075	$ 1,069	$ 4,144

See the Combined Notes to Consolidated Financial Statements

Delmarva Power & Light Company
Statements of Operations and Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 1,460	$ 1,360	$ 1,191
Natural gas operating revenues	205	238	168
Revenues from alternative revenue programs	15	(9)	14
Operating revenues from affiliates	8	6	7
Total operating revenues	1,688	1,595	1,380
Operating expenses			
Purchased power	639	567	387
Purchased fuel	98	129	73
Purchased power from affiliates	—	10	79
Operating and maintenance	193	183	183
Operating and maintenance from affiliates	171	166	162
Depreciation and amortization	244	232	210
Taxes other than income taxes	75	72	67
Total operating expenses	1,420	1,359	1,161
Operating income	268	236	219
Other income and (deductions)			
Interest expense, net	(74)	(66)	(61)
Other, net	18	13	12
Total other income and (deductions)	(56)	(53)	(49)
Income before income taxes	212	183	170
Income taxes	35	14	42
Net income	$ 177	$ 169	$ 128
Comprehensive income	$ 177	$ 169	$ 128

See the Combined Notes to Consolidated Financial Statements

Delmarva Power & Light Company
Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 177	$ 169	$ 128
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation and amortization	244	232	210
Deferred income taxes and amortization of investment tax credits	4	16	39
Other non-cash operating activities	13	29	3
Changes in assets and liabilities:			
Accounts receivable	6	(59)	15
Receivables from and payables to affiliates, net	2	(10)	(3)
Inventories	(5)	(11)	(8)
Accounts payable and accrued expenses	(7)	19	16
Collateral (paid) received, net	(121)	78	43
Income taxes	26	—	13
Regulatory assets and liabilities, net	25	(34)	(43)
Pension and non-pension postretirement benefit contributions	(4)	(1)	(1)
Other assets and liabilities	13	(10)	(27)
Net cash flows provided by operating activities	373	418	385
Cash flows from investing activities			
Capital expenditures	(562)	(430)	(429)
Other investing activities	—	3	4
Net cash flows used in investing activities	(562)	(427)	(425)
Cash flows from financing activities			
Changes in short-term borrowings	(52)	(34)	3
Issuance of long-term debt	650	125	125
Retirement of long-term debt	(500)	—	—
Dividends paid on common stock	(133)	(143)	(147)
Contributions from parent	99	147	120
Other financing activities	(11)	(5)	(5)
Net cash flows provided by financing activities	53	90	96
(Decrease) increase in cash, restricted cash, and cash equivalents	(136)	81	56
Cash, restricted cash, and cash equivalents at beginning of period	152	71	15
Cash, restricted cash, and cash equivalents at end of period	$ 16	$ 152	$ 71
Supplemental cash flow information			
(Decrease) increase in capital expenditures not paid	$ (6)	$ 23	$ (18)

See the Combined Notes to Consolidated Financial Statements

Delmarva Power & Light Company
Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 16	$ 31
Restricted cash and cash equivalents	—	121
Accounts receivable		
Customer accounts receivable	183	204
Customer allowance for credit losses	(19)	(21)
Customer accounts receivable, net	164	183
Other accounts receivable	52	52
Other allowance for credit losses	(8)	(7)
Other accounts receivable, net	44	45
Receivables from affiliates	1	—
Inventories, net		
Fossil fuel	9	18
Materials and supplies	72	58
Prepaid utility taxes	24	23
Regulatory assets	54	80
Other	14	14
Total current assets	398	573
Property, plant, and equipment, (net of accumulated depreciation and amortization of $1,925 and $1,772 as of December 31, 2023 and 2022, respectively)	5,165	4,820
Deferred debits and other assets		
Regulatory assets	218	202
Prepaid pension asset	135	153
Other	50	54
Total deferred debits and other assets	403	409
Total assets	$ 5,966	$ 5,802

See the Combined Notes to Consolidated Financial Statements

Delmarva Power & Light Company
Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 63	$ 115
Long-term debt due within one year	84	584
Accounts payable	159	172
Accrued expenses	64	41
Payables to affiliates	25	22
Customer deposits	31	29
Regulatory liabilities	50	44
Other	21	136
Total current liabilities	497	1,143
Long-term debt	1,996	1,354
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	904	869
Regulatory liabilities	365	380
Asset retirement obligations	12	13
Non-pension postretirement benefit obligations	6	9
Other	93	84
Total deferred credits and other liabilities	1,380	1,355
Total liabilities	3,873	3,852
Commitments and contingencies		
Shareholder's equity		
Common stock ($2.25 par value, 0 shares[(a)] authorized, 0 shares[(a)] outstanding as of December 31, 2023 and 2022, respectively)	1,455	1,356
Retained earnings	638	594
Total shareholder's equity	2,093	1,950
Total liabilities and shareholder's equity	$ 5,966	$ 5,802

(a) In millions, shares round to zero. Number of shares is 1,000 authorized and outstanding as of December 31, 2023 and 2022.

See the Combined Notes to Consolidated Financial Statements

Delmarva Power & Light Company
Statements of Changes in Shareholder's Equity

(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2020	$ 1,089	$ 587	$ 1,676
Net income	—	128	128
Common stock dividends	—	(147)	(147)
Contributions from parent	120	—	120
Balance at December 31, 2021	$ 1,209	$ 568	$ 1,777
Net income	—	169	169
Common stock dividends	—	(143)	(143)
Contributions from parent	147	—	147
Balance at December 31, 2022	$ 1,356	$ 594	$ 1,950
Net income	—	177	177
Common stock dividends	—	(133)	(133)
Contributions from parent	99	—	99
Balance at December 31, 2023	$ 1,455	$ 638	$ 2,093

See the Combined Notes to Consolidated Financial Statements

Atlantic City Electric Company and Subsidiary Company
Consolidated Statements of Operations and Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating revenues			
Electric operating revenues	$ 1,493	$ 1,448	$ 1,362
Revenues from alternative revenue programs	27	(19)	24
Operating revenues from affiliates	2	2	2
Total operating revenues	1,522	1,431	1,388
Operating expenses			
Purchased power	637	622	677
Purchased power from affiliate	—	2	17
Operating and maintenance	233	189	179
Operating and maintenance from affiliates	153	142	141
Depreciation and amortization	283	261	179
Taxes other than income taxes	8	9	8
Total operating expenses	1,314	1,225	1,201
Operating income	208	206	187
Other income and (deductions)			
Interest expense, net	(72)	(66)	(58)
Other, net	20	11	4
Total other income and (deductions)	(52)	(55)	(54)
Income before income taxes	156	151	133
Income taxes	36	3	(13)
Net income	$ 120	$ 148	$ 146
Comprehensive income	$ 120	$ 148	$ 146

See the Combined Notes to Consolidated Financial Statements

Atlantic City Electric Company and Subsidiary Company
Consolidated Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Cash flows from operating activities			
Net income	$ 120	$ 148	$ 146
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation and amortization	283	261	179
Deferred income taxes and amortization of investment tax credits	27	(2)	(15)
Other non-cash operating activities	—	46	—
Changes in assets and liabilities:			
Accounts receivable	(57)	(19)	(37)
Receivables from and payables to affiliates, net	(4)	(4)	4
Inventories	(12)	(7)	1
Accounts payable and accrued expenses	27	(9)	3
Collateral (paid) received, net	(50)	46	4
Income taxes	—	11	—
Regulatory assets and liabilities, net	(47)	(19)	24
Pension and non-pension postretirement benefit contributions	(3)	(7)	(3)
Other assets and liabilities	(83)	(61)	(11)
Net cash flows provided by operating activities	201	384	295
Cash flows from investing activities			
Capital expenditures	(460)	(398)	(445)
Other investing activities	—	1	1
Net cash flows used in investing activities	(460)	(397)	(444)
Cash flows from financing activities			
Changes in short-term borrowings	199	(144)	(43)
Issuance of long-term debt	75	175	425
Retirement of long-term debt	—	—	(260)
Dividends paid on common stock	(126)	(145)	(288)
Contributions from parent	65	175	319
Other financing activities	(5)	(5)	(5)
Net cash flows provided by financing activities	208	56	148
(Decrease) increase in cash, restricted cash, and cash equivalents	(51)	43	(1)
Cash, restricted cash, and cash equivalents at beginning of period	72	29	30
Cash, restricted cash, and cash equivalents at end of period	$ 21	$ 72	$ 29
Supplemental cash flow information			
(Decrease) increase in capital expenditures not paid	$ (47)	$ 48	$ (18)

See the Combined Notes to Consolidated Financial Statements

Atlantic City Electric Company and Subsidiary Company
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 21	$ 72
Accounts receivable		
Customer accounts receivable	194	179
Customer allowance for credit losses	(36)	(41)
Customer accounts receivable, net	158	138
Other accounts receivable	92	70
Other allowance for credit losses	(14)	(14)
Other accounts receivable, net	78	56
Receivables from affiliates	3	1
Inventories, net	55	43
Regulatory assets	125	130
Other	5	3
Total current assets	445	443
Property, plant, and equipment, (net of accumulated depreciation and amortization of $1,684 and $1,551 as of December 31, 2023 and 2022, respectively)	4,192	3,990
Deferred debits and other assets		
Regulatory assets	483	494
Prepaid pension asset	3	18
Other	34	34
Total deferred debits and other assets	520	546
Total assets	$ 5,157	$ 4,979

See the Combined Notes to Consolidated Financial Statements

Atlantic City Electric Company and Subsidiary Company
Consolidated Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 199	$ —
Long-term debt due within one year	154	3
Accounts payable	192	206
Accrued expenses	42	47
Payables to affiliates	25	26
Customer deposits	23	21
Regulatory liabilities	6	26
PPA termination obligation	49	87
Other	12	58
Total current liabilities	702	474
Long-term debt	1,679	1,754
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	771	734
Regulatory liabilities	140	156
Non-pension postretirement benefit obligations	4	8
Other	49	100
Total deferred credits and other liabilities	964	998
Total liabilities	3,345	3,226
Commitments and contingencies		
Shareholder's equity		
Common stock ($3.00 par value, 25 shares authorized, 9 shares outstanding as of December 31, 2023 and 2022)	1,830	1,765
Retained deficit	(18)	(12)
Total shareholder's equity	1,812	1,753
Total liabilities and shareholder's equity	$ 5,157	$ 4,979

See the Combined Notes to Consolidated Financial Statements

Atlantic City Electric Company and Subsidiary Company
Consolidated Statements of Changes in Shareholder's Equity

(In millions)	Common Stock	Retained Earnings (Deficit)	Total Shareholder's Equity
Balance at December 31, 2020	$ 1,271	$ 127	$ 1,398
Net income	—	146	146
Common stock dividends	—	(288)	(288)
Contributions from parent	319	—	319
Balance at December 31, 2021	$ 1,590	$ (15)	$ 1,575
Net income	—	148	148
Common stock dividends	—	(145)	(145)
Contributions from parent	175	—	175
Balance at December 31, 2022	$ 1,765	$ (12)	$ 1,753
Net income	—	120	120
Common stock dividends	—	(126)	(126)
Contributions from parent	65	—	65
Balance at December 31, 2023	$ 1,830	$ (18)	$ 1,812

See the Combined Notes to Consolidated Financial Statements

1. Significant Accounting Policies (All Registrants)

Description of Business (All Registrants)

Exelon is a utility services holding company engaged in the energy transmission and distribution businesses through ComEd, PECO, BGE, Pepco, DPL, and ACE.

On February 21, 2021, Exelon's Board of Directors approved a plan to separate the Utility Registrants and Generation. The separation was completed on February 1, 2022, creating two publicly traded companies, Exelon and Constellation. See Note 2 — Discontinued Operations for additional information.

Name of Registrant	Business	Service Territories
Commonwealth Edison Company	Purchase and regulated retail sale of electricity	Northern Illinois, including the City of Chicago
	Transmission and distribution of electricity to retail customers	
PECO Energy Company	Purchase and regulated retail sale of electricity and natural gas	Southeastern Pennsylvania, including the City of Philadelphia (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Pennsylvania counties surrounding the City of Philadelphia (natural gas)
Baltimore Gas and Electric Company	Purchase and regulated retail sale of electricity and natural gas	Central Maryland, including the City of Baltimore (electricity and natural gas)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	
Pepco Holdings LLC	Utility services holding company engaged, through its reportable segments Pepco, DPL, and ACE	Service Territories of Pepco, DPL, and ACE
Potomac Electric Power Company	Purchase and regulated retail sale of electricity	District of Columbia, and major portions of Montgomery and Prince George's Counties, Maryland.
	Transmission and distribution of electricity to retail customers	
Delmarva Power & Light Company	Purchase and regulated retail sale of electricity and natural gas	Portions of Delaware and Maryland (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Portions of New Castle County, Delaware (natural gas)
Atlantic City Electric Company	Purchase and regulated retail sale of electricity	Portions of Southern New Jersey
	Transmission and distribution of electricity to retail customers	

Basis of Presentation (All Registrants)

This is a combined annual report of all Registrants. The Notes to the Consolidated Financial Statements apply to the Registrants as indicated parenthetically next to each corresponding disclosure. When appropriate, the Registrants are named specifically for their related activities and disclosures. Each of the Registrant's Consolidated Financial Statements includes the accounts of its subsidiaries. All intercompany transactions have been eliminated, except for the historical transactions between the Utility Registrants and Generation for the purposes of presenting discontinued operations in all periods presented in the Consolidated Statements of Operations and Comprehensive Income.

Through its business services subsidiary, BSC, Exelon provides its subsidiaries with a variety of support services at cost, including legal, human resources, financial, information technology, and supply management services. PHI also has a business services subsidiary, PHISCO, which provides a variety of support services at cost, including legal, finance, engineering, customer operations, transmission and distribution planning, asset management, system operations, and power procurement, to PHI operating Registrants. The costs of BSC and PHISCO are directly charged or allocated to the applicable subsidiaries. The results of Exelon's corporate operations are presented as "Other" within the consolidated financial statements and include intercompany eliminations unless otherwise disclosed.

As of December 31, 2023 and 2022, Exelon owned 100% of PECO, BGE, and PHI and more than 99% of ComEd. PHI owns 100% of Pepco, DPL, and ACE. As of December 31, 2021, Exelon owned 100% of Generation. As of February 1, 2022, as a result of the completion of the separation, Exelon no longer owns any interest in Generation. The separation of Constellation, including Generation and its subsidiaries, meets the

criteria for discontinued operations and as such, its results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. Accounting rules require that certain BSC costs previously allocated to Generation be presented as part of Exelon's continuing operations as these costs do not qualify as expenses of the discontinued operations. Comprehensive income, shareholders' equity, and cash flows related to Generation have not been segregated and are included in the Consolidated Statements of Operations and Comprehensive Income, Consolidated Statements of Changes in Shareholders' Equity, and Consolidated Statements of Cash Flows, respectively, for the periods ended December 31, 2022 and December 31, 2021. See Note 2 — Discontinued Operations for additional information.

The accompanying consolidated financial statements have been prepared in accordance with GAAP for annual financial statements and in accordance with the instructions to Form 10-K and Regulation S-X promulgated by the SEC.

COVID-19 (All Registrants)

The Registrants have taken steps to mitigate the potential risks posed by the global outbreak (pandemic) of the 2019 novel coronavirus (COVID-19). The Registrants provide a critical service to their customers and have taken measures to keep employees who operate the business safe and minimize unnecessary risk of exposure to the virus, including extra precautions for employees who work in the field. The Registrants have implemented work from home policies where appropriate.

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and accompanying notes, and the amounts of revenues and expenses reported during the periods covered by those financial statements and accompanying notes. As of December 31, 2023 and 2022, and through the date of this report, management assessed certain accounting matters that require consideration of forecasted financial information, including, but not limited to, allowance for credit losses and the carrying value of goodwill and other long-lived assets, in context with the information reasonably available and the unknown future impacts of COVID-19. The Registrants' future assessment of the magnitude and duration of COVID-19, as well as other factors, could result in material impacts to their consolidated financial statements in future reporting periods.

Use of Estimates (All Registrants)

The preparation of financial statements of each of the Registrants in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Areas in which significant estimates have been made include, but are not limited to, the accounting for pension and OPEB, unbilled energy revenues, allowance for credit losses, inventory reserves, goodwill and long-lived asset impairment assessments, derivative instruments, unamortized energy contracts, fixed asset depreciation, environmental costs and other loss contingencies, AROs, and taxes. Actual results could differ from those estimates.

Regulatory Accounting (All Registrants)

For their regulated electric and gas operations, the Registrants reflect the effects of cost-based rate regulation in their financial statements, which is required for entities with regulated operations that meet the following criteria: (1) rates are established or approved by a third-party regulator; (2) rates are designed to recover the entities' cost of providing services or products; and (3) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. The Registrants account for their regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction, principally the ICC, PAPUC, MDPSC, DCPSC, DEPSC, and NJBPU, under state public utility laws and the FERC under various Federal laws. Regulatory assets and liabilities are amortized and the related expense or revenue is recognized in the Consolidated Statements of Operations consistent with the recovery or refund included in customer rates. The Registrants' regulatory assets and liabilities as of the balance sheet date are probable of being recovered or settled in future rates. If a separable portion of the Registrants' business was no longer able to meet the criteria discussed above, the affected entities would be required to eliminate from their consolidated financial statements the effects of regulation for that portion, which could have a material impact on their financial statements. See Note 3 — Regulatory Matters for additional information.

With the exception of income tax-related regulatory assets and liabilities, the Registrants classify regulatory assets and liabilities with a recovery or settlement period greater than one year as both current and noncurrent in

their Consolidated Balance Sheets, with the current portion representing the amount expected to be recovered from or refunded to customers over the next twelve-month period as of the balance sheet date. Income tax-related regulatory assets and liabilities are classified entirely as noncurrent in the Registrants' Consolidated Balance Sheets to align with the classification of the related deferred income tax balances.

The Registrants treat the impacts of a final rate order received after the balance sheet date but prior to the issuance of the financial statements as a non-recognized subsequent event, as the receipt of a final rate order is a separate and distinct event that has future impacts on the parties affected by the order.

Revenues (All Registrants)

Operating Revenues. The Registrants' operating revenues generally consist of revenues from contracts with customers involving the sale and delivery of power and natural gas and utility revenues from ARP. The Registrants recognize revenue from contracts with customers to depict the transfer of goods or services to customers in an amount that the entities expect to be entitled to in exchange for those goods or services. The primary sources of revenue include regulated electric and natural gas tariff sales, distribution, and transmission services. At the end of each month, the Registrants accrue an estimate for the unbilled amount of energy delivered or services provided to customers.

ComEd records ARP revenue for its best estimate of the electric distribution, energy efficiency, and transmission revenue impacts resulting from future changes in rates that ComEd believes are probable of approval by the ICC and FERC in accordance with its formula rate mechanisms. BGE, Pepco, DPL, and ACE record ARP revenue for their best estimate of the electric and natural gas distribution revenue impacts resulting from future changes in rates that they believe are probable of approval by the MDPSC, DCPSC, and/or NJBPU in accordance with their revenue decoupling mechanisms. PECO, BGE, Pepco, DPL, and ACE record ARP revenue for their best estimate of the transmission revenue impacts resulting from future changes in rates that they believe are probable of approval by FERC in accordance with their formula rate mechanisms. The Registrants recognize all ARP revenues that will be collected within 24 months of the end of the annual period in which they are recorded. See Note 3 — Regulatory Matters for additional information.

Taxes Directly Imposed on Revenue-Producing Transactions. The Registrants collect certain taxes from customers such as sales and gross receipts taxes, along with other taxes, surcharges, and fees, that are levied by state or local governments on the sale or distribution of electricity and gas. Some of these taxes are imposed on the customer, but paid by the Registrants, while others are imposed on the Registrants. Where these taxes are imposed on the customer, such as sales taxes, they are reported on a net basis with no impact to the Consolidated Statements of Operations and Comprehensive Income. However, where these taxes are imposed on the Registrants, such as gross receipts taxes or other surcharges or fees, they are reported on a gross basis. Accordingly, revenues are recognized for the taxes collected from customers along with an offsetting expense. See Note 22 — Supplemental Financial Information for taxes that are presented on a gross basis.

Leases (All Registrants)

The Registrants recognize a ROU asset and lease liability for operating and finance leases with a term of greater than one year. Operating lease ROU assets are included in Other deferred debits and other assets and operating lease liabilities are included in Other current liabilities and Other deferred credits and other liabilities on the Consolidated Balance Sheets. Finance lease ROU assets are included in Plant, property, and equipment, net and finance lease liabilities are included in Long-term debt due within one year and Long-term debt on the Consolidated Balance Sheets. The ROU asset is measured as the sum of (1) the present value of all remaining fixed and in-substance fixed payments using the rate implicit in the lease whenever that is readily determinable or each Registrant's incremental borrowing rate, (2) any lease payments made at or before the commencement date (less any lease incentives received), and (3) any initial direct costs incurred. The lease liability is measured the same as the ROU asset, but excludes any payments made before the commencement date and initial direct costs incurred. Lease terms include options to extend or terminate the lease if it is reasonably certain they will be exercised. The Registrants include non-lease components, which are service-related costs that are not integral to the use of the asset, in the measurement of the ROU asset and lease liability.

Expense for operating leases and leases with a term of one year or less is recognized on a straight-line basis over the term of the lease, unless another systematic and rational basis is more representative of the derivation of benefit from use of the leased property. Variable lease payments are recognized in the period in which the

related obligation is incurred. Operating lease expense, finance lease expense, and variable lease payments are primarily recorded to Operating and maintenance expense on the Registrants' Statements of Operations and Comprehensive Income.

Income from operating leases, including subleases, is recognized on a straight-line basis over the term of the lease, unless another systematic and rational basis is more representative of the pattern in which income is earned over the term of the lease. Variable lease income is recognized in the period in which the related obligation is performed. Operating lease income and variable lease income are recorded to Operating revenues on the Registrants' Statements of Operations and Comprehensive Income.

The Registrants' operating and finance leases consist primarily of real estate including office buildings and vehicles and equipment. The Registrants account for land right arrangements that provide for exclusive use as leases while shared use land arrangements are generally not leases. The Registrants do not account for secondary use pole attachments as leases.

See Note 10 — Leases for additional information.

Income Taxes (All Registrants)

Deferred federal and state income taxes are recorded on significant temporary differences between the book and tax basis of assets and liabilities and for tax benefits carried forward. Investment tax credits have been deferred in the Registrants' Consolidated Balance Sheets and are recognized in book income over the life of the related property. The Registrants account for uncertain income tax positions using a benefit recognition model with a two-step approach; a more-likely-than-not recognition criterion; and a measurement approach that measures the position as the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. If it is not more-likely-than-not that the benefit of the tax position will be sustained on its technical merits, no benefit is recorded. Uncertain tax positions that relate only to timing of when an item is included on a tax return are considered to have met the recognition threshold. The Registrants recognize accrued interest related to unrecognized tax benefits in Interest expense, net or Other, net (interest income) and recognize penalties related to unrecognized tax benefits in Other, net in their Consolidated Statements of Operations and Comprehensive Income.

Cash and Cash Equivalents (All Registrants)

The Registrants consider investments purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash and Cash Equivalents (All Registrants)

Restricted cash and cash equivalents represent funds that are restricted to satisfy designated current liabilities. As of December 31, 2023 and 2022, the Registrants' restricted cash and cash equivalents primarily represented the following items:

Registrant[(a)]	Description
Exelon	Payment of medical, dental, vision, and long-term disability benefits, in addition to the items listed below for the Utility Registrants.
ComEd	Collateral held from suppliers associated with energy and REC procurement contracts, any over-recovered RPS costs and alternative compliance payments received from RES pursuant to FEJA, and costs for the remediation of an MGP site.
PECO	Proceeds from the sales of assets that were subject to PECO's mortgage indenture.
BGE	Proceeds from the loan program for the completion of certain energy efficiency measures and collateral held from energy suppliers.
PHI[(a)]	Payment of merger commitments and collateral held from its energy suppliers associated with procurement contracts.
Pepco	Payment of merger commitments and collateral held from energy suppliers.
DPL	Collateral held from energy suppliers.

(a) As of December 31, 2023 and 2022, ACE had no restricted cash and cash equivalents.

Restricted cash and cash equivalents not available to satisfy current liabilities are classified as noncurrent assets. As of December 31, 2023 and 2022, the Registrants' noncurrent restricted cash and cash equivalents primarily represented ComEd's over-recovered RPS costs and alternative compliance payments received from RES pursuant to FEJA and costs for the remediation of an MGP site.

See Note 16 — Debt and Credit Agreements and Note 22 — Supplemental Financial Information for additional information.

Allowance for Credit Losses on Accounts Receivables (All Registrants)

The allowance for credit losses reflects the Registrants' best estimates of losses on the customers' accounts receivable balances based on historical experience, current information, and reasonable and supportable forecasts.

The allowance for credit losses is developed by applying loss rates for each Utility Registrant, based on historical loss experience, current conditions, and forward-looking risk factors, to the outstanding receivable balance by customer risk segment. Utility Registrants' customer accounts are written off consistent with approved regulatory requirements. Adjustments to the allowance for credit losses are primarily recorded to Operating and maintenance expense on the Registrants' Consolidated Statements of Operations and Comprehensive Income or Regulatory assets and liabilities on the Registrants' Consolidated Balance Sheets. See Note 3 - Regulatory Matters for additional information regarding the regulatory recovery of credit losses on customer accounts receivable.

The Registrants have certain non-customer receivables in Other deferred debits and other assets which primarily are with governmental agencies and other high-quality counterparties with no history of default. As such, the allowance for credit losses related to these receivables is not material. The Registrants monitor these balances and will record an allowance if there are indicators of a decline in credit quality. See Note 6 — Accounts Receivable for additional information.

Inventories (All Registrants)

Inventory is recorded at the lower of weighted average cost or net realizable value. Provisions are recorded for excess and obsolete inventory. Fossil fuel and Materials and supplies are generally included in inventory when purchased. Fossil fuel is expensed to Purchased power and fuel expense when used or sold. Materials and supplies generally includes transmission and distribution materials and are expensed to Operating and maintenance or capitalized to Property, plant, and equipment, as appropriate, when installed or used.

Property, Plant, and Equipment (All Registrants)

Property, plant, and equipment is recorded at original cost. Original cost includes construction-related direct labor and material costs and indirect construction costs including labor and related costs of departments associated with supporting construction activities. When appropriate, original cost also includes AFUDC for regulated property at the Utility Registrants. The cost of repairs and maintenance and minor replacements of property is charged to Operating and maintenance expense as incurred.

Third parties reimburse the Utility Registrants for all or a portion of expenditures for certain capital projects. Such contributions in aid of construction costs (CIAC) are recorded as a reduction to Property, plant, and equipment, net.

Upon retirement, the cost of property, net of salvage, is charged to accumulated depreciation consistent with the composite and group methods of depreciation. Depreciation expense at ComEd, BGE, Pepco, DPL, and ACE includes the estimated cost of dismantling and removing plant from service upon retirement. Actual incurred removal costs are applied against a related regulatory liability or recorded to a regulatory asset if in excess of previously collected removal costs. PECO's removal costs are capitalized to accumulated depreciation when incurred and recorded to depreciation expense over the life of the new asset constructed consistent with PECO's regulatory recovery method.

Capitalized Software. Certain costs, such as design, coding, and testing incurred during the application development stage of software projects that are internally developed or purchased for operational use are capitalized within Property, plant, and equipment. Similar costs incurred for cloud-based solutions treated as

service arrangements are capitalized within Other Current Assets and Deferred Debits and Other Assets. Such capitalized amounts are amortized ratably over the expected lives of the projects when they become operational, generally not to exceed five years. Certain other capitalized software costs are being amortized over longer lives based on the expected life or pursuant to prescribed regulatory requirements.

AFUDC. AFUDC is the cost, during the period of construction, of debt and equity funds used to finance construction projects for regulated operations. AFUDC is recorded to construction work in progress and as a non-cash credit to an allowance that is included in interest expense for debt-related funds and other income and deductions for equity-related funds. The rates used for capitalizing AFUDC are computed under a method prescribed by regulatory authorities.

See Note 7 — Property, Plant, and Equipment, Note 8 — Jointly Owned Electric Utility Plant and Note 22 — Supplemental Financial Information for additional information.

Depreciation and Amortization (All Registrants)

Depreciation is generally recorded over the estimated service lives of property, plant, and equipment on a straight-line basis using the group or composite methods of depreciation. The group approach is typically for groups of similar assets that have approximately the same useful lives and the composite approach is used for dissimilar assets that have different lives. Under both methods, a reporting entity depreciates the assets over the average life of the assets in the group. ComEd, BGE, Pepco, DPL, and ACE's depreciation expense includes the estimated cost of dismantling and removing plant from service upon retirement, which is consistent with each utility's regulatory recovery method. PECO's removal costs are capitalized to accumulated depreciation when incurred and recorded to depreciation expense over the life of the new asset constructed consistent with PECO's regulatory recovery method. The estimated service lives for the Registrants are based on a combination of depreciation studies and historical retirements. See Note 7 — Property, Plant, and Equipment for additional information regarding depreciation.

Amortization of regulatory assets and liabilities are recorded over the recovery or refund period specified in the related legislation or regulatory order or agreement. When the recovery or refund period is less than one year, amortization is recorded to the line item in which the deferred cost or income would have originally been recorded in the Registrants' Consolidated Statements of Operations and Comprehensive Income. Amortization of ComEd's electric distribution and energy efficiency formula rate regulatory assets and the Utility Registrants' transmission formula rate regulatory assets is recorded to Operating revenues.

Amortization of income tax related regulatory assets and liabilities is generally recorded to Income tax expense. Except for the regulatory assets and liabilities discussed above, amortization is generally recorded to Depreciation and amortization in the Registrants' Consolidated Statements of Operations and Comprehensive Income when the recovery period is more than one year.

See Note 3 — Regulatory Matters and Note 22 — Supplemental Financial Information for additional information regarding the amortization of the Registrants' regulatory assets.

Asset Retirement Obligations (All Registrants)

The Registrants estimate and recognize a liability for their legal obligation to perform asset retirement activities even though the timing and/or methods of settlement may be conditional on future events. The Registrants update their AROs either annually or on a rotational basis at least once every three years, based on a risk profile, unless circumstances warrant more frequent updates. The updates factor in new cost estimates, credit-adjusted, risk-free rates (CARFR) and escalation rates, and the timing of cash flows. AROs are accreted throughout each year to reflect the time value of money for these present value obligations through an increase to Regulatory assets. See Note 9 — Asset Retirement Obligations for additional information.

Guarantees (All Registrants)

If necessary, the Registrants recognize a liability at the time of issuance of a guarantee for the fair value of the obligations they have undertaken by issuing the guarantee. The liability is reduced or eliminated as the Registrants are released from risk under the guarantee. Depending on the nature of the guarantee, the release from risk of the Registrant may be recognized only upon the expiration or settlement of the guarantee or by a

systematic and rational amortization method over the term of the guarantee. See Note 18 — Commitments and Contingencies for additional information.

Asset Impairments

Long-Lived Assets (All Registrants). The Registrants evaluate the carrying value of long-lived assets for recoverability whenever events or changes in circumstances indicate that the carrying value of those assets may not be recoverable. Indicators of impairment may include specific regulatory disallowance, abandonment, or plans to dispose of a long-lived asset significantly before the end of its useful life. When the estimated undiscounted future cash flows attributable to the long-lived asset may not be recoverable, the amount of the impairment loss is determined by measuring the excess of the carrying amount of the long-lived asset over its fair value.

Goodwill (Exelon, ComEd, and PHI). Goodwill represents the excess of the purchase price paid over the estimated fair value of the net assets acquired and liabilities assumed in the acquisition of a business. Goodwill is not amortized but is assessed for impairment at least annually or on an interim basis if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. See Note 12 — Intangible Assets for additional information.

Derivative Financial Instruments (All Registrants)

Derivatives are recognized on the balance sheet at their fair value unless they qualify for certain exceptions, including NPNS. For derivatives that qualify and are designated as cash flow hedges, changes in fair value each period are initially recorded in AOCI and recognized in earnings when the underlying hedged transaction affects earnings. Amounts recognized in earnings are recorded in Interest expense, net on the Consolidated Statement of Operations and Comprehensive Income based on the activity the transaction is economically hedging. Cash inflows and outflows related to derivative instruments designated as cash flow hedges are included as a component of operating, investing, or financing cash flows in the Consolidated Statements of Cash Flows, depending on the nature of each transaction.

For derivatives intended to serve as economic hedges, which are not designated for hedge accounting, changes in fair value each period are recognized in earnings or as a regulatory asset or liability each period. Amounts recognized in earnings are recorded in Electric operating revenues, Purchased power and fuel, or Interest expense in the Consolidated Statements of Operations and Comprehensive Income based on the activity the transaction is economically hedging. Changes in fair value are also recorded as a regulatory asset or liability when there is an ability to recover or return the associated costs or benefits in accordance with regulatory requirements. Cash inflows and outflows related to derivative instruments are included as a component of operating, investing, or financing cash flows in the Consolidated Statements of Cash Flows, depending on the nature of the hedged item. See Note 3 — Regulatory Matters and Note 15 — Derivative Financial Instruments for additional information.

Retirement Benefits (All Registrants)

Exelon sponsors defined benefit pension plans and OPEB plans.

The plan obligations and costs of providing benefits under these plans are measured as of December 31. The measurement involves various factors, assumptions, and accounting elections. The impact of assumption changes or experience different from that assumed on pension and OPEB obligations is recognized over time rather than immediately recognized in the Consolidated Statements of Operations and Comprehensive Income. Gains or losses in excess of the greater of ten percent of the projected benefit obligation or the MRV of plan assets are amortized over the expected average remaining service period of plan participants. See Note 14 — Retirement Benefits for additional information.

New Accounting Standards (All Registrants)

New Accounting Standards Issued and Not Yet Adopted as of December 31, 2023: The following new authoritative accounting guidance issued by the FASB has not yet been adopted and reflected by the Registrants in their consolidated financial statements as of December 31, 2023. Unless otherwise indicated, the Registrants are currently assessing the impacts such guidance may have (which could be material) in their Consolidated Balance Sheets, Consolidated Statements of Operations and Comprehensive Income, Consolidated Statements

of Cash Flows and disclosures, as well as the potential to early adopt where applicable. The Registrants have assessed other FASB issuances of new standards which are not listed below given the current expectation that such standards will not significantly impact the Registrants' financial reporting.

Segment Reporting (Issued November 2023). Improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The objective of the revised guidance is to introduce a new requirement to disclose significant segment expenses regularly provided to the CODM, extend certain annual disclosures to interim periods, clarify single reportable segment entities must apply ASC 280 in its entirety, permit more than one measure of segment profit or loss to be reported under certain conditions, and require disclosure of the title and position of the CODM. The standard is effective for annual periods beginning January 1, 2024 and interim periods beginning January 1, 2025, with early adoption permitted. The standard will be applied retrospectively.

Improvement to Income Tax Disclosures (Issued December 2023). Provides additional disclosure requirements related to the effective tax rate reconciliation and income taxes paid. Under the revised guidance for the effective tax reconciliations, entities would be required to disclose: (1) eight specific categories in the effective tax rate reconciliation in both percentages and reporting currency amount, (2) additional information for reconciling items over a certain threshold, (3) explanation of individual reconciling items disclosed, and (4) provide a qualitative description of the state and local jurisdictions that contribute to the majority of the state income tax expense. For each annual period presented, the new standard requires disclosure of the year-to-date amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign. It also requires additional disaggregated information on income taxes paid (net of refunds received) to an individual jurisdiction equal to or greater than 5% of total income taxes paid (net of refunds received). The standard is effective January 1, 2025, with early adoption permitted.

2. Discontinued Operations (Exelon)

On February 21, 2021, Exelon's Board of Directors approved a plan to separate the Utility Registrants and Generation, creating two publicly traded companies ("the separation"). Exelon completed the separation on February 1, 2022, through the distribution of 326,663,937 common stock shares of Constellation, the new publicly traded company, to Exelon shareholders. Under the separation plan, Exelon shareholders retained their current shares of Exelon stock and received one share of Constellation common stock for every three shares of Exelon common stock held on January 20, 2022, the record date for the distribution, in a transaction that was tax-free to Exelon and its shareholders for U.S. federal income tax purposes.

Constellation was newly formed and incorporated in Pennsylvania on June 15, 2021 for the purposes of separation and holds Generation (including Generation's subsidiaries).

Pursuant to the separation:

- Exelon entered into four term loans consisting of a 364-day term loan for $1.15 billion and three 18-month term loans for $300 million, $300 million, and $250 million, respectively. Exelon issued these term loans primarily to fund the cash payment to Constellation and for general corporate purposes. See Note 16 — Debt and Credit Agreements for additional information.
- Exelon made a cash payment of $1.75 billion to Constellation on January 31, 2022.
- Exelon contributed its equity ownership interest in Generation to Constellation. Exelon no longer retains any equity ownership interest in Generation or Constellation.
- Exelon transferred certain corporate assets and employee-related obligations to Constellation.
- Exelon received cash from Generation of $258 million to settle the intercompany loan on January 31, 2022. See Note 16 — Debt and Credit Agreements for additional information.

Continuing Involvement

In order to govern the ongoing relationships between Exelon and Constellation after the separation, and to facilitate an orderly transition, Exelon and Constellation have entered into several agreements, including the following:

- Separation Agreement – governs the rights and obligations between Exelon and Constellation regarding certain actions to be taken in connection with the separation, among others, including the allocation of assets and liabilities between Exelon and Constellation.

- Transition Services Agreement (TSA) – governs the terms and conditions of the services that Exelon provides to Constellation and Constellation provides to Exelon for an expected period of two years, provided that certain services may be longer than the term and services may be extended with approval from both parties. The services include specified accounting, finance, information technology, human resources, employee benefits, and other services that have historically been provided on a centralized basis by BSC. For the year ended December 31, 2023, the amounts Exelon billed Constellation and Constellation billed Exelon for these services were $151 million recorded in Other income, net and $14 million recorded in Operating and maintenance expense, respectively. For the period from February 1, 2022 to December 31, 2022, the amounts Exelon billed Constellation and Constellation billed Exelon for these services were $266 million recorded in Other income, net and $43 million recorded in Operating and maintenance expense, respectively.

- Tax Matters Agreement (TMA) – governs the respective rights, responsibilities and obligations of Exelon and Constellation with respect to all tax matters, including tax liabilities and benefits, tax attributes, tax returns, tax contests and other tax sharing regarding U.S. federal, state, local and foreign income taxes, other tax matters and related tax returns. See Note 13 — Income Taxes for additional information.

In addition, the Utility Registrants will continue to incur expenses from transactions with Constellation after the separation. Prior to the separation, such expenses were primarily recorded as Purchased power from affiliates and an immaterial amount recorded as Operating and maintenance expense from affiliates at the Utility Registrants. After the separation, such expenses are primarily recorded as Purchased power and an immaterial amount recorded as Operating and maintenance expense at the Utility Registrants.

- ComEd had an ICC-approved RFP contract with Constellation to provide a portion of ComEd's electric supply requirements. ComEd also purchased RECs and ZECs from Constellation.

- PECO received electric supply from Constellation under contracts executed through PECO's competitive procurement process. In addition, PECO had a ten-year agreement with Constellation to sell solar AECs.

- BGE received a portion of its energy requirements from Constellation under its MDPSC-approved market-based SOS and gas commodity programs.

- Pepco received electric supply from Constellation under contracts executed through Pepco's competitive procurement process approved by the MDPSC and DCPSC.

- DPL received a portion of its energy requirements from Constellation under its MDPSC and DEPSC approved market-based SOS commodity programs.

- ACE received electric supply from Constellation under contracts executed through ACE's competitive procurement process approved by the NJBPU.

ComEd and PECO also have receivables with Constellation for estimated excess funds at the end of decommissioning the Regulatory Agreement Units, such amounts are due back to ComEd and PECO, as applicable, for payment to their respective customers. See Note 3 — Regulatory Matters and Note 23 — Related Party Transactions for additional information.

Discontinued Operations

The separation represented a strategic shift that had a major effect on Exelon's operations and financial results. Accordingly, the separation met the criteria for discontinued operations.

There were no results from discontinued operations for the year ended December 31, 2023. The following table presents the results of Constellation that have been reclassified from continuing operations and included in discontinued operations within Exelon's Consolidated Statements of Operations and Comprehensive Income for the years ended December 31, 2022 and 2021.

These results are primarily Generation, which is comprised of Exelon's Mid-Atlantic, Midwest, New York, ERCOT, and Other Power Regions reportable segments, and include the impact of transaction costs, certain BSC costs, including any transition costs, that were historically allocated and directly attributable to Generation, transactions between Generation and the Utility Registrants, and tax-related adjustments. Transaction costs include costs for external bankers, accountants, appraisers, lawyers, external counsels and other advisors, among others, who are involved in the negotiation, appraisal, due diligence and regulatory approval of the separation. Transition costs are primarily employee-related costs such as recruitment expenses, costs to establish certain stand-alone functions and information technology systems, professional services fees, and other separation-related costs during the transition to separate Generation. For the purposes of reporting discontinued operations, these results also include transactions between Generation and the Utility Registrants that were historically eliminated within Exelon's Consolidated Statements of Operations, as these transactions will be ongoing after the separation. Certain BSC costs that were historically allocated to Generation are presented as part of continuing operations in Exelon's Consolidated Statements of Operations as these costs do not qualify as expenses of the discontinued operations per the accounting rules.

	For the Years Ended December 31,	
	2022	2021
Operating revenues		
Competitive business revenues	$ 1,855	$ 18,466
Competitive business revenues from affiliates	161	1,189
Total operating revenues	2,016	19,655
Operating expenses		
Competitive businesses purchased power and fuel	1,138	12,163
Operating and maintenance[(a)]	371	4,174
Depreciation and amortization	94	3,003
Taxes other than income taxes	44	475
Total operating expenses	1,647	19,815
Gain on sales of assets and businesses	10	201
Operating income	379	41
Other income and (deductions)		
Interest expense, net	(20)	(282)
Other, net	(281)	795
Total other income and (deductions)	(301)	513
Income before income taxes	78	554
Income taxes	(40)	332
Equity in losses of unconsolidated affiliates	(1)	(9)
Net income	117	213
Net income attributable to noncontrolling interests	1	123
Net income from discontinued operations	$ 116	$ 90

(a) Includes transaction and transition costs related to the separation of $52 million and $43 million for the years ended December 31, 2022 and 2021, respectively.

There were no assets or liabilities of discontinued operations included in Exelon's Consolidated Balance Sheet as of December 31, 2023 and 2022. Constellation had net assets of $11,573 million that separated on February 1, 2022 that resulted in a reduction to Exelon's equity during the year ended December 31, 2022. Refer to the Distribution of Constellation line in Exelon's Consolidated Statement of Changes in Shareholders' Equity for further information.

There were no discontinued operations included within Exelon's Consolidated Statements of Cash Flows for the year ended December 31, 2023. The following table presents selected financial information regarding cash flows of the discontinued operations that are included within Exelon's Consolidated Statements of Cash Flows for the years ended December 31, 2022 and 2021.

	For the Years Ended December 31,	
	2022	2021
Non-cash items included in net income from discontinued operations:		
Depreciation, amortization, and accretion, including nuclear fuel and energy contract amortization	$ 207	$ 4,540
Asset impairments	—	545
Loss (gain) on sales of assets and businesses	9	(201)
Deferred income taxes and amortization of investment tax credits	(143)	(224)
Net fair value changes related to derivatives	(59)	(568)
Net realized and unrealized losses (gains) on NDT fund investments	205	(586)
Net unrealized losses on equity investments	16	160
Other decommissioning-related activity	36	(946)
Cash flows from investing activities:		
Capital expenditures	(227)	(1,341)
Collection of DPP	169	3,902
Supplemental cash flow information:		
(Decrease) increase in capital expenditures not paid	$ (128)	$ 96
Increase in DPP	348	3,652
Increase in PP&E related to ARO update	335	618

3. Regulatory Matters (All Registrants)

The following matters below discuss the status of material regulatory and legislative proceedings of the Registrants.

Distribution Base Rate Case Proceedings

The following tables show the completed and pending distribution base rate case proceedings in 2023.

Completed Distribution Base Rate Case Proceedings

Registrant/ Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Approved Revenue Requirement Increase	Approved ROE	Approval Date	Rate Effective Date
ComEd - Illinois	April 15, 2022[a]	Electric	$ 199	$ 199	7.85%	November 17, 2022	January 1, 2023
	January 17, 2023[b]	Electric	$ 1,487	$ 501	8.905%	December 14, 2023	January 1, 2024
	April 21, 2023[c]	Electric	$ 247	$ 259	8.91%	November 30, 2023	January 1, 2024
PECO - Pennsylvania	March 31, 2022	Natural Gas	$ 82	$ 55	N/A[d]	October 27, 2022	January 1, 2023
BGE - Maryland	May 15, 2020 (amended September 11, 2020)[e]	Electric	$ 203	$ 140	9.50%	December 16, 2020	January 1, 2021
		Natural Gas	$ 108	$ 74	9.65%		
	February 17, 2023[f]	Electric	$ 313	$ 179	9.50%	December 14, 2023	January 1, 2024
		Natural Gas	$ 289	$ 229	9.45%		
Pepco - Maryland[g]	October 26, 2020 (amended March 31, 2021)	Electric	$ 104	$ 52	9.55%	June 28, 2021	June 28, 2021
DPL - Maryland[h]	May 19, 2022	Electric	$ 38	$ 29	9.60%	December 14, 2022	January 1, 2023
ACE - New Jersey[i]	February 15, 2023 (amended August 21, 2023)	Electric	$ 92	$ 45	9.60%	November 17, 2023	December 1, 2023

(a) ComEd's 2023 approved revenue requirement above reflects an increase of $144 million for the initial year revenue requirement for 2023 and an increase of $55 million related to the annual reconciliation for 2021. The revenue requirement for 2023 provides for a weighted average debt and equity return on distribution rate base of 5.94% inclusive of an allowed ROE of 7.85%, reflecting the monthly average yields for 30-year treasury bonds plus 580 basis points. The reconciliation revenue requirement for 2021 provides for a weighted average debt and equity return on distribution rate base of 5.91%, inclusive of an allowed ROE of 7.78%, reflecting the monthly yields on 30-year treasury bonds plus 580 basis points less a performance metrics penalty of 7 basis points. ComEd's last performance-based electric distribution formula rate update filing under EIMA was completed in 2022. See discussion of CEJA below for details on the transition away from the electric distribution formula rate.

(b) Reflects a four-year cumulative multi-year rate plan for January 1, 2024 to December 31, 2027. On December 14, 2023, the ICC approved year-over-year distribution revenue requirement increases in 2024-2027, with an amendatory order on January 10, 2024, of approximately $451 million effective January 1, 2024, $14 million effective January 1, 2025, $6 million effective January 1, 2026, and $30 million effective January 1, 2027, based on an ROE of 8.905%, an equity ratio of 50%, and year end 2022 rate base. The ICC rejected ComEd's Grid Plan, requiring ComEd to file a revised Grid Plan by March 13, 2024, 90 days after the issuance of the December final order. The ICC also directed that the revised Grid Plan would be reviewed through further formal proceedings in that docket. On January 10, 2024, the ICC granted one portion of ComEd's application for rehearing of the December 14, 2023 final order, and directing that a 150-day rehearing process reconsider the revenue requirements for the test years (2024-2027), absent an approved Grid Plan. On January 31,2024, the ICC further clarified the scope of the rehearing process. ComEd anticipates that the revenue requirements determined during the rehearing process will be further updated upon approval of a revised Grid Plan. On January 10, 2024, ComEd also filed with the Illinois appellate court an appeal of various aspects of the ICC's final order on which rehearing was denied, including the 8.905% ROE, 50% equity ratio, and denial of any return on ComEd's pension asset.

(c) On November 30, 2023, the Delivery Reconciliation Amount for 2022 defined in Rider Delivery Service Pricing Reconciliation (Rider DSPR) was approved. The delivery reconciliation amount allows for the reconciliation of the revenue requirement in effect in the final years in which formula rates are determined and until such time as new rates are established under ComEd's approved MRP. The 2023 filing reconciled the delivery service rates in effect in 2022 with the actual delivery service costs incurred in 2022. The reconciliation revenue requirement provides for a weighted average debt and equity return on distribution rate base of 6.48%, inclusive of an allowed ROE of 8.91%, reflecting the monthly yields on 30-year treasury bonds plus 580 basis points.

(d) The PECO electric and natural gas base rate case proceedings were resolved through settlement agreements, which did not specify an approved ROE.

(e) Reflects a three-year cumulative multi-year plan for 2021 through 2023. BGE proposed to use certain tax benefits to fully offset the increases in 2021 and 2022 and partially offset the increase in 2023. The MDPSC awarded BGE electric revenue requirement increases of $59 million, $39 million, and $42 million, before offsets, in 2021, 2022, and 2023, respectively, and natural gas revenue requirement increases of $53 million, $11 million, and $10 million, before offsets, in 2021, 2022, and 2023, respectively. However, the MDPSC utilized the tax benefits to fully offset the increases in 2021 and January 2022 such that customer rates remained unchanged. For the remainder of 2022, the MDPSC chose to offset only 25% of the cumulative 2021 and 2022 electric revenue requirement increases and 50% of the cumulative gas revenue requirement increases. In 2021, the MDPSC deferred a decision on whether to use certain tax benefits to offset the revenue requirement increases in 2023 and directed BGE to make another proposal at the end of 2022. In September 2022, BGE proposed that tax benefits not be used to offset the 2023 revenue requirement increases. On October 26, 2022, the MDPSC accepted BGE's recommendation to not use tax benefits to offset the 2023 revenue requirement increases.

(f) Reflects a three-year cumulative multi-year plan for January 1, 2024 through December 31, 2026. The MDPSC awarded BGE electric revenue requirement increases of $41 million, $113 million, and $25 million in 2024, 2025, and 2026, respectively, and natural gas revenue requirement increases of $126 million, $62 million, and $41 million in 2024, 2025, and 2026, respectively. Requested revenue requirement increases will be used to recover capital investments designed to increase the resilience of the electric and gas distribution systems and support Maryland's climate and regulatory initiatives. The MDPSC also approved a portion of the requested 2021 and 2022 reconciliation amounts, which will be recovered through separate electric and gas riders starting in 2024. As such, the reconciliation amounts are not included in the approved revenue requirement increases. The 2021 reconciliation amounts are $13 million and $7 million for electric and gas, respectively, and the 2022 reconciliation amounts are $39 million and $15 million for electric and gas, respectively.

(g) Reflects a three-year cumulative multi-year plan for April 1, 2021 through March 31, 2024. The MDPSC awarded Pepco electric incremental revenue requirement increases of $21 million, $16 million, and $15 million, before offsets, for the 12-month periods ending March 31, 2022, 2023, and 2024, respectively. Pepco proposed to utilize certain tax benefits to fully offset the increase through 2023 and partially offset customer rate increases in 2024. However, the MDPSC only utilized the acceleration of refunds for certain tax benefits to fully offset the increases such that customer rates remain unchanged through March 31, 2022. On February 23, 2022, the MDPSC chose to offset 25% of the cumulative revenue requirement increase through March 31, 2023. In 2021, the MDPSC deferred a decision on whether to use certain tax benefits to offset the revenue requirement increases for the 12-month period ending March 31, 2024. In December 2022 Pepco proposed that tax benefits not be used to offset the revenue requirement increases for this period. On January 25, 2023, the MDPSC accepted Pepco's recommendations not to use tax benefits to offset revenue requirement increases for the 12-month period ending March 31, 2024.

(h) Reflects a three-year cumulative multi-year plan for January 1, 2023 through December 31, 2025. The MDPSC awarded DPL electric incremental revenue requirement increases of $17 million, $6 million, and $6 million for 2023, 2024, and 2025, respectively.

(i) Requested and approved increases are before New Jersey sales and use tax. The NJBPU awarded ACE electric revenue requirement increases of $36 million and $9 million effective December 1, 2023 and February 1, 2024, respectively.

Pending Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Requested ROE	Expected Approval Timing
Pepco - District of Columbia[(a)]	April 13, 2023	Electric	$ 191	10.50%	Third quarter of 2024
Pepco - Maryland[(b)]	May 16, 2023 (amended January 26, 2024)	Electric	$ 188	10.50%	Second quarter of 2024
DPL - Delaware[(c)]	December 15, 2022 (amended September 29, 2023)	Electric	$ 39	10.50%	Second quarter of 2024

(a) Reflects a three-year cumulative multi-year plan for January 1, 2024 through December 31, 2026 submitted to the DCPSC. Pepco requested total electric revenue requirement increases of $117 million, $37 million, and $37 million in 2024, 2025 and 2026, respectively. Requested revenue requirement increases will be used to recover capital investments designed to advance system-readiness and support the District of Columbia's climate and clean energy goals.

(b) Reflects a three-year cumulative multi-year plan for April 1, 2024 through March 31, 2027 submitted to the MDPSC. Pepco requested total electric revenue requirement increases of $69 million, $54 million and $51 million effective April 1, 2024, April 1, 2025, and April 1, 2026, respectively through its rebuttal filing made on January 26, 2024. The plan contains a proposed nine-month extension period with a requested revenue requirement increase of $14 million effective April 1, 2027 through December 31, 2027. Requested revenue requirement increases will be used to recover capital investments designed to advance system-readiness and support Maryland's climate and clean energy goals. On August 7, 2023, the MDPSC issued an order approving a settlement agreement which allows Pepco to establish a revenue deferral mechanism to recover its full Commission-authorized year 1 increase between July 1, 2024 through March 31, 2025 and extend the procedural schedule to address intervenor resource constraints.

(c) The rates went into effect on July 15, 2023, subject to refund.

Transmission Formula Rates

The Utility Registrants' transmission rates are each established based on a FERC-approved formula. ComEd, BGE, Pepco, DPL, and ACE are required to file an annual update to the FERC-approved formula on or before May 15, and PECO is required to file on or before May 31, with the resulting rates effective on June 1 of the same year. The annual update for ComEd is based on prior year actual costs and current year projected capital additions (initial year revenue requirement). The update for ComEd also reconciles any differences between the revenue requirement in effect beginning June 1 of the prior year and actual costs incurred for that year (annual reconciliation). The annual update for PECO is based on prior year actual costs and current year projected capital additions, accumulated depreciation, and accumulated deferred income taxes. The annual update for BGE, Pepco, DPL, and ACE is based on prior year actual costs and current year projected capital additions, accumulated depreciation, Depreciation and amortization expense, and accumulated deferred income taxes. The update for PECO, BGE, Pepco, DPL, and ACE also reconciles any differences between the actual costs and actual revenues for the calendar year (annual reconciliation).

For 2023, the following total increases/(decreases) were included in the Utility Registrants' electric transmission formula rate updates:

Registrant[a]	Initial Revenue Requirement Increase	Annual Reconciliation Increase (Decrease)	Total Revenue Requirement Increase		Allowed Return on Rate Base[b]	Allowed ROE[c]
ComEd	$ 20	$ 63	$ 83		8.09 %	11.50 %
PECO	$ 24	$ 23	$ 47		7.41 %	10.35 %
BGE	$ 19	$ (12)	$ 4	(d)	7.34 %	10.50 %
Pepco	$ 37	$ (5)	$ 32		7.57 %	10.50 %
DPL	$ 32	$ (3)	$ 29		7.08 %	10.50 %
ACE	$ 41	$ (12)	$ 29		7.08 %	10.50 %

(a) All rates are effective June 1, 2023 - May 31, 2024, subject to review by interested parties pursuant to review protocols of each Utility Registrants' tariff.
(b) Represents the weighted average debt and equity return on transmission rate bases. For ComEd and PECO, the common equity component of the ratio used to calculate the weighted average debt and equity return on the transmission formula rate base is currently capped at 55% and 55.75%, respectively.
(c) The rate of return on common equity for each Utility Registrant includes a 50-basis-point incentive adder for being a member of a RTO.
(d) The increase in BGE's transmission revenue requirement includes a $3 million reduction related to a FERC-approved dedicated facilities charge to recover the costs of providing transmission service to specifically designated load by BGE.

Other State Regulatory Matters

Illinois Regulatory Matters

CEJA (Exelon and ComEd). On September 15, 2021, the Governor of Illinois signed into law CEJA. CEJA includes, among other features, (1) procurement of CMCs from qualifying nuclear-powered generating facilities, (2) a requirement to file a general rate case or a new four-year MRP no later than January 20, 2023 to establish rates effective after ComEd's existing performance-based distribution formula rate sunsets, (3) requirements that ComEd and the ICC initiate and conduct various regulatory proceedings on subjects including ethics, spending, grid investments, and performance metrics.

ComEd Electric Distribution Rates

ComEd filed, and received approval for, its last performance-based electric distribution formula rate update under EIMA in 2022; those rates were in effect throughout 2023.

On February 3, 2022, the ICC approved a tariff that establishes the process under which ComEd reconciled its 2022 and will reconcile its 2023 rate year revenue requirements with actual costs. Those reconciliation amounts are determined using the same process used for prior reconciliations under the performance-based electric distribution formula rate. Using that process, for the rate years 2022 and 2023 ComEd will ultimately collect revenues from customers reflecting each year's actual recoverable costs, year-end rate base, and a weighted average debt and equity return on distribution rate base, with the ROE component based on the annual average of the monthly yields of the 30-year U.S. Treasury bonds plus 580 basis points. In April 2023, ComEd filed its first petition with the ICC to reconcile its 2022 actual costs with the approved revenue requirement that was in effect in 2022; the final order was issued on November 30, 2023, for rates beginning January 2024. In 2024, ComEd will file with the ICC its 2023 actual costs with the approved revenue requirement that was in effect in 2023.

Beginning in 2024, ComEd will recover from retail customers, subject to certain exceptions, the costs it incurs to provide electric delivery services either through its electric distribution rate or other recovery mechanisms authorized by CEJA. On January 17, 2023, ComEd filed a petition with the ICC seeking approval of a MRP for 2024-2027. The MRP supports a multi-year grid plan (Grid Plan), also filed on January 17, covering planned investments on the electric distribution system within ComEd's service area through 2027. Costs incurred during each year of the MRP are subject to ICC review and the plan's revenue requirement for each year will be reconciled with the actual costs that the ICC determines are prudently and reasonably incurred for that year. The reconciliation is subject to adjustment for certain costs, including a limitation on recovery of costs that are more than 105% of certain costs in the previously approved MRP revenue requirement, absent a modification of the rate plan itself. Thus, for example, the rate adjustments necessary to reconcile 2024 revenues to ComEd's actual 2024 costs incurred would take effect in January 2026 after the ICC's review during 2025. On May 22, 2023, direct testimony was filed by ICC staff and more than a dozen intervenors and intervenor groups. The testimonies addressed a wide variety of topics, including rate of return on equity, capital structure, grid planning, various distribution grid and information technology investments, and affordability and customer service. ComEd also made voluntary adjustments and, per the ICC's final beneficial electrification order requiring ComEd to recover beneficial electrification costs through the MRP, increased its total revenue requirement request from $1.472 billion to $1.545 billion. ComEd filed its reply brief on September 27, 2023, to adjust its total requested revenue requirement increase to $1.487 billion.

On December 14, 2023, the ICC issued a final order. The ICC rejected ComEd's Grid Plan as non-compliant with certain requirements of CEJA, and required ComEd to file a revised Grid Plan by March 13, 2024, 90 days after the issuance of the final order. In the absence of an approved Grid Plan, the ICC set ComEd's forecast revenue requirements for 2024-2027 based on ComEd's approved year-end 2022 rate base. This results in a total cumulative revenue requirement increase of $501 million, a $986 million total revenue reduction from the requested cumulative revenue requirement increase but remains subject to annual reconciliation in accordance with CEJA. The final order approved the process and formulas associated with the MRP reconciliation mechanisms. The ICC did not approve a previously proposed phase-in of the ICC's approved year-over-year revenue increases, and it also denied ComEd's ability to earn a return on its pension asset.

On December 22, 2023, ComEd filed an application for rehearing on several findings in the final order including the use of the 2022 year-end rate base to establish forecast revenue requirements for 2024-2027, ROE, pension asset return, and capital structure. On January 10, 2024, ComEd's application for rehearing was denied on all issues except for the order's use of the 2022 year-end rate base. On January 31, 2024, the ICC granted ComEd's motion seeking additional clarification on the scope on rehearing, generally accepting ComEd's proposal and confirming that the rehearing will determine if the forecasted year-end 2023 rate base should be used to set rates for 2024 through 2027 until a refiled Grid Plan is approved. A final rehearing order on that topic is statutorily required by early June 2024. On January 10, 2024, ComEd also filed an appeal in the Illinois Appellate Court of the issues on which rehearing was denied, including but not limited to the allowed ROE and denial of a return on ComEd's pension asset. There is no deadline by when the appellate court must rule. On February 8, 2024, the ICC denied ComEd's request to provide clarification on other issues including the schedule for review of the refiled Grid Plan. ComEd has completed and placed in service additional utility plant assets in 2023 and will continue to complete and place in service additional utility plant assets prior to the approval of the new Grid Plan. There are still significant unknowns, but ComEd does not currently believe that it is probable that the initially uncollected depreciation or return on the recently completed plant will ultimately be disallowed.

In January 2022, ComEd filed a request with the ICC proposing performance metrics that would be used in determining ROE incentives and penalties in the event ComEd filed a MRP in January 2023. On September 27, 2022, the ICC issued a final order approving seven performance metrics that provide symmetrical performance adjustments of 32 total basis points to ComEd's rate of return on common equity based on the extent to which ComEd achieves the annual performance goals. On November 10, 2022, the ICC granted ComEd's application for rehearing, in part. On April 5, 2023, the ICC issued its final order on rehearing for the performance and tracking metrics proceeding, in which the ICC declined to adopt ComEd's proposed modifications to the reliability and peak load reduction performance metrics. Efforts are underway to implement the performance metrics, which took effect on January 1, 2024. ComEd will make its initial filing in 2025 to assess performance achieved under the metrics in 2024, and to determine any ROE adjustment, which would take effect in 2026.

Carbon Mitigation Credit

CEJA establishes decarbonization requirements for Illinois as well as programs to support the retention and development of emissions-free sources of electricity. ComEd is required to purchase CMCs from participating nuclear-powered generating facilities between June 1, 2022 and May 31, 2027. The price to be paid for each CMC was established through a competitive bidding process that included consumer-protection measures that capped the maximum acceptable bid amount and a formula that reduces CMC prices by an energy price index, the base residual auction capacity price in the ComEd zone of PJM, and the monetized value of any federal tax credit or other subsidy if applicable. The consumer protection measures contained in CEJA will result in net payments to ComEd ratepayers if the energy index, the capacity price and applicable federal tax credits or subsidy exceed the CMC contract price. In the June 2022 billing period. ComEd began issuing credits to its retail customers under its new CMC rider. A regulatory asset is recorded for the difference between customer credits issued and the credit to be received from the participating nuclear-powered generating facilities. The balance as of December 31, 2023 is $673 million.

Under CEJA, the costs of procuring CMCs, including carrying costs, are recovered through a rider, the Rider Carbon-Free Resource Adjustment (Rider CFRA). As originally approved by the ICC, Rider CFRA provides for an annual reconciliation and true-up to actual costs incurred or credits received by ComEd to purchase CMCs, with any difference to be credited to or collected from ComEd’s retail customers in subsequent periods. The difference between the net payments to (or receivables from) ComEd ratepayers and the credits received by ComEd to purchase CMCs is recorded to Purchased power expense with an offset to the regulatory asset (or regulatory liability). On December 21, 2022, ComEd filed an amendment to Rider CFRA proposing that it recover costs or provide credits faster than the tariff allows, implement monthly reconciliations, and allow ComEd to adjust Rider CFRA rates based not only on anticipated differences but also past payments or credits, and implement monthly reconciliations beginning with the June 2023 delivery period. The ICC approved the proposal on January 19, 2023. In addition, on March 24, 2023, ComEd submitted revisions to Rider CFRA which clarified the methodology for calculating interest to be included in the annual reconciliation associated with the June 2022 through May 2023 delivery year. The ICC approved the proposal on April 20, 2023. On February 2, 2024, ComEd filed a petition with the ICC to initiate the reconciliation proceeding for the costs incurred in connection with the procurement of CMCs during the delivery year beginning June 1, 2022 and extending through May 31, 2023.

Excess Deferred Income Taxes

The ICC initiated a docket to accelerate and fully credit to customers TCJA unprotected property-related EDIT no later than December 31, 2025. On July 7, 2022, the ICC issued a final order on the schedule for the acceleration of EDIT amortization, adopting the proposal as submitted by several parties, including ComEd, ICC Staff, the Illinois Attorney General's Office, and the Citizens Utility Board. EDIT amortization will be credited to customers through a new rider from January 1, 2023 through December 31, 2025.

Beneficial Electrification Plan

On March 23, 2023, the ICC issued its final order approving the beneficial electrification plan for ComEd. The ICC rejected ComEd's request to treat a large portion of beneficial electrification costs as a regulatory asset and ordered ComEd to seek cost recovery through the multi-year rate plan filing for 2024 and 2025, and the final formula rate reconciliation docket for 2023, rather than through a separate charge. The order also authorized an overall annual budget of $77 million per year for the three year plan period (2023 through 2025), with flexibility to roll forward unused funds to future years within the same plan period. On April 18, 2023, ComEd filed an application for rehearing in the beneficial electrification plan docket. The Chicago Transit Authority and City of Chicago, jointly, and the Office of the Illinois Attorney General (ILAG) also filed applications for rehearing. On April 27, 2023, ICC staff filed a motion for clarification, seeking clarification from the ICC on the precise budget described in the final order. On May 8, 2023, the ICC denied all applications for rehearing, and entered an amendatory order regarding the annual beneficial electrification plan budgets. ComEd has been directed to use good faith efforts to spend $77 million annually. ComEd subsequently filed its compliance filing in May 2023, detailing project related spending, clarifying the procedure that will be used to seek stakeholder feedback related to beneficial electrification pilot programs, and including the timeline for tariff changes required to implement the programs. ComEd and the ILAG both filed appeals of the ICC's interim order that addressed the permissible scope of utility beneficial electrification programs outside of transportation and the rate impact cap. The ILAG also filed an appeal seeking reversal of portions of the ICC's final decision. The final order partly mooted ComEd's appeal of the interim order and ComEd has decided not to pursue the other issues. As such, ComEd moved to voluntarily dismiss its appeal and the appellate court granted that request. The ILAG consolidated their appeals. Any ruling on the appeals, even a negative ruling removing programs from the BE Plan or lowering the overall budget of the BE Plan, will only impact forward-looking costs.

Energy Efficiency

CEJA extends ComEd's current cumulative annual energy efficiency MWh savings goals through 2040, adds expanded electrification measures to those goals, increases low-income commitments and adds a new performance adjustment to the energy efficiency formula rate. ComEd expects its annual spend to increase in 2023 through 2040 to achieve these energy efficiency MWh savings goals, which will be deferred as a separate regulatory asset that will be recovered through the energy efficiency formula rate over the weighted average useful life, as approved by the ICC, of the related energy efficiency measures.

Energy Efficiency Formula Rate (Exelon and ComEd). FEJA allows ComEd to defer energy efficiency costs (except for any voltage optimization costs which are recovered through the electric distribution formula rate) as a separate regulatory asset that is recovered through the energy efficiency formula rate over the weighted average useful life, as approved by the ICC, of the related energy efficiency measures. ComEd earns a return on the energy efficiency regulatory asset at a rate equal to its weighted average cost of capital, which is based on a year-end capital structure and calculated using the same methodology applicable to ComEd's electric distribution formula rate. Beginning January 1, 2018, the ROE that ComEd earns on its energy efficiency regulatory asset is subject to a maximum downward or upward adjustment of 200 basis points if ComEd's cumulative persisting annual MWh savings falls short of or exceeds specified percentage benchmarks of its annual incremental savings goal. ComEd is required to file an update to its energy efficiency formula rate on or before June 1st each year, with resulting rates effective in January of the following year. The annual update is based on projected current year energy efficiency costs, PJM capacity revenues, and the projected year-end regulatory asset balance less any related deferred income taxes (initial year revenue requirement). The update also reconciles any differences between the revenue requirement in effect for the prior year and actual costs incurred from the year (annual reconciliation). The approved energy efficiency formula rate also provides for revenue decoupling provisions similar to those in ComEd's electric distribution formula rate.

During 2023, the ICC approved the following total increases in ComEd's requested energy efficiency revenue requirement:

Filing Date	Requested Revenue Requirement Increase	Approved Revenue Requirement Increase[(a)]	Approved ROE	Approval Date	Rate Effective Date
May 26, 2023	$ 118	$ 118	8.91 %	November 30, 2023	January 1, 2024

(a) ComEd's 2024 approved revenue requirement above reflects an increase of $71 million for the initial year revenue requirement for 2024 and a increase of $47 million related to the annual reconciliation for 2022. The revenue requirement for 2024 provides for a weighted average debt and equity return on the energy efficiency regulatory asset and rate base of 6.48% inclusive of an allowed ROE of 8.91%, reflecting the monthly average yields for 30-year treasury bonds plus 580 basis points. The revenue requirement for the 2022 reconciliation year provides for a weighted average debt and equity return on the energy efficiency regulatory asset and rate base of 7.47% inclusive of an allowed ROE of 10.89%, which includes an upward performance adjustment that increased the ROE. The performance adjustment can either increase or decrease the ROE based upon the achievement of energy efficiency savings goals. See table below for ComEd's regulatory assets associated with its energy efficiency formula rate.

Maryland Regulatory Matters

Maryland Revenue Decoupling (Exelon, BGE, PHI, Pepco, and DPL). In 1998, the MDPSC approved natural gas monthly rate adjustments for BGE and in 2007, the MDPSC approved electric monthly rate adjustments for BGE and BSAs for Pepco and DPL, all of which are decoupling mechanisms. As a result of the decoupling mechanisms, certain Operating revenues from electric and natural gas distribution at BGE and Operating revenues from electric distribution at Pepco Maryland (see also District of Columbia Revenue Decoupling below for Pepco District of Columbia) and DPL are not impacted by abnormal weather or usage per customer. For BGE, Pepco, and DPL, the decoupling mechanism eliminates the impacts of abnormal weather or customer usage by recognizing revenues based on an authorized distribution amount per customer by customer class. Operating revenues from electric and natural gas distribution at BGE and Operating revenues from electric distribution at Pepco Maryland and DPL are, however, impacted by changes in the number of customers.

Maryland Order Directing the Distribution of Energy Assistance Funds (Exelon, BGE, PHI, Pepco, and DPL). On June 15, 2021, the MDPSC issued an order authorizing the disbursal of funds to utilities in accordance with Maryland COVID-19 relief legislation. Under this order, BGE, Pepco, and DPL received funds of $50 million, $12 million, and $8 million, respectively, in July 2021. The funds have been used to reduce or eliminate certain qualifying past-due residential customer receivables.

EmPOWER Maryland Cost Recovery (Exelon, BGE, PHI, Pepco and DPL). On December 29, 2023, the MDPSC issued an order authorizing the next three-year program cycle for EmPOWER Maryland and approved various proposals by the program administrators to implement new energy efficiency programs for the 2024-2026 program cycle, as well as continue operating core programs. Historically, BGE, Pepco, and DPL deferred most of their energy efficiency program costs to a regulatory asset and either deferred most of their demand response program costs to a regulatory asset or capitalized them. Beginning in 2024, BGE, Pepco, and DPL will begin deferring less energy efficiency and demand response program costs to a regulatory asset. Additionally, as part of the order, the MDPSC directed BGE, Pepco, and DPL to extend the amortization of unamortized costs as of December 31, 2023 from 5 to 7 years to mitigate customer bill impacts.

District of Columbia Regulatory Matters

District of Columbia Revenue Decoupling (Exelon, PHI, and Pepco). In 2009, the DCPSC approved a BSA, which is a decoupling mechanism. As a result of the decoupling mechanism, Operating revenues from electric distribution at Pepco District of Columbia (see also Maryland Revenue Decoupling above for Pepco Maryland) are not impacted by abnormal weather or usage per customer. The decoupling mechanism eliminates the impacts of abnormal weather or customer usage by recognizing revenues based on an authorized distribution amount per customer by customer class. Operating revenues from electric distribution at Pepco District of Columbia are, however, impacted by changes in the number of customers.

New Jersey Regulatory Matters

Conservation Incentive Program (CIP) (Exelon, PHI, and ACE). On September 25, 2020, ACE filed an application with the NJBPU as was required seeking approval to implement a portfolio of energy efficiency programs pursuant to New Jersey's clean energy legislation. The filing included a request to implement a CIP that would eliminate the favorable and unfavorable impacts of weather and customer usage patterns on distribution revenues for most customers. The CIP compares current distribution revenues by customer class to approved target revenues established in ACE's most recent distribution base rate case. The CIP is calculated annually and recovery is subject to certain conditions, including an earnings test and ceilings on customer rate increases.

On April 27, 2021, the NJBPU approved the settlement filed by ACE and the third parties to the proceeding. The approved settlement addresses all material aspects of ACE's filing, including ACE's ability to implement the CIP prospectively effective July 1, 2021. As a result of this decoupling mechanism, operating revenues will no longer be impacted by abnormal weather or usage for most customers. Starting in third quarter of 2021, ACE has recorded alternative revenue program revenues for its best estimate of the distribution revenue impacts resulting from future changes in CIP rates that it believes are probable of approval by the NJBPU in accordance with this mechanism.

Termination of Energy Procurement Provisions of PPAs (Exelon, PHI, and ACE). On December 22, 2021, ACE filed with the NJBPU a petition to terminate the provisions in the PPAs to purchase electricity from two coal-powered generation facilities located in the state of New Jersey. The petition was approved by the NJBPU on March 23, 2022. Upon closing of the transaction on March 31, 2022, ACE recognized a liability of $203 million for the contract termination fee, which is to be paid by the end of 2024, and recognized a corresponding regulatory asset of $203 million.

As of December 31, 2023, the $49 million liability for the contract termination fee is included in Other current liabilities in Exelon's Consolidated Balance Sheet and PPA termination obligation in PHI's and ACE's Consolidated Balance Sheets. For the year ended December 31, 2023 and 2022, ACE has paid $88 million and $66 million of the liability, which is recorded in Changes in Other assets and liabilities in Exelon's, PHI's, and ACE's Consolidated Statements of Cash Flows.

ACE Infrastructure Investment Program Filings (Exelon, PHI, and ACE). On February 28, 2018, ACE filed with the NJBPU the Registrants' IIP proposing to seek recovery of a series of investments through a new rider mechanism, totaling $338 million, between 2019-2022 to provide safe and reliable service for its customers. The IIP will allow for more timely recovery of investments made to modernize and enhance ACE's electric system. On April 15, 2019, ACE entered into a settlement agreement with other parties, which allows for a recovery totaling $96 million of reliability related capital investments from July 1, 2019 through June 30, 2023. On April 18, 2019, the NJBPU approved the settlement agreement.

On October 31, 2022, ACE filed with the NJBPU a second IIP, called "Powering the Future", proposing to seek recovery through a new component of ACE's rider mechanism, totaling $379 million, over the four-year period of July 1, 2023, to June 30, 2027. The new IIP will allow ACE to invest in projects that are designed to enhance the reliability, resiliency, and safety of the service ACE provides to its customers. On June 15, 2023, ACE entered into a settlement agreement with other parties, which allows for a recovery totaling $93 million of reliability related capital investments from July 1, 2023, through June 30, 2027. ACE will have the option of seeking approval from the NJBPU to extend the end date of the IIP beyond June 30, 2027, if ACE determines an extension is necessary. On June 29, 2023, the NJBPU adopted the settlement agreement and issued an order approving the program.

Advanced Metering Infrastructure Filing (Exelon, PHI, and ACE). On August 26, 2020, ACE filed an application with the NJBPU as was required seeking approval to deploy a smart energy network in alignment with New Jersey's Energy Master Plan and Clean Energy Act. The proposal consisted of estimated costs totaling $220 million with deployment taking place over a 3-year implementation period from approximately 2021 to 2024 that involves the installation of an integrated system of smart meters for all customers accompanied by the requisite communications facilities and data management systems.

On July 14, 2021, the NJBPU approved the settlement filed by ACE and the third parties to the proceeding. The approved settlement addresses all material aspects of ACE's smart energy network deployment plan, including

cost recovery of the investment costs, incremental O&M expenses, and the unrecovered balance of existing infrastructure through future distribution rates.

New Jersey Clean Energy Legislation (Exelon, PHI, and ACE). On May 23, 2018, New Jersey enacted legislation that established and modified New Jersey's clean energy and energy efficiency programs and solar and RPS. On the same day, New Jersey enacted legislation that established a ZEC program that provides compensation for nuclear plants that demonstrate to the NJBPU that they meet certain requirements. Under the legislation, the NJBPU will issue ZECs to the qualifying nuclear power plants and the electric distribution utilities in New Jersey, including ACE, will be required to purchase those ZECs. ACE began collecting from retail distribution customers, through a non-bypassable charge, all costs associated with the procurement of the ZECs effective April 18, 2019.

Other Federal Regulatory Matters

FERC Audit (Exelon and ComEd). The Utility Registrants are subject to periodic audits and investigations by FERC. FERC's Division of Audits and Accounting initiated a nonpublic audit of ComEd in April 2021 evaluating ComEd's compliance with (1) approved terms, rates and conditions of its federally regulated service; (2) accounting requirements of the Uniform System of Accounts; (3) reporting requirements of the FERC Form 1; and (4) the requirements for record retention. The audit period extends back to January 1, 2017. During the first quarter of 2023, ComEd was provided with information from FERC about several potential findings, including ComEd's methodology regarding the allocation of certain overhead costs to capital under FERC regulations. Based on the preliminary findings and discussions with FERC staff, ComEd determined that a loss was probable and recorded a regulatory liability to reflect its best estimate of that loss in the first quarter of 2023.

On July 27, 2023, FERC issued a final audit report which included, among other things, findings and recommendations related to ComEd's methodology regarding the allocation of certain overhead costs to capitalized construction costs under FERC regulations, including a suggestion that refunds may be due to customers for amounts collected in previous years. On August 28, 2023, ComEd filed a formal notice of the issues it will contest. On December 14, 2023, FERC appointed a settlement judge for the contested overhead allocation findings. The final outcome and resolution of any contested audit issues as well as a reasonable estimate of potential future losses cannot be accurately estimated at this stage; however, the final resolution of these matters could result in recognition of future losses, above the amounts currently accrued, that could be material to the Exelon and ComEd financial statements.

Regulatory Assets and Liabilities

Regulatory assets represent incurred costs that have been deferred because of their probable future recovery from customers through regulated rates. Regulatory liabilities represent the excess recovery of costs or accrued credits that have been deferred because it is probable such amounts will be returned to customers through future regulated rates or represent billings in advance of expenditures for approved regulatory programs.

