

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

**FORM 8-K**

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

**October 26, 2016  
Date of Report (Date of earliest event reported)**

Commission File Number	Exact Name of Registrant as Specified in Its Charter; State of Incorporation; Address of Principal Executive Offices; and Telephone Number	IRS Employer Identification Number
1-16169	<b>EXELON CORPORATION</b> <b>(a Pennsylvania corporation)</b> 10 South Dearborn Street P.O. Box 805379 Chicago, Illinois 60680-5379 (800) 483-3220	23-2990190
333-85496	<b>EXELON GENERATION COMPANY, LLC</b> <b>(a Pennsylvania limited liability company)</b> 300 Exelon Way Kennett Square, Pennsylvania 19348-2473 (610) 765-5959	23-3064219
1-1839	<b>COMMONWEALTH EDISON COMPANY</b> <b>(an Illinois corporation)</b> 440 South LaSalle Street Chicago, Illinois 60605-1028 (312) 394-4321	36-0938600
000-16844	<b>PECO ENERGY COMPANY</b> <b>(a Pennsylvania corporation)</b> P.O. Box 8699 2301 Market Street Philadelphia, Pennsylvania 19101-8699 (215) 841-4000	23-0970240
1-1910	<b>BALTIMORE GAS AND ELECTRIC COMPANY</b> <b>(a Maryland corporation)</b> 2 Center Plaza 110 West Fayette Street Baltimore, Maryland 21201 (410) 234-5000	52-0280210
001-31403	<b>PEPCO HOLDINGS LLC</b> <b>(a Delaware limited liability company)</b> 701 Ninth Street, N.W. Washington, District of Columbia 20068 (202) 872-2000	52-2297449
001-01072	<b>POTOMAC ELECTRIC POWER COMPANY</b> <b>(a District of Columbia and Virginia corporation)</b> 701 Ninth Street, N.W. Washington, District of Columbia 20068 (202) 872-2000	53-0127880
001-01405	<b>DELMARVA POWER &amp; LIGHT COMPANY</b> <b>(a Delaware and Virginia corporation)</b> 500 North Wakefield Drive Newark, Delaware 19702 (202) 872-2000	51-0084283
001-03559	<b>ATLANTIC CITY ELECTRIC COMPANY</b> <b>(a New Jersey corporation)</b> 500 North Wakefield Drive Newark, Delaware 19702 (202) 872-2000	21-0398280

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## Section 2 – Financial Information

### Item 2.02. Results of Operations and Financial Condition.

## Section 7 – Regulation FD

### Item 7.01. Regulation FD Disclosure.

On October 26, 2016, Exelon Corporation (Exelon) announced via press release its results for the third quarter ended September 30, 2016. A copy of the press release and related attachments is attached hereto as Exhibit 99.1. Also attached as Exhibit 99.2 to this Current Report on Form 8-K are the presentation slides to be used at the third quarter 2016 earnings conference call. This Form 8-K and the attached exhibits are provided under Items 2.02, 7.01 and 9.01 of Form 8-K and are furnished to, but not filed with, the Securities and Exchange Commission.

Exelon has scheduled the conference call for 11:00 AM ET (10:00 AM CT) on October 26, 2016. The call-in number in the U.S. and Canada is 800-690-3108, and the international call-in number is 973-935-8753. If requested, the conference ID number is 97958834. Media representatives are invited to participate on a listen-only basis. The call will be web-cast and archived on Exelon's Web site: [www.exeloncorp.com](http://www.exeloncorp.com). (Please select the Investors page.)

Telephone replays will be available until November 9, 2016. The U.S. and Canada call-in number for replays is 855-859-2056, and the international call-in number is 404-537-3406. The conference ID number is 97958834.

## Section 9 – Financial Statements and Exhibits

### Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release and earnings release attachments
99.2	Earnings conference call presentation slides

\* \* \* \* \*

This combined Current Report on Form 8-K is being furnished separately by Exelon, Exelon Generation Company, LLC, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC (PHI), Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company (Registrants). Information contained herein relating to any individual Registrant has been furnished by such Registrant on its own behalf. No Registrant makes any representation as to information relating to any other Registrant.

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. The factors that could cause actual results to differ materially from the forward-looking statements made by Registrants include those factors discussed herein, as well as the items discussed in (1) Exelon's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 23; (2) PHI's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 16; (3) Exelon's Third Quarter 2016 Quarterly Report on Form 10-Q (to be filed on October 26, 2016) in (a) Part II, Other Information, ITEM 1A. Risk Factors; (b) Part 1, Financial Information, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, Financial Information, ITEM 1. Financial Statements: Note 18 and (4) 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 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.

SIGNATURES

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

**EXELON CORPORATION**

/s/ Jonathan W. Thayer

Jonathan W. Thayer  
Senior Executive Vice President and Chief Financial Officer  
Exelon Corporation

**EXELON GENERATION COMPANY, LLC**

/s/ Bryan P. Wright

Bryan P. Wright  
Senior Vice President and Chief Financial Officer  
Exelon Generation Company, LLC

**COMMONWEALTH EDISON COMPANY**

/s/ Joseph R. Trpik, Jr.

Joseph R. Trpik, Jr.  
Senior Vice President, Chief Financial Officer and Treasurer  
Commonwealth Edison Company

**PECO ENERGY COMPANY**

/s/ Phillip S. Barnett

Phillip S. Barnett  
Senior Vice President, Chief Financial Officer and Treasurer  
PECO Energy Company

**BALTIMORE GAS AND ELECTRIC COMPANY**

/s/ David M. Vahos

David M. Vahos  
Senior Vice President, Chief Financial Officer and Treasurer  
Baltimore Gas and Electric Company

**PEPCO HOLDINGS LLC**

/s/ Donna J. Kinzel

Donna J. Kinzel  
Senior Vice President, Chief Financial Officer and Treasurer,  
Pepco Holdings LLC

**POTOMAC ELECTRIC POWER COMPANY**

/s/ Donna J. Kinzel

Donna J. Kinzel

Senior Vice President, Chief Financial Officer and Treasurer,  
Potomac Electric Power Company

**DELMARVA POWER & LIGHT COMPANY**

/s/ Donna J. Kinzel

Donna J. Kinzel

Senior Vice President, Chief Financial Officer and Treasurer,  
Delmarva Power & Light Company

**ATLANTIC CITY ELECTRIC COMPANY**

/s/ Donna J. Kinzel

Donna J. Kinzel

Senior Vice President, Chief Financial Officer and Treasurer,  
Atlantic City Electric Company

October 26, 2016

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**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release and earnings release attachments
99.2	Earnings conference call presentation slides



**Contact:** Dan Eggers  
Investor Relations  
312-394-2345

Paul Adams  
Corporate Communications  
410-470-4167

### EXELON ANNOUNCES THIRD QUARTER 2016 RESULTS

**CHICAGO (October 26, 2016)** — Exelon Corporation (NYSE: EXC) announced third quarter 2016 consolidated earnings as follows:

	Third Quarter	
	2016	2015
<b>GAAP Results:</b>		
Net Income (\$ millions)	\$ 490	\$ 629
Diluted Earnings per Share	\$0.53	\$0.69
<b>Adjusted (non-GAAP) Operating Results:</b>		
Net Income (\$ millions)	\$ 841	\$ 757
Diluted Earnings per Share	\$0.91	\$0.83

“During the third quarter, Exelon delivered on its commitment to provide value to our stakeholders through our strong operating performance at the legacy Exelon utilities, improved operational performance at PHI, the stellar performance of our generation assets during the summer heat, and the ability of our Constellation business to perform in low- and high-volatility market conditions.” said Christopher M. Crane, Exelon President and CEO. “Exelon produced earnings of \$0.91 per share, exceeding our guidance range. For the full year, we are raising our guidance from \$2.55 to \$2.75 per share.”

### Third Quarter Operating Results

Exelon's GAAP Net Income decreased to \$0.53 per share in the third quarter of 2016 from \$0.69 per share in the third quarter of 2015. Exelon's adjusted (non-GAAP) Operating Earnings increased to \$0.91 per share in the third quarter of 2016 from \$0.83 per share in the third quarter of 2015.

Third quarter 2016 results include \$0.14 per share of PHI Adjusted (non-GAAP) Operating Earnings, the impact of which was partially offset by incremental debt and equity costs incurred in connection with the merger. Adjusted (non-GAAP) Operating Earnings in the third quarter of 2016 also reflect the following favorable factors:

- Higher utility earnings due to favorable impacts of regulatory rate increases; and
- Favorable utility weather.

These factors were partially offset by:

- Decreased capacity prices at Generation;
- Increased income taxes given a decrease in domestic production activities production at Generation; and
- Higher nuclear decommissioning amortization at Generation.

Adjusted (non-GAAP) Operating Earnings for the third quarter of 2016 do not include the following items (after tax) that were included in reported GAAP Net Income:

	(in millions)	(per diluted share)
<b>Exelon GAAP Net Income</b>	<b>\$ 490</b>	<b>\$ 0.53</b>
Mark-to-Market Impact of Economic Hedging Activities	(54)	(0.06)
Unrealized Gains Related to NDT Fund Investments	(70)	(0.07)
Amortization of Commodity Contract Intangibles	13	0.01
Merger and Integration Costs	13	0.01
Merger Commitments	5	0.01
Long-Lived Asset Impairments	11	0.01
Plant Retirements and Divestitures	204	0.22
Cost Management Program	7	0.01
Like-Kind Exchange Tax Position	199	0.21
CENG Non-Controlling Interest	23	0.03
<b>Exelon Adjusted (non-GAAP) Operating Earnings</b>	<b>\$ 841</b>	<b>\$ 0.91</b>

[Table of Contents](#)

Adjusted (non-GAAP) Operating Earnings for the third quarter of 2015 do not include the following items (after tax) that were included in reported GAAP Net Income:

	(in millions)	(per diluted share)
<b>Exelon GAAP Net Income</b>	<b>\$ 629</b>	<b>\$ 0.69</b>
Mark-to-Market Impact of Economic Hedging Activities	85	0.09
Unrealized Losses Related to NDT Fund Investments	133	0.15
Amortization of Commodity Contract Intangibles	2	—
Merger and Integration Costs	12	0.02
Asset Retirement Obligation	(6)	(0.01)
Tax Settlements	(52)	(0.06)
CENG Non-Controlling Interest	(46)	(0.05)
<b>Exelon Adjusted (non-GAAP) Operating Earnings</b>	<b>\$ 757</b>	<b>\$ 0.83</b>