The following tables provide information about the regulatory assets and liabilities of the Registrants at December 31, 2023 and 2022:

December 31, 2023	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Regulatory assets								
AMI programs - deployment costs	$ 109	$ —	$ —	$ 49	$ 60	$ 18	$ 17	$ 25
AMI programs - legacy meters	127	28	—	12	87	41	14	32
Asset retirement obligations	159	104	22	23	10	6	2	2
Carbon mitigation credit	673	673	—	—	—	—	—	—
COVID-19	41	11	11	6	13	10	3	—
DC PLUG charge	3	—	—	—	3	3	—	—
Deferred income taxes	759	—	748	—	11	11	—	—
Deferred storm costs	114	—	—	84	30	9	2	19
Electric distribution formula rate annual reconciliations	787	787	—	—	—	—	—	—
Electric distribution formula rate significant one-time events	89	89	—	—	—	—	—	—
Electric energy and natural gas costs	98	—	1	25	72	11	2	59
Energy efficiency and demand response programs	631	—	23	316	292	187	73	32
Energy efficiency costs	1,691	1,691	—	—	—	—	—	—
Fair value of long-term debt	486	—	—	—	385	—	—	—
Fair value of PHI's unamortized energy contracts	35	—	—	—	35	—	—	—
MGP remediation costs	315	286	15	14	—	—	—	—
Multi-year plan reconciliations	112	—	—	112	—	—	—	—
Pension and OPEB	2,254	—	—	—	—	—	—	—
Pension and OPEB - merger related	637	—	—	—	—	—	—	—
Removal costs	827	—	—	219	608	137	118	354
Renewable energy	134	134	—	—	—	—	—	—
Transmission formula rate annual reconciliations	75	—	9	5	61	15	22	24
Under-recovered credit loss expense	112	78	—	—	34	—	—	34
Under-recovered revenue decoupling	176	—	—	64	112	100	—	12
Universal service fund charge under-recovery - Electric	59	—	59	—	—	—	—	—
Zero emission credit	58	58	—	—	—	—	—	—
Other	352	190	32	27	111	52	19	15
Total regulatory assets	10,913	4,129	920	956	1,924	600	272	608
Less: current portion	2,215	1,335	127	229	337	150	54	125
Total noncurrent regulatory assets	$ 8,698	$ 2,794	$ 793	$ 727	$ 1,587	$ 450	$ 218	$ 483

December 31, 2023	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Regulatory liabilities								
Decommissioning the Regulatory Agreement Units	$3,232	$2,954	$ 278	$ —	$ —	$ —	$ —	$ —
Dedicated facilities charge	129	—	—	129	—	—	—	—
Deferred income taxes	3,284	1,900	—	634	750	338	274	138
Electric energy and natural gas costs	121	4	93	—	24	9	15	—
Energy efficiency and demand response programs	1	—	1	—	—	—	—	—
Multi-year plan reconciliations	23	—	—	—	23	16	7	—
Over-recovered revenue decoupling	2	—	—	—	2	—	2	—
Removal costs	1,845	1,701	—	28	116	20	96	—
Renewable portfolio standards costs	1,102	1,102	—	—	—	—	—	—
Other	226	23	34	9	60	14	21	8
Total regulatory liabilities	9,965	7,684	406	800	975	397	415	146
Less: current portion	389	191	92	27	71	15	50	6
Total noncurrent regulatory liabilities	$9,576	$7,493	$ 314	$ 773	$ 904	$ 382	$ 365	$ 140

December 31, 2022	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Regulatory assets								
AMI programs - deployment costs	$ 122	$ —	$ —	$ 69	$ 53	$ 25	$ 22	$ 6
AMI programs - legacy meters	160	48	—	20	92	53	17	22
Asset retirement obligations	151	99	22	21	9	6	2	1
Carbon mitigation credit	843	843	—	—	—	—	—	—
COVID-19	58	20	17	8	13	10	3	—
DC PLUG charge	37	—	—	—	37	37	—	—
Deferred income taxes	606	—	595	—	11	11	—	—
Deferred storm costs	90	—	—	55	35	2	2	31
Electric distribution formula rate annual reconciliations	271	271	—	—	—	—	—	—
Electric distribution formula rate significant one-time events	115	115	—	—	—	—	—	—
Electric energy and natural gas costs	241	—	15	25	201	41	26	134
Energy efficiency and demand response programs	560	—	—	286	274	187	74	13
Energy efficiency costs	1,434	1,434	—	—	—	—	—	—
Fair value of long-term debt	521	—	—	—	414	—	—	—
Fair value of PHI's unamortized energy contracts	44	—	—	—	44	—	—	—
MGP remediation costs	318	293	13	12	—	—	—	—
Pension and OPEB	1,867	—	—	—	—	—	—	—
Pension and OPEB - merger related	769	—	—	—	—	—	—	—
Removal costs	782	—	—	171	611	144	109	359
Renewable energy	85	85	—	—	—	—	—	—
Transmission formula rate annual reconciliations	37	—	16	—	21	3	5	13
Under-recovered credit loss expense	71	38	—	—	33	—	—	33
Under-recovered revenue decoupling	106	—	—	8	98	98	—	—
Universal service fund charge under-recovery - Electric	19	—	19	—	—	—	—	—
Other	371	196	35	29	119	55	22	12
Total regulatory assets	9,678	3,442	732	704	2,065	672	282	624
Less: current portion	1,641	775	80	177	455	235	80	130
Total noncurrent regulatory assets	$ 8,037	$ 2,667	$ 652	$ 527	$ 1,610	$ 437	$ 202	$ 494

December 31, 2022	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Regulatory liabilities								
Decommissioning the Regulatory Agreement Units	$2,897	$2,660	$ 237	$ —	$ —	$ —	$ —	$ —
Dedicated facilities charge	110	—	—	110	—	—	—	—
Deferred income taxes	3,546	2,010	—	682	854	402	304	148
Electric energy and natural gas costs	87	11	65	4	7	—	7	—
Energy efficiency and demand response programs	15	—	15	—	—	—	—	—
Multi-year plan reconciliations	14	—	—	—	14	14	—	—
Over-recovered revenue decoupling	19	—	—	4	15	—	6	9
Removal costs	1,750	1,604	—	35	111	20	91	—
Renewable portfolio standards costs	810	810	—	—	—	—	—	—
Stranded costs	9	—	—	—	9	—	—	9
Transmission formula rate annual reconciliations	31	3	—	18	10	9	1	—
Other	261	41	28	10	67	16	15	16
Total regulatory liabilities	9,549	7,139	345	863	1,087	461	424	182
Less: current portion	437	226	75	47	76	6	44	26
Total noncurrent regulatory liabilities	$9,112	$6,913	$ 270	$ 816	$1,011	$ 455	$ 380	$ 156

Descriptions of the regulatory assets and liabilities included in the tables above are summarized below, including their recovery and amortization periods.

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
AMI programs - deployment costs	Represents installation and ongoing incremental costs of new smart meters, including implementation costs at Pepco and DPL of dynamic pricing for energy usage resulting from smart meters.	BGE - 2026 Pepco - 2029 DPL - 2030 ACE - 2029	BGE, Pepco, DPL - Yes ACE - Yes, on incremental costs of new smart meters
AMI programs - legacy meters	Represents early retirement costs of legacy meters.	ComEd - 2028 BGE - 2026 Pepco - 2029 DPL - 2030 ACE - To be determined in next distribution rate case filed with NJBPU.	ComEd, Pepco (District of Columbia), DPL (Delaware), ACE - Yes BGE, Pepco (Maryland), DPL (Maryland) - No
Asset retirement obligations	Represents future legally required removal costs associated with existing AROs.	Over the life of the related assets.	Yes, once the removal activities have been performed

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Carbon mitigation credit	Represents CMC procurement costs and credits as well as reasonable costs ComEd has incurred to implement and comply with the CMC procurement process.	2024	No
COVID-19	Represents incremental credit losses and direct costs related to COVID-19 incurred primarily in 2020 at the Utility Registrants, partially offset by a decrease in travel costs at BGE, Pepco and DPL. Direct costs consisted primarily of costs to acquire personal protective equipment, costs for cleaning supplies and services, and costs to hire healthcare professionals to monitor the health of employees.	ComEd - 2025 BGE - 2028 PECO - 2024 Pepco (District of Columbia) - $8 million to be determined in pending multi-year plan filed with DCPSC. Pepco (Maryland) - $2 million to be determined in pending multi-year plan filed with MDPSC. DPL (Maryland) - $1 million - 2027 DPL (Delaware) - $2 million to be determined in pending distribution rate case filed with DEPSC.	ComEd, BGE, and DPL (Maryland) - Yes PECO, Pepco, and DPL (Delaware) - No
DC PLUG charge	Represents costs associated with DC PLUG, which is a projected six-year, $500 million project to place underground some of the District of Columbia's most outage-prone power lines with $250 million of the project costs funded by Pepco and $250 million funded by the District of Columbia. Rates for the DC PLUG initiative went into effect on February 7, 2018.	2024	Portion of asset funded by Pepco- Yes
Decommissioning the Regulatory Units	Represents estimated excess funds at the end of decommissioning the Regulatory Agreement Units. See below regarding **Decommissioning the Regulatory Agreement Units** for additional information.	Not currently being refunded.	No

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Dedicated facilities charge	Represents the timing difference between the recovery of certain transmission-related assets and their depreciable life.	Depreciable life of the related assets.	Yes
Deferred income taxes	Represents deferred income taxes that are recoverable or refundable through customer rates, primarily associated with accelerated depreciation, the equity component of AFUDC, and the effects of income tax rate changes, including those resulting from the TCJA.	Amounts are recoverable over the period in which the related deferred income taxes reverse, which is generally based on the expected life of the underlying assets. For TCJA, generally refunded over the remaining depreciable life of the underlying assets, except in certain jurisdictions where the commissions have approved a shorter refund period for certain assets not subject to IRS normalization rules.	No
Deferred storm costs	For Pepco, DPL, ACE, and BGE, amounts represent total incremental storm restoration costs incurred due to major storm events recoverable from customers in the Maryland and New Jersey jurisdictions.	Pepco - $1 million - 2024; $8 million to be determined in a future multi-year plan filed with MDPSC. DPL - 2027 ACE - 2026 BGE - $57 million - 2028; $27 million to be determined in the next multi-year plan filed with MDPSC.	Pepco, DPL, BGE - Yes ACE - No
Electric distribution formula rate annual reconciliations	Represents under/(over)-recoveries related to electric distribution service costs recoverable through ComEd's performance-based formula rate, which is updated annually with rates effective on January 1st.	2025	Yes
Electric distribution formula rate significant one-time events	Represents deferred distribution service costs related to ComEd's significant one-time events (e.g., storm costs), which are recovered over 5 years from date of the event.	2027	Yes

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Electric energy and natural gas costs	Represents under (over)-recoveries related to energy and gas supply related costs recoverable (refundable) under approved rate riders.	2025	DPL (Delaware), ACE - Yes ComEd, PECO, BGE, Pepco, DPL (Maryland) - No
Energy efficiency and demand response programs	Includes under (over)-recoveries of costs incurred related to energy efficiency programs and demand response programs and recoverable costs associated with customer direct load control and energy efficiency and conservation programs that are being recovered from customers.	PECO - 2025 BGE - 2030 Pepco, DPL - 2030 ACE - 2032	BGE, Pepco (Maryland), DPL (Maryland) - See above regarding **EmPOWER Maryland Cost Recovery** for additional information DPL (Delaware), Pepco (District of Columbia) - No ACE - Yes PECO - Yes on capital investment recovered through this mechanism
Energy efficiency costs	Represents ComEd's costs recovered through the energy efficiency formula rate tariff and the reconciliation of the difference of the revenue requirement in effect for the prior year and the revenue requirement based on actual prior year costs. Deferred energy efficiency costs are recovered over the weighted average useful life of the related energy measure.	2035	Yes

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Fair value of long-term debt	Represents the difference between the carrying value and fair value of long-term debt of BGE, recorded at Exelon, and PHI of $101 million and $385 million, respectively, as of December 31, 2023, and $107 million and $414 million, respectively, as of December 31, 2022, as of the 2016 PHI and 2012 Constellation merger dates.	Exelon - 2036 PHI - 2045	No
Fair value of PHI's unamortized energy contracts	Represents the regulatory assets recorded at Exelon and PHI offsetting the fair value adjustment related to Pepco's, DPL's, and ACE's electricity and natural gas energy supply contracts recorded at PHI as of the PHI merger date.	2036	No
MGP remediation costs	Represents environmental remediation costs for MGP sites recorded at ComEd, PECO, and BGE.	ComEd and PECO - Over the expected remediation period. See Note 18 — Commitments and Contingencies for additional information. BGE - 10 years from when the remediation spend occurs.	ComEd and PECO - No BGE - Yes
Multi-year plan reconciliations	Represents under (over)-recoveries related to electric and gas distribution multi-year plans.	BGE - $60 million related to 2021 and 2022 reconciliations - 2025. $52 million related to 2023 reconciliations - to be determined in a future MDPSC order. Pepco (District of Columbia) - $16 million which has been reviewed by the DCPSC and will be finalized upon receipt of the DCPSC order in the pending multi-year plan filing. DPL (Maryland) - $7 million to be determined in next multi-year plan filed with MDPSC.	BGE - No Pepco (District of Columbia) - Yes DPL (Maryland) - Yes

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Pension and OPEB	Primarily reflects the Utility Registrants' and PHI's portion of deferred costs, including unamortized actuarial losses (gains) and prior service costs (credits), associated with Exelon's pension and OPEB plans, which are recovered through customer rates once amortized through net periodic benefit cost. Also, includes the Utility Registrants' and PHI's non–service cost components capitalized in Property, plant and equipment, net on their Consolidated Balance Sheets.	The deferred costs are amortized over the plan participants' average remaining service periods subject to applicable pension and OPEB cost recognition policies. See Note 14 — Retirement Benefits for additional information. The capitalized non–service cost components are amortized over the lives of the underlying assets.	No

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Pension and OPEB - merger related	The deferred costs established at the date of the 2012 Constellation and 2016 PHI mergers are amortized over the plan participants' average remaining service periods subject to applicable pension and OPEB cost recognition policies. The costs are recovered through customer rates once amortized through net periodic benefit cost. See Note 14 — Retirement Benefits for additional information. The capitalized non–service cost components are amortized over the lives of the underlying assets.	Legacy BGE - 2038 Legacy PHI - 2032	No
Removal costs	For BGE, Pepco, DPL, and ACE, the regulatory asset represents costs incurred to remove property, plant and equipment in excess of amounts received from customers through depreciation rates. For ComEd, BGE, Pepco, and DPL, the regulatory liability represents amounts received from customers through depreciation rates to cover the future non–legally required cost to remove property, plant and equipment, which reduces rate base for ratemaking purposes.	BGE, Pepco, DPL, and ACE - Asset is generally recovered over the life of the underlying assets. ComEd, BGE, Pepco, and DPL - Liability is reduced as costs are incurred.	Yes
Renewable energy	Represents the change in fair value of ComEd's 20-year floating-to-fixed long-term renewable energy swap contracts.	2032	No
Renewable portfolio standards costs	Represents an overcollection of funds from both ComEd customers and alternative retail electricity suppliers to be spent on future renewable energy procurements.	$1,033 million to be determined in pending ICC annual reconciliation for the Renewable Energy Adjustment rider. $69 million to be determined based on the LTRRPP developed by the IPA.	No
Stranded costs	Represents overcollection of a customer surcharge collected by ACE to fund principal and interest payments on Transition Bonds of ACE Transition Funding that securitized such costs.	2023	No

Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Transmission formula rate annual reconciliations	Represents under (over)-recoveries related to transmission service costs recoverable through the Utility Registrants' FERC formula rates, which are updated annually with rates effective each June 1st.	2025	Yes
Under (over) - recovered revenue decoupling	Represents electric and / or gas distribution costs recoverable from or refundable to customers under decoupling mechanisms.	BGE - 2025 Pepco (Maryland) - $10 million - 2024 Pepco (District of Columbia) - $90 million to be determined in the next multi-year plan filed with DCPSC. DPL - 2024 ACE - 2024	BGE, Pepco, DPL, ACE - No
Under-recovered credit loss expense	For ComEd and ACE, amounts represent the difference between annual credit loss expense and revenues collected in rates through ICC and NJBPU-approved riders. The difference between net credit loss expense and revenues collected through the rider each calendar year for ComEd is recovered over a twelve-month period beginning in June of the following calendar year. ACE intends to recover from June through May of each respective year, subject to approval of the NJBPU.	ComEd - 2024 ACE - To be determined in pending Societal Benefits Rider filing with NJBPU.	No
Universal service fund charge under-recovery - Electric	Represents under-recovery of electric supply and distribution revenue shortfalls net of base rate recovery related to PECO's Universal Service programs, which are designed to provide affordable bills for electric service to low-income, residential customers based on individual household needs.	PECO - To be determined in the annual adjustment and reconciliation as approved by the PAPUC.	No
Zero emission credit	Represents ZEC procurement costs and any reasonable costs ComEd has incurred to implement and comply with the ZEC procurement process.	ComEd - Over 9 months starting with the September billing period and ending with the following May billing period.	ComEd - No

Decommissioning the Regulatory Agreement Units

The regulatory agreements with the ICC and PAPUC dictate obligations related to the shortfall or excess of NDT funds necessary for decommissioning the former ComEd units on a unit-by-unit basis and the former PECO units in total.

For the former PECO units, given the symmetric settlement provisions that allow for continued recovery of decommissioning costs from PECO customers in the event of a shortfall and the obligation for Constellation to ultimately return excess funds to PECO customers (on an aggregate basis for all seven units), decommissioning-related activities prior to separation on February 1, 2022 were generally offset in Exelon's Consolidated

Statements of Operations and Comprehensive Income with an offsetting adjustment to the regulatory liabilities or regulatory assets and an equal noncurrent affiliate receivable from or payable to Generation at PECO. Following the separation, decommissioning-related activities result in an adjustment to the Receivable related to Regulatory Agreement Units and an equal adjustment to the regulatory liabilities or regulatory assets at PECO.

For the former ComEd units, given no further recovery from ComEd customers is permitted and Constellation retains an obligation to ultimately return excess funds to ComEd customers (on a unit-by-unit basis), to the extent excess funds are expected for each unit, decommissioning-related activities prior to separation on February 1, 2022 were offset in the Consolidated Statements of Operations and Comprehensive Income with an offsetting adjustment to regulatory liabilities and noncurrent affiliate receivable from Generation at ComEd. Following the separation, decommissioning-related activities result in an adjustment to the Receivable related to Regulatory Agreement Units and an equal adjustment to the regulatory liabilities at ComEd. However, given the asymmetric settlement provision that does not allow for continued recovery from ComEd customers in the event of a shortfall, recognition of a regulatory asset at ComEd is not permissible.

Capitalized Ratemaking Amounts Not Recognized

The following table presents authorized amounts capitalized for ratemaking purposes related to earnings on shareholders' investment that are not recognized for financial reporting purposes in the Registrants' Consolidated Balance Sheets. These amounts will be recognized as revenues in the related Consolidated Statements of Operations and Comprehensive Income in the periods they are billable to the Utility Registrants' customers. PECO had no related amounts at December 31, 2023 and December 31, 2022

	Exelon	ComEd[a]	BGE[b]	PHI	Pepco[c]	DPL[c]	ACE[d]
December 31, 2023	$ 110	$ 32	$ 33	$ 45	$ 34	$ 1	$ 10
December 31, 2022	57	8	28	21	18	2	1

(a) Reflects ComEd's unrecognized equity returns earned for ratemaking purposes on its energy efficiency and electric distribution formula rate regulatory assets.
(b) BGE's amount capitalized for ratemaking purposes primarily relates to earnings on shareholders' investment on their AMI programs and on investments in rate base included in the multi-year plan reconciliations.
(c) Pepco's and DPL's authorized amounts capitalized for ratemaking purposes relate to earnings on shareholders' investment on their respective AMI programs and Energy efficiency and demand response programs, and for Pepco District of Columbia revenue decoupling program. The earnings on energy efficiency are on Pepco District of Columbia and DPL Delaware programs only.
(d) ACE's authorized amounts capitalized for ratemaking purposes primarily relate to earnings on shareholders' investment on AMI programs.

4. Revenue from Contracts with Customers (All Registrants)

The Registrants recognize revenue from contracts with customers to depict the transfer of goods or services to customers at an amount that the entities expect to be entitled to in exchange for those goods or services. The primary sources of revenue include regulated electric and gas tariff sales, distribution, and transmission services. The performance obligations, revenue recognition, and payment terms associated with these sources of revenue are further discussed in the table below. There are no significant financing components for these sources of revenue and no variable consideration.

Unless otherwise noted, for each of the significant revenue categories and related performance obligations described below, the Registrants have the right to consideration from the customer in an amount that corresponds directly with the value transferred to the customer for the performance completed to date. Therefore, the Registrants generally recognize revenue in the amount for which they have the right to invoice the customer. As a result, there are generally no significant judgments used in determining or allocating the transaction price.

Revenue Source	Description	Performance Obligation	Timing of Revenue Recognition	Payment Terms
Regulated Electric and Gas Tariff Sales	Sales of electricity and electricity distribution services (the Utility Registrants) and natural gas and gas distribution services (PECO, BGE, and DPL) to residential, commercial, industrial, and governmental customers through regulated tariff rates approved by state regulatory commissions.	Delivery of electricity and/or natural gas.	Over time (each day) as the electricity and/or natural gas is delivered to customers. Tariff sales are generally considered daily contracts as customers can discontinue service at any time. [(a)]	Within the month following delivery of the electricity or natural gas to the customer.
Regulated Transmission Services	The Utility Registrants provide open access to their transmission facilities to PJM, which directs and controls the operation of these transmission facilities and accordingly compensates the Utility Registrants pursuant to filed tariffs at cost-based rates approved by FERC.	Various including (i) Network Integration Transmission Services (NITS), (ii) scheduling, system control and dispatch services, and (iii) access to the wholesale grid.	Over time utilizing output methods to measure progress towards completion. [(b)]	Paid weekly by PJM.

(a) Electric and natural gas utility customers have the choice to purchase electricity or natural gas from competitive electric generation and natural gas suppliers. While the Utility Registrants are required under state legislation to bill their customers for the supply and distribution of electricity and/or natural gas, they recognize revenue related only to the distribution services when customers purchase their electricity or natural gas from competitive suppliers.

(b) Passage of time is used for NITS and access to the wholesale grid and MWhs of energy transported over the wholesale grid is used for scheduling, system control and dispatch services.

The Utility Registrants do not incur any material costs to obtain or fulfill contracts with customers.

Contract Liabilities

The Registrants record contract liabilities when consideration is received or due prior to the satisfaction of the performance obligations. The Registrants record contract liabilities in Other current liabilities and Other noncurrent liabilities in the Registrants' Consolidated Balance Sheets.

On July 1, 2020, Pepco, DPL, and ACE each entered into a collaborative arrangement ("Agreement") with an unrelated owner and manager of communication infrastructure (the "Buyer"). Under this arrangement, Pepco, DPL, and ACE sold a 60% undivided interest in their respective portfolios of transmission tower attachment agreements with telecommunications companies to the Buyer, in addition to transitioning management of the day-to-day operations of the jointly-owned agreements to the Buyer for 35 years, while retaining the safe and reliable operation of its utility assets. In return, Pepco, DPL, and ACE will provide the Buyer limited access on the portion of the towers where the equipment resides for the purposes of managing the agreements for the benefit of Pepco, DPL, ACE, and the Buyer. Pursuant to the Agreement, Pepco, DPL, and ACE have the option ("Payment Option"), but not obligation, to sell two additional 10% undivided interests in the tower attachment agreements to the Buyer for specified consideration. In addition, for an initial period of three years and two, two-year extensions that are subject to certain conditions, the Buyer has the exclusive right to enter into new agreements with telecommunications companies and to receive a specified undivided percentage interest in those new agreements as set forth in the Agreement. Pepco, DPL, and ACE received cash and recorded contract liabilities as of July 1, 2020. The revenue attributable to this arrangement will be recognized as Electric operating revenues over the 35 years under the Agreement.

During the fourth quarter of 2023, Pepco, DPL, and ACE entered into an amendment to the Agreement ("Amendment") to modify the terms of the Payment Option and the conditions to exercise the exclusive right extensions. Concurrently, Pepco, DPL and ACE exercised both Payment Options which also triggered the extension of the exclusive right period until 2027. The Amendment and executed Payment Options represent a contract modification that is accounted for prospectively in accordance with authoritative guidance. Pepco, DPL and ACE received cash and recorded an increase to the contract liabilities as of December 31, 2023 as shown in the table below. The revenue will be recognized as Electric operating revenues over the remaining term of the Agreement (approximately 31 years).

The following table provides a rollforward of the contract liabilities reflected in Exelon's, PHI's, Pepco's, DPL's, and ACE'S Consolidated Balance Sheets. As of December 31, 2023, 2022, and 2021, ComEd's, PECO's, and BGE's contract liabilities were not material.

	Exelon[(a)]	PHI[(a)]	Pepco[(a)]	DPL[(a)]	ACE[(a)]
Balance at December 31, 2021	$ 109	$ 109	$ 87	$ 11	$ 11
Revenues recognized	(8)	(8)	(6)	(1)	(1)
Balance at December 31, 2022	$ 101	$ 101	$ 81	$ 10	$ 10
Consideration received	39	39	31	4	4
Revenues recognized	(7)	(7)	(5)	(1)	(1)
Balance at December 31, 2023	$ 133	$ 133	$ 107	$ 13	$ 13

(a) Revenues recognized in the years ended December 31, 2023 and 2022, were included in the contract liabilities at December 31, 2022 and 2021, respectively.

Transaction Price Allocated to Remaining Performance Obligations

The following table shows the amounts of future revenues expected to be recorded in each year for performance obligations that are unsatisfied or partially unsatisfied as of December 31, 2023. This disclosure only includes contracts for which the total consideration is fixed and determinable at contract inception. The average contract term varies by customer type and commodity but ranges from one month to several years.

This disclosure excludes the Utility Registrants' gas and electric tariff sales contracts and transmission revenue contracts as they generally have an original expected duration of one year or less and, therefore, do not contain any future, unsatisfied performance obligations to be included in this disclosure.

Year	Exelon	PHI	Pepco	DPL	ACE
2024	$ 8	$ 8	$ 6	$ 1	$ 1
2025	6	6	5	—	1
2026	6	6	5	—	1
2027	5	5	5	—	—
2028 and thereafter	108	108	86	12	10
Total	$ 133	$ 133	$ 107	$ 13	$ 13

Revenue Disaggregation

The Registrants disaggregate revenue recognized from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. See Note 5 — Segment Information for the presentation of the Registrant's revenue disaggregation.

5. Segment Information (All Registrants)

Operating segments for each of the Registrants are determined based on information used by the CODMs in deciding how to evaluate performance and allocate resources at each of the Registrants.

Note 5 — Segment Information

Exelon has six reportable segments, which include ComEd, PECO, BGE, and PHI's three reportable segments consisting of Pepco, DPL, and ACE. ComEd, PECO, BGE, Pepco, DPL, and ACE each represent a single reportable segment, and as such, no separate segment information is provided for these Registrants. Exelon, ComEd, PECO, BGE, Pepco, DPL, and ACE's CODMs evaluate the performance of and allocate resources to the segments based on net income.

The separation of Constellation Energy Corporation, including Generation and its subsidiaries, meets the criteria for discontinued operations and as such, results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. Furthermore, the reportable segment information related to the discontinued operations has been excluded from the tables presented below. See Note 2 — Discontinued Operations for additional information.

An analysis and reconciliation of the Registrants' reportable segment information to the respective information in the consolidated financial statements for the years ended December 31, 2023, 2022, and 2021 is as follows:

	ComEd	PECO	BGE	PHI	Other[a]	Intersegment Eliminations	Exelon
Operating revenues[b]:							
2023							
Electric revenues	$ 7,844	$ 3,202	$ 3,109	$ 5,812	$ —	$ (51)	$ 19,916
Natural gas revenues	—	692	918	205	—	(4)	1,811
Shared service and other revenues	—	—	—	9	1,759	(1,768)	—
Total operating revenues	$ 7,844	$ 3,894	$ 4,027	$ 6,026	$ 1,759	$ (1,823)	$ 21,727
2022							
Electric revenues	$ 5,761	$ 3,165	$ 2,871	$ 5,317	$ —	$ (31)	$ 17,083
Natural gas revenues	—	738	1,024	238	—	(5)	1,995
Shared service and other revenues	—	—	—	10	1,823	(1,833)	—
Total operating revenues	$ 5,761	$ 3,903	$ 3,895	$ 5,565	$ 1,823	$ (1,869)	$ 19,078
2021							
Electric revenues	$ 6,406	$ 2,659	$ 2,505	$ 4,860	$ —	$ (35)	$ 16,395
Natural gas revenues	—	539	836	168	—	—	1,543
Shared service and other revenues	—	—	—	13	2,213	(2,226)	—
Total operating revenues	$ 6,406	$ 3,198	$ 3,341	$ 5,041	$ 2,213	$ (2,261)	$ 17,938
Intersegment revenues[c]:							
2023	$ 16	$ 9	$ 9	$ 9	$ 1,750	$ (1,793)	$ —
2022	16	7	15	10	1,823	(1,865)	6
2021	41	21	31	13	2,203	(2,252)	57
Depreciation and amortization:							
2023	$ 1,403	$ 397	$ 654	$ 990	$ 62	$ —	$ 3,506
2022	1,323	373	630	938	61	—	3,325
2021	1,205	348	591	821	67	1	3,033
Operating expenses:							
2023	$ 6,038	$ 3,146	$ 3,245	$ 5,114	$ 1,991	$ (1,820)	$ 17,714
2022	4,218	3,102	3,376	4,734	2,093	(1,762)	15,761
2021	5,151	2,547	2,860	4,240	2,045	(1,587)	15,256
Interest expense, net:							
2023	$ 477	$ 201	$ 182	$ 323	$ 546	$ —	$ 1,729
2022	414	177	152	292	415	(3)	1,447
2021	389	161	138	267	335	(1)	1,289
Income taxes:							
2023	$ 314	$ 20	$ 133	$ 116	$ (207)	$ (2)	$ 374
2022	264	79	8	9	—	(11)	349
2021	172	12	(35)	42	8	(161)	38
Net income (loss) from continuing operations:							
2023	$ 1,090	$ 563	$ 485	$ 590	$ (380)	$ (20)	$ 2,328
2022	917	576	380	608	(393)	(34)	2,054
2021	742	504	408	561	(156)	(443)	1,616
Capital expenditures:							
2023	$ 2,576	$ 1,426	$ 1,367	$ 1,988	$ 54	$ —	$ 7,411
2022	2,506	1,349	1,262	1,709	95	—	6,921
2021	2,387	1,240	1,226	1,720	67	—	6,640
Total assets:							
2023	$ 42,827	$ 15,595	$14,184	$ 26,903	$ 6,374	$ (4,337)	$101,546
2022	39,661	14,502	13,350	26,082	6,014	(4,260)	95,349

(a) Other primarily includes Exelon's corporate operations, shared service entities, and other financing and investment activities.
(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in Taxes other than income taxes in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 22 — Supplemental Financial Information for additional information on total utility taxes.
(c) See Note 23 — Related Party Transactions for additional information on intersegment revenues.

PHI:

	Pepco	DPL	ACE	Other[a]	Intersegment Eliminations	PHI
Operating revenues[b]:						
2023						
Electric revenues	$ 2,824	$ 1,483	$ 1,522	$ 1	$ (18)	$ 5,812
Natural gas revenues	—	205	—	—	—	205
Shared service and other revenues	—	—	—	422	(413)	9
Total operating revenues	$ 2,824	$ 1,688	$ 1,522	$ 423	$ (431)	$ 6,026
2022						
Electric revenues	$ 2,531	$ 1,357	$ 1,431	$ —	$ (2)	$ 5,317
Natural gas revenues	—	238	—	—	—	238
Shared service and other revenues	—	—	—	391	(381)	10
Total operating revenues	$ 2,531	$ 1,595	$ 1,431	$ 391	$ (383)	$ 5,565
2021						
Electric revenues	$ 2,274	$ 1,212	$ 1,388	$ —	$ (14)	$ 4,860
Natural gas revenues	—	168	—	—	—	168
Shared service and other revenues	—	—	—	379	(366)	13
Total operating revenues	$ 2,274	$ 1,380	$ 1,388	$ 379	$ (380)	$ 5,041
Intersegment revenues[c]:						
2023	$ 9	$ 8	$ 2	$ 422	$ (432)	$ 9
2022	5	6	2	380	(383)	10
2021	5	7	2	380	(381)	13
Depreciation and amortization:						
2023	$ 441	$ 244	$ 283	$ 22	$ —	$ 990
2022	417	232	261	28	—	938
2021	403	210	179	29	—	821
Operating expenses:						
2023	$ 2,377	$ 1,420	$ 1,314	$ 434	$ (431)	$ 5,114
2022	2,140	1,359	1,225	393	(383)	4,734
2021	1,871	1,161	1,201	388	(381)	4,240
Interest expense, net:						
2023	$ 165	$ 74	$ 72	$ 12	$ —	$ 323
2022	150	66	66	9	1	292
2021	140	61	58	8	—	267
Income taxes:						
2023	$ 51	$ 35	$ 36	$ (6)	$ —	$ 116
2022	(9)	14	3	1	—	9
2021	15	42	(13)	(2)	—	42
Net income (loss):						
2023	$ 306	$ 177	$ 120	$ (13)	$ —	$ 590
2022	305	169	148	(14)	—	608
2021	296	128	146	(9)	—	561
Capital expenditures:						
2023	$ 957	$ 562	$ 460	$ 9	$ —	$ 1,988
2022	874	430	398	7	—	1,709
2021	843	429	445	3	—	1,720
Total assets:						
2023	$ 11,194	$ 5,966	$ 5,157	$ 4,627	$ (41)	$ 26,903
2022	10,657	5,802	4,979	4,677	(33)	26,082

(a) Other primarily includes PHI's corporate operations, shared service entities, and other financing and investment activities.

(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in Taxes other than income taxes in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 22 — Supplemental Financial Information for additional information on total utility taxes.
(c) Includes intersegment revenues with ComEd, PECO, and BGE, which are eliminated at Exelon.

Electric and Gas Revenue by Customer Class (Utility Registrants):

The following tables disaggregate the Registrants' revenues recognized from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. For the Utility Registrants, the disaggregation of revenues reflects the two primary utility services of electric sales and natural gas sales (where applicable), with further disaggregation of these tariff sales provided by major customer groups. Exelon's disaggregated revenues are consistent with the Utility Registrants, but exclude any intercompany revenues.

	2023						
Revenues from contracts with customers	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
Electric revenues							
Residential	$ 3,565	$ 2,090	$ 1,765	$ 2,845	$ 1,236	$ 827	$ 782
Small commercial & industrial	1,857	526	331	651	176	246	229
Large commercial & industrial	824	249	528	1,420	1,087	126	207
Public authorities & electric railroads	51	30	29	67	34	16	17
Other[a]	965	298	402	760	258	250	260
Total electric revenues[b]	$ 7,262	$ 3,193	$ 3,055	$ 5,743	$ 2,791	$ 1,465	$ 1,495
Natural gas revenues							
Residential	$ —	$ 473	$ 568	$ 122	$ —	$ 122	$ —
Small commercial & industrial	—	172	100	53	—	53	—
Large commercial & industrial	—	1	161	4	—	4	—
Transportation	—	27	—	16	—	16	—
Other[c]	—	17	37	10	—	10	—
Total natural gas revenues[d]	$ —	$ 690	$ 866	$ 205	$ —	$ 205	$ —
Total revenues from contracts with customers	$ 7,262	$ 3,883	$ 3,921	$ 5,948	$ 2,791	$ 1,670	$ 1,495
Other revenues							
Revenues from alternative revenue programs	$ 556	$ (7)	$ 84	$ 64	$ 22	$ 15	$ 27
Other electric revenues[e]	26	16	16	14	11	3	—
Other natural gas revenues[e]	—	2	6	—	—	—	—
Total other revenues	$ 582	$ 11	$ 106	$ 78	$ 33	$ 18	$ 27
Total revenues for reportable segments	$ 7,844	$ 3,894	$ 4,027	$ 6,026	$ 2,824	$ 1,688	$ 1,522

	2022						
Revenues from contracts with customers	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
Electric revenues							
Residential	$ 3,304	$ 2,026	$ 1,564	$ 2,590	$ 1,076	$ 750	$ 764
Small commercial & industrial	1,173	521	327	607	155	235	217
Large commercial & industrial	5	299	567	1,422	1,083	137	202
Public authorities & electric railroads	29	30	27	64	34	15	15
Other[a]	955	271	398	695	208	227	252
Total electric revenues[b]	$ 5,466	$ 3,147	$ 2,883	$ 5,378	$ 2,556	$ 1,364	$ 1,450
Natural gas revenues							
Residential	$ —	$ 512	$ 678	$ 127	$ —	$ 127	$ —
Small commercial & industrial	—	186	111	55	—	55	—
Large commercial & industrial	—	—	183	12	—	12	—
Transportation	—	26	—	15	—	15	—
Other[c]	—	12	68	29	—	29	—
Total natural gas revenues[d]	$ —	$ 736	$ 1,040	$ 238	$ —	$ 238	$ —
Total revenues from contracts with customers	$ 5,466	$ 3,883	$ 3,923	$ 5,616	$ 2,556	$ 1,602	$ 1,450
Other revenues							
Revenues from alternative revenue programs	$ 267	$ 2	$ (47)	$ (59)	$ (31)	$ (9)	$ (19)
Other electric revenues[e]	28	16	14	8	6	2	—
Other natural gas revenues[e]	—	2	5	—	—	—	—
Total other revenues	$ 295	$ 20	$ (28)	$ (51)	$ (25)	$ (7)	$ (19)
Total revenues for reportable segments	$ 5,761	$ 3,903	$ 3,895	$ 5,565	$ 2,531	$ 1,595	$ 1,431

	2021						
Revenues from contracts with customers	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
Electric revenues							
Residential	$ 3,233	$ 1,704	$ 1,375	$ 2,441	$ 1,003	$ 694	$ 744
Small commercial & industrial	1,571	422	267	521	135	193	193
Large commercial & industrial	559	243	459	1,123	844	94	185
Public authorities & electric railroads	45	31	27	58	31	14	13
Other[a]	926	229	371	634	205	201	229
Total electric revenues[b]	$ 6,334	$ 2,629	$ 2,499	$ 4,777	$ 2,218	$ 1,196	$ 1,364
Natural gas revenues							
Residential	$ —	$ 372	$ 518	$ 97	$ —	$ 97	$ —
Small commercial & industrial	—	136	83	42	—	42	—
Large commercial & industrial	—	—	147	7	—	7	—
Transportation	—	24	—	14	—	14	—
Other[c]	—	7	68	8	—	8	—
Total natural gas revenues[d]	$ —	$ 539	$ 816	$ 168	$ —	$ 168	$ —
Total revenues from contracts with customers	$ 6,334	$ 3,168	$ 3,315	$ 4,945	$ 2,218	$ 1,364	$ 1,364
Other revenues							
Revenues from alternative revenue programs	$ 42	$ 26	$ 12	$ 91	$ 53	$ 14	$ 24
Other electric revenues[e]	30	4	11	5	3	2	—
Other natural gas revenues[e]	—	—	3	—	—	—	—
Total other revenues	$ 72	$ 30	$ 26	$ 96	$ 56	$ 16	$ 24
Total revenues for reportable segments	$ 6,406	$ 3,198	$ 3,341	$ 5,041	$ 2,274	$ 1,380	$ 1,388

(a) Includes revenues from transmission revenue from PJM, wholesale electric revenue and mutual assistance revenue.
(b) Includes operating revenues from affiliates in 2023, 2022, and 2021 respectively of:
- $16 million, $16 million, and $41 million at ComEd
- $7 million, $7 million, and $20 million at PECO
- $6 million, $7 million, and $13 million at BGE
- $9 million, $10 million, and $13 million at PHI
- $9 million, $5 million, and $5 million at Pepco
- $8 million, $6 million, and $7 million at DPL
- $2 million, $2 million, and $2 million at ACE

(c) Includes revenues from off-system natural gas sales.
(d) Includes operating revenues from affiliates in 2023, 2022, and 2021 respectively of:
- $2 million, less than $1 million, and $1 million at PECO
- $3 million, $8 million, and $18 million at BGE

(e) Includes late payment charge revenues.

6. Accounts Receivable (All Registrants)

Allowance for Credit Losses on Accounts Receivable

The following tables present the rollforward of Allowance for credit losses on Customer accounts receivable.

	Year Ended December 31, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2022	$ 327	$ 59	$ 105	$ 54	$ 109	$ 47	$ 21	$ 41
Plus: Current period provision for expected credit losses[(a)(b)(c)]	170	53	48	26	43	23	9	11
Less: Write-offs[(d)(e)(f)], net of recoveries[(g)]	180	43	58	34	45	18	11	16
Balance at December 31, 2023	$ 317	$ 69	$ 95	$ 46	$ 107	$ 52	$ 19	$ 36

	Year Ended December 31, 2022							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2021	$ 320	$ 73	$ 105	$ 38	$ 104	$ 37	$ 18	$ 49
Plus: Current period provision for expected credit losses	176	29	52	37	58	31	12	15
Less: Write-offs, net of recoveries	169	43	52	21	53	21	9	23
Balance at December 31, 2022	$ 327	$ 59	$ 105	$ 54	$ 109	$ 47	$ 21	$ 41

(a) For ComEd, the change in current period provision for expected credit losses is primarily a result of increased receivable balances.
(b) For BGE, DPL and ACE, the change in current period provision for expected credit losses is primarily a result of decreased receivable balances.
(c) For Pepco the change in current period provision for expected credit losses is primarily a result of receivables increasing at a slower pace versus the prior period.
(d) For PECO and BGE the change in write-offs is primarily a result of increased disconnection activities.
(e) For PHI, ACE, and Pepco, write-offs are primarily attributable to the termination of the moratorium in the service territory for each operating company, which beginning in 2020, prevented customer disconnections for non-payment. Disconnection activities across the service territories resumed from September 2020 through January 2022, resulting in write-offs of aged accounts receivable.
(f) For DPL, the change in write-offs is primarily attributable to unfavorable customer payment behavior.
(g) Recoveries were not material to the Registrants.

The following tables present the rollforward of Allowance for credit losses on Other accounts receivable.

Note 6 — Accounts Receivable

	Year Ended December 31, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2022	$ 82	$ 17	$ 9	$ 10	$ 46	$ 25	$ 7	$ 14
Plus: Current period provision for expected credit losses	21	5	4	5	7	3	1	3
Less: Write-offs, net of recoveries[(a)]	21	5	5	8	3	—	—	3
Balance at December 31, 2023	$ 82	$ 17	$ 8	$ 7	$ 50	$ 28	$ 8	$ 14

	Year Ended December 31, 2022							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2021	$ 72	$ 17	$ 7	$ 9	$ 39	$ 16	$ 8	$ 15
Plus: Current period provision (benefit) for expected credit losses	26	3	6	6	11	9	(1)	3
Less: Write-offs, net of recoveries	16	3	4	5	4	—	—	4
Balance at December 31, 2022	$ 82	$ 17	$ 9	$ 10	$ 46	$ 25	$ 7	$ 14

(a) Recoveries were not material to the Registrants.

Unbilled Customer Revenue

The following table provides additional information about unbilled customer revenues recorded in the Registrants' Consolidated Balance Sheets as of December 31, 2023 and 2022.

	Unbilled customer revenues[(a)]							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
December 31, 2023	$ 991	$ 351	$ 185	$ 208	$ 247	$ 109	$ 64	$ 74
December 31, 2022	912	223	219	247	223	103	74	46

(a) Unbilled customer revenues are classified in Customer accounts receivables, net in the Registrants' Consolidated Balance Sheets.

Other Purchases of Customer and Other Accounts Receivables

The Utility Registrants are required, under separate legislation and regulations in Illinois, Pennsylvania, Maryland, District of Columbia, and New Jersey, to purchase certain receivables from alternative retail electric and, as applicable, natural gas suppliers that participate in the utilities' consolidated billing. The following tables present the total receivables purchased.

	Total receivables purchased							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Year ended December 31, 2023	$4,056	$ 942	$1,099	$ 804	$1,211	$ 782	$ 228	$ 201
Year ended December 31, 2022	3,981 [(a)]	965	1,081	792 [(a)]	1,143	723	205	215

(a) Includes $4 million of receivables purchased from Generation prior to the separation on February 1, 2022 for the year ended December 31, 2022.

7. Property, Plant, and Equipment (All Registrants)

The following tables present a summary of property, plant, and equipment by asset category at December 31, 2023 and 2022:

Asset Category	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
December 31, 2023								
Electric—transmission and distribution	$ 74,102	$ 34,834	$ 11,295	$ 10,537	$ 19,153	$ 12,429	$ 5,590	$ 5,659
Gas—transportation and distribution	8,818	—	3,905	4,428	748	—	905	—
Common—electric and gas	2,510	—	1,083	1,275	243	—	211	—
Construction work in progress	4,589	1,369	879	561	1,762	1,226	345	189
Other property, plant, and equipment[(a)]	825	107	63	45	120	59	39	28
Total property, plant, and equipment	90,844	36,310	17,225	16,846	22,026	13,714	7,090	5,876
Less: accumulated depreciation	17,251	7,222	4,097	4,744	3,175	4,284	1,925	1,684
Property, plant, and equipment, net	$ 73,593	$ 29,088	$ 13,128	$ 12,102	$ 18,851	$ 9,430	$ 5,165	$ 4,192
December 31, 2022								
Electric—transmission and distribution	$ 69,034	$ 32,906	$ 10,719	$ 9,993	$ 17,165	$ 11,270	$ 5,231	$ 5,219
Gas—transportation and distribution	8,126	—	3,619	4,074	696	—	855	—
Common—electric and gas	2,521	—	1,071	1,317	228	—	206	—
Construction work in progress	4,534	1,174	744	487	2,101	1,526	271	296
Other property, plant and equipment[(a)]	791	106	50	50	114	65	29	26
Total property, plant and equipment	85,006	34,186	16,203	15,921	20,304	12,861	6,592	5,541
Less: accumulated depreciation	15,930	6,673	4,078	4,583	2,618	4,067	1,772	1,551
Property, plant, and equipment, net	$ 69,076	$ 27,513	$ 12,125	$ 11,338	$ 17,686	$ 8,794	$ 4,820	$ 3,990

(a) Primarily composed of land and non-utility property.

The following table presents the average service life for each asset category in number of years:

	Average Service Life (years)							
Asset Category	**Exelon**	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
Electric - transmission and distribution	5-80	5-80	5-70	5-80	5-75	5-75	5-75	5-75
Gas - transportation and distribution	5-80	N/A	5-70	5-80	5-75	N/A	5-75	N/A
Common - electric and gas	4-75	N/A	5-55	4-50	5-75	N/A	5-75	N/A
Other property, plant, and equipment	4-61	30-50	50	20-50	10-43	10-33	10-43	13-15

The following table presents the annual depreciation rates for each asset category.

	Annual Depreciation Rates							
	Exelon	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
December 31, 2023								
Electric—transmission and distribution	2.90%	3.02%	2.30%	2.89%	3.03%	2.51%	3.29%	3.66%
Gas—transportation and distribution	2.15%	N/A	1.85%	2.56%	1.44%	N/A	1.44%	N/A
Common—electric and gas	7.77%	N/A	6.87%	8.68%	7.18%	N/A	8.79%	N/A
December 31, 2022								
Electric—transmission and distribution	2.87%	3.00%	2.29%	2.82%	2.96%	2.58%	3.08%	3.38%
Gas—transportation and distribution	2.14%	N/A	1.87%	2.53%	1.45%	N/A	1.45%	N/A
Common—electric and gas	7.54%	N/A	6.31%	8.20%	8.96%	N/A	10.03%	N/A
December 31, 2021								
Electric—transmission and distribution	2.81%	2.94%	2.28%	2.80%	2.87%	2.56%	2.86%	3.21%
Gas—transportation and distribution	2.13%	N/A	1.84%	2.54%	1.47%	N/A	1.47%	N/A
Common—electric and gas	7.31%	N/A	6.34%	7.88%	8.33%	N/A	8.69%	N/A

AFUDC

The following table summarizes credits to AFUDC by year:

	For the Years Ended December 31,		
	2023	**2022**	**2021**
Exelon	$ 256	$ 215	$ 189
ComEd	72	54	47
PECO	46	42	34
BGE	25	29	36
PHI	113	90	72
Pepco	85	69	59
DPL	16	10	8
ACE	12	11	5

See Note 1 — Significant Accounting Policies for additional information regarding property, plant and equipment policies. See Note 16 — Debt and Credit Agreements for additional information regarding Exelon's, ComEd's, PECO's, Pepco's, DPL's, and ACE's property, plant and equipment subject to mortgage liens.

8. Jointly Owned Electric Utility Plant (Exelon, PECO, PHI, DPL, and ACE)

PECO's, DPL's, and ACE's material undivided ownership interests in transmission facilities jointly owned with non-affiliated utilities as of December 31, 2023 and 2022 were as follows:

	Transmission
	NJ/DE[(a)]
Operator	**PSEG/DPL**
Ownership interest	various
Exelon's share at December 31, 2023:	
Plant in service	$ 103
Accumulated depreciation	56
Construction work in progress	2
Exelon's share at December 31, 2022:	
Plant in service	$ 103
Accumulated depreciation	56
Construction work in progress	—

(a) PECO, DPL, and ACE own a 42.55%, 1%, and 13.9% share, respectively, in 151.3 miles of 500kV lines located in New Jersey and in the Salem substation. PECO, DPL, and ACE also own a 42.55%, 7.45%, and 7.45% share, respectively, in 2.5 miles of 500kV line located over the Delaware River. ACE also has a 21.78% share in a 500kV New Freedom Switching substation.

Certain facilities are fully owned by Exelon through its 100% ownership in PECO, DPL, and ACE. These facilities are operated by Exelon Registrants. PECO's, DPL's, and ACE's material undivided ownership interests in Exelon owned facilities as of December 31, 2023 and 2022 were as follows:

	PECO	PHI	DPL	ACE
Ownership interest	56 %	44 %	27 %	17 %
Registrant's share at December 31, 2023:				
Plant in service	$ 7	$ 6	$ 4	$ 2
Accumulated depreciation	—	—	—	—
Construction work in progress	70	58	36	22
Registrant's share at December 31, 2022:				
Plant in service	$ 7	$ 6	$ 4	$ 2
Accumulated depreciation	—	—	—	—
Construction work in progress	41	36	22	14

PECO's, DPL's, and ACE's undivided ownership interests presented in the tables above are financed with their funds and all operations are accounted for as if such participating interests were wholly owned facilities. PECO's, DPL's, and ACE's share of direct expenses of the jointly owned plants are included in Operating and maintenance expenses in Exelon's, PECO's, PHI's, DPL's, and ACE's Consolidated Statements of Operations and Comprehensive Income.

9. Asset Retirement Obligations (All Registrants)

The Registrants have AROs primarily associated with the abatement and disposal of equipment and buildings contaminated with asbestos and PCBs. See Note 1 — Significant Accounting Policies for additional information on the Registrants' accounting policy for AROs.

The following table provides a rollforward of the AROs reflected in the Registrants' Consolidated Balance Sheets from December 31, 2021 to December 31, 2023:

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
AROs at December 31, 2021	$ 274	$ 146	$ 29	$ 26	$ 70	$ 45	$ 16	$ 9
Revisions in estimates of cash flows	(8)	2	(1)	3	(13)	(8)	(3)	(2)
Accretion expense[(a)]	8	4	1	1	2	2	—	—
Payments	(3)	(2)	(1)	—	—	—	—	—
AROs at December 31, 2022	$ 271	$ 150	$ 28	$ 30	$ 59	$ 39	$ 13	$ 7
Revisions in estimates of cash flows	(9)	(3)	(1)	1	(6)	(4)	(1)	(1)
Accretion expense[(a)]	11	6	1	1	3	2	1	—
Payments	(4)	(3)	(1)	—	—	—	—	—
AROs at December 31, 2023	$ 269	$ 150	$ 27	$ 32	$ 56	$ 37	$ 13	$ 6

(a) For ComEd, PECO, BGE, DPL and ACE, the majority of the accretion is recorded as an increase to a regulatory asset due to the associated regulatory treatment.

10. Leases (All Registrants)

Lessee

The Registrants have operating and finance leases for which they are the lessees. The following tables outline the significant types of leases at each of the Registrants and other terms and conditions of the lease agreements as of December 31, 2023. Exelon, ComEd, PECO, and BGE did not have material finance leases in 2023, 2022, or 2021.

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Real estate	•	•	•	•	•	•	•	•
Vehicles and equipment	•			•	•	•	•	•

(in years)	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Remaining lease terms	1-82	1-29	1-10	1-82	1-8	1-8	1-8	1-7
Options to extend the term	3-30	N/A	N/A	3-5	3-30	5	3-30	5
Options to terminate within	9	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The components of operating lease costs were as follows:

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the year ended December 31, 2023								
Operating lease costs	$ 58	$ 1	$ —	$ 5	$ 43	$ 11	$ 11	$ 6
Variable lease costs	9	1	—	—	3	1	1	1
Total lease costs[(a)]	$ 67	$ 2	$ —	$ 5	$ 46	$ 12	$ 12	$ 7
For the year ended December 31, 2022								
Operating lease costs	$ 66	$ 2	$ —	$ 15	$ 42	$ 10	$ 12	$ 6
Variable lease costs	8	1	—	—	2	1	1	1
Total lease costs[(a)]	$ 74	$ 3	$ —	$ 15	$ 44	$ 11	$ 13	$ 7
For the year ended December 31, 2021								
Operating lease costs	$ 84	$ 3	$ —	$ 30	$ 43	$ 10	$ 12	$ 6
Variable lease costs	7	1	—	1	1	—	—	—
Total lease costs[(a)]	$ 91	$ 4	$ —	$ 31	$ 44	$ 10	$ 12	$ 6

(a) Excludes sublease income recorded at Exelon, PHI, and DPL of $4 million for the years ended December 31, 2023, 2022, and 2021.

The components of financing lease costs were as follows:

	PHI	Pepco	DPL	ACE
For the year ended December 31, 2023				
Amortization of ROU asset	$ 16	$ 6	$ 6	$ 4
Interest on lease liabilities	6	2	2	1
Total finance lease cost	$ 22	$ 8	$ 8	$ 5
For the year ended December 31, 2022				
Amortization of ROU asset	$ 14	$ 5	$ 6	$ 3
Interest on lease liabilities	4	1	2	1
Total finance lease cost	$ 18	$ 6	$ 8	$ 4
For the year ended December 31, 2021				
Amortization of ROU asset	$ 11	$ 4	$ 4	$ 3
Interest on lease liabilities	2	1	1	—
Total finance lease cost	$ 13	$ 5	$ 5	$ 3

The following tables provide additional information regarding the presentation of operating and finance lease ROU assets and lease liabilities within the Registrants' Consolidated Balance Sheets:

Combined Notes to Consolidated Financial Statements
(Dollars in millions, except per share data unless otherwise noted)

Note 10 — Leases

	Operating Leases							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
At December 31, 2023								
Operating lease ROU assets								
Other deferred debits and other assets	$ 257	$ —	$ 1	$ 29	$ 152	$ 31	$ 32	$ 8
Operating lease liabilities								
Other current liabilities	$ 38	$ —	$ —	$ 4	$ 30	$ 5	$ 7	$ 3
Other deferred credits and other liabilities	248	—	—	17	141	30	36	6
Total operating lease liabilities	$ 286	$ —	$ —	$ 21	$ 171	$ 35	$ 43	$ 9
At December 31, 2022								
Operating lease ROU assets								
Other deferred debits and other assets	$ 265	$ 2	$ 1	$ 2	$ 180	$ 36	$ 39	$ 9
Operating lease liabilities								
Other current liabilities	$ 40	$ 2	$ —	$ —	$ 31	$ 6	$ 8	$ 3
Other deferred credits and other liabilities	266	—	1	4	167	34	42	7
Total operating lease liabilities	$ 306	$ 2	$ 1	$ 4	$ 198	$ 40	$ 50	$ 10

	Finance Leases			
	PHI	Pepco	DPL	ACE
At December 31, 2023				
Finance lease ROU assets				
Plant, property and equipment, net	$ 72	$ 25	$ 28	$ 18
Finance lease liabilities				
Long-term debt due within one year	$ 15	$ 5	$ 6	$ 4
Long-term debt	59	21	23	15
Total finance lease liabilities	$ 74	$ 26	$ 29	$ 19
At December 31, 2022				
Finance lease ROU assets				
Plant, property and equipment, net	$ 74	$ 25	$ 31	$ 18
Finance lease liabilities				
Long-term debt due within one year	$ 12	$ 4	$ 5	$ 3
Long-term debt	64	21	27	16
Total finance lease liabilities	$ 76	$ 25	$ 32	$ 19

Future minimum lease payments for operating and finance leases as of December 31, 2023 were as follows:

	Operating Leases							
Year	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
2024	$ 49	$ —	$ —	$ 4	$ 36	$ 7	$ 9	$ 3
2025	47	—	—	4	34	5	8	3
2026	43	—	—	4	30	5	5	1
2027	41	—	—	2	30	4	6	1
2028	41	—	—	2	30	4	6	1
Remaining years	130	—	—	22	40	16	21	1
Total	351	—	—	38	200	41	55	10
Interest	65	—	—	17	29	6	12	1
Total operating lease liabilities	$ 286	$ —	$ —	$ 21	$ 171	$ 35	$ 43	$ 9

	Finance Leases			
Year	PHI	Pepco	DPL	ACE
2024	$ 16	$ 6	$ 6	$ 4
2025	16	6	6	4
2026	16	6	6	4
2027	14	5	6	3
2028	10	3	4	3
Remaining years	8	2	3	3
Total	80	28	31	21
Interest	6	2	2	2
Total finance lease liabilities	$ 74	$ 26	$ 29	$ 19

The weighted average remaining lease terms, in years, for operating and finance leases were as follows:

	Operating Leases							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
At December 31, 2023	8.8	1.8	5.0	17.1	6.1	7.6	7.4	3.2
At December 31, 2022	9.5	1.0	5.5	70.9	6.8	8.1	7.9	3.3

	Finance Leases			
	PHI	Pepco	DPL	ACE
At December 31, 2023	4.9	4.9	4.8	5.1
At December 31, 2022	5.5	5.4	5.5	5.6

The weighted average discount rates for operating and finance leases were as follows:

	Operating Leases							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
At December 31, 2023	4.0 %	0.7 %	2.5 %	5.0 %	4.2 %	4.1 %	4.0 %	3.6 %
At December 31, 2022	3.9 %	2.6 %	2.3 %	4.5 %	4.2 %	4.0 %	4.0 %	3.3 %

	Finance Leases			
	PHI	Pepco	DPL	ACE
At December 31, 2023	2.7 %	2.7 %	2.6 %	2.8 %
At December 31, 2022	2.3 %	2.3 %	2.3 %	2.4 %

Cash paid for amounts included in the measurement of operating and finance lease liabilities were as follows:

	Operating Cash Flows from Operating Leases							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the year ended December 31, 2023	$ 65	$ 2	$ —	$ 15	$ 37	$ 7	$ 9	$ 3
For the year ended December 31, 2022	66	3	—	16	37	8	9	4
For the year ended December 31, 2021	93	3	—	46	39	8	9	4

	Financing Cash Flows from Finance Leases			
	PHI	Pepco	DPL	ACE
For the year ended December 31, 2023	$ 15	$ 5	$ 6	$ 4
For the year ended December 31, 2022	13	5	5	3
For the year ended December 31, 2021	10	3	4	3

ROU assets obtained in exchange for operating and finance lease obligations were as follows:

	Operating Leases							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the year ended December 31, 2023	$ 35	$ —	$ —	$ 32	$ 3	$ —	$ 1	$ 2
For the year ended December 31, 2022	46	—	—	—	2	—	1	1
For the year ended December 31, 2021	1	—	—	(1)	1	—	1	—

	Finance Leases			
	PHI	Pepco	DPL	ACE
For the year ended December 31, 2023	$ 11	$ 5	$ 3	$ 3
For the year ended December 31, 2022	14	4	7	3
For the year ended December 31, 2021	32	12	12	8

Lessor

The Registrants have operating leases for which they are the lessors. The following tables outline the significant types of leases at each of the Registrants and other terms and conditions of their lease agreements as of December 31, 2023. ACE did not have any operating leases for which they are the lessors for the years ended December 31, 2023, 2022, and 2021.

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL
Real estate	•	•	•	•	•	•	•

(in years)	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL
Remaining lease terms	1-79	1-13	1-79	19	1-9	1-2	8-9
Options to extend the term	1-79	5-79	1-50	N/A	N/A	N/A	N/A

The components of lease income were as follows:

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL
For the year ended December 31, 2023							
Operating lease income	$ 5	$ —	$ —	$ —	$ 4	$ —	$ 3
Variable lease income	1	—	—	—	1	—	1
For the year ended December 31, 2022							
Operating lease income	$ 4	$ —	$ —	$ —	$ 4	$ —	$ 3
Variable lease income	1	—	—	—	1	—	1
For the year ended December 31, 2021							
Operating lease income	$ 5	$ —	$ —	$ —	$ 4	$ —	$ 3
Variable lease income	1	—	—	—	1	—	1

Future minimum lease payments to be recovered under operating leases as of December 31, 2023 were as follows:

Year	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL
2024	$ 6	$ 1	$ 1	$ —	$ 4	$ —	$ 4
2025	6	1	1	—	4	—	4
2026	6	—	1	—	5	—	4
2027	6	—	—	—	5	—	4
2028	5	—	—	—	5	—	4
Remaining years	22	—	3	1	18	—	18
Total	$ 51	$ 2	$ 6	$ 1	$ 41	$ —	$ 38

11. Asset Impairments (Exelon and BGE)

In the third quarter of 2022, a review of the impacts of COVID-19 on office use resulted in plans to cease the renovation and dispose of an office building at BGE before the asset was placed into service. BGE determined that the carrying value was not recoverable and that its fair value was less than carrying value. As a result, in 2022, a pre-tax impairment charge of $48 million was recorded in Operating and maintenance expense in Exelon's and BGE's Consolidated Statements of Operations and Comprehensive Income. The fair value used in the analysis was based on an estimate of an expected sales price. The office building met all of the criteria for classification as held for sale as of December 31, 2023, and therefore is reported within Other current assets in Exelon's and BGE's Balance Sheets as of December 31, 2023.

12. Intangible Assets

Goodwill (Exelon, ComEd, PHI, Pepco, DPL, and ACE)

The following table presents the gross amount, accumulated impairment loss, and carrying amount of Goodwill at Exelon, ComEd, and PHI at December 31, 2023 and 2022. There were no additions or impairments during the years ended December 31, 2023 and 2022.

	Gross Amount	Accumulated Impairment Loss	Carrying Amount
Exelon	$ 8,613	$ 1,983	$ 6,630
ComEd[(a)]	4,608	1,983	2,625
PHI[(b)]	4,005	—	4,005

(a) Reflects goodwill recorded in 2000 from the PECO/Unicom merger (predecessor parent company of ComEd).
(b) Reflects goodwill recorded in 2016 from the PHI merger.

Goodwill is not amortized, but is subject to an assessment for impairment at least annually, or more frequently if events occur or circumstances change that would more likely than not reduce the fair value of ComEd's and PHI's reporting units below their carrying amounts. A reporting unit is an operating segment or one level below an operating segment (known as a component) and is the level at which goodwill is assessed for impairment. A component of an operating segment is a reporting unit if the component constitutes a business for which discrete financial information is available and its operating results are regularly reviewed by segment management. ComEd has a single operating segment. PHI's operating segments are Pepco, DPL, and ACE. See Note 5 — Segment Information for additional information. There is no level below these operating segments for which operating results are regularly reviewed by segment management. Therefore, the ComEd, Pepco, DPL, and ACE operating segments are also considered reporting units for goodwill impairment assessment purposes. Exelon's and ComEd's $2.6 billion of goodwill has been assigned entirely to the ComEd reporting unit, while Exelon's and PHI's $4.0 billion of goodwill has been assigned to the Pepco, DPL, and ACE reporting units in the amounts of $2.1 billion, $1.4 billion, and $0.5 billion, respectively.

Entities assessing goodwill for impairment have the option of first performing a qualitative assessment to determine whether a quantitative assessment is necessary. As part of the qualitative assessments, Exelon, ComEd, and PHI evaluate, among other things, management's best estimate of projected operating and capital cash flows for their businesses, outcomes of recent regulatory proceedings, changes in certain market conditions, including the discount rate and regulated utility peer EBITDA multiples, and the passing margin from their last quantitative assessments performed. If an entity bypasses the qualitative assessment, a quantitative, fair value-based assessment is performed, which compares the fair value of the reporting unit to its carrying amount, including goodwill. If the carrying amount of the reporting unit exceeds its fair value, the entity recognizes an impairment charge, which is limited to the amount of goodwill allocated to the reporting unit.

Application of the goodwill impairment assessment requires management judgment, including the identification of reporting units and determining the fair value of the reporting unit, which management estimates using a weighted combination of a discounted cash flow analysis and a market multiples analysis. Significant assumptions used in these fair value analyses include discount and growth rates, utility sector market

performance and transactions, projected operating and capital cash flows for ComEd's, Pepco's, DPL's, and ACE's businesses, and the fair value of debt.

2023 and 2022 Goodwill Impairment Assessment. ComEd and PHI qualitatively determined that it was more likely than not that the fair values of their reporting units exceeded their carrying values and, therefore, did not perform quantitative assessments as of November 1, 2023 and 2022. The last quantitative assessments performed for PHI was as of November 1, 2018. On December 14, 2023, due to the issuance of the ICC's final order rejecting ComEd's proposed Grid Plan and establishing retail rates for 2024-2027 as further discussed in Note 3 — Regulatory Matters, Exelon's stock price decreased approximately 10% triggering an interim quantitative assessment for potential goodwill impairment at ComEd. ComEd performed a quantitative assessment as of December 31, 2023, comparing the estimated fair value of ComEd to its carrying value, and determined there was no indication of goodwill impairment.

While the annual and interim assessments indicated no impairments, certain assumptions used to estimate reporting unit fair values are highly sensitive to changes. Adverse regulatory actions or changes in significant assumptions could potentially result in future impairments of Exelon's, ComEd's, and PHI's goodwill, which could be material.

Other Intangible Assets and Liabilities (Exelon and PHI)

Exelon's other intangible assets, included in Other current assets and Other deferred debits and other assets in the Consolidated Balance Sheets, consisted of the following at December 31, 2023 and 2022. Exelon's and PHI's other intangible liabilities, included in current and noncurrent Unamortized energy contract liabilities in their Consolidated Balance Sheets, consisted of the following at December 31, 2023 and 2022. The intangible assets and liabilities shown below are amortized on a straight-line basis, except for unamortized energy contracts which are amortized in relation to the expected realization of the underlying cash flows:

	December 31, 2023			December 31, 2022		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Exelon						
Unamortized Energy Contracts	$ (1,515)	$ 1,480	$ (35)	$ (1,515)	$ 1,470	$ (45)
Software License	81	(70)	11	81	(61)	20
Exelon Total	$ (1,434)	$ 1,410	$ (24)	$ (1,434)	$ 1,409	$ (25)
PHI						
Unamortized Energy Contracts	$ (1,515)	$ 1,480	$ (35)	$ (1,515)	$ 1,470	$ (45)

The following table summarizes the amortization expense related to intangible assets and liabilities for each of the years ended December 31, 2023, 2022, and 2021:

For the Years Ended December 31,	Exelon[a]	PHI[a]
2023	$ (1)	$ (10)
2022[b]	(182)	(190)
2021	(83)	(92)

(a) For PHI unamortized energy contracts, the amortization of the fair value adjustment amounts and the corresponding offsetting regulatory asset amounts are amortized through Purchased power and fuel expense in their Consolidated Statements of Operations and Comprehensive Income resulting in no effect to net income.

(b) On March 23, 2022, the NJBPU approved a petition by ACE to terminate the provisions in its PPAs. As such, the contract was fully amortized during the year ended December 31, 2022. See Note 3 - Regulatory Matters for additional information.

13. Income Taxes (All Registrants)

Components of Income Tax Expense or Benefit

Income tax expense (benefit) from continuing operations is comprised of the following components:

	For the Year Ended December 31, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Included in operations:								
Federal								
Current	$ 51	$ 130	$ 63	$ 67	$ 71	$ 54	$ 25	$ 9
Deferred	193	45	(36)	16	(8)	(28)	(6)	13
Investment tax credit amortization	(2)	(1)	—	—	(1)	—	—	—
State								
Current	4	(13)	—	—	15	12	6	—
Deferred	128	153	(7)	50	39	13	10	14
Total	$ 374	$ 314	$ 20	$ 133	$ 116	$ 51	$ 35	$ 36

	For the Year Ended December 31, 2022							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Included in operations:								
Federal								
Current	$ (24)	$ 29	$ 13	$ (1)	$ 16	$ 9	$ (2)	$ 6
Deferred	106	117	18	(3)	(23)	(2)	2	(15)
Investment tax credit amortization	(3)	(1)	—	—	(1)	—	—	—
State								
Current	(13)	(6)	(4)	—	2	—	—	—
Deferred	283	125	52	12	15	(16)	14	12
Total	$ 349	$ 264	$ 79	$ 8	$ 9	$ (9)	$ 14	$ 3

	For the Year Ended December 31, 2021							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Included in operations:								
Federal								
Current	$ (152)	$ (30)	$ 1	$ (18)	$ 18	$ 22	$ 2	$ 1
Deferred	89	113	20	34	(52)	(17)	(14)	(26)
Investment tax credit amortization	(2)	(1)	—	—	(1)	—	—	—
State								
Current	(46)	(41)	—	—	—	1	1	—
Deferred	149	131	(9)	(51)	77	9	53	12
Total	$ 38	$ 172	$ 12	$ (35)	$ 42	$ 15	$ 42	$ (13)

Rate Reconciliation

The effective income tax rate from continuing operations varies from the U.S. federal statutory rate principally due to the following:

	For the Year Ended December 31, 2023[a]							
	Exelon	ComEd	PECO[b]	BGE	PHI	Pepco	DPL	ACE
U.S. federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of Federal income tax benefit[c]	3.9	7.9	(1.0)	6.4	5.9	5.5	6.1	7.1
Plant basis differences	(3.9)	(0.5)	(14.4)	(0.9)	(1.4)	(2.2)	(0.7)	(0.4)
Excess deferred tax amortization	(6.6)	(5.5)	(2.4)	(4.6)	(8.6)	(9.6)	(9.4)	(4.2)
Amortization of investment tax credit, including deferred taxes on basis differences	(0.1)	(0.1)	—	—	(0.1)	—	(0.1)	(0.2)
Tax credits	(0.6)	(0.6)	—	(0.6)	(0.6)	(0.7)	(0.4)	(0.5)
Other	0.1	0.2	0.2	0.2	0.2	0.3	—	0.3
Effective income tax rate	13.8 %	22.4 %	3.4 %	21.5 %	16.4 %	14.3 %	16.5 %	23.1 %

	For the Year Ended December 31, 2022[a]							
	Exelon	ComEd	PECO[d]	BGE[d]	PHI[d]	Pepco[d]	DPL[d]	ACE[d]
U.S. federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of Federal income tax benefit[e]	8.8	8.0	5.8	2.6	2.1	(4.1)	6.5	6.9
Plant basis differences	(4.1)	(0.6)	(11.9)	(1.0)	(1.7)	(2.7)	(0.7)	(0.7)
Excess deferred tax amortization	(11.8)	(5.6)	(3.0)	(19.8)	(19.5)	(16.8)	(18.4)	(24.5)
Amortization of investment tax credit, including deferred taxes on basis differences	(0.1)	(0.1)	—	(0.1)	(0.1)	—	(0.2)	(0.2)
Tax credits[f]	0.1	(0.3)	—	(0.7)	(0.7)	(0.7)	(0.6)	(0.5)
Other[g]	0.6	—	0.2	0.1	0.4	0.3	0.1	—
Effective income tax rate	14.5 %	22.4 %	12.1 %	2.1 %	1.5 %	(3.0)%	7.7 %	2.0 %

	For the Year Ended December 31, 2021[a]							
	Exelon	ComEd	PECO[h]	BGE[h]	PHI	Pepco[h]	DPL[h]	ACE[h]
U.S. federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of federal income tax benefit	5.0	7.8	(1.4)	(10.8)	10.1	2.7	25.0	7.4
Plant basis differences	(5.4)	(0.8)	(13.6)	(1.7)	(1.1)	(1.6)	(0.8)	(0.2)
Excess deferred tax amortization	(17.2)	(7.6)	(3.8)	(16.3)	(22.4)	(16.4)	(20.0)	(37.1)
Amortization of investment tax credit, including deferred taxes on basis differences	(0.1)	(0.1)	—	(0.1)	(0.1)	—	(0.2)	(0.2)
Tax credits	(0.7)	(0.5)	—	(0.9)	(0.5)	(0.5)	(0.4)	(0.5)
Other	(0.3)	(1.0)	0.1	(0.6)	—	(0.4)	0.1	(0.2)
Effective income tax rate	2.3 %	18.8 %	2.3 %	(9.4)%	7.0 %	4.8 %	24.7 %	(9.8)%

(a) Positive percentages represent income tax expense. Negative percentages represent income tax benefit.
(b) For PECO, the lower effective tax rate is primarily related to plant basis differences attributable to tax repair deductions.
(c) For Exelon, the lower state income taxes, net of federal income tax benefit, is primarily due to the long-term marginal state income tax rate change of $54 million.
(d) For PECO, the lower effective tax rate is primarily related to plant basis differences attributable to tax repair deductions partially offset by higher state income taxes, net of federal income tax benefit, related to a one-time expense of $38 million attributable to the change in the Pennsylvania corporate income tax rate. For BGE, PHI, Pepco, DPL, and ACE, the lower effective tax rate is primarily related to the acceleration of certain income tax benefits due to transmission and distribution rate case settlements.

(e) For Exelon, the higher state income taxes, net of federal income tax benefit, is primarily due to the long-term marginal state income tax rate change of $67 million and the recognition of a valuation allowance of $40 million against the net deferred tax asset position for certain standalone state filing jurisdictions, partially offset by a one-time impact associated with a state tax benefit of $43 million and indemnification adjustments pursuant to the Tax Matters Agreement of $11 million as a result of the separation. For PECO, the higher state income taxes, net of federal income tax benefit, related to a one-time expense of $38 million attributable to the change in the Pennsylvania corporate income tax rate.

(f) For Exelon, reflects the income tax expense related to the write-off of federal tax credits subject to recapture of $15 million as a result of the separation.

(g) For Exelon, reflects the nondeductible transaction costs of approximately $12 million arising as part of the separation and indemnification adjustments pursuant to the Tax Matters Agreement of $9 million.

(h) For PECO, the lower effective tax rate is primarily related to plant basis differences attributable to tax repair deductions. For BGE, the income tax benefit is primarily due to the Maryland multi-year plan which resulted in the acceleration of certain income tax benefits. For Pepco, the lower effective tax rate is primarily related to the acceleration of certain income tax benefits due to transmission and distribution rate case settlements. For DPL, the higher effective tax rate is primarily related to a state income tax expense, net of federal income tax benefit, due to the recognition of a valuation allowance of approximately $31 million against a deferred tax asset associated with Delaware net operating loss carryforwards as a result of a change in Delaware tax law. For ACE, the income tax benefit is primarily due to a distribution rate case settlement which allows ACE to retain certain tax benefits.

Tax Differences and Carryforwards

The tax effects of temporary differences and carryforwards, which give rise to significant portions of the deferred tax assets (liabilities), at December 31, 2023 and 2022 are presented below:

	At December 31, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Plant basis differences	$(12,631)	$ (4,993)	$ (2,264)	$ (2,064)	$(3,262)	$ (1,454)	$(947)	$(850)
Accrual based contracts	8	—	—	—	8	—	—	—
Derivatives and other financial instruments	46	37	—	—	2	—	—	—
Deferred pension and postretirement obligation	524	(299)	(36)	(26)	(78)	(70)	(35)	(2)
Deferred debt refinancing costs	115	(5)	—	(2)	104	(3)	(2)	(1)
Regulatory assets and liabilities	(1,429)	(405)	(208)	(4)	(52)	9	45	(4)
Tax loss carryforward, net of valuation allowances	295	—	47	77	72	—	18	52
Tax credit carryforward	281	—	—	—	—	—	—	—
Corporate Alternative Minimum Tax	264	118	82	55	—	—	2	11
Investment in partnerships	(28)	—	—	—	—	—	—	—
Other, net	619	227	58	21	186	88	16	25
Deferred income tax liabilities (net)	(11,936)	(5,320)	(2,321)	(1,943)	(3,020)	(1,430)	(903)	(769)
Unamortized investment tax credits	(13)	(7)	—	(2)	(4)	(1)	(1)	(2)
Total deferred income tax liabilities (net) and unamortized investment tax credits	$(11,949)	$ (5,327)	$ (2,321)	$ (1,945)	$(3,024)	$ (1,431)	$(904)	$(771)

	At December 31, 2022							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Plant basis differences	$(12,130)	$ (4,823)	$ (2,119)	$ (1,949)	$ (3,131)	$(1,394)	$(906)	$(813)
Accrual based contracts	10	—	—	—	10	—	—	—
Derivatives and other financial instruments	26	23	—	—	2	—	—	—
Deferred pension and postretirement obligation	551	(300)	(31)	(31)	(80)	(76)	(39)	(3)
Deferred debt refinancing costs	132	(5)	—	(2)	111	(4)	(2)	(1)
Regulatory assets and liabilities	(1,107)	(131)	(169)	57	(50)	7	43	11
Tax loss carryforward, net of valuation allowances	250	—	33	72	71	3	20	46
Tax credit carryforward	468	—	—	—	—	—	—	—
Investment in partnerships	(21)	—	—	—	—	—	—	—
Other, net	591	223	73	23	182	83	16	28
Deferred income tax liabilities (net)	(11,230)	(5,013)	(2,213)	(1,830)	(2,885)	(1,381)	(868)	(732)
Unamortized investment tax credits	(14)	(8)	—	(2)	(4)	(1)	(1)	(2)
Total deferred income tax liabilities (net) and unamortized investment tax credits	$(11,244)	$ (5,021)	$ (2,213)	$ (1,832)	$ (2,889)	$(1,382)	$(869)	$(734)

The following table provides Exelon's, ComEd's, PECO's, BGE's, PHI's, Pepco's, DPL's, and ACE's carryforwards, of which the state related items are presented on a post-apportioned basis, as well as, any corresponding valuation allowances at December 31, 2023.

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Federal								
Federal net operating loss carryforward[(a)]	$ 130	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Deferred taxes on Federal net operating loss	27	—	—	—	—	—	—	—
Federal general business credits carryforwards[(b)]	281	—	—	—	—	—	—	—
Minimum Tax credit carryforward[(c)]	264	118	82	55	—	—	2	11
State								
State net operating loss carryforwards	5,629	—	1,286	1,187	1,509	—	743	736
Deferred taxes on state tax attributes (net of federal taxes)	341	—	51	77	104	—	50	52
Valuation allowance on state tax attributes (net of federal taxes)[(d)]	73	—	4	—	32	—	32	—
Year in which net operating loss or credit carryforwards will begin to expire[(e)]	2035	N/A	2032	2033	2029	N/A	2035	2031

(a) For Exelon, the federal net operating loss carryforward has an indefinite carryforward period.
(b) For Exelon, the federal general business credit carryforward will begin expiring in 2035.
(c) For Exelon, ComEd, PECO, BGE, DPL and ACE, the Corporate Alternative Minimum Tax credit carryforward has an indefinite carryforward period.

(d) For Exelon, a full valuation allowance has been recorded against certain separate company state net operating loss carryforwards that are expected to expire before realization. For PECO, a valuation allowance has been recorded against certain Pennsylvania net operating losses that are expected to expire before realization. For DPL, a full valuation allowance has been recorded against Delaware net operating losses carryforwards due to a change in Delaware tax law that restricts the ability for corporate taxpayers to monetize net operating losses.

(e) A portion of Exelon's, BGE's, and DPL's Maryland state net operating loss carryforward have an indefinite carryforward period.

Tabular Reconciliation of Unrecognized Tax Benefits

The following table presents changes in unrecognized tax benefits, for Exelon, PHI, and ACE. ComEd's, PECO's, BGE's, Pepco's, and DPL's amounts are not material.

	Exelon[a]	PHI	ACE
Balance at January 1, 2021	$ 125	$ 52	$ 15
Change to positions that only affect timing	13	3	1
Increases based on tax positions related to 2021	4	1	—
Increases based on tax positions prior to 2021	4	—	—
Decreases based on tax positions prior to 2021	(3)	—	—
Balance at December 31, 2021	$ 143	$ 56	$ 16
Change to positions that only affect timing	(1)	1	1
Increases based on tax positions related to 2022	3	2	—
Increases based on tax positions prior to 2022	3	—	—
Decreases based on tax positions prior to 2022	—	—	—
Balance at December 31, 2022	$ 148	$ 59	$ 17
Change to positions that only affect timing	(57)	(9)	(2)
Increases based on tax positions related to 2023	3	1	—
Increases based on tax positions prior to 2023	1	—	—
Decreases based on tax positions prior to 2023	(1)	—	—
Balance at December 31, 2023	$ 94	$ 51	$ 15

(a) At December 31, 2023 and 2022, Exelon recorded a receivable of $31 million and $50 million, respectively, in noncurrent Other assets in the Consolidated Balance Sheet for Constellation's share of unrecognized tax benefits for periods prior to the separation.

Recognition of Unrecognized Tax Benefits

The following table presents Exelon's unrecognized tax benefits that, if recognized, would decrease the effective tax rate. The Utility Registrants' amounts are not material.

	Exelon
December 31, 2023	$ 71
December 31, 2022	90
December 31, 2021	77

Unrecognized tax benefits for which significant increases or decreases are possible within 12 months after the reporting date

At December 31, 2023, ACE has approximately $14 million of unrecognized state tax benefits that could significantly decrease within the 12 months after the reporting date based on the outcome of pending court cases involving other taxpayers. The unrecognized tax benefit, if recognized, may be included in future base rates and that portion would have no impact to the effective tax rate.

Total Amounts of Interest and Penalties Recognized

The following table represents the net interest and penalties receivable (payable) related to tax positions reflected in Exelon's Consolidated Balance Sheets. The Utility Registrants' amounts are not material.

Net interest and penalties receivable at	Exelon
December 31, 2023 [(a)]	$ 62
December 31, 2022 [(b)]	45

(a) At December 31, 2023, Exelon classified $21 million and $41 million of the interest receivable as current and noncurrent, respectively, based on the expected timing for settlement in cash. At December 31, 2023, Exelon recorded a receivable of $5 million in noncurrent Other assets in the Consolidated Balance Sheet for Constellation's share of net interest for periods prior to the separation.

(b) At December 31, 2022, the interest receivable balance is not expected to be settled in cash within the next twelve months and is therefore classified as a noncurrent receivable. At December 31, 2022, Exelon recorded a receivable of $1 million in noncurrent Other assets in the Consolidated Balance Sheet for Constellation's share of net interest for periods prior to the separation.