**Third Quarter and Recent Highlights**

- **ACE New Jersey Electric Distribution Rate Case:** On August 24, 2016, the NJBPU approved ACEs filed settlement for its pending electric distribution rate case, which includes an increase of \$45 million (before New Jersey sales and use tax) to its electric distribution base rates, based on an approved ROE of 9.75 percent. The new rates were effective immediately after approval.
- **Proposed Acquisition of FitzPatrick Nuclear Station:** Following the approval of the Clean Energy Standard by the New York Public Service Commission, Generation entered into a series of agreements with Entergy Nuclear FitzPatrick LLC on August 8, 2016, to acquire the James A. Fitzpatrick nuclear generating station for a cash purchase price of \$110 million. Under the terms of the agreements, Generation will reimburse Entergy for approximately \$200 million to \$250 million of incremental costs to refuel the plant and operate and maintain the plant after the refueling outage, scheduled to end in February 2017, through the closing date. Generation will be entitled to all revenues from FitzPatrick's electricity and capacity sales for the period commencing upon completion of the refueling outage through the closing date. The transaction is expected to close in the second quarter of 2017, and is dependent upon regulatory approval by FERC, NRC and the NYPSC.
- **ConEdison Solutions Acquisition:** On September 1, 2016, Generation acquired the competitive retail electric and natural gas businesses of ConEdison Solutions, a subsidiary of Consolidated Edison, Inc., for an all cash purchase price of \$257 million including net working capital of \$204 million.



- **Like-Kind Exchange Tax Court Decision:** Exelon took a position on its 1999 income tax return to defer approximately \$1.2 billion of tax gain on the sale of ComEd's fossil generating assets. On September 19, 2016, the United States Tax Court rejected Exelon's position regarding this sale and asserted that the entire gain was taxable in 1999. The IRS has also asserted a penalty of approximately \$90 million for a substantial understatement of tax. As a result, Exelon recorded a charge to earnings for the penalty and after-tax interest due on the asserted penalty of approximately \$200 million, of which approximately \$150 million was recorded at ComEd. In early 2017, Exelon expects to appeal this decision to the U.S. Court of Appeals for the Seventh Circuit. Exelon has agreed to hold ComEd harmless from any unfavorable impacts of the after-tax interest or penalty amounts on ComEd's equity, and will not seek recovery from ComEd customers for any interest or penalty associated with the like-kind exchange tax position. Exelon is required to pay the tax, penalty and interest for the tax years before the Court at the time Exelon files its appeal. As a result, Exelon deposited \$1.25 billion with the IRS in October of 2016. The remaining amount will be paid in early 2017 at the time Exelon files its appeal.
- **Nuclear Operations:** Generation's nuclear fleet, including its owned output from the Salem Generating Station and 100 percent of the CENG units, produced 44,709 gigawatt-hours (GWh) in the third quarter of 2016, compared with 45,180 GWh in the third quarter of 2015. Excluding Salem, the Exelon-operated nuclear plants at ownership achieved a 96.3 percent capacity factor for the third quarter of 2016, compared with 95.5 percent for the third quarter of 2015. The number of planned refueling outage days in the third quarter of 2016 totaled 17, compared with 27 in the third quarter of 2015. There were zero non-refueling outage days in the third quarter of 2016, compared with 11 days in the third quarter of 2015.
- **Fossil and Renewables Operations:** The Dispatch Match rate for Generation's gas and hydro fleet was 97.9 percent in the third quarter of 2016, compared with 99.0 percent in the third quarter of 2015, primarily reflecting gas unit outages in Texas and Maryland. Energy Capture for the wind and solar fleet was 95.2 percent in the third quarter of 2016, compared with 94.8 percent in the third quarter of 2015.
- **Hedging Update:** Exelon's hedging program involves the hedging of commodity risk for Exelon's expected generation, typically on a ratable basis over a three-year period. The proportion of expected generation hedged as of September 30,

## [Table of Contents](#)

2016, is 98.0 percent to 101.0 percent for 2016, 85.0 percent to 88.0 percent for 2017, and 54.0 percent to 57.0 percent for 2018. Expected generation is the volume of energy that best represents our financial exposure through owned or contracted capacity. The primary objective of Exelon's hedging program is to manage market risks and protect the value of its generation and its investment-grade balance sheet, while preserving its ability to participate in improving long-term market fundamentals.

### • **Financing Activities:**

- On August 18, 2016, BGE issued and sold \$850 million in aggregate principal amount of Notes consisting of \$350 million of 2.400 percent Notes due in 2026 and \$500 million of 3.500 percent Notes due in 2046. The proceeds of the Notes were used to redeem outstanding preference shares issued by BGE and for general corporate purposes.
- On September 18, 2016, BGE redeemed the remaining 500,000 shares of its outstanding 6.970 percent Cumulative Preference Stock, 1993 Series and the remaining 400,000 shares of its outstanding 6.70 percent Cumulative Preference Stock, 1993 Series for \$90 million, plus accrued and unpaid dividends.
- On September 21, 2016, PECO issued \$300 million in aggregate principal amount of its First and Refunding Mortgage Bonds, 1.700 percent Series due in 2021. The net proceeds from the sale of the bonds were used to refinance maturing mortgage bonds.
- On September 30, 2016, Generation issued \$150 million in aggregate principal amount of 3.390 percent Notes due in 2036. The proceeds of the Notes will be used for general corporate purposes.

### **Operating Company Results**

**ComEd** consists of electricity transmission and distribution operations in Northern Illinois.

ComEd's third quarter 2016 GAAP Net Income was \$37 million compared with \$149 million in the third quarter of 2015. Adjusted (non-GAAP) Operating Earnings for the third quarter of 2016 and 2015 do not include certain items (after tax) that were included in reported GAAP Net Income as reconciled in the table below:

(\$ millions)	3Q16	3Q15
<b>ComEd GAAP Net Income</b>	<b>\$ 37</b>	<b>\$149</b>
Merger and Integration Costs	—	2
Like-Kind Exchange Tax Position	149	—
<b>ComEd Adjusted (non-GAAP) Operating Earnings</b>	<b>\$186</b>	<b>\$151</b>

[Table of Contents](#)

ComEd's Adjusted (non-GAAP) Operating Earnings in the third quarter of 2016 increased by \$35 million from the same quarter in 2015, primarily due to favorable weather and higher electric distribution and transmission formula rate earnings.

For the third quarter of 2016, cooling degree days were up 32.5 percent relative to the same period in 2015 and were 37.0 percent above normal. Total retail deliveries increased by 7.0 percent in the third quarter of 2016 compared with the same period in 2015.

Weather-normalized retail electric deliveries remained relatively consistent in the third quarter of 2016 compared with the same period in 2015.

PECO consists of electricity transmission and distribution operations and retail natural gas distribution operations in Southeastern Pennsylvania.

PECO's third quarter 2016 GAAP Net Income was \$122 million compared with \$90 million in the third quarter of 2015. Adjusted (non-GAAP) Operating Earnings for the third quarter of 2016 and 2015 do not include merger and integration costs that were included in reported GAAP Net Income as reconciled in the table below:

(\$ millions)	3Q16	3Q15
<b>PECO GAAP Net Income</b>	<b>\$122</b>	<b>\$ 90</b>
Merger and Integration Costs	1	1
<b>PECO Adjusted (non-GAAP) Operating Earnings</b>	<b>\$123</b>	<b>\$ 91</b>

PECO's Adjusted (non-GAAP) Operating Earnings in the third quarter of 2016 increased by \$32 million from the same quarter in 2015, primarily due to favorable weather and increased electric distribution revenue pursuant to a rate increase effective January 1, 2016.

For the third quarter of 2016, cooling degree days were up 8.6 percent relative to the same period in 2015 and were 38.6 percent above normal. Total retail electric deliveries were up 5.1 percent compared with the third quarter of 2015. Natural gas deliveries (including both retail and transportation segments) in the third quarter of 2016 were down 2.6 percent compared with the same period in 2015.

[Table of Contents](#)

Weather-normalized retail electric deliveries remained relatively consistent while gas deliveries decreased 3.0 percent in the third quarter of 2016 compared with the same period in 2015. The decreased gas volumes were driven primarily by lower use per customer.

**BGE** consists of electricity transmission and distribution operations and retail natural gas distribution operations in Central Maryland.

BGE's third quarter 2016 GAAP Net Income was \$54 million compared with \$51 million in the third quarter of 2015. Adjusted (non-GAAP) Operating Earnings for the third quarter of 2016 and 2015 do not include merger and integration costs that were included in reported GAAP Net Income as reconciled in the table below:

(\$ millions)	3Q16	3Q15
<b>BGE GAAP Net Income</b>	<b>\$ 54</b>	<b>\$ 51</b>
Merger and Integration Costs	<u>1</u>	<u>1</u>
<b>BGE Adjusted (non-GAAP) Operating Earnings</b>	<b><u>\$ 55</u></b>	<b><u>\$ 52</u></b>

BGE's Adjusted (non-GAAP) Operating Earnings in the third quarter of 2016 increased \$3 million from the same quarter in 2015, primarily due to increased distribution revenue pursuant to increased rates effective in June 2016 and increased transmission revenue due to increased capital investments and operating and maintenance expense recoveries, partially offset by the increased amortization due to the initiation of cost recovery of the AMI programs and increased underground conduit rental fees assessed by the City of Baltimore. Due to revenue decoupling, BGE is not affected by actual weather with the exception of major storms.

**PHI** consists of electricity transmission and distribution operations in the District of Columbia and portions of Maryland, Delaware, and New Jersey and retail natural gas distribution operations in northern Delaware.

PHI's third quarter 2016 GAAP Net Income was \$166 million. Adjusted (non-GAAP) Operating Earnings do not include certain items (after-tax) that were included in reported GAAP Net Income as reconciled in the table below:

[Table of Contents](#)

(\$ millions)	3Q16
<b>PHI GAAP Net Income</b>	<b>\$166</b>
Merger and Integration Costs	4
Merger Commitments (1)	(40)
<b>PHI Adjusted (non-GAAP) Operating Earnings</b>	<b>\$130</b>

- (1) Reflects impacts of after-tax adjustments to amounts and allocations of PHI merger commitment costs in application of the “most favored nation” provision. For the Exelon consolidated entity, total adjustments under this provision have increased total estimated merger commitment costs from \$508 million at June 30, 2016 to \$513 million at September 30, 2016 (with no change in a net present value basis).

**Generation** consists of owned and contracted electric generating facilities and wholesale and retail customer supply of electric and natural gas products and services, including renewable energy products, risk management services and natural gas exploration and production activities.

Generation’s third quarter 2016 GAAP Net Income was \$236 million compared with GAAP Net Income of \$377 million in the third quarter of 2015. Adjusted (non-GAAP) Operating Earnings for the third quarter of 2016 and 2015 do not include various items (after tax) that were included in reported GAAP Net Income as reconciled in the table below:

(\$ millions)	3Q16	3Q15
<b>Generation GAAP Net Income</b>	<b>\$236</b>	<b>\$377</b>
Mark-to-Market Impact of Economic Hedging Activities	(54)	85
Unrealized (Gains) Losses Related to NDT Fund Investments	(70)	133
Amortization of Commodity Contract Intangibles	13	2
Merger and Integration Costs	7	6
Long-Lived Asset Impairments	10	—
Plant Retirements and Divestitures	204	—
Cost Management Program	7	—
Asset Retirement Obligation	—	(6)
Tax Settlements	—	(52)
CENG Non-Controlling Interest	23	(46)
<b>Generation Adjusted (non-GAAP) Operating Earnings</b>	<b>\$376</b>	<b>\$499</b>

Generation’s Adjusted (non-GAAP) Operating Earnings in the third quarter of 2016 decreased by \$123 million compared with the same quarter in 2015, primarily reflecting increased income taxes given a decrease in the domestic production activities deduction, decreased capacity prices and increased nuclear decommissioning amortization expense.

### **Non-GAAP Financial Measures**

In addition to net income as determined under generally accepted accounting principles in the United States (GAAP), 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 measure is intended to enhance an investor's overall understanding of period over period 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 measure 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' presentation. The Company has provided the non-GAAP financial measure as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. Adjusted (non-GAAP) Operating Earnings should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP measures provided in this earnings release and attachments. This press release and earnings release attachments provide reconciliations of adjusted (non-GAAP) Operating Earnings to the most directly comparable financial measures calculated and presented in accordance with GAAP, are posted on Exelon's website: [www.exeloncorp.com](http://www.exeloncorp.com), and have been furnished to the Securities and Exchange Commission on Form 8-K on October 26, 2016.

### **Cautionary Statements Regarding Forward-Looking Information**

This press release 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, Exelon Generation Company, LLC, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC (PHI), Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company (Registrants) include those factors discussed herein, as well as the items discussed in (1) Exelon's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 23; (2) PHI's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 16; (3) Exelon's Third Quarter 2016 Quarterly Report on Form 10-Q (To be filed on October 26, 2016) in (a) Part II, Other Information, ITEM 1A. Risk

[Table of Contents](#)

Factors; (b) Part 1, Financial Information, ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, Financial Information, ITEM 1. Financial Statements: Note 18 and (4) 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 press release. 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 press release.

###

Exelon Corporation (NYSE: EXC) is a Fortune 100 energy company with the largest number of utility customers in the U.S. Exelon does business in 48 states, the District of Columbia and Canada and had 2015 revenue of \$34.5 billion. Exelon’s six utilities deliver electricity and natural gas to approximately 10 million customers in Delaware, the District of Columbia, Illinois, Maryland, New Jersey and Pennsylvania through its Atlantic City Electric, BGE, ComEd, Delmarva Power, PECO and Pepco subsidiaries. Exelon is one of the largest competitive U.S. power generators, with more than 32,700 megawatts of nuclear, gas, wind, solar and hydroelectric generating capacity comprising one of the nation’s cleanest and lowest-cost power generation fleets. The company’s Constellation business unit provides energy products and services to approximately 2.5 million residential, public sector and business customers, including more than two-thirds of the Fortune 100. Follow Exelon on Twitter @Exelon.

[Table of Contents](#)

**Earnings Release Attachments  
Table of Contents**

<a href="#">Consolidating Statements of Operations - three months ended September 30, 2016 and 2015</a>	1
<a href="#">Consolidating Statements of Operations - nine months ended September 30, 2016 and 2015</a>	2
<a href="#">Business Segment Comparative Statements of Operations - Generation and ComEd - three and nine months ended September 30, 2016 and 2015</a>	3
<a href="#">Business Segment Comparative Statements of Operations - PECO and BGE - three and nine months ended September 30, 2016 and 2015</a>	4
<a href="#">Business Segment Comparative Statements of Operations - PHI and Other - three and nine months ended September 30, 2016 and 2015</a>	5
<a href="#">Consolidated Balance Sheets - September 30, 2016 and December 31, 2015</a>	6
<a href="#">Consolidated Statements of Cash Flows - nine months ended September 30, 2016 and 2015</a>	7
<a href="#">Reconciliation of GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - Exelon - three months ended September 30, 2016 and 2015</a>	8
<a href="#">Reconciliation GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - Exelon - nine months ended September 30, 2016 and 2015</a>	10
<a href="#">Reconciliation of Adjusted (non-GAAP) Operating Earnings to GAAP Earnings By Business Segment - three months ended September 30, 2016 and 2015</a>	12
<a href="#">Reconciliation of Adjusted (non-GAAP) Operating Earnings to GAAP Earnings By Business Segment - nine months ended September 30, 2016 and 2015</a>	14
<a href="#">Reconciliation GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - Generation - three and nine months ended September 30, 2016 and 2015</a>	17
<a href="#">Reconciliation GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - ComEd - three and nine months ended September 30, 2016 and 2015</a>	19
<a href="#">Reconciliation GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - PECO - three and nine months ended September 30, 2016 and 2015</a>	20
<a href="#">Reconciliation GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - BGE - three and nine months ended September 30, 2016 and 2015</a>	21
<a href="#">Reconciliation GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - PHI - three and nine months ended September 30, 2016 and 2015</a>	23
<a href="#">Reconciliation of GAAP Consolidated Statements of Operations to Adjusted (non-GAAP) Operating Earnings - Other - three and nine months ended September 30, 2016 and 2015</a>	24
<a href="#">Exelon Generation Statistics - three months ended September 30, 2016, June 30, 2016, March 31, 2016, December 31, 2015, and September 30, 2015</a>	26
<a href="#">Exelon Generation Statistics - nine months ended September 30, 2016 and 2015</a>	27
<a href="#">ComEd Statistics - three and nine months ended September 30, 2016 and 2015</a>	28
<a href="#">PECO Statistics - three and nine months ended September 30, 2016 and 2015</a>	29
<a href="#">BGE Statistics - three and nine months ended September 30, 2016 and 2015</a>	31
<a href="#">Pepco Statistics - three and nine months ended September 30, 2016 and 2015</a>	33
<a href="#">DPL Statistics - three and nine months ended September 30, 2016 and 2015</a>	34
<a href="#">ACE Statistics - three and nine months ended September 30, 2016 and 2015</a>	36



**EXELON CORPORATION**  
**Consolidating Statements of Operations**  
(unaudited)  
(in millions)

	Three Months Ended September 30, 2016						
	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon Consolidated
<b>Operating revenues</b>	\$ 5,035	\$1,497	\$ 788	\$812	\$1,394	\$ (524)	\$ 9,002
<b>Operating expenses</b>							
Purchased power and fuel	2,589	454	272	360	583	(504)	3,754
Operating and maintenance	1,336	377	199	178	226	22	2,338
Depreciation and amortization	632	196	67	101	182	17	1,195
Taxes other than income	136	82	46	58	124	3	449
<b>Total operating expenses</b>	<u>4,693</u>	<u>1,109</u>	<u>584</u>	<u>697</u>	<u>1,115</u>	<u>(462)</u>	<u>7,736</u>
<b>Gain on sales of assets</b>	—	1	—	—	—	—	1
<b>Operating income (loss)</b>	<u>342</u>	<u>389</u>	<u>204</u>	<u>115</u>	<u>279</u>	<u>(62)</u>	<u>1,267</u>
<b>Other income and (deductions)</b>							
Interest expense, net	(77)	(197)	(30)	(28)	(64)	(120)	(516)
Other, net	185	(80)	2	5	19	(11)	120
<b>Total other income and (deductions)</b>	<u>108</u>	<u>(277)</u>	<u>(28)</u>	<u>(23)</u>	<u>(45)</u>	<u>(131)</u>	<u>(396)</u>
<b>Income (loss) before income taxes</b>	450	112	176	92	234	(193)	871
<b>Income taxes</b>	173	75	54	36	68	(66)	340
<b>Equity in (losses) earnings of unconsolidated affiliates</b>	(6)	—	—	—	—	1	(5)
<b>Net income (loss)</b>	<u>271</u>	<u>37</u>	<u>122</u>	<u>56</u>	<u>166</u>	<u>(126)</u>	<u>526</u>
<b>Net income attributable to noncontrolling interests and preference stock dividends</b>	35	—	—	2	—	(1)	36
<b>Net income (loss) attributable to common shareholders</b>	<u>\$ 236</u>	<u>\$ 37</u>	<u>\$ 122</u>	<u>\$ 54</u>	<u>\$ 166</u>	<u>\$ (125)</u>	<u>\$ 490</u>

	Three Months Ended September 30, 2015						
	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon Consolidated
<b>Operating revenues</b>	\$ 4,768	\$1,376	\$ 740	\$725	\$ —	\$ (208)	\$ 7,401
<b>Operating expenses</b>							
Purchased power and fuel	2,519	390	278	311	—	(207)	3,291
Operating and maintenance	1,241	404	196	169	—	(14)	1,996
Depreciation and amortization	264	176	68	79	—	19	606
Taxes other than income	123	79	44	57	—	7	310
<b>Total operating expenses</b>	<u>4,147</u>	<u>1,049</u>	<u>586</u>	<u>616</u>	<u>—</u>	<u>(195)</u>	<u>6,203</u>
<b>Gain on sales of assets</b>	1	—	—	1	—	—	2
<b>Operating income (loss)</b>	<u>622</u>	<u>327</u>	<u>154</u>	<u>110</u>	<u>—</u>	<u>(13)</u>	<u>1,200</u>
<b>Other income and (deductions)</b>							
Interest expense, net	(68)	(83)	(28)	(25)	—	(49)	(253)
Other, net	(257)	4	1	4	—	4	(244)
<b>Total other income and (deductions)</b>	<u>(325)</u>	<u>(79)</u>	<u>(27)</u>	<u>(21)</u>	<u>—</u>	<u>(45)</u>	<u>(497)</u>
<b>Income (loss) before income taxes</b>	297	248	127	89	—	(58)	703
<b>Income taxes</b>	(36)	99	37	35	—	(20)	115
<b>Equity in losses of unconsolidated affiliates</b>	(1)	—	—	—	—	—	(1)
<b>Net income (loss)</b>	<u>332</u>	<u>149</u>	<u>90</u>	<u>54</u>	<u>—</u>	<u>(38)</u>	<u>587</u>
<b>Net (loss) income attributable to noncontrolling interests and preference stock dividends</b>	(45)	—	—	3	—	—	(42)
<b>Net income (loss) attributable to common shareholders</b>	<u>\$ 377</u>	<u>\$ 149</u>	<u>\$ 90</u>	<u>\$ 51</u>	<u>\$ —</u>	<u>\$ (38)</u>	<u>\$ 629</u>

(a) PHI includes the consolidated results of Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company from July 1, 2016 to September 30, 2016.