The Registrants did not record material interest and penalty expense related to tax positions reflected in their Consolidated Balance Sheets. Interest expense and penalty expense are recorded in Interest expense, net and Other, net, respectively, in Other income and deductions in the Registrants Consolidated Statements of Operations and Comprehensive Income.

Description of Tax Years Open to Assessment by Major Jurisdiction

Major Jurisdiction	Open Years	Registrants Impacted
Federal consolidated income tax returns[(a)]	2010-2022	All Registrants
Delaware separate corporate income tax returns	Same as federal	DPL
District of Columbia combined corporate income tax returns	2020-2022	Exelon, PHI, Pepco
Illinois unitary corporate income tax returns	2012-2022	Exelon, ComEd
Maryland separate company corporate net income tax returns	Same as federal	BGE, Pepco, DPL
New Jersey separate corporate income tax returns	2017-2018	Exelon
New Jersey combined corporate income tax returns	2019-2022	Exelon
New Jersey separate corporate income tax returns	2019-2022	ACE
New York combined corporate income tax returns	2015-2022	Exelon
Pennsylvania separate corporate income tax returns	2020-2022	Exelon
Pennsylvania separate corporate income tax returns	2020-2022	PECO

(a) Certain registrants are only open to assessment for tax years since joining the Exelon federal consolidated group; BGE beginning in 2012 and PHI, Pepco, DPL, and ACE beginning in 2016.

Other Tax Matters

Separation (Exelon)

In the first quarter of 2022, in connection with the separation, Exelon recorded an income tax expense related to continuing operations of $148 million primarily due to the long-term marginal state income tax rate change of $54 million discussed further below, the recognition of valuation allowances of approximately $40 million against the net deferred tax assets positions for certain standalone state filing jurisdictions, the write-off of federal and state tax credits subject to recapture of $17 million, and nondeductible transaction costs for federal and state taxes of $24 million.

Tax Matters Agreement (Exelon)

In connection with the separation, Exelon entered into a TMA with Constellation. The TMA governs the respective rights, responsibilities, and obligations between Exelon and Constellation after the separation with respect to tax liabilities, refunds and attributes for open tax years that Constellation was part of Exelon’s consolidated group for U.S. federal, state, and local tax purposes.

Indemnification for Taxes. As a former subsidiary of Exelon, Constellation has joint and several liability with Exelon to the IRS and certain state jurisdictions relating to the taxable periods prior to the separation. The TMA specifies that Constellation is liable for their share of taxes required to be paid by Exelon with respect to taxable periods prior to the separation to the extent Constellation would have been responsible for such taxes under the existing Exelon tax sharing agreement. In 2023, Exelon remitted $9 million of payments to Constellation. At December 31, 2023, Exelon recorded a payable of $11 million in Other current liabilities that is due to Constellation.

Tax Refunds. The TMA specifies that Constellation is entitled to their share of any future tax refunds claimed by Exelon with respect to taxable periods prior to the separation to the extent that Constellation would have received such tax refunds under the existing Exelon tax sharing agreement.

Tax Attributes. At the date of separation certain tax attributes, primarily pre-closing tax credit carryforwards, that were generated by Constellation were required by law to be allocated to Exelon. The TMA also provides that Exelon will reimburse Constellation when those allocated tax attribute carryforwards are utilized. In 2023, Exelon remitted $21 million of payments to Constellation for the utilization of pre-closing tax credit carryforwards. At December 31, 2023, Exelon recorded a payable of $182 million and $331 million in Other current liabilities and Other deferred credits and other liabilities, respectively, in the Consolidated Balance Sheet for tax attribute carryforwards that are expected to be utilized and reimbursed to Constellation.

Corporate Alternative Minimum Tax (All Registrants)

On August 16, 2022, the IRA was signed into law and implemented a new corporate alternative minimum tax (CAMT) that imposes a 15.0% tax on modified GAAP net income. Corporations are entitled to a tax credit (minimum tax credit) to the extent the CAMT liability exceeds the regular tax liability. This amount can be carried forward indefinitely and used in future years when regular tax exceeds the CAMT.

Based on the existing statue, Exelon and each of the Utility Registrants will be subject to and will report the CAMT on a separate Registrant basis in the Consolidated Statements of Operations and Comprehensive Income and the Consolidated Balance Sheets. The deferred tax asset related to the minimum tax credit carryforward will be realized to the extent Exelon's consolidated deferred tax liabilities exceed the minimum tax credit carryforward. Exelon's deferred tax liabilities are expected to exceed the minimum tax credit carryforward for the foreseeable future and thus no valuation allowance is required. Exelon is continuing to assess the financial statement impacts of the IRA and will update estimates based on future guidance issued by the U.S. Treasury.

Long-Term Marginal State Income Tax Rate (All Registrants)

Quarterly, Exelon reviews and updates its marginal state income tax rates for material changes in state tax laws and state apportionment. The Registrants remeasure their existing deferred income tax balances to reflect the changes in marginal rates, which results in either an increase or a decrease to their net deferred income tax liability balances. Utility Registrants record corresponding regulatory liabilities or assets to the extent such amounts are probable of settlement or recovery through customer rates and an adjustment to income tax expense for all other amounts. In the third quarter of 2023, Exelon updated its marginal state income tax rates for changes in state apportionment. The changes in marginal rates in the third quarter resulted in a decrease of $54 million to the deferred tax liability at Exelon, and a corresponding adjustment to income tax expense, net of federal taxes. There were no impacts to ComEd, BGE, PHI, Pepco, DPL, and ACE for the years ended December 31, 2023, 2022, and 2021.

December 31, 2023	Exelon
Decrease to Deferred Income Tax Liability and Income Tax Expense, Net of Federal Taxes	$ (54)
December 31, 2022	
Increase to Deferred Income Tax Liability and Income Tax Expense, Net of Federal Taxes	67
December 31, 2021	
Increase to Deferred Income Tax Liability and Income Tax Expense, Net of Federal Taxes	27

Pennsylvania Corporate Income Tax Rate Change (Exelon and PECO)

On July 8, 2022, Pennsylvania enacted House Bill 1342, which will permanently reduce the corporate income tax rate from 9.99% to 4.99%. The tax rate will be reduced to 8.99% for the 2023 tax year. Starting with the 2024 tax year, the rate is reduced by 0.50% annually until it reaches 4.99% in 2031. As a result of the rate change, in the

third quarter of 2022, Exelon and PECO recorded a one-time decrease to deferred income taxes of $390 million with a corresponding decrease to the deferred income taxes regulatory asset of $428 million for the amounts that are expected to be settled through future customer rates and an increase to income tax expense of $38 million (net of federal taxes). The tax rate decrease is not expected to have a material ongoing impact to Exelon's and PECO's financial statements. There were no changes to PECO's marginal state income tax rates for the years ended December 31, 2022, and 2021.

Allocation of Tax Benefits (All Registrants)

The Utility Registrants are party to an agreement with Exelon and other subsidiaries of Exelon that provides for the allocation of consolidated tax liabilities and benefits (Tax Sharing Agreement). The Tax Sharing Agreement provides that each party is allocated an amount of tax similar to that which would be owed had the party been separately subject to tax. In addition, any net federal and state benefits attributable to Exelon are reallocated to the other Registrants. That allocation is treated as a contribution from Exelon to the party receiving the benefit.

The following table presents the allocation of tax benefits from Exelon under the Tax Sharing Agreement, for the year ended December 31, 2023, 2022, and 2021.

	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
December 31, 2023[(a)]	$ 13	$ 19	$ —	$ 10	$ 4	$ —	$ 2
December 31, 2022[(b)]	1	47	—	28	23	3	2
December 31, 2021[(c)]	1	19	—	17	16	—	—

(a) BGE and DPL did not record an allocation of federal tax benefits from Exelon under the Tax Sharing Agreement as a result of a tax net operating loss.
(b) BGE did not record an allocation of federal tax benefits from Exelon under the Tax Sharing Agreement as a result of a tax net operating loss.
(c) BGE, DPL, and ACE did not record an allocation of federal tax benefits from Exelon under the Tax Sharing Agreement as a result of a tax net operating loss.

14. Retirement Benefits (All Registrants)

Exelon sponsors defined benefit pension and OPEB plans. Substantially all non-union employees and electing union employees hired on or after January 1, 2001 participate in cash balance pension plans. Effective January 1, 2009, substantially all newly-hired union-represented employees participate in cash balance pension plans. Effective February 1, 2018 for most newly-hired BSC non-represented, non-craft, employees, January 1, 2021 for most newly-hired utility management employees, and for certain newly-hired union employees pursuant to their collective bargaining agreements, these newly-hired employees are not eligible for pension benefits, and will instead be eligible to receive an enhanced non-discretionary employer contribution in an Exelon defined contribution savings plan. Effective January 1, 2018, most newly-hired non-represented, non-craft, employees are not eligible for OPEB benefits and employees represented by Local 614 are not eligible for retiree health care benefits. Effective January 1, 2021, most non-represented, non-craft, employees who are under the age of 40 are not eligible for retiree health care benefits. Effective January 1, 2022, management employees retiring on or after that date are no longer eligible for retiree life insurance benefits.

Effective February 1, 2022, in connection with the separation, pension and OPEB obligations and assets for current and former employees of the Constellation business and certain other former employees of Exelon and its subsidiaries transferred to pension and OPEB plans and trusts maintained by Constellation or its subsidiaries. The Exelon New England Union Employees Pension Plan and Constellation Mystic Power, LLC Union Employees Pension Plan Including Plan A and Plan B were transferred. The following OPEB plans were also transferred: Constellation Mystic Power, LLC Post-Employment Medical Savings Account Plan; Exelon New England Union Post-Employment Medical Savings Account Plan; and the Nine Mile Point Nuclear Station, LLC Medical Care and Prescription Drug Plan for Retired Employees.

As a result of the separation, Exelon restructured certain of its qualified pension plans. Pension obligations and assets for current and former employees continuing with Exelon and who were participants in the Exelon Employee Pension Plan for Clinton, TMI, and Oyster Creek, Pension Plan of Constellation Energy Nuclear Group, LLC, and Nine Mile Point Pension Plan were merged into the Pension Plan of Constellation Energy

Group, Inc, which was subsequently renamed, Exelon Pension Plan (EPP). Exelon employees who participated in these plans prior to the separation now participate in the EPP. The merging of the plans did not change the benefits offered to the plan participants and, thus, had no impact on Exelon's pension obligations.

The tables below show the pension and OPEB plans in which current and former employees of each operating company participated as of December 31, 2023:

	Operating Company[a]						
Name of Plan:	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Qualified Pension Plans:							
Exelon Corporation Retirement Program (ECRP)	X	X	X	X	X	X	X
Exelon Corporation Pension Plan for Bargaining Unit Employees (PPBU)	X						
Exelon Pension Plan (EPP)	X	X	X	X	X	X	X
Pepco Holdings LLC Retirement Plan (PHI Qualified)	X	X	X	X	X	X	X
Non-Qualified Pension Plans:							
Exelon Corporation Supplemental Pension Benefit Plan and 2000 Excess Benefit Plan (SPBP)	X	X		X			
Exelon Corporation Supplemental Management Retirement Plan (SMRP)	X	X	X	X			
Constellation Energy Group, Inc. Senior Executive Supplemental Plan			X	X			
Constellation Energy Group, Inc. Supplemental Pension Plan			X	X			
Constellation Energy Group, Inc. Benefits Restoration Plan		X	X	X			
Baltimore Gas & Electric Company Executive Benefit Plan			X				
Baltimore Gas & Electric Company Manager Benefit Plan		X	X				
Pepco Holdings LLC 2011 Supplemental Executive Retirement Plan				X	X	X	X
Conectiv Supplemental Executive Retirement Plan				X		X	X
Pepco Holdings LLC Combined Executive Retirement Plan				X	X		

	Operating Company[a]						
Name of Plan:	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
OPEB Plans:							
PECO Energy Company Retiree Medical Plan (East)	X	X	X	X	X	X	X
Exelon Corporation Health Care Program (West)	X	X	X	X	X	X	X
Pepco Holdings LLC Welfare Plan for Retirees (PHI PRW)	X	X	X	X	X	X	X
Exelon Corporation Employees' Life Insurance Plan	X	X	X				
Exelon Corporation Health Reimbursement Arrangement Plan	X	X	X				
BGE Retiree Medical Plan	X	X	X	X	X	X	
BGE Retiree Dental Plan			X				
Exelon Retiree Medical Plan of Constellation Energy Nuclear Group, LLC	X		X	X			
Exelon Retiree Dental Plan of Constellation Energy Nuclear Group, LLC	X		X	X			

(a) Employees generally remain in their legacy benefit plans when transferring between operating companies.

Exelon's traditional and cash balance pension plans are intended to be tax-qualified defined benefit plans. Exelon has elected that the trusts underlying these plans be treated as qualified trusts under the IRC. If certain conditions are met, Exelon can deduct payments made to the qualified trusts, subject to certain IRC limitations.

Benefit Obligations, Plan Assets, and Funded Status

As of February 1, 2022, in connection with the separation, Exelon's pension and OPEB plans were remeasured. The remeasurement and separation resulted in a decrease to the Pension obligation, net of plan assets, of $921 million and a decrease to the OPEB obligation of $893 million. Additionally, AOCI decreased by $1,994 million (after-tax) and Regulatory assets and liabilities increased by $14 million and $5 million, respectively. Key assumptions were held consistent with the year end December 31, 2021 assumptions with the exception of the discount rate.

During the first quarter of 2023, Exelon received an updated valuation of its pension and OPEB to reflect actual census data as of January 1, 2023. This valuation resulted in an increase to the pension obligation of $27 million and an increase to the OPEB obligations of $2 million. Additionally, AOCI increased by $10 million (after-tax) and Regulatory assets and liabilities increased by $18 million and $1 million, respectively.

The following tables provide a rollforward of the changes in the benefit obligations and plan assets of Exelon for the most recent two years for all plans combined:

	Pension Benefits		OPEB	
	2023	2022	2023	2022
Change in benefit obligation:				
Net benefit obligation as of the beginning of year	$ 10,677	$ 14,236	$ 1,884	$ 2,502
Service cost	155	236	26	41
Interest cost	578	439	101	76
Plan participants' contributions	—	—	27	26
Actuarial loss (gain)[(a)]	406	(3,379)	55	(604)
Plan amendments	4	—	—	—
Settlements	(42)	—	—	—
Gross benefits paid	(790)	(855)	(185)	(157)
Net benefit obligation as of the end of year	$ 10,988	$ 10,677	$ 1,908	$ 1,884

	Pension Benefits		OPEB	
	2023	2022	2023	2022
Change in plan assets:				
Fair value of net plan assets as of the beginning of year	$ 9,521	$ 12,165	$ 1,351	$ 1,665
Actual return on plan assets	638	(2,359)	108	(225)
Employer contributions	75	570	54	42
Plan participants' contributions	—	—	27	26
Gross benefits paid	(790)	(855)	(185)	(157)
Settlements	(42)	—	—	—
Fair value of net plan assets as of the end of year	$ 9,402	$ 9,521	$ 1,355	$ 1,351

(a) The pension and OPEB losses in 2023 primarily reflect a decrease in the discount rate. The pension and OPEB gains in 2022 primarily reflect an increase in the discount rate.

Exelon presents its benefit obligations and plan assets net on its Consolidated Balance Sheets within the following line items:

	Pension Benefits		OPEB	
	2023	2022	2023	2022
Other current liabilities	$ 15	$ 47	$ 26	$ 26
Pension obligations	1,571	1,109	—	—
Non-pension postretirement benefit obligations	—	—	527	507
Unfunded status (net benefit obligation less plan assets)	$ 1,586	$ 1,156	$ 553	$ 533

The following table provides the ABO and fair value of plan assets for all pension plans with an ABO in excess of plan assets. Information for pension and OPEB plans with projected benefit obligations (PBO) and accumulated postretirement benefit obligation (APBO), respectively, in excess of plan assets has been disclosed in the Obligations and Plan Assets table above as all pension and OPEB plans are underfunded.

	Exelon	
	2023	2022
ABO	$ 10,376	$ 10,108
Fair value of net plan assets	9,279	9,427

Components of Net Periodic Benefit Costs

The majority of the 2023 pension benefit cost for the Exelon-sponsored plans is calculated using an expected long-term rate of return on plan assets of 7.00% and a discount rate of 5.53%. The majority of the 2023 OPEB cost is calculated using an expected long-term rate of return on plan assets of 6.50% for funded plans and a discount rate of 5.51%.

A portion of the net periodic benefit cost for all plans is capitalized in the Consolidated Balance Sheets. The following table presents the components of Exelon's net periodic benefit costs, prior to capitalization, for the years ended December 31, 2023, 2022, and 2021.

	Pension Benefits			OPEB		
	2023	2022	2021	2023	2022	2021
Components of net periodic benefit cost:						
Service cost	$ 155	$ 236	$ 294	$ 26	$ 41	$ 51
Interest cost	578	439	406	101	76	69
Expected return on assets	(755)	(822)	(843)	(83)	(99)	(99)
Amortization of:						
Prior service cost (credit)	2	2	2	(10)	(19)	(25)
Actuarial loss (gain)	166	295	399	(2)	12	27
Settlement and other charges	20	—	7	—	—	1
Net periodic benefit cost	$ 166	$ 150	$ 265	$ 32	$ 11	$ 24

Cost Allocation to Exelon Subsidiaries

All Registrants account for their participation in Exelon's pension and OPEB plans by applying multi-employer accounting. Exelon allocates costs related to its pension and OPEB plans to its subsidiaries based on both active and retired employee participation in each plan.

The amounts below represent the Registrants' allocated pension and OPEB costs (benefit). For Exelon, the service cost component is included in Operating and maintenance expense and Property, plant, and equipment, net while the non-service cost components are included in Other, net and Regulatory assets. For the Utility Registrants, the service cost and non-service cost components are included in Operating and maintenance expense and Property, plant, and equipment, net in their consolidated financial statements.

For the Years Ended December 31,	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
2023	$ 198	$ 26	$ (14)	$ 56	$ 99	$ 34	$ 18	$ 13
2022	161	60	(9)	44	53	9	3	12
2021	288	129	8	64	49	6	2	11

Components of AOCI and Regulatory Assets

Exelon recognizes the overfunded or underfunded status of defined benefit pension and OPEB plans as an asset or liability on its Consolidated Balance Sheets, with offsetting entries to AOCI and Regulatory assets (liabilities). A portion of current year actuarial (gains) losses and prior service costs (credits) is capitalized in Exelon's Consolidated Balance Sheets to reflect the expected regulatory recovery of these amounts, which would otherwise be recorded to AOCI. The following tables provide the components of AOCI and Regulatory assets (liabilities) for Exelon for the years ended December 31, 2023, 2022, and 2021 for all plans combined. The tables include amounts related to Generation prior to the separation.

	Pension Benefits			OPEB		
	2023	2022	2021	2023	2022	2021
Changes in plan assets and benefit obligations recognized in AOCI and Regulatory assets (liabilities):						
Current year actuarial loss (gain)	$ 523	$ (226)	$ (700)	$ 30	$ (271)	$ (270)
Amortization of actuarial (loss) gain	(166)	(295)	(598)	2	(12)	(37)
Separation of Constellation	—	(2,631)	—	—	(43)	—
Current year prior service cost	4	—	—	—	—	—
Amortization of prior service (cost) credit	(2)	(2)	(3)	10	19	34
Settlements	(20)	—	(27)	—	—	(1)
Total recognized in AOCI and Regulatory assets (liabilities)	$ 339	$ (3,154)	$ (1,328)	$ 42	$ (307)	$ (274)
Total recognized in AOCI	$ 99	$ (2,719)	$ (747)	$ 4	$ (74)	$ (130)
Total recognized in Regulatory assets (liabilities)	$ 240	$ (435)	$ (581)	$ 38	$ (233)	$ (144)

The following table provides the components of gross AOCI and Regulatory assets (liabilities) for Exelon that have not been recognized as components of periodic benefit cost as of December 31, 2023 and 2022, respectively, for all plans combined:

	Pension Benefits		OPEB	
	2023	2022	2023	2022
Prior service cost (credit)	$ 21	$ 19	$ (45)	$ (55)
Actuarial loss (gain)	3,948	3,611	(101)	(133)
Total	$ 3,969	$ 3,630	$ (146)	$ (188)
Total included in AOCI	$ 972	$ 873	$ (17)	$ (21)
Total included in Regulatory assets (liabilities)	$ 2,997	$ 2,757	$ (129)	$ (167)

Average Remaining Service Period

For pension benefits, Exelon amortizes its unrecognized prior service costs (credits) and certain actuarial (gains) losses, as applicable, based on participants' average remaining service periods.

For OPEB, Exelon amortizes its unrecognized prior service costs (credits) over participants' average remaining service period to benefit eligibility age and amortizes certain actuarial (gains) losses over participants' average remaining service period to expected retirement. The resulting average remaining service periods for pension and OPEB were as follows:

	2023	2022	2021
Pension plans	12.6	12.5	12.4
OPEB plans:			
Benefit Eligibility Age	8.1	7.9	7.6
Expected Retirement	9.3	9.1	8.8

Assumptions

The measurement of the plan obligations and costs of providing benefits under Exelon's defined benefit and OPEB plans involves various factors, including the development of valuation assumptions and inputs and accounting policy elections. The measurement of benefit obligations and costs is impacted by several assumptions and inputs, as shown below, among other factors. When developing the required assumptions, Exelon considers historical information as well as future expectations.

Expected Rate of Return. In determining the EROA, Exelon considers historical economic indicators (including inflation and GDP growth) that impact asset returns, as well as expectations regarding future long-term capital market performance, weighted by Exelon's target asset class allocations.

Mortality. The mortality assumption is composed of a base table that represents the current expectation of life expectancy of the population adjusted by an improvement scale that attempts to anticipate future improvements in life expectancy. For the years ended December 31, 2023 and 2022, Exelon's mortality assumption utilizes the SOA 2019 base table (Pri-2012) and MP-2021 improvement scale adjusted to use Proxy SSA ultimate improvement rates.

For Exelon, the following assumptions were used to determine the benefit obligations for the plans as of December 31, 2023 and 2022. Assumptions used to determine year-end benefit obligations are the assumptions used to estimate the subsequent year's net periodic benefit costs.

	Pension Benefits		OPEB	
	2023	2022	2023	2022
Discount rate[a]	5.19 %	5.53 %	5.17 %	5.51 %
Investment crediting rate[b]	5.03 %	5.07 %	N/A	N/A
Rate of compensation increase	3.75 %	3.75 %	3.75 %	3.75 %
Mortality table	Pri-2012 table with MP- 2021 improvement scale (adjusted)	Pri-2012 table with MP- 2021 improvement scale (adjusted)	Pri-2012 table with MP- 2021 improvement scale (adjusted)	Pri-2012 table with MP- 2021 improvement scale (adjusted)
Health care cost trend on covered charges	N/A	N/A	Initial and ultimate trend rate of 5.00%	Initial and ultimate trend rate of 5.00%

(a) The discount rates above represent the blended rates used to determine the majority of Exelon's pension and OPEB obligations. Certain benefit plans used individual rates, which range from 5.11% - 5.27% and 5.15% - 5.17% for pension and OPEB plans, respectively, as of December 31, 2023 and 5.46% - 5.60% and 5.49% - 5.51% for pension and OPEB plans, respectively, as of December 31, 2022.
(b) The investment crediting rate above represents a weighted average rate.

The following assumptions were used to determine the net periodic benefit cost for Exelon for the years ended December 31, 2023, 2022 and 2021:

	Pension Benefits			OPEB		
	2023	2022	2021	2023	2022	2021
Discount rate[a]	5.53 %	3.24 %	2.58 %	5.51 %	3.20 %	2.51 %
Investment crediting rate[b]	5.07 %	3.75 %	3.72 %	N/A	N/A	N/A
Expected return on plan assets[c]	7.00 %	7.00 %	7.00 %	6.50 %	6.44 %	6.46 %
Rate of compensation increase	3.75 %	3.75 %	3.75 %	3.75 %	3.75 %	3.75 %
Mortality table	Pri-2012 table with MP- 2021 improvement scale (adjusted)	Pri-2012 table with MP- 2021 improvement scale (adjusted)	Pri-2012 table with MP - 2020 improvement scale (adjusted)	Pri-2012 table with MP- 2021 improvement scale (adjusted)	Pri-2012 table with MP- 2021 improvement scale (adjusted)	Pri-2012 table with MP - 2020 improvement scale (adjusted)
Health care cost trend on covered charges	N/A	N/A	N/A	Initial and ultimate rate of 5.00%	Initial and ultimate rate of 5.00%	Initial and ultimate rate of 5.00%

(a) The discount rates above represent the blended rates used to establish the majority of Exelon's pension and OPEB costs. Certain benefit plans used individual rates, which range from 5.46%-5.60% and 5.49%-5.51% for pension and OPEB plans, respectively, for the year ended December 31, 2023; 2.55%-3.24% and 2.84%-3.20% for pension and OPEB plans; respectively, for the year ended December 31, 2022; and 2.11%-2.73% and 2.45%-2.63% for pension and OPEB plans, respectively, for the year ended December 31, 2021.
(b) The investment crediting rate above represents a weighted average rate.
(c) Not applicable to pension and OPEB plans that do not have plan assets.

Contributions

Exelon allocates contributions related to its ECRP and PPBU pension plans and East and West OPEB plans to its subsidiaries based on accounting cost. For the EPP pension plan, PHI Qualified, and PHI PRW plans, pension and OPEB contributions are allocated to the subsidiaries based on employee participation (both active and retired). For Exelon, in connection with the separation, additional qualified pension contributions of $207 million and $33 million were completed on February 1, 2022 and March 2, 2022, respectively. The following table provides contributions to the pension and OPEB plans:

	Pension Benefits			OPEB		
	2023	2022	2021	2023	2022	2021
Exelon	$ 75	$ 570	$ 343	$ 54	$ 42	$ 63
ComEd	24	176	174	17	8	22
PECO	1	15	17	—	3	1
BGE	—	48	57	19	20	24
PHI	8	69	39	16	9	9
Pepco	1	3	2	11	8	9
DPL	2	1	1	2	—	—
ACE	—	7	3	3	—	—

Management considers various factors when making pension funding decisions, including actuarially determined minimum contribution requirements under ERISA, contributions required to avoid benefit restrictions and at-risk status as defined by the Pension Protection Act of 2006 (the "Act"), management of the pension obligation, and regulatory implications. The Act requires the attainment of certain funding levels to avoid benefit restrictions (such as an inability to pay lump sums or to accrue benefits prospectively), and at-risk status (which triggers higher minimum contribution requirements and participant notification). The projected contributions below reflect a funding strategy to make annual contributions with the objective of achieving 100% funded status on an ABO basis over time. This funding strategy helps minimize volatility of future period required pension contributions. Based on this funding strategy and current market conditions, which are subject to change, Exelon's estimated annual qualified pension contributions will be approximately $93 million in 2024. Unlike the qualified pension plans, Exelon's non-qualified pension plans are not funded, given they are not subject to statutory minimum contribution requirements.

While OPEB plans are also not subject to statutory minimum contribution requirements, Exelon does fund certain of its plans. For Exelon's funded OPEB plans, contributions generally equal accounting costs, however, Exelon's management has historically considered several factors in determining the level of contributions to its OPEB plans, including liabilities management, levels of benefit claims paid, and regulatory implications (amounts deemed prudent to meet regulatory expectations and best assure continued rate recovery). The amounts below include benefit payments related to unfunded plans.

The following table provides all Registrants' planned contributions to the qualified pension plans, planned benefit payments to non-qualified pension plans, and planned contributions to OPEB plans in 2024:

	Qualified Pension Plans	Non-Qualified Pension Plans	OPEB
Exelon	$ 93	$ 15	$ 47
ComEd	3	1	18
PECO	2	1	1
BGE	17	1	14
PHI	66	8	11
Pepco	—	1	10
DPL	—	—	—
ACE	7	—	—

Estimated Future Benefit Payments

Estimated future benefit payments to participants in all of the pension plans and postretirement benefit plans as of December 31, 2023 were:

	Pension Benefits	OPEB
2024	$ 782	$ 152
2025	783	151
2026	795	152
2027	800	151
2028	792	151
2029 through 2033	3,977	730
Total estimated future benefits payments through 2033	$ 7,929	$ 1,487

Plan Assets

Investment Strategy. On a regular basis, Exelon evaluates its investment strategy to ensure plan assets will be sufficient to pay plan benefits when due. As part of this ongoing evaluation, Exelon may make changes to its targeted asset allocation and investment strategy.

Exelon has developed and implemented a liability hedging investment strategy for its qualified pension plans that has reduced the volatility of its pension assets relative to its pension liabilities. Exelon is likely to continue to gradually increase the liability hedging portfolio as the funded status of its plans improves. The overall objective is to achieve attractive risk-adjusted returns that will balance the liquidity requirements of the plans' liabilities while striving to minimize the risk of significant losses. Trust assets for Exelon's OPEB plans are managed in a diversified investment strategy that prioritizes maximizing liquidity and returns while minimizing asset volatility.

Actual asset returns have an impact on the costs reported for the Exelon-sponsored pension and OPEB plans. The actual asset returns across Exelon's pension and OPEB plans for the year ended December 31, 2023 were 7.73% and 9.20%, respectively, compared to an expected long-term return assumption of 7.00% and 6.50%, respectively. Exelon used an EROA of 7.00% and 6.50% to estimate its 2024 pension and OPEB costs, respectively.

Exelon's pension and OPEB plan target asset allocations as of December 31, 2023 and 2022 were as follows:

	December 31, 2023		December 31, 2022	
Asset Category	Pension Benefits	OPEB	Pension Benefits	OPEB
Equity securities	28 %	44 %	28 %	44 %
Fixed income securities	44 %	41 %	44 %	41 %
Alternative investments[(a)]	28 %	15 %	28 %	15 %
Total	100 %	100 %	100 %	100 %

(a) Alternative investments include private equity, hedge funds, real estate, and private credit.

Concentrations of Credit Risk. Exelon evaluated its pension and OPEB plans' asset portfolios for the existence of significant concentrations of credit risk as of December 31, 2023. Types of concentrations that were evaluated include, but are not limited to, investment concentrations in a single entity, type of industry, foreign country, and individual fund. As of December 31, 2023, there were no significant concentrations (defined as greater than 10% of plan assets) of risk in Exelon's pension and OPEB plan assets.

Fair Value Measurements

The following tables present pension and OPEB plan assets measured and recorded at fair value in Exelon's Consolidated Balance Sheets on a recurring basis and their level within the fair value hierarchy as of December 31, 2023 and 2022:

	December 31, 2023					December 31, 2022				
	Level 1	Level 2	Level 3	Not Subject to Leveling	Total	Level 1	Level 2	Level 3	Not Subject to Leveling	Total
Pension plan assets[a]										
Cash and cash equivalents	$ 267	$ —	$ —	$ —	$ 267	$ 200	$ —	$ —	$ —	$ 200
Equities[b]	1,513	—	1	694	2,208	1,448	—	—	782	2,230
Fixed income:										
U.S. Treasury and agencies	1,291	184	—	—	1,475	986	178	—	—	1,164
State and municipal debt	—	42	—	—	42	—	44	—	—	44
Corporate debt	—	1,792	9	—	1,801	—	1,975	12	—	1,987
Other[b]	—	79	—	788	867	—	63	—	744	807
Fixed income subtotal	1,291	2,097	9	788	4,185	986	2,260	12	744	4,002
Private equity	—	—	—	1,166	1,166	—	—	—	1,169	1,169
Hedge funds	—	—	—	578	578	—	—	—	760	760
Real estate	—	—	—	760	760	—	—	—	821	821
Private credit	—	—	—	626	626	—	—	—	658	658
Pension plan assets subtotal	$ 3,071	$ 2,097	$ 10	$ 4,612	$ 9,790	$ 2,634	$ 2,260	$ 12	$ 4,934	$ 9,840
OPEB plan assets[a]										
Cash and cash equivalents	$ 45	$ —	$ —	$ —	$ 45	$ 39	$ —	$ —	$ —	$ 39
Equities	315	1	—	270	586	305	1	—	273	579
Fixed income:										
U.S. Treasury and agencies	15	54	—	—	69	17	45	—	—	62
State and municipal debt	—	7	—	—	7	—	8	—	—	8
Corporate debt	—	44	—	—	44	—	44	—	—	44
Other	175	4	—	206	385	161	5	—	187	353
Fixed income subtotal	190	109	—	206	505	178	102	—	187	467
Hedge funds	—	—	—	109	109	—	—	—	120	120
Real estate	—	—	—	88	88	—	—	—	106	106
Private credit	—	—	—	22	22	—	—	—	39	39
OPEB plan assets subtotal	$ 550	$ 110	$ —	$ 695	$ 1,355	$ 522	$ 103	$ —	$ 725	$ 1,350
Total pension and OPEB plan assets[c]	$ 3,621	$ 2,207	$ 10	$ 5,307	$ 11,145	$ 3,156	$ 2,363	$ 12	$ 5,659	$ 11,190

(a) See Note 17—Fair Value of Financial Assets and Liabilities for a description of levels within the fair value hierarchy.
(b) Includes derivative instruments of $51 million and $11 million for the years ended December 31, 2023 and 2022, respectively, which have total notional amounts of $3,351 million and $3,434 million as of December 31, 2023 and 2022, respectively. The notional principal amounts for these instruments provide one measure of the transaction volume outstanding as of the fiscal years ended and do not represent the amount of Exelon's exposure to credit or market loss.
(c) Excludes net liabilities of $388 million and $318 million as of December 31, 2023 and 2022, respectively, which include certain derivative assets that have notional amounts of $59 million and $69 million as of December 31, 2023 and 2022, respectively. These items are required to reconcile to the fair value of net plan assets and consist primarily of receivables or payables related to pending securities sales and purchases, interest and dividends receivable, and repurchase agreement obligations. The repurchase agreements generally have maturities ranging from 3 - 6 months.

The following table presents the reconciliation of Level 3 assets and liabilities for Exelon measured at fair value for pension and OPEB plans for the years ended December 31, 2023 and 2022:

	Fixed Income	Equities	Private Credit	Total
Pension Assets				
Balance as of January 1, 2023	$ 12	$ —	$ —	$ 12
Actual return on plan assets:				
Relating to assets still held as of the reporting date	—	—	—	—
Relating to assets sold during the period	—	—	—	—
Purchases, sales and settlements:				
Purchases	—	—	—	—
Settlements[a]	—	—	—	—
Level 3 transfers (out) in	(3)	1	—	(2)
Balance as of December 31, 2023	$ 9	$ 1	$ —	$ 10

	Fixed Income	Equities	Private Credit	Total
Pension Assets				
Balance as of January 1, 2022	$ 337	$ 2	$ 130	$ 469
Actual return on plan assets:				
Relating to assets still held as of the reporting date	(9)	—	(15)	(24)
Relating to assets sold during the period	(19)	—	13	(6)
Purchases, sales and settlements:				
Purchases	—	—	7	7
Settlements[a]	(1)	—	(52)	(53)
Level 3 transfers out[b]	(296)	(2)	(83)	(381)
Balance as of December 31, 2022	$ 12	$ —	$ —	$ 12

(a) Represents cash settlements only.
(b) In 2022, transfers relate to changes in investment structure for certain investments due to the separation.

Valuation Techniques Used to Determine Fair Value

The techniques used to fair value the pension and OPEB assets invested in cash equivalents are the same as the valuation techniques used to determine the fair value of financial assets. See Cash Equivalents in Note 17 - Fair Value of Financial Assets and Liabilities for further information. Below outlines the techniques used to fair value the pension and OPEB assets invested in equities, fixed income, derivatives, private credit, private equity, and real estate investments.

Equities. These investments consist of individually held equity securities, equity mutual funds, and equity commingled funds in domestic and foreign markets. With respect to individually held equity securities, the trustees obtain prices from pricing services, whose prices are generally obtained from direct feeds from market

exchanges, which Exelon is able to independently corroborate. Equity securities held individually, including real estate investment trusts, rights, and warrants, are primarily traded on exchanges that contain only actively traded securities due to the volume trading requirements imposed by these exchanges. The equity securities that are held directly by the trust funds are valued based on quoted prices in active markets and categorized as Level 1. Certain equity securities have been categorized as Level 2 because they are based on evaluated prices that reflect observable market information, such as actual trade information or similar securities. Certain private placement equity securities are categorized as Level 3 because they are not publicly traded and are priced using significant unobservable inputs.

Equity commingled funds and mutual funds are maintained by investment companies, and fund investments are held in accordance with a stated set of fund objectives. The values of some of these funds are publicly quoted. For mutual funds which are publicly quoted, the funds are valued based on quoted prices in active markets and have been categorized as Level 1. For equity commingled funds and mutual funds that are not publicly quoted, the fund administrators value the funds using the NAV per fund share, derived from the quoted prices in active markets on the underlying securities and are not classified within the fair value hierarchy. These investments can typically be redeemed monthly or more frequently, with 30 or less days of notice and without further restrictions.

Fixed income. For fixed income securities, which consist primarily of corporate debt securities, U.S. government securities, foreign government securities, municipal bonds, asset and mortgage-backed securities, commingled funds, mutual funds, and derivative instruments, the trustees obtain multiple prices from pricing vendors whenever possible, which enables cross-provider validations in addition to checks for unusual daily movements. A primary price source is identified based on asset type, class, or issue for each security. With respect to individually held fixed income securities, the trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the portfolio managers challenge an assigned price and the trustees determine another price source is considered to be preferable. Exelon has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, Exelon selectively corroborates the fair values of securities by comparison to other market-based price sources. Investments in U.S. Treasury securities have been categorized as Level 1 because they trade in highly-liquid and transparent markets. Certain private placement fixed income securities have been categorized as Level 3 because they are priced using certain significant unobservable inputs and are typically illiquid. The remaining fixed income securities, including certain other fixed income investments, are based on evaluated prices that reflect observable market information, such as actual trade information of similar securities, adjusted for observable differences and are categorized as Level 2.

Other fixed income investments primarily consist of fixed income commingled funds and mutual funds, which are maintained by investment companies and hold fund investments in accordance with a stated set of fund objectives. The values of some of these funds are publicly quoted. For mutual funds which are publicly quoted, the funds are valued based on quoted prices in active markets and have been categorized as Level 1. For fixed income commingled funds and mutual funds that are not publicly quoted, the fund administrators value the funds using the NAV per fund share, derived from the quoted prices in active markets of the underlying securities and are not classified within the fair value hierarchy. These investments typically can be redeemed monthly or more frequently, with 30 or less days of notice and without further restrictions.

Derivative instruments. These instruments, consisting primarily of futures and swaps to manage risk, are recorded at fair value. Over-the-counter derivatives are valued daily, based on quoted prices in active markets and trade in open markets, and have been categorized as Level 1. Derivative instruments other than over-the-counter derivatives are valued based on external price data of comparable securities and have been categorized as Level 2.

Private credit. Private credit investments primarily consist of investments in private debt strategies. These investments are generally less liquid assets with an underlying term of 3 to 5 years and are intended to be held to maturity. The fair value of these investments is determined by the fund manager or administrator using a combination of valuation models including cost models, market models, and income models and typically cannot be redeemed until maturity of the term loan. For managed private credit funds, the fair value is determined using a combination of valuation models including cost models, market models, and income models and typically cannot be redeemed until maturity of the term loan. Managed private credit fund investments are not classified within the fair value hierarchy because their fair value is determined using NAV or its equivalent as a practical expedient.

Private equity. These investments include those in limited partnerships that invest in operating companies that are not publicly traded on a stock exchange such as leveraged buyouts, growth capital, venture capital, distressed investments, and investments in natural resources. These investments typically cannot be redeemed and are generally liquidated over a period of 8 to 10 years from the initial investment date, which is based on Exelon's understanding of the investment funds. Private equity valuations are reported by the fund manager and are based on the valuation of the underlying investments, which include unobservable inputs such as cost, operating results, discounted future cash flows, and market based comparable data. These valuation inputs are unobservable. The fair value of private equity investments is determined using NAV or its equivalent as a practical expedient, and therefore, these investments are not classified within the fair value hierarchy.

Real estate. These investments are funds with a direct investment in pools of real estate properties. These funds are reported by the fund manager and are generally based on independent appraisals of the underlying investments from sources with professional qualifications, typically using a combination of market based comparable data and discounted cash flows. These valuation inputs are unobservable. Certain real estate investments cannot be redeemed and are generally liquidated over a period of 8 to 10 years from the initial investment date, which is based on Exelon's understanding of the investment funds. The remaining liquid real estate investments are generally redeemable from the investment vehicle quarterly, with 30 to 90 days of notice. The fair value of real estate investments is determined using NAV or its equivalent as a practical expedient, and therefore, these investments are not classified within the fair value hierarchy.

Pension and OPEB assets also include investments in hedge funds. Hedge fund investments include those that employ a broad range of strategies to enhance returns and provide additional diversification. The fair value of hedge funds is determined using NAV or its equivalent as a practical expedient, and therefore, hedge funds are not classified within the fair value hierarchy. Exelon has the ability to redeem these investments at NAV or its equivalent subject to certain restrictions that may include a lock-up period or a gate.

Defined Contribution Savings Plan

The Registrants participate in a 401(k) defined contribution savings plan that is sponsored by Exelon. The plan is qualified under applicable sections of the IRC and allows employees to contribute a portion of their pre-tax and/or after-tax income in accordance with specified guidelines. All Registrants match a percentage of the employee contributions up to certain limits. The following table presents the employer contributions and employer matching contributions to the savings plan for the years ended December 31, 2023, 2022, and 2021:

For the Years Ended December 31,	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
2023	$ 109	$ 47	$ 15	$ 12	16	$ 4	$ 3	$ 2
2022	91	39	13	11	14	4	3	2
2021	90	35	12	12	14	4	3	2

15. Derivative Financial Instruments (All Registrants)

The Registrants use derivative instruments to manage commodity price risk and interest rate risk related to ongoing business operations. The Registrants do not execute derivatives for speculative or proprietary trading purposes.

Authoritative guidance requires that derivative instruments be recognized as either assets or liabilities at fair value, with changes in fair value of the derivative recognized in earnings immediately. Other accounting treatments are available through special election and designation, provided they meet specific, restrictive criteria both at the time of designation and on an ongoing basis. These alternative permissible accounting treatments include NPNS, cash flow hedges, and fair value hedges. At ComEd, derivative economic hedges related to commodities are recorded at fair value and offset by a corresponding regulatory asset or liability. At Exelon, derivative economic hedges related to interest rates are recorded at fair value and offsets are recorded to Electric operating revenues or Interest expense based on the activity the transaction is economically hedging. For all NPNS derivative instruments, accounts receivable or accounts payable are recorded when derivatives settle and revenue or expense is recognized in earnings as the underlying physical commodity is sold or consumed. At Exelon, derivative hedges that qualify and are designated as cash flow hedges are recorded at fair value and offsets are recorded to AOCI.

ComEd's use of cash collateral is generally unrestricted unless ComEd is downgraded below investment grade. Cash collateral held by PECO, BGE, Pepco, DPL, and ACE must be deposited in an unaffiliated major U.S. commercial bank or foreign bank with a U.S. branch office that meets certain qualifications.

Commodity Price Risk

The Utility Registrants employ established policies and procedures to manage their risks associated with market fluctuations in commodity prices by entering into physical and financial derivative contracts, which are either determined to be non-derivative or classified as economic hedges. The Utility Registrants procure electric and natural gas supply through a competitive procurement process approved by each of the respective state utility commissions. The Utility Registrants' hedging programs are intended to reduce exposure to energy and natural gas price volatility and have no direct earnings impact as the costs are fully recovered from customers through regulatory-approved recovery mechanisms. The following table provides a summary of the Utility Registrants' primary derivative hedging instruments, listed by commodity and accounting treatment.

Registrant	Commodity	Accounting Treatment	Hedging Instrument
ComEd	Electricity	NPNS	Fixed price contracts based on all requirements in the IPA procurement plans.
	Electricity	Changes in fair value of economic hedge recorded to an offsetting regulatory asset or liability[(a)]	20-year floating-to-fixed energy swap contracts beginning June 2012 based on the renewable energy resource procurement requirements in the Illinois Settlement Legislation of approximately 1.3 million MWhs per year.
PECO	Electricity	NPNS	Fixed price contracts for default supply requirements through full requirements contracts.
	Gas	NPNS	Fixed price contracts to cover about 10% of planned natural gas purchases in support of projected firm sales.
BGE	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
	Gas	NPNS	Fixed price contracts for between 10-20% of forecasted system supply requirements for flowing (i.e., non-storage) gas for the November through March period.
Pepco	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
DPL	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
	Gas	NPNS	Fixed and index priced contracts through full requirements contracts.
	Gas	Changes in fair value of economic hedge recorded to an offsetting regulatory asset or liability[(b)]	Exchange traded future contracts for up to 50% of estimated monthly purchase requirements each month, including purchases for storage injections.
ACE	Electricity	NPNS	Fixed price contracts for all BGS requirements through full requirements contracts.

(a) See Note 3—Regulatory Matters for additional information.
(b) The fair value of the DPL economic hedge is not material as of December 31, 2023 and 2022.

The fair value of derivative economic hedges is presented in Other current assets and current and noncurrent Mark-to-market derivative liabilities in Exelon's and ComEd's Consolidated Balance Sheets.

Interest Rate and Other Risk (Exelon)

Exelon Corporate uses a combination of fixed-rate and variable-rate debt to manage interest rate exposure. Exelon Corporate may utilize interest rate derivatives to lock in rate levels in anticipation of future financings, which are typically designated as cash flow hedges. In addition, Exelon Corporate utilized interest rate swaps to manage interest rate exposure and manage potential fluctuations in Electric operating revenues at the corporate level in consolidation, which were directly correlated to yields on U.S. Treasury bonds under ComEd's distribution formula rate through December 31, 2023. These interest rate swaps were accounted for as economic hedges. A hypothetical 50 basis point change in the interest rates associated with Exelon's interest rate swaps as of December 31, 2023 would result in an immaterial impact to Exelon's Consolidated Net Income.

Below is a summary of the interest rate hedge balances at December 31, 2023 and 2022.

	December 31, 2023		
	Derivatives Designated as Hedging Instruments	Economic Hedges	Total
Other current assets	$ 11	$ 1	$ 12
Other deferred debits (noncurrent assets)	—	—	—
Total derivative assets	11	1	12
Mark-to-market derivative liabilities (current liabilities)	(24)	(22)	(46)
Total mark-to-market derivative liabilities	(24)	(22)	(46)
Total mark-to-market derivative net liabilities	$ (13)	$ (21)	$ (34)

	December 31, 2022		
	Derivatives Designated as Hedging Instruments	Economic Hedges	Total
Other deferred debits (noncurrent assets)	$ 6	$ 5	$ 11
Total derivative assets	6	5	11
Mark-to-market derivative liabilities (current liabilities)	—	(3)	(3)
Mark-to-market derivative liabilities (noncurrent liabilities)	(4)	—	(4)
Total mark-to-market derivative liabilities	(4)	(3)	(7)
Total mark-to-market derivative net assets	$ 2	$ 2	$ 4

Cash Flow Hedges (Interest Rate Risk)

For derivative instruments that qualify and are designated as cash flow hedges, the changes in fair value each period are initially recorded in AOCI and reclassified into earnings when the underlying transaction affects earnings. In January 2023, Exelon Corporate entered into $115 million notional of 5-year maturity floating-to-fixed swaps and $115 million notional of 10-year maturity floating-to-fixed swaps, for a total of $230 million designated as cash flow hedges. In February 2023, Exelon terminated the previously issued floating-to-fixed swaps with a total notional of $1.5 billion upon issuance of $2.5 billion of debt. See Note 16 – Debt and Credit Agreements for additional information on the debt issuance. Prior to the termination, the AOCI derivative gain was $7 million (net of tax). The settlements resulted in a cash receipt of $10 million, which is being amortized into Interest expense in Exelon's Consolidated Statement of Operations and Comprehensive Income over the 5-year and 10-year terms of the swaps.

Since the termination in February 2023, Exelon has entered into additional floating-to-fixed swaps.

The following table provides the notional amounts outstanding held by Exelon at December 31, 2023 and 2022.

	December 31, 2023	December 31, 2022
5-year maturity floating-to-fixed swaps	$ 655	$ 635
10-year maturity floating-to-fixed swaps	655	635
Total	$ 1,310	$ 1,270

The AOCI derivative loss (net of tax) was $10 million as of December 31, 2023 and gain was $2 million as of December 31, 2022. See Note 21 – Changes in Accumulated Other Comprehensive Income (Loss) for additional information.

Economic Hedges (Interest Rate and Other Risk)

Exelon Corporate executes derivative instruments to mitigate exposure to fluctuations in interest rates but for which the fair value or cash flow hedge elections were not made. For derivatives intended to serve as economic hedges, fair value is recorded on the balance sheet and changes in fair value each period are recognized in earnings or as a regulatory asset or liability, if regulatory requirements are met, each period.

Exelon Corporate enters into floating-to-fixed interest rate cap swaps to manage a portion of interest rate exposure in connection with existing borrowings. In 2022, Exelon Corporate entered into $1 billion notional of 18-month maturity floating-to-fixed interest rate cap swaps and $850 million notional of 6-month maturity floating-to-fixed interest rate cap swaps, for a total of $1,850 million notional of floating-to-fixed interest rate cap swaps as of December 31, 2022. The 6-month maturity floating-to-fixed interest rate cap swaps of $850 million notional matured in March 2023. Exelon receives payments on the interest rate cap when the floating rate exceeds the fixed rate. Settlements received are immaterial as of December 31, 2023.

Additionally, to manage potential fluctuations in Electric operating revenues related to ComEd's distribution formula rate, Exelon Corporate entered into a total of $4,875 million notional of 30-year constant maturity treasury interest rate (Corporate 30-year treasury) swaps from 2022 through 2023. The Corporate 30-year treasury swaps matured on December 31, 2023 and Exelon recorded a Mark-to-market liability of $22 million for the final settlement amount, which was paid in January 2024.

The following table provides the notional amounts outstanding held by Exelon at December 31, 2023 and 2022.

Hedging Instrument	December 31, 2023	December 31, 2022
Interest rate cap swaps	$ 1,000	$ 1,850
Constant maturity treasury interest rate swaps	—	500
Total	$ 1,000	$ 2,350

For the year ended December 31, 2023, Exelon Corporate recognized the following net pre-tax mark-to-market losses which are also recognized in Net fair value changes related to derivatives in Exelon's Consolidated Statements of Cash Flows.

	December 31, 2023	December 31, 2022
Income Statement Location	(Loss)	(Loss)
Electric operating revenues	$ (20)	$ (2)
Interest expense	—	(3)
Total	$ (20)	$ (5)

Credit Risk

The Registrants would be exposed to credit-related losses in the event of non-performance by counterparties on executed derivative instruments. The credit exposure of derivative contracts, before collateral, is represented by the fair value of contracts at the reporting date. The Utility Registrants have contracts to procure electric and natural gas supply that provide suppliers with a certain amount of unsecured credit. If the exposure on the supply contract exceeds the amount of unsecured credit, the suppliers may be required to post collateral. The net credit exposure is mitigated primarily by the ability to recover procurement costs through customer rates. The amount of cash collateral received from external counterparties decreased as of December 31, 2023 due to decreasing energy prices. The following table reflects the Registrants' cash collateral held from external counterparties, which is recorded in Other current liabilities on their respective Consolidated Balance Sheets, at December 31, 2023 and 2022

	December 31, 2023	December 31, 2022
Exelon	$ 148	$ 297
ComEd	146	77
PECO[(a)]	—	—
BGE	1	23
PHI	1	197
Pepco	1	26
DPL	—	121
ACE	—	50

(a) PECO had less than one million in cash collateral held with external parties as of December 31, 2023 and 2022.

The Utility Registrants' electric supply procurement contracts do not contain provisions that would require them to post collateral. PECO's, BGE's, and DPL's natural gas procurement contracts contain provisions that could require PECO, BGE, and DPL to post collateral in the form of cash or credit support, which vary by contract and counterparty, with thresholds contingent upon PECO's, BGE's, and DPL's credit rating. As of December 31, 2023, PECO, BGE, and DPL were not required to post collateral for any of these agreements. If PECO, BGE, or DPL lost their investment grade credit rating as of December 31, 2023, they could have been required to post collateral to their counterparties of $25 million, $61 million, and $10 million, respectively.

16. Debt and Credit Agreements (All Registrants)

Short-Term Borrowings

Exelon Corporate, ComEd, and BGE meet their short-term liquidity requirements primarily through the issuance of commercial paper. PECO meets its short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the Exelon intercompany money pool. Pepco, DPL, and ACE meet their short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the PHI intercompany money pool. PHI Corporate meets its short-term liquidity requirements primarily through the issuance of short-term notes and borrowings from the Exelon intercompany money pool. The Registrants may use their respective credit facilities for general corporate purposes, including meeting short-term funding requirements and the issuance of letters of credit.

Commercial Paper

The following table reflects the Registrants' commercial paper programs supported by the revolving credit agreements and bilateral credit agreements at December 31, 2023 and 2022:

Commercial Paper Issuer	Credit Facility Size at December 31, 2023[a]	Credit Facility Size at December 31, 2022[a]	Outstanding Commercial Paper at December 31, 2023	Outstanding Commercial Paper at December 31, 2022	Average Interest Rate on Commercial Paper Borrowings at December 31, 2023	Average Interest Rate on Commercial Paper Borrowings at December 31, 2022
Exelon[b]	$ 4,000	$ 4,000	$ 1,624	$ 1,938	5.58 %	4.77 %
ComEd	$ 1,000	$ 1,000	$ 202	$ 427	5.53 %	4.71 %
PECO	$ 600	$ 600	$ 165	$ 239	5.57 %	4.71 %
BGE	$ 600	$ 600	$ 336	$ 409	5.59 %	4.81 %
PHI[c]	$ 900	$ 900	$ 394	$ 414	5.60 %	4.78 %
Pepco	$ 300 [d]	$ 300	$ 132	$ 299	5.59 %	4.79 %
DPL	$ 300 [d]	$ 300	$ 63	$ 115	5.60 %	4.76 %
ACE	$ 300 [d]	$ 300	$ 199	$ —	5.60 %	— %

(a) Excludes credit facility agreements arranged at minority and community banks. See below for additional information.
(b) Includes revolving credit agreements at Exelon Corporate with a maximum program size of $900 million as of December 31, 2023 and December 31, 2022. Exelon Corporate had $527 million in outstanding commercial paper as of December 31, 2023 and $449 million outstanding commercial paper as of December 31, 2022.
(c) Represents the consolidated amounts of Pepco, DPL, and ACE.
(d) The standard maximum program size for revolving credit facilities is $300 million each for Pepco, DPL and ACE based on the credit agreements in place. However, the facilities at Pepco, DPL, and ACE have the ability to flex to $500 million, $500 million, and $350 million, respectively. The borrowing capacity may be increased or decreased during the term of the facility, except that (i) the sum of the borrowing capacity must equal the total amount of the facility, and (ii) the aggregate amount of credit used at any given time by each of Pepco, DPL, or ACE may not exceed $900 million or the maximum amount of short-term debt the company is permitted to have outstanding by its regulatory authorities. The total number of the borrowing reallocations may not exceed eight per year during the term of the facility. In January 2024, this ability was utilized to increase ACE's program size to $350 million. As a result, the program size for Pepco did not change and DPL was decreased to $250 million, which prevents the aggregate amount of outstanding short-term debt from exceeding the $900 million limit.

In order to maintain their respective commercial paper programs in the amounts indicated above, each Registrant must have credit facilities in place, at least equal to the amount of its commercial paper program. A registrant does not issue commercial paper in an aggregate amount exceeding the then available capacity under its credit facility.

At December 31, 2023, the Registrants had the following aggregate bank commitments, credit facility borrowings, and available capacity under their respective credit facilities:

Borrower[a]	Facility Type	Aggregate Bank Commitment[b]	Facility Draws	Outstanding Letters of Credit	Available Capacity at December 31, 2023	
					Actual	To Support Additional Commercial Paper[c]
Exelon[c]	Syndicated Revolver	$ 4,000	$ —	$ 19	$ 3,981	$ 2,357
ComEd	Syndicated Revolver	1,000	—	10	990	788
PECO	Syndicated Revolver	600	—	—	600	435
BGE	Syndicated Revolver	600	—	6	594	258
PHI[d]	Syndicated Revolver	900	—	—	900	506
Pepco	Syndicated Revolver	300	—	—	300	168
DPL	Syndicated Revolver	300	—	—	300	237
ACE	Syndicated Revolver	300	—	—	300	101

(a) On February 1, 2022, Exelon Corporate and the Utility Registrants' respective syndicated revolving credit facilities were replaced with a new 5-year revolving credit facility.
(b) Excludes credit facility agreements arranged at minority and community banks. See below for additional information.
(c) Includes $900 million aggregate bank commitment related to Exelon Corporate. Exelon Corporate had $3 million outstanding letters of credit as of December 31, 2023. Exelon Corporate had $370 million in available capacity to support additional commercial paper as of December 31, 2023.
(d) Represents the consolidated amounts of Pepco, DPL, and ACE.

The following table reflects the Registrants' credit facility agreements arranged at minority and community banks at December 31, 2023 and 2022. These are excluded from the Maximum Program Size and Aggregate Bank Commitment amounts within the two tables above and the facilities are solely used to issue letters of credit.

Borrower	Aggregate Bank Commitments		Outstanding Letters of Credit	
	2023[a]	2022	2023	2022
Exelon[b]	$ 140	$ 140	$ 10	$ 10
ComEd	40	40	7	7
PECO	40	40	1	1
BGE	15	15	2	2
PHI[c]	45	45	—	—
Pepco	15	15	—	—
DPL	15	15	—	—
ACE	15	15	—	—

(a) These facilities were entered into on October 6, 2023 and expire on October 4, 2024.
(b) Represents the consolidated amounts of ComEd, PECO, BGE, Pepco, DPL, and ACE.
(c) Represents the consolidated amounts of Pepco, DPL, and ACE.

Revolving Credit Agreements

On February 1, 2022, Exelon Corporate and the Utility Registrants each entered into a new 5-year revolving credit facility that replaced its existing syndicated revolving credit facility. The following table reflects the credit agreements:

Borrower	Aggregate Bank Commitment	Interest Rate
Exelon Corporate	$ 900	SOFR plus 1.275 %
ComEd	$ 1,000	SOFR plus 1.000 %
PECO	$ 600	SOFR plus 0.900 %
BGE	$ 600	SOFR plus 0.900 %
Pepco	$ 300	SOFR plus 1.075 %
DPL	$ 300	SOFR plus 1.000 %
ACE	$ 300	SOFR plus 1.000 %

Borrowings under Exelon's, ComEd's, PECO's, BGE's, Pepco's, DPL's, and ACE's revolving credit agreements bear interest at a rate based upon either the prime rate or a SOFR-based rate, plus an adder based upon the particular Registrant's credit rating. The adders for the prime based borrowings and SOFR-based borrowings are presented in the following table:

	Exelon[(a)]	ComEd	PECO	BGE	Pepco	DPL	ACE
Prime based borrowings	0 - 27.5	—	—	—	7.5	—	—
SOFR-based borrowings	90.0 - 127.5	100.0	90.0	90.0	107.5	100.0	100.0

(a) Includes interest rate adders at Exelon Corporate of 27.5 basis points and 127.5 basis points for prime and SOFR-based borrowings, respectively.

If any registrant loses its investment grade rating, the maximum adders for prime rate borrowings and SOFR-based rate borrowings would be 65 basis points and 165 basis points, respectively. The credit agreements also require the borrower to pay a facility fee based upon the aggregate commitments. The fee varies depending upon the respective credit ratings of the borrower. Exelon Corporate and the Utility Registrants had no outstanding amounts on the revolving credit facilities as of December 31, 2023.

Short-Term Loan Agreements

On March 23, 2017, Exelon Corporate entered into a term loan agreement for $500 million. The loan agreement was renewed in the first quarter of 2023 and was bifurcated into two tranches of $300 million on March 14, 2023 and $200 million on March 24, 2023. The agreements will expire on March 14, 2024 and March 22, 2024, respectively. Pursuant to the loan agreements, loans made thereunder bear interest at a variable rate equal to SOFR plus 0.90% and all indebtedness thereunder is unsecured. The loan agreement is reflected in Exelon's Consolidated Balance Sheets within Short-term borrowings.

On October 4, 2022, ComEd entered into a 364-day term loan agreement for $150 million with a variable rate equal to SOFR plus 0.75% and an expiration date of October 3, 2023. The proceeds from this loan were used to repay outstanding commercial paper obligations. The loan agreement is reflected in Exelon's and ComEd's Consolidated Balance Sheets within Short-term borrowings. The balance of the loan was repaid on January 13, 2023 in conjunction with the $400 million and $575 million First Mortgage Bond agreements that were entered into on January 3, 2023.

On May 9, 2023, ComEd entered into a 364-day term loan agreement for $400 million with a variable rate equal to SOFR plus 1.00% and an expiration date of May 7, 2024. The proceeds from this loan were used to repay outstanding commercial paper obligations and for general corporate purposes. The loan agreement is reflected in Exelon's and ComEd's Consolidated Balance Sheets within Short-term borrowings.

Variable Rate Demand Bonds

DPL has outstanding obligations in respect of Variable Rate Demand Bonds (VRDB). VRDBs are subject to repayment on the demand of the holders and, for this reason, are accounted for as short-term debt in accordance with GAAP. However, these bonds may be converted to a fixed-rate, fixed-term option to establish a maturity which corresponds to the date of final maturity of the bonds. On this basis, PHI views VRDBs as a source of long-term financing. At both December 31, 2023 and December 31, 2022, $79 million in variable rate demand bonds issued by DPL were outstanding and are included in the Long-term debt due within one year in Exelon's, PHI's, and DPL's Consolidated Balance Sheets.

Long-Term Debt

The following tables present the outstanding long-term debt at the Registrants at December 31, 2023 and 2022:

Exelon

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
First mortgage bonds[(a)]	1.05 % - 7.90 %	2024 - 2053	$ 24,776	$ 22,651
Senior unsecured notes	2.75 % - 7.60 %	2025 - 2053	10,824	8,324
Unsecured notes	2.25 % - 6.35 %	2026 - 2053	4,650	4,250
Notes payable and other	1.64 % - 7.49 %	2025 - 2053	84	86
Long-term software licensing agreement	2.30 % - 3.95 %	2024 - 2025	12	25
Unsecured tax-exempt bonds	4.15 % - 4.20 %	2024	33	33
Medium-terms notes (unsecured)	7.72 %	2027	10	10
Loan agreement[(b)]	6.23 %	2024	500	1,400
Total long-term debt			40,889	36,779
Unamortized debt discount and premium, net			(80)	(74)
Unamortized debt issuance costs			(296)	(257)
Fair value adjustment			582	626
Long-term debt due within one year			(1,403)	(1,802)
Long-term debt			$ 39,692	$ 35,272
Long-term debt to financing trusts[(c)]				
Subordinated debentures to ComEd Financing III	6.35 %	2033	$ 206	$ 206
Subordinated debentures to PECO Trust III	7.38 % - 10.50 %	2028	81	81
Subordinated debentures to PECO Trust IV	5.75 %	2033	103	103
Total long-term debt to financing trusts			$ 390	$ 390

(a) Substantially all of ComEd's assets other than expressly excluded property and substantially all of PECO's, Pepco's, DPL's, and ACE's assets are subject to the liens of their respective mortgage indentures.
(b) Pursuant to the loan agreement, loans made thereunder bear interest at a variable rate equal to SOFR plus 0.85%.
(c) Amounts owed to these financing trusts are recorded as Long-term debt to financing trusts within Exelon's Consolidated Balance Sheets.

ComEd

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
First mortgage bonds[(a)]	2.20 % - 6.45 %	2024 - 2053	$ 11,603	$ 10,629
Other	7.49 %	2053	8	8
Total long-term debt			11,611	10,637
Unamortized debt discount and premium, net			(28)	(27)
Unamortized debt issuance costs			(97)	(92)
Long-term debt due within one year			(250)	—
Long-term debt			$ 11,236	$ 10,518
Long-term debt to financing trust[(b)]				
Subordinated debentures to ComEd Financing III	6.35 %	2033	$ 206	$ 206
Total long-term debt to financing trusts			206	206
Unamortized debt issuance costs			(1)	(1)
Long-term debt to financing trusts			$ 205	$ 205

(a) Substantially all of ComEd's assets, other than expressly excluded property, are subject to the lien of its mortgage indenture.
(b) Amount owed to this financing trust is recorded as Long-term debt to financing trust within ComEd's Consolidated Balance Sheets.

PECO

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
First mortgage bonds[(a)]	2.80 % - 5.95 %	2025 - 2052	$ 5,200	$ 4,625
Loan agreement	2.00 %	2023	—	50
Total long-term debt			5,200	4,675
Unamortized debt discount and premium, net			(24)	(24)
Unamortized debt issuance costs			(42)	(39)
Long-term debt due within one year			—	(50)
Long-term debt			$ 5,134	$ 4,562
Long-term debt to financing trusts[(b)]				
Subordinated debentures to PECO Trust III	7.38 % - 10.50 %	2028	$ 81	$ 81
Subordinated debentures to PECO Trust IV	5.75 %	2033	103	103
Long-term debt to financing trusts			$ 184	$ 184

(a) Substantially all of PECO's assets are subject to the lien of its mortgage indenture.
(b) Amounts owed to this financing trust are recorded as Long-term debt to financing trusts within PECO's Consolidated Balance Sheets.

BGE

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
Unsecured notes	2.25 % - 6.35 %	2026 - 2053	$ 4,650	$ 4,250
Total long-term debt			4,650	4,250
Unamortized debt discount and premium, net			(12)	(13)
Unamortized debt issuance costs			(36)	(30)
Long-term debt due within one year			—	(300)
Long-term debt			$ 4,602	$ 3,907

PHI

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
First mortgage bonds[(a)]	1.05 % - 7.90 %	2024 - 2053	$ 7,972	$ 7,397
Senior unsecured notes	7.45 %	2032	185	185
Unsecured tax-exempt bonds	4.15 % - 4.20 %	2024	33	33
Medium-terms notes (unsecured)	7.72 %	2027	10	10
Finance leases	5.62 %	2025 - 2031	74	76
Total long-term debt			8,274	7,701
Unamortized debt discount and premium, net			—	4
Unamortized debt issuance costs			(55)	(47)
Fair value adjustment			429	462
Long-term debt due within one year			(644)	(591)
Long-term debt			$ 8,004	$ 7,529

(a) Substantially all of Pepco's, DPL's, and ACE's assets are subject to the liens of their respective mortgage indentures.

Pepco

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
First mortgage bonds[(a)]	2.32 % - 7.90 %	2024 - 2053	$ 4,125	$ 3,775
Finance leases	5.62 %	2025 - 2031	26	25
Total long-term debt			4,151	3,800
Unamortized debt discount and premium, net			2	2
Unamortized debt issuance costs			(57)	(51)
Long-term debt due within one year			(405)	(4)
Long-term debt			$ 3,691	$ 3,747

(a) Substantially all of Pepco's assets are subject to the lien of its mortgage indenture.

DPL

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
First mortgage bonds[(a)]	1.05 % - 5.72 %	2028 - 2053	$ 2,024	$ 1,874
Unsecured tax-exempt bonds	4.15 % - 4.20 %	2024	33	33
Medium-terms notes (unsecured)	7.72 %	2027	10	10
Finance leases	5.62 %	2025 - 2031	29	32
Total long-term debt			2,096	1,949
Unamortized debt discount and premium, net[(b)]			—	—
Unamortized debt issuance costs			(16)	(11)
Long-term debt due within one year			(84)	(584)
Long-term debt			$ 1,996	$ 1,354

(a) Substantially all of DPL's assets are subject to the lien of its mortgage indenture.
(b) The amount in the Unamortized debt discount and premium, net category was less than $1 million as of December 31, 2023 and 2022.

ACE

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
First mortgage bonds[(a)]	2.25 % - 5.80 %	2024 - 2053	$ 1,823	$ 1,748
Finance leases	5.62 %	2025 - 2031	19	19
Total long-term debt			1,842	1,767
Unamortized debt discount and premium, net			—	(1)
Unamortized debt issuance costs			(9)	(9)
Long-term debt due within one year			(154)	(3)
Long-term debt			$ 1,679	$ 1,754

(a) Substantially all of ACE's assets are subject to the lien of its mortgage indenture.

Long-term debt maturities at the Registrants in the periods 2024 through 2028 and thereafter are as follows:

Year	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
2024	$ 1,403	$ 250	$ —	$ —	$ 644	$ 405	$ 84	$ 154
2025	1,327	—	350	—	166	6	6	154
2026	1,615	500	—	350	15	5	6	4
2027	1,023	350	—	—	22	4	15	3
2028	1,990	550	81	—	358	3	3	352
Thereafter	33,921 [(a)]	10,167 [(b)]	4,953 [(c)]	4,300	7,070	3,728	1,982	1,175
Total	$ 41,279	$ 11,817	$ 5,384	$ 4,650	$ 8,275	$ 4,151	$ 2,096	$ 1,842

(a) Includes $390 million due to ComEd and PECO financing trusts.
(b) Includes $206 million due to ComEd financing trust.
(c) Includes $184 million due to PECO financing trusts.

Long-Term Debt to Affiliates

In connection with the debt obligations assumed by Exelon as part of the Constellation merger, Exelon and subsidiaries of Generation (former Constellation subsidiaries) entered into intercompany loan agreements that mirror the terms and amounts of the third-party debt obligations of Exelon, resulting in intercompany notes receivable at Exelon Corporate from Generation. In connection with the separation, on January 31, 2022, Exelon Corporate received cash from Generation of $258 million to settle the intercompany loan.

Debt Covenants

As of December 31, 2023, the Registrants are in compliance with debt covenants.

17. Fair Value of Financial Assets and Liabilities (All Registrants)

Exelon measures and classifies fair value measurements in accordance with the hierarchy as defined by GAAP. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities that the Registrants have the ability to liquidate as of the reporting date.
- Level 2 — inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

- Level 3 — unobservable inputs, such as internally developed pricing models or third-party valuations for the asset or liability due to little or no market activity for the asset or liability.

Fair Value of Financial Liabilities Recorded at Amortized Cost

The following tables present the carrying amounts and fair values of the Registrants' short-term liabilities, long-term debt, and trust preferred securities (long-term debt to financing trusts or junior subordinated debentures) at December 31, 2023 and 2022. The Registrants have no financial liabilities classified as Level 1 or measured using the NAV practical expedient.

The carrying amounts of the Registrants' short-term liabilities as presented in their Consolidated Balance Sheets are representative of their fair value (Level 2) because of the short-term nature of these instruments.

	December 31, 2023					December 31, 2022				
	Carrying Amount	Fair Value				Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Long-Term Debt, including amounts due within one year[(a)]										
Exelon	$41,095	$ —	$ 33,804	$ 3,442	$ 37,246	$ 37,074	$ —	$ 29,902	$ 2,327	$ 32,229
ComEd	11,486	—	10,210	—	10,210	10,518	—	9,006	—	9,006
PECO	5,134	—	4,562	—	4,562	4,612	—	3,864	50	3,914
BGE	4,602	—	4,145	—	4,145	4,207	—	3,613	—	3,613
PHI	8,648	—	4,160	3,442	7,602	8,120	—	4,507	2,277	6,784
Pepco	4,096	—	2,311	1,600	3,911	3,751	—	2,229	1,205	3,434
DPL	2,080	—	694	1,134	1,828	1,938	—	1,164	458	1,622
ACE	1,833	—	939	708	1,647	1,757	—	909	614	1,523
Long-Term Debt to Financing Trusts										
Exelon	$ 390	$ —	$ —	$ 390	$ 390	$ 390	$ —	$ —	$ 384	$ 384
ComEd	205	—	—	208	208	205	—	—	204	204
PECO	184	—	—	182	182	184	—	—	180	180

(a) Includes unamortized debt issuance costs, unamortized debt discount and premium, net, purchase accounting fair value adjustments, and finance lease liabilities which are not fair valued. Refer to Note 16 — Debt and Credit Agreements for unamortized debt issuance costs, unamortized debt discount and premium, net, and purchase accounting fair value adjustments and Note 10 — Leases for finance lease liabilities.

Exelon uses the following methods and assumptions to estimate fair value of financial liabilities recorded at carrying cost:

Type	Level	Registrants	Valuation
Long-Term Debt, including amounts due within one year			
Taxable Debt Securities	2	All	The fair value is determined by a valuation model that is based on a conventional discounted cash flow methodology and utilizes assumptions of current market pricing curves. Exelon obtains credit spreads based on trades of existing Exelon debt securities as well as other issuers in the utility sector with similar credit ratings. The yields are then converted into discount rates of various tenors that are used for discounting the respective cash flows of the same tenor for each bond or note.
Variable Rate Financing Debt	2	Exelon, DPL	Debt rates are reset on a regular basis and the carrying value approximates fair value.
Non-Government Backed Fixed Rate Nonrecourse Debt	2	Exelon	Fair value is based on market and quoted prices for its own and other nonrecourse debt with similar risk profiles. Given the low trading volume in the nonrecourse debt market, the price quotes used to determine fair value will reflect certain qualitative factors, such as market conditions, investor demand, new developments that might significantly impact the project cash flows or off-taker credit, and other circumstances related to the project.
Taxable Private Placement Debt Securities	3	Exelon, Pepco, DPL, ACE	Rates are obtained similar to the process for taxable debt securities. Due to low trading volume and qualitative factors such as market conditions, low volume of investors, and investor demand, these debt securities are Level 3.
Long-Term Debt to Financing Trusts			
Long Term Debt to Financing Trusts	3	Exelon, ComEd, PECO	Fair value is based on publicly traded securities issued by the financing trusts. Due to low trading volume of these securities and qualitative factors, such as market conditions, investor demand, and circumstances related to each issue, this debt is classified as Level 3.

Recurring Fair Value Measurements

The following tables present assets and liabilities measured and recorded at fair value in the Registrants' Consolidated Balance Sheets on a recurring basis and their level within the fair value hierarchy at December 31, 2023 and 2022. Exelon and the Utility Registrants have immaterial and no financial assets or liabilities measured using the NAV practical expedient, respectively:

Exelon

	At December 31, 2023				At December 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Cash equivalents[a]	$ 618	$ —	$ —	$ 618	$ 664	$ —	$ —	$ 664
Rabbi trust investments								
Cash equivalents	67	—	—	67	62	—	—	62
Mutual funds	53	—	—	53	49	—	—	49
Fixed income	—	7	—	7	—	7	—	7
Life insurance contracts	—	61	43	104	—	58	40	98
Rabbi trust investments subtotal	120	68	43	231	111	65	40	216
Interest rate derivative assets								
Derivatives designated as hedging instruments	—	11	—	11	—	6	—	6
Economic hedges	—	1	—	1	—	5	—	5
Interest rate derivative assets subtotal	—	12	—	12	—	11	—	11
Total assets	738	80	43	861	775	76	40	891
Liabilities								
Commodity derivative liabilities	—	—	(133)	(133)	—	—	(84)	(84)
Interest rate derivative liabilities								
Derivatives designated as hedging instruments	—	(24)	—	(24)	—	(4)	—	(4)
Economic hedges	—	(22)	—	(22)	—	(3)	—	(3)
Interest rate derivative liabilities subtotal	—	(46)	—	(46)	—	(7)	—	(7)
Deferred compensation obligation	—	(75)	—	(75)	—	(75)	—	(75)
Total liabilities	—	(121)	(133)	(254)	—	(82)	(84)	(166)
Total net assets (liabilities)	$ 738	$ (41)	$ (90)	$ 607	$ 775	$ (6)	$ (44)	$ 725

(a) Excludes cash of $334 million and $345 million at December 31, 2023 and 2022, respectively, and restricted cash of $149 million and $81 million at December 31, 2023 and 2022, respectively, and includes long-term restricted cash of $174 million and $117 million at December 31, 2023 and 2022, respectively, which is reported in Other deferred debits in the Consolidated Balance Sheets.

ComEd, PECO, and BGE

	ComEd				PECO				BGE			
At December 31, 2023	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets												
Cash equivalents[a]	$ 453	$ —	$ —	$ 453	$ 9	$ —	$ —	$ 9	$ —	$ —	$ —	$ —
Rabbi trust investments												
Mutual funds	—	—	—	—	9	—	—	9	9	—	—	9
Life insurance contracts	—	—	—	—	—	18	—	18	—	—	—	—
Rabbi trust investments subtotal	—	—	—	—	9	18	—	27	9	—	—	9
Total assets	453	—	—	453	18	18	—	36	9	—	—	9
Liabilities												
Commodity derivative liabilities[b]	—	—	(133)	(133)	—	—	—	—	—	—	—	—
Deferred compensation obligation	—	(8)	—	(8)	—	(8)	—	(8)	—	(4)	—	(4)
Total liabilities	—	(8)	(133)	(141)	—	(8)	—	(8)	—	(4)	—	(4)
Total net assets (liabilities)	$ 453	$ (8)	$ (133)	$ 312	$ 18	$ 10	$ —	$ 28	$ 9	$ (4)	$ —	$ 5

	ComEd				PECO				BGE			
At December 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[(a)]	$ 392	$ —	$ —	$ 392	$ 10	$ —	$ —	$ 10	$ 23	$ —	$ —	$ 23
Rabbi trust investments												
Mutual funds	—	—	—	—	7	—	—	7	7	—	—	7
Life insurance contracts	—	—	—	—	—	15	—	15	—	—	—	—
Rabbi trust investments subtotal	—	—	—	—	7	15	—	22	7	—	—	7
Total assets	392	—	—	392	17	15	—	32	30	—	—	30
Liabilities												
Commodity derivative liabilities[(b)]	—	—	(84)	(84)	—	—	—	—	—	—	—	—
Deferred compensation obligation	—	(8)	—	(8)	—	(7)	—	(7)	—	(4)	—	(4)
Total liabilities	—	(8)	(84)	(92)	—	(7)	—	(7)	—	(4)	—	(4)
Total net assets (liabilities)	$ 392	$ (8)	$ (84)	$ 300	$ 17	$ 8	$ —	$ 25	$ 30	$ (4)	$ —	$ 26

(a) ComEd excludes cash of $86 million and $42 million at December 31, 2023 and 2022, respectively, and restricted cash of $147 million and $77 million at December 31, 2023 and 2022, respectively, and includes long-term restricted cash of $174 million and $117 million at December 31, 2023 and 2022, respectively, which is reported in Other deferred debits in the Consolidated Balance Sheets. PECO excludes cash of $42 million and $58 million at December 31, 2023 and 2022, respectively. BGE excludes cash of $47 million and $43 million at December 31, 2023 and 2022, respectively, and restricted cash of $1 million and $1 million at December 31, 2023 and 2022, respectively.

(b) The Level 3 balance consists of the current and noncurrent liability of $27 million and $106 million, respectively, at December 31, 2023, and $5 million and $79 million, respectively, at December 31, 2022 related to floating-to-fixed energy swap contracts with unaffiliated suppliers.

PHI, Pepco, DPL, and ACE

	At December 31, 2023				At December 31, 2022			
PHI	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets								
Cash equivalents[(a)]	$ 107	$ —	$ —	$ 107	$ 205	$ —	$ —	$ 205
Rabbi trust investments								
Cash equivalents	64	—	—	64	59	—	—	59
Mutual funds	9	—	—	9	11	—	—	11
Fixed income	—	7	—	7	—	7	—	7
Life insurance contracts	—	21	41	62	—	22	39	61
Rabbi trust investments subtotal	73	28	41	142	70	29	39	138
Total assets	180	28	41	249	275	29	39	343
Liabilities								
Deferred compensation obligation	—	(13)	—	(13)	—	(14)	—	(14)
Total liabilities	—	(13)	—	(13)	—	(14)	—	(14)
Total net assets	$ 180	$ 15	$ 41	$ 236	$ 275	$ 15	$ 39	$ 329

	Pepco				DPL				ACE			
At December 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[(a)]	$ 23	$ —	$ —	$ 23	$ 1	$ —	$ —	$ 1	$ —	$ —	$ —	$ —
Rabbi trust investments												
Cash equivalents	63	—	—	63	—	—	—	—	—	—	—	—
Life insurance contracts	—	21	41	62	—	—	—	—	—	—	—	—
Rabbi trust investments subtotal	63	21	41	125	—	—	—	—	—	—	—	—
Total assets	86	21	41	148	1	—	—	1	—	—	—	—
Liabilities												
Deferred compensation obligation	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total liabilities	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total net assets	$ 86	$ 20	$ 41	$ 147	$ 1	$ —	$ —	$ 1	$ —	$ —	$ —	$ —

	Pepco				DPL				ACE			
At December 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[(a)]	$ 51	$ —	$ —	$ 51	$ 121	$ —	$ —	$ 121	$ 1	$ —	$ —	$ 1
Rabbi trust investments												
Cash equivalents	59	—	—	59	—	—	—	—	—	—	—	—
Life insurance contracts	—	22	38	60	—	—	—	—	—	—	—	—
Rabbi trust investments subtotal	59	22	38	119	—	—	—	—	—	—	—	—
Total assets	110	22	38	170	121	—	—	121	1	—	—	1
Liabilities												
Deferred compensation obligation	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total liabilities	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total net assets	$ 110	$ 21	$ 38	$ 169	$ 121	$ —	$ —	$ 121	$ 1	$ —	$ —	$ 1

(a) PHI excludes cash of $96 million and $165 million at December 31, 2023 and 2022, respectively, and restricted cash of $1 million and $3 million at December 31, 2023 and 2022, respectively. Pepco excludes cash of $48 million and $45 million at December 31, 2023 and 2022, respectively, and restricted cash of $1 million and $3 million at December 31, 2023 and 2022, respectively. DPL excludes cash of $15 million and $31 million at December 31, 2023 and 2022, respectively. ACE excludes cash of $21 million and $71 million at December 31, 2023 and 2022, respectively.