(b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

**EXELON CORPORATION**  
**Consolidating Statements of Operations**  
(unaudited)  
(in millions)

	Nine Months Ended September 30, 2016						
	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon Consolidated
<b>Operating revenues</b>	\$ 13,363	\$ 4,031	\$ 2,293	\$ 2,421	\$ 2,565	\$ (1,187)	\$ 23,486
<b>Operating expenses</b>							
Purchased power and fuel	6,609	1,141	809	994	1,037	(1,128)	9,462
Operating and maintenance	4,333	1,113	604	588	921	118	7,677
Depreciation and amortization	1,329	574	201	307	355	55	2,821
Taxes other than income	380	222	126	172	248	20	1,168
<b>Total operating expenses</b>	<u>12,651</u>	<u>3,050</u>	<u>1,740</u>	<u>2,061</u>	<u>2,561</u>	<u>(935)</u>	<u>21,128</u>
<b>Gain on sales of assets</b>	31	6	—	—	—	4	41
<b>Operating income (loss)</b>	<u>743</u>	<u>987</u>	<u>553</u>	<u>360</u>	<u>4</u>	<u>(248)</u>	<u>2,399</u>
<b>Other income and (deductions)</b>							
Interest expense, net	(273)	(374)	(92)	(76)	(135)	(229)	(1,179)
Other, net	395	(72)	6	16	31	1	377
<b>Total other income and (deductions)</b>	<u>122</u>	<u>(446)</u>	<u>(86)</u>	<u>(60)</u>	<u>(104)</u>	<u>(228)</u>	<u>(802)</u>
<b>Income (loss) before income taxes</b>	865	541	467	300	(100)	(476)	1,597
<b>Income taxes</b>	293	244	121	109	(9)	(133)	625
<b>Equity in losses of unconsolidated affiliates</b>	(16)	—	—	—	—	—	(16)
<b>Net income (loss)</b>	<u>556</u>	<u>297</u>	<u>346</u>	<u>191</u>	<u>(91)</u>	<u>(343)</u>	<u>956</u>
<b>Net income attributable to noncontrolling interests and preference stock dividends</b>	18	—	—	8	—	—	26
<b>Net income (loss) attributable to common shareholders</b>	<u>\$ 538</u>	<u>\$ 297</u>	<u>\$ 346</u>	<u>\$ 183</u>	<u>\$ (91)</u>	<u>\$ (343)</u>	<u>\$ 930</u>

	Nine Months Ended September 30, 2015						
	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon Consolidated
<b>Operating revenues</b>	\$ 14,841	\$ 3,709	\$ 2,386	\$ 2,388	\$ —	\$ (578)	\$ 22,746
<b>Operating expenses</b>							
Purchased power and fuel	7,800	991	953	1,037	—	(571)	10,210
Operating and maintenance	3,860	1,166	609	499	—	(15)	6,119
Depreciation and amortization	774	528	198	271	—	47	1,818
Taxes other than income	369	225	125	169	—	20	908
<b>Total operating expenses</b>	<u>12,803</u>	<u>2,910</u>	<u>1,885</u>	<u>1,976</u>	<u>—</u>	<u>(519)</u>	<u>19,055</u>
<b>Gain on sales of assets</b>	7	—	1	1	—	1	10
<b>Operating income (loss)</b>	<u>2,045</u>	<u>799</u>	<u>502</u>	<u>413</u>	<u>—</u>	<u>(58)</u>	<u>3,701</u>
<b>Other income and (deductions)</b>							
Interest expense, net	(269)	(248)	(84)	(73)	—	(81)	(755)
Other, net	(193)	14	3	13	—	(16)	(179)
<b>Total other income and (deductions)</b>	<u>(462)</u>	<u>(234)</u>	<u>(81)</u>	<u>(60)</u>	<u>—</u>	<u>(97)</u>	<u>(934)</u>
<b>Income (loss) before income taxes</b>	1,583	565	421	353	—	(155)	2,767
<b>Income taxes</b>	371	226	122	141	—	(55)	805
<b>Equity in (losses) earnings of unconsolidated affiliates</b>	(4)	—	—	—	—	1	(3)
<b>Net income (loss)</b>	<u>1,208</u>	<u>339</u>	<u>299</u>	<u>212</u>	<u>—</u>	<u>(99)</u>	<u>1,959</u>
<b>Net (loss) income attributable to noncontrolling interests and preference stock dividends</b>	(10)	—	—	10	—	—	—
<b>Net income (loss) attributable to common shareholders</b>	<u>\$ 1,218</u>	<u>\$ 339</u>	<u>\$ 299</u>	<u>\$ 202</u>	<u>\$ —</u>	<u>\$ (99)</u>	<u>\$ 1,959</u>

(a) PHI includes the consolidated results of Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company from March 24, 2016 to September 30, 2016.

(b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

**EXELON CORPORATION**  
**Business Segment Comparative Statements of Operations**  
(unaudited)  
(in millions)

	<b>Generation</b>					
	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2016</b>	<b>2015</b>	<b>Variance</b>	<b>2016</b>	<b>2015</b>	<b>Variance</b>
<b>Operating revenues</b>	\$ 5,035	\$ 4,768	\$ 267	\$ 13,363	\$ 14,841	\$ (1,478)
<b>Operating expenses</b>						
Purchased power and fuel	2,589	2,519	70	6,609	7,800	(1,191)
Operating and maintenance	1,336	1,241	95	4,333	3,860	473
Depreciation and amortization	632	264	368	1,329	774	555
Taxes other than income	136	123	13	380	369	11
<b>Total operating expenses</b>	<b>4,693</b>	<b>4,147</b>	<b>546</b>	<b>12,651</b>	<b>12,803</b>	<b>(152)</b>
<b>Gain on sales of assets</b>	—	1	(1)	31	7	24
<b>Operating income</b>	<b>342</b>	<b>622</b>	<b>(280)</b>	<b>743</b>	<b>2,045</b>	<b>(1,302)</b>
<b>Other income and (deductions)</b>						
Interest expense, net	(77)	(68)	(9)	(273)	(269)	(4)
Other, net	185	(257)	442	395	(193)	588
<b>Total other income and (deductions)</b>	<b>108</b>	<b>(325)</b>	<b>433</b>	<b>122</b>	<b>(462)</b>	<b>584</b>
<b>Income before income taxes</b>	450	297	153	865	1,583	(718)
<b>Income taxes</b>	173	(36)	209	293	371	(78)
<b>Equity in losses of unconsolidated affiliates</b>	(6)	(1)	(5)	(16)	(4)	(12)
<b>Net income</b>	<b>271</b>	<b>332</b>	<b>(61)</b>	<b>556</b>	<b>1,208</b>	<b>(652)</b>
<b>Net income (loss) attributable to noncontrolling interests and preference stock dividends</b>	35	(45)	80	18	(10)	28
<b>Net income attributable to membership interest</b>	<b>\$ 236</b>	<b>\$ 377</b>	<b>\$ (141)</b>	<b>\$ 538</b>	<b>\$ 1,218</b>	<b>\$ (680)</b>

	<b>ComEd</b>					
	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2016</b>	<b>2015</b>	<b>Variance</b>	<b>2016</b>	<b>2015</b>	<b>Variance</b>
<b>Operating revenues</b>	\$ 1,497	\$ 1,376	\$ 121	\$ 4,031	\$ 3,709	\$ 322
<b>Operating expenses</b>						
Purchased power	454	390	64	1,141	991	150
Operating and maintenance	377	404	(27)	1,113	1,166	(53)
Depreciation and amortization	196	176	20	574	528	46
Taxes other than income	82	79	3	222	225	(3)
<b>Total operating expenses</b>	<b>1,109</b>	<b>1,049</b>	<b>60</b>	<b>3,050</b>	<b>2,910</b>	<b>140</b>
<b>Gain on sales of assets</b>	1	—	1	6	—	6
<b>Operating income</b>	<b>389</b>	<b>327</b>	<b>62</b>	<b>987</b>	<b>799</b>	<b>188</b>
<b>Other income and (deductions)</b>						
Interest expense, net	(197)	(83)	(114)	(374)	(248)	(126)
Other, net	(80)	4	(84)	(72)	14	(86)
<b>Total other income and (deductions)</b>	<b>(277)</b>	<b>(79)</b>	<b>(198)</b>	<b>(446)</b>	<b>(234)</b>	<b>(212)</b>
<b>Income before income taxes</b>	112	248	(136)	541	565	(24)
<b>Income taxes</b>	75	99	(24)	244	226	18
<b>Net income</b>	<b>\$ 37</b>	<b>\$ 149</b>	<b>\$ (112)</b>	<b>\$ 297</b>	<b>\$ 339</b>	<b>\$ (42)</b>