Reconciliation of Level 3 Assets and Liabilities

The following tables present the fair value reconciliation of Level 3 assets and liabilities measured at fair value on a recurring basis during the years ended December 31, 2023 and 2022:

	Exelon	ComEd	PHI and Pepco	
For the year ended December 31, 2023	**Total**	**Commodity Derivatives**	**Life Insurance Contracts**	
Balance at December 31, 2022	$ (44)	$ (84)	$ 40	
Total realized / unrealized gains (losses)				
Included in net income[(a)]	3	—	1	
Included in regulatory assets/liabilities	(49)	(49)	—	[(b)]
Balance at December 31, 2023	$ (90)	$ (133)	$ 41	[(c)]
The amount of total gains included in income attributed to the change in unrealized gains (losses) related to assets and liabilities as of December 31, 2023	$ 3	$ —	$ 1	

For the year ended December 31, 2022	Exelon Total	ComEd Commodity Derivatives	PHI and Pepco Life Insurance Contracts
Balance at December 31, 2021	$ (182)	$ (219)	$ 35
Total realized / unrealized gains (losses)			
Included in net income[a]	5	—	5
Included in regulatory assets/liabilities	135	135 [b]	—
Transfers into Level 3	(2)	—	—
Balance at December 31, 2022	$ (44)	$ (84)	$ 40
The amount of total gains included in income attributed to the change in unrealized gains (losses) related to assets and liabilities as of December 31, 2022	$ 5	$ —	$ 5

(a) Classified in Operating and maintenance expense in the Consolidated Statements of Operations and Comprehensive Income.
(b) Includes $83 million of decreases in fair value and an increase for realized gains due to settlements of $34 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the year ended December 31, 2023. Includes $136 million of increases in fair value and a decrease for realized losses due to settlements of $1 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the year ended December 31, 2022.
(c) The balance of the current and noncurrent asset was effectively zero as of December 31, 2023. The balance consists of a current and noncurrent liability of $27 million and $106 million, respectively, as of December 31, 2023.

Valuation Techniques Used to Determine Fair Value

Cash Equivalents (All Registrants). Investments with original maturities of three months or less when purchased, including mutual and money market funds, are considered cash equivalents. The fair values are based on observable market prices and, therefore, are included in the recurring fair value measurements hierarchy as Level 1.

Rabbi Trust Investments (Exelon, PECO, BGE, PHI, Pepco, DPL, and ACE). The Rabbi trusts were established to hold assets related to deferred compensation plans existing for certain active and retired members of Exelon's executive management and directors. The Rabbi trusts' assets are included in Investments in the Registrants' Consolidated Balance Sheets and consist primarily of money market funds, mutual funds, fixed income securities, and life insurance policies. Money market funds and mutual funds are publicly quoted and have been categorized as Level 1 given the clear observability of the prices. The fair values of fixed income securities are based on evaluated prices that reflect observable market information, such as actual trade information or similar securities, adjusted for observable differences and are categorized in Level 2. The life insurance policies are valued using the cash surrender value of the policies, net of loans against those policies, which is provided by a third-party. Certain life insurance policies, which consist primarily of mutual funds that are priced based on observable market data, have been categorized as Level 2 because the life insurance policies can be liquidated at the reporting date for the value of the underlying assets. Life insurance policies that are valued using unobservable inputs have been categorized as Level 3, where the fair value is determined based on the cash surrender value of the policy, which contains unobservable inputs and assumptions. Because Exelon relies on its third-party insurance provider to develop the inputs without adjustment for the valuations of its Level 3 investments, quantitative information about significant unobservable inputs used in valuing these investments is not reasonably available to Exelon. Therefore, Exelon has not disclosed such inputs.

Interest Rate Derivatives (Exelon) Exelon may utilize fixed-to-floating or floating-to-fixed interest rate swaps as a means to manage interest rate risk. These interest rate swaps are typically accounted for as economic hedges. In addition, Exelon may utilize interest rate derivatives to lock in interest rate levels in anticipation of future financings. These interest rate derivatives are typically designated as cash flow hedges. Exelon determines the current fair value by calculating the net present value of expected payments and receipts under the swap agreement, based on and discounted by the market's expectation of future interest rates. Additional inputs to the net present value calculation may include the contract terms, counterparty credit risk and other market parameters. As these inputs are based on observable data and valuations of similar instruments, the interest rate swaps are categorized as Level 2 in the fair value hierarchy. See Note 15 — Derivative Financial Instruments for additional information on mark-to-market derivatives.

Deferred Compensation Obligations (All Registrants). The Registrants' deferred compensation plans allow participants to defer certain cash compensation into a notional investment account. The Registrants include such plans in other current and noncurrent liabilities in their Consolidated Balance Sheets. The value of the Registrants' deferred compensation obligations is based on the market value of the participants' notional investment accounts. The underlying notional investments are comprised primarily of equities, mutual funds, commingled funds, and fixed income securities which are based on directly and indirectly observable market prices. Since the deferred compensation obligations themselves are not exchanged in an active market, they are categorized as Level 2 in the fair value hierarchy.

The value of certain employment agreement obligations (which are included with the Deferred Compensation Obligation in the tables above) are based on a known and certain stream of payments to be made over time and are categorized as Level 2 within the fair value hierarchy.

Commodity Derivatives (Exelon and ComEd). On December 17, 2010, ComEd entered into several 20-year floating to fixed energy swap contracts with unaffiliated suppliers for the procurement of long-term renewable energy and associated RECs. Delivery under the contracts began in June 2012. The fair value of these swaps has been designated as a Level 3 valuation due to the long tenure of the positions and the internal modeling assumptions. The modeling assumptions include using forward power prices. See Note 15 — Derivative Financial Instruments for additional information on mark-to-market derivatives.

The following table discloses the significant unobservable inputs to the forward curve used to value mark-to-market derivatives:

Type of trade	Fair Value as of December 31, 2023	Fair Value as of December 31, 2022	Valuation Technique	Unobservable Input	2023 Range & Arithmetic Average	2022 Range & Arithmetic Average
Commodity derivatives	$ (133)	$ (84)	Discounted Cash Flow	Forward power price[(a)]	$30.27 - $ 73.71 $43.35	$34.78 - $75.71 $48.44

(a) An increase to the forward power price would increase the fair value.

18. Commitments and Contingencies (All Registrants)

Commitments

PHI Merger Commitments (Exelon, PHI, Pepco, DPL, and ACE). Approval of the PHI Merger in Delaware, New Jersey, Maryland, and the District of Columbia was conditioned upon Exelon and PHI agreeing to certain commitments. The following amounts represent total commitment costs that have been recorded since the acquisition date and the total remaining obligations for Exelon, PHI, Pepco, DPL, and ACE at December 31, 2023:

Description	Exelon	PHI	Pepco	DPL	ACE
Total commitments	$ 513	$ 320	$ 120	$ 89	$ 111
Remaining commitments[(a)]	38	35	31	3	1

(a) Remaining commitments extend through 2026 and include escrow funds, charitable contributions, and rate credits.

Commercial Commitments (All Registrants). The Registrants' commercial commitments at December 31, 2023, representing commitments potentially triggered by future events were as follows:

		Expiration within					
Exelon	**Total**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029 and beyond**
Letters of credit[a]	$ 29	$ 27	$ 2	$ —	$ —	$ —	$ —
Surety bonds[b]	204	204	—	—	—	—	—
Financing trust guarantees[c]	378	—	—	—	—	78	300
Guaranteed lease residual values[d]	27	—	5	6	4	6	6
Total commercial commitments	$ 638	$ 231	$ 7	$ 6	$ 4	$ 84	$ 306
ComEd							
Letters of credit[a]	$ 17	$ 15	$ 2	$ —	$ —	$ —	$ —
Surety bonds[b]	46	46	—	—	—	—	—
Financing trust guarantees[c]	200	—	—	—	—	—	200
Total commercial commitments	$ 263	$ 61	$ 2	$ —	$ —	$ —	$ 200
PECO							
Letters of credit[a]	$ 1	$ 1	$ —	$ —	$ —	$ —	$ —
Surety bonds[b]	2	2	—	—	—	—	—
Financing trust guarantees[c]	178	—	—	—	—	78	100
Total commercial commitments	$ 181	$ 3	$ —	$ —	$ —	$ 78	$ 100
BGE							
Letters of credit[a]	$ 8	$ 8	$ —	$ —	$ —	$ —	$ —
Surety bonds[b]	3	3	—	—	—	—	—
Total commercial commitments	$ 11	$ 11	$ —	$ —	$ —	$ —	$ —
PHI							
Surety bonds[b]	$ 96	$ 96	$ —	$ —	$ —	$ —	$ —
Guaranteed lease residual values[d]	27	—	5	6	4	6	6
Total commercial commitments	$ 123	$ 96	$ 5	$ 6	$ 4	$ 6	$ 6
Pepco							
Surety bonds[b]	$ 84	$ 84	$ —	$ —	$ —	$ —	$ —
Guaranteed lease residual values[d]	9	—	2	2	1	2	2
Total commercial commitments	$ 93	$ 84	$ 2	$ 2	$ 1	$ 2	$ 2
DPL							
Surety bonds[b]	$ 7	$ 7	$ —	$ —	$ —	$ —	$ —
Guaranteed lease residual values[d]	11	—	2	3	2	2	2
Total commercial commitments	$ 18	$ 7	$ 2	$ 3	$ 2	$ 2	$ 2
ACE							
Surety bonds[b]	$ 5	$ 5	$ —	$ —	$ —	$ —	$ —
Guaranteed lease residual values[d]	7	—	1	1	1	2	2
Total commercial commitments	$ 12	$ 5	$ 1	$ 1	$ 1	$ 2	$ 2

(a) Exelon and certain of its subsidiaries maintain non-debt letters of credit to provide credit support for certain transactions as requested by third parties.
(b) Surety bonds—Guarantees issued related to contract and commercial agreements, excluding bid bonds. Historically, payments under the guarantees have not been made and the likelihood of payments being required is remote.
(c) Reflects guarantee of ComEd and PECO securities held by ComEd Financing III, PECO Trust III, and PECO Trust IV.
(d) Represents the maximum potential obligation in the event that the fair value of certain leased equipment and fleet vehicles is zero at the end of the maximum lease term. The lease term associated with these assets ranges from 1 to 8 years. The maximum potential obligation at the end of the minimum lease term would be $61 million guaranteed by Exelon and PHI, of which $20 million, $24 million, and $17 million is guaranteed by Pepco, DPL, and ACE, respectively. Historically, payments under the guarantees have not been made and PHI believes the likelihood of payments being required under the guarantees is remote.

Environmental Remediation Matters

General (All Registrants). The Registrants' operations have in the past, and may in the future, require substantial expenditures to comply with environmental laws. Additionally, under federal and state environmental laws, the Registrants are generally liable for the costs of remediating environmental contamination of property now or formerly owned by them and of property contaminated by hazardous substances generated by them. The Registrants own or lease a number of real estate parcels, including parcels on which their operations or the operations of others may have resulted in contamination by substances that are considered hazardous under environmental laws. In addition, the Registrants are currently involved in a number of proceedings relating to sites where hazardous substances have been deposited and may be subject to additional proceedings in the future. Unless otherwise disclosed, the Registrants cannot reasonably estimate whether they will incur significant liabilities for additional investigation and remediation costs at these or additional sites identified by the Registrants, environmental agencies or others, or whether such costs will be recoverable from third parties, including customers. Additional costs could have a material, unfavorable impact on the Registrants' financial statements.

MGP Sites (All Registrants). ComEd, PECO, BGE, and DPL have identified sites where former MGP or gas purification activities have or may have resulted in actual site contamination. For some sites, there are additional PRPs that may share responsibility for the ultimate remediation of each location.

- ComEd has 17 sites that are currently under some degree of active study and/or remediation. ComEd expects the majority of the remediation at these sites to continue through at least 2031.
- PECO has 6 sites that are currently under some degree of active study and/or remediation. PECO expects the majority of the remediation at these sites to continue through at least 2025.
- BGE has 4 sites that currently require some level of remediation and/or ongoing activity. BGE expects the majority of the remediation at these sites to continue through at least 2025.
- DPL has 1 site that is currently under study and the required cost at the site is not expected to be material.

The historical nature of the MGP and gas purification sites and the fact that many of the sites have been buried and built over, impacts the ability to determine a precise estimate of the ultimate costs prior to initial sampling and determination of the exact scope and method of remedial activity. Management determines its best estimate of remediation costs using all available information at the time of each study, including probabilistic and deterministic modeling for ComEd and PECO, and the remediation standards currently required by the applicable state environmental agency. Prior to completion of any significant clean up, each site remediation plan is approved by the appropriate state environmental agency.

ComEd, pursuant to an ICC order, and PECO, pursuant to a PAPUC order, are currently recovering environmental remediation costs of former MGP facility sites through customer rates. While BGE and DPL do not have riders for MGP clean-up costs, they have historically received recovery of actual clean-up costs in distribution rates.

In 2023, ComEd and PECO completed an annual study of their future estimated MGP remediation requirements. The study resulted in a $25 million increase to the environmental liability and related regulatory asset for ComEd.

The increase was primarily due to increased costs resulting from inflation and changes in remediation plans. The study did not result in a material change to the environmental liability for PECO.

At December 31, 2023 and 2022, the Registrants had accrued the following undiscounted amounts for environmental liabilities in Accrued expenses, Other current liabilities, and Other deferred credits and other liabilities in their respective Consolidated Balance Sheets:

	December 31, 2023		December 31, 2022	
	Total Environmental Investigation and Remediation Liabilities	Portion of Total Related to MGP Investigation and Remediation	Total Environmental Investigation and Remediation Liabilities	Portion of Total Related to MGP Investigation and Remediation
Exelon	$ 428	$ 338	$ 409	$ 355
ComEd	303	302	325	324
PECO	27	25	25	23
BGE	14	11	9	8
PHI	81	—	46	—
Pepco	79	—	44	—
DPL	1	—	1	—
ACE	1	—	1	—

Benning Road Site (Exelon, PHI, and Pepco). In September 2010, PHI received a letter from EPA identifying the Benning Road site as one of six land-based sites potentially contributing to contamination of the lower Anacostia River. A portion of the site, which is owned by Pepco, was formerly the location of an electric generating facility owned by Pepco subsidiary, Pepco Energy Services (PES), which became a part of Generation, following the 2016 merger between PHI and Exelon. This generating facility was deactivated in June 2012. The remaining portion of the site consists of a Pepco transmission and distribution service center that remains in operation. In December 2011, the U.S. District Court for the District of Columbia approved a Consent Decree entered into by Pepco and Pepco Energy Services (hereinafter "Pepco Entities") with the DOEE, which requires the Pepco Entities to conduct a Remedial Investigation and Feasibility Study (RI/FS) for the Benning Road site and an approximately 10 to 15-acre portion of the adjacent Anacostia River. The purpose of this RI/FS is to define the nature and extent of contamination from the Benning Road site and to evaluate remedial alternatives.

Pursuant to an internal agreement between the Pepco Entities, since 2013, Pepco has performed the work required by the Consent Decree and has been reimbursed for that work by an agreed upon allocation of costs between the Pepco Entities. In September 2019, the Pepco Entities issued a draft “final” RI report which DOEE approved on February 3, 2020. The Pepco Entities are completing a FS to evaluate possible remedial alternatives for submission to DOEE. In October, 2022, DOEE approved dividing the work to complete the landside portion of the FS from the waterside portion to expedite the overall schedule for completion of the project. It is currently anticipated that the landside FS will be complete and approved by DOEE by the end of the first quarter of 2024 and the waterside FS will be complete and approved by DOEE by the end of the fourth quarter of 2024. Following the completion of each FS, DOEE will issue a Proposed Plan for public comment and then issue a Record of Decision (ROD) identifying the remedial actions determined to be necessary for the area in question. On October 3, 2023, DOEE and Pepco entered into an addendum to the Benning Consent Decree pursuant to which Pepco has agreed to fund or perform the remedial actions to be selected by DOEE for the landslide and water areas. This addendum to the Benning Consent Decree has been lodged with the court in January 2024. Once the addendum is signed and entered by the court it will become effective.

As part of the separation between Exelon and Constellation in February 2022, the internal agreement between the Pepco Entities for completion and payment for the remaining Consent Decree work was memorialized in a formal agreement for post-separation activities. A second post-separation assumption agreement between Exelon and Constellation transferred any of the potential remaining remediation liability, if any, of PES/Generation to a non-utility subsidiary of Exelon which going forward will be responsible for those liabilities. Exelon, PHI, and Pepco have determined that a loss associated with this matter is probable and have accrued an estimated liability, which is included in the table above.

Anacostia River Tidal Reach (Exelon, PHI, and Pepco). Contemporaneous with the Benning Road site RI/FS being performed by the Pepco Entities, DOEE and NPS have been conducting a separate RI/FS focused on the

entire tidal reach of the Anacostia River extending from just north of the Maryland-District of Columbia boundary line to the confluence of the Anacostia and Potomac Rivers. The river-wide RI incorporated the results of the river sampling performed by the Pepco Entities as part of the Benning RI/FS, as well as similar sampling efforts conducted by owners of other sites adjacent to this segment of the river and supplemental river sampling conducted by DOEE's contractor.

On September 30, 2020, DOEE released its Interim ROD for the Anacostia River sediments. The Interim ROD reflects an adaptive management approach which will require several identified "hot spots" in the river to be addressed first while continuing to conduct studies and to monitor the river to evaluate improvements and determine potential future remediation plans. The adaptive management process chosen by DOEE is less intrusive, provides more long-term environmental certainty, is less costly, and allows for site specific remediation plans already underway, including the plan for the Benning Road site to proceed to conclusion.

On July 15, 2022, Pepco received a letter from the District of Columbia's Office of the Attorney General (D.C. OAG) on behalf of DOEE conveying a settlement offer to resolve all PRPs' liability to the District of Columbia (District) for their past costs and their anticipated future costs to complete the work for the Interim ROD. Pepco responded on July 27, 2022 to enter into settlement discussions. On October 3, 2023, Pepco and the District entered into another consent decree (the "Anacostia River Consent Decree") pursuant to which Pepco agreed to pay $47 million to resolve its liability to the District for all past costs to perform the river-wide RI/FS and all future costs to complete the work required by the Interim ROD. This amount will be paid in four equal annual installments beginning a year after the effective date of the Anacostia River Consent Decree. The funds will be deposited into the DOEE's Clean Land Fund for the District's costs of the Interim ROD work. The Anacostia River Consent Decree caps Pepco's liability for these costs and provides Pepco with the right to seek contribution from other potentially responsible parties. The Anacostia River Consent Decree was lodged with the U.S. District Court for the District of Columbia in January 2024. Once the court signs and approves the Anacostia River Consent Decree it will become effective. Exelon, PHI, and Pepco have accrued a liability for Pepco's payment obligations under the Anacostia Consent Decree and management's best estimate of its share of any other future Anacostia River response costs. Pepco has concluded that incremental exposure remains reasonably possible, but management cannot reasonably estimate a range of loss beyond the amounts recorded, which are included in the table above.

In addition to the activities associated with the remedial process outlined above, CERCLA separately requires federal and state (here including Washington, D.C.) Natural Resource Trustees (federal or state agencies designated by the President or the relevant state, respectively, or Indian tribes) to conduct an assessment of any damages to natural resources within their jurisdiction as a result of the contamination that is being remediated. The Trustees can seek compensation from responsible parties for such damages, including restoration costs. During the second quarter of 2018, Pepco became aware that the Trustees are in the beginning stages of a NRD assessment, a process that often takes many years beyond the remedial decision to complete. Pepco has concluded that a loss associated with the eventual NRD assessment is reasonably possible. Due to the very early stage of the NRD process, Pepco cannot reasonably estimate the final range of loss potentially resulting from this process.

As noted in the Benning Road Site disclosure above, as part of the separation of Exelon and Constellation in February 2022, an assumption agreement was executed transferring any potential future remediation liabilities associated with the Benning Site remediation to a non-utility subsidiary of Exelon. Similarly, any potential future liability associated with the Anacostia River Sediment Project (ARSP) was also assumed by this entity.

Buzzard Point Site (Exelon, PHI, and Pepco). On December 8, 2022, Pepco received a letter from the D.C. OAG, alleging wholly past violations of the District's stormwater discharge and waste disposal requirements related to operations at the Buzzard Point facility, a 9-acre parcel of waterfront property in Washington, D.C. occupied by an active substation and former steam plant building. The letter also alleged wholly past violations by Pepco of stormwater discharge requirements related to its district-wide system of underground vaults. On October 3, 2023, Pepco entered into a Consent Order with the District of Columbia to resolve the alleged violations without any admission of liability. The Consent Order requires Pepco to pay a civil penalty of $10 million. In addition, Pepco has agreed to assess the environmental conditions at its Buzzard Point facility and conduct any remedial actions deemed necessary as a result of the assessment, and also to assess potential environmental impacts associated with the operation of its underground vaults. The Consent Order was lodged with the District of Columbia Superior Court in January 2024. The court signed and entered the Consent Order, and it became effective on February 2, 2024. Exelon, PHI, and Pepco have accrued a liability for the penalty

payments and for the projected costs for the required environmental assessments and remediation. Pepco has concluded that incremental exposure is reasonably possible, but the range of loss cannot be reasonably estimated beyond the amounts included in the table above.

Litigation and Regulatory Matters

Fund Transfer Restrictions (All Registrants). Under applicable law, Exelon may borrow or receive an extension of credit from its subsidiaries. Under the terms of Exelon's intercompany money pool agreement, Exelon can lend to, but not borrow from the money pool.

Under applicable law, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE can pay dividends only from retained, undistributed or current earnings. A significant loss recorded at ComEd, PECO, BGE, PHI, Pepco, DPL, or ACE may limit the dividends that these Registrants can distribute to Exelon.

ComEd has agreed in connection with financings arranged through ComEd Financing III that it will not declare dividends on any shares of its capital stock in the event that: (1) it exercises its right to extend the interest payment periods on the subordinated debt securities issued to ComEd Financing III; (2) it defaults on its guarantee of the payment of distributions on the preferred trust securities of ComEd Financing III; or (3) an event of default occurs under the Indenture under which the subordinated debt securities are issued. No such event has occurred.

PECO has agreed in connection with financings arranged through PEC L.P. and PECO Trust IV that PECO will not declare dividends on any shares of its capital stock in the event that: (1) it exercises its right to extend the interest payment periods on the subordinated debentures, which were issued to PEC L.P. or PECO Trust IV; (2) it defaults on its guarantee of the payment of distributions on the Series D Preferred Securities of PEC L.P. or the preferred trust securities of PECO Trust IV; or (3) an event of default occurs under the Indenture under which the subordinated debentures are issued. No such event has occurred.

BGE is subject to restrictions established by the MDPSC that prohibit BGE from paying a dividend on its common shares if (a) after the dividend payment, BGE's equity ratio would be below 48% as calculated pursuant to the MDPSC's ratemaking precedents or (b) BGE's senior unsecured credit rating is rated by two of the three major credit rating agencies below investment grade. No such event has occurred.

Pepco is subject to certain dividend restrictions established by settlements approved by the MDPSC and DCPSC that prohibit Pepco from paying a dividend on its common shares if (a) after the dividend payment, Pepco's equity ratio would be 48% as calculated pursuant to the MDPSC's and DCPSC's ratemaking precedents, of or (b) Pepco's senior unsecured credit rating is rated by one of the three major credit rating agencies below investment grade. No such event has occurred.

DPL is subject to certain dividend restrictions established by settlements approved by the DEPSC and MDPSC that prohibit DPL from paying a dividend on its common shares if (a) after the dividend payment, DPL's equity ratio would be 48% as calculated pursuant to the DEPSC's and MDPSC's ratemaking precedents, or (b) DPL's corporate issuer or senior unsecured credit rating, or its equivalent, is rated by any of the three major credit rating agencies below the generally accepted definition of investment grade. No such event has occurred.

ACE is subject to certain dividend restrictions established by settlements approved by the NJBPU that prohibit ACE from paying a dividend on its common shares if (a) after the dividend payment, ACE's common equity ratio would be 48% as calculated pursuant to the NJBPU's ratemaking precedents, or (b) ACE's senior corporate issuer or senior unsecured credit rating is rated by one of the three major credit rating agencies below investment grade. ACE is also subject to a dividend restriction which requires ACE to notify and obtain the prior approval of the NJBPU before dividends can be paid if its equity as a percent of its total capitalization, excluding securitization debt, falls below 30%. No such events have occurred.

DPA and Related Matters (Exelon and ComEd). Exelon and ComEd received a grand jury subpoena in the second quarter of 2019 from the USAO requiring production of information concerning their lobbying activities in the State of Illinois. On October 4, 2019, Exelon and ComEd received a second grand jury subpoena from the USAO requiring production of records of any communications with certain individuals and entities. On October 22, 2019, the SEC notified Exelon and ComEd that it had also opened an investigation into their lobbying activities. On July 17, 2020, ComEd entered into a DPA with the USAO to resolve the USAO investigation. Under the DPA, the USAO filed a single charge alleging that ComEd improperly gave and offered to give jobs, vendor

subcontracts, and payments associated with those jobs and subcontracts for the benefit of the former Speaker of the Illinois House of Representatives and the Speaker's associates, with the intent to influence the Speaker's action regarding legislation affecting ComEd's interests. The DPA provided that the USAO would defer any prosecution of such charge and any other criminal or civil case against ComEd in connection with the matters identified therein for a three-year period subject to certain obligations of ComEd, including payment to the U.S. Treasury of $200 million, which was paid in November 2020. Exelon was not made a party to the DPA, and therefore the investigation by the USAO into Exelon's activities ended with no charges being brought against Exelon. The three-year term of the DPA ended on July 17, 2023, and on that same date the court granted the USAO's motion to dismiss the pending charge against ComEd that had been deferred by the DPA.

On September 28, 2023, Exelon and ComEd reached a settlement with the SEC, concluding and resolving in its entirety the SEC investigation, which related to the conduct identified in the DPA that was entered into by ComEd in July 2020 and successfully exited in July 2023. Under the terms of the settlement, Exelon agreed to pay a civil penalty of $46.2 million and Exelon and ComEd agreed to cease and desist from committing or causing any violations and any future violations of specified provisions of the federal securities laws and rules promulgated thereunder. Exelon recorded an accrual for the full amount of the penalty in the second quarter of 2023, which was reflected in Operating and maintenance expense within Exelon's Consolidated Statements of Operations and Comprehensive Income and in Accrued expenses on the Consolidated Balance Sheets. Exelon paid the civil penalty in full on October 4, 2023.

Subsequent to Exelon announcing the receipt of the subpoenas, various lawsuits were filed, and various demand letters were received related to the subject of the subpoenas and, the conduct described in the DPA and the SEC's investigation, including:

- Four putative class action lawsuits against ComEd and Exelon were filed in federal court on behalf of ComEd customers in the third quarter of 2020 alleging, among other things, civil violations of federal racketeering laws. In addition, the Citizens Utility Board (CUB) filed a motion to intervene in these cases on October 22, 2020 which was granted on December 23, 2020. On September 9, 2021, the federal court granted Exelon's and ComEd's motion to dismiss and dismissed the plaintiffs' and CUB's federal law claim with prejudice. The federal court also dismissed the related state law claims made by the federal plaintiffs and CUB on jurisdictional grounds. Plaintiffs appealed dismissal of the federal law claim to the Seventh Circuit Court of Appeals. Plaintiffs and CUB also refiled their state law claims in state court and moved to consolidate them with the already pending consumer state court class action, discussed below. On August 22, 2022, the Seventh Circuit affirmed the dismissal of the consolidated federal cases in their entirety. The time to further appeal has passed and the Seventh Circuit's decision is final.

- Three putative class action lawsuits against ComEd and Exelon were filed in Illinois state court in the third quarter of 2020 seeking restitution and compensatory damages on behalf of ComEd customers. The cases were consolidated into a single action in October of 2020. In November 2020, CUB filed a motion to intervene in the cases pursuant to an Illinois statute allowing CUB to intervene as a party or otherwise participate on behalf of utility consumers in any proceeding which affects the interest of utility consumers. On November 23, 2020, the court allowed CUB's intervention, but denied CUB's request to stay these cases. Plaintiffs subsequently filed a consolidated complaint, and ComEd and Exelon filed a motion to dismiss on jurisdictional and substantive grounds on January 11, 2021. Briefing on that motion was completed on March 2, 2021. The parties agreed, on March 25, 2021, along with the federal court plaintiffs discussed above, to jointly engage in mediation. The parties participated in a one-day mediation on June 7, 2021 but no settlement was reached. On December 23, 2021, the state court granted ComEd and Exelon's motion to dismiss with prejudice. On December 30, 2021, plaintiffs filed a motion to reconsider that dismissal and for permission to amend their complaint. The court denied the plaintiffs' motion on January 21, 2022. Plaintiffs have appealed the court's ruling dismissing their complaint to the First District Court of Appeals. On February 15, 2022, Exelon and ComEd moved to dismiss the federal plaintiffs' refiled state law claims, seeking dismissal on the same legal grounds asserted in their motion to dismiss the original state court plaintiffs' complaint. The court granted dismissal of the refiled state claims on February 16, 2022. The original federal plaintiffs appealed that dismissal on February 18, 2022. The two state appeals were consolidated on March 21, 2022. On September 8, 2023, the Illinois appellate court affirmed the dismissal. Plaintiffs have asked the Illinois Supreme Court to grant them leave to further appeal, but such appeal is not allowed as a matter of right.

Exelon and ComEd filed a response in opposition to the request for leave to further appeal on January 12, 2024.

- On November 3, 2022, a plaintiff filed a putative class action complaint in Lake County, Illinois Circuit Court against ComEd and Exelon for unjust enrichment and deceptive business practices in connection with the conduct giving rise to the DPA. Plaintiff seeks an accounting and disgorgement of any benefits ComEd allegedly obtained from said conduct. Plaintiff served initial discovery requests on ComEd in December 2022, to which ComEd has responded. ComEd and Exelon filed a motion to dismiss the Complaint on February 3, 2023. On June 16, 2023, the court granted Exelon and ComEd's motion to dismiss the action with prejudice. Plaintiff filed its notice of appeal of that dismissal on July 17, 2023. Plaintiff's opening appellate brief was filed on October 19, 2023. ComEd and Exelon filed a response on January 2, 2024. Plaintiff filed its reply brief on February 2, 2024. With leave of court, Exelon and ComEd filed a sur-reply on February 14, 2024. The appellate court has set oral argument for April 3, 2024.

- A putative class action lawsuit against Exelon and certain officers of Exelon and ComEd was filed in federal court in December 2019 alleging misrepresentations and omissions in Exelon's SEC filings related to ComEd's lobbying activities and the related investigations. The complaint was amended on September 16, 2020, to dismiss two of the original defendants and add other defendants, including ComEd. Defendants filed a motion to dismiss in November 2020. The court denied the motion in April 2021. On May 26, 2021, defendants moved the court to certify its order denying the motion to dismiss for interlocutory appeal. Briefing on the motion was completed in June 2021, and that motion was denied on January 28, 2022. In May 2021, the parties each filed respective initial discovery disclosures. On June 9, 2021, defendants filed their answer and affirmative defenses to the complaint and the parties engaged thereafter in discovery. On September 9, 2021, the U.S. government moved to intervene in the lawsuit and stay discovery until the parties entered into an amendment to their protective order that would prohibit the parties from requesting discovery into certain matters, including communications with the U.S. government. The court ordered said amendment to the protective order on November 15, 2021 and discovery resumed. The court further amended the protective order on October 17, 2022 and extended it until May 15, 2023. Following mediation, the parties reached a settlement of the lawsuit, under which defendants agreed to pay plaintiffs $173 million. On May 26, 2023, plaintiffs filed a motion for preliminary approval of the settlement, which the court granted on June 9, 2023. The court granted final settlement approval on September 7, 2023. The settlement was fully covered by insurance and has been paid in full.

- Several shareholders have sent letters to the Exelon Board of Directors since 2020 demanding, among other things, that the Exelon Board of Directors investigate and address alleged breaches of fiduciary duties and other alleged violations by Exelon and ComEd officers and directors related to the conduct described in the DPA. In the first quarter of 2021, the Exelon Board of Directors appointed a Special Litigation Committee (SLC) consisting of disinterested and independent parties to investigate and address these shareholders' allegations and make recommendations to the Exelon Board of Directors based on the outcome of the SLC's investigation. In July 2021, one of the demand letter shareholders filed a derivative action against current and former Exelon and ComEd officers and directors, and against Exelon, as nominal defendant, asserting the same claims made in its demand letter. On October 12, 2021, the parties to the derivative action filed an agreed motion to stay that litigation for 120 days in order to allow the SLC to continue its investigation, which the court granted. The stay has been extended several times. The parties participated in a mediation in February 2023, but the matter did not resolve at that time. On April 26 and May 1, 2023, two additional demand letter shareholders each filed a separate derivative lawsuit against current and former Exelon and ComEd officers and directors, and certain third parties, and against Exelon as nominal defendant, asserting claims similar to those made in their respective demand letters. On May 25, 2023, certain demand letter shareholders (Settling Shareholders) filed a separate derivative lawsuit against current and former Exelon and ComEd officers and directors, and against Exelon as nominal defendant, asserting claims similar to those made in their respective demand letters. The then pending derivative lawsuits were subsequently consolidated. On May 26, 2023, prior to lawsuit consolidation, the SLC filed a Notice of Determination and Intent to Seek Court Approval of Settlement (Notice of Determination). The Notice of Determination stated that, through mediation efforts, a settlement of the derivative claims had been approved by the SLC, the Independent Review Committee of the Board (which had been formed in the third quarter of 2022, to ensure the Board's consideration of any SLC recommendations would be independent and objective),

the Board, and the Settling Shareholders (the Settling Parties). The Notice of Determination further specified the process by which the Settling Parties would seek court approval of the proposed settlement and resolution and dismissal of all derivative claims and lawsuits, including any lawsuits or actions brought by demand letter shareholders who are not participating in the proposed settlement. In furtherance of the proposed settlement, on June 16, 2023, the SLC filed a motion for preliminary approval of the settlement, attaching the Stipulation and Agreement of Settlement (Stipulation), which contains the terms of the proposed settlement. The proposed settlement terms include but are not limited to: a payment of $40 million to Exelon by Exelon's insurers of which $10 million constitutes the attorneys' fee award to be paid to the Settling Shareholders' counsel; various compliance and disclosure-related reforms; and certain changes in Board and Committee composition. On June 13, 2023, the non-settling derivative shareholders filed a motion asking the court to set a status conference to discuss lifting the discovery stay. On June 29, 2023, an additional shareholder filed a separate derivative lawsuit against current and former Exelon and ComEd officers and directors, and against Exelon as nominal defendant, asserting claims similar to those made in its demand letter. That lawsuit has been consolidated into the other pending derivative lawsuits. On June 30, 2023, the non-settling shareholders' motion for status and the SLC's motion for preliminary approval was heard by the court, during which the court set a briefing schedule on the appropriate standard for evaluating the settlement and the proper scope of requested discovery. Following briefing and a hearing, the court allowed the non-settling shareholders to seek certain, limited discovery, which the SLC, Independent Review Committee, and Exelon responded to on October 5, 2023. On October 11, 2023, an additional non-settling shareholder filed a separate derivative lawsuit against current and former Exelon and ComEd officers and directors, and against Exelon as a nominal defendant, asserting claims similar to those made in its demand letter. That lawsuit has been consolidated into the other pending derivative lawsuits. The SLC filed its renewed motion for preliminary approval on October 26, 2023, with supporting submissions filed by the Independent Review Committee, Exelon, and the settling shareholders on that same day. The non-settling plaintiffs filed a response to the renewed motion for preliminary approval and supporting submissions on November 29, 2023, and the SLC Independent Review Committee, Exelon and the Settling Shareholders filed their respective reply briefs on December 21, 2023. On January 16, 2024, the non-settling plaintiffs sought leave of court to file a sur-reply, which the court granted on January 18, 2024.

In August 2022, the ICC concluded its investigation initiated on August 12, 2021 into rate impacts of conduct admitted in the DPA, including the costs recovered from customers related to the DPA and Exelon's funding of the fine paid by ComEd. On August 17, 2022, the ICC issued its final order accepting ComEd's voluntary customer refund offer of approximately $38 million (of which about $31 million is ICC jurisdictional; the remaining balance is FERC jurisdictional) that resolves the question of whether customer funds were used for DPA related activities. The customer refund includes the cost of every individual or entity that was either (i) identified in the DPA or (ii) identified by ComEd as an associate of the former Speaker of the Illinois House of Representatives in the ICC proceeding. The ICC's DPA investigation is now closed. The ICC jurisdictional refund was made to customers during the April 2023 billing cycle, as required by the ICC. The FERC jurisdictional refund was included in ComEd's transmission formula rate update proceeding, filed on May 12, 2023. The filed transmission rate, inclusive of the FERC jurisdictional DPA refund, will appear on ComEd retail customers' bills for the June 2023 through May 2024 monthly billing periods, in the line designated as "Transmission Services Charge." The customer refund will not be recovered in rates or charged to customers and ComEd will not seek or accept reimbursement or indemnification from any source other than Exelon. An accrual for the amount of the customer refund has been recorded in Regulatory assets in Exelon's and ComEd's Consolidated Balance Sheets as of December 31, 2023.

Savings Plan Claim (Exelon). On December 6, 2021, seven current and former employees filed a putative ERISA class action suit in U.S. District Court for the Northern District of Illinois against Exelon, its Board of Directors, the former Board Investment Oversight Committee, the Corporate Investment Committee, individual defendants, and other unnamed fiduciaries of the Exelon Corporation Employee Savings Plan (Plan). The complaint alleges that the defendants violated their fiduciary duties under the Plan by including certain investment options that allegedly were more expensive than and underperformed similar passively-managed or other funds available in the marketplace and permitting a third-party administrative service provider/recordkeeper and an investment adviser to charge excessive fees for the services provided. The plaintiffs seek declaratory, equitable and monetary relief on behalf of the Plan and participants. On February 16, 2022, the court granted the parties' stipulated dismissal of the individual named defendants without prejudice. The remaining defendants filed

a motion to dismiss the complaint on February 25, 2022. On March 4, 2022, the Chamber of Commerce filed a brief of amicus curiae in support of the defendants' motion to dismiss. On September 22, 2022, the court granted Exelon's motion to dismiss without prejudice. The court granted plaintiffs leave until October 31, 2022 to file an amended complaint, which was later extended to November 30, 2022. Plaintiffs filed their amended complaint on November 30, 2022. Defendants filed their motion to dismiss the amended complaint on January 20, 2023. On September 29, 2023, the court again granted Exelon's motion to dismiss but granted plaintiffs leave until October 20, 2023 to file a second amended complaint. Plaintiffs did not file an amended complaint by the deadline. On October 25, 2023, the parties filed a joint Stipulation of Dismissal, which provides that plaintiffs agreed that they will not initiate an appeal from the dismissal of this matter, and the parties agree that each side shall bear their own costs and attorneys' fees. Plaintiffs also acknowledge in the Stipulation that defendants have neither paid nor agreed to pay or provide any monetary or equitable remedy in connection with the dismissal of this action. On October 27, 2023, the court entered final judgment dismissing the matter with prejudice. No loss contingencies have been reflected in Exelon's consolidated financial statements with respect to this matter.

General (All Registrants). The Registrants are involved in various other litigation matters that are being defended and handled in the ordinary course of business. The Registrants are also from time to time subject to audits and investigations by the FERC and other regulators. The assessment of whether a loss is probable or reasonably possible, and whether the loss or a range of loss is estimable, often involves a series of complex judgments about future events. The Registrants maintain accruals for such losses that are probable of being incurred and subject to reasonable estimation. Management is sometimes unable to estimate an amount or range of reasonably possible loss, particularly where (1) the damages sought are indeterminate, (2) the proceedings are in the early stages, or (3) the matters involve novel or unsettled legal theories. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution of such matters, including a possible eventual loss.

19. Shareholders' Equity (All Registrants)

Equity Securities Offering (Exelon)

On August 4, 2022, Exelon entered into an agreement with certain underwriters in connection with an underwritten public offering (the "Offering") of 11.3 million shares (the "Shares") of its Common stock, no par value ("Common Stock"). The Shares were sold to the underwriters at a price per share of $43.32. Exelon also granted the underwriters an option to purchase an additional 1.695 million shares of Common stock also at the price per share of $43.32. On August 5, 2022, the underwriters exercised the option in full. The net proceeds from the Offering and the exercise of the underwriters' option were $563 million before expenses paid by Exelon. Exelon used the proceeds, together with available cash balances, to repay $575 million in borrowings under a $1.15 billion term loan credit facility. See Note 16 — Debt and Credit Agreements for additional information on Exelon's term loan.

At-the-Market Program (Exelon)

On August 4, 2022, Exelon executed an equity distribution agreement ("Equity Distribution Agreement"), with certain sales agents and forward sellers and certain forward purchasers, establishing an ATM equity distribution program under which it may offer and sell shares of its Common stock, having an aggregate gross sales price of up to $1.0 billion. Exelon has no obligation to offer or sell any shares of Common stock under the Equity Distribution Agreement and may, at any time, suspend or terminate offers and sales under the Equity Distribution Agreement. In November and December 2023, Exelon issued approximately 3.6 million shares of Common stock at an average gross price of $39.58 per share. The net proceeds from these issuances were $140 million, which were used for general corporate purposes. As of December 31, 2023, $858 million of Common stock remained available for sale pursuant to the ATM program.

ComEd Common Stock Warrants

The following table presents warrants outstanding to purchase ComEd common stock and shares of common stock reserved for the conversion of warrants. The warrants entitle the holders to convert such warrants into common stock of ComEd at a conversion rate of one share of common stock for three warrants.

	December 31,	
	2023	2022
Warrants outstanding	60,032	60,052
Common Stock reserved for conversion	20,011	20,017

Share Repurchases

There currently is no Exelon Board of Director authority to repurchase shares. Any previous shares repurchased are held as treasury shares, at cost, unless cancelled or reissued at the discretion of Exelon's management.

Preferred and Preference Securities

The following table presents Exelon, ComEd, PECO, BGE, Pepco, and ACE's shares of preferred securities authorized, none of which were outstanding, as of December 31, 2023 and 2022. There are no shares of preferred securities authorized for DPL.

	Preferred Securities Authorized
Exelon	100,000,000
ComEd	850,000
PECO	15,000,000
BGE	1,000,000
Pepco	6,000,000
ACE[(a)]	2,799,979

(a) Includes 799,979 shares of cumulative preferred stock and 2,000,000 of no par value preferred stock as of December 31, 2023 and 2022.

The following table presents ComEd, BGE, and ACE's preference securities authorized, none of which were outstanding as of December 31, 2023 and 2022. There are no shares of preference securities authorized for Exelon, PECO, Pepco, and DPL.

	Preference Securities Authorized
ComEd	6,810,451
BGE[(a)]	6,500,000
ACE	3,000,000

(a) Includes 4,600,000 shares of unclassified preference securities and 1,900,000 shares of previously redeemed preference securities as of December 31, 2023 and 2022.

20. Stock-Based Compensation Plans (All Registrants)

Stock-Based Compensation Plans

Exelon grants stock-based awards through its LTIP, which primarily includes performance share awards, restricted stock units, and stock options. At December 31, 2023, there were approximately 33 million shares authorized for issuance under the LTIP. For the years ended December 31, 2023, 2022, and 2021, exercised and distributed stock-based awards were primarily issued from authorized but unissued Common stock shares.

Separation-related Adjustments. In connection with the separation, Exelon and Constellation entered into an Employee Matters Agreement, effective February 1, 2022. Under the terms of the Employee Matters Agreement, and pursuant to the terms of the LTIP, the Compensation Committee of the Board of Exelon approved an

adjustment to outstanding awards granted under the LTIP in order to preserve the intrinsic aggregate value of such awards before the separation. The separation-related adjustments did not have a material impact on either compensation expense or the potentially dilutive securities to be considered in the calculation of diluted earnings per share of Common stock. Former Exelon employees transferred to Constellation as a result of the separation surrendered their outstanding unvested Exelon awards effective February 1, 2022.

The Registrants grant cash awards. The following table does not include expense related to these plans as they are not considered stock-based compensation plans under the applicable authoritative guidance.

The following table presents the stock-based compensation expense included in Exelon's Consolidated Statements of Operations and Comprehensive Income. The Utility Registrants' stock-based compensation expense for the years ended December 31, 2023, 2022, and 2021 was not material.

	Year Ended December 31,		
Exelon	**2023**	**2022**	**2021**
Total stock-based compensation expense included in Operating and maintenance expense	$ 21	$ 41	$ 95
Income tax benefit	(5)	(10)	(25)
Total after-tax stock-based compensation expense	$ 16	$ 31	$ 70

Exelon receives a tax deduction based on the intrinsic value of the award on the exercise date for stock options and the distribution date for performance share awards and restricted stock units. For each award, throughout the requisite service period, Exelon recognizes the tax benefit related to compensation costs. The following table presents information regarding Exelon’s realized tax benefit when distributed:

	Year Ended December 31,		
	2023	**2022**	**2021**
Performance share awards	$ 8	$ 6	$ 6
Restricted stock units	6	6	6

Performance Share Awards

Performance share awards are granted under the LTIP. The performance share awards are settled 50% in common stock and 50% in cash at the end of the three-year performance period, except for awards that are settled 100% in cash if certain ownership requirements are satisfied.

The common stock portion of the performance share awards is considered an equity award and is valued based on Exelon's stock price on the grant date. The cash portion of the performance share awards is considered a liability award which is remeasured each reporting period based on Exelon’s current stock price. As the value of the common stock and cash portions of the awards are based on Exelon’s stock price during the performance period, coupled with changes in the total shareholder return modifier and expected payout of the award, the compensation costs are subject to volatility until payout is established.

For nonretirement-eligible employees, stock-based compensation costs are recognized over the vesting period of three years using the straight-line method. For performance share awards granted to retirement-eligible employees, the value of the performance shares is recognized ratably over the vesting period, which is the year of grant. Exelon processes forfeitures as they occur for employees who do not complete the requisite service period.

The following table summarizes Exelon’s nonvested performance share awards activity:

	Shares	Weighted Average Grant Date Fair Value (per share)
Nonvested at December 31, 2022[a]	866,805	$ 41.86
Granted	679,196	41.82
Change in performance	(1,233)	41.75
Vested	(261,577)	41.25
Forfeited	(112,727)	41.96
Undistributed vested awards[b]	(212,222)	41.61
Nonvested at December 31, 2023[a]	958,242	$ 42.01

(a) Excludes 1,198,093 and 1,539,819 of performance share awards issued to retirement-eligible employees as of December 31, 2023 and 2022, respectively, as they are fully vested.
(b) Represents performance share awards that vested but were not distributed to retirement-eligible employees during 2023

The following table summarizes the weighted average grant date fair value and the total fair value of performance share awards vested.

	Year Ended December 31,		
	2023[a]	2022	2021
Weighted average grant date fair value (per share)	$ 41.82	$ 43.05	$ 43.37
Total fair value of performance shares vested	17	29	44
Total fair value of performance shares settled in cash	26	25	28

(a) As of December 31, 2023, $11 million of total unrecognized compensation costs related to nonvested performance shares are expected to be recognized over the remaining weighted-average period of 1.8 years.

Restricted Stock Units

Restricted stock units are granted under the LTIP with the majority being settled in a specific number of shares of common stock after the service condition has been met. The corresponding cost of services is measured based on the grant date fair value of the restricted stock unit issued.

The value of the restricted stock units is expensed over the requisite service period using the straight-line method. The requisite service period for restricted stock units is generally three to five years. However, certain restricted stock unit awards become fully vested upon the employee reaching retirement-eligibility. The value of the restricted stock units granted to retirement-eligible employees is either recognized ratably over the first six months in the year of grant if the employee reaches retirement eligibility prior to July 1st of the grant year or through the date of which the employee reaches retirement eligibility. Exelon processes forfeitures as they occur for employees who do not complete the requisite service period.

The following table summarizes Exelon's nonvested restricted stock unit activity:

	Shares	Weighted Average Grant Date Fair Value (per share)
Nonvested at December 31, 2022[a]	561,161	$ 41.98
Granted	385,065	41.84
Vested	(246,618)	42.36
Forfeited	(55,371)	40.56
Undistributed vested awards[b]	(112,292)	41.87
Nonvested at December 31, 2023[a]	531,945	$ 42.87

(a) Excludes 205,855 and 476,592 of restricted stock units issued to retirement-eligible employees as of December 31, 2023 and 2022, respectively, as they are fully vested.
(b) Represents restricted stock units that vested but were not distributed to retirement-eligible employees during 2023.

The following table summarizes the weighted average grant date fair value and the total fair value of restricted stock units vested.

	Year Ended December 31,		
	2023[a]	2022	2021
Weighted average grant date fair value (per share)	$ 41.84	$ 42.97	$ 44.21
Total fair value of restricted stock units vested	15	23	34

(a) As of December 31, 2023, $9 million of total unrecognized compensation costs related to nonvested restricted stock units are expected to be recognized over the remaining weighted-average period of 1.6 years.

Stock Options

Non-qualified stock options to purchase shares of Exelon's common stock were granted through 2012 under the LTIP. The exercise price of the stock options is equal to the fair market value of the underlying stock on the date of option grant. Stock options will expire no later than ten years from the date of grant.

There were no stock options granted during the year ended December 31, 2023. All stock options were vested and exercised as of December 31, 2022.

The following table summarizes additional information regarding stock options exercised:

	Year Ended December 31,		
	2023	2022	2021
Intrinsic value[a]	$ —	$ —	$ 11
Cash received for exercise price	—	1	37

(a) The difference between the market value on the date of exercise and the option exercise price.

21. Changes in Accumulated Other Comprehensive Income (Loss) (Exelon)

The following table presents changes in Exelon's AOCI, net of tax, by component:

	Cash Flow Hedges	Pension and Non-Pension Postretirement Benefit Plan Items [a]	Foreign Currency Items	Total
Balance at December 31, 2020	$ (5)	$ (3,372)	$ (23)	$ (3,400)
OCI before reclassifications	(1)	432	—	431
Amounts reclassified from AOCI	—	219	—	219
Net current-period OCI	$ (1)	$ 651	$ —	$ 650
Balance at December 31, 2021	$ (6)	$ (2,721)	$ (23)	$ (2,750)
Separation of Constellation	6	1,994	23	2,023
OCI before reclassifications	2	46	—	48
Amounts reclassified from AOCI	—	41	—	41
Net current-period OCI	$ 2	$ 87	$ —	$ 89
Balance at December 31, 2022	$ 2	$ (640)	$ —	$ (638)
OCI before reclassifications	(4)	(109)	—	(113)
Amounts reclassified from AOCI	(1)	26	—	25
Net current-period OCI	$ (5)	$ (83)	$ —	$ (88)
Balance at December 31, 2023	$ (3)	$ (723)	$ —	$ (726)

(a) This AOCI component is included in the computation of net periodic pension and OPEB cost. Additionally, as of February 1, 2022, in connection with the separation, Exelon's pension and OPEB plans were remeasured. See Note 14 — Retirement Benefits for additional information. See Exelon's Statements of Operations and Comprehensive Income for individual components of AOCI.

The following table presents income tax benefit (expense) allocated to each component of Exelon's Other comprehensive income (loss):

	For the Years Ended December 31,		
	2023	2022	2021
Pension and non-pension postretirement benefit plans:			
Prior service benefits reclassified to periodic benefit cost	$ —	$ —	$ 4
Actuarial losses reclassified to periodic benefit cost	(8)	(14)	(76)
Pension and non-pension postretirement benefit plans valuation adjustments	33	(14)	(153)
Unrealized gains on cash flow hedges	2	—	—

22. Supplemental Financial Information (All Registrants)

Supplemental Statement of Operations Information

The following tables provide additional information about material items recorded in the Registrants' Consolidated Statements of Operations and Comprehensive Income.

	Taxes other than income taxes							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the Year Ended December 31, 2023								
Utility[(a)]	$ 875	$ 299	$ 166	$ 97	$ 313	$ 283	$ 26	$ 4
Property	401	33	16	205	147	101	44	2
Payroll	124	31	17	18	27	6	5	3
For the Year Ended December 31, 2022								
Utility[(a)]	$ 878	$ 306	$ 166	$ 94	$ 312	$ 283	$ 25	$ 4
Property	377	31	17	191	138	94	42	2
Payroll	117	28	16	17	25	6	4	3
For the Year Ended December 31, 2021								
Utility[(a)]	$ 774	$ 246	$ 139	$ 88	$ 301	$ 278	$ 22	$ 3
Property	364	39	18	176	131	88	40	3
Payroll	124	27	16	18	27	7	5	3

(a) The Registrants' utility taxes represents municipal and state utility taxes and gross receipts taxes related to their operating revenues. The offsetting collection of utility taxes from customers is recorded in revenues in the Registrants' Consolidated Statements of Operations and Comprehensive Income.

	Other, net							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the Year Ended December 31, 2023								
AFUDC—Equity	$ 151	$ 33	$ 31	$ 16	$ 71	$ 54	$ 10	$ 7
Non-service net periodic benefit cost	(18)	—	—	—	—	—	—	—
For the Year Ended December 31, 2022								
AFUDC—Equity	$ 150	$ 35	$ 31	$ 21	$ 63	$ 48	$ 7	$ 8
Non-service net periodic benefit cost	63	—	—	—	—	—	—	—
For the Year Ended December 31, 2021								
AFUDC—Equity	$ 136	$ 34	$ 26	$ 27	$ 49	$ 40	$ 6	$ 3
Non-service net periodic benefit cost	91	—	—	—	—	—	—	—

Supplemental Cash Flow Information

The following tables provide additional information about material items recorded in the Registrants' Consolidated Statements of Cash Flows.

	Depreciation, amortization, and accretion							
	Exelon[a]	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the Year Ended December 31, 2023								
Property, plant, and equipment[b]	$ 2,778	$ 1,095	$ 383	$ 509	$ 737	$ 311	$ 208	$ 195
Amortization of regulatory assets[b]	720	308	14	145	253	130	36	88
Amortization of intangible assets, net[b]	8	—	—	—	—	—	—	—
Total depreciation and amortization	$ 3,506	$ 1,403	$ 397	$ 654	$ 990	$ 441	$ 244	$ 283
For the Year Ended December 31, 2022								
Property, plant, and equipment[b]	$ 2,690	$ 1,031	$ 359	$ 476	$ 680	$ 288	$ 191	$ 173
Amortization of regulatory assets[b]	718	292	14	154	258	129	41	88
Amortization of intangible assets, net[b]	12	—	—	—	—	—	—	—
Amortization of energy contract assets and liabilities[c]	3	—	—	—	—	—	—	—
Nuclear fuel[d]	66	—	—	—	—	—	—	—
ARO accretion[e]	44	—	—	—	—	—	—	—
Total depreciation, amortization, and accretion	$ 3,533	$ 1,323	$ 373	$ 630	$ 938	$ 417	$ 232	$ 261
For the Year Ended December 31, 2021								
Property, plant, and equipment[b]	$ 5,384	$ 970	$ 336	$ 439	$ 627	$ 274	$ 169	$ 155
Amortization of regulatory assets[b]	594	235	12	152	194	129	41	24
Amortization of intangible assets, net[b]	58	—	—	—	—	—	—	—
Amortization of energy contract assets and liabilities[c]	31	—	—	—	—	—	—	—
Nuclear fuel[d]	992	—	—	—	—	—	—	—
ARO accretion[e]	514	—	—	—	—	—	—	—
Total depreciation, amortization, and accretion	$ 7,573	$ 1,205	$ 348	$ 591	$ 821	$ 403	$ 210	$ 179

(a) Exelon's 2022 and 2021 amounts include amounts related to Generation prior to the separation. See Note 2 — Discontinued Operations for additional information.
(b) Included in Depreciation and amortization in the Registrants' Consolidated Statements of Operations and Comprehensive Income.
(c) Included in Electric operating revenues or Purchased power expense in Exelon's Consolidated Statements of Operations and Comprehensive Income.
(d) Included in Purchased fuel expense in Exelon's Consolidated Statements of Operations and Comprehensive Income.
(e) Included in Operating and maintenance expense in Exelon's Consolidated Statements of Operations and Comprehensive Income.

	Cash paid (refunded) during the year							
	Exelon[(a)]	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the Year Ended December 31, 2023								
Interest (net of amount capitalized)	$ 1,616	$ 441	$ 200	$ 171	$ 301	$ 153	$ 69	$ 68
Income taxes (net of refunds)	10	11	(24)	29	21	6	6	9
For the Year Ended December 31, 2022								
Interest (net of amount capitalized)	$ 1,434	$ 396	$ 166	$ 147	$ 274	$ 141	$ 63	$ 60
Income taxes (net of refunds)	73	23	31	16	19	28	(2)	(6)
For the Year Ended December 31, 2021								
Interest (net of amount capitalized)	$ 1,505	$ 372	$ 152	$ 134	$ 255	$ 132	$ 59	$ 56
Income taxes (net of refunds)	281	(72)	(4)	(38)	—	12	(9)	2

(a) Exelon's 2022 and 2021 amounts include amounts related to Generation prior to the separation. See Note 2 — Discontinued Operations for additional information.

	Other non-cash operating activities							
	Exelon[a]	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
For the Year Ended December 31, 2023								
Pension and OPEB costs (benefit)	$ 198	$ 26	$ (14)	$ 56	$ 99	$ 34	$ 18	$ 13
Allowance for credit losses	125	4	45	16	60	33	10	17
True-up adjustments to decoupling mechanisms and formula rates[b]	(708)	(556)	7	(84)	(77)	(22)	(21)	(34)
Amortization of operating ROU asset	39	2	—	5	28	6	8	3
Change in environmental liabilities	37	—	—	—	37	37	—	—
AFUDC - Equity	(151)	(33)	(31)	(16)	(71)	(54)	(10)	(7)
For the Year Ended December 31, 2022								
Pension and OPEB costs (benefit)	$ 164	$ 60	$ (9)	$ 44	$ 53	$ 9	$ 3	$ 12
Allowance for credit losses	173	46	45	25	58	29	12	16
Other decommissioning-related activity	36	—	—	—	—	—	—	—
Energy-related options	60	—	—	—	—	—	—	—
True-up adjustments to decoupling mechanisms and formula rates[b]	(168)	(267)	(2)	47	54	31	7	16
Long-term incentive plan	42	—	—	—	—	—	—	—
Amortization of operating ROU asset	56	2	—	14	27	7	8	3
AFUDC - Equity	(150)	(35)	(31)	(21)	(63)	(48)	(7)	(8)
For the Year Ended December 31, 2021								
Pension and OPEB costs	$ 411	$ 129	$ 8	$ 61	$ 49	$ 6	$ 2	$ 11
Allowance for credit losses	160	47	39	17	24	9	5	10
Other decommissioning-related activity	(946)	—	—	—	—	—	—	—
Energy-related options	125	—	—	—	—	—	—	—
True-up adjustments to decoupling mechanisms and formula rates[b]	(171)	(42)	(26)	(12)	(91)	(53)	(14)	(24)
Severance costs	(57)	2	—	—	1	—	—	—
Long-term incentive plan	137	—	—	—	—	—	—	—
Amortization of operating ROU Asset	183	1	—	29	28	6	8	4
AFUDC - Equity	(136)	(34)	(26)	(27)	(49)	(40)	(6)	(3)

(a) Exelon's 2022 and 2021 amounts include amounts related to Generation prior to the separation. See Note 2 — Discontinued Operations for additional information.

(b) For ComEd, reflects the true-up adjustments in Regulatory assets and liabilities associated with its distribution, energy efficiency, distributed generation, and transmission formula rates. For PECO, reflects the change in Regulatory assets and liabilities associated with its transmission formula rate. For BGE, Pepco, DPL, and ACE, reflects the change in Regulatory assets and liabilities associated with their decoupling mechanisms and transmission formula rates. See Note 3 — Regulatory Matters for additional information.

The following tables provide a reconciliation of cash, restricted cash, and cash equivalents reported within the Registrants' Consolidated Balance Sheets that sum to the total of the same amounts in their Consolidated Statements of Cash Flows.

	Cash, restricted cash, and cash equivalents							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2023								
Cash and cash equivalents	$ 445	$ 110	$ 42	$ 47	$ 180	$ 48	$ 16	$ 21
Restricted cash and cash equivalents	482	402	9	1	24	24	—	—
Restricted cash included in Other deferred debits and other assets	174	174	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,101	$ 686	$ 51	$ 48	$ 204	$ 72	$ 16	$ 21
Balance at December 31, 2022								
Cash and cash equivalents	$ 407	$ 67	$ 59	$ 43	$ 198	$ 45	$ 31	$ 72
Restricted cash and cash equivalents	566	327	9	24	175	54	121	—
Restricted cash included in Other deferred debits and other assets	117	117	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,090	$ 511	$ 68	$ 67	$ 373	$ 99	$ 152	$ 72
Balance at December 31, 2021								
Cash and cash equivalents	$ 672	$ 131	$ 36	$ 51	$ 136	$ 34	$ 28	$ 29
Restricted cash and cash equivalents	321	210	8	4	77	34	43	—
Restricted cash included in Other deferred debits and other assets	44	43	—	—	—	—	—	—
Cash, restricted cash, and cash equivalents included in current assets of discontinued operations	582	—	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,619	$ 384	$ 44	$ 55	$ 213	$ 68	$ 71	$ 29
Balance at December 31, 2020								
Cash and cash equivalents	$ 432	$ 83	$ 19	$ 144	$ 111	$ 30	$ 15	$ 17
Restricted cash and cash equivalents	349	279	7	1	39	35	—	3
Restricted cash included in Other deferred debits and other assets	53	43	—	—	10	—	—	10
Cash, restricted cash, and cash equivalents included in current assets of discontinued operations	332	—	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,166	$ 405	$ 26	$ 145	$ 160	$ 65	$ 15	$ 30

For additional information on restricted cash, see Note 1 — Significant Accounting Policies.

Supplemental Balance Sheet Information

The following tables provide additional information about material items recorded in the Registrants' Consolidated Balance Sheets.

	Investments					
	Exelon	ComEd	PECO	BGE	PHI	Pepco
Balance at December 31, 2023						
Rabbi trust investments[(a)]	$ 231	$ —	$ 28	$ 9	$ 142	$ 124
Equity method investments	15	6	7	—	1	—
Other investments	5	—	—	—	—	—
Total investments	$ 251	$ 6	$ 35	$ 9	$ 143	$ 124
Balance at December 31, 2022						
Rabbi trust investments[(a)]	$ 216	$ —	$ 22	$ 7	$ 138	$ 119
Equity method investments	$ 16	$ 6	$ 8	$ —	$ —	$ —
Total investments	$ 232	$ 6	$ 30	$ 7	$ 138	$ 119

(a) The Registrants' debt and equity security investments and life insurance contracts are recorded at fair market value.

	Accrued expenses							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2023								
Compensation-related accruals[(a)]	$ 661	$ 206	$ 87	$ 81	$ 107	$ 27	$ 17	$ 12
Taxes accrued	221	204	96	75	137	116	30	10
Interest accrued	414	148	49	44	72	38	13	15
Balance at December 31, 2022								
Compensation-related accruals[(a)]	$ 613	$ 179	$ 81	$ 79	$ 104	$ 29	$ 20	$ 16
Taxes accrued	211	92	10	34	70	52	8	12
Interest accrued	338	124	47	42	61	32	9	14

(a) Primarily includes accrued payroll, bonuses and other incentives, vacation, and benefits.

23. Related Party Transactions (All Registrants)

Utility Registrants' expense with Generation

The Utility Registrants incurred expenses from transactions with the Generation affiliate as described in the footnotes to the table below prior to separation on February 1, 2022. Such expenses were primarily recorded as Purchased power from affiliates and an immaterial amount recorded as Operating and maintenance expense from affiliates at the Utility Registrants:

	At December 31,	
	2022	2021
ComEd[(a)]	$ 59	$ 376
PECO[(b)]	33	196
BGE[(c)]	18	236
PHI	51	366
Pepco[(d)]	39	270
DPL[(e)]	10	79
ACE[(f)]	2	17

(a) ComEd had an ICC-approved RFP contract with Generation to provide a portion of ComEd's electric supply requirements. ComEd also purchased RECs and ZECs from Generation.
(b) PECO received electric supply from Generation under contracts executed through PECO's competitive procurement process. In addition, PECO had a ten-year agreement with Generation to sell solar AECs.
(c) BGE received a portion of its energy requirements from Generation under its MDPSC-approved market-based SOS and gas commodity programs.
(d) Pepco received electric supply from Generation under contracts executed through Pepco's competitive procurement process approved by the MDPSC and DCPSC.
(e) DPL received a portion of its energy requirements from Generation under its MDPSC and DEPSC approved market-based SOS commodity programs.
(f) ACE received electric supply from Generation under contracts executed through ACE's competitive procurement process approved by the NJBPU.

Service Company Costs for Corporate Support

The Registrants receive a variety of corporate support services from BSC. Pepco, DPL, and ACE also receive corporate support services from PHISCO. See Note 1 — Significant Accounting Policies for additional information regarding BSC and PHISCO.

The following table presents the service company costs allocated to the Registrants:

	Operating and maintenance from affiliates			Capitalized costs		
	For the years ended December 31,			For the years ended December 31,		
	2023	2022	2021	2023	2022	2021
Exelon						
BSC				$ 670	$ 707	$ 508
PHISCO				96	80	72
ComEd						
BSC	$ 353	$ 316	$ 304	307	311	207
PECO						
BSC	213	197	169	120	115	81
BGE						
BSC	221	204	189	90	122	92
PHI						
BSC	177	188	168	153	159	128
PHISCO	—	—	—	95	80	72
Pepco						
BSC	114	110	96	59	60	50
PHISCO	122	112	114	39	33	31
DPL						
BSC	73	71	61	43	45	43
PHISCO	98	96	99	29	26	22
ACE						
BSC	59	57	53	47	54	33
PHISCO	92	84	86	26	21	19

Current Receivables from/Payables to affiliates

The following tables present current Receivables from affiliates and current Payables to affiliates:

December 31, 2023

	Receivables from affiliates:									
Payables to affiliates:	**ComEd**	**PECO**	**BGE**	**Pepco**	**DPL**	**ACE**	**BSC**	**PHISCO**	**Other**	**Total**
ComEd		$ —	$ —	$ —	$ —	$ —	$ 64	$ —	$ 8	$ 72
PECO	$ —		—	—	—	—	36	—	3	39
BGE	—	—		—	—	—	33	—	2	35
PHI	—	—	—	—	—	—	5	—	10	15
Pepco	—	—	—		—	—	17	14	1	32
DPL	—	1	—	—		—	12	11	1	25
ACE	—	1	—	1	1		11	11	—	25
Other	3	—	—	1	—	3	1	—		8
Total	$ 3	$ 2	$ —	$ 2	$ 1	$ 3	$ 179	$ 36	$ 25	$ 251

December 31, 2022

	Receivables from affiliates:									
Payables to affiliates:	**ComEd**	**PECO**	**BGE**	**Pepco**	**DPL**	**ACE**	**BSC**	**PHISCO**	**Other**	**Total**
ComEd		$ —	$ —	$ —	$ —	$ —	$ 66	$ —	$ 8	$ 74
PECO	$ —		—	—	—	—	39	—	3	42
BGE	—	—		—	—	—	38	—	1	39
PHI	—	—	—	—	—	—	4	—	10	14
Pepco	—	—	—		—	—	20	13	1	34
DPL	—	2	—	—		—	12	8	—	22
ACE	—	2	—	—	—		14	9	1	26
Other	3	—	—	—	—	1	—	—		4
Total	$ 3	$ 4	$ —	$ —	$ —	$ 1	$ 193	$ 30	$ 24	$ 255

Borrowings from Exelon/PHI intercompany money pool

To provide an additional short-term borrowing option that will generally be more favorable to the borrowing participants than the cost of external financing both Exelon and PHI operate an intercompany money pool. PECO and PHI Corporate participate in the Exelon money pool. Pepco, DPL, and ACE participate in the PHI intercompany money pool.

Long-term Debt to Financing Trusts

The following table presents Long-term debt to financing trusts:

	At December 31,					
	2023			2022		
	Exelon	**ComEd**	**PECO**	**Exelon**	**ComEd**	**PECO**
ComEd Financing III	$ 206	$ 205	$ —	$ 206	$ 205	$ —
PECO Trust III	81	—	81	81	—	81
PECO Trust IV	103	—	103	103	—	103
Total	$ 390	$ 205	$ 184	$ 390	$ 205	$ 184

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

All Registrants

None.

ITEM 9A. CONTROLS AND PROCEDURES

All Registrants—Disclosure Controls and Procedures

During the fourth quarter of 2023, each of the Registrant's management, including its principal executive officer and principal financial officer, evaluated disclosure controls and procedures related to the recording, processing, summarizing, and reporting of information in that Registrant's periodic reports that it files with the SEC. These disclosure controls and procedures have been designed by the Registrants to ensure that (a) material information relating to that Registrant, including its consolidated subsidiaries, is accumulated and made known to that Registrant's management, including its principal executive officer and principal financial officer, by other employees of that Registrant and its subsidiaries as appropriate to allow timely decisions regarding required disclosure, and (b) this information is recorded, processed, summarized, evaluated, and reported, as applicable, within the time periods specified in the SEC's rules and forms. Due to the inherent limitations of control systems, not all misstatements may be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls could be circumvented by the individual acts of some persons or by collusion of two or more people.

Accordingly, as of December 31, 2023, the principal executive officer and principal financial officer of each of the Registrants concluded that such Registrant's disclosure controls and procedures were effective to accomplish its objectives.

All Registrants—Changes in Internal Control Over Financial Reporting

Each Registrant continually strives to improve its disclosure controls and procedures to enhance the quality of its financial reporting and to maintain dynamic systems that change as conditions warrant. However, there have been no changes in internal control over financial reporting that occurred during the fourth quarter of 2023 that have materially affected, or are reasonably likely to materially affect, any of the Registrant's internal control over financial reporting.

All Registrants—Internal Control Over Financial Reporting

Management is required to assess and report on the effectiveness of its internal control over financial reporting as of December 31, 2023. As a result of that assessment, management determined that there were no material weaknesses as of December 31, 2023 and, therefore, concluded that each Registrant's internal control over financial reporting was effective. Management's Report on Internal Control Over Financial Reporting is included in ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

ITEM 9B. OTHER INFORMATION

All Registrants

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable

PART III

PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC, Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company meet the conditions set forth in General Instruction (I)(1)(a) and (b) of Form 10-K for a reduced disclosure format. Accordingly, all items in this section relating to PECO, BGE, PHI, Pepco, DPL, and ACE are not presented.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Executive Officers

The information required by ITEM 10 relating to executive officers is set forth above in ITEM 1. BUSINESS—Executive officers of the Registrants at February 21, 2024.

Directors, Director Nomination Process and Audit Committee

The information required under ITEM 10 concerning directors and nominees for election as directors at the annual meeting of shareholders (Item 401 of Regulation S-K), the director nomination process (Item 407(c)(3)), the audit committee (Item 407(d)(4) and (d)(5)), and the beneficial reporting compliance (Sec. 16(a)) is incorporated herein by reference to information to be contained in Exelon's definitive 2024 proxy statement (2024 Exelon Proxy Statement) and the ComEd information statement (2024 ComEd Information Statement) to be filed with the SEC on or before April 29, 2024 pursuant to Regulation 14A or 14C, as applicable, under the Securities Exchange Act of 1934.

Code of Ethics

Exelon's Code of Business Conduct is the code of ethics that applies to Exelon's and ComEd's Chief Executive Officer, Chief Financial Officer, Corporate Controller, and other finance organization employees. The Code of Business Conduct is filed as Exhibit 14 to this report and is available on Exelon's website at www.exeloncorp.com. The Code of Business Conduct will be made available, without charge, in print to any shareholder who requests such document from Exelon's Corporate Secretary, 10 South Dearborn Street, P.O. Box 805398, Chicago, Illinois 60680-5398.

If any substantive amendments to the Code of Business Conduct are made or any waivers are granted, including any implicit waiver, from a provision of the Code of Business Conduct, to its Chief Executive Officer, Chief Financial Officer or Corporate Controller, Exelon will disclose the nature of such amendment or waiver on Exelon's website, www.exeloncorp.com, or in a report on Form 8-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be set forth under Executive Compensation Data and Compensation Committee Report in the Exelon Proxy Statement for the 2024 Annual Meeting of Shareholders or the ComEd 2024 Information Statement, which are incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The additional information required by this item will be set forth under Ownership of Exelon Stock in the 2024 Exelon Proxy Statement or the ComEd 2024 Information Statement, which are incorporated herein by reference.

Securities Authorized for Issuance under Exelon Equity Compensation Plans

	[A]	[B]	[C]
Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights (Note 1)	Weighted-average price of outstanding Options, warrants and rights (Note 2)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column [A]) (Note 3)
Equity compensation plans approved by security holders	3,524,772	$ —	41,706,088

(1) Balance includes unvested performance shares, and unvested restricted stock units that were granted under the Exelon LTIP or predecessor company plans (including shares awarded under those plans and deferred into the stock deferral plan) and deferred stock units granted to directors as part of their compensation. Unvested performance shares are subject to performance metrics and to a total shareholder return modifier. Additionally, pursuant to the terms of the Exelon LTIP plan, 50% of final payouts are made in the form of shares of common stock and 50% is made in form of in cash, or if the participant has exceeded 200% of their stock ownership requirement, 100% of the final payout is made in cash. For performance shares granted in 2021, 2022, and 2023, the total includes the maximum number of shares that could be issued assuming all participants receive 50% of payouts in shares and assuming the performance and total shareholder return modifier metrics were both at maximum, representing best case performance, for a total of 2,401,852 shares. If the performance and total shareholder return modifier metrics were at "target", the number of securities to be issued for such awards would be 1,200,926. The balance also includes 410,234 shares to be issued upon the conversion of deferred stock units awarded to members of the Exelon board of directors. Conversion of the deferred stock units to shares of common stock occurs after a director terminates service to the Exelon board or the board of any of its subsidiary companies. See Note 20 — Stock-Based Compensation Plans of the Combined Notes to Consolidated Financial Statements for additional information about the material features of the plans.

(2) There are no outstanding stock options. The weighted-average price reported in column B does not take the performance shares and shares credited to deferred compensation plans into account.

(3) Includes 11,475,245 shares remaining available for issuance from the employee stock purchase plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The additional information required by this item will be set forth under Related Person Transactions and Director Independence in the Exelon Proxy Statement for the 2024 Annual Meeting of Shareholders or the ComEd 2024 Information Statement, which are incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item will be set forth under Ratification of PricewaterhouseCoopers LLP as Exelon's Independent Accountant for 2024 in the Exelon Proxy Statement for the 2024 Annual Meeting of Shareholders and the ComEd 2024 Information Statement, which are incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as a part of this report:

(1) Exelon

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 13, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Balance Sheets at December 31, 2023 and 2022

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2023, 2022, and 2021

Notes to Consolidated Financial Statements

(ii) Financial Statement Schedules:

Schedule I—Condensed Financial Information of Parent (Exelon Corporate) at December 31, 2023 and 2022 and for the Years Ended December 31, 2023, 2022, and 2021

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto.

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Condensed Statements of Operations and Other Comprehensive Income

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating expenses			
Operating and maintenance	$ 88	$ 25	$ (9)
Operating and maintenance from affiliates	7	4	14
Other	1	2	2
Total operating expenses	96	31	7
Operating loss	(96)	(31)	(7)
Other income and (deductions)			
Interest expense, net	(544)	(413)	(333)
Equity in earnings of investments	2,728	2,450	1,908
Interest income from affiliates, net	9	5	—
Other, net	19	22	—
Total other income and (deductions)	2,212	2,064	1,575
Income from continuing operations before income taxes	2,116	2,033	1,568
Income taxes	(212)	(21)	(48)
Net income from continuing operations after income taxes	2,328	2,054	1,616
Net income from discontinued operations after income taxes	—	116	90
Net income	$ 2,328	$ 2,170	$ 1,706
Other comprehensive income (loss), net of income taxes			
Pension and non-pension postretirement benefit plans:			
Prior service benefits reclassified to periodic benefit cost	—	(1)	(4)
Actuarial losses reclassified to periodic benefit cost	26	42	223
Pension and non-pension postretirement benefit plans valuation adjustments	(109)	46	431
Unrealized (loss) gain on cash flow hedges	(5)	2	—
Other comprehensive (loss) income	(88)	89	650
Comprehensive income	$ 2,240	$ 2,259	$ 2,356

See the Notes to Financial Statements

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Condensed Statements of Cash Flows

(In millions)	For the Years Ended December 31, 2023	2022	2021
Net cash flows provided by operating activities	$ 1,486	$ 1,690	$ 3,629
Cash flows from investing activities			
Changes in Exelon intercompany money pool	(43)	35	381
Notes receivable from affiliates	—	274	—
Investment in affiliates	(1,864)	(4,011)	(2,231)
Other investing activities	(1)	—	1
Net cash flows used in investing activities	(1,908)	(3,702)	(1,849)
Cash flows from financing activities			
Changes in short-term borrowings	78	448	—
Proceeds from short-term borrowings with maturities greater than 90 days	—	1,150	500
Repayments on short-term borrowings with maturities greater than 90 days	—	(1,300)	(350)
Issuance of long-term debt	2,500	3,350	—
Retirement of long-term debt	(850)	(1,150)	(300)
Issuance of common stock	140	563	—
Dividends paid on common stock	(1,433)	(1,334)	(1,497)
Proceeds from employee stock plans	41	36	80
Other financing activities	(39)	(35)	19
Net cash flows provided by (used in) financing activities	437	1,728	(1,548)
Increase (decrease) in cash, restricted cash, and cash equivalents	15	(284)	232
Cash, restricted cash, and cash equivalents at beginning of period	11	295	63
Cash, restricted cash, and cash equivalents at end of period	$ 26	$ 11	$ 295

See the Notes to Financial Statements

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Condensed Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 26	$ 11
Accounts receivable, net		
Other accounts receivable	561	358
Accounts receivable from affiliates	14	17
Notes receivable from affiliates	225	182
Regulatory assets	188	154
Other	17	6
Total current assets	1,031	728
Property, plant, and equipment, net	44	44
Deferred debits and other assets		
Regulatory assets	2,877	2,650
Investments in affiliates from continuing operations	38,545	35,925
Deferred income taxes	884	929
Non-pension postretirement benefit asset	144	187
Other	107	115
Total deferred debits and other assets	42,557	39,806
Total assets	$ 43,632	$ 40,578

See the Notes to Financial Statements

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Condensed Balance Sheets

(In millions)	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 1,026	$ 948
Long-term debt due within one year	500	850
Accounts payable	194	188
Accrued expenses	144	101
Payables to affiliates	361	360
Regulatory liabilities	10	12
Pension obligations	45	77
Other	49	7
Total current liabilities	2,329	2,543
Long-term debt	10,713	8,742
Deferred credits and other liabilities		
Regulatory liabilities	92	103
Pension obligations	4,268	3,896
Deferred income taxes	56	53
Other	419	497
Total deferred credits and other liabilities	4,835	4,549
Total liabilities	17,877	15,834
Commitments and contingencies		
Shareholders' equity		
Common stock (No par value, 2,000 shares authorized, 999 shares and 994 shares outstanding as of December 31, 2023 and 2022, respectively)	21,114	20,908
Treasury stock, at cost (2 shares as of December 31, 2023 and 2022)	(123)	(123)
Retained earnings	5,490	4,597
Accumulated other comprehensive loss, net	(726)	(638)
Total shareholders' equity	25,755	24,744
Total liabilities and shareholders' equity	$ 43,632	$ 40,578

See the Notes to Financial Statements

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Notes to Financial Statements

1. Basis of Presentation

Exelon Corporate is a holding company that conducts substantially all of its business operations through its subsidiaries. These condensed financial statements and related footnotes have been prepared in accordance with Rule 12-04, Schedule I of Regulation S-X. These statements should be read in conjunction with the consolidated financial statements, and notes thereto, of Exelon Corporation.