**EXELON CORPORATION**  
**Business Segment Comparative Statements of Operations**  
(unaudited)  
(in millions)

	<b>PECO</b>					
	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2016</b>	<b>2015</b>	<b>Variance</b>	<b>2016</b>	<b>2015</b>	<b>Variance</b>
<b>Operating revenues</b>	\$ 788	\$ 740	\$ 48	\$ 2,293	\$ 2,386	\$ (93)
<b>Operating expenses</b>						
Purchased power and fuel	272	278	(6)	809	953	(144)
Operating and maintenance	199	196	3	604	609	(5)
Depreciation and amortization	67	68	(1)	201	198	3
Taxes other than income	46	44	2	126	125	1
<b>Total operating expenses</b>	<b>584</b>	<b>586</b>	<b>(2)</b>	<b>1,740</b>	<b>1,885</b>	<b>(145)</b>
<b>Gain on sales of assets</b>	—	—	—	—	1	(1)
<b>Operating income</b>	<b>204</b>	<b>154</b>	<b>50</b>	<b>553</b>	<b>502</b>	<b>51</b>
<b>Other income and (deductions)</b>						
Interest expense, net	(30)	(28)	(2)	(92)	(84)	(8)
Other, net	2	1	1	6	3	3
<b>Total other income and (deductions)</b>	<b>(28)</b>	<b>(27)</b>	<b>(1)</b>	<b>(86)</b>	<b>(81)</b>	<b>(5)</b>
<b>Income before income taxes</b>	176	127	49	467	421	46
<b>Income taxes</b>	54	37	17	121	122	(1)
<b>Net income attributable to common shareholder</b>	<b>\$ 122</b>	<b>\$ 90</b>	<b>\$ 32</b>	<b>\$ 346</b>	<b>\$ 299</b>	<b>\$ 47</b>

	<b>BGE</b>					
	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2016</b>	<b>2015</b>	<b>Variance</b>	<b>2016</b>	<b>2015</b>	<b>Variance</b>
<b>Operating revenues</b>	\$ 812	\$ 725	\$ 87	\$ 2,421	\$ 2,388	\$ 33
<b>Operating expenses</b>						
Purchased power and fuel	360	311	49	994	1,037	(43)
Operating and maintenance	178	169	9	588	499	89
Depreciation and amortization	101	79	22	307	271	36
Taxes other than income	58	57	1	172	169	3
<b>Total operating expenses</b>	<b>697</b>	<b>616</b>	<b>81</b>	<b>2,061</b>	<b>1,976</b>	<b>85</b>
<b>Gain on sales of assets</b>	—	1	(1)	—	1	(1)
<b>Operating income</b>	<b>115</b>	<b>110</b>	<b>5</b>	<b>360</b>	<b>413</b>	<b>(53)</b>
<b>Other income and (deductions)</b>						
Interest expense, net	(28)	(25)	(3)	(76)	(73)	(3)
Other, net	5	4	1	16	13	3
<b>Total other income and (deductions)</b>	<b>(23)</b>	<b>(21)</b>	<b>(2)</b>	<b>(60)</b>	<b>(60)</b>	<b>—</b>
<b>Income before income taxes</b>	92	89	3	300	353	(53)
<b>Income taxes</b>	36	35	1	109	141	(32)
<b>Net income</b>	<b>56</b>	<b>54</b>	<b>2</b>	<b>191</b>	<b>212</b>	<b>(21)</b>
<b>Preference stock dividends</b>	2	3	(1)	8	10	(2)
<b>Net income attributable to common shareholder</b>	<b>\$ 54</b>	<b>\$ 51</b>	<b>\$ 3</b>	<b>\$ 183</b>	<b>\$ 202</b>	<b>\$ (19)</b>

**EXELON CORPORATION**  
**Business Segment Comparative Statements of Operations**  
(unaudited)  
(in millions)

	<b>PHI (a)</b>					
	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2016</b>	<b>2015</b>	<b>Variance</b>	<b>2016</b>	<b>2015</b>	<b>Variance</b>
<b>Operating revenues</b>	\$ 1,394	\$ —	\$ 1,394	\$ 2,565	\$ —	\$ 2,565
<b>Operating expenses</b>						
Purchased power and fuel	583	—	583	1,037	—	1,037
Operating and maintenance	226	—	226	921	—	921
Depreciation and amortization	182	—	182	355	—	355
Taxes other than income	124	—	124	248	—	248
<b>Total operating expenses</b>	<b>1,115</b>	<b>—</b>	<b>1,115</b>	<b>2,561</b>	<b>—</b>	<b>2,561</b>
<b>Operating income</b>	<b>279</b>	<b>—</b>	<b>279</b>	<b>4</b>	<b>—</b>	<b>4</b>
<b>Other income and (deductions)</b>						
Interest expense, net	(64)	—	(64)	(135)	—	(135)
Other, net	19	—	19	31	—	31
<b>Total other income and (deductions)</b>	<b>(45)</b>	<b>—</b>	<b>(45)</b>	<b>(104)</b>	<b>—</b>	<b>(104)</b>
<b>Income (loss) before income taxes</b>	<b>234</b>	<b>—</b>	<b>234</b>	<b>(100)</b>	<b>—</b>	<b>(100)</b>
<b>Income taxes</b>	<b>68</b>	<b>—</b>	<b>68</b>	<b>(9)</b>	<b>—</b>	<b>(9)</b>
<b>Net income (loss)</b>	<b>\$ 166</b>	<b>\$ —</b>	<b>\$ 166</b>	<b>\$ (91)</b>	<b>\$ —</b>	<b>\$ (91)</b>

	<b>Other (b)</b>					
	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2016</b>	<b>2015</b>	<b>Variance</b>	<b>2016</b>	<b>2015</b>	<b>Variance</b>
<b>Operating revenues</b>	\$ (524)	\$ (208)	\$ (316)	\$ (1,187)	\$ (578)	\$ (609)
<b>Operating expenses</b>						
Purchased power and fuel	(504)	(207)	(297)	(1,128)	(571)	(557)
Operating and maintenance	22	(14)	36	118	(15)	133
Depreciation and amortization	17	19	(2)	55	47	8
Taxes other than income	3	7	(4)	20	20	—
<b>Total operating expenses</b>	<b>(462)</b>	<b>(195)</b>	<b>(267)</b>	<b>(935)</b>	<b>(519)</b>	<b>(416)</b>
<b>Gain on sales of assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4</b>	<b>1</b>	<b>3</b>
<b>Operating loss</b>	<b>(62)</b>	<b>(13)</b>	<b>(49)</b>	<b>(248)</b>	<b>(58)</b>	<b>(190)</b>
<b>Other income and (deductions)</b>						
Interest expense, net	(120)	(49)	(71)	(229)	(81)	(148)
Other, net	(11)	4	(15)	1	(16)	17
<b>Total other income and (deductions)</b>	<b>(131)</b>	<b>(45)</b>	<b>(86)</b>	<b>(228)</b>	<b>(97)</b>	<b>(131)</b>
<b>Loss before income taxes</b>	<b>(193)</b>	<b>(58)</b>	<b>(135)</b>	<b>(476)</b>	<b>(155)</b>	<b>(321)</b>
<b>Income taxes</b>	<b>(66)</b>	<b>(20)</b>	<b>(46)</b>	<b>(133)</b>	<b>(55)</b>	<b>(78)</b>
<b>Equity in earnings of unconsolidated affiliates</b>	<b>1</b>	<b>—</b>	<b>1</b>	<b>—</b>	<b>1</b>	<b>(1)</b>
<b>Net loss</b>	<b>(126)</b>	<b>(38)</b>	<b>(88)</b>	<b>(343)</b>	<b>(99)</b>	<b>(244)</b>
<b>Net loss attributable to noncontrolling interests and preference stock dividends</b>	<b>(1)</b>	<b>—</b>	<b>(1)</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net loss attributable to common shareholders</b>	<b>\$ (125)</b>	<b>\$ (38)</b>	<b>\$ (87)</b>	<b>\$ (343)</b>	<b>\$ (99)</b>	<b>\$ (244)</b>

- (a) PHI includes the consolidated results of Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company from March 24, 2016 to September 30, 2016 for nine months ended and July 1, 2016 to September 30, 2016 for three months ended. Exelon did not own PHI in 2015.
- (b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

**EXELON CORPORATION**  
**Consolidated Balance Sheets**

(in millions)	September 30, 2016	December 31, 2015
<b>Assets</b>	(unaudited)	
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,897	\$ 6,502
Restricted cash and cash equivalents	321	205
Accounts receivable, net		
Customer	4,061	3,187
Other	1,013	912
Mark-to-market derivative assets	754	1,365
Unamortized energy contract assets	126	86
Inventories, net		
Fossil fuel and emission allowances	374	462
Materials and supplies	1,188	1,104
Regulatory assets	1,410	759
Other	1,064	752
<b>Total current assets</b>	<u>12,208</u>	<u>15,334</u>
<b>Property, plant and equipment, net</b>	71,214	57,439
<b>Deferred debits and other assets</b>		
Regulatory assets	10,022	6,065
Nuclear decommissioning trust funds	11,076	10,342
Investments	592	639
Goodwill	6,672	2,672
Mark-to-market derivative assets	669	758
Unamortized energy contract assets	473	484
Pledged assets for Zion Station decommissioning	135	206
Other	1,474	1,445
<b>Total deferred debits and other assets</b>	<u>31,113</u>	<u>22,611</u>
<b>Total assets</b>	<u>\$ 114,535</u>	<u>\$ 95,384</u>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Short-term borrowings	\$ 567	\$ 533
Long-term debt due within one year	2,512	1,500
Accounts payable	3,044	2,883
Accrued expenses	3,236	2,376
Payables to affiliates	8	8
Regulatory liabilities	548	369
Mark-to-market derivative liabilities	222	205
Unamortized energy contract liabilities	452	100
Renewable energy credit obligation	356	302
PHI merger related obligation	145	—
Other	1,068	842
<b>Total current liabilities</b>	<u>12,158</u>	<u>9,118</u>
<b>Long-term debt</b>	32,330	23,645
<b>Long-term debt to financing trusts</b>	642	641
<b>Deferred credits and other liabilities</b>		
Deferred income taxes and unamortized investment tax credits	18,115	13,776
Asset retirement obligations	9,348	8,585
Pension obligations	3,765	3,385
Non-pension postretirement benefit obligations	1,921	1,618
Spent nuclear fuel obligation	1,023	1,021
Regulatory liabilities	4,437	4,201
Mark-to-market derivative liabilities	422	374
Unamortized energy contract liabilities	927	117
Payable for Zion Station decommissioning	33	90
Other	1,928	1,491
<b>Total deferred credits and other liabilities</b>	<u>41,919</u>	<u>34,658</u>
<b>Total liabilities</b>	<u>87,049</u>	<u>68,062</u>
<b>Commitments and contingencies</b>		
<b>Contingently redeemable noncontrolling interests</b>	26	28
<b>Shareholders' equity</b>		
Common stock	18,756	18,676
Treasury stock, at cost	(2,327)	(2,327)
Retained earnings	12,121	12,068
Accumulated other comprehensive loss, net	(2,523)	(2,624)
<b>Total shareholders' equity</b>	<u>26,027</u>	<u>25,793</u>
BGE preference stock not subject to mandatory redemption	—	193
Noncontrolling interests	1,433	1,308
<b>Total equity</b>	<u>27,460</u>	<u>27,294</u>
<b>Total liabilities and shareholders' equity</b>	<u>\$ 114,535</u>	<u>\$ 95,384</u>

**EXELON CORPORATION**  
**Consolidated Statements of Cash Flows**  
(unaudited)  
(in millions)

	<b>Nine Months Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities</b>		
Net income	\$ 956	\$ 1,959
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation, amortization, depletion and accretion, including nuclear fuel and energy contract amortization	4,009	2,930
Impairment of long-lived assets and losses on regulatory assets	274	25
Gain on sales of assets	(41)	(10)
Deferred income taxes and amortization of investment tax credits	623	241
Net fair value changes related to derivatives	100	(363)
Net realized and unrealized (gains) losses on nuclear decommissioning trust fund investments	(243)	221
Other non-cash operating activities	1,224	856
Changes in assets and liabilities:		
Accounts receivable	(296)	175
Inventories	21	65
Accounts payable and accrued expenses	296	(115)
Option premiums (paid) received, net	(24)	27
Collateral received, net	757	115
Income taxes	527	300
Pension and non-pension postretirement benefit contributions	(283)	(430)
Other assets and liabilities	(537)	(322)
Net cash flows provided by operating activities	<u>7,363</u>	<u>5,674</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(6,368)	(5,443)
Proceeds from nuclear decommissioning trust fund sales	7,914	4,551
Investment in nuclear decommissioning trust funds	(8,093)	(4,737)
Acquisition of businesses, net of cash acquired	(6,896)	(28)
Proceeds from sales of long-lived assets	49	145
Proceeds from termination of direct financing lease investment	360	—
Purchases of investments	—	—
Change in restricted cash	(75)	(70)
Other investing activities	(110)	(107)
Net cash flows used in investing activities	<u>(13,219)</u>	<u>(5,689)</u>
<b>Cash flows from financing activities</b>		
Changes in short-term borrowings	(1,014)	230
Proceeds from short-term borrowings with maturities greater than 90 days	195	—
Repayments on short-term borrowings with maturities greater than 90 days	(452)	—
Issuance of long-term debt	4,488	5,909
Retirement of long-term debt	(944)	(1,745)
Restricted proceeds from issuance of long-term debt	(30)	—
Issuance of common stock	—	1,868
Redemption of preference stock	(190)	—
Dividends paid on common stock	(873)	(819)
Proceeds from employee stock plans	36	24
Other financing activities	35	(65)
Net cash flows provided by financing activities	<u>1,251</u>	<u>5,402</u>
<b>(Decrease) Increase in cash and cash equivalents</b>	<u>(4,605)</u>	<u>5,387</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>6,502</u>	<u>1,878</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 1,897</u>	<u>\$ 7,265</u>

**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions, except per share data)

	Three Months Ended September 30, 2016				Three Months Ended September 30, 2015			
	GAAP (a)	Adjustments		Adjusted Non-GAAP	GAAP (a)	Adjustments		Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 9,002			\$ 8,836	\$ 7,401			\$ 7,412
<b>Operating expenses</b>		\$ (166)				\$ 11		
Purchased power and fuel	3,754	(127)	(b),(d),(h)	3,627	3,291	(132)	(b),(d)	3,159
Operating and maintenance	2,338	(23)	(e),(f),(g),(h),(i)	2,315	1,996	(13)	(e),(k)	1,983
Depreciation and amortization	1,195	(338)	(e),(h)	857	606	—		606
Taxes other than income	449	—		449	310	—		310
<b>Total operating expenses</b>	<u>7,736</u>	<u>(488)</u>		<u>7,248</u>	<u>6,203</u>	<u>(145)</u>		<u>6,058</u>
<b>Gain on sales of assets</b>	<u>1</u>	<u>—</u>		<u>1</u>	<u>2</u>	<u>—</u>		<u>2</u>
<b>Operating income</b>	<u>1,267</u>	<u>322</u>		<u>1,589</u>	<u>1,200</u>	<u>156</u>		<u>1,356</u>
<b>Other income and (deductions)</b>								
Interest expense, net	(516)	153	(j)	(363)	(253)	(12)	(l)	(265)
Other, net	120	(39)	(c),(j)	81	(244)	279	(c)	35
<b>Total other income and (deductions)</b>	<u>(396)</u>	<u>114</u>		<u>(282)</u>	<u>(497)</u>	<u>267</u>		<u>(230)</u>
<b>Income before income taxes</b>	<u>871</u>	<u>436</u>		<u>1,307</u>	<u>703</u>	<u>423</u>		<u>1,126</u>
<b>Income taxes</b>	<u>340</u>	<u>108</u>	(b),(c),(d),(e),(f),(g),(h),(i),(j)	<u>448</u>	<u>115</u>	<u>249</u>	(b),(c),(d),(e),(k),(l)	<u>364</u>
<b>Equity in losses of unconsolidated affiliates</b>	<u>(5)</u>	<u>—</u>		<u>(5)</u>	<u>(1)</u>	<u>—</u>		<u>(1)</u>
<b>Net income</b>	<u>526</u>	<u>328</u>		<u>854</u>	<u>587</u>	<u>174</u>		<u>761</u>
<b>Net income (loss) attributable to noncontrolling interests and preference stock dividends</b>	<u>36</u>	<u>(23)</u>	(m)	<u>13</u>	<u>(42)</u>	<u>46</u>	(m)	<u>4</u>
<b>Net income attributable to common shareholders</b>	<u>\$ 490</u>	<u>\$ 351</u>		<u>\$ 841</u>	<u>\$ 629</u>	<u>\$ 128</u>		<u>\$ 757</u>
<b>Effective tax rate</b>	39.0%			34.3%	16.4%			32.3%
<b>Earnings per average common share</b>								
Basic	\$ 0.53	\$ 0.38		\$ 0.91	\$ 0.69	\$ 0.14		\$ 0.83
Diluted	<u>\$ 0.53</u>	<u>\$ 0.38</u>		<u>\$ 0.91</u>	<u>\$ 0.69</u>	<u>\$ 0.14</u>		<u>\$ 0.83</u>
<b>Average common shares outstanding</b>								
Basic	925			925	913			913
Diluted	927			927	915			915
<b>Effect of adjustments on earnings per average diluted common share recorded in accordance with GAAP:</b>								
Mark-to-market impact of economic hedging activities (b)		\$ (0.06)				\$ 0.09		
Unrealized (gains) losses related to NDT fund investments (c)		(0.07)				0.15		
Amortization of commodity contract intangibles (d)		0.01				—		
Merger and integration costs (e)		0.01				0.02		
Merger commitments (f)		0.01				—		
Long-lived asset impairments (g)		0.01				—		
Plant retirements and divestitures (h)		0.22				—		
Cost management program (i)		0.01				—		
Like-kind exchange tax position (j)		0.21				—		
Asset retirement obligation (k)		—				(0.01)		
Tax settlements (l)		—				(0.06)		
CENG non-controlling interest (m)		0.03				(0.05)		
<b>Total adjustments</b>		<u>\$ 0.38</u>				<u>\$ 0.14</u>		

For the three months ended September 30, 2016, includes financial results for PHI. Therefore, the results of operations from 2016 and 2015 are not comparable for Exelon. The explanations below identify any other significant or unusual items affecting the results of operations.

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (c) Adjustment to exclude the unrealized gains and losses on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (d) Adjustment to exclude the non-cash amortization of intangible assets, net, related to commodity contracts recorded at fair value related to the Integrys acquisition in 2015 and the Integrys and ConEdison Solutions acquisitions in 2016.



[Table of Contents](#)

- (e) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees.
- (f) Adjustments to costs incurred as part of the settlement orders approving the PHI acquisition.
- (g) Adjustment to exclude 2016 charge to earnings primarily related to the impairment of upstream assets at Generation.
- (h) Adjustment to exclude accelerated depreciation and amortization associated with Generation's decision to early retire the Clinton and Quad Cities nuclear facilities.
- (i) Adjustment to exclude the 2016 severance expense and reorganization costs related to a cost management program.
- (j) Adjustment to exclude the recognition of a penalty and associated interest expense, as a result of a tax court decision on Exelon's like-kind exchange tax position.
- (k) Adjustment to exclude a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (l) Adjustment to exclude favorable settlements of certain income tax positions on Constellation's pre-acquisition tax returns.
- (m) Adjustments to exclude the elimination from Generation's results of the non-controlling interest related to CENG exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments and mark-to-market activity.