As of December 31, 2023 and 2022, Exelon Corporate owned 100% of all of its significant subsidiaries, either directly or indirectly, except for Commonwealth Edison Company (ComEd), of which Exelon Corporate owns more than 99%. As of February 1, 2022, as a result of the completion of the separation, Exelon Corporate no longer retains any equity ownership interest in Generation or Constellation. The separation of Constellation, including Generation and its subsidiaries, met the criteria for discontinued operations and as such, results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. Accounting rules require certain BSC costs previously allocated to Generation to be presented as part of Exelon's continuing operations as these costs do not qualify as expenses of the discontinued operations. Comprehensive income and cash flows related to Generation have not been segregated and are included in the Condensed Statements of Operations and Comprehensive Income and Condensed Statements of Cash Flows, respectively, for all periods presented. See Note 2 — Discontinued Operations of the Combined Notes to Consolidated Financial Statements for additional information.

2. Retirement Benefits

See Note 14—Retirement Benefits of the Combined Notes to Consolidated Financial Statements for Exelon Corporate's retirement benefits.

3. Derivative Financial Instruments

See Note 15—Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for Exelon Corporate's derivatives.

4. Debt and Credit Agreements

Short-Term Borrowings

Exelon Corporate meets its short-term liquidity requirements primarily through the issuance of commercial paper. Exelon Corporate had $527 million in outstanding commercial paper borrowings as of December 31, 2023 and $449 million outstanding commercial paper as of December 31, 2022.

Revolving Credit Agreements

As of December 31, 2023, Exelon Corporation had a $900 million aggregate bank commitment under its existing syndicated revolving facility in which $370 million was available to support additional commercial paper as of December 31, 2023. See Note 16 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information regarding Exelon Corporate's credit agreement.

On February 1, 2022, Exelon Corporate entered into a new 5-year revolving credit facility with an aggregate bank commitment of $900 million at a variable interest rate of SOFR plus 1.275% which replaced its existing $600 million syndicated revolving credit facility.

Exelon Corporate had no outstanding amounts on the revolving credit facilities as of December 31, 2023.

Short-Term Loan Agreements

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Notes to Financial Statements

On March 23, 2017, Exelon Corporate entered into a term loan agreement for $500 million. The loan agreement was renewed in the first quarter of 2023 and was bifurcated into two tranches of $300 million on March 14, 2023 and $200 million on March 24, 2023. The agreements will expire on March 14, 2024 and March 22, 2024, respectively. Pursuant to the loan agreements, loans made thereunder bear interest at a variable rate equal to SOFR plus 0.90% and all indebtedness thereunder is unsecured. The loan agreement is reflected in Exelon's Consolidated Balance Sheets within Short-term borrowings.

Long-Term Debt

The following tables present the outstanding long-term debt for Exelon Corporate at December 31, 2023 and December 31, 2022:

	Rates	Maturity Date	December 31, 2023	December 31, 2022
Long-term debt				
Senior unsecured notes[(a)]	2.75 % - 7.60 %	2025 - 2053	$ 10,639	$ 8,139
Loan agreement[(c)]	6.23 %	2024	500	1,350
Total long-term debt			11,139	9,489
Unamortized debt discount and premium, net			(13)	(10)
Unamortized debt issuance costs			(65)	(51)
Fair value adjustment			152	164
Long-term debt due within one year[(b)]			(500)	(850)
Long-term debt			$ 10,713	$ 8,742

(a) Senior unsecured notes included mirror debt that was held on Exelon Corporation's Balance Sheet in 2021. In connection with the separation, on January 31, 2022, Exelon Corporate received cash from Generation of $258 million to settle the intercompany loan. See Note 16 — Debt and Credit Agreements for additional information on the merger debt.
(b) In connection with the separation, Exelon Corporate entered into three 18-month term loan agreements. On January 21, 2022, two of the loan agreements were issued for $300 million each with an expiration date of July 21, 2023. On January 24, 2022, the third loan agreement was issued for $250 million with an expiration date of July 24, 2023. Pursuant to the loan agreement, loans made thereunder bear interest at a variable rate equal to SOFR plus 0.65%.
(c) Pursuant to the loan agreement, loans made thereunder bear interest at a variable rate equal to SOFR plus 0.85%.

The long-term debt maturities for Exelon Corporate for the periods 2024 through 2028 and thereafter are as follows:

2024	$ 500
2025	807
2026	750
2027	650
2028	1,000
Thereafter	7,432
Total long-term debt	$ 11,139

5. Commitments and Contingencies

See Note 18—Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for Exelon Corporate’s commitments and contingencies.

6. Related Party Transactions

The financial statements of Exelon Corporate include related party transactions as presented in the tables below:

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Notes to Financial Statements

(In millions)	For the Years Ended December 31, 2023	2022	2021
Operating and maintenance from affiliates:			
BSC[a]	$ 7	$ 4	$ 14
Total operating and maintenance from affiliates:	$ 7	$ 4	$ 14
Interest income (expense) from affiliates, net:			
BSC	$ 6	$ 4	$ —
EEDC[b]	3	1	—
Total interest income from affiliates, net:	$ 9	$ 5	$ —
Equity in earnings (losses) of investments:			
BSC	$ —	$ (18)	$ (301)
EEDC[b]	2,727	2,482	2,215
PCI	2	(9)	(1)
Exelon Enterprises	1	—	—
Exelon InQB8R	(2)	(4)	(7)
Other	—	(1)	2
Total equity in earnings of investments:	$ 2,728	$ 2,450	$ 1,908
Cash contributions received from affiliates	$ 1,978	$ 2,027	$ 1,842

(In millions)	At December 31, 2023	2022
Accounts receivable from affiliates (current):		
BSC	$ —	$ 3
ComEd	4	4
PECO	2	2
BGE	1	1
PHISCO	7	7
Total accounts receivable from affiliates (current):	$ 14	$ 17
Notes receivable from affiliates (current):		
BSC[a]	$ 160	$ 138
PHI	65	44
Total notes receivable from affiliates (current):	$ 225	$ 182
Investments in affiliates from continuing operations:		
BSC[a]	$ 384	$ 384
EEDC[b]	37,705	35,092
PCI	54	52
UII	365	365
Voluntary Employee Beneficiary Association trust	9	4
Exelon Enterprises	4	3
Conectiv	12	12
Exelon InQB8R	13	15
Other[c]	(1)	(2)
Total investments in affiliates from continuing operations:	$ 38,545	$ 35,925
Accounts payable to affiliates (current):		
UII	$ 360	$ 360
BSC[a]	1	—
Total accounts payable to affiliates (current):	$ 361	$ 360

Exelon Corporation and Subsidiary Companies
Schedule I – Condensed Financial Information of Parent (Exelon Corporate)
Notes to Financial Statements

(a) Exelon Corporate receives a variety of corporate support services from BSC, including legal, human resources, financial, information technology, and supply management services. All services are provided at cost, including applicable overhead.
(b) EEDC consists of ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE.
(c) Primarily relates to elimination of affiliate transactions with Generation, primarily related to the Regulatory Agreement Units. See Note 3 — Regulatory Matters and Note 23 — Related Party Transactions of the Combined Notes to Consolidated Financial Statements for additional information.

Exelon Corporation and Subsidiary Companies

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses[a]	$ 409	$ 171 [b]	$ 20	$ 201 [c]	$ 399
Deferred tax valuation allowance	94	—	20	—	114
For the year ended December 31, 2022					
Allowance for credit losses[a]	$ 392	$ 174 [b]	$ 28	$ 185 [c]	$ 409
Deferred tax valuation allowance	37	—	57	—	94
For the year ended December 31, 2021					
Allowance for credit losses[a]	$ 405	$ 107 [b]	$ —	$ 120 [c]	$ 392
Deferred tax valuation allowance	4	—	33 [d]	—	37

(a) Excludes the noncurrent Allowance for credit losses related to PECO's installment plan receivables of $6 million, $7 million, and $14 million for the years ended December 31, 2023, 2022, and 2021, respectively.
(b) The amount charged to costs and expenses includes the amount reclassified to Regulatory assets/liabilities under different mechanisms applicable to the different jurisdictions in which the Utility Registrants operate.
(c) Primarily reflects write-offs, net of recoveries, of individual accounts receivable.
(d) DPL recorded a full valuation allowance against Delaware net operating losses carryforwards due to a change in Delaware tax law. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information on the valuation allowance.

Commonwealth Edison Company and Subsidiary Companies

(2) ComEd

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 21, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Balance Sheets at December 31, 2023 and 2022

Consolidated Statements of Changes in Shareholders' Equity for the Years Ended December 31, 2023, 2022, and 2021

Notes to Consolidated Financial Statements

(ii) Financial Statement Schedule:

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto

Commonwealth Edison Company and Subsidiary Companies

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses	$ 76	$ 45 [(a)]	$ 13	$ 48 [(b)]	$ 86
For the year ended December 31, 2022					
Allowance for credit losses	$ 90	$ 24 [(a)]	$ 8	$ 46 [(b)]	$ 76
For the year ended December 31, 2021					
Allowance for credit losses	$ 118	$ 18 [(a)]	$ 1	$ 47 [(b)]	$ 90

(a) ComEd is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through a rider mechanism. The amount charged to costs and expenses includes the amount that was reclassified to Regulatory assets/liabilities under such mechanism. See Note 3 – Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

(b) Write-offs, net of recoveries of individual accounts receivable.

PECO Energy Company and Subsidiary Companies

(3) PECO

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 21, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Balance Sheets at December 31, 2023 and 2022

Consolidated Statements of Changes in Shareholder's Equity for the Years Ended December 31, 2023, 2022, and 2021

Notes to Consolidated Financial Statements

(ii) Financial Statement Schedule:

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto

PECO Energy Company and Subsidiary Companies

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses[a]	$ 114	$ 43 [b]	$ 9	$ 63 [c]	$ 103
Deferred tax valuation allowance	7	—	—	—	7
For the year ended December 31, 2022					
Allowance for credit losses[a]	$ 112	$ 44 [b]	$ 14	$ 56 [c]	$ 114
Deferred tax valuation allowance	3	—	4	—	7
For the year ended December 31, 2021					
Allowance for credit losses[a]	$ 124	$ 32 [b]	$ (6)	$ 38 [c]	$ 112
Deferred tax valuation allowance	1	—	2	—	3

(a) Excludes the noncurrent Allowance for credit losses related to PECO's installment plan receivables of $6 million, $7 million, and $14 million for the years ended December 31, 2023, 2022, and 2021, respectively.
(b) The amount charged to costs and expenses includes the amount that was reclassified to the COVID-19 regulatory asset. See Note 3 – Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.
(c) Write-offs, net of recoveries of individual accounts receivable.

Baltimore Gas and Electric Company

(4) BGE

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 21, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022 and 2021

Statements of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021

Balance Sheets at December 31, 2023 and 2022

Statements of Changes in Shareholder's Equity for the Years Ended December 31, 2023, 2022 and 2021

Notes to Financial Statements

(ii) Financial Statement Schedule:

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto

Baltimore Gas and Electric Company

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses	$ 64	$ 26 [(a)]	$ 5	$ 42 [(b)]	$ 53
Deferred tax valuation allowance	3	—	—	—	3
For the year ended December 31, 2022					
Allowance for credit losses	$ 47	$ 37 [(a)]	$ 6	$ 26 [(b)]	$ 64
Deferred tax valuation allowance	—	—	3	—	3
For the year ended December 31, 2021					
Allowance for credit losses	$ 44	$ 16 [(a)]	$ 3	$ 16 [(b)]	$ 47
Deferred tax valuation allowance	—	—	—	—	—

(a) The amount charged to costs and expenses includes the amount that was reclassified to Regulatory assets/liabilities under different mechanisms as approved by the MDPSC.
(b) Write-offs, net of recoveries of individual accounts receivable.

Pepco Holdings LLC and Subsidiary Companies

(5) PHI

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 21, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Balance Sheets at December 31, 2023 and 2022

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2023, 2022, and 2021

Notes to Consolidated Financial Statements

(ii) Financial Statement Schedule:

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto

Pepco Holdings LLC and Subsidiary Companies

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses	$ 155	$ 57 [(a)]	$ (7)	$ 48 [(b)]	$ 157
Deferred tax valuation allowance	35	—	—	—	35
For the year ended December 31, 2022					
Allowance for credit losses	$ 143	$ 69 [(a)]	$ —	$ 57 [(b)]	$ 155
Deferred tax valuation allowance	31	—	4	—	35
For the year ended December 31, 2021					
Allowance for credit losses	$ 119	$ 41 [(a)]	$ 2	$ 19 [(b)]	$ 143
Deferred tax valuation allowance	—	—	31 [(c)]	—	31

(a) The amount charged to costs and expenses includes the amount that was reclassified to Regulatory assets/liabilities under different mechanisms applicable to the different jurisdictions Pepco, DPL, and ACE operate in.
(b) Write-offs, net of recoveries of individual accounts receivable.
(c) DPL recorded a full valuation allowance against Delaware net operating losses carryforwards due to a change in Delaware tax law. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information on the valuation allowance.

Potomac Electric Power Company

(6) Pepco

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 21, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022 and 2021

Statements of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021

Balance Sheets at December 31, 2023 and 2022

Statements of Changes in Shareholder's Equity for the Years Ended December 31, 2023, 2022 and 2021

Notes to Financial Statements

(ii) Financial Statement Schedule:

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto

Potomac Electric Power Company

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses	$ 72	$ 31 [(a)]	$ (5)	$ 18 [(b)]	$ 80
For the year ended December 31, 2022					
Allowance for credit losses	$ 53	$ 36 [(a)]	$ 4	$ 21 [(b)]	$ 72
For the year ended December 31, 2021					
Allowance for credit losses	$ 45	$ 14 [(a)]	$ 2	$ 8 [(b)]	$ 53

(a) The amount charged to costs and expenses includes the amount that was reclassified to Regulatory assets/liabilities under different mechanisms as approved by the DCPSC and MDPSC.
(b) Write-offs, net of recoveries of individual accounts receivable.

Delmarva Power & Light Company

(7) DPL

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 21, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022 and 2021

Statements of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021

Balance Sheets at December 31, 2023 and 2022

Statements of Changes in Shareholder's Equity for the Years Ended December 31, 2023, 2022 and 2021

Notes to Financial Statements

(ii) Financial Statement Schedule:

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto

Delmarva Power & Light Company

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses	$ 28	$ 10 [(a)]	$ —	$ 11 [(b)]	$ 27
Deferred tax valuation allowance	32	—	—	—	32
For the year ended December 31, 2022					
Allowance for credit losses	$ 26	$ 13 [(a)]	$ (2)	$ 9 [(b)]	$ 28
Deferred tax valuation allowance	31	—	1	—	32
For the year ended December 31, 2021					
Allowance for credit losses	$ 31	$ 6 [(a)]	$ (1)	$ 10 [(b)]	$ 26
Deferred tax valuation allowance	—	—	31 [(c)]	—	31

(a) The amount charged to costs and expenses includes the amount that was reclassified to Regulatory assets/liabilities under different mechanisms as approved by the DEPSC and MDPSC.
(b) Write-offs, net of recoveries of individual accounts receivable.
(c) DPL recorded a full valuation allowance against Delaware net operating losses carryforwards due to a change in Delaware tax law. See Note 13 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information on the valuation allowance.

Atlantic City Electric Company and Subsidiary Company

(8) ACE

(i) Financial Statements (Item 8):

Report of Independent Registered Public Accounting Firm dated February 21, 2024 of PricewaterhouseCoopers LLP (PCAOB ID 238)

Consolidated Statements of Operations and Comprehensive Income for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022, and 2021

Consolidated Balance Sheets at December 31, 2023 and 2022

Consolidated Statements of Changes in Shareholder's Equity for the Years Ended December 31, 2023, 2022, and 2021

Notes to Consolidated Financial Statements

(ii) Financial Statement Schedule:

Schedule II—Valuation and Qualifying Accounts for the Years Ended December 31, 2023, 2022, and 2021

Schedules not included are omitted because of the absence of conditions under which they are required or because the required information is provided in the consolidated financial statements, including the notes thereto

Atlantic City Electric Company and Subsidiary Company

Schedule II – Valuation and Qualifying Accounts

Column A	Column B	Column C		Column D	Column E
		Additions and adjustments			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Period
(In millions)					
For the year ended December 31, 2023					
Allowance for credit losses	$ 55	$ 16 [(a)]	$ (2)	$ 19 [(b)]	$ 50
For the year ended December 31, 2022					
Allowance for credit losses	$ 64	$ 20 [(a)]	$ (2)	$ 27 [(b)]	$ 55
For the year ended December 31, 2021					
Allowance for credit losses	$ 43	$ 21 [(a)]	$ 1	$ 1 [(b)]	$ 64

(a) ACE is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through the Societal Benefits Charge. The amount charged to costs and expenses includes the amount that was reclassified to Regulatory assets/liabilities under such mechanism. See Note 3 – Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

(b) Write-offs, net of recoveries of individual accounts receivable.

Exhibits required by Item 601 of Regulation S-K:

Certain of the following exhibits are incorporated herein by reference under Rule 12b-32 of the Securities and Exchange Act of 1934, as amended. Certain other instruments which would otherwise be required to be listed below have not been so listed because such instruments do not authorize securities in an amount which exceeds 10% of the total assets of the applicable registrant and its subsidiaries on a consolidated basis and the relevant registrant agrees to furnish a copy of any such instrument to the Commission upon request.

(2) Plans of acquisition, reorganization, arrangement, liquidation, or succession

Exhibit No.	Description	Location
2-1	Separation Agreement, dated January 31, 2022, between Exelon Corporation and Constellation Energy Corporation	File No. 001-16169, Form 8K dated February 2, 2022, Exhibit 2.1

(3) Articles of Incorporation and Bylaws

Exelon Corporation

Exhibit No.	Description	Location
3-1	Amended and Restated Articles of Incorporation of Exelon Corporation, as amended July 24, 2018	File No. 001-16169, Form 8-K dated July 27, 2018, Exhibit 3.1
3-2	Amended and Restated Bylaws of Exelon Corporation, as amended on August 3, 2022	File No. 001-16169, Form 10-Q dated August 3, 2022, Exhibit 3.1

Baltimore Gas and Electric Company

Exhibit No.	Description	Location
3-3	Articles of Restatement to the Charter of Baltimore Gas and Electric Company, restated as of August 16, 1996	File No. 001-01910, Form 10-Q dated November 14, 1996, Exhibit 3
3-4	Articles of Amendment to the Charter of Baltimore Gas and Electric Company as of February 2, 2010	File No. 001-01910, Form 8-K dated February 4, 2010, Exhibit 3.1
3-5	Amended and Restated Bylaws of Baltimore Gas and Electric Company dated August 3, 2020	File No. 001-01910, Form 10-Q dated August 4, 2020, Exhibit 3.4

Commonwealth Edison Company

Exhibit No.	Description	Location
3-6	Restated Articles of Incorporation of Commonwealth Edison Company Effective February 20, 1985, including Statements of Resolution Establishing Series, relating to the establishment of three new series of Commonwealth Edison Company preference stock known as the "$9.00 Cumulative Preference Stock," the "$6.875 Cumulative Preference Stock" and the "$2.425 Cumulative Preference Stock"	File No. 001-01839, Form 10-K dated March 30, 1995, Exhibit 3.2
3-7	Amended and Restated Bylaws of Commonwealth Edison Company, Effective February 22, 2021	File No. 001-01839, Form 10-K dated February 24, 2021, Exhibit 3.6

PECO Energy Company

Exhibit No.	Description	Location
3-8	Amended and Restated Articles of Incorporation of PECO Energy Company	File No. 001-01401, Form 10-K dated April 2, 2001, Exhibit 3.3
3-9	Amended and Restated Bylaws of PECO Energy Company dated August 3, 2020	File No. 000-16844, Form 10-Q dated August 4, 2020, Exhibit 3.3

Pepco Holdings LLC

Exhibit No.	Description	Location
3-10	Certificate of Formation of Pepco Holdings LLC, dated March 23, 2016	File No. 001-31403, Form 8-K dated March 24, 2016, Exhibit 3.2
3-11	Amended and Restated Limited Liability Company Agreement of Pepco Holdings LLC, dated August 3, 2020	File No. 001-31403, Form 10-Q dated August 4, 2020, Exhibit 3.5

Atlantic City Electric Company

Exhibit No.	Description	Location
3-12	Restated Certificate of Incorporation of Atlantic City Electric Company (filed in New Jersey on August 9, 2002)	File No. 001-03559, Amendment No. 1 to Form U5B dated February 13, 2003, Exhibit B.8.1
3-13	Bylaws of Atlantic City Electric Company	File No. 001-03559, Form 10-Q dated May 9, 2005, Exhibit 3.2.2

Delmarva Power & Light Company

Exhibit No.	Description	Location
3-14	Restated Certificate and Articles of Incorporation of Delmarva Power & Light Company (as filed in Delaware and Virginia)	File No. 001-01405, Form 10-K dated March 1, 2007, Exhibit 3.3
3-15	Bylaws of Delmarva Power & Light Company	File No. 001-01405, Form 10-Q dated May 9, 2005, Exhibit 3.2.1

Potomac Electric Power Company

Exhibit No.	Description	Location
3-16	Restated Articles of Incorporation of Potomac Electric Power Company (as filed in the District of Columbia)	File No. 001-31403, Form 10-Q dated May 5, 2006, Exhibit 3.1
3-17	Restated Articles of Incorporation and Articles of Restatement of Potomac Electric Power Company (as filed in Virginia)	File No. 001-01072, Form 10-Q dated November 4, 2011, Exhibit 3.3
3-18	Bylaws of Potomac Electric Power Company	File No. 001-01072, Form 10-Q dated May 5, 2006, Exhibit 3.2

(4) Instruments Defining the Rights of Securities Holders, Including Indentures

Exelon Corporation

Exhibit No.	Description	Location
4-1	Exelon Corporation Direct Stock Purchase Plan	File No. 333-206474, Registration Statement on Form S-3 dated August 19, 2015
4-2	Indenture dated May 1, 2001 between Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 10-Q dated July 26, 2005, Exhibit 4.10
4-3	Form of $500,000,000 5.625% senior notes due 2035 dated June 9, 2005 issued by Exelon Corporation	File No. 001-16169, Form 8-K dated June 9, 2005, Exhibit 99.3
4-4	Indenture, dated as of June 17, 2014, between Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as Trustee	File No. 001-16169, Form 8-K dated June 23, 2014, Exhibit 4.1
4-4-1	First Supplemental Indenture, dated as of June 17, 2014, between Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as Trustee	File No. 001-16169, Form 8-K dated June 23, 2014, Exhibit 4.2
4-4-2	Second Supplemental Indenture, dated April 3, 2017, between Exelon and The Bank of New York Mellon Trust Company, N.A., as trustee, to that certain Indenture (For Unsecured Subordinated Debt Securities), dated June 17, 2014	File No. 001-16169, Form 8-K dated April 4, 2017, Exhibit 4.3
4-5	Indenture, dated as of June 11, 2015, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated June 11, 2015, Exhibit 4.1
4-5-1	First Supplemental Indenture, dated as of June 11, 2015, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated June 11, 2015, Exhibit 4.2

Exhibit No.	Description	Location
4-5-2	Second Supplemental Indenture, dated as of December 2, 2015, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated December 2, 2015, Exhibit 4.1
4-5-3	Third Supplemental Indenture, dated as of April 7, 2016, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated April 7, 2016, Exhibit 4.2
4-5-4	Fourth Supplemental Indenture, dated as of April 1, 2020, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated April 1, 2020, Exhibit 4.2
4-5-5	Fifth Supplemental Indenture, dated as of March 7, 2022, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated March 7, 2022, Exhibit 4.2
4-5-6	Sixth Supplemental Indenture, dated as of February 1, 2023, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated February 21, 2023, Exhibit 4.2
4-6	Description of Exelon Securities	File No. 001-16169, Form 10-K dated February 11, 2020, Exhibit 4.63

Baltimore Gas and Electric Company

Exhibit No.	Description	Location
4-7	Indenture dated as of July 24, 2006 between Baltimore Gas and Electric Company and Deutsche Bank Trust Company Americas, as trustee	File No. 333-135991, Registration Statement on Form S-3 dated July 24, 2006, Exhibit 4(b)
4-8	Form of 2.400% notes due 2026 issued August 18, 2016 by Baltimore Gas and Electric Company	File No. 001-01910, Form 8-K dated August 18, 2016, Exhibit 4.1
4-9	Form of 3.500% Note due 2046 issued August 18, 2016 by Baltimore Gas and Electric Company	File No. 001-01910, Form 8-K dated August 18, 2016, Exhibit 4.2
4-10	Form of 3.750% Note due 2047 issued August 24, 2017 by Baltimore Gas and Electric Company	File No. 001-01910, Form 8-K dated August 24, 2017, Exhibit 4.1
4-11	Form of 4.550% Note due 2052 issued June 6, 2022 by Baltimore Gas and Electric Company	File No. 001-01910, Form 8-K dated June 6, 2022, Exhibit 4.2
4-12	Form of 5.400% Note due 2053 issued May 10, 2023 by Baltimore Gas and Electric	File No. 001-01910, Form 8-K dated May 10, 2023, Exhibit 4.2
4-13	Indenture, dated as of September 1, 2019, between Baltimore Gas and Electric Company and U.S. Bank N.A., as trustee	File No. 001-01910, Form 8-K dated September 12, 2019, Exhibit 4.1

Commonwealth Edison Company

Exhibit No.	Description	Location
4-14	Mortgage of Commonwealth Edison Company to Illinois Merchants Trust Company, Trustee (BNY Mellon Trust Company of Illinois, as current successor Trustee), dated July 1, 1923, as supplemented and amended by Supplemental Indenture thereto dated August 1, 1944	Registration No. 2-60201, Form S-7, Exhibit 2-1[(a)]
4-14-1	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of January 13, 2003	File No. 001-01839, Form 8-K dated February 13, 2003, Exhibit 4.4
4-14-2	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of February 22, 2006	File No. 001-01839, Form 8-K dated March 6, 2006, Exhibit 4.1

Exhibit No.	Description	Location
4-14-3	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of March 1, 2007	File No. 001-01839, Form 8-K dated March 23, 2007, Exhibit 4.1
4-14-4	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of December 20, 2007	File No. 001-01839, Form 8-K dated January 16, 2008, Exhibit 4.1
4-14-5	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of September 17, 2012	File No. 001-01839, Form 8-K dated October 1, 2012, Exhibit 4.1
4-14-6	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of August 1, 2013	File No. 001-01839, Form 8-K dated August 19, 2013, Exhibit 4.1
4-14-7	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of January 2, 2014	File No. 001-01839, Form 8-K dated January 10, 2014, Exhibit 4.1
4-14-8	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of October 28, 2014	File No. 001-01839, Form 8-K dated November 10, 2014, Exhibit 4.1
4-14-9	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of February 18, 2015	File No. 001-01839, Form 8-K dated March 2, 2015, Exhibit 4.1
4-14-10	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of November 4, 2015	File No. 001-01839, Form 8-K dated November 19, 2015, Exhibit 4.1
4-14-11	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of June 15, 2016	File No. 001-01839, Form 8-K dated June 27, 2016, Exhibit 4.1
4-14-12	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of August 9, 2017	File No. 001-01839, Form 8-K dated August 23, 2017, Exhibit 4.1
4-14-13	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of February 6, 2018	File No. 001-01839, Form 8-K dated February 20, 2018, Exhibit 4.1
4-14-14	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of July 26, 2018	File No. 001-01839, Form 8-K dated August 14, 2018, Exhibit 4.1
4-14-15	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of February 7, 2019	File No. 001-01839, Form 8-K dated February 19, 2019, Exhibit 4.1
4-14-16	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of October 29, 2019	File No. 001-01839, Form 8-K dated November 12, 2019, Exhibit 4.1
4-14-17	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of February 10, 2020	File No. 001-01839, Form 8-K dated February 25, 2020, Exhibit 4.1

Exhibit No.	Description	Location
4-14-18	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of February 16, 2021	File No. 001-01839, Form 8-K dated March 9, 2021, Exhibit 4.1
4-14-19	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of August 2, 2021	File No. 001-01839, Form 8-K dated August 12, 2021, Exhibit 4.1
4-14-20	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of February 23, 2022	File No. 001-01839, Form 8-K/A dated March 15, 2022, Exhibit 4.1
4-14-21	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of December 21, 2022	File No. 001-01839, Form 8-K dated January 10, 2023, Exhibit 4.1
4-15	Instrument of Resignation, Appointment and Acceptance dated as of February 20, 2002, under the provisions of the Mortgage of Commonwealth Edison Company dated July 1, 1923, and Indentures Supplemental thereto, regarding corporate trustee	File No. 001-01839, Form 10-K dated April 1, 2002, Exhibit 4.4.2
4-16	Instrument dated as of January 31, 1996, under the provisions of the Mortgage of Commonwealth Edison Company dated July 1, 1923 and Indentures Supplemental thereto, regarding individual	File No. 001-01839, Form 10-K dated March 29, 1996, Exhibit 4.29
4-17	Description of ComEd Securities	File No. 001-16169, Form 10-K dated February 11, 2020, Exhibit 4.65

PECO Energy Company

Exhibit No.	Description	Location
4-18	First and Refunding Mortgage dated May 1, 1923 between The Counties Gas and Electric Company (predecessor to PECO Energy Company) and Fidelity Trust Company, Trustee (U.S. Bank N.A., as current successor trustee)	Registration No. 2-2281, Exhibit B-1[(a)]
4-18-1	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of December 1, 1941	Registration No. 2-4863, Exhibit B-1(h)[(a)]
4-18-2	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of April 15, 2004	File No. 000-16844, Form 10-Q dated September 30, 2004, Exhibit 4-1-1
4-18-3	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of September 15, 2006	File No. 000-16844, Form 8-K dated September 25, 2006, Exhibit 4.1
4-18-4	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of March 1, 2007	File No. 000-16844, Form 8-K dated March 19, 2007, Exhibit 4.1

Exhibit No.	Description	Location
4-18-5	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of September 1, 2012	File No. 000-16844, Form 8-K dated September 17, 2012, Exhibit 4.1
4-18-6	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of September 1, 2014	File No. 000-16844, Form 8-K dated September 15, 2014, Exhibit 4.1
4-18-7	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of September 15, 2015	File No. 000-16844, Form 8-K dated October 5, 2015, Exhibit 4.1
4-18-8	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of September 1, 2017	File No. 000-16844, Form 8-K dated September 18, 2017, Exhibit 4.1
4-18-9	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of February 1, 2018	File No. 000-16844, Form 8-K dated February 23, 2018, Exhibit 4.1
4-18-10	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of September 1, 2018	File No. 000-16844, Form 8-K dated September 11, 2018, Exhibit 4.1
4-18-11	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of August 15, 2019	File No. 000-16844, Form 8-K dated September 10, 2019, Exhibit 4.1
4-18-12	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of June 1, 2020	File No. 000-16844, Form 8-K dated June 8, 2020, Exhibit 4.1
4-18-13	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of February 15, 2021	File No. 000-16844, Form 8-K dated March 8, 2021, Exhibit 4.1
4-18-14	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of September 1, 2021	File No. 000-16844, Form 8-K dated September 14, 2021, Exhibit 4.1
4-18-15	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of May 1, 2022	File No. 000-16844, Form 8-K dated May 24, 2022, Exhibit 4.1
4-18-16	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of August 1, 2022	File No. 000-16844, Form 8-K dated August 23, 2022, Exhibit 4.1
4-18-17	Supplemental Indenture to PECO Energy Company's First and Refunding Mortgage dated as of June 1, 2023	File No. 001-16844, Form 8-K dated June 23, 2023, Exhibit 4.1
4-19	Indenture to Subordinated Debt Securities dated as of June 24, 2003 between PECO Energy Company, as Issuer, and U.S. Bank N.A., as Trustee	File No. 000-16844, Form 10-Q dated July 30, 2003, Exhibit 4.1

Exhibit No.	Description	Location
4-20	Preferred Securities Guarantee Agreement between PECO Energy Company, as Guarantor, and U.S. Bank N.A., as Trustee, dated as of June 24, 2003	File No. 000-16844, Form 10-Q dated July 30, 2003, Exhibit 4.2
4-21	PECO Energy Capital Trust IV Amended and Restated Declaration of Trust among PECO Energy Company, as Sponsor, U.S. Bank Trust N.A., as Delaware Trustee and Property Trustee, and J. Barry Mitchell, George R. Shicora and Charles S. Walls as Administrative Trustees dated as of June 24, 2003	File No. 000-16844, Form 10-Q dated July 30, 2003, Exhibit 4.3
4-22	Description of PECO Securities	File No. 001-16169, Form 10-K dated February 11, 2020, Exhibit 4.64

Atlantic City Electric Company

Exhibit No.	Description	Location
4-23	Mortgage and Deed of Trust, dated January 15, 1937, between Atlantic City Electric Company and The Bank of New York Mellon (formerly Irving Trust Company), as trustee	2-66280, Registration Statement dated December 21, 1979, Exhibit 2(a)[(a)]
4-23-1	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of June 1, 1949	2-66280, Registration Statement dated December 21, 1979, Exhibit 2(b)[(a)]
4-23-2	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of March 1, 1991	Form 10-K dated March 28, 1991, Exhibit 4(d)(1)[(a)]
4-23-3	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of April 1, 2004	File No. 001-03559, Form 8-K dated April 6, 2004, Exhibit 4.3
4-23-4	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of March 8, 2006	File No. 001-03559, Form 8-K dated March 17, 2006, Exhibit 4
4-23-5	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of March 29, 2011	File No. 001-03559, Form 8-K dated April 1, 2011, Exhibit 4.2
4-23-6	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of August 18, 2014	File No. 001-03559, Form 8-K dated August 19, 2014, Exhibit 4.2
4-23-7	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of December 1, 2015	File No. 001-03559, Form 8-K dated December 2, 2015, Exhibit 4.2 (included as Exhibit A to Exhibit 1.1).
4-23-8	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of October 9, 2018	File No. 001-03559, Form 8-K dated October 16, 2018, Exhibit 4.1
4-23-9	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of May 2, 2019	File No. 001-03559, Form 8-K dated May 21, 2019, File No. 4.3
4-23-10	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of June 1, 2020	File No. 001-03559, Form 8-K dated June 9, 2020, Exhibit 4.2
4-23-11	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of February 15, 2021	File No. 001-03559, Form 8-K dated March 10, 2021, Exhibit 4.1
4-23-12	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of November 1, 2021	File No. 001-03559, Form 8-K dated November 16, 2021, Exhibit 4.2
4-23-13	Supplemental Indenture to Atlantic City Electric Company Mortgage dated as of February 1, 2022	File No. 001-03559, Form 8-K dated February 15, 2022, Exhibit 4.2
4-23-14	Supplemental Indenture to the Atlantic City Electric Company Mortgage and Deed of Trust, dated as of March 1, 2023	File No. 001-03559, Form 8-K dated March 15, 2023, Exhibit 4.2
4-24	Pollution Control Facilities Loan Agreement, dated as of June 1, 2020, between The Pollution Control Financing Authority of Salem County and Atlantic City Electric	File No. 001-03559, Form 8-K dated June 2, 2020, Exhibit 4.1

Delmarva Power & Light Company

Exhibit No.	Description	Location
4-25	Mortgage and Deed of Trust of Delaware Power & Light Company to The Bank of New York Mellon (ultimate successor to the New York Trust Company), as trustee, dated as of October 1, 1943, and copies of the First through Sixty-Eighth Supplemental Indentures thereto	33-1763, Registration Statement dated November 27, 1985, Exhibit 4-(A)[(a)]
4-25-1	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of October 1, 1993	33-53855, Registration Statement dated January 30, 1995, Exhibit 4-L[(a)]
4-25-2	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of October 1, 1994	33-53855, Registration Statement dated January 30, 1995, Exhibit 4-N[(a)]
4-25-3	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of June 2, 2014	File No. 001-01405, Form 8-K dated June 3, 2014, Exhibit 4.3
4-25-4	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of May 4, 2015	File No. 001-01405, Form 8-K dated May 5, 2015, Exhibit 4.2
4-25-5	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of December 5, 2016	File No. 001-01405, Form 8-K dated December 12, 2016, Exhibit 4.2
4-25-6	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of June 1, 2018	File No. 001-01405, Form 8-K dated June 21, 2018, Exhibit 4.2
4-25-7	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of May 2, 2019	File No. 001-01405, Form 8-K dated December 12, 2019, Exhibit 4.2
4-25-8	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of January 1, 2020	File No. 001-01405, Form 10-Q dated May 8, 2020, Exhibit 4.4
4-25-9	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of June 1, 2020	File No. 001-01405, Form 8-K dated June 9, 2020, Exhibit 4.4
4-25-10	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of February 15, 2021	File No. 001-01405, Form 8-K dated March 30, 2021, Exhibit 4.4
4-25-11	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of February 1, 2022	File No. 001-01405, Form 8-K dated February 15, 2022, Exhibit 4.4

Exhibit No.	Description	Location
4-25-12	Supplemental Indenture to Delmarva Power & Light Company Mortgage dated as of January 1, 2022	File No. 001-01405, Form 10-Q dated May 9, 2022, Exhibit 4.1
4-25-13	Supplemental Indenture to the Delmarva Power & Light Company Mortgage and Deed of Trust, dated as of March 1, 2023	File No. 001-01405, Form 8-K dated March 15, 2023, Exhibit 4.4
4-26	Gas Facilities Loan Agreement, dated as of July 1, 2020, between The Delaware Economic Development Authority and Delmarva Power & Light Company	File No. 001-01405, Form 8-K dated July 1, 2020, Exhibit 4.1

Potomac Electric Power Company

Exhibit No.	Description	Location
4-27	Mortgage and Deed of Trust, dated July 1, 1936, of Potomac Electric Power Company to The Bank of New York Mellon as successor trustee, securing First Mortgage Bonds of Potomac Electric Power Company, and Supplemental Indenture dated July 1, 1936	File No. 2-2232, Registration Statement dated June 19, 1936, Exhibit B-4[(a)]
4-27-1	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of December 10, 1939	8-K dated January 3, 1940, Exhibit B[(a)]
4-27-2	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of March 16, 2004	File No. 001-01072, Form 8-K dated March 23, 2004, Exhibit 4.3
4-27-3	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of May 24, 2005	File No. 001-01072, Form 8-K dated May 26, 2005, Exhibit 4.2
4-27-4	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of November 13, 2007	File No. 001-01072, Form 8-K dated November 15, 2007, Exhibit 4.2
4-27-5	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of March 24, 2008	File No. 001-01072, Form 8-K dated March 28, 2008, Exhibit 4.1
4-27-6	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of December 3, 2008	File No. 001-01072, Form 8-K dated December 8, 2008, Exhibit 4.2
4-27-7	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of March 11, 2013	File No. 001-01072, Form 8-K dated March 12, 2013, Exhibit 4.2
4-27-8	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of November 14, 2013	File No. 001-01072, Form 8-K dated November 15, 2013, Exhibit 4.2
4-27-9	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of March 11, 2014	File No. 001-01072, Form 8-K dated March 12, 2014, Exhibit 4.2

Exhibit No.	Description	Location
4-27-10	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of March 9, 2015	File No. 001-01072, Form 8-K dated March 10, 2015, Exhibit 4.3
4-27-11	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of May 15, 2017	File No. 001-01072, Form 8-K dated May 22, 2017, Exhibit 4.2
4-27-12	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of June 1, 2018	File No. 001-01072, Form 8-K dated June 21, 2018, Exhibit 4.2
4-27-13	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of May 2, 2019	File No. 001-01072, Form 8-K dated June 13, 2019, Exhibit 4.2
4-27-14	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of February 12, 2020	File No. 001-01072, Form 8-K dated February 25, 2020, Exhibit 4.2
4-27-15	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of February 15, 2021	File No. 001-01072, Form 8-K dated March 30, 2021, Exhibit 4.4
4-27-16	Supplemental Indenture to Potomac Electric Power Company Mortgage dated as of March 1, 2022	File No. 001-01072, Form 8-K dated March 24, 2022, Exhibit 4.2
4-27-17	Supplemental Indenture to the Potomac Electric Power Company Mortgage and Deed of Trust, dated as of March 1, 2023	File No. 001-01072, Form 8-K dated March 15, 2023, Exhibit 4.6
4-28	Exempt Facilities Loan Agreement dated as of June 1, 2019 between the Maryland Economic Development Corporation and Potomac Electric Power Company	File No. 001-01072, Form 8-K dated June 27, 2019, Exhibit 4.1

(10) Material Contracts

Exelon Corporation

Exhibit No.	Description	Location
10-1	Transition Services Agreement, dated January 31, 2022, between Exelon Corporation and Constellation Energy Corporation	File No. 001-16169, Form 8K dated February 2, 2022, Exhibit 10.1
10-2	Tax Matters Agreement, dated January 31, 2022, between Exelon Corporation and Constellation Energy Corporation	File No. 001-16169, Form 8K dated February 2, 2022, Exhibit 10.2
10-3	Employee Matters Agreement, dated January 31, 2022, between Exelon Corporation and Constellation Energy Corporation	File No. 001-16169, Form 8K dated February 2, 2022, Exhibit 10.3
10-4	Credit Agreement for $900,000,000 dated February 1, 2022, between Exelon Corporation and various financial institutions	File No. 001-16169, Form 10-K dated February 25, 2022, Exhibit 10.40

Exhibit No.	Description	Location
10-5	Exelon Corporation Non-Employee Directors' Deferred Stock Unit Plan (As Amended and Restated Effective April 28, 2020)	File No. 001-16169, Form 10-Q dated August 4, 2020, Exhibit 10.1
10-6	Form of Exelon Corporation Unfunded Deferred Compensation Plan for Directors (as amended and restated Effective March 12, 2012) *	File No. 001-16169, Form 10-K dated February 13, 2015, Exhibit 10.3
10-7	Exelon Corporation Supplemental Management Retirement Plan (As Amended and Restated Effective January 1, 2009) *	File No. 001-16169, Form 10-K dated February 6, 2009, Exhibit 10.19
10-8	Exelon Corporation Annual Incentive Plan for Senior Executives (As Amended Effective January 1, 2014) *	File No. 001-16169, Proxy Statement dated April 1, 2014, Appendix A
10-9	Exelon Corporation Employee Stock Purchase Plan, as amended and restated effective September 25, 2019	File No. 001-16169, Form 10-Q dated October 31, 2019, Exhibit 10.3
10-10	Exelon Corporation Employee Stock Purchase Plan for Unincorporated Subsidiaries, as amended and restated effective September 25, 2019	File No. 001-16169, Form 10-Q dated October 31, 2019, Exhibit 10.4
10-11	Exelon Corporation 2020 Long-Term Incentive Plan (Effective April 28, 2020)	File No. 001-16169, Proxy Statement dated March 18, 2020, Appendix A
10-12	Exelon Corporation 2020 Long-Term Incentive Plan Prospectus, dated May 27, 2020	File No. 001-16169, Form 10-Q dated August 4, 2020, Exhibit 10.3
10-13	Form of Restricted Stock Unit Award Notice and Agreement under the Exelon Corporation 2020 Long-Term Incentive Plan	File No. 001-16169, Form 10-Q dated August 4, 2020, Exhibit 10.4
10-14	Form of Performance Share Award Notice and Agreement under the Exelon Corporation 2020 Long-Term Incentive Plan	File No. 001-16169, Form 10-Q dated August 4, 2020, Exhibit 10.5
10-15	Exelon Corporation Senior Management Severance Plan	File No. 001-16169, Form 10-K dated February 11, 2020, Exhibit 10.13
10-15-1	Exelon Corporation Senior Management Severance Plan as Amended and Restated effective February 1, 2024	Filed herewith.
10-16	Form of Separation Agreement under Exelon Corporation Senior Management Severance Plan (As Amended and Restated Effective January 1, 2020)	File No. 001-16169, Form 10-K dated February 11, 2020, Exhibit 10.21

Exhibit No.	Description	Location
10-17	Exelon Corporation Executive Death Benefits Plan dated as of January 1, 2003 *	File No. 001-16169, Form 10-K dated February 13, 2007, Exhibit 10.52
10-17-1	First Amendment to Exelon Corporation Executive Death Benefits Plan, Effective January 1, 2006 *	File No. 001-16169, Form 10-K dated February 13, 2007, Exhibit 10.53
10-18	Exelon Corporation Deferred Compensation Plan (As Amended and Restated Effective January 1, 2005)	File No. 001-16169, Form 10-K dated February 13, 2007, Exhibit 10.56
10-19	Exelon Corporation Stock Deferral Plan (As Amended and Restated Effective September 25, 2019)	File No. 001-16169, Form 10-Q dated October 31, 2019, Exhibit 10.5
10-20	Form of Exelon Corporation Change in Control Agreement	File No. 001-16169, Form 10-Q dated October 26, 2016, Exhibit 10.1
10-21	Letter Agreement, dated June 4, 2020, between Exelon Corporation and William A. Von Hoene, Jr.	File No. 001-16169, Form 10-K dated February 24, 2021, Exhibit 10.74
10-22	2023 Amendment to Certain Plans of Exelon Corporation	Filed herewith.

Commonwealth Edison Company

Exhibit No.	Description	Location
10-23	Deferred Prosecution Agreement, dated July 17, 2020, between Commonwealth Edison Company and the U.S. Department of Justice and the U.S. Attorney for the Northern District of Illinois	File No. 001-01839, Form 8-K dated July 17, 2020, Exhibit 10.1
10-24	Credit Agreement for $1,000,000,000 dated February 1, 2022, between Commonwealth Edison Company and various financial institutions	File No. 001-01839, Form 10-K dated February 25, 2022, Exhibit 10.42

Baltimore Gas and Electric Company

Exhibit No.	Description	Location
10-25	Credit Agreement for $600,000,000 dated February 1, 2022, between Baltimore Gas and Electric Company and various financial institutions	File No. 001-01910, Form 10-K dated February 25, 2022, Exhibit 10.41

PECO Energy Company

Exhibit No.	Description	Location
10-26	PECO Energy Company Supplemental Pension Benefit Plan (As Amended and Restated Effective January 1, 2009)	File No. 000-16844, Form 10-K dated February 6, 2009, Exhibit 10.20
10-27	Credit Agreement for $600,000,000 dated February 1, 2022, between PECO Energy Company and various financial institutions	File No. 000-16844, Form 10-K dated February 25, 2022, Exhibit 10.43

Atlantic City Electric Company, Potomac Electric Power Company, Delmarva Power & Light Company

Exhibit No.	Description	Location
10-28	Bond Purchase Agreement, dated December 1, 2015, among Atlantic City Electric Company and the purchasers signatory thereto	File No. 001-03559, Form 8-K dated December 2, 2015, Exhibit 1.1
10-29	Credit Agreement for $900,000,000 dated February 1, 2022, between Potomac Electric Power Company, Delmarva Power & Light Company, Atlantic City Electric Company and various financial institutions	File Nos. 001-010172, 001-01405, 001-03559, Form 10-K dated February 25, 2022, Exhibit 10.44

(14) Code of Ethics

Exelon Corporation

Exhibit No.	Description	Location
14-1	Exelon Code of Conduct, as amended December 05, 2023	Filed herewith.

(19) Insider trading policies and procedures

Exelon Corporation

Exhibit No.	Description	Location
19-1	Exelon Insider Trading Policy	Filed herewith.

(97) Policy Relating to Recovery of Erroneously Awarded Compensation

Exelon Corporation

Exhibit No.	Description	Location
97-1	Exelon Financial Restatement Compensation Recoupment Policy	Filed herewith.

Exhibit No.	Description
	Subsidiaries
21-1	Exelon Corporation
21-2	Commonwealth Edison Company
21-3	PECO Energy Company
21-4	Baltimore Gas and Electric Company

Exhibit No.	Description
21-5	Pepco Holdings LLC
21-6	Potomac Electric Power Company
21-7	Delmarva Power & Light Company
21-8	Atlantic City Electric Company
	Consent of Independent Registered Public Accountants
23-1	Exelon Corporation
23-2	Commonwealth Edison Company
23-3	Potomac Electric Power Company
	Power of Attorney (Exelon Corporation)
24-1	Anthony K. Anderson
24-2	Anna Richo
24-3	Calvin G. Butler, Jr.
24-4	W. Paul Bowers
24-5	Marjorie Rodgers Cheshire
24-6	Matthew Rogers
24-7	Linda P. Jojo
24-8	Charisse R. Lillie
24-9	John F. Young
24-10	Brian Segedi
	Power of Attorney (Commonwealth Edison Company)
24-11	Calvin G. Butler, Jr.
24-12	Ricardo Estrada
24-13	Zaldwaynaka Scott
24-14	Smita Shah
24-15	Gil C. Quiniones
	Power of Attorney (PECO Energy Company)
24-16	Nicholas Bertram
24-17	Calvin G. Butler, Jr.
24-18	John S. Grady
24-19	Michael A. Innocenzo
24-20	Sharmaine Matlock-Turner
24-21	Michael Nutter
24-22	Michelle Hong
	Power of Attorney (Baltimore Gas and Electric Company)

Exhibit No.	Description
24-23	Calvin G. Butler, Jr.
24-24	James R. Curtiss
24-25	Carim V. Khouzami
24-26	Keith Lee
24-27	Rachel Garbow Monroe
24-28	Byron Marchant
24-29	Tim Regan
24-30	Amy Seto
24-31	Maria Harris Tildon
	Power of Attorney (Pepco Holdings LLC)
24-32	Antoine Allen
24-33	J. Tyler Anthony
24-34	Calvin G. Butler, Jr.
24-35	Debra P. DiLorenzo
24-36	Benjamin Wu
24-37	Linda W. Cropp
24-38	Gayle Littleton
	Power of Attorney (Potomac Electric Power Company)
24-39	J. Tyler Anthony
24-40	Phillip S. Barnett
24-41	Calvin G. Butler, Jr.
24-42	Rodney Oddoye
24-43	Valencia McClure
24-44	Tamla Olivier
24-45	Anne Bancroft
	Power of Attorney (Delmarva Power & Light Company)
24-46	J. Tyler Anthony
24-47	Calvin G. Butler, Jr.
	Power of Attorney (Atlantic City Electric Company)
24-48	J. Tyler Anthony

Certifications Pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as to the Annual Report on Form 10-K for the year ended December 31, 2023 filed by the following officers for the following registrants:

Exhibit No.	Description
31-1	Filed by Calvin G. Butler, Jr. for Exelon Corporation

Exhibit No.	Description
31-2	Filed by Jeanne M. Jones for Exelon Corporation
31-3	Filed by Gil C. Quiniones for Commonwealth Edison Company
31-4	Filed by Joshua S. Levin for Commonwealth Edison Company
31-5	Filed by Michael A. Innocenzo for PECO Energy Company
31-6	Filed by Marissa Humphrey for PECO Energy Company
31-7	Filed by Carim V. Khouzami for Baltimore Gas and Electric Company
31-8	Filed by David M. Vahos for Baltimore Gas and Electric Company
31-9	Filed by J. Tyler Anthony for Pepco Holdings LLC
31-10	Filed by Phillip S. Barnett for Pepco Holdings LLC
31-11	Filed by J. Tyler Anthony for Potomac Electric Power Company
31-12	Filed by Phillip S. Barnett for Potomac Electric Power Company
31-13	Filed by J. Tyler Anthony for Delmarva Power & Light Company
31-14	Filed by Phillip S. Barnett for Delmarva Power & Light Company
31-15	Filed by J. Tyler Anthony for Atlantic City Electric Company
31-16	Filed by Phillip S. Barnett for Atlantic City Electric Company

Certifications Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code as to the Annual Report on Form 10-K for the year ended December 31, 2023 filed by the following officers for the following registrants:

Exhibit No.	Description
32-1	Filed by Calvin G. Butler, Jr. for Exelon Corporation
32-2	Filed by Jeanne M. Jones for Exelon Corporation
32-3	Filed by Gil C. Quiniones for Commonwealth Edison Company
32-4	Filed by Joshua S. Levin for Commonwealth Edison Company
32-5	Filed by Michael A. Innocenzo for PECO Energy Company
32-6	Filed by Marissa Humphrey for PECO Energy Company
32-7	Filed by Carim V. Khouzami for Baltimore Gas and Electric Company
32-8	Filed by David M. Vahos for Baltimore Gas and Electric Company
32-9	Filed by J. Tyler Anthony for Pepco Holdings LLC
32-10	Filed by Phillip S. Barnett for Pepco Holdings LLC
32-11	Filed by J. Tyler Anthony for Potomac Electric Power Company
32-12	Filed by Phillip S. Barnett for Potomac Electric Power Company
32-13	Filed by J.Tyler Anthony for Delmarva Power & Light Company
32-14	Filed by Phillip S. Barnett for Delmarva Power & Light Company
32-15	Filed by J. Tyler Anthony for Atlantic City Electric Company
32-16	Filed by Phillip S. Barnett for Atlantic City Electric Company

Exhibit No.	Description
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Compensatory plan or arrangements in which directors or officers of the applicable registrant participate and which are not available to all employees.

(a) These filings are not available electronically on the SEC website as they were filed in paper previous to the electronic system that is currently in place.

ITEM 16. FORM 10-K SUMMARY

All Registrants

Registrants may voluntarily include a summary of information required by Form 10-K under this Item 16. The Registrants have elected not to include such summary information.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

EXELON CORPORATION

By: /s/ CALVIN G. BUTLER, JR.
Name: Calvin G. Butler, Jr.
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ CALVIN G. BUTLER, JR. Calvin G. Butler, Jr.	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ JEANNE M. JONES Jeanne M. Jones	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ ROBERT A. KLECZYNSKI Robert A. Kleczynski	Senior Vice President, Corporate Controller and Tax (Principal Accounting Officer)

This annual report has also been signed below by Gayle E. Littleton, Attorney-in-Fact, on behalf of the following Directors on the date indicated:

Anthony K. Anderson
Anna Richo
W. Paul Bowers
Marjorie Rodgers Cheshire
Matthew Rogers
Linda P. Jojo
Charisse R. Lillie
John F. Young
Bryan Segedi

By: /s/ GAYLE E. LITTLETON — February 21, 2024
Name: Gayle E. Littleton

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

COMMONWEALTH EDISON COMPANY

By: /s/ GIL C. QUINIONES
Name: Gil C. Quiniones
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ GIL C. QUINIONES Gil C. Quiniones	Chief Executive Officer (Principal Executive Officer) and Director
/s/ JOSHUA S. LEVIN Joshua S. Levin	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ STEVEN J. CICHOCKI Steven J. Cichocki	Director, Accounting (Principal Accounting Officer)

This annual report has also been signed below by Gil C. Quiniones, Attorney-in-Fact, on behalf of the following Directors on the date indicated:

Calvin G. Butler, Jr.	**Zaldwaynaka Scott**
Ricardo Estrada	**Smita Shah**

By: /s/ GIL C. QUINIONES — February 21, 2024
Name: Gil C. Quiniones

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

PECO ENERGY COMPANY

By: /s/ MICHAEL A. INNOCENZO
Name: Michael A. Innocenzo
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ MICHAEL A. INNOCENZO Michael A. Innocenzo	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ MARISSA HUMPHREY Marissa Humphrey	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ CAROLINE FULGINITI Caroline Fulginiti	Director, Accounting (Principal Accounting Officer)

This annual report has also been signed below by Michael A. Innocenzo, Attorney-in-Fact, on behalf of the following Directors on the date indicated:

Nicholas Bertram	**Sharmain Matlock-Turner**
Calvin G. Butler, Jr.	**Michael Nutter**
John S. Grady	**Michelle Hong**

By: /s/ MICHAEL A. INNOCENZO — February 21, 2024
Name: Michael A. Innocenzo

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

BALTIMORE GAS AND ELECTRIC COMPANY

By: /s/ CARIM V. KHOUZAMI
Name: Carim V. Khouzami
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ CARIM V. KHOUZAMI Carim V. Khouzami	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ DAVID M. VAHOS David M. Vahos	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JASON T. JONES Jason T. Jones	Director, Accounting (Principal Accounting Officer)

This annual report has also been signed below by Carim V. Khouzami, Attorney-in-Fact, on behalf of the following Directors on the date indicated:

Calvin G. Butler, Jr.	**Byron Marchant**
James R. Curtiss	**Tim Regan**
Keith Lee	**Amy Seto**
Rachel Garbow Monroe	**Maria Harris Tildon**

By: /s/ CARIM V. KHOUZAMI — February 21, 2024
Name: Carim V. Khouzami

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

PEPCO HOLDINGS LLC

By: /s/ J. TYLER ANTHONY
Name: J. Tyler Anthony
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ J. TYLER ANTHONY J. Tyler Anthony	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ PHILLIP S. BARNETT Phillip S. Barnett	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE Julie E. Giese	Director, Accounting (Principal Accounting Officer)

This annual report has also been signed below by J. Tyler Anthony, Attorney-in-Fact, on behalf of the following Directors on the date indicated:

Antoine Allen	**Benjamin Wu**
Calvin G. Butler Jr.	**Linda W. Cropp**
Debra P. DiLorenzo	**Gayle Littleton**

By: /s/ J. TYLER ANTHONY
Name: J. Tyler Anthony

February 21, 2024

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

POTOMAC ELECTRIC POWER COMPANY

By: /s/ J. TYLER ANTHONY
Name: J. Tyler Anthony
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ J. TYLER ANTHONY J. Tyler Anthony	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ PHILLIP S. BARNETT Phillip S. Barnett	Senior Vice President, Chief Financial Officer, Treasurer (Principal Financial Officer) and Director
/s/ JULIE E. GIESE Julie E. Giese	Director, Accounting (Principal Accounting Officer)

This annual report has also been signed below by J. Tyler Anthony, Attorney-in-Fact, on behalf of the following Directors on the date indicated:

Calvin G. Butler, Jr.
Rodney Oddoye
Valencia McClure
Tamla Olivier
Anne Bancroft

By: /s/ J. TYLER ANTHONY
Name: J. Tyler Anthony

February 21, 2024

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

DELMARVA POWER & LIGHT COMPANY

By: /s/ J. TYLER ANTHONY
Name: J. Tyler Anthony
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ J. TYLER ANTHONY J. Tyler Anthony	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ PHILLIP S. BARNETT Phillip S. Barnett	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE Julie E. Giese	Director, Accounting (Principal Accounting Officer)

This annual report has also been signed below by J. Tyler Anthony, Attorney-in-Fact, on behalf of the following Directors on the date indicated:

Calvin G. Butler, Jr.

By: /s/ J. TYLER ANTHONY — February 21, 2024
Name: J. Tyler Anthony

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago and State of Illinois on the 21st day of February, 2024.

ATLANTIC CITY ELECTRIC COMPANY

By: /s/ J. TYLER ANTHONY
Name: J. Tyler Anthony
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities indicated on the 21st day of February, 2024.

Signature	**Title**
/s/ J. TYLER ANTHONY J. Tyler Anthony	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ PHILLIP S. BARNETT Phillip S. Barnett	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE Julie E. Giese	Director, Accounting (Principal Accounting Officer)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2023
or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Name of Registrant; State or Other Jurisdiction of Incorporation; Address of Principal Executive Offices; and Telephone Number	IRS Employer Identification Number
001-16169	EXELON CORPORATION (a Pennsylvania corporation) 10 South Dearborn Street P.O. Box 805379 Chicago, Illinois 60680-5379 (800) 483-3220	23-2990190
001-01839	COMMONWEALTH EDISON COMPANY (an Illinois corporation) 10 South Dearborn Street Chicago, Illinois 60603-2300 (312) 394-4321	36-0938600
000-16844	PECO ENERGY COMPANY (a Pennsylvania corporation) P.O. Box 8699 2301 Market Street Philadelphia, Pennsylvania 19101-8699 (215) 841-4000	23-0970240
001-01910	BALTIMORE GAS AND ELECTRIC COMPANY (a Maryland corporation) 2 Center Plaza 110 West Fayette Street Baltimore, Maryland 21201-3708 (410) 234-5000	52-0280210
001-31403	PEPCO HOLDINGS LLC (a Delaware limited liability company) 701 Ninth Street, N.W. Washington, District of Columbia 20068-0001 (202) 872-2000	52-2297449
001-01072	POTOMAC ELECTRIC POWER COMPANY (a District of Columbia and Virginia corporation) 701 Ninth Street, N.W. Washington, District of Columbia 20068-001 (202) 872-2000	53-0127880
001-01405	DELMARVA POWER & LIGHT COMPANY (a Delaware and Virginia corporation) 500 North Wakefield Drive Newark, Delaware 19702-5440 (202) 872-2000	51-0084283
001-03559	ATLANTIC CITY ELECTRIC COMPANY (a New Jersey corporation) 500 North Wakefield Drive Newark, Delaware 19702-5440 (202) 872-2000	21-0398280

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
EXELON CORPORATION:		
Common stock, without par value	EXC	The Nasdaq Stock Market LLC
PECO ENERGY COMPANY:		
Trust Receipts of PECO Energy Capital Trust III, each representing a 7.38% Cumulative Preferred Security, Series D, $25 stated value, issued by PECO Energy Capital, L.P. and unconditionally guaranteed by PECO Energy Company	EXC/28	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Exelon Corporation	Large Accelerated Filer ☒	Accelerated Filer ☐	Non-accelerated Filer ☐	Smaller Reporting Company ☐	Emerging Growth Company ☐
Commonwealth Edison Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
PECO Energy Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Baltimore Gas and Electric Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Pepco Holdings LLC	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Potomac Electric Power Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Delmarva Power & Light Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Atlantic City Electric Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The number of shares outstanding of each registrant’s common stock as of March 31, 2023 was:

Exelon Corporation Common Stock, without par value	994,568,998
Commonwealth Edison Company Common Stock, $12.50 par value	127,021,394
PECO Energy Company Common Stock, without par value	170,478,507
Baltimore Gas and Electric Company Common Stock, without par value	1,000
Pepco Holdings LLC	not applicable
Potomac Electric Power Company Common Stock, $0.01 par value	100
Delmarva Power & Light Company Common Stock, $2.25 par value	1,000
Atlantic City Electric Company Common Stock, $3.00 par value	8,546,017

TABLE OF CONTENTS

		Page No.
GLOSSARY OF TERMS AND ABBREVIATIONS		4
FILING FORMAT		7
CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION		7
WHERE TO FIND MORE INFORMATION		7
PART I.	FINANCIAL INFORMATION	8
ITEM 1.	FINANCIAL STATEMENTS	8
	Exelon Corporation	
	Consolidated Statements of Operations and Comprehensive Income	9
	Consolidated Statements of Cash Flows	10
	Consolidated Balance Sheets	11
	Consolidated Statements of Changes in Shareholders' Equity	13
	Commonwealth Edison Company	
	Consolidated Statements of Operations and Comprehensive Income	14
	Consolidated Statements of Cash Flows	15
	Consolidated Balance Sheets	16
	Consolidated Statements of Changes in Shareholders' Equity	18
	PECO Energy Company	
	Consolidated Statements of Operations and Comprehensive Income	19
	Consolidated Statements of Cash Flows	20
	Consolidated Balance Sheets	21
	Consolidated Statements of Changes in Shareholder's Equity	23
	Baltimore Gas and Electric Company	
	Statements of Operations and Comprehensive Income	24
	Statements of Cash Flows	25
	Balance Sheets	26
	Statements of Changes in Shareholder's Equity	28
	Pepco Holdings LLC	
	Consolidated Statements of Operations and Comprehensive Income	29
	Consolidated Statements of Cash Flows	30
	Consolidated Balance Sheets	31
	Consolidated Statements of Changes in Member's Equity	33

	Page No.
Potomac Electric Power Company	
Statements of Operations and Comprehensive Income	34
Statements of Cash Flows	35
Balance Sheets	36
Statements of Changes in Shareholder's Equity	38
Delmarva Power & Light Company	
Statements of Operations and Comprehensive Income	39
Statements of Cash Flows	40
Balance Sheets	41
Statements of Changes in Shareholder's Equity	43
Atlantic City Electric Company	
Consolidated Statements of Operations and Comprehensive Income	44
Consolidated Statements of Cash Flows	45
Consolidated Balance Sheets	46
Consolidated Statements of Changes in Shareholder's Equity	48
Combined Notes to Consolidated Financial Statements	
1. Significant Accounting Policies	49
2. Discontinued Operations	50
3. Regulatory Matters	53
4. Revenue from Contracts with Customers	60
5. Segment Information	61
6. Accounts Receivable	66
7. Income Taxes	68
8. Retirement Benefits	70
9. Derivative Financial Instruments	71
10. Debt and Credit Agreements	75
11. Fair Value of Financial Assets and Liabilities	77
12. Commitments and Contingencies	83
13. Shareholders' Equity	90
14. Changes in Accumulated Other Comprehensive Income	90
15. Supplemental Financial Information	91
16. Related Party Transactions	95

		Page No.
ITEM 2.	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	98
	Exelon Corporation	98
	Executive Overview	98
	Financial Results of Operations	98
	Significant 2023 Transactions and Developments	100
	Other Key Business Drivers and Management Strategies	103
	Critical Accounting Policies and Estimates	104
	Results of Operations By Registrant	105
	Commonwealth Edison Company	105
	PECO Energy Company	108
	Baltimore Gas and Electric Company	112
	Pepco Holdings LLC	115
	Potomac Electric Power Company	116
	Delmarva Power & Light Company	119
	Atlantic City Electric Company	123
	Liquidity and Capital Resources	126
ITEM 3.	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	134
ITEM 4.	CONTROLS AND PROCEDURES	135
PART II.	OTHER INFORMATION	135
ITEM 1.	LEGAL PROCEEDINGS	135
ITEM 1A.	RISK FACTORS	136
ITEM 5.	OTHER INFORMATION	136
ITEM 6.	EXHIBITS	136
SIGNATURES		139
	Exelon Corporation	139
	Commonwealth Edison Company	140
	PECO Energy Company	141
	Baltimore Gas and Electric Company	142
	Pepco Holdings LLC	143
	Potomac Electric Power Company	144
	Delmarva Power & Light Company	145
	Atlantic City Electric Company	146

GLOSSARY OF TERMS AND ABBREVIATIONS

Exelon Corporation and Related Entities	
Exelon	Exelon Corporation
ComEd	Commonwealth Edison Company
PECO	PECO Energy Company
BGE	Baltimore Gas and Electric Company
Pepco Holdings or PHI	Pepco Holdings LLC
Pepco	Potomac Electric Power Company
DPL	Delmarva Power & Light Company
ACE	Atlantic City Electric Company
Registrants	Exelon, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE, collectively
Utility Registrants	ComEd, PECO, BGE, Pepco, DPL, and ACE, collectively
BSC	Exelon Business Services Company, LLC
Exelon Corporate	Exelon in its corporate capacity as a holding company
PCI	Potomac Capital Investment Corporation and its subsidiaries
PECO Trust III	PECO Energy Capital Trust III
PECO Trust IV	PECO Energy Capital Trust IV
PHI Corporate	PHI in its corporate capacity as a holding company
PHISCO	PHI Service Company
Former Related Entities	
Constellation	Constellation Energy Corporation
Generation	Constellation Energy Generation, LLC (formerly Exelon Generation Company, LLC, a subsidiary of Exelon prior to separation on February 1, 2022)

GLOSSARY OF TERMS AND ABBREVIATIONS

Other Terms and Abbreviations

Note - of the 2022 Form 10-K	Reference to specific Combined Note to Consolidated Financial Statements within Exelon's 2022 Annual Report on Form 10-K
ABO	Accumulated Benefit Obligation
AECs	Alternative Energy Credits that are issued for each megawatt hour of generation from a qualified alternative energy source
AFUDC	Allowance for Funds Used During Construction
AMI	Advanced Metering Infrastructure
AOCI	Accumulated Other Comprehensive Income (Loss)
ARO	Asset Retirement Obligation
BGS	Basic Generation Service
BSA	Bill Stabilization Adjustment
CEJA	Climate and Equitable Jobs Act; Illinois Public Act 102-0662 signed into law on September 15, 2021
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended
CIP	Conservation Incentive Program
CMC	Carbon Mitigation Credit
CODMs	Chief Operating Decision Maker(s)
DC PLUG	District of Columbia Power Line Undergrounding Initiative
DCPSC	Public Service Commission of the District of Columbia
DEPSC	Delaware Public Service Commission
DOEE	District of Columbia Department of Energy & Environment
DPA	Deferred Prosecution Agreement
DPP	Deferred Purchase Price
DSIC	Distribution System Improvement Charge
EIMA	Energy Infrastructure Modernization Act (Illinois Senate Bill 1652 and Illinois House Bill 3036)
EPA	United States Environmental Protection Agency
ERCOT	Electric Reliability Council of Texas
ERISA	Employee Retirement Income Security Act of 1974, as amended
ERP	Enterprise Resource Program
ETAC	Energy Transition Assistance Charge
FEJA	Illinois Public Act 99-0906 or Future Energy Jobs Act
FERC	Federal Energy Regulatory Commission
GAAP	Generally Accepted Accounting Principles in the United States
GCR	Gas Cost Rate
GSA	Generation Supply Adjustment
GWhs	Gigawatt hours
ICC	Illinois Commerce Commission
IIJA	Infrastructure Investment and Jobs Act
Illinois Settlement Legislation	Legislation enacted in 2007 affecting electric utilities in Illinois
IPA	Illinois Power Agency
IRA	Inflation Reduction Act
IRC	Internal Revenue Code
IRS	Internal Revenue Service
MDPSC	Maryland Public Service Commission
MGP	Manufactured Gas Plant

GLOSSARY OF TERMS AND ABBREVIATIONS

Other Terms and Abbreviations

mmcf	Million Cubic Feet
MMG	Middle Mile Grant
MRP	Multi-Year Rate Plan
MWh	Megawatt hour
N/A	Not applicable
NAV	Net Asset Value
NDT	Nuclear Decommissioning Trust
NJBPU	New Jersey Board of Public Utilities
NPNS	Normal Purchase Normal Sale scope exception
NPS	National Park Service
NRD	Natural Resources Damages
OCI	Other Comprehensive Income
OPEB	Other Postretirement Employee Benefits
PAPUC	Pennsylvania Public Utility Commission
PGC	Purchased Gas Cost Clause
PJM	PJM Interconnection, LLC
POLR	Provider of Last Resort
PPA	Power Purchase Agreement
PP&E	Property, plant, and equipment
PRPs	Potentially Responsible Parties
REC	Renewable Energy Credit which is issued for each megawatt hour of generation from a qualified renewable energy source
Regulatory Agreement Units	Nuclear generating units or portions thereof whose decommissioning-related activities are subject to contractual elimination under regulatory accounting
RFP	Request for Proposal
Rider	Reconcilable Surcharge Recovery Mechanism
ROE	Return on equity
ROU	Right-of-use
RPS	Renewable Energy Portfolio Standards
RTO	Regional Transmission Organization
SEC	United States Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
SOS	Standard Offer Service
STRIDE	Maryland Strategic Infrastructure Development and Enhancement Program
TCJA	Tax Cuts and Jobs Act
ZEC	Zero Emission Credit or Zero Emission Certificate

FILING FORMAT

This combined Form 10-Q is being filed separately by Exelon Corporation, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC, Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company (Registrants). Information contained herein relating to any individual Registrant is filed by such Registrant on its own behalf. No Registrant makes any representation as to information relating to any other Registrant.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Report contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Words such as “could,” “may,” “expects,” “anticipates,” “will,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “predicts,” "should," and variations on such words, and similar expressions that reflect our current views with respect to future events and operational, economic, and financial performance, are intended to identify such forward-looking statements.

The factors that could cause actual results to differ materially from the forward-looking statements made by the Registrants include those factors discussed herein, as well as the items discussed in (1) the 2022 Form 10-K in (a) Part I, ITEM 1A. Risk Factors, (b) Part II, ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations, and (c) Part II, ITEM 8. Financial Statements and Supplementary Data: Note 18, Commitments and Contingencies; (2) this Quarterly Report on Form 10-Q in (a) Part II, ITEM 1A. Risk Factors, (b) Part I, ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations, and (c) Part I, ITEM 1. Financial Statements: Note 12, Commitments and Contingencies; and (3) other factors discussed in filings with the SEC by the Registrants.

Investors are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this Report. None of the Registrants undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this Report.