**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions, except per share data)

	Nine Months Ended September 30, 2016				Nine Months Ended September 30, 2015			
	GAAP (a)	Adjustments		Adjusted Non-GAAP	GAAP (a)	Adjustments		Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 23,486	\$ 368	(b),(d), (e)	\$ 23,854	\$ 22,746	\$ (190)	(b),(d)	\$ 22,556
<b>Operating expenses</b>								
Purchased power and fuel	9,462	211	(b),(d), (i)	9,673	10,210	88	(b),(d)	10,298
Operating and maintenance	7,677	(956)	(e),(f), (g),(i), (j)	6,721	6,119	(66)	(e),(g), (l),(m)	6,053
Depreciation and amortization	2,821	(452)	(e),(i)	2,369	1,818	—		1,818
Taxes other than income	1,168	(1)	(j)	1,167	908	—		908
<b>Total operating expenses</b>	<u>21,128</u>	<u>(1,198)</u>		<u>19,930</u>	<u>19,055</u>	<u>22</u>		<u>19,077</u>
<b>Gain on sales of assets</b>	41	—		41	10	—		10
<b>Operating income</b>	<u>2,399</u>	<u>1,566</u>		<u>3,965</u>	<u>3,701</u>	<u>(212)</u>		<u>3,489</u>
<b>Other income and (deductions)</b>								
Interest expense, net	(1,179)	153	(k)	(1,026)	(755)	(27)	(h),(m)	(782)
Other, net	377	(193)	(c),(i), (k)	184	(179)	357	(c)	178
<b>Total other income and (deductions)</b>	<u>(802)</u>	<u>(40)</u>		<u>(842)</u>	<u>(934)</u>	<u>330</u>		<u>(604)</u>
<b>Income before income taxes</b>	1,597	1,526		3,123	2,767	118		2,885
<b>Income taxes</b>	625	419	(b),(c), (d),(e), (f),(g), (i),(j), (k)	1,044	805	145	(b),(c), (d),(e), (g),(h), (l),(m), (n)	950
<b>Equity in losses of unconsolidated affiliates</b>	(16)	—		(16)	(3)	—		(3)
<b>Net income</b>	956	1,107		2,063	1,959	(27)		1,932
<b>Net income attributable to noncontrolling interests and preference stock dividends</b>	26	(41)	(o)	(15)	—	52	(o)	52
<b>Net income attributable to common shareholders</b>	<u>\$ 930</u>	<u>\$ 1,148</u>		<u>\$ 2,078</u>	<u>\$ 1,959</u>	<u>\$ (79)</u>		<u>\$ 1,880</u>
<b>Effective tax rate</b>	39.1%			33.4%	29.1%			32.9%
<b>Earnings per average common share</b>								
Basic	\$ 1.01	\$ 1.24		\$ 2.25	\$ 2.23	\$ (0.09)		\$ 2.14
Diluted	<u>\$ 1.00</u>	<u>\$ 1.24</u>		<u>\$ 2.24</u>	<u>\$ 2.22</u>	<u>\$ (0.09)</u>		<u>\$ 2.13</u>
<b>Average common shares outstanding</b>								
Basic	924			924	879			879
Diluted	926			926	883			883
<b>Effect of adjustments on earnings per average diluted common share recorded in accordance with GAAP:</b>								
Mark-to-market impact of economic hedging activities (b)		\$ 0.07				\$ (0.18)		
Unrealized (gains) losses related to NDT fund investments (c)		(0.13)				0.19		
Amortization of commodity contract intangibles (d)		0.01				(0.01)		
Merger and integration costs (e)		0.10				0.06		
Merger commitments (f)		0.43				—		
Long-lived asset impairments (g)		0.11				0.02		
Mark-to-market impact of PHI merger related interest swap (h)		—				(0.03)		
Plant retirements and divestitures (i)		0.37				—		
Cost management program (j)		0.03				—		
Like-kind exchange tax position (k)		0.21				—		
Midwest Generation bankruptcy recoveries (l)		—				(0.01)		
Asset retirement obligation (m)		—				(0.01)		
Tax settlements (n)		—				(0.06)		
CENG non-controlling interest (o)		0.04				(0.06)		
<b>Total adjustments</b>		<u>\$ 1.24</u>				<u>\$ (0.09)</u>		

As a result of the PHI acquisition completion on March 23, 2016, the table includes financial results for PHI beginning on March 24, 2016 to September 30, 2016. Therefore, the results of operations from 2016 and 2015 are not comparable for Exelon. The explanations below identify any other significant or unusual items affecting the results of operations.

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).  
(b) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.

## Table of Contents

- (c) Adjustment to exclude the unrealized gains and losses on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (d) Adjustment to exclude the non-cash amortization of intangible assets, net, related to commodity contracts recorded at fair value related to the Integrys acquisition in 2015 and the Integrys and ConEdison Solutions acquisitions in 2016.
- (e) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees, partially offset in 2016 at ComEd, BGE and PHI by the anticipated recovery of previously incurred PHI acquisition costs.
- (f) Adjustment to exclude costs incurred as part of the settlement orders approving the PHI acquisition.
- (g) Adjustment to exclude a 2015 charge to earnings primarily related to the impairment of investment in long-term leases at Corporate and 2016 charges to earnings primarily related to the impairment of upstream assets and certain wind projects at Generation.
- (h) Adjustment to exclude the mark-to-market impact of Exelon's Corporate's forward-starting interest rate swaps related to financing for the PHI acquisition, which were terminated on June 8, 2015.
- (i) Adjustment to exclude the impacts associated with Generation's decision to early retire the Clinton and Quad Cities nuclear facilities, partially offset by a gain associated with Generation's 2016 sale of the New Boston generating site.
- (j) Adjustment to exclude the 2016 severance expense and reorganization costs related to a cost management program.
- (k) Adjustment to exclude the recognition of a penalty and associated interest expense, as a result of a tax court decision on Exelon's like-kind exchange tax position.
- (l) Adjustment to exclude a 2015 benefit for the favorable settlement of a long-term railcar lease agreement pursuant to the Midwest Generation bankruptcy.
- (m) Adjustment to exclude a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (n) Adjustment to exclude favorable settlements of certain income tax positions on Constellation's pre-acquisition tax returns.
- (o) Adjustments to exclude the elimination from Generation's results of the non-controlling interest related to CENG exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments and mark-to-market activity.

**EXELON CORPORATION**  
**Reconciliation of Adjusted (non-GAAP) Operating**  
**Earnings to GAAP Earnings (in millions)**  
Three Months Ended September 30, 2016 and 2015  
(unaudited)

	Exelon Earnings per Diluted Share	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon (a)
<b>2015 GAAP Earnings (Loss)</b>	<b>\$ 0.69</b>	<b>\$ 377</b>	<b>\$ 149</b>	<b>\$ 90</b>	<b>\$ 51</b>	<b>\$ —</b>	<b>\$ (38)</b>	<b>\$ 629</b>
<b>2015 Adjusted (non-GAAP) Operating (Earnings) Loss Adjustments:</b>								
Mark-to-Market Impact of Economic Hedging Activities	0.09	85	—	—	—	—	—	85
Unrealized Losses Related to NDT Fund Investments (1)	0.15	133	—	—	—	—	—	133
Amortization of Commodity Contract Intangibles (2)	—	2	—	—	—	—	—	2
Merger and Integration Costs (3)	0.02	6	2	1	1	—	2	12
Asset Retirement Obligation (4)	(0.01)	(6)	—	—	—	—	—	(6)
Tax Settlements (5)	(0.06)	(52)	—	—	—	—	—	(52)
CENG Non-Controlling Interest (6)	(0.05)	(46)	—	—	—	—	—	(46)
<b>2015 Adjusted (non-GAAP) Operating Earnings (Loss)</b>	<b>0.83</b>	<b>499</b>	<b>151</b>	<b>91</b>	<b>52</b>	<b>—</b>	<b>(36)</b>	<b>757</b>
<b>Year Over Year Effects on Earnings:</b>								
Generation Energy Margins, Excluding Mark-to-Market:								
Nuclear Volume (12)	(0.01)	(11)	—	—	—	—	—	(11)
Nuclear Fuel Cost (13)	0.01	9	—	—	—	—	—	9
Capacity Pricing (14)	(0.02)	(21)	—	—	—	—	—	(21)
Market and Portfolio Conditions (15)	0.03	32	—	—	—	—	—	32
ComEd, PECO, BGE and PHI Margins:								
Weather	0.04	—	23	18	— (c)	— (c)	—	41
Load	—	—	3	(1)	— (c)	— (c)	—	2
Other Energy Delivery (16)	0.56	—	8(d)	15(d)	23(d)	474(d)	—	520
Operating and Maintenance Expense:								
Labor, Contracting and Materials (17)	(0.17)	(65)	(2)	(5)	—	(90)	—	(162)
Planned Nuclear Refueling Outages (18)	0.01	7	—	—	—	—	—	7
Pension and Non-Pension Postretirement Benefits (19)	—	7	4	1	—	(9)	1	4
Other Operating and Maintenance (20)	(0.06)	(4)	13	3	(6)	(58)	(1)	(53)
Depreciation and Amortization Expense (21)	(0.16)	(17)	(12)	1	(13)	(106)	(1)	(148)
Interest Expense, Net (22)	(0.05)	—	(5)	(1)	(3)	(26)	(9)	(44)
Income Taxes (23)	(0.02)	(55)	3	2	1	18	15	(16)
Equity in Earnings of Unconsolidated Affiliates	—	(3)	—	—	—	—	—	(3)
CENG Non-Controlling Interest (24)	—	(6)	—	—	—	—	—	(6)
Other	(0.07)	4	—	(1)	1	(73)	2	(67)
Share Differential	(0.01)	—	—	—	—	—	—	—
<b>2016 Adjusted (non-GAAP) Operating Earnings (Loss)</b>	<b>0.91</b>	<b>376</b>	<b>186</b>	<b>123</b>	<b>55</b>	<b>130</b>	<b>(29)</b>	<b>841</b>
<b>2016 Adjusted (non-GAAP) Operating Earnings (Loss) Adjustments:</b>								
Mark-to-Market Impact of Economic Hedging Activities	0.06	54	—	—	—	—	—	54
Unrealized Gains Related to NDT Fund Investments (1)	0.07	70	—	—	—	—	—	70
Amortization of Commodity Contract Intangibles (2)	(0.01)	(13)	—	—	—	—	—	(13)
Merger and Integration Costs (3)	(0.01)	(7)	—	(1)	(1)	(4)	—	(13)
Merger Commitments (7)	(0.01)	—	—	—	—	40	(45)	(5)
Long-Lived Asset Impairments (8)	(0.01)	(10)	—	—	—	—	(1)	(11)
Plant Retirements and Divestitures (9)	(0.22)	(204)	—	—	—	—	—	(204)
Cost Management Program (10)	(0.01)	(7)	—	—	—	—	—	(7)
Like-Kind Exchange Tax Position (11)	(0.21)	—	(149)	—	—	—	(50)	(199)
CENG Non-Controlling Interest (6)	(0.03)	(23)	—	—	—	—	—	(23)
<b>2016 GAAP Earnings (Loss)</b>	<b>\$ 0.53</b>	<b>\$ 236</b>	<b>\$ 37</b>	<b>\$ 122</b>	<b>\$ 54</b>	<b>\$ 166</b>	<b>\$(125)</b>	<b>\$ 490</b>

**Notes:**

The above analysis is presented on an after-tax basis. Income taxes related to (non-GAAP) operating adjustments are computed based upon the applicable tax law and enacted tax rates, unless otherwise noted. In computing the tax, the ability to monetize tax attributes and the impact to calculations such as the domestic production activities deduction is taken into consideration. Refer to the Reconciliations of Adjusted (non-GAAP) Operating Earnings to GAAP Consolidated Statements of Operations within the Earnings Release Attachments for further information regarding income tax impacts.