WHERE TO FIND MORE INFORMATION

The SEC maintains an Internet site at www.sec.gov that contains reports, proxy and information statements, and other information that the Registrants file electronically with the SEC. These documents are also available to the public from commercial document retrieval services and the Registrants' website at www.exeloncorp.com. Information contained on the Registrants' website shall not be deemed incorporated into, or to be a part of, this Report.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions, except per share data)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 4,462	$ 4,481
Natural gas operating revenues	822	817
Revenues from alternative revenue programs	279	29
Total operating revenues	5,563	5,327
Operating expenses		
Purchased power	1,733	1,581
Purchased fuel	358	338
Purchased power and fuel from affiliates	—	159
Operating and maintenance	1,151	1,178
Depreciation and amortization	860	817
Taxes other than income taxes	355	354
Total operating expenses	4,457	4,427
Operating income	1,106	900
Other income and (deductions)		
Interest expense, net	(406)	(332)
Interest expense to affiliates	(6)	(6)
Other, net	109	137
Total other income and (deductions)	(303)	(201)
Income from continuing operations before income taxes	803	699
Income taxes	134	218
Net income from continuing operations after income taxes	669	481
Net income from discontinued operations after income taxes (Note 2)	—	117
Net income	669	598
Net income attributable to noncontrolling interests	—	1
Net income attributable to common shareholders	$ 669	$ 597
Amounts attributable to common shareholders:		
Net income from continuing operations	669	481
Net income from discontinued operations	—	116
Net income attributable to common shareholders	$ 669	$ 597
Comprehensive income, net of income taxes		
Net income	$ 669	$ 598
Other comprehensive income (loss), net of income taxes		
Pension and non-pension postretirement benefit plans:		
Actuarial loss reclassified to periodic benefit cost	3	14
Pension and non-pension postretirement benefit plan valuation adjustment	(10)	—
Unrealized gain on cash flow hedges	6	—
Other comprehensive (loss) income	(1)	14
Comprehensive income	668	612
Comprehensive income attributable to noncontrolling interests	—	1
Comprehensive income attributable to common shareholders	$ 668	$ 611
Average shares of common stock outstanding:		
Basic	995	981
Assumed exercise and/or distributions of stock-based awards	1	—
Diluted	996	981
Earnings per average common share from continuing operations		
Basic	$ 0.67	$ 0.49
Diluted	$ 0.67	$ 0.49
Earnings per average common share from discontinued operations		
Basic	$ —	$ 0.12
Diluted	$ —	$ 0.12

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 669	$ 598
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation, amortization, and accretion, including nuclear fuel and energy contract amortization	860	1,024
Gain on sales of assets and businesses	—	(10)
Deferred income taxes and amortization of investment tax credits	113	110
Net fair value changes related to derivatives	—	(59)
Net realized and unrealized losses on NDT funds	—	205
Net unrealized losses on equity investments	—	16
Other non-cash operating activities	(138)	232
Changes in assets and liabilities:		
Accounts receivable	106	(711)
Inventories	102	125
Accounts payable and accrued expenses	(482)	291
Option premiums paid, net	—	(39)
Collateral (paid) received, net	(214)	1,142
Income taxes	23	77
Regulatory assets and liabilities, net	(324)	(31)
Pension and non-pension postretirement benefit contributions	(44)	(574)
Other assets and liabilities	(187)	(614)
Net cash flows provided by operating activities	484	1,782
Cash flows from investing activities		
Capital expenditures	(1,881)	(1,922)
Proceeds from NDT fund sales	—	488
Investment in NDT funds	—	(516)
Collection of DPP	—	169
Proceeds from sales of assets and businesses	—	16
Other investing activities	10	(54)
Net cash flows used in investing activities	(1,871)	(1,819)
Cash flows from financing activities		
Changes in short-term borrowings	(1,130)	(700)
Proceeds from short-term borrowings with maturities greater than 90 days	—	1,150
Repayments on short-term borrowings with maturities greater than 90 days	(150)	(350)
Issuance of long-term debt	3,925	4,301
Retirement of long-term debt	(857)	(6)
Dividends paid on common stock	(358)	(332)
Proceeds from employee stock plans	10	9
Transfer of cash, restricted cash, and cash equivalents to Constellation	—	(2,594)
Other financing activities	(60)	(62)
Net cash flows provided by financing activities	1,380	1,416
(Decrease) increase in cash, restricted cash, and cash equivalents	(7)	1,379
Cash, restricted cash, and cash equivalents at beginning of period	1,090	1,619
Cash, restricted cash, and cash equivalents at end of period	$ 1,083	$ 2,998
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (201)	$ (322)
Increase in DPP	—	348
Decrease in PP&E related to ARO update	—	(335)

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 522	$ 407
Restricted cash and cash equivalents	381	566
Accounts receivable		
Customer accounts receivable	2,493	2,544
Customer allowance for credit losses	(389)	(327)
Customer accounts receivable, net	2,104	2,217
Other accounts receivable	1,346	1,426
Other allowance for credit losses	(91)	(82)
Other accounts receivable, net	1,255	1,344
Inventories, net		
Fossil fuel	70	208
Materials and supplies	582	547
Regulatory assets	2,386	1,641
Other	477	406
Total current assets	7,777	7,336
Property, plant, and equipment (net of accumulated depreciation and amortization of $16,384 and $15,930 as of March 31, 2023 and December 31, 2022, respectively)	70,117	69,076
Deferred debits and other assets		
Regulatory assets	7,878	8,037
Goodwill	6,630	6,630
Receivable related to Regulatory Agreement Units	3,069	2,897
Investments	234	232
Other	1,220	1,141
Total deferred debits and other assets	19,031	18,937
Total assets	$ 96,925	$ 95,349

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 1,306	$ 2,586
Long-term debt due within one year	1,356	1,802
Accounts payable	2,762	3,382
Accrued expenses	1,183	1,226
Payables to affiliates	5	5
Regulatory liabilities	472	437
Mark-to-market derivative liabilities	23	8
Unamortized energy contract liabilities	9	10
Other	976	1,155
Total current liabilities	8,092	10,611
Long-term debt	38,732	35,272
Long-term debt to financing trusts	390	390
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	11,483	11,250
Regulatory liabilities	9,307	9,112
Pension obligations	1,101	1,109
Non-pension postretirement benefit obligations	506	507
Asset retirement obligations	270	269
Mark-to-market derivative liabilities	77	83
Unamortized energy contract liabilities	32	35
Other	1,869	1,967
Total deferred credits and other liabilities	24,645	24,332
Total liabilities	71,859	70,605
Commitments and contingencies		
Shareholders' equity		
Common stock (No par value, 2,000 shares authorized, 994 shares outstanding as of March 31, 2023 and December 31, 2022)	20,921	20,908
Treasury stock, at cost (2 shares as of March 31, 2023 and December 31, 2022)	(123)	(123)
Retained earnings	4,907	4,597
Accumulated other comprehensive loss, net	(639)	(638)
Total shareholders' equity	25,066	24,744
Total liabilities and shareholders' equity	$ 96,925	$ 95,349

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

	Three Months Ended March 31, 2023						
(In millions, shares in thousands)	Issued Shares	Common Stock	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss, net	Noncontrolling Interests	Total Shareholders' Equity
Balance, December 31, 2022	995,830	$ 20,908	$ (123)	$ 4,597	$ (638)	$ —	$ 24,744
Net income	—	—	—	669	—	—	669
Long-term incentive plan activity	306	1	—	—	—	—	1
Employee stock purchase plan issuances	266	12	—	—	—	—	12
Common stock dividends ($0.36/common share)	—	—	—	(359)		—	(359)
Other comprehensive loss, net of income taxes	—	—	—	—	(1)	—	(1)
Balance, March 31, 2023	996,402	$ 20,921	$ (123)	$ 4,907	$ (639)	$ —	$ 25,066

	Three Months Ended March 31, 2022						
(In millions, shares in thousands)	Issued Shares	Common Stock	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss, net	Noncontrolling Interests	Total Shareholders' Equity
Balance, December 31, 2021	981,291	$ 20,324	$ (123)	$ 16,942	$ (2,750)	$ 402	$ 34,795
Net income	—	—	—	597	—	1	598
Long-term incentive plan activity	540	(13)	—	—	—	—	(13)
Employee stock purchase plan issuances	211	9	—	—	—	—	9
Changes in equity of noncontrolling interests	—	—	—	—	—	(7)	(7)
Distribution of Constellation (Note 2)	—	(21)	—	(13,179)	2,023	(396)	(11,573)
Common stock dividends ($0.34/common share)	—	—	—	(332)	—	—	(332)
Other comprehensive income, net of income taxes	—	—	—	—	14	—	14
Balance, March 31, 2022	982,042	$ 20,299	$ (123)	$ 4,028	$ (713)	$ —	$ 23,491

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 1,511	$ 1,688
Revenues from alternative revenue programs	153	40
Operating revenues from affiliates	3	6
Total operating revenues	1,667	1,734
Operating expenses		
Purchased power	488	579
Purchased power from affiliate	—	59
Operating and maintenance	254	266
Operating and maintenance from affiliates	83	85
Depreciation and amortization	338	321
Taxes other than income taxes	93	96
Total operating expenses	1,256	1,406
Operating income	411	328
Other income and (deductions)		
Interest expense, net	(114)	(97)
Interest expense to affiliates	(3)	(3)
Other, net	18	12
Total other income and (deductions)	(99)	(88)
Income before income taxes	312	240
Income taxes	71	52
Net income	$ 241	$ 188
Comprehensive income	$ 241	$ 188

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 241	$ 188
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	338	321
Deferred income taxes and amortization of investment tax credits	55	54
Other non-cash operating activities	(153)	(9)
Changes in assets and liabilities:		
Accounts receivable	96	(45)
Receivables from and payables to affiliates, net	10	(42)
Inventories	(21)	3
Accounts payable and accrued expenses	(306)	(154)
Collateral (paid) received, net	(4)	43
Income taxes	15	(2)
Regulatory assets and liabilities, net	(338)	(8)
Pension and non-pension postretirement benefit contributions	(23)	(176)
Other assets and liabilities	(22)	(29)
Net cash flows (used in) provided by operating activities	(112)	144
Cash flows from investing activities		
Capital expenditures	(617)	(617)
Other investing activities	1	7
Net cash flows used in investing activities	(616)	(610)
Cash flows from financing activities		
Changes in short-term borrowings	(18)	—
Repayments on short-term borrowings with maturities greater than 90 days	(150)	—
Issuance of long-term debt	975	750
Dividends paid on common stock	(187)	(144)
Contributions from parent	186	167
Other financing activities	(11)	(10)
Net cash flows provided by financing activities	795	763
Increase in cash, restricted cash, and cash equivalents	67	297
Cash, restricted cash, and cash equivalents at beginning of period	511	384
Cash, restricted cash, and cash equivalents at end of period	$ 578	$ 681
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (35)	$ (50)

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 75	$ 67
Restricted cash and cash equivalents	323	327
Accounts receivable		
Customer accounts receivable	674	558
Customer allowance for credit losses	(74)	(59)
Customer accounts receivable, net	600	499
Other accounts receivable	233	441
Other allowance for credit losses	(18)	(17)
Other accounts receivable, net	215	424
Receivables from affiliates	3	3
Inventories, net	216	196
Regulatory assets	1,472	775
Other	102	92
Total current assets	3,006	2,383
Property, plant, and equipment (net of accumulated depreciation and amortization of $6,838 and $6,673 as of March 31, 2023 and December 31, 2022, respectively)	27,858	27,513
Deferred debits and other assets		
Regulatory assets	2,517	2,667
Goodwill	2,625	2,625
Receivable related to Regulatory Agreement Units	2,804	2,660
Investments	6	6
Prepaid pension asset	1,225	1,206
Other	679	601
Total deferred debits and other assets	9,856	9,765
Total assets	$ 40,720	$ 39,661

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 409	$ 577
Accounts payable	801	1,010
Accrued expenses	305	415
Payables to affiliates	84	74
Customer deposits	109	108
Regulatory liabilities	233	226
Mark-to-market derivative liabilities	22	5
Other	189	191
Total current liabilities	2,152	2,606
Long-term debt	11,480	10,518
Long-term debt to financing trust	205	205
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	5,100	5,021
Regulatory liabilities	7,143	6,913
Asset retirement obligations	149	148
Non-pension postretirement benefits obligations	167	165
Mark-to-market derivative liabilities	76	79
Other	644	642
Total deferred credits and other liabilities	13,279	12,968
Total liabilities	27,116	26,297
Commitments and contingencies		
Shareholders' equity		
Common stock	1,588	1,588
Other paid-in capital	9,932	9,746
Retained earnings	2,084	2,030
Total shareholders' equity	13,604	13,364
Total liabilities and shareholders' equity	$ 40,720	$ 39,661

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

	Three Months Ended March 31, 2023			
(In millions)	Common Stock	Other Paid-In Capital	Retained Earnings	Total Shareholders' Equity
Balance, December 31, 2022	$ 1,588	$ 9,746	$ 2,030	$ 13,364
Net income	—	—	241	241
Common stock dividends	—	—	(187)	(187)
Contributions from parent	—	186	—	186
Balance, March 31, 2023	$ 1,588	$ 9,932	$ 2,084	$ 13,604

	Three Months Ended March 31, 2022			
(In millions)	Common Stock	Other Paid-In Capital	Retained Earnings	Total Shareholders' Equity
Balance, December 31, 2021	$ 1,588	$ 9,076	$ 1,691	$ 12,355
Net income	—	—	188	188
Common stock dividends	—	—	(144)	(144)
Contributions from parent	—	167	—	167
Balance, March 31, 2022	$ 1,588	$ 9,243	$ 1,735	$ 12,566

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 798	$ 734
Natural gas operating revenues	316	306
Revenues from alternative revenue programs	(4)	6
Operating revenues from affiliates	2	1
Total operating revenues	1,112	1,047
Operating expenses		
Purchased power	330	229
Purchased fuel	154	145
Purchased power from affiliate	—	33
Operating and maintenance	219	196
Operating and maintenance from affiliates	51	51
Depreciation and amortization	98	92
Taxes other than income taxes	50	47
Total operating expenses	902	793
Operating income	210	254
Other income and (deductions)		
Interest expense, net	(45)	(38)
Interest expense to affiliates	(3)	(3)
Other, net	8	7
Total other income and (deductions)	(40)	(34)
Income before income taxes	170	220
Income taxes	4	14
Net income	$ 166	$ 206
Comprehensive income	$ 166	$ 206

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 166	$ 206
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	98	92
Deferred income taxes and amortization of investment tax credits	(16)	14
Other non-cash operating activities	32	15
Changes in assets and liabilities:		
Accounts receivable	36	(40)
Receivables from and payables to affiliates, net	8	(31)
Inventories	60	27
Accounts payable and accrued expenses	(176)	(24)
Income taxes	20	—
Regulatory assets and liabilities, net	15	(4)
Pension and non-pension postretirement benefit contributions	—	(12)
Other assets and liabilities	(75)	(102)
Net cash flows provided by operating activities	168	141
Cash flows from investing activities		
Capital expenditures	(335)	(344)
Other investing activities	—	2
Net cash flows used in investing activities	(335)	(342)
Cash flows from financing activities		
Changes in short-term borrowings	(94)	—
Changes in Exelon intercompany money pool	—	65
Dividends paid on common stock	(101)	(100)
Contributions from parent	330	227
Other financing activities	—	(1)
Net cash flows provided by financing activities	135	191
Decrease in cash, restricted cash, and cash equivalents	(32)	(10)
Cash, restricted cash, and cash equivalents at beginning of period	68	44
Cash, restricted cash, and cash equivalents at end of period	$ 36	$ 34
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (9)	$ (41)

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 27	$ 59
Restricted cash and cash equivalents	9	9
Accounts receivable		
Customer accounts receivable	588	635
Customer allowance for credit losses	(130)	(105)
Customer accounts receivable, net	458	530
Other accounts receivable	147	153
Other allowance for credit losses	(11)	(9)
Other accounts receivable, net	136	144
Receivables from affiliates	2	4
Inventories, net		
Fossil fuel	41	99
Materials and supplies	50	52
Prepaid utility taxes	100	—
Regulatory assets	83	80
Other	43	38
Total current assets	949	1,015
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,135 and $4,078 as of March 31, 2023 and December 31, 2022, respectively)	12,359	12,125
Deferred debits and other assets		
Regulatory assets	693	652
Receivable related to Regulatory Agreement Units	265	237
Investments	31	30
Prepaid pension asset	417	413
Other	24	30
Total deferred debits and other assets	1,430	1,362
Total assets	$ 14,738	$ 14,502

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 145	$ 239
Long-term debt due within one year	50	50
Accounts payable	543	668
Accrued expenses	95	142
Payables to affiliates	48	42
Customer deposits	66	63
Regulatory liabilities	95	75
Other	50	32
Total current liabilities	1,092	1,311
Long-term debt	4,563	4,562
Long-term debt to financing trusts	184	184
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	2,245	2,213
Regulatory liabilities	295	270
Asset retirement obligations	28	28
Non-pension postretirement benefits obligations	286	286
Other	87	85
Total deferred credits and other liabilities	2,941	2,882
Total liabilities	8,780	8,939
Commitments and contingencies		
Shareholder’s equity		
Common stock	4,032	3,702
Retained earnings	1,926	1,861
Total shareholder’s equity	5,958	5,563
Total liabilities and shareholder's equity	$ 14,738	$ 14,502

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Three Months Ended March 31, 2023		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2022	$ 3,702	$ 1,861	$ 5,563
Net income	—	166	166
Common stock dividends	—	(101)	(101)
Contributions from parent	330	—	330
Balance, March 31, 2023	$ 4,032	$ 1,926	$ 5,958

	Three Months Ended March 31, 2022		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2021	$ 3,428	$ 1,684	$ 5,112
Net income	—	206	206
Common stock dividends	—	(100)	(100)
Contributions from parent	227	—	227
Balance, March 31, 2022	$ 3,655	$ 1,790	$ 5,445

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 780	$ 735
Natural gas operating revenues	409	424
Revenues from alternative revenue programs	65	(12)
Operating revenues from affiliates	3	7
Total operating revenues	1,257	1,154
Operating expenses		
Purchased power	343	285
Purchased fuel	149	151
Purchased power from affiliate	—	18
Operating and maintenance	168	167
Operating and maintenance from affiliates	54	51
Depreciation and amortization	167	171
Taxes other than income taxes	83	76
Total operating expenses	964	919
Operating income	293	235
Other income and (deductions)		
Interest expense, net	(44)	(35)
Other, net	3	7
Total other income and (deductions)	(41)	(28)
Income before income taxes	252	207
Income taxes	52	9
Net income	$ 200	$ 198
Comprehensive income	$ 200	$ 198

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 200	$ 198
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	167	171
Deferred income taxes and amortization of investment tax credits	24	5
Other non-cash operating activities	(32)	44
Changes in assets and liabilities:		
Accounts receivable	43	(80)
Receivables from and payables to affiliates, net	(3)	(2)
Inventories	62	32
Accounts payable and accrued expenses	(96)	(30)
Collateral (paid) received, net	(22)	30
Income taxes	29	4
Regulatory assets and liabilities, net	(31)	(8)
Pension and non-pension postretirement benefit contributions	(8)	(56)
Other assets and liabilities	(24)	(31)
Net cash flows provided by operating activities	309	277
Cash flows from investing activities		
Capital expenditures	(350)	(303)
Other investing activities	3	3
Net cash flows used in investing activities	(347)	(300)
Cash flows from financing activities		
Changes in short-term borrowings	(165)	120
Dividends paid on common stock	(80)	(76)
Contributions from parent	237	—
Other financing activities	—	(1)
Net cash flows (used in) provided by financing activities	(8)	43
(Decrease) increase in cash, restricted cash, and cash equivalents	(46)	20
Cash, restricted cash, and cash equivalents at beginning of period	67	55
Cash, restricted cash, and cash equivalents at end of period	$ 21	$ 75
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (70)	$ (32)

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 20	$ 43
Restricted cash and cash equivalents	1	24
Accounts receivable		
Customer accounts receivable	581	617
Customer allowance for credit losses	(73)	(54)
Customer accounts receivable, net	508	563
Other accounts receivable	128	132
Other allowance for credit losses	(12)	(10)
Other accounts receivable, net	116	122
Inventories, net		
Fossil fuel	23	91
Materials and supplies	71	65
Prepaid utility taxes	49	52
Regulatory assets	237	177
Other	13	13
Total current assets	1,038	1,150
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,658 and $4,583 as of March 31, 2023 and December 31, 2022, respectively)	11,493	11,338
Deferred debits and other assets		
Regulatory assets	533	527
Investments	9	7
Prepaid pension asset	280	291
Other	58	37
Total deferred debits and other assets	880	862
Total assets	$ 13,411	$ 13,350

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 243	$ 408
Long-term debt due within one year	300	300
Accounts payable	310	462
Accrued expenses	174	159
Payables to affiliates	37	39
Customer deposits	107	105
Regulatory liabilities	61	47
Other	34	55
Total current liabilities	1,266	1,575
Long-term debt	3,908	3,907
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	1,878	1,832
Regulatory liabilities	791	816
Asset retirement obligations	30	30
Non-pension postretirement benefits obligations	161	166
Other	84	88
Total deferred credits and other liabilities	2,944	2,932
Total liabilities	8,118	8,414
Commitments and contingencies		
Shareholder's equity		
Common stock	3,098	2,861
Retained earnings	2,195	2,075
Total shareholder's equity	5,293	4,936
Total liabilities and shareholder's equity	$ 13,411	$ 13,350

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Three Months Ended March 31, 2023		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2022	$ 2,861	$ 2,075	$ 4,936
Net income	—	200	200
Common stock dividends	—	(80)	(80)
Contributions from parent	237	—	237
Balance, March 31, 2023	$ 3,098	$ 2,195	$ 5,293

	Three Months Ended March 31, 2022		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2021	$ 2,575	$ 1,995	$ 4,570
Net income	—	198	198
Common stock dividends	—	(76)	(76)
Balance, March 31, 2022	$ 2,575	$ 2,117	$ 4,692

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 1,371	$ 1,323
Natural gas operating revenues	97	83
Revenues from alternative revenue programs	65	(5)
Operating revenues from affiliates	3	3
Total operating revenues	1,536	1,404
Operating expenses		
Purchased power	572	487
Purchased fuel	55	42
Purchased power from affiliate	—	50
Operating and maintenance	267	248
Operating and maintenance from affiliates	42	51
Depreciation and amortization	241	218
Taxes other than income taxes	120	119
Total operating expenses	1,297	1,215
Operating income	239	189
Other income and (deductions)		
Interest expense, net	(76)	(69)
Other, net	26	17
Total other income and (deductions)	(50)	(52)
Income before income taxes	189	137
Income taxes	34	7
Net income	$ 155	$ 130
Comprehensive income	$ 155	$ 130

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 155	$ 130
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	241	218
Deferred income taxes and amortization of investment tax credits	13	2
Other non-cash operating activities	(7)	35
Changes in assets and liabilities:		
Accounts receivable	98	(21)
Receivables from and payables to affiliates, net	—	(51)
Inventories	4	7
Accounts payable and accrued expenses	(88)	(23)
Collateral (paid) received, net	(189)	37
Income taxes	20	5
Regulatory assets and liabilities, net	27	(18)
Pension and non-pension postretirement benefit contributions	(7)	(67)
Other assets and liabilities	(11)	(22)
Net cash flows provided by operating activities	256	232
Cash flows from investing activities		
Capital expenditures	(561)	(409)
Other investing activities	8	2
Net cash flows used in investing activities	(553)	(407)
Cash flows from financing activities		
Changes in short-term borrowings	(414)	(468)
Issuance of long-term debt	450	700
Changes in Exelon intercompany money pool	8	39
Distributions to member	(112)	(102)
Contributions from member	405	704
Other financing activities	(17)	(9)
Net cash flows provided by financing activities	320	864
Increase in cash, restricted cash, and cash equivalents	23	689
Cash, restricted cash, and cash equivalents at beginning of period	373	213
Cash, restricted cash, and cash equivalents at end of period	$ 396	$ 902
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (76)	$ (55)

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 367	$ 198
Restricted cash and cash equivalents	29	175
Accounts receivable		
Customer accounts receivable	650	734
Customer allowance for credit losses	(112)	(109)
Customer accounts receivable, net	538	625
Other accounts receivable	280	300
Other allowance for credit losses	(50)	(46)
Other accounts receivable, net	230	254
Receivables from affiliates	2	2
Inventories, net		
Fossil fuel	5	18
Materials and supplies	245	236
Regulatory assets	439	455
Other	68	96
Total current assets	1,923	2,059
Property, plant, and equipment (net of accumulated depreciation and amortization of $2,757 and $2,618 as of March 31, 2023 and December 31, 2022, respectively)	18,003	17,686
Deferred debits and other assets		
Regulatory assets	1,579	1,610
Goodwill	4,005	4,005
Investments	139	138
Prepaid pension asset	332	353
Other	227	231
Total deferred debits and other assets	6,282	6,337
Total assets	$ 26,208	$ 26,082

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 414
Long-term debt due within one year	998	591
Accounts payable	634	771
Accrued expenses	252	260
Payables to affiliates	66	66
Borrowings from Exelon intercompany money pool	52	44
Customer deposits	92	88
Regulatory liabilities	69	76
Unamortized energy contract liabilities	9	10
PPA termination obligation	87	87
Other	149	330
Total current liabilities	2,408	2,737
Long-term debt	7,555	7,529
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	2,934	2,895
Regulatory liabilities	976	1,011
Asset retirement obligations	59	59
Non-pension postretirement benefit obligations	46	50
Unamortized energy contract liabilities	32	35
Other	520	536
Total deferred credits and other liabilities	4,567	4,586
Total liabilities	14,530	14,852
Commitments and contingencies		
Member's equity		
Membership interest	11,987	11,582
Undistributed losses	(309)	(352)
Total member's equity	11,678	11,230
Total liabilities and member's equity	$ 26,208	$ 26,082

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN MEMBER'S EQUITY
(Unaudited)

	Three Months Ended March 31, 2023		
(In millions)	Membership Interest	Undistributed (Losses)/Gains	Total Member's Equity
Balance, December 31, 2022	$ 11,582	$ (352)	$ 11,230
Net income	—	155	155
Distributions to member	—	(112)	(112)
Contributions from member	405	—	405
Balance, March 31, 2023	$ 11,987	$ (309)	$ 11,678

	Three Months Ended March 31, 2022		
(In millions)	Membership Interest	Undistributed (Losses)/Gains	Total Member's Equity
Balance, December 31, 2021	$ 10,795	$ (210)	$ 10,585
Net income	—	130	130
Distributions to member	—	(102)	(102)
Contributions from member	704	—	704
Balance, March 31, 2022	$ 11,499	$ (182)	$ 11,317

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 670	$ 620
Revenues from alternative revenue programs	39	(7)
Operating revenues from affiliates	1	1
Total operating revenues	710	614
Operating expenses		
Purchased power	258	174
Purchased power from affiliate	—	39
Operating and maintenance	93	73
Operating and maintenance from affiliates	57	58
Depreciation and amortization	108	108
Taxes other than income taxes	94	95
Total operating expenses	610	547
Operating income	100	67
Other income and (deductions)		
Interest expense, net	(39)	(36)
Other, net	16	13
Total other income and (deductions)	(23)	(23)
Income before income taxes	77	44
Income taxes	12	(2)
Net income	$ 65	$ 46
Comprehensive income	$ 65	$ 46

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 65	$ 46
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	108	108
Deferred income taxes and amortization of investment tax credits	3	(2)
Other non-cash operating activities	(10)	12
Changes in assets and liabilities:		
Accounts receivable	52	(2)
Receivables from and payables to affiliates, net	3	(25)
Inventories	(3)	—
Accounts payable and accrued expenses	(27)	5
Collateral (paid) received, net	(25)	1
Income taxes	8	1
Regulatory assets and liabilities, net	(3)	(7)
Pension and non-pension postretirement benefit contributions	(4)	(5)
Other assets and liabilities	11	(12)
Net cash flows provided by operating activities	178	120
Cash flows from investing activities		
Capital expenditures	(264)	(218)
Other investing activities	8	1
Net cash flows used in investing activities	(256)	(217)
Cash flows from financing activities		
Changes in short-term borrowings	(299)	(175)
Issuance of long-term debt	250	400
Dividends paid on common stock	(48)	(42)
Contributions from parent	243	387
Other financing activities	(14)	(5)
Net cash flows provided by financing activities	132	565
Increase in cash, restricted cash, and cash equivalents	54	468
Cash, restricted cash, and cash equivalents at beginning of period	99	68
Cash, restricted cash, and cash equivalents at end of period	$ 153	$ 536
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (43)	$ (36)

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 126	$ 45
Restricted cash and cash equivalents	27	54
Accounts receivable		
Customer accounts receivable	312	351
Customer allowance for credit losses	(49)	(47)
Customer accounts receivable, net	263	304
Other accounts receivable	166	180
Other allowance for credit losses	(28)	(25)
Other accounts receivable, net	138	155
Receivables from affiliates	1	—
Inventories, net	138	135
Regulatory assets	248	235
Other	33	53
Total current assets	974	981
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,118 and $4,067 as of March 31, 2023 and December 31, 2022, respectively)	8,955	8,794
Deferred debits and other assets		
Regulatory assets	424	437
Investments	121	119
Prepaid pension asset	266	273
Other	55	53
Total deferred debits and other assets	866	882
Total assets	$ 10,795	$ 10,657

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 299
Long-term debt due within one year	405	4
Accounts payable	311	382
Accrued expenses	131	125
Payables to affiliates	38	34
Customer deposits	41	39
Regulatory liabilities	5	6
Merger related obligation	25	26
Other	75	93
Total current liabilities	1,031	1,008
Long-term debt	3,590	3,747
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	1,398	1,382
Regulatory liabilities	435	455
Asset retirement obligations	39	39
Other	260	244
Total deferred credits and other liabilities	2,132	2,120
Total liabilities	6,753	6,875
Commitments and contingencies		
Shareholder's equity		
Common stock	3,010	2,767
Retained earnings	1,032	1,015
Total shareholder's equity	4,042	3,782
Total liabilities and shareholder's equity	$ 10,795	$ 10,657

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Three Months Ended March 31, 2023		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2022	$ 2,767	$ 1,015	$ 3,782
Net income	—	65	65
Common stock dividends	—	(48)	(48)
Contributions from parent	243	—	243
Balance, March 31, 2023	$ 3,010	$ 1,032	$ 4,042

	Three Months Ended March 31, 2022		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2021	$ 2,302	$ 1,173	$ 3,475
Net income	—	46	46
Common stock dividends	—	(42)	(42)
Contributions from parent	387	—	387
Balance, March 31, 2022	$ 2,689	$ 1,177	$ 3,866

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 366	$ 348
Natural gas operating revenues	97	83
Revenues from alternative revenue programs	9	(1)
Operating revenues from affiliates	2	1
Total operating revenues	474	431
Operating expenses		
Purchased power	166	137
Purchased fuel	55	42
Purchased power from affiliate	—	10
Operating and maintenance	46	51
Operating and maintenance from affiliates	41	42
Depreciation and amortization	60	57
Taxes other than income taxes	20	18
Total operating expenses	388	357
Operating income	86	74
Other income and (deductions)		
Interest expense, net	(17)	(16)
Other, net	3	2
Total other income and (deductions)	(14)	(14)
Income before income taxes	72	60
Income taxes	12	4
Net income	$ 60	$ 56
Comprehensive income	$ 60	$ 56

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 60	$ 56
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	60	57
Deferred income taxes and amortization of investment tax credits	3	5
Other non-cash operating activities	(1)	9
Changes in assets and liabilities:		
Accounts receivable	23	(17)
Receivables from and payables to affiliates, net	4	(17)
Inventories	10	8
Accounts payable and accrued expenses	(16)	15
Collateral (paid) received, net	(120)	30
Income taxes	9	(1)
Regulatory assets and liabilities, net	27	—
Pension and non-pension postretirement benefit contributions	—	(1)
Other assets and liabilities	1	3
Net cash flows provided by operating activities	60	147
Cash flows from investing activities		
Capital expenditures	(134)	(103)
Other investing activities	—	1
Net cash flows used in investing activities	(134)	(102)
Cash flows from financing activities		
Changes in short-term borrowings	(115)	(149)
Issuance of long-term debt	125	125
Dividends paid on common stock	(42)	(41)
Contributions from parent	99	144
Other financing activities	(2)	(2)
Net cash flows provided by financing activities	65	77
(Decrease) increase in cash, restricted cash, and cash equivalents	(9)	122
Cash, restricted cash, and cash equivalents at beginning of period	152	71
Cash, restricted cash, and cash equivalents at end of period	$ 143	$ 193
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (3)	$ (8)

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 142	$ 31
Restricted cash and cash equivalents	1	121
Accounts receivable		
Customer accounts receivable	182	204
Customer allowance for credit losses	(26)	(21)
Customer accounts receivable, net	156	183
Other accounts receivable	48	52
Other allowance for credit losses	(8)	(7)
Other accounts receivable, net	40	45
Inventories, net		
Fossil fuel	5	18
Materials and supplies	61	58
Regulatory assets	63	80
Other	30	37
Total current assets	498	573
Property, plant, and equipment (net of accumulated depreciation and amortization of $1,811 and $1,772 as of March 31, 2023 and December 31, 2022, respectively)	4,902	4,820
Deferred debits and other assets		
Regulatory assets	202	202
Prepaid pension asset	148	153
Other	54	54
Total deferred debits and other assets	404	409
Total assets	$ 5,804	$ 5,802

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 115
Long-term debt due within one year	584	584
Accounts payable	148	172
Accrued expenses	51	41
Payables to affiliates	26	22
Customer deposits	30	29
Regulatory liabilities	49	44
Other	17	136
Total current liabilities	905	1,143
Long-term debt	1,477	1,354
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	882	869
Regulatory liabilities	374	380
Asset retirement obligations	13	13
Non-pension postretirement benefits obligations	9	9
Other	77	84
Total deferred credits and other liabilities	1,355	1,355
Total liabilities	3,737	3,852
Commitments and contingencies		
Shareholder's equity		
Common stock	1,455	1,356
Retained earnings	612	594
Total shareholder's equity	2,067	1,950
Total liabilities and shareholder's equity	$ 5,804	$ 5,802

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Three Months Ended March 31, 2023		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2022	$ 1,356	$ 594	$ 1,950
Net income	—	60	60
Common stock dividends	—	(42)	(42)
Contributions from parent	99	—	99
Balance, March 31, 2023	$ 1,455	$ 612	$ 2,067

	Three Months Ended March 31, 2022		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2021	$ 1,209	$ 568	$ 1,777
Net income	—	56	56
Common stock dividends	—	(41)	(41)
Contributions from parent	144	—	144
Balance, March 31, 2022	$ 1,353	$ 583	$ 1,936

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Operating revenues		
Electric operating revenues	$ 335	$ 345
Revenues from alternative revenue programs	17	3
Operating revenues from affiliates	1	1
Total operating revenues	353	349
Operating expenses		
Purchased power	148	176
Purchased power from affiliate	—	2
Operating and maintenance	44	47
Operating and maintenance from affiliates	37	37
Depreciation and amortization	67	47
Taxes other than income taxes	2	2
Total operating expenses	298	311
Operating income	55	38
Other income and (deductions)		
Interest expense, net	(16)	(14)
Other, net	5	3
Total other income and (deductions)	(11)	(11)
Income before income taxes	44	27
Income taxes	11	1
Net income	$ 33	$ 26
Comprehensive income	$ 33	$ 26

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Three Months Ended March 31, 2023	2022
Cash flows from operating activities		
Net income	$ 33	$ 26
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	67	47
Deferred income taxes and amortization of investment tax credits	6	1
Other non-cash operating activities	(9)	2
Changes in assets and liabilities:		
Accounts receivable	24	(1)
Receivables from and payables to affiliates, net	(1)	(6)
Inventories	(3)	(1)
Accounts payable and accrued expenses	(15)	(17)
Collateral paid, net	(44)	(3)
Income taxes	5	—
Regulatory assets and liabilities, net	3	(3)
Pension and non-pension postretirement benefit contributions	(1)	(7)
Other assets and liabilities	(21)	6
Net cash flows provided by operating activities	44	44
Cash flows from investing activities		
Capital expenditures	(161)	(87)
Net cash flows used in investing activities	(161)	(87)
Cash flows from financing activities		
Changes in short-term borrowings	—	(144)
Issuance of long-term debt	75	175
Dividends paid on common stock	(21)	(19)
Contributions from parent	63	173
Other financing activities	(1)	(3)
Net cash flows provided by financing activities	116	182
(Decrease) increase in cash and cash equivalents	(1)	139
Cash and cash equivalents at beginning of period	72	29
Cash and cash equivalents at end of period	$ 71	$ 168
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (30)	$ (10)

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 71	$ 72
Accounts receivable		
Customer accounts receivable	156	179
Customer allowance for credit losses	(37)	(41)
Customer accounts receivable, net	119	138
Other accounts receivable	64	70
Other allowance for credit losses	(14)	(14)
Other accounts receivable, net	50	56
Receivables from affiliates	2	1
Inventories, net	46	43
Regulatory assets	114	130
Other	5	3
Total current assets	407	443
Property, plant, and equipment (net of accumulated depreciation and amortization of $1,583 and $1,551 as of March 31, 2023 and December 31, 2022, respectively)	4,067	3,990
Deferred debits and other assets		
Regulatory assets	492	494
Prepaid pension asset	14	18
Other	33	34
Total deferred debits and other assets	539	546
Total assets	$ 5,013	$ 4,979

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	March 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Long-term debt due within one year	$ 3	$ 3
Accounts payable	167	206
Accrued expenses	46	47
Payables to affiliates	26	26
Customer deposits	21	21
Regulatory liabilities	15	26
PPA termination obligation	87	87
Other	12	58
Total current liabilities	377	474
Long-term debt	1,828	1,754
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	742	734
Regulatory liabilities	148	156
Non-pension postretirement benefit obligations	7	8
Other	83	100
Total deferred credits and other liabilities	980	998
Total liabilities	3,185	3,226
Commitments and contingencies		
Shareholder's equity		
Common stock	1,828	1,765
Retained earnings (deficit)	—	(12)
Total shareholder's equity	1,828	1,753
Total liabilities and shareholder's equity	$ 5,013	$ 4,979

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Three Months Ended March 31, 2023		
(In millions)	Common Stock	Retained (Deficit) Earnings	Total Shareholder's Equity
Balance, December 31, 2022	$ 1,765	$ (12)	$ 1,753
Net income	—	33	33
Common stock dividends	—	(21)	(21)
Contributions from parent	63	—	63
Balance, March 31, 2023	$ 1,828	$ —	$ 1,828

	Three Months Ended March 31, 2022		
(In millions)	Common Stock	Retained Deficit	Total Shareholder's Equity
Balance, December 31, 2021	$ 1,590	$ (15)	$ 1,575
Net income	—	26	26
Common stock dividends	—	(19)	(19)
Contributions from parent	173	—	173
Balance, March 31, 2022	$ 1,763	$ (8)	$ 1,755

See the Combined Notes to Consolidated Financial Statements

1. Significant Accounting Policies (All Registrants)

Description of Business

Exelon is a utility services holding company engaged in the energy transmission and distribution businesses through ComEd, PECO, BGE, Pepco, DPL, and ACE.

On February 21, 2021, Exelon's Board of Directors approved a plan to separate the Utility Registrants and Generation. The separation was completed on February 1, 2022, creating two publicly traded companies, Exelon and Constellation. See Note 2 — Discontinued Operations for additional information.

Name of Registrant	Business	Service Territories
Commonwealth Edison Company	Purchase and regulated retail sale of electricity	Northern Illinois, including the City of Chicago
	Transmission and distribution of electricity to retail customers	
PECO Energy Company	Purchase and regulated retail sale of electricity and natural gas	Southeastern Pennsylvania, including the City of Philadelphia (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Pennsylvania counties surrounding the City of Philadelphia (natural gas)
Baltimore Gas and Electric Company	Purchase and regulated retail sale of electricity and natural gas	Central Maryland, including the City of Baltimore (electricity and natural gas)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	
Pepco Holdings LLC	Utility services holding company engaged, through its reportable segments Pepco, DPL, and ACE	Service Territories of Pepco, DPL, and ACE
Potomac Electric Power Company	Purchase and regulated retail sale of electricity	District of Columbia, and major portions of Montgomery and Prince George's Counties, Maryland
	Transmission and distribution of electricity to retail customers	
Delmarva Power & Light Company	Purchase and regulated retail sale of electricity and natural gas	Portions of Delaware and Maryland (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Portions of New Castle County, Delaware (natural gas)
Atlantic City Electric Company	Purchase and regulated retail sale of electricity	Portions of Southern New Jersey
	Transmission and distribution of electricity to retail customers	

Basis of Presentation

This is a combined quarterly report of all Registrants. The Notes to the Consolidated Financial Statements apply to the Registrants as indicated parenthetically next to each corresponding disclosure. When appropriate, the Registrants are named specifically for their related activities and disclosures. Each of the Registrant's Consolidated Financial Statements includes the accounts of its subsidiaries. All intercompany transactions have been eliminated, except for the historical transactions between the Utility Registrants and Generation for the purposes of presenting discontinued operations in all periods presented in the Consolidated Statements of Operations and Comprehensive Income.

Through its business services subsidiary, BSC, Exelon provides its subsidiaries with a variety of support services at cost, including legal, human resources, financial, information technology, and supply management services. PHI also has a business services subsidiary, PHISCO, which provides a variety of support services at cost, including legal, finance, engineering, customer operations, distribution and transmission planning, asset management, system operations, and power procurement, to PHI operating companies. The costs of BSC and PHISCO are directly charged or allocated to the applicable subsidiaries. The results of Exelon's corporate operations are presented as "Other" in the consolidated financial statements and include intercompany eliminations unless otherwise disclosed.

The accompanying consolidated financial statements as of March 31, 2023 and for the three months ended March 31, 2023 and 2022 are unaudited but, in the opinion of the management of each Registrant include all adjustments that are considered necessary for a fair statement of the Registrants' respective financial statements in accordance with GAAP. All adjustments are of a normal, recurring nature, except as otherwise disclosed. The December 31, 2022 Consolidated Balance Sheets were derived from audited financial statements. The interim financial statements are to be read in conjunction with prior annual financial statements and notes. Additionally, financial results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the fiscal year ending December 31, 2023. These Combined Notes to Consolidated Financial Statements have been prepared pursuant to the rules and regulations of the SEC for Quarterly Reports on Form 10-Q. Certain information and note disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations.

The separation of Constellation, including Generation and its subsidiaries, met the criteria for discontinued operations and as such, results of operations are presented as discontinued operations and have been excluded from continuing operations for all periods presented. Accounting rules require that certain BSC costs previously allocated to Generation be presented as part of Exelon's continuing operations as these costs do not qualify as expenses of the discontinued operations. Comprehensive income, shareholders' equity, and cash flows related to Constellation have not been segregated and are included in the Consolidated Statements of Operations and Comprehensive Income, Consolidated Statements of Changes in Shareholders' Equity, and Consolidated Statements of Cash Flows, respectively, for the three months ended March 31, 2022. See Note 2 — Discontinued Operations for additional information.

2. Discontinued Operations (Exelon)

On February 21, 2021, Exelon's Board of Directors approved a plan to separate the Utility Registrants and Generation, creating two publicly traded companies ("the separation"). Exelon completed the separation on February 1, 2022. Constellation was newly formed and incorporated in Pennsylvania on June 15, 2021 for the purposes of separation and holds Generation (including Generation's subsidiaries). Pursuant to the separation, Exelon contributed its equity ownership interest in Generation to Constellation. Exelon no longer retains any equity ownership interest in Generation or Constellation. See Note 2 — Discontinued Operations of the 2022 Form 10-K for additional information.

Continuing Involvement

In order to govern the ongoing relationships between Exelon and Constellation after the separation, and to facilitate an orderly transition, Exelon and Constellation have entered into several agreements, including the following:

- Separation Agreement – governs the rights and obligations between Exelon and Constellation regarding certain actions to be taken in connection with the separation, among others, including the allocation of assets and liabilities between Exelon and Constellation.
- Transition Services Agreement (TSA) – governs the terms and conditions of the services that Exelon will provide to Constellation and Constellation will provide to Exelon for an expected period of two years, provided that certain services may be longer than the term and services may be extended with approval from both parties. The services include specified accounting, finance, information technology, human resources, employee benefits and other services that have historically been provided on a centralized basis by BSC. For the three months ended March 31, 2023, the amounts Exelon billed Constellation and Constellation billed Exelon for these services were $50 million recorded in Other income, net and $6 million recorded in Operating and maintenance expense, respectively. For the period from February 1, 2022 to March 31, 2022, the amounts Exelon billed Constellation and Constellation billed Exelon for these services were $56 million recorded in Other income, net and $9 million recorded in Operating and maintenance expense, respectively.
- Tax Matters Agreement (TMA) – governs the respective rights, responsibilities and obligations of Exelon and Constellation with respect to all tax matters, including tax liabilities and benefits, tax attributes, tax returns, tax contests and other tax sharing regarding U.S. federal, state, local and foreign income taxes, other tax matters and related tax returns. See Note 7 — Income Taxes for additional information.

In addition, the Utility Registrants will continue to incur expenses from transactions with Constellation after the separation. Prior to the separation, such expenses were primarily recorded as Purchased power from affiliates and an immaterial amount recorded as Operating and maintenance expense from affiliates at the Utility Registrants. After the separation, such expenses are primarily recorded as Purchased power and an immaterial amount recorded as Operating and maintenance expense at the Utility Registrants.

- ComEd had an ICC-approved RFP contract with Constellation to provide a portion of ComEd's electric supply requirements. ComEd also purchased RECs and ZECs from Constellation.
- PECO received electric supply from Constellation under contracts executed through PECO's competitive procurement process. In addition, PECO had a ten-year agreement with Constellation to sell solar AECs.
- BGE received a portion of its energy requirements from Constellation under its MDPSC-approved market-based SOS and gas commodity programs.
- Pepco received electric supply from Constellation under contracts executed through Pepco's competitive procurement process approved by the MDPSC and DCPSC.
- DPL received a portion of its energy requirements from Constellation under its MDPSC and DEPSC approved market-based SOS commodity programs.
- ACE received electric supply from Constellation under contracts executed through ACE's competitive procurement process approved by the NJBPU.

ComEd and PECO also have receivables with Constellation for estimated excess funds at the end of decommissioning the Regulatory Agreement Units, such amounts are due back to ComEd and PECO, as applicable, for payment to their respective customers. See Note 3 — Regulatory Matters and Note 23 — Related Party Transactions of the 2022 Form 10-K for additional information.

Discontinued Operations

The separation represented a strategic shift that would have a major effect on Exelon's operations and financial results. Accordingly, the separation meets the criteria for discontinued operations.

There were no results from discontinued operations for the three months ended March 31, 2023. The following table presents the results of Constellation that have been reclassified from continuing operations and included in discontinued operations within Exelon's Consolidated Statements of Operations and Comprehensive Income for the three months ended March 31, 2022.

These results are primarily Generation, which is comprised of Exelon's Mid-Atlantic, Midwest, New York, ERCOT, and Other Power Regions reportable segments, and include the impact of transaction costs, certain BSC costs, including any transition costs, that were historically allocated and directly attributable to Generation, transactions between Generation and the Utility Registrants, and tax-related adjustments. Transaction costs include costs for external bankers, accountants, appraisers, lawyers, external counsels and other advisors, among others, who are involved in the negotiation, appraisal, due diligence and regulatory approval of the separation. Transition costs are primarily employee-related costs such as recruitment expenses, costs to establish certain stand-alone functions and information technology systems, professional services fees and other separation-related costs during the transition to separate Generation. For the purposes of reporting discontinued operations, these results also include transactions between Generation and the Utility Registrants that were historically eliminated within Exelon's Consolidated Statements of Operations as these transactions will be ongoing after the separation. Certain BSC costs that were historically allocated to Generation are presented as part of continuing operations in Exelon's Consolidated Statements of Operations as these costs do not qualify as expenses of the discontinued operations per the accounting rules.

Note 2 — Discontinued Operations

	Three Months Ended March 31, 2022
Operating revenues	
Competitive business revenues	$ 1,855
Competitive business revenues from affiliates	161
Total operating revenues	2,016
Operating expenses	
Competitive businesses purchased power and fuel	1,138
Operating and maintenance[(a)]	371
Depreciation and amortization	94
Taxes other than income taxes	44
Total operating expenses	1,647
Gain on sales of assets and businesses	10
Operating income	379
Other income and (deductions)	
Interest expense, net	(20)
Other, net	(281)
Total other (deductions) and income	(301)
Income before income taxes	78
Income taxes	(40)
Equity in losses of unconsolidated affiliates	(1)
Net income	117
Net income attributable to noncontrolling interests	1
Net income from discontinued operations	$ 116

(a) Includes transaction and transition costs related to the separation of $52 million for the three months ended March 31, 2022.

There were no assets or liabilities of discontinued operations included in Exelon's Consolidated Balance Sheet as of March 31, 2023 and December 31, 2022. Constellation had net assets of $11,573 million that separated on February 1, 2022 that resulted in a reduction to Exelon's equity during the year ended December 31, 2022. Refer to the Distribution of Constellation line in Exelon's Consolidated Statement of Changes in Shareholders' Equity for further information.

There were no discontinued operations included within Exelon’s Consolidated Statements of Cash Flows for the three months ended March 31, 2023. The following table presents selected financial information regarding cash flows of the discontinued operations that are included within Exelon’s Consolidated Statements of Cash Flows for the three months ended March 31, 2022.

Note 2 — Discontinued Operations

	Three Months Ended March 31, 2022
Non-cash items included in net income from discontinued operations:	
Depreciation, amortization, and accretion, including nuclear fuel and energy contract amortization	$ 207
Loss on sales of assets and businesses	9
Deferred income taxes and amortization of investment tax credits	(143)
Net fair value changes related to derivatives	(59)
Net realized and unrealized losses on NDT fund investments	205
Net unrealized losses on equity investments	16
Other decommissioning-related activity	36
Cash flows from investing activities:	
Capital expenditures	(227)
Collection of DPP	169
Supplemental cash flow information:	
Decrease in capital expenditures not paid	(128)
Increase in DPP	348
Increase in PP&E related to ARO update	335

3. Regulatory Matters (All Registrants)

As discussed in Note 3 — Regulatory Matters of the 2022 Form 10-K, the Registrants are involved in rate and regulatory proceedings at FERC and their state commissions. The following discusses developments in 2023 and updates to the 2022 Form 10-K.

Distribution Base Rate Case Proceedings

The following tables show the completed and pending distribution base rate case proceedings in 2023.

Completed Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Approved Revenue Requirement Increase	Approved ROE	Approval Date	Rate Effective Date
ComEd - Illinois[a]	April 15, 2022	Electric	$ 199	$ 199	7.85 %	November 17, 2022	January 1, 2023
PECO - Pennsylvania	March 31, 2022	Natural Gas	82	55	N/A[b]	October 27, 2022	January 1, 2023
BGE - Maryland[c]	May 15, 2020 (amended September 11, 2020)	Electric	203	140	9.50 %	December 16, 2020	January 1, 2021
		Natural Gas	108	74	9.65 %		
Pepco - Maryland[d]	October 26, 2020 (amended March 31, 2021)	Electric	104	52	9.55 %	June 28, 2021	June 28, 2021
DPL - Maryland[e]	May 19, 2022	Electric	38	29	9.60 %	December 14, 2022	January 1, 2023

(a) ComEd's 2023 approved revenue requirement above reflects an increase of $144 million for the initial year revenue requirement for 2023 and an increase of $55 million related to the annual reconciliation for 2021. The revenue requirement for 2023 provides for a weighted average debt and equity return on distribution rate base of 5.94%, inclusive of an allowed ROE of 7.85%, reflecting the monthly average yields for 30-year treasury bonds plus 580 basis points. The reconciliation revenue requirement for 2021 provides for a weighted average debt and equity return on distribution rate base of 5.91%, inclusive of an allowed ROE of 7.78%, reflecting the monthly yields on 30-year treasury bonds plus 580 basis points less a performance metrics penalty of 7 basis points. This is ComEd's last performance-based electric distribution formula rate update filing under EIMA. See discussion of CEJA below for details on the transition away from the electric distribution formula rate.

(b) The PECO natural gas base rate case proceeding was resolved through a settlement agreement, which did not specify an approved ROE.

(c) Reflects a three-year cumulative multi-year plan for 2021 through 2023. BGE proposed to use certain tax benefits to fully offset the increases in 2021 and 2022 and partially offset the increase in 2023. The MDPSC awarded BGE electric revenue requirement increases of $59 million, $39 million, and $42 million, before offsets, in 2021, 2022, and 2023, respectively, and natural gas revenue requirement increases of $53 million, $11 million, and $10 million, before offsets, in 2021, 2022, and 2023, respectively. However, the MDPSC utilized the tax benefits to fully offset the increases in 2021 and January 2022 such that customer rates remained unchanged. For the remainder of 2022, the MDPSC chose to offset only 25% of the cumulative 2021 and 2022 electric revenue requirement increases and 50% of the cumulative gas revenue requirement increases. In 2021, the MDPSC deferred a decision on whether to use certain tax benefits to offset the revenue requirement increases in 2023 and directed BGE to make another proposal at the end of 2022. In September 2022 BGE proposed that tax benefits not be used to offset the 2023 revenue requirement increases. On October 26, 2022, the MDPSC accepted BGE's recommendation to not use tax benefits to offset the 2023 revenue requirement increases.

(d) Reflects a three-year cumulative multi-year plan for April 1, 2021 through March 31, 2024. The MDPSC awarded Pepco electric incremental revenue requirement increases of $21 million, $16 million, and $15 million, before offsets, for the 12-month periods ending March 31, 2022, 2023, and 2024, respectively. Pepco proposed to utilize certain tax benefits to fully offset the increase through 2023 and partially offset customer rate increases in 2024. However, the MDPSC only utilized the acceleration of refunds for certain tax benefits to fully offset the increases such that customer rates remain unchanged through March 31, 2022. On February 23, 2022, the MDPSC chose to offset 25% of the cumulative revenue requirement increase for the 12-month period ending March 31, 2023. Whether certain tax benefits will be used to offset the customer rate increases for the 12-month period ending March 31, 2024 has not been decided, and Pepco cannot predict the outcome.

(e) Reflects a three-year cumulative multi-year plan for January 1, 2023 through December 31, 2025. The MDPSC awarded DPL electric incremental revenue requirement increases of $17 million, $6 million, and $6 million for 2023, 2024, and 2025, respectively.

Pending Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Requested ROE	Expected Approval Timing
ComEd - Illinois[(a)]	January 17, 2023	Electric	$ 1,472	10.50% to 10.65%	Fourth quarter of 2023
ComEd - Illinois[(b)]	April 21, 2023	Electric	247	8.91%	Fourth quarter of 2023
BGE - Maryland[(c)]	February 17, 2023	Electric	313	10.40%	Fourth quarter of 2023
		Natural Gas	289	10.40%	
Pepco - District of Columbia[(d)]	April 13, 2023	Electric	191	10.50%	First quarter of 2024
DPL - Delaware[(e)]	December 15, 2022 (amended February 28, 2023)	Electric	48	10.50%	Second quarter of 2024
ACE - New Jersey[(f)]	February 15, 2023	Electric	105	10.50%	First quarter of 2024

(a) Reflects a four-year cumulative MRP for January 1, 2024 to December 31, 2027 and total requested revenue requirement increases of $877 million effective January 1, 2024, $175 million effective January 1, 2025, $217 million effective January 1, 2026, and $203 million effective January 1, 2027, based on forecasted revenue requirements. The revenue requirement will provide for a weighted average debt and equity return on distribution rate base of 7.43% in 2024, 7.50% in 2025, 7.62% in 2026, and 7.70% in 2027, inclusive of an allowed ROE of 10.50% in 2024, 10.55% in 2025, 10.60% in 2026, and 10.65% in 2027. The requested revenue requirements are based on capital structures that reflect between 50.58% and 51.19% common equity. ComEd's MRP also includes a proposed rate phase-in to defer approximately $307 million of the $877 million year-over-year increase for 2024 revenue from 2024 to 2026.

(b) On April 21, 2023, ComEd filed its proposed Delivery Reconciliation Amount of $247 million under Rider Delivery Service Pricing Reconciliation (Rider DSPR) which allows for the reconciliation of the revenue requirement in effect in the final years in which formula rates are determined and until such time as new rates are established under ComEd's approved MRP. The 2023 filing reconciles the delivery service rates in effect in 2022 with the actual delivery service costs incurred in 2022. Final order is expected by December 2023, and the reconciliation amount will be in customer rates beginning January 1, 2024.

(c) Reflects a three-year cumulative multi-year plan for January 1, 2024 through December 31, 2026 submitted to the MDPSC. Inclusive of the proposed acceleration of remaining electric tax benefits in 2024 and 2025, and remaining gas tax benefits in 2024, BGE requested total electric revenue requirement increases of $85 million, $103 million, and $125 million in 2024, 2025, and 2026, respectively, and natural gas revenue requirement increases of $158 million, $77 million, and $54 million in 2024, 2025, and 2026, respectively. Requested revenue requirement increases will be used to recover capital investments designed to increase the resilience of the electric and gas distribution systems and support Maryland's climate and regulatory initiatives. The 2021 and 2022 reconciliation amounts are not included in the requested revenue requirement increase, as BGE is proposing that these amounts be recovered through the separate electric and gas riders in 2024. The 2021 reconciliation amounts are $11 million and $7 million for electric and gas, respectively, and the 2022 reconciliation amounts are $44 million and $15 million for electric and gas, respectively.

(d) Reflects a three-year cumulative multi-year plan for January 1, 2024 through December 31, 2026 submitted to the DCPSC. Pepco requested total electric revenue requirement increases of $117 million, $37 million, and $37 million in 2024, 2025, and 2026, respectively. Requested revenue requirement increases will be used to recover capital investments designed to advance system-readiness and support the District of Columbia's climate and clean energy goals.

(e) The rates will go into effect on July 15, 2023, subject to refund.

(f) Requested increases are before New Jersey sales and use tax. ACE intends to put rates into effect on November 17, 2023, subject to refund.

Transmission Formula Rates

The Utility Registrants' transmission rates are each established based on a FERC-approved formula. ComEd, BGE, Pepco, DPL, and ACE are required to file an annual update to the FERC-approved formula on or before May 15, and PECO is required to file on or before May 31, with the resulting rates effective on June 1 of the same year. The annual update for BGE is based on prior year actual costs and current year projected capital additions, accumulated depreciation, depreciation and amortization expense, and accumulated deferred income

taxes. The update for BGE also reconciles any differences between the actual costs and actual revenues for the calendar year (annual reconciliation).

For 2023, the following increases/(decreases) were included in BGE's annual electric transmission formula rate updates. ComEd, PECO, Pepco, DPL, and ACE intend to file by the required deadline for the annual update.

Registrant[a]	Initial Revenue Requirement Increase	Annual Reconciliation Decrease	Total Revenue Requirement Increase	Allowed Return on Rate Base[b]	Allowed ROE[c]
BGE	$ 19	$ (12)	$ 4 [d]	7.34 %	10.50 %

(a) All rates are effective June 1, 2023 - May 31, 2024, subject to review by interested parties pursuant to review protocols of tariffs.
(b) Represents the weighted average debt and equity return on transmission rate bases.
(c) The rate of return on common equity includes a 50-basis-point incentive adder for being a member of a RTO.
(d) The increase in BGE's transmission revenue requirement includes a $3 million reduction related to a FERC-approved dedicated facilities charge to recover the costs of providing transmission service to specifically designated load by BGE.

Other State Regulatory Matters

Illinois Regulatory Matters

CEJA (Exelon and ComEd). On September 15, 2021, the Governor of Illinois signed into law CEJA. CEJA includes, among other features, (1) procurement of CMCs from qualifying nuclear-powered generating facilities, (2) a requirement to file a general rate case or a new four-year MRP no later than January 20, 2023 to establish rates effective after ComEd's existing performance-based distribution formula rate sunsets, (3) an extension of and certain adjustments to ComEd's energy efficiency MWh savings goals, (4) revisions to the Illinois RPS requirements, including expanded charges for the procurement of RECs from wind and solar generation, (5) a requirement to accelerate amortization of ComEd's unprotected excess deferred income taxes (EDIT) that ComEd was previously directed by the ICC to amortize using the average rate assumption method which equates to approximately 39.5 years, and (6) requirements that ComEd and the ICC initiate and conduct various regulatory proceedings on subjects including ethics, spending, grid investments, and performance metrics. Regulatory or legal challenges regarding the validity or implementation of CEJA are possible and Exelon and ComEd cannot reasonably predict the outcome of any such challenges.

ComEd Electric Distribution Rates

ComEd filed, and received approval for, its last performance-based electric distribution formula rate update filing under EIMA in 2022; those rates are in effect throughout 2023.

On February 3, 2022, the ICC approved a tariff that establishes the process under which ComEd will reconcile its 2022 and 2023 rate year revenue requirements with actual costs. Those reconciliation amounts will be determined using the same process as were used for prior reconciliations under the performance-based electric distribution formula rate. Using that process, for the rate years 2022 and 2023 ComEd will ultimately collect revenues from customers reflecting each year's actual recoverable costs, year-end rate base, and a weighted average debt and equity return on distribution rate base, with the ROE component based on the annual average of the monthly yields of the 30-year U.S. Treasury bonds plus 580 basis points. In April 2023, ComEd filed its first petition with the ICC to reconcile its 2022 actual costs with the approved revenue requirement that was in effect in 2022. The rate year 2023 reconciliation will be filed in 2024.

Beginning in 2024, ComEd will recover from retail customers, subject to certain exceptions, the costs it incurs to provide electric delivery services either through its electric distribution rate or other recovery mechanisms authorized by CEJA. On January 17, 2023, ComEd filed a petition with the ICC seeking approval of a MRP for 2024-2027. The MRP supports a multi-year grid plan (Grid Plan), also filed on January 17, covering planned investments on the electric distribution system within ComEd's service area through 2027. Costs incurred during each year of the MRP are subject to ICC review and the plan's revenue requirement for each year will be reconciled with the actual costs that the ICC determines are prudently and reasonably incurred for that year. The reconciliation is subject to adjustment for certain costs, including a limitation on recovery of costs that are more than 105% of certain costs in the previously approved MRP revenue requirement, absent a modification of the

rate plan itself. Thus, for example, the rate adjustments necessary to reconcile 2024 revenues to ComEd's actual 2024 costs incurred would take effect in January 2026 after the ICC's review during 2025. The ICC must issue its decision on both the MRP and Grid Plan by mid-December 2023, for rates to begin with the January 2024 billing cycle.

In January 2022, ComEd filed a request with the ICC proposing performance metrics that would be used in determining ROE incentives and penalties in the event ComEd filed a MRP in January 2023. On September 27, 2022, the ICC issued a final order approving seven performance metrics that provide symmetrical performance adjustments of 32 total basis points to ComEd's rate of return on common equity based on the extent to which ComEd achieves the annual performance goals. On November 10, 2022, the ICC granted ComEd's application for rehearing, in part. On April 5, the ICC issued its final order on rehearing for the performance and tracking metrics proceeding, in which the ICC declined to adopt ComEd's proposed modifications to the reliability and peak load reduction performance metrics. ComEd is determining how to implement the performance metrics, which take effect on January 1, 2024. ComEd will make its initial filing in 2025 to assess performance achieved under the metrics in 2024, and to determine any ROE adjustment, which would take effect in 2026.

Carbon Mitigation Credit

CEJA establishes decarbonization requirements for Illinois as well as programs to support the retention and development of emissions-free sources of electricity. ComEd is required to purchase CMCs from participating nuclear-powered generating facilities between June 1, 2022 and May 31, 2027. The price to be paid for each CMC was established through a competitive bidding process that included consumer-protection measures that capped the maximum acceptable bid amount and a formula that reduces CMC prices by an energy price index, the base residual auction capacity price in the ComEd zone of PJM, and the monetized value of any federal tax credit or other subsidy if applicable. The consumer protection measures contained in CEJA will result in net payments to ComEd ratepayers if the energy index, the capacity price and applicable federal tax credits or subsidy exceed the CMC contract price. ComEd began issuing credits to its retail customers under its new CMC rider in the June 2022 billing period and recorded a regulatory asset of $1,118 million as of March 31, 2023 for the difference between customer credits issued and the credit to be received from the participating nuclear-powered generating facilities.

Under CEJA, the costs of procuring CMCs, including carrying costs, will be recovered through a rider, the Rider Carbon-Free Resource Adjustment (Rider CFRA). The Rider CFRA provides for an annual reconciliation and true-up to actual costs incurred or credits received by ComEd to purchase CMCs, with any difference to be credited to or collected from ComEd's retail customers in subsequent periods. The difference between the net payments to (or receivables from) ComEd ratepayers and the credits received by ComEd to purchase CMCs is recorded to Purchased Power expense with an offset to the regulatory asset (or regulatory liability). On December 21, 2022, ComEd filed a supplemental statement to the Rider CFRA proposing that the company recover costs or provide credits faster than the tariff allows, implement monthly reconciliations, and allow the Company to adjust Rider CFRA rates based not only on anticipated differences but also past payments or credits. The ICC approved the proposal on January 19, 2023.

Beneficial Electrification Plan

On July 1, 2022, ComEd filed a proposed plan to promote beneficial electrification efforts in its Northern Illinois service area with the ICC as required by CEJA. ComEd's plan is designed to meaningfully reduce barriers to beneficial electrification, including those related to electric vehicles (EV), such as upfront technology adoption costs, charging costs, and charging availability; promote equity and environmental justice; reduce carbon emissions and surface-level pollutants; and support customer education and awareness of electrification options. As proposed, ComEd could expend approximately $300 million in total over the three-year period 2023 through 2025. The beneficial electrification plan requests recovery of all those costs through a rider mechanism, under which certain of the costs would be amortized over ten years with a return on the unrecovered balance. On November 10, 2022, in responses to a Staff motion, the ICC approved an interim order dismissing from ComEd's Beneficial Electrification Plan certain rebates (rebates to support residential customers' purchase of EVs; and rebates to ComEd's commercial and industrial customers to support the installation of EV chargers). However, the ICC found that building electrification measures were properly within the scope of beneficial electrification, in line with ComEd's proposal. The ICC also adopted ComEd's position regarding the rate impact of spending associated with EV related infrastructure. On November 21, 2022, ComEd filed an application for rehearing of the interim order, which the ICC denied. On December 9, 2022, the Office of the Illinois Attorney General (AG) also

sought rehearing. On December 15, 2022, ComEd filed an appeal of the ICC's interim order and the denial of rehearing with the Illinois Appellate Court. That appeal has been stayed pending the ICC's disposition of the case. Also on December 15, 2022, the ICC denied the AG's application for rehearing and the AG subsequently filed an appeal.

On March 23, 2023, the ICC issued its final order in the beneficial electrification plan docket. The order adopts the beneficial electrification plan with modifications and directs ComEd to seek cost recovery through the multi-year rate plan filing for 2024 and 2025, and the final formula rate reconciliation docket for 2023, rather than through a new rider beneficial electrification as ComEd had proposed. The order also rejects ComEd's request for a regulatory asset. The order approves an overall annual budget of $77 million per year for each of the three years in the plan (2023 through 2025), with flexibility to roll forward unused funds to future years within the same plan period. The final order also made specific reductions to the proposed $100 million per year budget, reducing the proposed customer education and awareness budget; the portfolio budget for cross-cutting administrative support; and the light, medium, and heavy-duty EV rebate programs. The order dedicates funds for rebates related to the installation of heat pumps and the promotion of home electrification for low-income customers and those in Environmental Justice and Restore, Reinvest, and Renew designated communities. The order also requires ComEd to propose methods to minimize or exempt low-income ratepayers from the impact of its beneficial electrification plan, possibly through ComEd's next rate design investigation. On April 18, 2023, ComEd filed an application for rehearing concerning aspects of the ICC's order, including the approved budgets. The ICC must act on that application by May 8, 2023. On April 21, 2023 the Chicago Transit Authority and city of Chicago jointly filed an application for rehearing requesting the ICC modify the final order so the transit agencies do not pay the cost of make-ready infrastructure and to exempt transit agencies from paying the required deposit or providing a letter of credit to ComEd for the cost of make-ready infrastructure. On April 24, 2023, the AG also filed an application for rehearing on several topics, including the budget, rebate levels, retail rate cap, types of programs included in the beneficial electrification plan, compliance with the EV Act, benefit-to-cost analysis, and rate-related issues. On April 27, 2023, ICC staff filed a motion for clarification of the order's language regarding the annual budget. The ICC will likely rule on all of the applications for rehearing and staff's motion at their regularly scheduled May 4, 2023 regular open meeting. If the ICC denies rehearing, parties have 35 days to appeal arguments raised in their rehearing applications.

New Jersey Regulatory Matters

Termination of Energy Procurement Provisions of PPAs (Exelon, PHI, and ACE).

On December 22, 2021, ACE filed with the NJBPU a petition to terminate the provisions in the PPAs to purchase electricity from two coal-powered generation facilities located in the state of New Jersey. The petition was approved by the NJBPU on March 23, 2022. Upon closing of the transaction on March 31, 2022, ACE recognized a liability of $203 million for the contract termination fee, which is to be paid by the end of 2024, and recognized a corresponding regulatory asset of $203 million.

As of March 31, 2023, the $118 million liability for the contract termination fee consists of $87 million and $31 million included in Other current liabilities and Other deferred credits and other liabilities, respectively, in Exelon's Consolidated Balance Sheet. The current and noncurrent liabilities are included in PPA termination obligation and Other deferred credits and other liabilities, respectively, in PHI's and ACE's Consolidated Balance Sheets. For the three months ended March 31, 2023, ACE has paid $19 million of the liability, which is recorded in Changes in Other assets and liabilities in Exelon's, PHI's, and ACE's Consolidated Statements of Cash Flows.

Other Federal Regulatory Matters

FERC Audit (Exelon and ComEd). The Utility Registrants are subject to periodic audits by FERC. FERC's Division of Audits and Accounting initiated a nonpublic audit of ComEd in May 2021 evaluating ComEd's compliance with (1) approved terms, rates and conditions of its federally regulated service; (2) accounting requirements of the Uniform System of Accounts; (3) reporting requirements of the FERC Form 1; and (4) the requirements for record retention. The audit covered the period from January 1, 2017 through August 31, 2022. On January 17 and February 21, 2023, ComEd was provided with information on a series of potential findings, including concerning ComEd's methodology regarding the allocation of certain overhead costs to capital under FERC regulations. As of March 31, 2023, ComEd has continued discussions with FERC staff and determined that a loss is probable and has recorded a liability that reflects management's best estimate. The final outcome and resolution of the findings or of the audit itself cannot be predicted and the results could be material to the Exelon and ComEd financial statements.

Regulatory Assets and Liabilities

The Utility Registrants' regulatory assets and liabilities have not changed materially since December 31, 2022, unless noted below. See Note 3 — Regulatory Matters of the 2022 Form 10-K for additional information on the specific regulatory assets and liabilities.

ComEd. Regulatory assets increased $547 million primarily due to increases of $275 million in the CMC regulatory asset, as discussed in CEJA above, and $143 million in the Electric Distribution Formula Rate Annual Reconciliations regulatory asset.

PECO. Regulatory assets increased $44 million primarily due to an increase of $48 million in the Deferred Income Taxes regulatory asset. Regulatory liabilities increased $45 million primarily due to increases of $31 million in the Electric Energy and Natural Gas Costs regulatory liability and $28 million in the Decommissioning the Regulatory Agreement Units regulatory liability.

BGE. Regulatory assets increased $66 million primarily due to an increase of $54 million in the Under-Recovered Revenue Decoupling regulatory asset.

DPL. Regulatory assets decreased $17 million primarily due to a decrease of $18 million in the Electric Energy and Natural Gas Costs regulatory asset.

ACE. Regulatory assets decreased $18 million primarily due to a decrease of $35 million in the Electric Energy Costs regulatory asset as a result of the PPA termination. Regulatory liabilities decreased $19 million primarily due to a $9 million decrease in the Over-Recovered Revenue Decoupling regulatory liability.

Capitalized Ratemaking Amounts Not Recognized

The following table presents authorized amounts capitalized for ratemaking purposes related to earnings on shareholders' investment that are not recognized for financial reporting purposes in the Registrants' Consolidated Balance Sheets. These amounts will be recognized as revenues in the related Consolidated Statements of Operations and Comprehensive Income in the periods they are billable to the Utility Registrants' customers. PECO had no related amounts as of March 31, 2023 and December 31, 2022.

	Exelon	ComEd[(a)]	BGE[(b)]	PHI	Pepco[(c)]	DPL[(c)]	ACE[(b)]
March 31, 2023	$ 53	$ 13	$ 26	$ 14	$ 11	$ 2	$ 1
December 31, 2022	57	8	28	21	18	2	1

(a) Reflects ComEd's unrecognized equity returns earned for ratemaking purposes on its electric distribution formula rate regulatory assets.
(b) BGE's and ACE's authorized amounts capitalized for ratemaking purposes primarily relate to earnings on shareholder's investment on their respective AMI programs.
(c) Pepco's and DPL's authorized amounts capitalized for ratemaking purposes relate to earnings on shareholder's investment on their respective AMI Programs and Energy Efficiency and Demand Response Programs, and for Pepco District of Columbia revenue decoupling program. The earnings on energy efficiency are on Pepco District of Columbia and DPL Delaware programs only.

4. Revenue from Contracts with Customers (All Registrants)

The Registrants recognize revenue from contracts with customers to depict the transfer of goods or services to customers at an amount that the entities expect to be entitled to in exchange for those goods or services. The primary sources of revenue include regulated electric and gas tariff sales, distribution, and transmission services.

See Note 4 — Revenue from Contracts with Customers of the 2022 Form 10-K for additional information regarding the primary sources of revenue for the Registrants.

Contract Liabilities

The Registrants record contract liabilities when consideration is received or due prior to the satisfaction of the performance obligations. The Registrants record contract liabilities in Other current liabilities and Other noncurrent deferred credits and other liabilities in their Consolidated Balance Sheets.

For PHI, Pepco, DPL, and ACE these contract liabilities primarily relate to upfront consideration received in the third quarter of 2020 for a collaborative arrangement with an unrelated owner and manager of communication infrastructure. The revenue attributable to this arrangement will be recognized as operating revenue over the 35 years under the collaborative arrangement.

The following table provides a rollforward of the contract liabilities reflected in Exelon's, PHI's, Pepco's, DPL's, and ACE's Consolidated Balance Sheets for the three months ended March 31, 2023 and 2022. As of March 31, 2023 and December 31, 2022, ComEd's, PECO's, and BGE's contract liabilities were immaterial.

	Exelon[(a)]	PHI[(a)]	Pepco[(a)]	DPL	ACE
Balance as of December 31, 2022	$ 101	$ 101	$ 81	$ 10	$ 10
Revenues recognized	(1)	(1)	(1)	—	—
Balance as of March 31, 2023	$ 100	$ 100	$ 80	$ 10	$ 10

	Exelon[(a)]	PHI[(a)]	Pepco[(a)]	DPL	ACE
Balance as of December 31, 2021	$ 109	$ 109	$ 87	$ 11	$ 11
Revenues recognized	(2)	(2)	(2)	—	—
Balance as of March 31, 2022	$ 107	$ 107	$ 85	$ 11	$ 11

(a) Revenues recognized in the three months ended March 31, 2023 and 2022, were included in the contract liabilities at December 31, 2022 and 2021, respectively.

Transaction Price Allocated to Remaining Performance Obligations

The following table shows the amounts of future revenues expected to be recorded in each year for performance obligations that are unsatisfied or partially unsatisfied as of March 31, 2023. This disclosure only includes contracts for which the total consideration is fixed and determinable at contract inception. The average contract term varies by customer type and commodity but ranges from one month to several years.

This disclosure excludes the Utility Registrants' gas and electric tariff sales contracts and transmission revenue contracts as they generally have an original expected duration of one year or less and, therefore, do not contain any future, unsatisfied performance obligations to be included in this disclosure.

Year	Exelon	PHI	Pepco	DPL	ACE
2023	$ 7	$ 7	$ 5	$ 1	$ 1
2024	6	6	5	—	1
2025	5	5	5	—	—
2026	5	5	5	—	—
2027 and thereafter	77	77	60	9	8
Total	$ 100	$ 100	$ 80	$ 10	$ 10

Revenue Disaggregation

The Registrants disaggregate revenue recognized from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. See Note 5 — Segment Information for the presentation of the Registrants' revenue disaggregation.

5. Segment Information (All Registrants)

Operating segments for each of the Registrants are determined based on information used by the CODMs in deciding how to evaluate performance and allocate resources at each of the Registrants.

Exelon has six reportable segments, which include ComEd, PECO, BGE, and PHI's three reportable segments consisting of Pepco, DPL, and ACE. ComEd, PECO, BGE, Pepco, DPL, and ACE each represent a single reportable segment, and as such, no separate segment information is provided for these Registrants. Exelon, ComEd, PECO, BGE, Pepco, DPL, and ACE's CODMs evaluate the performance of and allocate resources to the segments based on net income.

An analysis and reconciliation of the Registrants' reportable segment information to the respective information in the consolidated financial statements for the three months ended March 31, 2023 and 2022 is as follows:

	ComEd	PECO	BGE	PHI	Other[a]	Intersegment Eliminations	Exelon
Operating revenues[b]:							
2023							
Electric revenues	$ 1,667	$ 795	$ 814	$ 1,436	$ —	$ (5)	$ 4,707
Natural gas revenues	—	317	443	97	—	(1)	856
Shared service and other revenues	—	—	—	3	437	(440)	—
Total operating revenues	$ 1,667	$ 1,112	$ 1,257	$ 1,536	$ 437	$ (446)	$ 5,563
2022							
Electric revenues	$ 1,734	$ 741	$ 736	$ 1,318	$ —	$ (7)	$ 4,522
Natural gas revenues	—	306	418	83	—	(2)	805
Shared service and other revenues	—	—	—	3	576	(579)	—
Total operating revenues	$ 1,734	$ 1,047	$ 1,154	$ 1,404	$ 576	$ (588)	$ 5,327
Intersegment revenues[c]:							
2023	$ 3	$ 2	$ 3	$ 3	$ 434	$ (445)	$ —
2022	6	1	7	3	576	(587)	6
Depreciation and amortization:							
2023	$ 338	$ 98	$ 167	$ 241	$ 16	$ —	$ 860
2022	321	92	171	218	15	—	817
Operating expenses:							
2023	$ 1,256	$ 902	$ 964	$ 1,297	$ 485	$ (447)	$ 4,457
2022	1,406	793	919	1,215	625	(531)	4,427
Interest expense, net:							
2023	$ 117	$ 48	$ 44	$ 76	$ 127	$ —	$ 412
2022	100	41	35	69	93	—	338
Income (loss) from continuing operations before income taxes:							
2023	$ 312	$ 170	$ 252	$ 189	$ (120)	$ —	$ 803
2022	240	220	207	137	(62)	(43)	699
Income taxes:							
2023	$ 71	$ 4	$ 52	$ 34	$ (27)	$ —	$ 134
2022	52	14	9	7	146	(10)	218
Net income (loss) from continuing operations:							
2023	$ 241	$ 166	$ 200	$ 155	$ (93)	$ —	$ 669
2022	188	206	198	130	(208)	(33)	481
Capital expenditures:							
2023	$ 617	$ 335	$ 350	$ 561	$ 18	$ —	$ 1,881
2022	617	344	303	409	22	—	1,695
Total assets:							
March 31, 2023	$ 40,720	$ 14,738	$ 13,411	$ 26,208	$ 6,042	$ (4,194)	$ 96,925
December 31, 2022	39,661	14,502	13,350	26,082	6,014	(4,260)	95,349

(a) Other primarily includes Exelon's corporate operations, shared service entities, and other financing and investment activities.

(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in expenses in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 15 — Supplemental Financial Information for additional information on total utility taxes.
(c) See Note 16 — Related Party Transactions for additional information on intersegment revenues.

PHI:

	Pepco	DPL	ACE	Other[a]	Intersegment Eliminations	PHI
Operating revenues[b]:						
2023						
Electric revenues	$ 710	$ 377	$ 353	$ —	$ (4)	$ 1,436
Natural gas revenues	—	97	—	—	—	97
Shared service and other revenues	—	—	—	102	(99)	3
Total operating revenues	$ 710	$ 474	$ 353	$ 102	$ (103)	$ 1,536
2022						
Electric revenues	$ 614	$ 348	$ 349	$ —	$ 7	$ 1,318
Natural gas revenues	—	83	—	—	—	83
Shared service and other revenues	—	—	—	107	(104)	3
Total operating revenues	$ 614	$ 431	$ 349	$ 107	$ (97)	$ 1,404
Intersegment revenues[c]:						
2023	$ 1	$ 2	$ 1	$ 102	$ (103)	$ 3
2022	1	1	1	97	(97)	3
Depreciation and amortization:						
2023	$ 108	$ 60	$ 67	$ 6	$ —	$ 241
2022	108	57	47	6	—	218
Operating expenses:						
2023	$ 610	$ 388	$ 298	$ 104	$ (103)	$ 1,297
2022	547	357	311	97	(97)	1,215
Interest expense, net:						
2023	$ 39	$ 17	$ 16	$ 4	$ —	$ 76
2022	36	16	14	3	—	69
Income (loss) before income taxes:						
2023	$ 77	$ 72	$ 44	$ (4)	$ —	$ 189
2022	44	60	27	6	—	137
Income taxes:						
2023	$ 12	$ 12	$ 11	$ (1)	$ —	$ 34
2022	(2)	4	1	4	—	7
Net income (loss):						
2023	$ 65	$ 60	$ 33	$ (3)	$ —	$ 155
2022	46	56	26	2	—	130
Capital expenditures:						
2023	$ 264	$ 134	$ 161	$ 2	$ —	$ 561
2022	218	103	87	1	—	409
Total assets:						
March 31, 2023	$ 10,795	$ 5,804	$ 5,013	$ 4,638	$ (42)	$ 26,208
December 31, 2022	10,657	5,802	4,979	4,677	(33)	26,082

(a) Other primarily includes PHI's corporate operations, shared service entities, and other financing and investment activities.
(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in expenses in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 15 — Supplemental Financial Information for additional information on total utility taxes.

(c) Includes intersegment revenues with ComEd, BGE, and PECO, which are eliminated at Exelon.

Electric and Gas Revenue by Customer Class (Utility Registrants):

The following tables disaggregate the Registrants' revenues recognized from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. For the Utility Registrants, the disaggregation of revenues reflects the two primary utility services of electric sales and natural gas sales (where applicable), with further disaggregation of these tariff sales provided by major customer groups. Exelon's disaggregated revenues are consistent with the Utility Registrants, but exclude any intercompany revenues.

	Three Months Ended March 31, 2023						
Revenues from contracts with customers	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Electric revenues							
Residential	$ 836	$ 519	$ 434	$ 639	$ 283	$ 210	$ 146
Small commercial & industrial	361	135	92	160	39	62	59
Large commercial & industrial	84	65	149	378	282	33	63
Public authorities & electric railroads	10	8	7	17	8	4	5
Other[a]	217	68	96	176	56	58	63
Total electric revenues[b]	$ 1,508	$ 795	$ 778	$ 1,370	$ 668	$ 367	$ 336
Natural gas revenues							
Residential	$ —	$ 223	$ 278	$ 60	$ —	$ 60	$ —
Small commercial & industrial	—	75	41	26	—	26	—
Large commercial & industrial	—	1	70	1	—	1	—
Transportation	—	8	—	4	—	4	—
Other[c]	—	9	19	6	—	6	—
Total natural gas revenues[d]	$ —	$ 316	$ 408	$ 97	$ —	$ 97	$ —
Total revenues from contracts with customers	$ 1,508	$ 1,111	$ 1,186	$ 1,467	$ 668	$ 464	$ 336
Other revenues							
Revenues from alternative revenue programs	$ 153	$ (4)	$ 65	$ 65	$ 39	$ 9	$ 17
Other electric revenues[e]	6	4	4	4	3	1	—
Other natural gas revenues[e]	—	1	2	—	—	—	—
Total other revenues	$ 159	$ 1	$ 71	$ 69	$ 42	$ 10	$ 17
Total revenues for reportable segments	$ 1,667	$ 1,112	$ 1,257	$ 1,536	$ 710	$ 474	$ 353

	Three Months Ended March 31, 2022						
Revenues from contracts with customers	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Electric revenues							
Residential	$ 857	$ 487	$ 417	$ 652	$ 275	$ 207	$ 170
Small commercial & industrial	423	111	81	141	38	56	47
Large commercial & industrial	153	64	131	323	253	26	44
Public authorities & electric railroads	14	8	7	16	8	4	4
Other[a]	239	62	97	193	46	56	81
Total electric revenues[b]	$ 1,686	$ 732	$ 733	$ 1,325	$ 620	$ 349	$ 346
Natural gas revenues							
Residential	$ —	$ 218	$ 282	$ 51	$ —	$ 51	$ —
Small commercial & industrial	—	76	45	21	—	21	—
Large commercial & industrial	—	—	65	3	—	3	—
Transportation	—	8	—	4	—	4	—
Other[c]	—	3	35	4	—	4	—
Total natural gas revenues[d]	$ —	$ 305	$ 427	$ 83	$ —	$ 83	$ —
Total revenues from contracts with customers	$ 1,686	$ 1,037	$ 1,160	$ 1,408	$ 620	$ 432	$ 346
Other revenues							
Revenues from alternative revenue programs	$ 40	$ 6	$ (12)	$ (5)	$ (7)	$ (1)	$ 3
Other electric revenues[e]	8	3	4	1	1	—	—
Other natural gas revenues[e]	—	1	2	—	—	—	—
Total other revenues	$ 48	$ 10	$ (6)	$ (4)	$ (6)	$ (1)	$ 3
Total revenues for reportable segments	$ 1,734	$ 1,047	$ 1,154	$ 1,404	$ 614	$ 431	$ 349

(a) Includes revenues from transmission revenue from PJM, wholesale electric revenue and mutual assistance revenue.
(b) Includes operating revenues from affiliates in 2023 and 2022 respectively of:
- $3 million, $6 million at ComEd
- $1 million, $1 million at PECO
- $2 million, $2 million at BGE
- $3 million, $3 million at PHI
- $1 million, $1 million at Pepco
- $2 million, $2 million at DPL
- $1 million, $1 million at ACE

(c) Includes revenues from off-system natural gas sales.
(d) Includes operating revenues from affiliates in 2023 and 2022 respectively of:
- $1 million, less than a $1 million at PECO
- $1 million, $6 million at BGE

(e) Includes late payment charge revenues.

6. Accounts Receivable (All Registrants)

Allowance for Credit Losses on Accounts Receivable

The following tables present the rollforward of Allowance for Credit Losses on Customer Accounts Receivable.

	Three Months Ended March 31, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance as of December 31, 2022	$ 327	$ 59	$ 105	$ 54	$ 109	$ 47	$ 21	$ 41
Plus: Current period provision for expected credit losses[(a)]	108	22	39	30	17	9	7	1
Less: Write-offs, net of recoveries[(b)]	46	7	14	11	14	7	2	5
Balance as of March 31, 2023	$ 389	$ 74	$ 130	$ 73	$ 112	$ 49	$ 26	$ 37

	Three Months Ended March 31, 2022							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance as of December 31, 2021	$ 320	$ 73	$ 105	$ 38	$ 104	$ 37	$ 18	$ 49
Plus: Current period provision for expected credit losses	110	26	31	26	27	11	7	9
Less: Write-offs, net of recoveries	41	7	11	5	18	8	1	9
Balance as of March 31, 2022	$ 389	$ 92	$ 125	$ 59	$ 113	$ 40	$ 24	$ 49

(a) For PECO and BGE, the change in current period provision for expected credit losses is primarily a result of increased aging of receivables.
(b) Recoveries were not material to the Registrants.

The following tables present the rollforward of Allowance for Credit Losses on Other Accounts Receivable.

	Three Months Ended March 31, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance as of December 31, 2022	$ 82	$ 17	$ 9	$ 10	$ 46	$ 25	$ 7	$ 14
Plus: Current period provision for expected credit losses	14	2	3	4	5	3	1	1
Less: Write-offs, net of recoveries[(a)]	5	1	1	2	1	—	—	1
Balance as of March 31, 2023	$ 91	$ 18	$ 11	$ 12	$ 50	$ 28	$ 8	$ 14

	Three Months Ended March 31, 2022							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance as of December 31, 2021	$ 72	$ 17	$ 7	$ 9	$ 39	$ 16	$ 8	$ 15
Plus: Current period provision for expected credit losses	14	4	3	3	4	2	1	1
Less: Write-offs, net of recoveries	5	1	1	1	2	—	—	2
Balance as of March 31, 2022	$ 81	$ 20	$ 9	$ 11	$ 41	$ 18	$ 9	$ 14

(a) Recoveries were not material to the Registrants.

Unbilled Customer Revenue

The following table provides additional information about unbilled customer revenues recorded in the Registrants' Consolidated Balance Sheets as of March 31, 2023 and December 31, 2022.

	Unbilled customer revenues[a]							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
March 31, 2023	$ 709	$ 237	$ 149	$ 149	$ 174	$ 74	$ 49	$ 51
December 31, 2022	912	223	219	247	223	103	74	46

(a) Unbilled customer revenues are classified in Customer accounts receivable, net in the Registrants' Consolidated Balance Sheets.

Other Purchases of Customer and Other Accounts Receivables

The Utility Registrants are required, under separate legislation and regulations in Illinois, Pennsylvania, Maryland, District of Columbia, Delaware, and New Jersey, to purchase certain receivables from alternative retail electric and, as applicable, natural gas suppliers that participate in the utilities' consolidated billing. The following table presents the total receivables purchased.

	Total receivables purchased							
	Exelon[a]	ComEd	PECO	BGE[a]	PHI	Pepco	DPL	ACE
Three months ended March 31, 2023	$ 1,108	$ 240	$ 309	$ 245	$ 314	$ 210	$ 56	$ 48
Three months ended March 31, 2022	1,044	248	292	222	282	174	57	51

(a) Includes $4 million of receivables purchased from Generation prior to the separation on February 1, 2022 for the three months ended March 31, 2022.

7. Income Taxes (All Registrants)

Rate Reconciliation

The effective income tax rate from continuing operations varies from the U.S. federal statutory rate principally due to the following:

	Three Months Ended March 31, 2023[a]							
	Exelon	ComEd	PECO[b]	BGE	PHI	Pepco	DPL	ACE
U.S. Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of Federal income tax benefit	6.0	7.9	(1.4)	6.4	6.0	5.4	6.3	6.9
Plant basis differences	(4.0)	(0.3)	(15.2)	(0.7)	(1.8)	(2.5)	(1.0)	(0.9)
Excess deferred tax amortization	(6.3)	(5.7)	(2.4)	(5.4)	(7.0)	(8.4)	(8.8)	(2.0)
Amortization of investment tax credit, including deferred taxes on basis difference	(0.1)	(0.1)	—	(0.1)	(0.1)	—	(0.1)	(0.1)
Tax credits	(0.5)	(0.3)	—	(0.5)	(0.4)	(0.4)	(0.4)	(0.3)
Other	0.6	0.3	0.4	(0.1)	0.3	0.5	(0.3)	0.4
Effective income tax rate	16.7 %	22.8 %	2.4 %	20.6 %	18.0 %	15.6 %	16.7 %	25.0 %

	Three Months Ended March 31, 2022[a]							
	Exelon	ComEd	PECO[c]	BGE[c]	PHI	Pepco[c]	DPL	ACE[c]
U.S. Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of Federal income tax benefit[d]	21.1	8.0	(0.1)	2.4	3.7	(4.5)	6.2	6.8
Plant basis differences	(3.6)	(0.6)	(11.3)	(0.9)	(1.6)	(2.6)	(0.7)	(1.3)
Excess deferred tax amortization	(11.5)	(6.3)	(3.2)	(17.6)	(17.7)	(17.4)	(19.4)	(22.2)
Amortization of investment tax credit, including deferred taxes on basis difference	(0.1)	(0.1)	—	(0.1)	(0.1)	—	(0.2)	(0.2)
Tax credits[e]	1.7	(0.3)	—	(0.4)	(0.4)	(0.4)	(0.3)	(0.3)
Other[f]	2.6	—	—	(0.1)	0.2	(0.6)	0.1	(0.1)
Effective income tax rate	31.2 %	21.7 %	6.4 %	4.3 %	5.1 %	(4.5)%	6.7 %	3.7 %

(a) Positive percentages represent income tax expense. Negative percentages represent income tax benefit.
(b) For PECO, the lower effective tax rate is primarily related to plant basis differences attributable to tax repair deductions.
(c) For PECO, the lower effective tax rate is primarily related to plant basis differences attributable to tax repair deductions. For BGE, the lower effective tax rate is primarily due to the Maryland multi-year plan which resulted in the acceleration of certain income tax benefits. For Pepco, the income tax benefit is primarily due to the Maryland and Washington, D.C. multi-year plans which resulted in the acceleration of certain income tax benefits. For ACE, the lower effective tax rate is primarily related to the acceleration of certain income tax benefits due to distribution rate case settlements.
(d) For Exelon, the higher state income taxes, net of federal income tax benefit, is primarily due to the long-term marginal state income tax rate change of approximately $67 million and the recognition of a valuation allowance of approximately $40 million against the net deferred tax asset position for certain standalone state filing jurisdiction as a result of the separation.
(e) For Exelon, reflects the income tax expense related to the write-off of federal tax credits subject to recapture of approximately $15 million as a result of the separation.
(f) For Exelon, primarily reflects the nondeductible transaction costs of approximately $19 million arising as part of the separation.

Unrecognized Tax Benefits

Exelon, PHI and ACE have the following unrecognized tax benefits as of March 31, 2023 and December 31, 2022. ComEd's, PECO's, BGE's, Pepco's, and DPL's amounts are not material.

	Exelon[a]	PHI	ACE
March 31, 2023	$ 148	$ 59	$ 17
December 31, 2022	148	59	17

(a) As of March 31, 2023 and December 31, 2022, Exelon recorded a receivable of $50 million in Other deferred debits and other assets in the Consolidated Balance Sheet for Constellation's share of unrecognized tax benefits for periods prior to the separation.

Reasonably possible the total amount of unrecognized tax benefits could significantly increase or decrease within 12 months after the reporting date

As of March 31, 2023, ACE has $14 million of unrecognized state tax benefits that could significantly decrease within the 12 months after the reporting date based on the outcome of pending court cases involving other taxpayers. The unrecognized tax benefit, if recognized, may be included in future base rates and that portion would have no impact to the effective tax rate.

Other Tax Matters

Tax Matters Agreement (Exelon)

In connection with the separation, Exelon entered into a TMA with Constellation. The TMA governs the respective rights, responsibilities, and obligations between Exelon and Constellation after the separation with respect to tax liabilities, refunds and attributes for open tax years that Constellation was part of Exelon's consolidated group for U.S. federal, state, and local tax purposes.

Indemnification for Taxes. As a former subsidiary of Exelon, Constellation has joint and several liability with Exelon to the IRS and certain state jurisdictions relating to the taxable periods prior to the separation. The TMA specifies that Constellation is liable for their share of taxes required to be paid by Exelon with respect to taxable periods prior to the separation to the extent Constellation would have been responsible for such taxes under the existing Exelon tax sharing agreement. As of March 31, 2023, Exelon recorded a payable of $18 million in Other current liabilities that is due to Constellation.

Tax Refunds. The TMA specifies that Constellation is entitled to their share of any future tax refunds claimed by Exelon with respect to taxable periods prior to the separation to the extent that Constellation would have received such tax refunds under the existing Exelon tax sharing agreement.

Tax Attributes. At the date of separation certain tax attributes, primarily pre-closing tax credit carryforwards, that were generated by Constellation were required by law to be allocated to Exelon. The TMA provides that Exelon will reimburse Constellation when those allocated tax credit carryforwards are utilized. As of March 31, 2023, Exelon recorded a payable of $212 million and $319 million in Other current liabilities and Other deferred credits and other liabilities, respectively, in the Consolidated Balance Sheet for tax attribute carryforwards that are expected to be utilized and reimbursed to Constellation.

Corporate Alternative Minimum Tax (All Registrants)

On August 16, 2022, the IRA was signed into law and implements a new corporate alternative minimum tax (CAMT) that imposes a 15.0% tax on modified GAAP net income. Corporations are entitled to a tax credit (minimum tax credit) to the extent the CAMT liability exceeds the regular tax liability. This amount can be carried forward indefinitely and used in future years when regular tax exceeds the CAMT.

Beginning in 2023, Exelon and each of the Utility Registrants will be subject to and will report the CAMT on a separate Registrant basis in the Consolidated Statements of Operations and Comprehensive Income and the Consolidated Balance Sheets. The deferred tax asset related to the minimum tax credit carryforward will be realized to the extent Exelon's consolidated deferred tax liabilities exceed the minimum tax credit carryforward. Exelon's deferred tax liabilities are expected to exceed the minimum tax credit carryforward for the foreseeable future and thus no valuation allowance is required. Exelon is continuing to assess the financial statement impacts of the IRA and will update estimates based on future guidance issued by the U.S. Treasury.

8. Retirement Benefits (All Registrants)

Defined Benefit Pension and OPEB

The majority of the 2023 pension benefit cost for the Exelon-sponsored plans is calculated using an expected long-term rate of return on plan assets of 7.00% and a discount rate of 5.53%. The majority of the 2023 OPEB cost is calculated using an expected long-term rate of return on plan assets of 6.50% for funded plans and a discount rate of 5.51%.

During the first quarter of 2023, Exelon received an updated valuation of its pension and OPEB to reflect actual census data as of January 1, 2023. This valuation resulted in an increase to the pension obligation of $27 million and an increase to the OPEB obligation of $2 million. Additionally, AOCI increased by $10 million (after-tax) and regulatory assets and liabilities increased by $18 million and $1 million, respectively.

A portion of the net periodic benefit cost for all plans is capitalized within the Consolidated Balance Sheets. The following table presents the components of Exelon's net periodic benefit costs, prior to capitalization, for the three months ended March 31, 2023 and 2022.

	Pension Benefits		OPEB	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2023	2022	2023	2022
Components of net periodic benefit cost:				
Service cost	$ 39	$ 61	$ 6	$ 10
Interest cost	145	110	25	19
Expected return on assets	(189)	(209)	(21)	(25)
Amortization of:				
Prior service cost (credit)	1	1	(2)	(5)
Actuarial loss	41	76	—	4
Net periodic benefit cost	$ 37	$ 39	$ 8	$ 3

The amounts below represent the Registrants' allocated pension and OPEB costs. For Exelon, the service cost component is included in Operating and maintenance expense and Property, plant, and equipment, net while the non-service cost components are included in Other, net and Regulatory assets. For the Utility Registrants, which apply multi-employer accounting, the service cost and non-service cost components are included in Operating and maintenance expense and Property, plant, and equipment, net in their consolidated financial statements.

Pension and OPEB Costs (Benefit)	Three Months Ended March 31, 2023	2022
Exelon	$ 45	$ 42
ComEd	6	16
PECO	(3)	(2)
BGE	14	11
PHI	24	13
Pepco	8	2
DPL	4	1
ACE	4	3

Defined Contribution Savings Plan

The Registrants participate in a 401(k) defined contribution savings plan that is sponsored by Exelon. The plan is qualified under applicable sections of the IRC and allows employees to contribute a portion of their pre-tax and/or after-tax income in accordance with specified guidelines. All Registrants match a percentage of the employee contributions up to certain limits. The following table presents the employer contributions and employer matching contributions to the savings plan for the three months ended March 31, 2023 and 2022.

Savings Plan Employer Contributions	Three Months Ended March 31, 2023	2022
Exelon	$ 21	$ 20
ComEd	9	8
PECO	3	3
BGE	2	2
PHI	3	3
Pepco	1	1
DPL	1	1
ACE	—	—

9. Derivative Financial Instruments (All Registrants)

The Registrants use derivative instruments to manage commodity price risk and interest rate risk related to ongoing business operations. The Registrants do not execute derivatives for speculative or proprietary trading purposes.

Authoritative guidance requires that derivative instruments be recognized as either assets or liabilities at fair value, with changes in fair value of the derivative recognized in earnings immediately. Other accounting treatments are available through special election and designation, provided they meet specific, restrictive criteria both at the time of designation and on an ongoing basis. These alternative permissible accounting treatments include NPNS, cash flow hedges, and fair value hedges. At ComEd, derivative economic hedges related to commodities are recorded at fair value and offset by a corresponding regulatory asset or liability. At Exelon, derivative economic hedges related to interest rates are recorded at fair value and offsets are recorded to Electric operating revenues or Interest expense based on the activity the transaction is economically hedging. For all NPNS derivative instruments, accounts receivable or accounts payable are recorded when derivatives settle and revenue or expense is recognized in earnings as the underlying physical commodity is sold or consumed. At Exelon, derivative hedges that qualify and are designated as cash flow hedges are recorded at fair value and offsets are recorded to AOCI.

ComEd's use of cash collateral is generally unrestricted unless ComEd is downgraded below investment grade. Cash collateral held by PECO, BGE, Pepco, DPL, and ACE must be deposited in an unaffiliated major U.S. commercial bank or foreign bank with a U.S. branch office that meets certain qualifications.

Commodity Price Risk

The Registrants employ established policies and procedures to manage their risks associated with market fluctuations in commodity prices by entering into physical and financial derivative contracts, which are either determined to be non-derivative or classified as economic hedges. The Utility Registrants procure electric and natural gas supply through a competitive procurement process approved by each of the respective state utility commissions. The Utility Registrants' hedging programs are intended to reduce exposure to energy and natural gas price volatility and have no direct earnings impact as the costs are fully recovered from customers through regulatory-approved recovery mechanisms. The following table provides a summary of the Utility Registrants' primary derivative hedging instruments, listed by commodity and accounting treatment.

Registrant	Commodity	Accounting Treatment	Hedging Instrument
ComEd	Electricity	NPNS	Fixed price contracts based on all requirements in the IPA procurement plans.
	Electricity	Changes in fair value of economic hedge recorded to an offsetting regulatory asset or liability[(a)]	20-year floating-to-fixed energy swap contracts beginning June 2012 based on the renewable energy resource procurement requirements in the Illinois Settlement Legislation of approximately 1.3 million MWhs per year.
PECO	Electricity	NPNS	Fixed price contracts for default supply requirements through full requirements contracts.
	Gas	NPNS	Fixed price contracts to cover about 10% of planned natural gas purchases in support of projected firm sales.
BGE	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
	Gas	NPNS	Fixed price contracts for between 10-20% of forecasted system supply requirements for flowing (i.e., non-storage) gas for the November through March period.
Pepco	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
DPL	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
	Gas	NPNS	Fixed and index priced contracts through full requirements contracts.
	Gas	Changes in fair value of economic hedge recorded to an offsetting regulatory asset or liability[(b)]	Exchange traded future contracts for up to 50% of estimated monthly purchase requirements each month, including purchases for storage injections.
ACE	Electricity	NPNS	Fixed price contracts for all BGS requirements through full requirements contracts.

(a) See Note 3 — Regulatory Matters of the 2022 Form 10-K for additional information.
(b) The fair value of the DPL economic hedge is not material as of March 31, 2023 and December 31, 2022.

The fair value of derivative economic hedges is presented in Other current assets and current and noncurrent Mark-to-market derivative liabilities in Exelon's and ComEd's Consolidated Balance Sheets.

Interest Rate and Other Risk (Exelon)

Exelon Corporate uses a combination of fixed-rate and variable-rate debt to manage interest rate exposure. Exelon Corporate may utilize interest rate derivatives to lock in rate levels in anticipation of future financings, which are typically designated as cash flow hedges. In addition, Exelon Corporate may also utilize interest rate swaps to manage interest rate exposure and manage potential fluctuations in Electric operating revenues at the corporate level in consolidation, which are directly correlated to yields on U.S. Treasury bonds under ComEd's distribution formula rate. These interest rate swaps are accounted for as economic hedges. A hypothetical 50

basis point change in the interest rates associated with Exelon's interest rate swaps as of March 31, 2023 would result in an immaterial impact to Exelon's Consolidated Net Income.

Below is a summary of the interest rate hedge balances as of March 31, 2023 and December 31, 2022.

	March 31, 2023		
	Derivatives Designated as Hedging Instruments	Economic Hedges	Total
Other deferred debits (noncurrent assets)	$ —	$ 3	$ 3
Total derivative assets	—	3	3
Mark-to-market derivative liabilities (current liabilities)	—	(1)	(1)
Mark-to-market derivative liabilities (noncurrent liabilities)	(1)	—	(1)
Total mark-to-market derivative liabilities	(1)	(1)	(2)
Total mark-to-market derivative net assets	$ (1)	$ 2	$ 1

	December 31, 2022		
	Derivatives Designated as Hedging Instruments	Economic Hedges	Total
Other deferred debits (noncurrent assets)	$ 6	$ 5	$ 11
Total derivative assets	6	5	11
Mark-to-market derivative liabilities (current liabilities)	—	(3)	(3)
Mark-to-market derivative liabilities (noncurrent liabilities)	(4)	—	(4)
Total mark-to-market derivative liabilities	(4)	(3)	(7)
Total mark-to-market derivative net assets	$ 2	$ 2	$ 4

Cash Flow Hedges (Interest Rate Risk)

For derivative instruments that qualify and are designated as cash flow hedges, the changes in fair value each period are initially recorded in AOCI and reclassified into earnings when the underlying transaction affects earnings. The total notional of the swaps issued as of December 31, 2022 was $1.27 billion. In January 2023, Exelon Corporate entered into $115 million notional of 5-year maturity floating-to-fixed swaps and $115 million notional of 10-year maturity floating-to-fixed swaps, for a total of $230 million designated as cash flow hedges. In February 2023, Exelon terminated the previously issued floating-to-fixed swaps with a total notional of $1.5 billion upon issuance of $2.5 billion of debt. See Note 10 – Debt and Credit Agreements for additional information on the debt issuance. Prior to the termination, the AOCI derivative gain was $7 million (net of tax). The settlements resulted in a cash receipt of $10 million, which will be amortized into Interest expense in Exelon's Consolidated Statement of Operations and Comprehensive Income over the terms of the swaps. See Note 14 – Changes in Accumulated Other Comprehensive Income (Loss) for additional information.

In March 2023, Exelon Corporate entered into $65 million notional of 5-year maturity floating-to-fixed swaps and $65 million 10-year maturity floating-to-fixed swaps, for a total of $130 million designated as cash flow hedges. The related AOCI derivative gain for the three months ended as of March 31, 2023 was immaterial.

Economic Hedges (Interest Rate and Other Risk)

Exelon Corporate executes derivative instruments to mitigate exposure to fluctuations in interest rates but for which the fair value or cash flow hedge elections were not made. For derivatives intended to serve as economic hedges, fair value is recorded on the balance sheet and changes in fair value each period are recognized in earnings or as a regulatory asset or liability, if regulatory requirements are met, each period.

Exelon Corporate enters into floating-to-fixed interest rate cap swaps to manage a portion of interest rate exposure in connection with existing borrowings. In the fourth quarter of 2022, Exelon Corporate entered into $1

billion notional of 18-month maturity floating-to-fixed interest rate cap swaps and $850 million notional of 6-month maturity floating-to-fixed interest rate cap swaps, for a total of $1.85 billion notional of floating-to-fixed interest rate cap swaps as of December 31, 2022. The 6-month maturity floating-to-fixed interest rate cap swaps of $850 million notional matured in March 2023. The total remaining notional of the swaps was $1 billion as of March 31, 2023.

Additionally, to manage potential fluctuations in Electric operating revenues related to ComEd's distribution formula rate, Exelon Corporate enters into 30-year constant maturity treasury interest rate (Corporate 30-year treasury) swaps. In the first quarter of 2023, Exelon Corporate entered into a total of $3.6 billion notional of calendar year 2023 Corporate 30-year treasury swaps. The total notional of the swaps issued was $4.1 billion and $500 million as of March 31, 2023 and December 31, 2022, respectively.

For the three months ended March 31, 2023, Exelon Corporate recognized the following net pre-tax mark-to-market gains (losses) which are also recognized in Net fair value changes related to derivatives in Exelon's Consolidated Statements of Cash Flows. Exelon had no swaps for the three months ended March 31, 2022.

	Gain (Loss)
Income Statement Location	2023
Electric operating revenues	$ 1
Interest expense	(1)
Total	$ —

Credit Risk

The Registrants would be exposed to credit-related losses in the event of non-performance by counterparties on executed derivative instruments. The credit exposure of derivative contracts, before collateral, is represented by the fair value of contracts at the reporting date. The Utility Registrants have contracts to procure electric and natural gas supply that provide suppliers with a certain amount of unsecured credit. If the exposure on the supply contract exceeds the amount of unsecured credit, the suppliers may be required to post collateral. The net credit exposure is mitigated primarily by the ability to recover procurement costs through customer rates. The amount of cash collateral received from external counterparties decreased as of March 31, 2023 due to decreasing energy prices. The amount of cash collateral for PECO was immaterial as of March 31, 2023 and December 31, 2022. The following table reflects the Registrants' cash collateral held with external counterparties, which is recorded in Other current liabilities on their respective Consolidated Balance Sheets, as of March 31, 2023 and December 31, 2022:

	March 31, 2023	December 31, 2022
Exelon	$ 81	$ 297
ComEd	73	77
BGE	1	23
PHI	8	197
Pepco	1	26
DPL	1	121
ACE	6	50

The Utility Registrants’ electric supply procurement contracts do not contain provisions that would require them to post collateral. PECO’s, BGE’s, and DPL’s natural gas procurement contracts contain provisions that could require PECO, BGE, and DPL to post collateral in the form of cash or credit support, which vary by contract and counterparty, with thresholds contingent upon PECO’s, BGE's, and DPL’s credit rating. As of March 31, 2023, PECO, BGE, and DPL were not required to post collateral for any of these agreements. If PECO, BGE, or DPL lost their investment grade credit rating as of March 31, 2023, they could have been required to post collateral to their counterparties of $39 million, $73 million, and $14 million, respectively.

10. Debt and Credit Agreements (All Registrants)

Short-Term Borrowings

Exelon Corporate, ComEd, and BGE meet their short-term liquidity requirements primarily through the issuance of commercial paper. PECO meets their short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the Exelon intercompany money pool. Pepco, DPL, and ACE meet their short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the PHI intercompany money pool. PHI Corporate meets its short-term liquidity requirements primarily through the issuance of short-term notes and borrowings from the Exelon intercompany money pool. The Registrants may use their respective credit facilities for general corporate purposes, including meeting short-term funding requirements and the issuance of letters of credit.

Commercial Paper

The following table reflects the Registrants' commercial paper programs supported by the revolving credit agreements and bilateral credit agreements as of March 31, 2023 and December 31, 2022. As of March 31, 2023 and December 31, 2022, ACE had no commercial paper borrowings:

	Outstanding Commercial Paper as of		Average Interest Rate on Commercial Paper Borrowings as of	
Commercial Paper Issuer	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Exelon[(a)]	$ 807	$ 1,938	5.12 %	4.77 %
ComEd	409	427	5.09 %	4.71 %
PECO	145	239	5.04 %	4.71 %
BGE	243	409	5.24 %	4.81 %
PHI[(b)]	—	414	— %	4.78 %
Pepco	—	299	— %	4.79 %
DPL	—	115	— %	4.76 %

(a) Exelon Corporate had $10 million and $449 million in outstanding commercial paper borrowings as of March 31, 2023 and December 31, 2022, respectively.
(b) Represents the consolidated amounts of Pepco, DPL, and ACE.

Revolving Credit Agreements

Exelon Corporate and the Utility Registrants each have a 5-year revolving credit facility. The following table reflects the credit agreements:

Borrower	Aggregate Bank Commitment	Interest Rate
Exelon Corporate	$ 900	SOFR plus 1.275 %
ComEd	1,000	SOFR plus 1.000 %
PECO	600	SOFR plus 0.900 %
BGE	600	SOFR plus 0.900 %
Pepco	300	SOFR plus 1.075 %
DPL	300	SOFR plus 1.000 %
ACE	300	SOFR plus 1.075 %

Exelon Corporate and the Utility Registrants had no outstanding amounts on the revolving credit facilities as of March 31, 2023.

The Utility Registrants have credit facility agreements, arranged at minority and community banks, which are solely utilized to issue letters of credit. The new facility agreements have aggregate commitments of $40 million, $40 million, $15 million, $15 million, $15 million, and $15 million, at ComEd, PECO, BGE, Pepco, DPL, and ACE, respectively. These facilities expire on October 6, 2023.

See Note 16 — Debt and Credit Agreements of the 2022 Form 10-K for additional information on the Registrants' credit facilities.

Short-Term Loan Agreements

On March 23, 2017, Exelon Corporate entered into a term loan agreement for $500 million. The loan agreement was renewed in the first quarter of 2023 and was bifurcated into two tranches of $300 million on March 14, 2023 and $200 million on March 24, 2023. The agreements will expire on March 14, 2024 and March 22, 2024, respectively. Pursuant to the loan agreements, loans made thereunder bear interest at a variable rate equal to SOFR plus 0.90% and all indebtedness thereunder is unsecured. The loan agreement is reflected in Exelon's Consolidated Balance Sheets within Short-term borrowings.

On October 4, 2022, ComEd entered into a 364-day term loan agreement for $150 million with a variable rate equal to SOFR plus 0.75% and an expiration date of October 3, 2023. The proceeds from this loan were used to repay outstanding commercial paper obligations. The balance of the loan was repaid on January 13, 2023 in conjunction with the $400 million and $575 million First Mortgage Bond agreements that were entered into on January 3, 2023. Refer to the Issuance of Long-Term Debt table below for further information.

Long-Term Debt

Issuance of Long-Term Debt

During the three months ended March 31, 2023, the following long-term debt was issued:

Company	Type	Interest Rate	Maturity	Amount	Use of Proceeds
Exelon	Notes	5.15%	March 15, 2028	$1,000	Repay existing indebtedness and for general corporate purposes.
Exelon	Notes	5.30%	March 15, 2033	850	Repay existing indebtedness and for general corporate purposes.
Exelon	Notes	5.60%	March 15, 2053	650	Repay existing indebtedness and for general corporate purposes.
ComEd	First Mortgage Bonds, Series 134	4.90%	February 1, 2033	400	Repay outstanding commercial paper obligations and to fund other general corporate purposes.
ComEd	First Mortgage Bonds Series 135	5.30%	February 1, 2053	575	Repay outstanding commercial paper obligations and to fund other general corporate purposes.
Pepco[(a)]	First Mortgage Bonds	5.30%	March 15, 2033	85	Repay existing indebtedness and for general corporate purposes.
Pepco	First Mortgage Bonds	5.40%	March 15, 2038	40	Repay existing indebtedness and for general corporate purposes.
Pepco	First Mortgage Bonds	5.57%	March 15, 2053	125	Repay existing indebtedness and for general corporate purposes.
DPL[(b)]	First Mortgage Bonds	5.30%	March 15, 2033	60	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	5.57%	March 15, 2053	65	Repay existing indebtedness and for general corporate purposes.
ACE	First Mortgage Bonds	5.57%	March 15, 2053	75	Repay existing indebtedness and for general corporate purposes.

(a) On March 15, 2023, Pepco entered into a purchase agreement of First Mortgage Bonds of $100 million at 5.35% due on September 13, 2033. The closing date of the issuance is expected to occur in September 2023.

(b) On March 15, 2023, DPL entered into a purchase agreement of First Mortgage Bonds of $340 million, $75 million, and $110 million at 5.45%, 5.55% and 5.72% due on November 8, 2033, November 8, 2038, and November 8, 2053, respectively. The closing date of the issuance is expected to occur in November 2023.

Debt Covenants

As of March 31, 2023, the Registrants are in compliance with debt covenants.

11. Fair Value of Financial Assets and Liabilities (All Registrants)

Exelon measures and classifies fair value measurements in accordance with the hierarchy as defined by GAAP. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities that the Registrants have the ability to liquidate as of the reporting date.
- Level 2 — inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- Level 3 — unobservable inputs, such as internally developed pricing models or third-party valuations for the asset or liability due to little or no market activity for the asset or liability.

Fair Value of Financial Liabilities Recorded at Amortized Cost

The following tables present the carrying amounts and fair values of the Registrants' short-term liabilities, long-term debt, and trust preferred securities (long-term debt to financing trusts or junior subordinated debentures) as of March 31, 2023 and December 31, 2022. The Registrants have no financial liabilities classified as Level 1 or measured using the NAV practical expedient.

The carrying amounts of the Registrants' short-term liabilities as presented in their Consolidated Balance Sheets are representative of their fair value (Level 2) because of the short-term nature of these instruments.

	March 31, 2023				December 31, 2022			
		Fair Value				Fair Value		
	Carrying Amount	Level 2	Level 3	Total	Carrying Amount	Level 2	Level 3	Total
Long-Term Debt, including amounts due within one year[(a)]								
Exelon	$ 40,088	$ 33,224	$ 2,870	$ 36,094	$ 37,074	$ 29,902	$ 2,327	$ 32,229
ComEd	11,480	10,236	—	10,236	10,518	9,006	—	9,006
PECO	4,613	3,946	50	3,996	4,612	3,864	50	3,914
BGE	4,208	3,685	—	3,685	4,207	3,613	—	3,613
PHI	8,553	4,632	2,820	7,452	8,120	4,507	2,277	6,784
Pepco	3,995	2,295	1,507	3,802	3,751	2,229	1,205	3,434
DPL	2,061	1,183	604	1,787	1,938	1,164	458	1,622
ACE	1,831	935	709	1,644	1,757	909	614	1,523
Long-Term Debt to Financing Trusts								
Exelon	$ 390	$ —	$ 392	$ 392	$ 390	$ —	$ 384	$ 384
ComEd	205	—	207	207	205	—	204	204
PECO	184	—	185	185	184	—	180	180

(a) Includes unamortized debt issuance costs, unamortized debt discount and premium, net, purchase accounting fair value adjustments, and finance lease liabilities which are not fair valued. Refer to Note 16 — Debt and Credit Agreements of the 2022 Form 10-K for unamortized debt issuance costs, unamortized debt discount and premium, net, and purchase accounting fair value adjustments and Note 10 — Leases of the 2022 Form 10-K for finance lease liabilities.

Recurring Fair Value Measurements

The following tables present assets and liabilities measured and recorded at fair value in the Registrants' Consolidated Balance Sheets on a recurring basis and their level within the fair value hierarchy as of March 31, 2023 and December 31, 2022. The Registrants have no financial assets or liabilities measured using the NAV practical expedient:

Exelon

	As of March 31, 2023				As of December 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Cash equivalents[(a)]	$ 523	$ —	$ —	$ 523	$ 664	$ —	$ —	$ 664
Rabbi trust investments								
Cash equivalents	65	—	—	65	62	—	—	62
Mutual funds	49	—	—	49	49	—	—	49
Fixed income	—	7	—	7	—	7	—	7
Life insurance contracts	—	56	41	97	—	58	40	98
Rabbi trust investments subtotal	114	63	41	218	111	65	40	216
Interest rate derivative assets								
Derivatives designated as hedging instruments	—	—	—	—	—	6	—	6
Economic hedges	—	3	—	3	—	5	—	5
Interest rate derivative assets subtotal	—	3	—	3	—	11	—	11
Total assets	637	66	41	744	775	76	40	891
Liabilities								
Mark-to-market derivative liabilities	—	—	(98)	(98)	—	—	(84)	(84)
Interest rate derivative liabilities								
Derivatives designated as hedging instruments	—	(1)	—	(1)	—	(4)	—	(4)
Economic hedges	—	(1)	—	(1)	—	(3)	—	(3)
Interest rate derivative liabilities subtotal	—	(2)	—	(2)	—	(7)	—	(7)
Deferred compensation obligation	—	(75)	—	(75)	—	(75)	—	(75)
Total liabilities	—	(77)	(98)	(175)	—	(82)	(84)	(166)
Total net assets (liabilities)	$ 637	$ (11)	$ (57)	$ 569	$ 775	$ (6)	$ (44)	$ 725

(a) Exelon excludes cash of $482 million and $345 million as of March 31, 2023 and December 31, 2022, respectively, and restricted cash of $78 million and $81 million as of March 31, 2023 and December 31, 2022, respectively, and includes long-term restricted cash of $180 million and $117 million as of March 31, 2023 and December 31, 2022, respectively, which is reported in Other deferred debits and other assets in the Consolidated Balance Sheets.

ComEd, PECO, and BGE

	ComEd				PECO				BGE			
As of March 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[a]	$ 454	$ —	$ —	$ 454	$ 11	$ —	$ —	$ 11	$ 1	$ —	$ —	$ 1
Rabbi trust investments												
Mutual funds	—	—	—	—	8	—	—	8	9	—	—	9
Life insurance contracts	—	—	—	—	—	15	—	15	—	—	—	—
Rabbi trust investments subtotal	—	—	—	—	8	15	—	23	9	—	—	9
Total assets	454	—	—	454	19	15	—	34	10	—	—	10
Liabilities												
Mark-to-market derivative liabilities[b]	—	—	(98)	(98)	—	—	—	—	—	—	—	—
Deferred compensation obligation	—	(8)	—	(8)	—	(8)	—	(8)	—	(4)	—	(4)
Total liabilities	—	(8)	(98)	(106)	—	(8)	—	(8)	—	(4)	—	(4)
Total net assets (liabilities)	$ 454	$ (8)	$ (98)	$ 348	$ 19	$ 7	$ —	$ 26	$ 10	$ (4)	$ —	$ 6

	ComEd				PECO				BGE			
As of December 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[a]	$ 392	$ —	$ —	$ 392	$ 10	$ —	$ —	$ 10	$ 23	$ —	$ —	$ 23
Rabbi trust investments												
Mutual funds	—	—	—	—	7	—	—	7	7	—	—	7
Life insurance contracts	—	—	—	—	—	15	—	15	—	—	—	—
Rabbi trust investments subtotal	—	—	—	—	7	15	—	22	7	—	—	7
Total assets	392	—	—	392	17	15	—	32	30	—	—	30
Liabilities												
Mark-to-market derivative liabilities[b]	—	—	(84)	(84)	—	—	—	—	—	—	—	—
Deferred compensation obligation	—	(8)	—	(8)	—	(7)	—	(7)	—	(4)	—	(4)
Total liabilities	—	(8)	(84)	(92)	—	(7)	—	(7)	—	(4)	—	(4)
Total net assets (liabilities)	$ 392	$ (8)	$ (84)	$ 300	$ 17	$ 8	$ —	$ 25	$ 30	$ (4)	$ —	$ 26

(a) ComEd excludes cash of $51 million and $42 million as of March 31, 2023 and December 31, 2022, respectively, and restricted cash of $73 million and $77 million as of March 31, 2023 and December 31, 2022, respectively, and includes long-term restricted cash of $180 million and $117 million as of March 31, 2023 and December 31, 2022, respectively, which is reported in Other deferred debits and other assets in the Consolidated Balance Sheets. PECO excludes cash of $25 million and $58 million as of March 31, 2023 and December 31, 2022, respectively. BGE excludes cash of $19 million and $43 million as of March 31, 2023 and December 31, 2022, respectively, and restricted cash of $1 million and $1 million as of March 31, 2023 and December 31, 2022, respectively.

(b) The Level 3 balance consists of the current and noncurrent liability of $22 million and $76 million, respectively, as of March 31, 2023 and $5 million and $79 million, respectively, as of December 31, 2022 related to floating-to-fixed energy swap contracts with unaffiliated suppliers.

PHI, Pepco, DPL, and ACE

	As of March 31, 2023				As of December 31, 2022			
PHI	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets								
Cash equivalents[(a)]	$ 35	$ —	$ —	$ 35	$ 205	$ —	$ —	$ 205
Rabbi trust investments								
Cash equivalents	62	—	—	62	59	—	—	59
Mutual funds	10	—	—	10	11	—	—	11
Fixed income	—	7	—	7	—	7	—	7
Life insurance contracts	—	20	39	59	—	22	39	61
Rabbi trust investments subtotal	72	27	39	138	70	29	39	138
Total assets	107	27	39	173	275	29	39	343
Liabilities								
Deferred compensation obligation	—	(13)	—	(13)	—	(14)	—	(14)
Total liabilities	—	(13)	—	(13)	—	(14)	—	(14)
Total net assets	$ 107	$ 14	$ 39	$ 160	$ 275	$ 15	$ 39	$ 329

	Pepco				DPL				ACE			
As of March 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[(a)]	$ 26	$ —	$ —	$ 26	$ 1	$ —	$ —	$ 1	$ 1	$ —	$ —	$ 1
Rabbi trust investments												
Cash equivalents	61	—	—	61	—	—	—	—	—	—	—	—
Life insurance contracts	—	20	39	59	—	—	—	—	—	—	—	—
Rabbi trust investments subtotal	61	20	39	120	—	—	—	—	—	—	—	—
Total assets	87	20	39	146	1	—	—	1	1	—	—	1
Liabilities												
Deferred compensation obligation	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total liabilities	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total net assets	$ 87	$ 19	$ 39	$ 145	$ 1	$ —	$ —	$ 1	$ 1	$ —	$ —	$ 1

	Pepco				DPL				ACE			
As of December 31, 2022	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets												
Cash equivalents[(a)]	$ 51	$ —	$ —	$ 51	$ 121	$ —	$ —	$ 121	$ 1	$ —	$ —	$ 1
Rabbi trust investments												
Cash equivalents	59	—	—	59	—	—	—	—	—	—	—	—
Life insurance contracts	—	22	38	60	—	—	—	—	—	—	—	—
Rabbi trust investments subtotal	59	22	38	119	—	—	—	—	—	—	—	—
Total assets	110	22	38	170	121	—	—	121	1	—	—	1
Liabilities												
Deferred compensation obligation	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total liabilities	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total net assets	$ 110	$ 21	$ 38	$ 169	$ 121	$ —	$ —	$ 121	$ 1	$ —	$ —	$ 1

(a) PHI excludes cash of $358 million and $165 million as of March 31, 2023 and December 31, 2022, respectively, and restricted cash of $3 million and $3 million as of March 31, 2023 and December 31, 2022, respectively. Pepco excludes cash of $124 million and $45 million as of March 31, 2023 and December 31, 2022, respectively, and restricted cash of $3 million and $3 million as of March 31, 2023 and December 31, 2022, respectively. DPL excludes cash of $142 million and $31 million as of March 31, 2023 and December 31, 2022, respectively. ACE excludes cash of $70 million and $71 million as of March 31, 2023 and December 31, 2022, respectively.

Reconciliation of Level 3 Assets and Liabilities

The following tables present the fair value reconciliation of Level 3 assets and liabilities measured at fair value on a recurring basis during the three months ended March 31, 2023 and 2022:

	Exelon	ComEd	PHI and Pepco
Three Months Ended March 31, 2023	Total	Mark-to-Market Derivatives	Life Insurance Contracts
Balance as of December 31, 2022	$ (44)	$ (84)	$ 40
Total realized / unrealized gains			
Included in net income[a]	1	—	1
Included in regulatory assets/liabilities	(14)	(14) [b]	—
Balance as of March 31, 2023	$ (57)	$ (98) [c]	$ 41
The amount of total gains included in income attributed to the change in unrealized gains related to assets and liabilities as of March 31, 2023	$ 1	$ —	$ 1

	Exelon	ComEd	PHI and Pepco
Three Months Ended March 31, 2022	Total	Mark-to-Market Derivatives	Life Insurance Contracts
Balance as of December 31, 2021	$ (182)	$ (219)	$ 35
Total realized / unrealized gains			
Included in net income[a]	1	—	1
Included in regulatory assets	75	75 [b]	—
Transfers out of Level 3	(1)	—	—
Balance as of March 31, 2022	$ (107)	$ (144)	$ 36
The amount of total gains included in income attributed to the change in unrealized gain related to assets and liabilities as of March 31, 2022	$ 1	$ —	$ 1

(a) Classified in Operating and maintenance expense in the Consolidated Statements of Operations and Comprehensive Income.
(b) Includes $25 million of decreases in fair value and an increase for realized gains due to settlements of $11 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the three months ended March 31, 2023. Includes $69 million of increases in fair value and an increase for realized losses due to settlements of $6 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the three months ended March 31, 2022.
(c) The balance consists of a current and noncurrent liability of $22 million and $76 million, respectively, as of March 31, 2023.

Valuation Techniques Used to Determine Fair Value

Exelon's valuation techniques used to measure the fair value of the assets and liabilities shown in the tables below are in accordance with the policies discussed in Note 17 — Fair Value of Financial Assets and Liabilities of the 2022 Form 10-K.

Mark-to-Market Derivatives (Exelon and ComEd)

The table below discloses the significant unobservable inputs to the forward curve used to value mark-to-market derivatives.

Type of trade	Fair Value as of March 31, 2023	Fair Value as of December 31, 2022	Valuation Technique	Unobservable Input	2023 Range & Arithmetic Average	2022 Range & Arithmetic Average
Mark-to-market derivatives	$ (98)	$ (84)	Discounted Cash Flow	Forward power price[a]	$22.49 - $83.26 $47.69	$34.78 - $75.71 $48.44

(a) An increase to the forward power price would increase the fair value.

12. Commitments and Contingencies (All Registrants)

The following is an update to the current status of commitments and contingencies set forth in Note 18 — Commitments and Contingencies of the 2022 Form 10-K.

Commitments

PHI Merger Commitments (Exelon, PHI, Pepco, DPL, and ACE). Approval of the PHI Merger in Delaware, New Jersey, Maryland, and the District of Columbia was conditioned upon Exelon and PHI agreeing to certain commitments. The following amounts represent total commitment costs that have been recorded since the acquisition date and the total remaining obligations for Exelon, PHI, Pepco, DPL, and ACE as of March 31, 2023:

Description	Exelon	PHI	Pepco	DPL	ACE
Total commitments	$ 513	$ 320	$ 120	$ 89	$ 111
Remaining commitments[a]	48	42	37	3	2

(a) Remaining commitments extend through 2026 and include rate credits, energy efficiency programs and delivery system modernization.

Commercial Commitments (All Registrants). The Registrants' commercial commitments as of March 31, 2023, representing commitments potentially triggered by future events were as follows:

		Expiration within					
	Total	2023	2024	2025	2026	2027	2028 and beyond
Exelon							
Letters of credit	$ 19	$ 17	$ 2	$ —	$ —	$ —	$ —
Surety bonds[(a)]	205	190	15	—	—	—	—
Financing trust guarantees	378	—	—	—	—	—	378
Guaranteed lease residual values[(b)]	29	—	5	6	5	4	9
Total commercial commitments	$ 631	$ 207	$ 22	$ 6	$ 5	$ 4	$ 387
ComEd							
Letters of credit	$ 12	$ 10	$ 2	$ —	$ —	$ —	$ —
Surety bonds[(a)]	47	42	5	—	—	—	—
Financing trust guarantees	200	—	—	—	—	—	200
Total commercial commitments	$ 259	$ 52	$ 7	$ —	$ —	$ —	$ 200
PECO							
Letters of credit	$ 1	$ 1	$ —	$ —	$ —	$ —	$ —
Surety bonds[(a)]	2	1	1	—	—	—	—
Financing trust guarantees	178	—	—	—	—	—	178
Total commercial commitments	$ 181	$ 2	$ 1	$ —	$ —	$ —	$ 178
BGE							
Letters of credit	$ 2	$ 2	$ —	$ —	$ —	$ —	$ —
Surety bonds[(a)]	3	2	1	—	—	—	—
Total commercial commitments	$ 5	$ 4	$ 1	$ —	$ —	$ —	$ —
PHI							
Surety bonds[(a)]	$ 95	$ 90	$ 5	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(b)]	29	—	5	6	5	4	9
Total commercial commitments	$ 124	$ 90	$ 10	$ 6	$ 5	$ 4	$ 9
Pepco							
Surety bonds[(a)]	$ 84	$ 84	$ —	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(b)]	10	—	2	2	2	1	3
Total commercial commitments	$ 94	$ 84	$ 2	$ 2	$ 2	$ 1	$ 3
DPL							
Surety bonds[(a)]	$ 6	$ 2	$ 4	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(b)]	12	—	2	2	2	2	4
Total commercial commitments	$ 18	$ 2	$ 6	$ 2	$ 2	$ 2	$ 4
ACE							
Surety bonds[(a)]	$ 5	$ 4	$ 1	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(b)]	7	—	1	2	1	1	2
Total commercial commitments	$ 12	$ 4	$ 2	$ 2	$ 1	$ 1	$ 2

(a) Surety bonds — Guarantees issued related to contract and commercial agreements, excluding bid bonds.

(b) Represents the maximum potential obligation in the event that the fair value of certain leased equipment and fleet vehicles is zero at the end of the maximum lease term. The lease term associated with these assets ranges from 1 to 9 years. The maximum potential obligation at the end of the minimum lease term would be $65 million guaranteed by Exelon and PHI, of which $21 million, $27 million, and $17 million is guaranteed by Pepco, DPL, and ACE, respectively. Historically, payments under the guarantees have not been made and PHI believes the likelihood of payments being required under the guarantees is remote.

Environmental Remediation Matters

General (All Registrants). The Registrants' operations have in the past, and may in the future, require substantial expenditures to comply with environmental laws. Additionally, under federal and state environmental laws, the Registrants are generally liable for the costs of remediating environmental contamination of property now or formerly owned by them and of property contaminated by hazardous substances generated by them. The Registrants own or lease a number of real estate parcels, including parcels on which their operations or the operations of others may have resulted in contamination by substances that are considered hazardous under environmental laws. In addition, the Registrants are currently involved in a number of proceedings relating to sites where hazardous substances have been deposited and may be subject to additional proceedings in the future. Unless otherwise disclosed, the Registrants cannot reasonably estimate whether they will incur significant liabilities for additional investigation and remediation costs at these or additional sites identified by the Registrants, environmental agencies or others, or whether such costs will be recoverable from third parties, including customers. Additional costs could have a material, unfavorable impact on the Registrants' financial statements.

MGP Sites (All Registrants). ComEd, PECO, BGE, and DPL have identified sites where former MGP or gas purification activities have or may have resulted in actual site contamination. For some sites, there are additional PRPs that may share responsibility for the ultimate remediation of each location.

- ComEd has 20 sites that are currently under some degree of active study and/or remediation. ComEd expects the majority of the remediation at these sites to continue through at least 2031.
- PECO has 6 sites that are currently under some degree of active study and/or remediation. PECO expects the majority of the remediation at these sites to continue through at least 2024.
- BGE has 4 sites that currently require some level of remediation and/or ongoing activity. BGE expects the majority of the remediation at these sites to continue through at least 2025.
- DPL has 1 site that is currently under study and the required cost at the site is not expected to be material.

The historical nature of the MGP and gas purification sites and the fact that many of the sites have been buried and built over, impacts the ability to determine a precise estimate of the ultimate costs prior to initial sampling and determination of the exact scope and method of remedial activity. Management determines its best estimate of remediation costs using all available information at the time of each study, including probabilistic and deterministic modeling for ComEd and PECO, and the remediation standards currently required by the applicable state environmental agency. Prior to completion of any significant clean up, each site remediation plan is approved by the appropriate state environmental agency.

ComEd, pursuant to an ICC order, and PECO, pursuant to a PAPUC order, are currently recovering environmental remediation costs of former MGP facility sites through customer rates. While BGE and DPL do not have riders for MGP clean-up costs, they have historically received recovery of actual clean-up costs in distribution rates.

As of March 31, 2023 and December 31, 2022, the Registrants had accrued the following undiscounted amounts for environmental liabilities in Accrued expenses, Other current liabilities, and Other deferred credits and other liabilities in their respective Consolidated Balance Sheets:

	March 31, 2023		December 31, 2022	
	Total environmental investigation and remediation liabilities	Portion of total related to MGP investigation and remediation	Total environmental investigation and remediation liabilities	Portion of total related to MGP investigation and remediation
Exelon	$ 421	$ 343	$ 409	$ 355
ComEd	313	312	325	324
PECO	25	23	25	23
BGE	9	8	9	8
PHI	70	—	46	—
Pepco	68	—	44	—
DPL	1	—	1	—
ACE	1	—	1	—

Benning Road Site (Exelon, PHI, and Pepco). In September 2010, PHI received a letter from EPA identifying the Benning Road site as one of six land-based sites potentially contributing to contamination of the lower Anacostia River. A portion of the site, which is owned by Pepco, was formerly the location of an electric generating facility owned by Pepco subsidiary, Pepco Energy Services (PES), which became a part of Generation, following the 2016 merger between PHI and Exelon. This generating facility was deactivated in June 2012. The remaining portion of the site consists of a Pepco transmission and distribution service center that remains in operation. In December 2011, the U.S. District Court for the District of Columbia approved a Consent Decree entered into by Pepco and Pepco Energy Services (hereinafter "Pepco Entities") with the DOEE, which requires the Pepco Entities to conduct a Remedial Investigation and Feasibility Study (RI/FS) for the Benning Road site and an approximately 10 to 15-acre portion of the adjacent Anacostia River. The purpose of this RI/FS is to define the nature and extent of contamination from the Benning Road site and to evaluate remedial alternatives.

Pursuant to an internal agreement between the Pepco Entities, since 2013, Pepco has performed the work required by the Consent Decree and has been reimbursed for that work by an agreed upon allocation of costs between the Pepco Entities. In September 2019, the Pepco Entities issued a draft “final” RI report which DOEE approved on February 3, 2020. The Pepco Entities are completing a FS to evaluate possible remedial alternatives for submission to DOEE. In October 2022, DOEE approved dividing the work to complete the landside portion of the FS from the waterside portion to expedite the overall schedule for completion of the project. After completion and approval of the landside FS, now scheduled for September 2023, DOEE will prepare a Proposed Plan for public comment and then issue a Record of Decision (ROD) identifying any further response actions determined to be necessary to address any landside issues. The DOEE will issue a separate ROD for the waterside FS when that work is completed which is now anticipated to be by March 31, 2024.

As part of the separation between Exelon and Constellation in February 2022, the internal agreement between the Pepco Entities for completion and payment for the remaining Consent Decree work was memorialized in a formal agreement for post-separation activities. A second post-separation assumption agreement between Exelon and Constellation transferred any of the potential remaining remediation liability, if any, of PES/Generation to a non-utility subsidiary of Exelon which going forward will be responsible for those liabilities. Exelon, PHI, and Pepco have determined that a loss associated with this matter is probable and have accrued an estimated liability, which is included in the table above.

Anacostia River Tidal Reach (Exelon, PHI, and Pepco). Contemporaneous with the Benning Road site RI/FS being performed by the Pepco Entities, DOEE and NPS have been conducting a separate RI/FS focused on the entire tidal reach of the Anacostia River extending from just north of the Maryland-District of Columbia boundary line to the confluence of the Anacostia and Potomac Rivers. The river-wide RI incorporated the results of the river sampling performed by the Pepco Entities as part of the Benning RI/FS, as well as similar sampling efforts conducted by owners of other sites adjacent to this segment of the river and supplemental river sampling conducted by DOEE’s contractor.

On September 30, 2020, DOEE released its Interim ROD. The Interim ROD reflects an adaptive management approach which will require several identified “hot spots” in the river to be addressed first while continuing to conduct studies and to monitor the river to evaluate improvements and determine potential future remediation plans. The adaptive management process chosen by DOEE is less intrusive, provides more long-term environmental certainty, is less costly, and allows for site specific remediation plans already underway, including the plan for the Benning Road site to proceed to conclusion.

On July 15, 2022, Pepco received a letter from the District of Columbia's Office of the Attorney General (D.C. OAG) on behalf of DOEE conveying a settlement offer to resolve all PRPs' liability to the District of Columbia (District) for their past costs and their anticipated future costs to complete the work for the Interim ROD. Pepco responded on July 27, 2022 to enter into settlement discussions. Since that time Exelon and the other PRPs at the site have exchanged letters with the D.C. OAG exploring potential settlement options. Those discussions are ongoing. Exelon, PHI, and Pepco have determined that it is probable that costs for remediation will be incurred and have accrued a liability for management's best estimate of its share of the costs. Pepco concluded that incremental exposure remains reasonably possible, but management cannot reasonably estimate a range of loss beyond the amounts recorded, which are included in the table above.

In addition to the activities associated with the remedial process outlined above, CERCLA separately requires federal and state (here including Washington, D.C.) Natural Resource Trustees (federal or state agencies designated by the President or the relevant state, respectively, or Indian tribes) to conduct an assessment of any damages to natural resources within their jurisdiction as a result of the contamination that is being remediated. The Trustees can seek compensation from responsible parties for such damages, including restoration costs. During the second quarter of 2018, Pepco became aware that the Trustees are in the beginning stages of a NRD assessment, a process that often takes many years beyond the remedial decision to complete. Pepco has entered into negotiations with the Trustees to evaluate possible incorporation of NRD assessment and restoration as part of its remedial activities associated with the Benning site to accelerate the NRD benefits for that portion of the Anacostia River Sediment Project (ARSP) assessment. Pepco has concluded that a loss associated with the eventual NRD assessment is reasonably possible. Due to the very early stage of the assessment process, Pepco cannot reasonably estimate the final range of loss potentially resulting from this process.

As noted in the Benning Road Site disclosure above, as part of the separation of Exelon and Constellation in February 2022, an assumption agreement was executed transferring any potential future remediation liabilities associated with the Benning Site remediation to a non-utility subsidiary of Exelon. Similarly, any potential future liability associated with the ARSP was also assumed by this entity.

Buzzard Point Site (Exelon, PHI, and Pepco). On December 8, 2022, Pepco received a letter from the D.C. OAG, alleging wholly past violations of the District's stormwater discharge and waste disposal requirements related to operations at the Buzzard Point facility, a 9-acre parcel of waterfront property in Washington, D.C. occupied by an active substation and former steam plant building. The letter also alleged wholly past violations by Pepco of stormwater discharge requirements related to its district-wide system of underground vaults. The D.C. OAG invited Pepco to resolve the threatened enforcement action through a court-approved consent decree, and Pepco is engaged in discussions with the D.C. OAG regarding a potential resolution. Exelon, PHI, and Pepco have determined that a loss associated with this matter is probable and have accrued an estimated liability. Pepco concluded that incremental exposure is reasonably possible, but the range of loss cannot be reasonably estimated beyond the amounts included in the table above.

Litigation and Regulatory Matters

DPA and Related Matters (Exelon and ComEd). Exelon and ComEd received a grand jury subpoena in the second quarter of 2019 from the U.S. Attorney’s Office for the Northern District of Illinois (USAO) requiring production of information concerning their lobbying activities in the State of Illinois. On October 4, 2019, Exelon and ComEd received a second grand jury subpoena from the USAO requiring production of records of any communications with certain individuals and entities. On October 22, 2019, the SEC notified Exelon and ComEd that it had also opened an investigation into their lobbying activities. On July 17, 2020, ComEd entered into a DPA with the USAO to resolve the USAO investigation. Under the DPA, the USAO filed a single charge alleging that ComEd improperly gave and offered to give jobs, vendor subcontracts, and payments associated with those jobs and subcontracts for the benefit of the former Speaker of the Illinois House of Representatives and the Speaker’s associates, with the intent to influence the Speaker’s action regarding legislation affecting ComEd’s

interests. The DPA provides that the USAO will defer any prosecution of such charge and any other criminal or civil case against ComEd in connection with the matters identified therein for a three-year period subject to certain obligations of ComEd, including payment to the U.S. Treasury of $200 million, which was paid in November 2020. Exelon was not made a party to the DPA, and therefore the investigation by the USAO into Exelon's activities ended with no charges being brought against Exelon. The SEC's investigation remains ongoing and Exelon and ComEd have cooperated fully and intend to continue to cooperate fully with the SEC. Exelon and ComEd cannot predict the outcome of the SEC investigation. No loss contingency has been reflected in Exelon's and ComEd's consolidated financial statements with respect to the SEC investigation, as this contingency is neither probable nor reasonably estimable at this time.

Subsequent to Exelon announcing the receipt of the subpoenas, various lawsuits were filed, and various demand letters were received related to the subject of the subpoenas, the conduct described in the DPA and the SEC's investigation, including:

- Four putative class action lawsuits against ComEd and Exelon were filed in federal court on behalf of ComEd customers in the third quarter of 2020 alleging, among other things, civil violations of federal racketeering laws. In addition, the Citizens Utility Board (CUB) filed a motion to intervene in these cases on October 22, 2020 which was granted on December 23, 2020. On September 9, 2021, the federal court granted Exelon's and ComEd's motion to dismiss and dismissed the plaintiffs' and CUB's federal law claim with prejudice. The federal court also dismissed the related state law claims made by the federal plaintiffs and CUB on jurisdictional grounds. Plaintiffs appealed dismissal of the federal law claim to the Seventh Circuit Court of Appeals. Plaintiffs and CUB also refiled their state law claims in state court and moved to consolidate them with the already pending consumer state court class action, discussed below. On August 22, 2022, the Seventh Circuit affirmed the dismissal of the consolidated federal cases in their entirety. The time to further appeal has passed and the Seventh Circuit's decision is final.

- Three putative class action lawsuits against ComEd and Exelon were filed in Illinois state court in the third quarter of 2020 seeking restitution and compensatory damages on behalf of ComEd customers. The cases were consolidated into a single action in October of 2020. In November 2020, CUB filed a motion to intervene in the cases pursuant to an Illinois statute allowing CUB to intervene as a party or otherwise participate on behalf of utility consumers in any proceeding which affects the interest of utility consumers. On November 23, 2020, the court allowed CUB's intervention, but denied CUB's request to stay these cases. Plaintiffs subsequently filed a consolidated complaint, and ComEd and Exelon filed a motion to dismiss on jurisdictional and substantive grounds on January 11, 2021. Briefing on that motion was completed on March 2, 2021. The parties agreed, on March 25, 2021, along with the federal court plaintiffs discussed above, to jointly engage in mediation. The parties participated in a one-day mediation on June 7, 2021 but no settlement was reached. On December 23, 2021, the state court granted ComEd and Exelon's motion to dismiss with prejudice. On December 30, 2021, plaintiffs filed a motion to reconsider that dismissal and for permission to amend their complaint. The court denied the plaintiffs' motion on January 21, 2022. Plaintiffs have appealed the court's ruling dismissing their complaint to the First District Court of Appeals. On February 15, 2022, Exelon and ComEd moved to dismiss the federal plaintiffs' refiled state law claims, seeking dismissal on the same legal grounds asserted in their motion to dismiss the original state court plaintiffs' complaint. The court granted dismissal of the refiled state claims on February 16, 2022. The original federal plaintiffs appealed that dismissal on February 18, 2022. The two state appeals were consolidated on March 21, 2022. The appellate briefing is complete and the parties are awaiting oral argument and/or a decision.

- On November 3, 2022, a plaintiff filed a putative class action complaint in Lake County, Illinois Circuit Court against ComEd and Exelon for unjust enrichment and deceptive business practices in connection with the conduct giving rise to the DPA. Plaintiff seeks an accounting and disgorgement of any benefits ComEd allegedly obtained from said conduct. Plaintiff served initial discovery requests on ComEd in December 2022, to which ComEd has responded. ComEd and Exelon filed a motion to dismiss the Complaint on February 3, 2023. The parties fully briefed the motion, and on April 21, 2023, the court heard oral argument on the motion. The court expects to issue its ruling on the motion to dismiss on or before June 9, 2023.

- A putative class action lawsuit against Exelon and certain officers of Exelon and ComEd was filed in federal court in December 2019 alleging misrepresentations and omissions in Exelon's SEC filings

related to ComEd's lobbying activities and the related investigations. The complaint was amended on September 16, 2020, to dismiss two of the original defendants and add other defendants, including ComEd. Defendants filed a motion to dismiss in November 2020. The court denied the motion in April 2021. On May 26, 2021, defendants moved the court to certify its order denying the motion to dismiss for interlocutory appeal. Briefing on the motion was completed in June 2021. That motion was denied on January 28, 2022. In May 2021, the parties each filed respective initial discovery disclosures. On June 9, 2021, defendants filed their answer and affirmative defenses to the complaint and the parties engaged thereafter in discovery. On September 9, 2021, the U.S. government moved to intervene in the lawsuit and stay discovery until the parties entered into an amendment to their protective order that would prohibit the parties from requesting discovery into certain matters, including communications with the U.S. government. The court ordered said amendment to the protective order on November 15, 2021 and discovery resumed. The court further amended the protective order on October 17, 2022 and extended it until May 15, 2023. The next court status is set for June 27, 2023. Based on recent developments, management has determined that a probable loss exists for this matter in the amount of $173 million. Management anticipates that such loss would be fully covered by insurance. The probable loss and the expected insurance recovery are reflected in Exelon's Consolidated Balance Sheets within Accrued expenses and Other accounts receivable, respectively.

- Several shareholders have sent letters to the Exelon Board of Directors since 2020 demanding, among other things, that the Exelon Board of Directors investigate and address alleged breaches of fiduciary duties and other alleged violations by Exelon and ComEd officers and directors related to the conduct described in the DPA. In the first quarter of 2021, the Exelon Board of Directors appointed a Special Litigation Committee (SLC) consisting of disinterested and independent parties to investigate and address these shareholders' allegations and make recommendations to the Exelon Board of Directors based on the outcome of the SLC's investigation. In July 2021, one of the demand letter shareholders filed a derivative action against current and former Exelon and ComEd officers and directors, and against Exelon, as nominal defendant, asserting the same claims made in its demand letter. On October 12, 2021, the parties to the derivative action filed an agreed motion to stay that litigation for 120 days in order to allow the SLC to continue its investigation, which the court granted. The stay has been extended several times. On March 27, 2023, the court issued an order further extending the stay until June 9, 2023, with a status report due by May 31, 2023. The parties participated in a mediation in February 2023 and efforts to resolve the matter remain ongoing. On April 26 and May 1, 2023, two additional demand letter shareholders each filed a separate derivative lawsuit against current and former Exelon and ComEd officers and directors, and certain third parties, and against Exelon as nominal defendant, asserting claims similar to those made in their respective demand letters.

- Several shareholders have sent requests seeking review of certain Exelon books and records since August 2021. Exelon has responded to each request.

Except as noted above, no loss contingencies have been reflected in Exelon's and ComEd's consolidated financial statements with respect to these matters, as such contingencies are neither probable nor reasonably estimable at this time.

In August 2022, the ICC concluded its investigation initiated on August 12, 2021 into rate impacts of conduct admitted in the DPA, including the costs recovered from customers related to the DPA and Exelon's funding of the fine paid by ComEd. On August 17, 2022, the ICC issued its final order accepting ComEd's voluntary customer refund offer of approximately $38 million (of which about $31 million is ICC jurisdictional; the remaining balance is FERC jurisdictional) that resolves the question of whether customer funds were used for DPA related activities. The customer refund includes the cost of every individual or entity that was either (i) identified in the DPA or (ii) identified by ComEd as an associate of the former Speaker of the Illinois House of Representatives in the ICC proceeding. The ICC rejected an argument by the Illinois Attorney General, City of Chicago, and CUB that a costly permanent adjustment also needed to be made to ComEd's ratemaking capital structure on account of Exelon having funded ComEd's payment of the DPA fine with an equity infusion. On October 6, the ICC denied the application for rehearing filed by the Illinois Attorney General, City of Chicago, and CUB that specifically focused on their capital structure argument. The window to file an appeal on the ICC final order has expired and the ICC's DPA investigation is now closed. An accrual for the amount of the customer refund has been recorded in Regulatory liabilities and Regulatory assets in Exelon's and ComEd's Consolidated Balance Sheets as of March 31, 2023. The ICC jurisdictional refund is being made to customers during the April 2023 billing cycle, as required by the ICC. The FERC jurisdictional refund will be made as part of the next transmission formula rate

update proceeding in 2023. The customer refund will not be recovered in rates or charged to customers and ComEd will not seek or accept reimbursement or indemnification from any source other than Exelon.

Savings Plan Claim (Exelon). On December 6, 2021, seven current and former employees filed a putative ERISA class action suit in U.S. District Court for the Northern District of Illinois against Exelon, its Board of Directors, the former Board Investment Oversight Committee, the Corporate Investment Committee, individual defendants, and other unnamed fiduciaries of the Exelon Corporation Employee Savings Plan (Plan). The complaint alleges that the defendants violated their fiduciary duties under the Plan by including certain investment options that allegedly were more expensive than and underperformed similar passively-managed or other funds available in the marketplace and permitting a third-party administrative service provider/recordkeeper and an investment adviser to charge excessive fees for the services provided. The plaintiffs seek declaratory, equitable and monetary relief on behalf of the Plan and participants. On February 16, 2022, the court granted the parties' stipulated dismissal of the individual named defendants without prejudice. The remaining defendants filed a motion to dismiss the complaint on February 25, 2022. On March 4, 2022, the Chamber of Commerce filed a brief of amicus curiae in support of the defendants' motion to dismiss. On September 22, 2022, the court granted Exelon's motion to dismiss without prejudice. The court granted plaintiffs leave until October 31, 2022 to file an amended complaint, which was later extended to November 30, 2022. Plaintiffs filed their amended complaint on November 30, 2022. Defendants filed their motion to dismiss the amended complaint on January 20, 2023. Briefing on the motion to dismiss is now complete and the parties await a ruling. No loss contingencies have been reflected in Exelon's consolidated financial statements with respect to this matter, as such contingencies are neither probable nor reasonably estimable at this time.

General (All Registrants). The Registrants are involved in various other litigation matters that are being defended and handled in the ordinary course of business. The Registrants are also from time to time subject to audits and investigations by the FERC and other regulators. The assessment of whether a loss is probable or reasonably possible, and whether the loss or a range of loss is estimable, often involves a series of complex judgments about future events. The Registrants maintain accruals for such losses that are probable of being incurred and subject to reasonable estimation. Management is sometimes unable to estimate an amount or range of reasonably possible loss, particularly where (1) the damages sought are indeterminate, (2) the proceedings are in the early stages, or (3) the matters involve novel or unsettled legal theories. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution of such matters, including a possible eventual loss.

13. Shareholders' Equity (Exelon)

At-the-Market (ATM) Program

On August 4, 2022, Exelon executed an equity distribution agreement ("Equity Distribution Agreement"), with certain sales agents and forward sellers and certain forward purchasers, establishing an ATM equity distribution program under which it may offer and sell shares of its Common Stock, having an aggregate gross sales price of up to $1.0 billion. Exelon has no obligation to offer or sell any shares of Common Stock under the Equity Distribution Agreement and may, at any time, suspend or terminate offers and sales under the Equity Distribution Agreement. As of March 31, 2023, Exelon has not issued any shares of Common Stock under the ATM program and has not entered into any forward sale agreements.

14. Changes in Accumulated Other Comprehensive Income (Loss) (Exelon)

The following tables present changes in Exelon's AOCI, net of tax, by component:

Three Months Ended March 31, 2023	Cash Flow Hedges	Pension and Non-Pension Postretirement Benefit Plan Items[a]	Foreign Currency Items	Total
Balance as of December 31, 2022	$ 2	$ (640)	$ —	$ (638)
OCI before reclassifications	6	(10)	—	(4)
Amounts reclassified from AOCI	—	3	—	3
Net current-period OCI	6	(7)	—	(1)
Balance as of March 31, 2023	$ 8	$ (647)	$ —	$ (639)

Note 14 — Changes in Accumulated Other Comprehensive Income

Three Months Ended March 31, 2022	Cash Flow Hedges	Pension and Non-Pension Postretirement Benefit Plan Items[a]	Foreign Currency Items	Total
Balance as of December 31, 2021	$ (6)	$ (2,721)	$ (23)	$ (2,750)
Separation of Constellation	6	1,994	23	2,023
Amounts reclassified from AOCI	—	14	—	14
Net current-period OCI	—	14	—	14
Balance as of March 31, 2022	$ —	$ (713)	$ —	$ (713)

(a) This AOCI component is included in the computation of net periodic pension and OPEB cost. Additionally, as of February 1, 2022, in connection with the separation, Exelon's pension and OPEB plans were remeasured. See Note 14 — Retirement Benefits of the 2022 Form 10-K and Note 8 — Retirement Benefits for additional information. See Exelon's Statements of Operations and Comprehensive Income for individual components of AOCI.

The following table presents Income tax benefit (expense) allocated to each component of Exelon's Other comprehensive income (loss):

	Three Months Ended March 31,	
	2023	2022
Pension and non-pension postretirement benefit plans:		
Actuarial loss reclassified to periodic benefit cost	$ (1)	$ (5)
Pension and non-pension postretirement benefit plans valuation adjustment	3	—
Unrealized gain on cash flow hedges	(1)	—

15. Supplemental Financial Information (All Registrants)

Supplemental Statement of Operations Information

The following tables provide additional information about material items recorded in the Registrants' Consolidated Statements of Operations and Comprehensive Income:

	Taxes other than income taxes							
Three Months Ended March 31, 2023	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Utility taxes[a]	$ 220	$ 74	$ 40	$ 29	$ 77	$ 68	$ 8	$ 1
Property	99	10	4	50	35	24	11	—
Payroll	32	7	5	5	7	2	1	1
Three Months Ended March 31, 2022								
Utility taxes[a]	$ 221	$ 78	$ 38	$ 27	$ 78	$ 70	$ 7	$ 1
Property	94	10	4	46	34	23	10	1
Payroll	37	7	4	4	7	2	1	1

(a) The Registrants' utility taxes represent municipal and state utility taxes and gross receipts taxes related to their operating revenues. The offsetting collection of utility taxes from customers is recorded in revenues in the Registrants' Consolidated Statements of Operations and Comprehensive Income.

	Other, Net							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Three Months Ended March 31, 2023								
AFUDC — Equity	$ 38	$ 10	$ 6	$ 3	$ 19	$ 14	$ 2	$ 3
Non-service net periodic benefit cost	(1)	—	—	—	—	—	—	—
Three Months Ended March 31, 2022								
AFUDC — Equity	$ 36	$ 8	$ 7	$ 6	$ 15	$ 11	$ 2	$ 2
Non-service net periodic benefit cost	17	—	—	—	—	—	—	—

Supplemental Cash Flow Information

The following tables provide additional information about material items recorded in the Registrants' Consolidated Statements of Cash Flows.

	Depreciation, amortization, and accretion							
	Exelon[a]	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Three Months Ended March 31, 2023								
Property, plant, and equipment[b]	$ 680	$ 267	$ 95	$ 124	$ 180	$ 76	$ 51	$ 47
Amortization of regulatory assets[b]	178	71	3	43	61	32	9	20
Amortization of intangible assets, net[b]	2	—	—	—	—	—	—	—
Total depreciation and amortization	$ 860	$ 338	$ 98	$ 167	$ 241	$ 108	$ 60	$ 67
Three Months Ended March 31, 2022								
Property, plant, and equipment[b]	$ 726	$ 254	$ 88	$ 117	$ 164	$ 72	$ 45	$ 41
Amortization of regulatory assets[b]	179	67	4	54	54	36	12	6
Amortization of intangible assets, net[b]	6	—	—	—	—	—	—	—
Amortization of energy contract assets and liabilities[c]	3	—	—	—	—	—	—	—
Nuclear fuel[d]	66	—	—	—	—	—	—	—
ARO accretion[e]	44	—	—	—	—	—	—	—
Total depreciation, amortization, and accretion	$ 1,024	$ 321	$ 92	$ 171	$ 218	$ 108	$ 57	$ 47

(a) Exelon's 2022 amounts include amounts related to Generation prior to the separation. See Note 2 — Discontinued Operations for additional information.
(b) Included in Depreciation and amortization in the Registrants' Consolidated Statements of Operations and Comprehensive Income.
(c) Included in Electric operating revenues or Purchased power expense in Exelon's Consolidated Statements of Operations and Comprehensive Income.
(d) Included in Purchased fuel expense in Exelon's Consolidated Statement of Operations and Comprehensive Income.
(e) Included in Operating and maintenance expense in Exelon's Consolidated Statement of Operations and Comprehensive Income.

	Other non-cash operating activities							
	Exelon[a]	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Three Months Ended March 31, 2023								
Pension and OPEB costs (benefit)	$ 45	$ 6	$ (3)	$ 14	$ 24	$ 8	$ 4	$ 4
Allowance for credit losses	70	—	37	18	15	7	5	3
True-up adjustments to decoupling mechanisms and formula rates[b]	(282)	(153)	4	(65)	(68)	(39)	(11)	(18)
Long-term incentive plan	2	—	—	—	—	—	—	—
Amortization of operating ROU asset	10	1	—	1	7	1	2	1
Change in environmental liabilities	25	—	—	—	25	25	—	—
AFUDC — Equity	(38)	(10)	(6)	(3)	(19)	(14)	(2)	(3)
Three Months Ended March 31, 2022								
Pension and OPEB costs (benefit)	$ 44	$ 16	$ (2)	$ 12	$ 13	$ 2	$ 1	$ 3
Allowance for credit losses	78	17	27	18	18	9	6	3
Other decommissioning-related activity	36	—	—	—	—	—	—	—
Energy-related options	60	—	—	—	—	—	—	—
True-up adjustments to decoupling mechanisms and formula rates[b]	(29)	(40)	(6)	12	5	7	1	(3)
Long-term incentive plan	25	—	—	—	—	—	—	—
Amortization of operating ROU asset	23	1	—	7	7	2	2	1
AFUDC — Equity	(36)	(8)	(7)	(6)	(15)	(11)	(2)	(2)

(a) Exelon's 2022 amounts include amounts related to Generation prior to the separation. See Note 2 — Discontinued Operations for additional information.
(b) For ComEd, reflects the true-up adjustments in regulatory assets and liabilities associated with its distribution, energy efficiency, distributed generation, and transmission formula rates. For PECO, reflects the change in regulatory assets and liabilities associated with its transmission formula rates. For BGE, Pepco, DPL, and ACE, reflects the change in regulatory assets and liabilities associated with their decoupling mechanisms and transmission formula rates. See Note 3 — Regulatory Matters of the 2022 Form 10-K for additional information.

The following tables provide a reconciliation of cash, cash equivalents, and restricted cash reported within the Registrants' Consolidated Balance Sheets that sum to the total of the same amounts in their Consolidated Statements of Cash Flows.

	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
March 31, 2023								
Cash and cash equivalents	$ 522	$ 75	$ 27	$ 20	$ 367	$ 126	$ 142	$ 71
Restricted cash and cash equivalents	381	323	9	1	29	27	1	—
Restricted cash included in other deferred debits and other assets	180	180	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,083	$ 578	$ 36	$ 21	$ 396	$ 153	$ 143	$ 71
December 31, 2022								
Cash and cash equivalents	$ 407	$ 67	$ 59	$ 43	$ 198	$ 45	$ 31	$ 72
Restricted cash and cash equivalents	566	327	9	24	175	54	121	—
Restricted cash included in other deferred debits and other assets	117	117	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,090	$ 511	$ 68	$ 67	$ 373	$ 99	$ 152	$ 72
March 31, 2022								
Cash and cash equivalents	$ 2,476	$ 343	$ 26	$ 41	$ 796	$ 502	$ 120	$ 168
Restricted cash and cash equivalents	430	246	8	34	106	34	73	—
Restricted cash included in other deferred debits and other assets	92	92	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 2,998	$ 681	$ 34	$ 75	$ 902	$ 536	$ 193	$ 168
December 31, 2021								
Cash and cash equivalents	$ 672	$ 131	$ 36	$ 51	$ 136	$ 34	$ 28	$ 29
Restricted cash and cash equivalents	321	210	8	4	77	34	43	—
Restricted cash included in other deferred debits and other assets	44	43	—	—	—	—	—	—
Cash, restricted cash, and cash equivalents from discontinued operations	582	—	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,619	$ 384	$ 44	$ 55	$ 213	$ 68	$ 71	$ 29

For additional information on restricted cash see Note 1 — Significant Accounting Policies of the 2022 Form 10-K.

Supplemental Balance Sheet Information

The following table provides additional information about material items recorded in the Registrants' Consolidated Balance Sheets.

	Accrued expenses							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
March 31, 2023								
Compensation-related accruals[a]	$ 359	$ 107	$ 43	$ 42	$ 59	$ 18	$ 11	$ 10
Taxes accrued	214	102	3	83	94	67	14	16
Interest accrued	373	78	44	45	75	35	22	16
December 31, 2022								
Compensation-related accruals[a]	$ 613	$ 179	$ 81	$ 79	$ 104	$ 29	$ 20	$ 16
Taxes accrued	211	92	10	34	70	52	8	12
Interest accrued	338	124	47	42	61	32	9	14

(a) Primarily includes accrued payroll, bonuses and other incentives, vacation, and benefits.

16. Related Party Transactions (All Registrants)

Utility Registrants' expense with Generation

The Utility Registrants incurred expenses from transactions with the Generation affiliate as described in the footnotes to the table below prior to separation on February 1, 2022. Such expenses were primarily recorded as Purchased power from affiliate and an immaterial amount recorded as Operating and maintenance expense from affiliates at the Utility Registrants. Effective February 1, 2022, Generation is no longer considered a related party.

	Three Months Ended March 31,
	2022
ComEd[a]	$ 59
PECO[b]	33
BGE[c]	18
PHI	51
Pepco[d]	39
DPL[e]	10
ACE[f]	2

(a) ComEd had an ICC-approved RFP contract with Generation to provide a portion of ComEd's electric supply requirements. ComEd also purchased RECs and ZECs from Generation.
(b) PECO received electric supply from Generation under contracts executed through PECO's competitive procurement process. In addition, PECO had a ten-year agreement with Generation to sell solar AECs.
(c) BGE received a portion of its energy requirements from Generation under its MDPSC-approved market-based SOS and gas commodity programs.
(d) Pepco received electric supply from Generation under contracts executed through Pepco's competitive procurement process approved by the MDPSC and DCPSC.
(e) DPL received a portion of its energy requirements from Generation under its MDPSC and DEPSC approved market-based SOS commodity programs.
(f) ACE received electric supply from Generation under contracts executed through ACE's competitive procurement process approved by the NJBPU.

Service Company Costs for Corporate Support

The Registrants receive a variety of corporate support services from BSC. Pepco, DPL, and ACE also receive corporate support services from PHISCO. See Note 1 — Significant Accounting Policies for additional information regarding BSC and PHISCO.

The following table presents the service company costs allocated to the Registrants:

	Operating and maintenance from affiliates		Capitalized costs	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2023	2022	2023	2022
Exelon				
BSC			$ 175	$ 205
PHISCO			24	19
ComEd				
BSC	$ 83	$ 85	81	85
PECO				
BSC	51	49	30	36
BGE				
BSC	54	51	24	38
PHI				
BSC	42	50	40	46
PHISCO	—	—	24	19
Pepco				
BSC	27	29	14	17
PHISCO	30	29	11	8
DPL				
BSC	17	18	10	14
PHISCO	24	24	7	6
ACE				
BSC	14	15	14	15
PHISCO	22	21	6	5

Current Receivables from/Payables to affiliates

The following tables present current Receivables from affiliates and current Payables to affiliates:

March 31, 2023

	Receivables from affiliates:									
Payables to affiliates:	**ComEd**	**PECO**	**BGE**	**Pepco**	**DPL**	**ACE**	**BSC**	**PHISCO**	**Other**	**Total**
ComEd		$ —	$ —	$ —	$ —	$ —	$ 78	$ —	$ 6	$ 84
PECO	$ —		—	—	—	1	39	—	8	48
BGE	—	—		—	—	—	35	—	2	37
PHI	—	—	—	—	—	—	7	—	10	17
Pepco	—	—	—		—	—	22	15	1	38
DPL	—	1	—	—		—	13	12	—	26
ACE	—	1	—	1	—		13	11	—	26
Other	3	—	—	—	—	1	—	1		5
Total	$ 3	$ 2	$ —	$ 1	$ —	$ 2	$ 207	$ 39	$ 27	$ 281

December 31, 2022

	Receivables from affiliates:									
Payables to affiliates:	**ComEd**	**PECO**	**BGE**	**Pepco**	**DPL**	**ACE**	**BSC**	**PHISCO**	**Other**	**Total**
ComEd		$ —	$ —	$ —	$ —	$ —	$ 66	$ —	$ 8	$ 74
PECO	$ —		—	—	—	—	39	—	3	42
BGE	—	—		—	—	—	38	—	1	39
PHI	—	—	—	—	—	—	4	—	10	14
Pepco	—	—	—		—	—	20	13	1	34
DPL	—	2	—	—		—	12	8	—	22
ACE	—	2	—	—	—		14	9	1	26
Other	3	—	—	—	—	1	—	—		4
Total	$ 3	$ 4	$ —	$ —	$ —	$ 1	$ 193	$ 30	$ 24	$ 255

Borrowings from Exelon/PHI intercompany money pool

To provide an additional short-term borrowing option that will generally be more favorable to the borrowing participants than the cost of external financing both Exelon and PHI operate an intercompany money pool. PECO and PHI Corporate participate in the Exelon intercompany money pool. Pepco, DPL, and ACE participate in the PHI intercompany money pool.

Long-term debt to financing trusts

The following table presents Long-term debt to financing trusts:

	March 31, 2023			December 31, 2022		
	Exelon	**ComEd**	**PECO**	**Exelon**	**ComEd**	**PECO**
ComEd Financing III	$ 206	$ 205	$ —	$ 206	$ 205	$ —
PECO Trust III	81	—	81	81	—	81
PECO Trust IV	103	—	103	103	—	103
Total	$ 390	$ 205	$ 184	$ 390	$ 205	$ 184

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars in millions except per share data, unless otherwise noted)

Exelon

Executive Overview

Exelon is a utility services holding company engaged in the energy transmission and distribution businesses through ComEd, PECO, BGE, Pepco, DPL, and ACE.

Exelon has six reportable segments consisting of ComEd, PECO, BGE, Pepco, DPL, and ACE. See Note 1 — Significant Accounting Policies and Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for additional information regarding Exelon's principal subsidiaries and reportable segments.

Exelon's consolidated financial information includes the results of its seven separate operating subsidiary registrants, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE, which, along with Exelon, are collectively referred to as the Registrants. The following combined Management's Discussion and Analysis of Financial Condition and Results of Operations is separately filed by Exelon, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE. However, none of the Registrants makes any representation as to information related solely to any of the other Registrants.

Financial Results of Operations

GAAP Results of Operations. The following table sets forth Exelon's GAAP consolidated Net income attributable to common shareholders from continuing operations and the Utility Registrants' Net income for the three months ended March 31, 2023 compared to the same period in 2022. For additional information regarding the financial results for the three months ended March 31, 2023 and 2022 see the discussions of Results of Operations by Registrant.

	Three Months Ended March 31,		
	2023	2022	Favorable (Unfavorable) Variance
Exelon	$ 669	$ 481	$ 188
ComEd	241	188	53
PECO	166	206	(40)
BGE	200	198	2
PHI	155	130	25
Pepco	65	46	19
DPL	60	56	4
ACE	33	26	7
Other[(a)]	(93)	(241)	148

(a) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities, and other financing and investment activities.

The separation of Constellation, including Generation and its subsidiaries, meets the criteria for discontinued operations and as such, Generation's results of operations are presented as discontinued operations and have been excluded from Exelon's continuing operations for the three months ended March 31, 2022 presented in the table above. See Note 1 — Significant Accounting Policies and Note 2 — Discontinued Operations for additional information.

Accounting rules require that certain BSC costs previously allocated to Generation be presented as part of Exelon's continuing operations as these costs do not qualify as expenses of the discontinued operations. Such costs are included in Other in the table above and were $28 million on a pre-tax basis, for the three months ended March 31, 2022.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net income attributable to common shareholders from continuing operations** increased by $188 million and diluted earnings per average common share from continuing operations increased to $0.67 in 2023 from $0.49 in 2022 primarily due to:

- Higher electric distribution formula rate earnings from higher allowed ROE due to an increase in U.S. treasury rates and impacts of higher rate base at ComEd;
- The favorable impacts of rate increases at PECO, BGE, and PHI;
- Lower BSC costs presented in Exelon's continuing operations, which were previously allocated to Generation but did not qualify as discontinued operation expenses per the accounting rules; and
- Carrying costs related to the CMC regulatory assets at ComEd.

The increases were partially offset by:

- Unfavorable weather at PECO and PHI;
- Higher interest expense at BGE and Exelon Corporate;
- An increase in environmental liabilities at Pepco;
- Higher depreciation expense at PECO; and
- Higher credit loss expense at PECO.

Adjusted (non-GAAP) Operating Earnings. In addition to Net income, Exelon evaluates its operating performance using the measure of Adjusted (non-GAAP) operating earnings because management believes it represents earnings directly related to the ongoing operations of the business. Adjusted (non-GAAP) operating earnings exclude certain costs, expenses, gains and losses, and other specified items. This information is intended to enhance an investor's overall understanding of year-to-year operating results and provide an indication of Exelon's baseline operating performance excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this information is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets, and planning and forecasting of future periods. Adjusted (non-GAAP) operating earnings is not a presentation defined under GAAP and may not be comparable to other companies' presentations or deemed more useful than the GAAP information provided elsewhere in this report.

The following tables provide a reconciliation between Net income attributable to common shareholders from continuing operations as determined in accordance with GAAP and Adjusted (non-GAAP) operating earnings for the three months ended March 31, 2023 compared to the same period in 2022:

	Three Months Ended March 31,			
	2023		2022	
(In millions, except per share data)		Earnings per Diluted Share		Earnings per Diluted Share
Net Income Attributable to Common Shareholders from Continuing Operations	**$ 669**	**$ 0.67**	**$ 481**	**$ 0.49**
Mark-to-Market Impact of Economic Hedging Activities (net of taxes of $0)	(1)	—	—	—
Change in Environmental Liabilities (net of taxes of $7)	18	0.02	—	—
ERP System Implementation Costs (net of taxes of $0)[(a)]	—	—	1	—
Change in FERC Audit Liability (net of taxes of $4)	11	0.01	—	—
Separation Costs (net of taxes of $0 and $7, respectively)[(b)]	(1)	—	17	0.02
Income Tax-Related Adjustments (entire amount represents tax expense)[(c)]	—	—	134	0.14
Adjusted (non-GAAP) Operating Earnings	**$ 696**	**$ 0.70**	**$ 634**	**$ 0.64**

Note:
Amounts may not sum due to rounding.
Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net Income and Adjusted (non-GAAP) Operating Earnings is based on the marginal statutory federal and state income tax rates for each Registrant, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. The marginal statutory income tax rates for 2023 and 2022 ranged from 24.0% to 29.0%.

(a) Reflects costs related to a multi-year ERP system implementation, which are recorded in Operating and maintenance expense.
(b) Represents costs related to the separation primarily comprised of system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation, and employee-related severance costs, which are recorded in Operating and maintenance expense.
(c) In connection with the separation, Exelon recorded an income tax expense primarily due to the long-term marginal state income tax rate change, the recognition of valuation allowances against the net deferred tax assets positions for certain standalone state filing jurisdictions, and nondeductible transaction costs.

Significant 2023 Transactions and Developments

Separation

On February 21, 2021, Exelon's Board of Directors approved a plan to separate the Utility Registrants and Generation, creating two publicly traded companies ("the separation"). Exelon completed the separation on February 1, 2022. Constellation was newly formed and incorporated in Pennsylvania on June 15, 2021 for the purpose of separation and holds Generation. The separation represented a strategic shift that would have a major effect on Exelon's operations and financial results. Accordingly, the separation met the criteria for discontinued operations. See Note 2 — Discontinued Operations of the Combined Notes to Consolidated Financial Statements for additional information on the separation and discontinued operations.

In connection with the separation, Exelon incurred separation (benefit)/costs impacting continuing operations of $(1) million and $24 million on a pre-tax basis for the three months ended March 31, 2023 and 2022, respectively, which are recorded in Operating and maintenance expense. Total separation costs impacting continuing operations for the remainder of 2023 are not expected to be material. These costs are excluded from Adjusted (non-GAAP) Operating Earnings. The separation costs are primarily comprised of system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation, and employee-related severance costs.

Distribution Base Rate Case Proceedings

The Utility Registrants file base rate cases with their regulatory commissions seeking increases or decreases to their electric transmission and distribution, and gas distribution rates to recover their costs and earn a fair return on their investments. The outcomes of these regulatory proceedings impact the Utility Registrants' current and future financial statements.

The following tables show the Utility Registrants' completed and pending distribution base rate case proceedings in 2023. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Completed Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Approved Revenue Requirement Increase	Approved ROE	Approval Date	Rate Effective Date
ComEd - Illinois	April 15, 2022	Electric	$ 199	$ 199	7.85 %	November 17, 2022	January 1, 2023
PECO - Pennsylvania	March 31, 2022	Natural Gas	82	55	N/A	October 27, 2022	January 1, 2023
BGE - Maryland	May 15, 2020 (amended September 11, 2020)	Electric	203	140	9.50 %	December 16, 2020	January 1, 2021
		Natural Gas	108	74	9.65 %		
Pepco - Maryland	October 26, 2020 (amended March 31, 2021)	Electric	104	52	9.55 %	June 28, 2021	June 28, 2021
DPL - Maryland	May 19, 2022	Electric	38	29	9.60 %	December 14, 2022	January 1, 2023

Pending Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Requested ROE	Expected Approval Timing
ComEd - Illinois	January 17, 2023	Electric	$ 1,472	10.50% to 10.65%	Fourth quarter of 2023
ComEd - Illinois	April 21, 2023	Electric	247	8.91 %	Fourth quarter of 2023
BGE - Maryland	February 17, 2023	Electric	313	10.40 %	Fourth quarter of 2023
		Natural Gas	289	10.40 %	
Pepco - District of Columbia	April 13, 2023	Electric	191	10.50 %	First quarter of 2024
DPL - Delaware	December 15, 2022 (amended February 28, 2023)	Electric	48	10.50 %	Second quarter of 2024
ACE - New Jersey	February 15, 2023	Electric	105	10.50 %	First quarter of 2024

Transmission Formula Rates

For 2023, the following increases/(decreases) were included in BGE's annual electric transmission formula rate updates. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Registrant	Initial Revenue Requirement Increase	Annual Reconciliation Decrease	Total Revenue Requirement Increase	Allowed Return on Rate Base	Allowed ROE
BGE	$ 19	$ (12)	$ 4	7.34 %	10.50 %

ComEd's FERC Audit

The Utility Registrants are subject to periodic audits and investigations by FERC. FERC's Division of Audits and Accounting initiated a nonpublic audit of ComEd in May 2021 evaluating ComEd's compliance with (1) approved terms, rates and conditions of its federally regulated service; (2) accounting requirements of the Uniform System of Accounts; (3) reporting requirements of the FERC Form 1; and (4) the requirements for record retention. The audit covered the period from January 1, 2017 through August 31, 2022. On January 17 and February 21, 2023, ComEd was provided with information on a series of potential findings, including concerning ComEd's methodology regarding the allocation of certain overhead costs to capital under FERC regulations. As of March 31, 2023, ComEd has continued discussions with FERC staff and determined that a loss is probable and has recorded a liability that reflects management's best estimate. The final outcome and resolution of the findings or of the audit itself cannot be predicted and the results, while not reasonably estimable at this time, could be material to the Exelon and ComEd financial statements. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Other Key Business Drivers and Management Strategies

The following discussion of other key business drivers and management strategies includes current developments of previously disclosed matters and new issues arising during the period that may impact future financial statements. This section should be read in conjunction with ITEM 1. Business in the 2022 Form 10-K, ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations — Other Key Business Drivers and Management Strategies in the 2022 Form 10-K, and Note 12 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements in this report for additional information on various environmental matters.

Legislative and Regulatory Developments

City of Chicago Franchise Agreement

The current ComEd Franchise Agreement with the City of Chicago (the City) has been in force since 1992. The Franchise Agreement grants rights to use the public right of way to install, maintain, and operate the wires, poles, and other infrastructure required to deliver electricity to residents and businesses across the City. The Franchise Agreement became terminable on one year notice as of December 31, 2020. It now continues in effect indefinitely unless and until either party issues a notice of termination, effective one year later, or it is replaced by mutual agreement with a new franchise agreement between ComEd and the City. If either party terminates and no new agreement is reached between the parties, the parties could continue with ComEd providing electric services within the City with no franchise agreement in place. The City also has an option to terminate and purchase the ComEd system (“municipalize”), which also requires one year notice. Neither party has issued a notice of termination at this time, the City has not exercised its municipalization option, and no new agreement has become effective. Accordingly, the 1992 Franchise Agreement remains in effect at this time. In April 2021, the City invited interested parties to respond to a Request for Information (RFI) regarding the franchise for electricity delivery. Final responses to the RFI were due on July 30, 2021, however, on July 29, 2021, the City chose to extend the final submission deadline to September 30, 2021. ComEd submitted its response to the RFI by the due date. However, the City did not proceed to issue an RFP. Since that time, ComEd and the City continued to negotiate and have arrived at a proposed Chicago Franchise Agreement (CFA) and an Energy and Equity Agreement (EEA). These agreements together are intended to grant ComEd the right to continue providing electric utility services using public ways within the City of Chicago, and to create a new non-profit entity to advance energy and energy-related equity projects. On February 1, 2023, the proposed CFA and EEA were introduced to the City Council. The proposed CFA and EEA remain subject to approval by the City Council and the Exelon Board.

While Exelon and ComEd cannot predict the ultimate outcome of these processes, fundamental changes in the agreements or other adverse actions affecting ComEd’s business in the City would require changes in their business planning models and operations and could have a material adverse impact on Exelon’s and ComEd’s consolidated financial statements. If the City were to disconnect from the ComEd system, ComEd would seek full compensation for the business and its associated property taken by the City, as well as for all damages resulting to ComEd and its system. ComEd would also seek appropriate compensation for stranded costs with FERC.

Infrastructure Investment and Jobs Act

On November 15, 2021, President Biden signed the $1.2 trillion IIJA into law. IIJA provides for approximately $550 billion in new federal spending. Categories of funding include funding for a variety of infrastructure needs, including but not limited to: (1) power and grid reliability and resilience, (2) resilience for cybersecurity to address critical infrastructure needs, and (3) electric vehicle charging infrastructure for alternative fuel corridors. Federal agencies are developing guidelines to implement spending programs under IIJA. The time needed to develop these guidelines will vary with some limited program applications opened as early as the first quarter of 2022. The Registrants are continuing to analyze the legislation and considering possible opportunities to apply for funding, either directly or in potential collaborations with state and/or local agencies and key stakeholders. The Registrants cannot predict the ultimate timing and success of securing funding from programs under IIJA.

In September 2022, ComEd and BGE applied for the MMG, which establishes and funds construction, improvement, or acquisition of middle mile broadband infrastructure which creates high-speed internet services. The MMG addresses inequitable broadband access by expansion and extension of the middle mile infrastructure in underserved communities. The grant process is expected to be highly competitive, and therefore, ComEd and

BGE cannot predict how many of their total applications will be approved as filed or the precise timing of receiving any funds if they are awarded a grant.

In March 2023, Exelon, ComEd and PHI submitted three applications related to the Smart Grid Grants program under section 40107 of IIJA. These applications are focused on replacing existing Advanced Distribution Management Systems (ADMS) in support of distributed energy resources (DERs) and grid-edged technologies, strengthening interoperability and data architecture of systems in support of two-way power flows and accelerating advanced metering deployment in disadvantaged communities. In April 2023, ComEd, PECO BGE and PHI submitted seven applications related to the Grid Resilience Grants program under section 40101(c) of IIJA. These applications are broadly focused on improving grid resilience with an emphasis on disadvantaged communities, relief of capacity constraints and modernizing infrastructure, deployment of DER and microgrid technologies and providing improved resilience through storm hardening projects. Through its applications under section 40107 and 40101(c) of IIJA, the Registrants are requesting nearly $700 million in proposed federal funding. The grant process is expected to be highly competitive, and therefore, the Registrants cannot predict how many of their total applications will be approved as filed, or the precise timing of receiving any funds if they are awarded a grant.

The Registrants are supporting three different Regional Clean Hydrogen Hub opportunities, covering all five states that Exelon operates in plus Washington D.C. under a program that will create networks of hydrogen producers, consumers, and local connective infrastructure to accelerate the use of hydrogen as a clean energy carrier that can deliver or store energy. Applications for the three opportunities under this program were submitted in April 2023. The selection process is expected to be highly competitive, and therefore, the Registrants cannot predict how many of their total applications will be approved as filed or the precise timing of receiving any funds if they are awarded a grant.

Critical Accounting Policies and Estimates

Management of each of the Registrants makes a number of significant estimates, assumptions, and judgments in the preparation of its financial statements. As of March 31, 2023, the Registrants' critical accounting policies and estimates had not changed significantly from December 31, 2022. See ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — Critical Accounting Policies and Estimates in the 2022 Form 10-K for further information.

Results of Operations by Registrant

Results of Operations — ComEd

	Three Months Ended March 31,		(Unfavorable) Favorable Variance
	2023	2022	
Operating revenues	$ 1,667	$ 1,734	$ (67)
Operating expenses			
Purchased power	488	638	150
Operating and maintenance	337	351	14
Depreciation and amortization	338	321	(17)
Taxes other than income taxes	93	96	3
Total operating expenses	1,256	1,406	150
Operating income	411	328	83
Other income and (deductions)			
Interest expense, net	(117)	(100)	(17)
Other, net	18	12	6
Total other income and (deductions)	(99)	(88)	(11)
Income before income taxes	312	240	72
Income taxes	71	52	(19)
Net income	$ 241	$ 188	$ 53

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net income** increased by $53 million as compared to the same period in 2022, primarily due to increases in electric distribution formula rate earnings (reflecting higher allowed ROE due to an increase in U.S. Treasury rates and the impacts of higher rate base) and carrying costs related to the CMC regulatory assets.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Distribution	$ 111
Transmission	(12)
Energy efficiency	14
Other	2
	115
Regulatory required programs	(182)
Total decrease	$ (67)

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. Operating revenues are not impacted by abnormal weather, usage per customer, or number of customers as a result of revenue decoupling mechanisms implemented pursuant to FEJA.

Distribution Revenue. EIMA and FEJA provide for a performance-based formula rate, which requires an annual reconciliation of the revenue requirement in effect to the actual costs that the ICC determines are prudently and reasonably incurred in a given year. Electric distribution revenue varies from year to year based upon fluctuations in the underlying costs, (e.g., severe weather and storm restoration), investments being recovered, and allowed ROE. Electric distribution revenue increased for the three months ended March 31, 2023 as compared to the same period in 2022, due to higher allowed ROE due to an increase in U.S. Treasury rates, the impact of a higher rate base, and higher fully recoverable costs.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs, capital investments being recovered, and the highest daily peak

load, which is updated annually in January based on the prior calendar year. Generally, increases/decreases in the highest daily peak load will result in higher/lower transmission revenue.

Energy Efficiency Revenue. FEJA provides for a performance-based formula rate, which requires an annual reconciliation of the revenue requirement in effect to the actual costs that the ICC determines are prudently and reasonably incurred in a given year. Under FEJA, energy efficiency revenue varies from year to year based upon fluctuations in the underlying costs, investments being recovered, and allowed ROE. Energy efficiency revenue increased for the three months ended March 31, 2023 as compared to the same period in 2022, primarily due to increased regulatory asset amortization, which is fully recoverable.

Other Revenue primarily includes assistance provided to other utilities through mutual assistance programs. Other revenue increased for the three months ended March 31, 2023 as compared to the same period in 2022, which primarily reflects mutual assistance revenues associated with storm restoration efforts.

Regulatory Required Programs represents revenues collected under approved riders to recover costs incurred for regulatory programs such as recoveries under the credit loss expense tariff, environmental costs associated with MGP sites, ETAC, and costs related to electricity, ZEC, CMC, and REC procurement. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information regarding CMCs. ETAC is a retail customer surcharge collected by electric utilities operating in Illinois established by CEJA and remitted to an Illinois state agency for programs to support clean energy jobs and training. The riders are designed to provide full and current cost recovery. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense and Taxes other than income. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries as ComEd remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, ComEd either acts as the billing agent or the competitive supplier separately bills its own customers, and therefore does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from ComEd, ComEd is permitted to recover the electricity, ZEC, CMC, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power expense related to the electricity, ZECs, CMCs, and RECs.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of ComEd's revenue disaggregation.

The decrease of $150 million for the three months ended March 31, 2023 compared to the same period in 2022, in **Purchased power expense** is primarily due to the CMCs from the participating nuclear-powered generating facilities including the deferral of any associated carrying costs. This favorability is offset by a decrease in Operating revenues as part of regulatory required programs. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information regarding CMCs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Labor, other benefits, contracting and materials	$ 17
Storm-related costs	1
Pension and non-pension postretirement benefits expense	(4)
BSC costs	(2)
Other[(a)]	(8)
	4
Regulatory required programs[(b)]	(18)
Total decrease	$ (14)

(a) For the three months ended March 31, 2023, the decrease is primarily due to the voluntary customer refund made in 2022 related to the ICC investigation of matters identified in the Deferred Prosecution Agreement. See Note 12 —

Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for additional information related to the Deferred Prosecution Agreement.

(b) ComEd is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through a rider mechanism.

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended March 31, 2023
	Increase
Depreciation and amortization[(a)]	$ 13
Regulatory asset amortization[(b)]	4
Total increase	$ 17

(a) Reflects ongoing capital expenditures and higher depreciation rates effective January 2023.
(b) Includes amortization of ComEd's energy efficiency formula rate regulatory asset.

Interest expense, net increased by $17 million for the three months ended March 31, 2023, compared to the same period in 2022, primarily due to an increase in interest rates and the issuance of debt during the year.

Effective income tax rates were 22.8% and 21.7% for the three months ended March 31, 2023 and 2022, respectively. See Note 7 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — PECO

	Three Months Ended March 31,		Favorable (Unfavorable) Variance
	2023	2022	
Operating revenues	$ 1,112	$ 1,047	$ 65
Operating expenses			
Purchased power and fuel	484	407	(77)
Operating and maintenance	270	247	(23)
Depreciation and amortization	98	92	(6)
Taxes other than income taxes	50	47	(3)
Total operating expenses	902	793	(109)
Operating income	210	254	(44)
Other income and (deductions)			
Interest expense, net	(48)	(41)	(7)
Other, net	8	7	1
Total other income and (deductions)	(40)	(34)	(6)
Income before income taxes	170	220	(50)
Income taxes	4	14	10
Net income	$ 166	$ 206	$ (40)

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net income** decreased by $40 million, primarily due to unfavorable weather and credit loss expense, partially offset by an increase in gas distribution rates.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended March 31, 2023 (Decrease) Increase		
	Electric	Gas	Total
Weather	$ (25)	$ (25)	$ (50)
Volume	(7)	2	(5)
Pricing	11	23	34
Transmission	(2)	—	(2)
Other	(1)	6	5
	(24)	6	(18)
Regulatory required programs	78	5	83
Total increase	$ 54	$ 11	$ 65

Weather. The demand for electricity and natural gas is affected by weather conditions. With respect to the electric business, very warm weather in summer months and, with respect to the electric and natural gas businesses, very cold weather in winter months are referred to as “favorable weather conditions” because these weather conditions result in increased deliveries of electricity and natural gas. Conversely, mild weather reduces demand. During the three months ended March 31, 2023 compared to the same period in 2022, Operating revenues related to weather decreased by the impact of unfavorable weather conditions in PECO's service territory.

Heating and cooling degree-days are quantitative indices that reflect the demand for energy needed to heat or cool a home or business. Normal weather is determined based on historical average heating and cooling degree-days for a 30-year period in PECO's service territory. The changes in heating and cooling degree-days in

PECO's service territory for the three months ended March 31, 2023 compared to the same period in 2022 and normal weather consisted of the following:

	Three Months Ended March 31,			% Change	
PECO Service Territory	2023	2022	Normal	2023 vs. 2022	2023 vs. Normal
Heating Degree-Days	1,888	2,228	2,418	(15.3)%	(21.9)%
Cooling Degree-Days	—	1	1	(100.0)%	(100.0)%

Volume. Electric volume, exclusive of the effects of weather, for the three months ended March 31, 2023, compared to the same period in 2022, remained relatively consistent. Natural gas volume for the three months ended March 31, 2023 compared to the same period in 2022, remained relatively consistent.

	Three Months Ended March 31,			
Electric Retail Deliveries to Customers (in GWhs)	2023	2022	% Change	Weather - Normal % Change[b]
Residential	3,358	3,758	(10.6)%	(0.1)%
Small commercial & industrial	1,843	1,937	(4.9)%	0.4 %
Large commercial & industrial	3,237	3,332	(2.9)%	(1.2)%
Public authorities & electric railroads	168	182	(7.7)%	9.3 %
Total electric retail deliveries[a]	8,606	9,209	(6.5)%	(0.2)%

	As of March 31,	
Number of Electric Customers	2023	2022
Residential	1,529,779	1,521,255
Small commercial & industrial	155,846	155,485
Large commercial & industrial	3,118	3,102
Public authorities & electric railroads	10,401	10,342
Total	1,699,144	1,690,184

(a) Reflects delivery volumes from customers purchasing electricity directly from PECO and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

	Three Months Ended March 31,			
Natural Gas Deliveries to Customers (in mmcf)	2023	2022	% Change	Weather - Normal % Change[b]
Residential	17,190	20,837	(17.5)%	(2.4)%
Small commercial & industrial	8,699	10,546	(17.5)%	(3.4)%
Large commercial & industrial	29	10	190.0 %	21.7 %
Transportation	7,014	7,639	(8.2)%	(5.4)%
Total natural gas retail deliveries[a]	32,932	39,032	(15.6)%	(3.2)%

	As of March 31,	
Number of Natural Gas Customers	2023	2022
Residential	504,181	499,188
Small commercial & industrial	45,003	44,959
Large commercial & industrial	9	5
Transportation	650	664
Total	549,843	544,816

(a) Reflects delivery volumes from customers purchasing natural gas directly from PECO and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

Pricing for the three months ended March 31, 2023 compared to the same period in 2022 increased primarily due to an increase in gas distribution rates charged to customers.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered.

Other revenue primarily includes revenue related to late payment charges. Other revenue for the three months ended March 31, 2023 compared to the same period in 2022 remained relatively consistent.

Regulatory Required Programs represents revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency, PGC, and the GSA. The riders are designed to provide full and current cost recovery as well as a return. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Income taxes. Customers have the choice to purchase electricity and natural gas from competitive electric generation and natural gas suppliers. Customer choice programs do not impact the volume of deliveries as PECO remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, PECO either acts as the billing agent or the competitive supplier separately bills its own customers and therefore PECO does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from PECO, PECO is permitted to recover the electricity, natural gas, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power and fuel expense related to the electricity, natural gas, and RECs.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of PECO's revenue disaggregation.

The increase of $77 million for the three months ended March 31, 2023 compared to the same period in 2022, in **Purchased power and fuel expense** is offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Labor, other benefits, contracting and materials	$ 14
Credit loss expense	10
BSC costs	2
Pension and non-pension postretirement benefit expense	(2)
Storm-related costs	(4)
Other	(3)
	17
Regulatory required programs	6
Total increase	$ 23

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Depreciation and amortization[(a)]	$ 7
Regulatory asset amortization	(1)
Total increase	$ 6

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Interest expense, net increased $7 million for the three months ended March 31, 2023, compared to the same period in 2022, primarily due to the issuance of debt in 2022 and increases in interest rates.

Effective income tax rates were 2.4% and 6.4% for the three months ended March 31, 2023 and 2022, respectively. See Note 7 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — BGE

	Three Months Ended March 31,		Favorable (Unfavorable) Variance
	2023	2022	
Operating revenues	$ 1,257	$ 1,154	$ 103
Operating expenses			
Purchased power and fuel	492	454	(38)
Operating and maintenance	222	218	(4)
Depreciation and amortization	167	171	4
Taxes other than income taxes	83	76	(7)
Total operating expenses	964	919	(45)
Operating income	293	235	58
Other income and (deductions)			
Interest expense, net	(44)	(35)	(9)
Other, net	3	7	(4)
Total other income and (deductions)	(41)	(28)	(13)
Income before income taxes	252	207	45
Income taxes	52	9	(43)
Net income	$ 200	$ 198	$ 2

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net income** increased $2 million primarily due to a favorable impacts of the multi-year plans, partially offset by an increase in interest expense. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on the three-year electric and natural gas distribution multi-year plans.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended March 31, 2023		
	Increase		
	Electric	Gas	Total
Distribution	$ 26	$ 23	$ 49
Transmission	18	—	18
Other	—	1	1
	44	24	68
Regulatory required programs	34	1	35
Total increase	$ 78	$ 25	$ 103

Revenue Decoupling. The demand for electricity and natural gas is affected by weather and customer usage. However, Operating revenues are not impacted by abnormal weather or usage per customer as a result of a monthly rate adjustment that provides for fixed distribution revenue per customer by customer class. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

	As of March 31,	
Number of Electric Customers	2023	2022
Residential	1,207,486	1,199,272
Small commercial & industrial	115,658	115,363
Large commercial & industrial	12,911	12,674
Public authorities & electric railroads	266	268
Total	1,336,321	1,327,577

Number of Natural Gas Customers	As of March 31, 2023	2022
Residential	656,583	653,397
Small commercial & industrial	38,260	38,356
Large commercial & industrial	6,261	6,193
Total	701,104	697,946

Distribution Revenue increased for the three months ended March 31, 2023, compared to the same period in 2022, due to favorable impacts of the multi-year plans.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the three months ended March 31, 2023, compared to the same period in 2022, primarily due to increases in underlying costs and capital investments.

Other Revenue includes revenue related to late payment, charges, mutual assistance, off-system sales, and service application fees.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as conservation, demand response, STRIDE, and the POLR mechanism. The riders are designed to provide full and current cost recovery, as well as a return in certain instances. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity and natural gas from competitive electric generation and natural gas suppliers. Customer choice programs do not impact the volume of deliveries as BGE remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, BGE acts as the billing agent and therefore does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from BGE, BGE is permitted to recover the electricity and natural gas procurement costs from customers and therefore records the amounts related to the electricity and/or natural gas in Operating revenues and Purchased power and fuel expense. BGE recovers electricity and natural gas procurement costs from customers with a slight mark-up.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of BGE's revenue disaggregation.

The increase of $38 million for the three months ended March 31, 2023 compared to the same period in 2022, in **Purchased power and fuel expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended March 31, 2023 Increase (Decrease)
Labor, other benefits, contracting, and materials	$ 8
Storm-related costs	(5)
Pension and non-pension postretirement benefits expense	1
BSC costs	3
Other	(3)
	4
Regulatory required programs	—
Total increase	$ 4

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended March 31, 2023 Increase (Decrease)
Depreciation and amortization[(a)]	$ 7
Regulatory required programs	(9)
Regulatory asset amortization	(2)
Total decrease	$ (4)

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Interest expense, net increased by $9 million for the three months ended March 31, 2023, compared to the same period in 2022, primarily due to an increase in interest rates and the issuance of debt in Q2 2022.

Effective income tax rates were 20.6% and 4.3% for the three months ended March 31, 2023 and 2022, respectively. The change is primarily due to a decrease in the multi-year plans' accelerated income tax benefits in 2023 as compared to 2022. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on the three-year electric and natural gas distribution multi-year plans and Note 7 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — PHI

PHI's Results of Operations include the results of its three reportable segments, Pepco, DPL, and ACE. PHI also has a business services subsidiary, PHISCO, which provides a variety of support services, and the costs are directly charged or allocated to the applicable subsidiaries. Additionally, the results of PHI's corporate operations include interest costs from various financing activities. All material intercompany accounts and transactions have been eliminated in consolidation. The following table sets forth PHI's GAAP consolidated Net income, by Registrant, for the three months ended March 31, 2023 compared to the same period in 2022. See the Results of Operations for Pepco, DPL, and ACE for additional information.

	Three Months Ended March 31,		Favorable (Unfavorable) Variance
	2023	2022	
PHI	$ 155	$ 130	$ 25
Pepco	65	46	19
DPL	60	56	4
ACE	33	26	7
Other[a]	(3)	2	(5)

(a) Primarily includes eliminating and consolidating adjustments, PHI's corporate operations, shared service entities, and other financing and investment activities.

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net Income** increased by $25 million primarily due to favorable impacts as a result of Pepco Maryland and DPL Maryland multi-year plans, timing of decoupling revenues in the District of Columbia, higher distribution rates at DPL Delaware, and higher transmission rates at Pepco and ACE, partially offset by an increase in environmental liabilities at Pepco, and unfavorable weather conditions at DPL Delaware electric and natural gas service territories.

Results of Operations — Pepco

	Three Months Ended March 31,		Favorable (Unfavorable) Variance
	2023	2022	
Operating revenues	$ 710	$ 614	$ 96
Operating expenses			
Purchased power	258	213	(45)
Operating and maintenance	150	131	(19)
Depreciation and amortization	108	108	—
Taxes other than income taxes	94	95	1
Total operating expenses	610	547	(63)
Operating income	100	67	33
Other income and (deductions)			
Interest expense, net	(39)	(36)	(3)
Other, net	16	13	3
Total other income and (deductions)	(23)	(23)	—
Income before income taxes	77	44	33
Income taxes	12	(2)	(14)
Net income	$ 65	$ 46	$ 19

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net Income** increased by $19 million primarily due to favorable impacts of the Maryland multi-year plan, timing of decoupling revenues in the District of Columbia, and higher transmission rates, partially offset by an increase in environmental liabilities.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended March 31, 2023
	Increase
Distribution	$ 40
Transmission	18
	58
Regulatory required programs	38
Total increase	$ 96

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in both Maryland and the District of Columbia are not impacted by abnormal weather or usage per customer as a result of a BSA that provides for a fixed distribution charge per customer by customer class. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

	As of March 31,	
Number of Electric Customers	2023	2022
Residential	859,207	846,258
Small commercial & industrial	54,089	54,509
Large commercial & industrial	22,858	22,620
Public authorities & electric railroads	201	184
Total	936,355	923,571

Distribution Revenue increased for the three months ended March 31, 2023 compared to the same period in 2022 primarily due to favorable impacts of the Maryland multi-year plan and higher rates due to the expiration of customer offsets and timing of decoupling revenues in the District of Columbia.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the three months ended March 31, 2023, compared to the same period in 2022, primarily due to increases in capital investment and underlying costs.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, DC PLUG, and SOS procurement and administrative costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries, as Pepco remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, Pepco acts as the billing agent and therefore, Pepco does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from Pepco, Pepco is permitted to recover the electricity and REC procurement costs from customers and therefore records the amounts related to the electricity and RECs in Operating revenues and Purchased power expense. Pepco recovers electricity and REC procurement costs from customers with a slight mark-up.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of Pepco's revenue disaggregation.

The increase of $45 million for the three months ended March 31, 2023 compared to the same period in 2022, in **Purchased power expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Labor, other benefits, contracting and materials[(a)]	$ 24
Pension and non-pension postretirement benefits expense	3
Storm-related costs	(5)
Credit loss expense	(4)
BSC and PHISCO Costs	(1)
Other	(3)
	14
Regulatory required programs	5
Total increase	$ 19

(a) Primarily reflects an increase in environmental liabilities.

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Depreciation and amortization[(a)]	$ 3
Regulatory asset amortization	4
Regulatory required programs	(7)
Total increase	$ —

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Effective income tax rates were 15.6% and (4.5)% for three months ended March 31, 2023 and 2022, respectively. See Note 7 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — DPL

	Three Months Ended March 31,		Favorable (Unfavorable) Variance
	2023	2022	
Operating revenues	$ 474	$ 431	$ 43
Operating expenses			
Purchased power and fuel	221	189	(32)
Operating and maintenance	87	93	6
Depreciation and amortization	60	57	(3)
Taxes other than income taxes	20	18	(2)
Total operating expenses	388	357	(31)
Operating income	86	74	12
Other income and (deductions)			
Interest expense, net	(17)	(16)	(1)
Other, net	3	2	1
Total other income and (deductions)	(14)	(14)	—
Income before income taxes	72	60	12
Income taxes	12	4	(8)
Net income	$ 60	$ 56	$ 4

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net income** increased $4 million primarily due to favorable impacts of the Maryland multi-year plan, higher Delaware electric and natural gas distribution rates, partially offset by unfavorable weather conditions at Delaware electric and natural gas service territories.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended March 31, 2023		
	(Decrease) Increase		
	Electric	Gas	Total
Weather	$ (5)	$ (4)	$ (9)
Volume	(2)	(2)	(4)
Distribution	11	5	16
Transmission	7	—	7
	11	(1)	10
Regulatory required programs	18	15	33
Total increase	$ 29	$ 14	$ 43

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in Maryland are not impacted by abnormal weather or usage per customer as a result of a BSA that provides for a fixed distribution charge per customer by customer class. While Operating revenues from electric distribution customers in Maryland are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

Weather. The demand for electricity and natural gas in Delaware is affected by weather conditions. With respect to the electric business, very warm weather in summer months and, with respect to the electric and natural gas businesses, very cold weather in winter months are referred to as "favorable weather conditions" because these weather conditions result in increased deliveries of electricity and natural gas. Conversely, mild weather reduces demand. During the three months ended March 31, 2023 compared to the same period in 2022, Operating revenues related to weather decreased due to unfavorable weather conditions in Delaware electric and natural gas service territories.

Heating and cooling degree days are quantitative indices that reflect the demand for energy needed to heat or cool a home or business. Normal weather is determined based on historical average heating and cooling degree days for a 20-year period in the Delaware electric service territory and a 30-year period in the Delaware natural gas service territory. The changes in heating and cooling degree days in the Delaware service territory for the three months ended March 31, 2023 compared to same period in 2022 and normal weather consisted of the following:

	Three Months Ended March 31,			% Change	
Delaware Electric Service Territory	2023	2022	Normal	2023 vs. 2022	2023 vs. Normal
Heating Degree-Days	1,952	2,355	2,489	(17.1)%	(21.6)%
Cooling Degree-Days	—	3	1	(100.0)%	(100.0)%

	Three Months Ended March 31,			% Change	
Delaware Natural Gas Service Territory	2023	2022	Normal	2023 vs. 2022	2023 vs. Normal
Heating Degree-Days	1,952	2,355	2,497	(17.1)%	(21.8)%

Volume, exclusive of the effects of weather, decreased for the three months ended March 31, 2023 compared to the same period in 2022 primarily due to customer usage, partially offset by customer growth.

	Three Months Ended March 31,			Weather - Normal
Electric Retail Deliveries to Delaware Customers (in GWhs)	2023	2022	% Change	% Change[b]
Residential	797	895	(10.9)%	(1.2)%
Small commercial & industrial	327	370	(11.6)%	(7.2)%
Large commercial & industrial	719	765	(6.0)%	(4.7)%
Public authorities & electric railroads	9	9	— %	(6.3)%
Total electric retail deliveries[a]	1,852	2,039	(9.2)%	(3.6)%

	As of March 31,	
Number of Total Electric Customers (Maryland and Delaware)	2023	2022
Residential	482,979	478,009
Small commercial & industrial	63,794	63,296
Large commercial & industrial	1,236	1,221
Public authorities & electric railroads	595	603
Total	548,604	543,129

(a) Reflects delivery volumes from customers purchasing electricity directly from DPL and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 20-year average.

	Three Months Ended March 31,			Weather - Normal
Natural Gas Retail Deliveries to Delaware Customers (in mmcf)	2023	2022	% Change	% Change[b]
Residential	3,581	4,453	(19.6)%	(6.6)%
Small commercial & industrial	1,652	1,983	(16.7)%	(1.8)%
Large commercial & industrial	414	457	(9.4)%	(9.5)%
Transportation	1,900	2,207	(13.9)%	(6.9)%
Total natural gas deliveries[a]	7,547	9,100	(17.1)%	(5.8)%

Number of Delaware Natural Gas Customers	As of March 31, 2023	2022
Residential	129,791	128,695
Small commercial & industrial	10,158	10,097
Large commercial & industrial	16	17
Transportation	158	159
Total	140,123	138,968

(a) Reflects delivery volumes from customers purchasing natural gas directly from DPL and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

Distribution Revenue increased for the three months ended March 31, 2023 compared to the same period in 2022 primarily due to favorable impacts of the Maryland multi-year plan that became effective in January 2023, higher natural gas distribution rates effective in August 2022, and higher DSIC rates in Delaware that became effective in January 2023.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. During the three months ended March 31, 2023 compared to the same period in 2022, transmission revenue increased, primarily due to increases underlying costs.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, DE Renewable Portfolio Standards, SOS procurement and administrative costs, and GCR costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. All customers have the choice to purchase electricity from competitive electric generation suppliers; however, only certain commercial and industrial customers have the choice to purchase natural gas from competitive natural gas suppliers. Customer choice programs do not impact the volume of deliveries as DPL remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, DPL either acts as the billing agent or the competitive supplier separately bills its own customers, and therefore does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from DPL, DPL is permitted to recover the electricity, natural gas, and REC procurement costs from customers and therefore records the amounts related to the electricity, natural gas, and RECs in Operating revenues and Purchased power and fuel expense. DPL recovers electricity and REC procurement costs from customers with a slight mark-up, and natural gas costs without mark-up.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of DPL's revenue disaggregation.

The increase of $32 million for the three months ended March 31, 2023, compared to the same period in 2022, respectively, in **Purchased power and fuel expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended March 31, 2023
	(Decrease) Increase
Labor, other benefits, contracting and materials	$ (3)
Storm-related costs	(3)
BSC and PHISCO costs	(1)
Credit loss expense	(1)
Pension and non-pension postretirement benefits expense	1
	(7)
Regulatory required programs	1
Total decrease	$ (6)

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Depreciation and amortization[(a)]	$ 7
Regulatory asset amortization	(1)
Regulatory required programs	(3)
Total increase	$ 3

(a) Reflects ongoing capital expenditures, higher distribution depreciation rates in Maryland effective March 2022 and higher transmission depreciation rates effective September 2022.

Effective income tax rates were 16.7% and 6.7% for the three months ended March 31, 2023 and 2022, respectively. See Note 7 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — ACE

	Three Months Ended March 31,		Favorable (Unfavorable) Variance
	2023	2022	
Operating revenues	$ 353	$ 349	$ 4
Operating expenses			
Purchased power	148	178	30
Operating and maintenance	81	84	3
Depreciation and amortization	67	47	(20)
Taxes other than income taxes	2	2	—
Total operating expenses	298	311	13
Operating income	55	38	17
Other income and (deductions)			
Interest expense, net	(16)	(14)	(2)
Other, net	5	3	2
Total other income and (deductions)	(11)	(11)	—
Income before income taxes	44	27	17
Income taxes	11	1	(10)
Net income	$ 33	$ 26	$ 7

Three Months Ended March 31, 2023 Compared to Three Months Ended March 31, 2022. **Net income** increased by $7 million primarily due to higher transmission rates and decreases in various operating expenses.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended March 31, 2023
	Increase (Decrease)
Distribution	$ 8
Transmission	12
	20
Regulatory required programs	(16)
Total increase	$ 4

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in New Jersey are not impacted by abnormal weather or usage per customer as a result of the CIP which became effective, prospectively, in the third quarter of 2021. The CIP compares current distribution revenues by customer class to approved target revenues established in ACE's most recent distribution base rate case. The CIP is calculated annually, and recovery is subject to certain conditions, including an earnings test and ceilings on customer rate increases. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

Number of Electric Customers	As of March 31, 2023	2022
Residential	503,260	500,511
Small commercial & industrial	62,230	62,124
Large commercial & industrial	3,030	3,124
Public authorities & electric railroads	726	724
Total	569,246	566,483

Distribution Revenue increased for the three months ended March 31, 2023 compared to the same period in 2022 due to higher distribution rates primarily due to the expiration of customer credits related to the TCJA tax benefits.

Transmission Revenues. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the three months ended March 31, 2023 compared to the same period in 2022, primarily due to increases in capital investment and underlying costs.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, Societal Benefits Charge, Transition Bond Charge, and BGS procurement and administrative costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries, as ACE remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, ACE acts as the billing agent and therefore, ACE does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from ACE, ACE is permitted to recover the electricity, ZEC, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power expense related to the electricity, ZECs, and RECs.

See Note 5 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of ACE's revenue disaggregation.

The decrease of $30 million for the three months ended March 31, 2023 compared to the same period in 2022, in **Purchased power expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended March 31, 2023 (Decrease) Increase
Labor, other benefits, contracting and materials	$ (2)
Storm-related costs	(2)
Other	2
	(2)
Regulatory required programs[(a)]	(1)
Total decrease	$ (3)

(a) ACE is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through the Societal Benefits Charge.

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended March 31, 2023 Increase
Depreciation and amortization[(a)]	$ 7
Regulatory asset amortization	—
Regulatory required programs[(b)]	13
Total increase	$ 20

(a) Reflects ongoing capital expenditures and higher transmission depreciation rates effective September 2022.
(b) Regulatory required programs increased primarily due to the regulatory asset amortization of the PPA termination obligation which is fully offset in Operating revenues.

Effective income tax rates were 25.0% and 3.7% for the three months ended March 31, 2023 and 2022, respectively. See Note 7 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Liquidity and Capital Resources (All Registrants)

All results included throughout the liquidity and capital resources section are presented on a GAAP basis.

The Registrants' operating and capital expenditures requirements are provided by internally generated cash flows from operations, as well as funds from external sources in the capital markets and through bank borrowings. The Registrants' businesses are capital intensive and require considerable capital resources. Each of the Registrants annually evaluates its financing plan, dividend practices, and credit line sizing, focusing on maintaining its investment grade ratings while meeting its cash needs to fund capital requirements, including construction expenditures, retire debt, pay dividends, and fund pension and OPEB obligations. The Registrants spend a significant amount of cash on capital improvements and construction projects that have a long-term return on investment. Additionally, the Utility Registrants operate in rate-regulated environments in which the amount of new investment recovery may be delayed or limited and where such recovery takes place over an extended period of time. Each Registrant's access to external financing on reasonable terms depends on its credit ratings and current overall capital market business conditions, including that of the utility industry in general. If these conditions deteriorate to the extent that the Registrants no longer have access to the capital markets at reasonable terms, the Registrants have access to credit facilities with aggregate bank commitments of $4.0 billion. The Registrants utilize their credit facilities to support their commercial paper programs, provide for other short-term borrowings, and to issue letters of credit. See the "Credit Matters and Cash Requirements" section below for additional information. The Registrants expect cash flows to be sufficient to meet operating expenses, financing costs, and capital expenditure requirements. See Note 10 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants' debt and credit agreements.

Cash flows related to Generation have not been presented as discontinued operations and are included in the Consolidated Statements of Cash Flows for only 2022. The Exelon Consolidated Statement of Cash Flows for the three months ended March 31, 2022 includes one month of cash flows from Generation.

Cash Flows from Operating Activities

The Utility Registrants' cash flows from operating activities primarily result from the transmission and distribution of electricity and, in the case of PECO, BGE, and DPL, gas distribution services. The Utility Registrants' distribution services are provided to an established and diverse base of retail customers. The Utility Registrants' future cash flows may be affected by the economy, weather conditions, future legislative initiatives, future regulatory proceedings with respect to their rates or operations, and their ability to achieve operating cost reductions. Additionally, ComEd is required to purchase CMCs from participating nuclear-powered generating facilities for a five-year period that began in June 2022, and all of its costs of doing so will be recovered through a rider. The price to be paid for each CMC is established through a competitive bidding process. ComEd will provide net payments to, or collect net payments from, customers for the difference between customer credits issued and the credit to be received from the participating nuclear-powered generating facilities. ComEd's cash flows are affected by the establishment of CMC prices and the timing of recovering costs through the CMC regulatory asset.

See Note 3 — Regulatory Matters of the 2022 Form 10-K and Notes 3 — Regulatory Matters and 12 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for additional information on regulatory and legal proceedings and proposed legislation.

The following table provides a summary of the change in cash flows from operating activities for the three months ended March 31, 2023 and 2022 by Registrant:

Increase (decrease) in cash flows from operating activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Net income (loss)	$ 71	$ 53	$ (40)	$ 2	$ 25	$ 19	$ 4	$ 7
Adjustments to reconcile net income to cash:								
Non-cash operating activities	(683)	(126)	(7)	(61)	(8)	(17)	(9)	14
Option premiums (paid), net	39	—	—	—	—	—	—	—
Collateral (paid) received, net	(1,356)	(47)	—	(52)	(226)	(26)	(150)	(41)
Income taxes	(54)	17	20	25	15	7	10	5
Pension and non-pension postretirement benefit contributions	530	153	12	48	60	1	1	6
Regulatory assets and liabilities, net	(293)	(330)	19	(23)	45	4	27	6
Changes in working capital and other assets and liabilities	448	24	23	93	113	70	30	3
(Decrease) increase in cash flows from operating activities	$ (1,298)	$ (256)	$ 27	$ 32	$ 24	$ 58	$ (87)	$ —

Changes in the Registrants' cash flows from operations were generally consistent with changes in each Registrant's respective results of operations, as adjusted by changes in working capital in the normal course of business, except as discussed below. See above for additional information related to cash flows from Generation. Significant operating cash flow impacts for the Registrants and Generation for the three months ended March 31, 2023 and 2022 were as follows:

- See Note 15 — Supplemental Financial Information of the Combined Notes to Consolidated Financial Statements and the Registrants' Consolidated Statements of Cash Flows for additional information on **non-cash operating activities**.
- Changes in **collateral** depended upon whether Generation was in a net mark-to-market liability or asset position, and collateral may have been required to be posted with or collected from its counterparties. In addition, the collateral posting and collection requirements differed depending on whether the transactions were on an exchange or in the over-the-counter markets. Changes in collateral for the Registrants are dependent upon the credit exposure of procurement contracts that may require suppliers to post collateral. The amount of cash collateral received from external counterparties decreased due to decreasing energy prices. See Note 9 — Derivative Financial Instruments for additional information.
- See Note 7 — Income Taxes of the Combined Notes to Consolidated Financial Statements and the Registrants' Consolidated Statements of Cash Flows for additional information on **income taxes**.
- Changes in **Pension and non-pension postretirement benefit contributions** relates to Exelon receiving an updated valuation of its pension and OPEB to reflect census data as of January 1, 2023. See Note 8 — Retirement Benefits of the Combined Notes to Consolidated Financial Statements for additional information.
- Changes in **regulatory assets and liabilities, net,** are due to the timing of cash payments for costs recoverable, or cash receipts for costs recovered, under our regulatory mechanisms differs from the recovery period of those costs. Included within the changes is energy efficiency spend for ComEd of $72 million and $50 million for the three months ended March 31, 2023 and 2022, respectively. Also included within the changes is energy efficiency and demand response programs spend for BGE, Pepco, DPL and ACE of $33 million, $14 million, $5 million, and $4 million for the three months ended March 31, 2023 and $26 million, $13 million, $6 million, and $2 million for the three months ended March 31, 2022, respectively. PECO had no energy efficiency and demand response programs spend recorded to the regulatory asset for the three months ended March 31,

2023 and 2022. See Note 3 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

- **Changes in working capital and other assets and liabilities** for the Utility Registrants and Exelon Corporate totaled $125 million and for Generation total $323 million. The change for Generation primarily relates to the revolving accounts receivable financing arrangement which was entered into in April 2020. The change in working capital and other noncurrent assets and liabilities for Exelon Corporate and the Utility Registrants is dependent upon the normal course of operations for all Registrants. For ComEd, it is also dependent upon whether the participating nuclear-powered generating facilities are owed money from ComEd as a result of the established pricing for CMCs. For the three months ended March 31, 2023, the established pricing resulted in a ComEd owing payments to nuclear-powered generating facilities, which is reported within the cash flows from operations as a change in accounts payable and accrued expense.

Cash Flows from Investing Activities

The following table provides a summary of the change in cash flows from investing activities for the three months ended March 31, 2023 and 2022 by Registrant:

Increase (decrease) in cash flows from investing activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Capital expenditures	$ 41	$ —	$ 9	$ (47)	$ (152)	$ (46)	$ (31)	$ (74)
Investment in NDT fund sales, net	28	—	—	—	—	—	—	—
Collection of DPP	(169)	—	—	—	—	—	—	—
Proceeds from sales of assets and businesses	(16)	—	—	—	—	—	—	—
Other investing activities	64	(6)	(2)	—	6	7	(1)	—
(Decrease) increase in cash flows from investing activities	$ (52)	$ (6)	$ 7	$ (47)	$ (146)	$ (39)	$ (32)	$ (74)

Significant investing cash flow impacts for the Registrants for three months ended March 31, 2023 and 2022 were as follows:

- Changes in **capital expenditures** are primarily due to the timing of cash expenditures for capital projects. See the "Credit Matters and Cash Requirements" section below for additional information on projected capital expenditure spending for the Utility Registrants. See Note 2 — Discontinued Operations of the Combined Notes to Consolidated Financial Statements for capital expenditures related to Generation prior to the separation.

- **Collection of DPP** relates to Generation's revolving accounts receivable financing agreement which Generation entered into in April 2020.

Cash Flows from Financing Activities

The following table provides a summary of the change in cash flows from financing activities for the three months ended March 31, 2023 and 2022 by Registrant:

(Decrease) increase in cash flows from financing activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Changes in short-term borrowings, net	$ (1,380)	$ (168)	$ (94)	$ (285)	$ 54	$ (124)	$ 34	$ 144
Long-term debt, net	(1,227)	225	—	—	(250)	(150)	—	(100)
Changes in intercompany money pool	—	—	(65)	—	(31)	—	—	—
Dividends paid on common stock	(26)	(43)	(1)	(4)	—	(6)	(1)	(2)
Distributions to member	—	—	—	—	(10)	—	—	—
Contributions from parent/member	—	19	103	237	(299)	(144)	(45)	(110)
Transfer of cash, restricted cash, and cash equivalents to Constellation	2,594	—	—	—	—	—	—	—
Other financing activities	3	(1)	1	1	(8)	(9)	—	2
(Decrease) increase in cash flows from financing activities	$ (36)	$ 32	$ (56)	$ (51)	$ (544)	$ (433)	$ (12)	$ (66)

Significant financing cash flow impacts for the Registrants for the three months ended March 31, 2023 and 2022 were as follows:

- **Changes in short-term borrowings, net**, is driven by repayments on and issuances of notes due in less than 365 days. See Note 10 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on short-term borrowings for the Registrants.
- **Long-term debt, net**, varies due to debt issuances and redemptions each year. See Note 10 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on debt issuances. Refer to the debt redemptions table below for additional information.
- **Changes in intercompany money pool** are driven by short-term borrowing needs. Refer below for more information regarding the intercompany money pool.
- Exelon's ability to pay **dividends** on its common stock depends on the receipt of dividends paid by its operating subsidiaries. The payments of dividends to Exelon by its subsidiaries in turn depend on their results of operations and cash flows and other items affecting retained earnings. See Note 18 — Commitments and Contingencies of the 2022 Form 10-K for additional information on dividend restrictions. See below for quarterly dividends declared.
- Refer to Note 2 — Discontinued Operations for the **transfer of cash, restricted cash, and cash equivalents to Constellation** related to the separation.

Debt

See Note 10 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants' debt issuances.

During the three months ended March 31, 2023, the following long-term debt was retired and/or redeemed:

Company	Type	Interest Rate	Maturity	Amount
Exelon	SMBC Term Loan Agreement	SOFR plus 0.65%	July 21, 2023	$ 300
Exelon	US Bank Term Loan Agreement	SOFR plus 0.65%	July 21, 2023	300
Exelon	PNC Term Loan Agreement	SOFR plus 0.65%	July 24, 2023	250
Exelon	Long-Term Software License Agreement	3.70 %	August 9, 2025	6
Exelon	Long-Term Software License Agreement	3.70 %	August 9, 2025	1

Dividends

Quarterly dividends declared by the Exelon Board of Directors during the three months ended March 31, 2023 and for the second quarter of 2023 were as follows:

Period	Declaration Date	Shareholder of Record Date	Dividend Payable Date	Cash per Share[(a)]
First Quarter 2023	February 14, 2023	February 27, 2023	March 10, 2023	$ 0.3600
Second Quarter 2023	April 25, 2023	May 15, 2023	June 9, 2023	$ 0.3600

(a) Exelon's Board of Directors approved an updated dividend policy for 2023. The 2023 quarterly dividend will be $0.36 per share.

Credit Matters and Cash Requirements

The Registrants fund liquidity needs for capital investment, working capital, energy hedging, and other financial commitments through cash flows from continuing operations, public debt offerings, commercial paper markets, and large, diversified credit facilities. The credit facilities include $4.0 billion in aggregate total commitments of which $3.2 billion was available to support additional commercial paper as of March 31, 2023, and of which no financial institution has more than 6% of the aggregate commitments for the Registrants. The Registrants had access to the commercial paper markets and had availability under their revolving credit facilities during the three months ended March 31, 2023 to fund their short-term liquidity needs, when necessary. Exelon Corporate and the Utility Registrants each have a 5-year revolving credit facility. See Note 10 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information. The Registrants routinely review the sufficiency of their liquidity position, including appropriate sizing of credit facility commitments, by performing various stress test scenarios, such as commodity price movements, increases in margin-related transactions, changes in hedging levels, and the impacts of hypothetical credit downgrades. The Registrants have continued to closely monitor events in the financial markets and the financial institutions associated with the credit facilities, including monitoring credit ratings and outlooks, credit default swap levels, capital raising, and merger activity. See PART I. ITEM 1A. RISK FACTORS of the 2022 Form 10-K for additional information regarding the effects of uncertainty in the capital and credit markets.

The Registrants believe their cash flows from operating activities, access to credit markets, and their credit facilities provide sufficient liquidity to support the estimated future cash requirements.

On August 4, 2022, Exelon executed an equity distribution agreement (“Equity Distribution Agreement”) with certain sales agents and forward sellers and certain forward purchasers establishing an ATM equity distribution program under which it may offer and sell shares of its common stock, having an aggregate gross sales price of up to $1.0 billion. Exelon has no obligation to offer or sell any shares of common stock under the Equity Distribution Agreement and may at any time suspend or terminate offers and sales under the Equity Distribution Agreement. As of March 31, 2023, Exelon has not issued any shares of common stock under the ATM program and has not entered into any forward sale agreements.

The following table presents the incremental collateral that each Utility Registrant would have been required to provide in the event each Utility Registrant lost its investment grade credit rating at March 31, 2023 and available credit facility capacity prior to any incremental collateral at March 31, 2023:

	PJM Credit Policy Collateral	Other Incremental Collateral Required[(a)]	Available Credit Facility Capacity Prior to Any Incremental Collateral
ComEd	$ 17	$ —	$ 586
PECO	1	39	455
BGE	3	73	357
Pepco	4	—	300
DPL	4	14	300
ACE	2	—	300

(a) Represents incremental collateral related to natural gas procurement contracts.

Capital Expenditure Spending

As of March 31, 2023, the most recent estimates of capital expenditures for plant additions and improvements for 2023 are as follows:

(In millions)	Transmission	Distribution	Gas	Total[a]
Exelon	N/A	N/A	N/A	$ 7,175
ComEd	500	2,075	N/A	2,550
PECO	75	975	325	1,375
BGE	325	525	475	1,325
PHI	550	1,225	125	1,900
Pepco	250	650	N/A	900
DPL	175	275	125	575
ACE	125	300	N/A	425

(a) Numbers rounded to the nearest $25M and may not sum due to rounding.

Projected capital expenditures and other investments are subject to periodic review and revision to reflect changes in economic conditions and other factors.

Retirement Benefits

Management considers various factors when making pension funding decisions, including actuarially determined minimum contribution requirements under ERISA, contributions required to avoid benefit restrictions and at-risk status as defined by the Pension Protection Act of 2006 (the Act), management of the pension obligation, and regulatory implications. The Act requires the attainment of certain funding levels to avoid benefit restrictions (such as an inability to pay lump sums or to accrue benefits prospectively), and at-risk status (which triggers higher minimum contribution requirements and participant notification). The projected contributions reflect a funding strategy to make annual contributions with the objective of achieving 100% funded status on an ABO basis over time. This funding strategy helps minimize volatility of future period required pension contributions. Exelon's estimated annual qualified pension contributions will be $20 million in 2023. Unlike the qualified pension plans, Exelon's non-qualified pension plans are not funded, given that they are not subject to statutory minimum contribution requirements.

While OPEB plans are also not subject to statutory minimum contribution requirements, Exelon does fund certain of its plans. For Exelon's funded OPEB plans, contributions generally equal accounting costs, however, Exelon's management has historically considered several factors in determining the level of contributions to its OPEB plans, including liabilities management, levels of benefit claims paid, and regulatory implications (amounts deemed prudent to meet regulatory expectations and best assure continued rate recovery).

To the extent interest rates decline significantly or the pension and OPEB plans earn less than the expected asset returns, annual pension contribution requirements in future years could increase. Conversely, to the extent interest rates increase significantly or the pension and OPEB plans earn greater than the expected asset returns, annual pension and OPEB contribution requirements in future years could decrease. Additionally, expected contributions could change if Exelon changes its pension or OPEB funding strategy.

See Note 14 — Retirement Benefits of the Combined Notes to Consolidated Financial Statements of the 2022 Form 10-K for additional information on pension and OPEB contributions.

Credit Facilities

Exelon Corporate, ComEd, and BGE meet their short-term liquidity requirements primarily through the issuance of commercial paper. PECO meets its short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the Exelon intercompany money pool. Pepco, DPL, and ACE meet their short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the PHI intercompany money pool. PHI Corporate meets its short-term liquidity requirements primarily through the issuance of short-term notes and the Exelon intercompany money pool. The Registrants may use their respective

credit facilities for general corporate purposes, including meeting short-term funding requirements and the issuance of letters of credit.

See Note 10 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants' credit facilities and short term borrowing activity.

Security Ratings

The Registrants' access to the capital markets, including the commercial paper market, and their respective financing costs in those markets, may depend on the securities ratings of the entity that is accessing the capital markets.

The Registrants' borrowings are not subject to default or prepayment as a result of a downgrading of securities, although such a downgrading of a Registrant's securities could increase fees and interest charges under that Registrant's credit agreements.

As part of the normal course of business, the Registrants enter into contracts that contain express provisions or otherwise permit the Registrants and their counterparties to demand adequate assurance of future performance when there are reasonable grounds for doing so. In accordance with the contracts and applicable contracts law, if the Registrants are downgraded by a credit rating agency, it is possible that a counterparty would attempt to rely on such a downgrade as a basis for making a demand for adequate assurance of future performance, which could include the posting of collateral. See Note 9 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information on collateral provisions.

The credit ratings for Exelon and the Utility Registrants did not change for the three months ended March 31, 2023.

Intercompany Money Pool

To provide an additional short-term borrowing option that will generally be more favorable to the borrowing participants than the cost of external financing, both Exelon and PHI operate an intercompany money pool. Maximum amounts contributed to and borrowed from the money pool by participant and the net contribution or borrowing as of March 31, 2023, are presented in the following table. Pepco, DPL, and ACE had no activity within the PHI intercompany money pool during the three months ended March 31, 2023.

Exelon Intercompany Money Pool	During the Three Months Ended March 31, 2023		As of March 31, 2023
	Maximum Contributed	Maximum Borrowed	Contributed (Borrowed)
Exelon Corporate	$ 510	$ —	$ 266
PECO	—	(238)	—
BSC	—	(327)	(259)
PHI Corporate	—	(52)	(52)
PCI	45	—	45

Shelf Registration Statements

Exelon and the Utility Registrants have a currently effective combined shelf registration statement, unlimited in amount, that will expire in August 2025. The ability of each Registrant to sell securities off the shelf registration statement or to access the private placement markets will depend on a number of factors at the time of the proposed sale, including other required regulatory approvals, as applicable, the current financial condition of the Registrant, its securities ratings and market conditions.

Regulatory Authorizations

The Utility Registrants are required to obtain short-term and long-term financing authority from Federal and State Commissions as follows:

	As of March 31, 2023					
	Short-term Financing Authority			Remaining Long-term Financing Authority		
	Commission	Expiration Date	Amount	Commission	Expiration Date	Amount
ComEd	FERC	December 31, 2023	$ 2,500	ICC	January 1, 2025	$ 368
PECO	FERC	December 31, 2023	1,500	PAPUC	December 31, 2024	1,125
BGE[(a)]	FERC	December 31, 2023	700	MDPSC	N/A	1,800
Pepco[(b)]	FERC	December 31, 2023	500	MDPSC / DCPSC	December 31, 2025	1,150
DPL[(b)]	FERC	December 31, 2023	500	MDPSC / DEPSC	December 31, 2025	1,075
ACE	NJBPU	December 31, 2023	350	NJBPU	December 31, 2024	625

(a) On December 21, 2022, BGE received approval from the MDPSC for $1.8 billion in new long-term financing authority with an effective date of January 4, 2023.
(b) The financing authority filed with MDPSC does not have an expiration date, while the financing authority filed with DEPSC has an expiration date of December 31, 2025.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Registrants hold commodity and financial instruments that are exposed to the following market risks:

- Commodity price risk, which is discussed further below.
- Counterparty credit risk associated with non-performance by counterparties on executed derivative instruments and participation in all, or some of the established, wholesale spot energy markets that are administered by PJM. The credit policies of PJM may, under certain circumstances, require that losses arising from the default of one member on spot energy market transactions be shared by the remaining participants. See Note 9 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for a detailed discussion of counterparty credit risk related to derivative instruments.
- Equity price and interest rate risk associated with Exelon's pension and OPEB plan trusts. See Note 8 — Retirement Benefits of the 2022 Form 10-K for additional information.
- Interest rate risk associated with changes in interest rates for the Registrants' outstanding long-term debt. This risk is significantly reduced as substantially all of the Registrants' outstanding debt has fixed interest rates. There is inherent interest rate risk related to refinancing maturing debt by issuing new long-term debt. The Registrants use a combination of fixed-rate and variable-rate debt to manage interest rate exposure. See Note 10 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information. In addition, Exelon may utilize interest rate derivatives to lock in rate levels in anticipation of future financings, which are typically designated as cash flow hedges, or to lock in rate levels on borrowings, which are typically designated as economic hedges. See Note 9 – Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information.
- Electric operating revenues risk associated with ComEd's distribution formula rate. ComEd's ROE for its electric distribution service through 2023 is directly correlated to yields on U.S. Treasury bonds. Exelon Corporate may utilize interest rate derivatives to mitigate volatility and manage risk to Exelon, which are typically accounted for as economic hedges. See Note 9 – Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information.

The Registrants operate primarily under cost-based rate regulation limiting exposure to the effects of market risk. Hedging programs are utilized to reduce exposure to energy and natural gas price volatility and have no direct earnings impacts as the costs are fully recovered through regulatory-approved recovery mechanisms.

Exelon manages these risks through risk management policies and objectives for risk assessment, control and valuation, counterparty credit approval, and the monitoring and reporting of risk exposures. Risk management issues are reported to Exelon's Executive Committee, the Risk Management Committees of each Utility Registrant, and the Audit and Risk Committee of Exelon's Board of Directors.

Commodity Price Risk

Commodity price risk is associated with price movements resulting from changes in supply and demand, fuel costs, market liquidity, weather conditions, governmental regulatory and environmental policies, and other factors. To the extent the total amount of energy Exelon purchases differs from the amount of energy it has contracted to sell, Exelon is exposed to market fluctuations in commodity prices. Exelon seeks to mitigate its commodity price risk through the sale and purchase of electricity and natural gas.

ComEd entered into 20-year floating-to-fixed renewable energy swap contracts beginning in June 2012, which are considered an economic hedge and have changes in fair value recorded to an offsetting regulatory asset or liability. ComEd has block energy contracts to procure electric supply that are executed through a competitive procurement process, which are considered derivatives and qualify for NPNS, and as a result are accounted for on an accrual basis of accounting. PECO, BGE, Pepco, DPL, and ACE have contracts to procure electric supply that are executed through a competitive procurement process. PECO, BGE, Pepco, DPL, and ACE have certain full requirements contracts, which are considered derivatives and qualify for NPNS, and as a result are accounted for on an accrual basis of accounting. Other full requirements contracts are not derivatives.

PECO, BGE, and DPL also have executed derivative natural gas contracts, which qualify for NPNS, to hedge their long-term price risk in the natural gas market. The hedging programs for natural gas procurement have no direct impact on their financial statements.

For additional information on these contracts, see Note 9 — Derivative Financial Instruments and Note 11 — Fair Value of Financial Assets and Liabilities of the Combined Notes to Consolidated Financial Statements.

The following table presents the maturity and source of fair value for Exelon's and ComEd's mark-to-market commodity contract net liabilities. These net liabilities are associated with ComEd's floating-to-fixed energy swap contracts with unaffiliated suppliers. The table provides two fundamental pieces of information. First, the table provides the source of fair value used in determining the carrying amount of Exelon's and ComEd's total mark-to-market net liabilities. Second, the table shows the maturity, by year, of Exelon's and ComEd's commodity contract net liabilities giving an indication of when these mark-to-market amounts will settle and either generate or require cash. See Note 11 — Fair Value of Financial Assets and Liabilities of the Combined Notes to Consolidated Financial Statements for additional information regarding fair value measurements and the fair value hierarchy.

	Maturities Within						
Commodity derivative contracts[(a)]:	**2023**	**2024**	**2025**	**2026**	**2027**	**2028 and Beyond**	**Total Fair Value**
Prices based on model or other valuation methods (Level 3)	$ (20)	$ (16)	$ (14)	$ (12)	$ (10)	$ (26)	$ (98)

(a) Represents ComEd's net liabilities associated with the floating-to-fixed energy swap contracts with unaffiliated suppliers.

ITEM 4. CONTROLS AND PROCEDURES

During the first quarter of 2023, each of the Registrants' management, including its principal executive officer and principal financial officer, evaluated its disclosure controls and procedures related to the recording, processing, summarizing, and reporting of information in its periodic reports that it files with the SEC. These disclosure controls and procedures have been designed by the Registrants to ensure that (a) material information relating to that Registrant, including its consolidated subsidiaries, is accumulated and made known to that Registrant's management, including its principal executive officer and principal financial officer, by other employees of that Registrant and its subsidiaries as appropriate to allow timely decisions regarding required disclosure, and (b) this information is recorded, processed, summarized, evaluated, and reported, as applicable, within the time periods specified in the SEC's rules and forms. Due to the inherent limitations of control systems, not all misstatements may be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls could be circumvented by the individual acts of some persons or by collusion of two or more people.

Accordingly, as of March 31, 2023, the principal executive officer and principal financial officer of each of the Registrants concluded that such Registrant's disclosure controls and procedures were effective to accomplish its objectives. The Registrants continually strive to improve their disclosure controls and procedures to enhance the quality of its financial reporting and to maintain dynamic systems that change as conditions warrant. There were no changes in internal control over financial reporting during the first quarter of 2023 that materially affected, or are reasonably likely to materially affect, any of the Registrants' internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Registrants are parties to various lawsuits and regulatory proceedings in the ordinary course of their respective businesses. For information regarding material lawsuits and proceedings, see (a) ITEM 3. LEGAL PROCEEDINGS of the 2022 Form 10-K, (b) Notes 3 — Regulatory Matters and 18 — Commitments and Contingencies of the 2022 Form 10-K, and (c) Notes 3 — Regulatory Matters and 12 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements in PART I, ITEM 1. FINANCIAL STATEMENTS of this Report. Such descriptions are incorporated herein by these references.

ITEM 1A. RISK FACTORS

Risks Related to All Registrants

At March 31, 2023, the Registrants' risk factors were consistent with the risk factors described in the 2022 Form 10-K in ITEM 1A. RISK FACTORS.

ITEM 5. OTHER INFORMATION

All Registrants

None.

ITEM 6. EXHIBITS

Certain of the following exhibits are incorporated herein by reference under Rule 12b-32 of the Securities and Exchange Act of 1934, as amended. Certain other instruments which would otherwise be required to be listed below have not been so listed because such instruments do not authorize securities in an amount which exceeds 10% of the total assets of the applicable Registrant and its subsidiaries on a consolidated basis and the relevant Registrant agrees to furnish a copy of any such instrument to the Commission upon request.

(4) Instruments Defining the Rights of Securities Holders, Including Indentures

Exelon Corporation

Exhibit No.	Description	Location
4-1	Sixth Supplemental Indenture, dated as of February 1, 2023, among Exelon Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee	File No. 001-16169, Form 8-K dated February 21, 2023, Exhibit 4.2

Potomac Electric Power Company

Exhibit No.	Description	
4-2	Supplemental Indenture to the Potomac Electric Power Company Mortgage and Deed of Trust, dated as of March 1, 2023	File No. 001-01072, Form 8-K dated March 15, 2023, Exhibit 4.6

Delmarva Power & Light Company

Exhibit No.	Description	
4-3	Supplemental Indenture to the Delmarva Power & Light Company Mortgage and Deed of Trust, dated as of March 1, 2023	File No. 001-01405, Form 8-K dated March 15, 2023, Exhibit 4.4

Atlantic City Electric Company

Exhibit No.	Description	
4-4	Supplemental Indenture to the Atlantic City Electric Company Mortgage and Deed of Trust, dated as of March 1, 2023	File No. 001-03559, Form 8-K dated March 15, 2023, Exhibit 4.2

Certifications Pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as to the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 filed by the following officers for the following companies:

Exelon Corporation

Exhibit No.	Description
31-1	Filed by Calvin G. Butler, Jr. for Exelon Corporation
31-2	Filed by Jeanne M. Jones for Exelon Corporation

Commonwealth Edison Company

Exhibit No.	Description
31-3	Filed by Gil C. Quiniones for Commonwealth Edison Company
31-4	Filed by Elisabeth J. Graham for Commonwealth Edison Company

PECO Energy Company

Exhibit No.	Description
31-5	Filed by Michael A. Innocenzo for PECO Energy Company
31-6	Filed by Marissa Humphrey for PECO Energy Company

Baltimore Gas and Electric Company

Exhibit No.	Description
31-7	Filed by Carim V. Khouzami for Baltimore Gas and Electric Company
31-8	Filed by David M. Vahos for Baltimore Gas and Electric Company

Pepco Holdings LLC

Exhibit No.	Description
31-9	Filed by J. Tyler Anthony for Pepco Holdings LLC
31-10	Filed by Phillip S. Barnett for Pepco Holdings LLC

Potomac Electric Power Company

Exhibit No.	Description
31-11	Filed by J. Tyler Anthony for Potomac Electric Power Company
31-12	Filed by Phillip S. Barnett for Potomac Electric Power Company

Delmarva Power & Light Company

Exhibit No.	Description
31-13	Filed by J. Tyler Anthony for Delmarva Power & Light Company
31-14	Filed by Phillip S. Barnett for Delmarva Power & Light Company

Atlantic City Electric Company

Exhibit No.	Description
31-15	Filed by J. Tyler Anthony for Atlantic City Electric Company
31-16	Filed by Phillip S. Barnett for Atlantic City Electric Company

Certifications Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code (Sarbanes-Oxley Act of 2002) as to the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 filed by the following officers for the following companies:

Exelon Corporation

Exhibit No.	Description
32-1	Filed by Calvin G. Butler, Jr. for Exelon Corporation
32-2	Filed by Jeanne M. Jones for Exelon Corporation

Commonwealth Edison Company

Exhibit No.	Description
32-3	Filed by Gil C. Quiniones for Commonwealth Edison Company
32-4	Filed by Elisabeth J. Graham for Commonwealth Edison Company

PECO Energy Company

Exhibit No.	Description
32-5	Filed by Michael A. Innocenzo for PECO Energy Company
32-6	Filed by Marissa Humphrey for PECO Energy Company

Baltimore Gas and Electric Company

Exhibit No.	Description
32-7	Filed by Carim V. Khouzami for Baltimore Gas and Electric Company
32-8	Filed by David M. Vahos for Baltimore Gas and Electric Company

Pepco Holdings LLC

Exhibit No.	Description
32-9	Filed by J. Tyler Anthony for Pepco Holdings LLC
32-10	Filed by Phillip S. Barnett for Pepco Holdings LLC

Potomac Electric Power Company

Exhibit No.	Description
32-11	Filed by J. Tyler Anthony for Potomac Electric Power Company
32-12	Filed by Phillip S. Barnett for Potomac Electric Power Company

Delmarva Power & Light Company

Exhibit No.	Description
32-13	Filed by J. Tyler Anthony for Delmarva Power & Light Company
32-14	Filed by Phillip S. Barnett for Delmarva Power & Light Company

Atlantic City Electric Company

Exhibit No.	Description
32-15	Filed by J. Tyler Anthony for Atlantic City Electric Company
32-16	Filed by Phillip S. Barnett for Atlantic City Electric Company
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

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

EXELON CORPORATION

/s/ CALVIN G. BUTLER, JR.	/s/ JEANNE M. JONES
Calvin G. Butler, Jr.	Jeanne M. Jones
President, Chief Executive Officer (Principal Executive Officer) and Director	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ JOSEPH R. TRPIK	
Joseph R. Trpik	
Senior Vice President and Corporate Controller (Principal Accounting Officer)	

May 3, 2023

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

COMMONWEALTH EDISON COMPANY

/s/ GIL C. QUINIONES	/s/ ELISABETH J. GRAHAM
Gil C. Quiniones	Elisabeth J. Graham
Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ STEVEN J. CICHOCKI	
Steven J. Cichocki	
Director, Accounting (Principal Accounting Officer)	

May 3, 2023

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

PECO ENERGY COMPANY

/s/ MICHAEL A. INNOCENZO	/s/ MARISSA HUMPHREY
Michael A. Innocenzo	Marissa Humphrey
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ CAROLINE FULGINITI	
Caroline Fulginiti	
Director, Accounting (Principal Accounting Officer)	

May 3, 2023

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

BALTIMORE GAS AND ELECTRIC COMPANY

/s/ CARIM V. KHOUZAMI	/s/ DAVID M. VAHOS
Carim V. Khouzami	David M. Vahos
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JASON T. JONES	
Jason T. Jones	
Director, Accounting (Principal Accounting Officer)	

May 3, 2023

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

PEPCO HOLDINGS LLC

/s/ J. TYLER ANTHONY	/s/ PHILLIP S. BARNETT
J. Tyler Anthony	Phillip S. Barnett
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE	
Julie E. Giese	
Director, Accounting (Principal Accounting Officer)	

May 3, 2023

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

POTOMAC ELECTRIC POWER COMPANY

/s/ J. TYLER ANTHONY	/s/ PHILLIP S. BARNETT
J. Tyler Anthony	Phillip S. Barnett
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer, Treasurer (Principal Financial Officer) and Director
/s/ JULIE E. GIESE	
Julie E. Giese	
Director, Accounting (Principal Accounting Officer)	

May 3, 2023

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

DELMARVA POWER & LIGHT COMPANY

/s/ J. TYLER ANTHONY	/s/ PHILLIP S. BARNETT
J. Tyler Anthony	Phillip S. Barnett
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE	
Julie E. Giese	
Director, Accounting (Principal Accounting Officer)	

May 3, 2023

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

ATLANTIC CITY ELECTRIC COMPANY

/s/ J. TYLER ANTHONY	/s/ PHILLIP S. BARNETT
J. Tyler Anthony	Phillip S. Barnett
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE	
Julie E. Giese	
Director, Accounting (Principal Accounting Officer)	

May 3, 2023

Exhibit 31-1

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Calvin G. Butler, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Exelon Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CALVIN G. BUTLER, JR.
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-2

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Jeanne M. Jones, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Exelon Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JEANNE M. JONES
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 31-3

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Gil C. Quiniones, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Commonwealth Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ GIL C. QUINIONES

Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-4

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Elisabeth J. Graham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Commonwealth Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ ELISABETH J. GRAHAM

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 31-5

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Michael A. Innocenzo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of PECO Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MICHAEL A. INNOCENZO
President, Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-6

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Marissa Humphrey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of PECO Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MARISSA HUMPHREY

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 31-7

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Carim V. Khouzami, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Baltimore Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CARIM V. KHOUZAMI
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-8

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, David M. Vahos, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Baltimore Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ DAVID M. VAHOS

Senior Vice President, Chief Financial Officer
and Treasurer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 31-9

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pepco Holdings LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY

President, Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-10

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Phillip S. Barnett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pepco Holdings LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ PHILLIP S. BARNETT

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 31-11

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Potomac Electric Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY

President, Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-12

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Phillip S. Barnett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Potomac Electric Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ PHILLIP S. BARNETT

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 31-13

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delmarva Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY
President, Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-14

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Phillip S. Barnett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delmarva Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ PHILLIP S. BARNETT
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 31-15

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Atlantic City Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY

President, Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

Exhibit 31-16

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Phillip S. Barnett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Atlantic City Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ PHILLIP S. BARNETT

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: May 3, 2023

Exhibit 32-1

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Exelon Corporation for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Exelon Corporation.

/s/ CALVIN G. BUTLER, JR.
Calvin G. Butler
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32-2

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Exelon Corporation for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Exelon Corporation.

/s/ JEANNE M. JONES

Jeanne M. Jones
Executive Vice President and Chief Financial Officer

Date: May 3, 2023

Exhibit 32-3

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Commonwealth Edison Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Commonwealth Edison Company.

/s/ GIL C. QUINIONES
Gil C. Quiniones
Chief Executive Officer

Date: May 3, 2023

Exhibit 32-4

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Commonwealth Edison Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Commonwealth Edison Company.

/s/ ELISABETH J. GRAHAM
Elisabeth J. Graham
Senior Vice President, Chief Financial Officer and Treasurer

Date: May 3, 2023

Exhibit 32-5

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of PECO Energy Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of PECO Energy Company.

/s/ MICHAEL A. INNOCENZO
Michael A. Innocenzo
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32-6

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of PECO Energy Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of PECO Energy Company.

/s/ MARISSA HUMPHREY

Marissa Humphrey
Senior Vice President, Chief Financial Officer and Treasurer

Date: May 3, 2023

Exhibit 32-7

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Baltimore Gas and Electric Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Baltimore Gas and Electric Company.

/s/ CARIM V. KHOUZAMI
Carim V. Khouzami
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32-8

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Baltimore Gas and Electric Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Baltimore Gas and Electric Company.

/s/ DAVID M. VAHOS
David M. Vahos
Senior Vice President, Chief Financial Officer and Treasurer

Date: May 3, 2023

Exhibit 32-9

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Pepco Holdings LLC for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Pepco Holdings LLC.

/s/ J. TYLER ANTHONY

J. Tyler Anthony
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32-10

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Pepco Holdings LLC for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Pepco Holdings LLC.

/s/ PHILLIP S. BARNETT

Phillip S. Barnett
Senior Vice President, Chief Financial Officer and Treasurer

Date: May 3, 2023

Exhibit 32-11

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Potomac Electric Power Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Potomac Electric Power Company.

/s/ J. TYLER ANTHONY

J. Tyler Anthony
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32-12

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Potomac Electric Power Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Potomac Electric Power Company.

/s/ PHILLIP S. BARNETT

Phillip S. Barnett
Senior Vice President, Chief Financial Officer and Treasurer

Date: May 3, 2023

Exhibit 32-13

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Delmarva Power & Light Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Delmarva Power & Light Company.

/s/ J. TYLER ANTHONY

J. Tyler Anthony
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32-14

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Delmarva Power & Light Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Delmarva Power & Light Company.

/s/ PHILLIP S. BARNETT

Phillip S. Barnett
Senior Vice President, Chief Financial Officer and Treasurer

Date: May 3, 2023

Exhibit 32-15

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Atlantic City Electric Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Atlantic City Electric Company.

/s/ J. TYLER ANTHONY

J. Tyler Anthony
President and Chief Executive Officer

Date: May 3, 2023

Exhibit 32-16

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Atlantic City Electric Company for the quarterly period ended March 31, 2023, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Atlantic City Electric Company.

/s/ PHILLIP S. BARNETT

Phillip S. Barnett
Senior Vice President, Chief Financial Officer and Treasurer

Date: May 3, 2023