## Table of Contents

- (a) For the three months ended September 30, 2016, includes financial results for PHI. Therefore, the results of operations from 2016 and 2015 are not comparable for PHI and Exelon. The explanations below identify any other significant or unusual items affecting the results of operations. PHI consolidated results includes Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company.
- (b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (c) As approved by the Maryland PSC and District of Columbia PSC, BGE, Pepco and DPL Maryland record monthly adjustments to rates for residential, commercial and industrial customers to eliminate the effects of abnormal weather and usage patterns per customer on distribution volumes.
- (d) For regulatory recovery mechanisms, including ComEd's distribution formula rate, ComEd, BGE and PHI utilities transmission formula rates, and riders across all utilities, revenues increase and decrease i) as fully recoverable costs fluctuate (with no impact on net earnings), and ii) pursuant to changes in rate base, capital structure and ROE (which impact net earnings).
- (1) Reflects the impact of unrealized losses in 2015 and unrealized gains in 2016 on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (2) Represents the non-cash amortization of intangible assets, net, related to commodity contracts recorded at fair value related to the Integrys acquisition in 2015 and the Integrys and ConEdison Solutions acquisitions in 2016.
- (3) Reflects certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities and upfront credit facilities fees.
- (4) Primarily reflects a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (5) Reflects benefits related to the favorable settlements in 2015 of certain income tax positions on Constellation's pre-acquisition tax returns.
- (6) Represents elimination from Generation's results of the non-controlling interest related to CENG exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments and mark-to-market activity.
- (7) Represents adjustments to costs incurred as part of the settlement orders approving the PHI acquisition.
- (8) Primarily reflects the impairment of upstream assets at Generation in 2016.
- (9) Primarily reflects accelerated depreciation and amortization expenses associated with Generation's decision to early retire the Clinton and Quad Cities nuclear facilities in 2016.
- (10) Represents 2016 severance expense and reorganization costs related to a cost management program.
- (11) Represents the recognition of a penalty and associated interest expense in the third quarter of 2016, as a result of a tax court decision on Exelon's like-kind exchange tax position.
- (12) Primarily reflects an increase in nuclear outage days in 2016, including Salem.
- (13) Primarily reflects a decrease in fuel prices and decreased nuclear output.
- (14) Primarily reflects decreased capacity prices in the Mid-Atlantic and Midwest regions, partially offset by increased capacity prices in New England.
- (15) Primarily reflects the impact of the Ginna Reliability Support Services Agreement, the inclusion of Pepco Energy Services and ConEdison Solutions results in 2016 and revenue related to energy efficiency projects, partially offset by lower realized energy prices primarily in the Mid-Atlantic region.
- (16) For ComEd, primarily reflects increased electric distribution and transmission formula rate revenues, due to increased capital investments partially offset by lower electric distribution ROE due to a decrease in treasury rates and a decrease in fully recoverable costs. For PECO, primarily reflects increased electric distribution revenue pursuant to a rate increase effective January 1, 2016. For BGE, primarily reflects increased distribution revenue pursuant to increased rates effective in June 2016 and increased transmission revenue.
- (17) For Generation, primarily reflects increased contracting costs related to energy efficiency projects and the inclusion of Pepco Energy Services results in 2016.
- (18) Primarily reflects a reduction in the number of nuclear outage days in 2016, excluding Salem.
- (19) Primarily reflects favorable impact of higher pension and OPEB discount rates in 2016.
- (20) For ComEd, primarily relates to decreased fully recoverable costs associated with energy and efficiency programs. For BGE, primarily reflects increased underground conduit rental fees assessed by the City of Baltimore.
- (21) Primarily reflects increased nuclear decommissioning amortization at Generation. For BGE, primarily reflects increased amortization due to the initiation of cost recovery of the AMI programs. Additionally, primarily reflects increased depreciation for ongoing capital expenditures across all operating companies.
- (22) At Corporate, primarily reflects increased interest expense due to higher outstanding debt to fund the PHI acquisition and general corporate purposes.
- (23) At Generation, primarily reflects a decrease in domestic production activities deduction.
- (24) Reflects elimination from Generation's results of the non-controlling interest related to the net impact of CENG's operating revenue and expenses.

**EXELON CORPORATION**  
**Reconciliation of Adjusted (non-GAAP) Operating**  
**Earnings to GAAP Earnings (in millions)**  
 Nine Months Ended September 30, 2016 and 2015  
 (unaudited)

	Exelon Earnings per Diluted Share	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon (a)
<b>2015 GAAP Earnings (Loss)</b>	<b>\$ 2.22</b>	<b>\$ 1,218</b>	<b>\$ 339</b>	<b>\$ 299</b>	<b>\$202</b>	<b>\$ —</b>	<b>\$ (99)</b>	<b>\$1,959</b>
<b>2015 Adjusted (non-GAAP) Operating (Earnings) Loss</b>								
<b>Adjustments:</b>								
Mark-to-Market Impact of Economic Hedging Activities	(0.18)	(160)	—	—	—	—	2	(158)
Unrealized Losses Related to NDT Fund Investments (1)	0.19	164	—	—	—	—	—	164
Amortization of Commodity Contract Intangibles (2)	(0.01)	(13)	—	—	—	—	—	(13)
Merger and Integration Costs (3)	0.06	18	5	2	2	—	23	50
Long-Lived Asset Impairments (4)	0.02	—	—	—	—	—	15	15
Asset Retirement Obligation (5)	(0.01)	(6)	—	—	—	—	—	(6)
Tax Settlements (6)	(0.06)	(52)	—	—	—	—	—	(52)
Mark-to-Market Impact of PHI Merger Related Interest Rate Swap (7)	(0.03)	—	—	—	—	—	(21)	(21)
Midwest Generation Bankruptcy Recoveries (8)	(0.01)	(6)	—	—	—	—	—	(6)
CENG Non-Controlling Interest (9)	(0.06)	(52)	—	—	—	—	—	(52)
<b>2015 Adjusted (non-GAAP) Operating Earnings (Loss)</b>	<b>2.13</b>	<b>1,111</b>	<b>344</b>	<b>301</b>	<b>204</b>	<b>—</b>	<b>(80)</b>	<b>1,880</b>
<b>Year Over Year Effects on Earnings:</b>								
<b>Generation Energy Margins, Excluding Mark-to-Market:</b>								
Nuclear Volume (15)	0.03	26	—	—	—	—	—	26
Nuclear Fuel Cost (16)	0.02	15	—	—	—	—	—	15
Capacity Pricing (17)	0.01	7	—	—	—	—	—	7
Market and Portfolio Conditions (18)	0.05	48	—	—	—	—	—	48
<b>ComEd, PECO, BGE and PHI Margins:</b>								
Weather	—	—	25	(27)	— (c)	— (c)	—	(2)
Load	0.01	—	1	6	— (c)	— (c)	—	7
Other Energy Delivery (19)	1.15	—	73(d)	51(d)	45(d)	894(d)	—	1,063
<b>Operating and Maintenance Expense:</b>								
Labor, Contracting and Materials (20)	(0.32)	(89)	1	(9)	(1)	(199)	—	(297)
Planned Nuclear Refueling Outages (21)	0.02	18	—	—	—	—	—	18
Pension and Non-Pension Postretirement Benefits (22)	0.02	21	10	2	—	(21)	4	16
Other Operating and Maintenance (23)	(0.18)	(42)	17	12	(54)	(99)	2	(164)
Depreciation and Amortization Expense (24)	(0.36)	(63)	(28)	(2)	(21)	(208)	(5)	(327)
Interest Expense, Net (25)	(0.13)	5	(13)	(4)	(3)	(61)	(41)	(117)
Income Taxes (26)	0.02	(43)	8	19	13	23	3	23
Equity in Earnings of Unconsolidated Affiliates	(0.01)	(7)	—	—	—	—	—	(7)
CENG Non-Controlling Interest (27)	0.04	40	—	—	—	—	—	40
Other (28)	(0.16)	(29)	5	1	1	(144)	15	(151)
Share Differential (29)	(0.10)	—	—	—	—	—	—	—
<b>2016 Adjusted (non-GAAP) Operating Earnings (Loss)</b>	<b>2.24</b>	<b>1,018</b>	<b>443</b>	<b>350</b>	<b>184</b>	<b>185</b>	<b>(102)</b>	<b>2,078</b>
<b>2016 Adjusted (non-GAAP) Operating Earnings (Loss)</b>								
<b>Adjustments:</b>								
Mark-to-Market Impact of Economic Hedging Activities	(0.07)	(67)	—	—	—	—	—	(67)
Unrealized Gains Related to NDT Fund Investments (1)	0.13	127	—	—	—	—	—	127
Amortization of Commodity Contract Intangibles (2)	(0.01)	(8)	—	—	—	—	—	(8)
Merger and Integration Costs (3)	(0.10)	(20)	3	(2)	1	(37)	(37)	(92)
Merger Commitments (10)	(0.43)	(2)	—	—	—	(239)	(159)	(400)
Long-Lived Asset Impairments (4)	(0.11)	(103)	—	—	—	—	(1)	(104)
Plant Retirements and Divestitures (11)	(0.37)	(338)	—	—	—	—	—	(338)
Reassessment of State Deferred Income Taxes (12)	—	(6)	—	—	—	—	6	—
Cost Management Program (13)	(0.03)	(22)	—	(2)	(2)	—	—	(26)
Like-Kind Exchange Tax Position (14)	(0.21)	—	(149)	—	—	—	(50)	(199)
CENG Non-Controlling Interest (9)	(0.04)	(41)	—	—	—	—	—	(41)
<b>2016 GAAP Earnings (Loss)</b>	<b>\$ 1.00</b>	<b>\$ 538</b>	<b>\$ 297</b>	<b>\$ 346</b>	<b>\$183</b>	<b>\$ (91)</b>	<b>\$(343)</b>	<b>\$ 930</b>

Note:

The above analysis is presented on an after-tax basis. Income taxes related to (non-GAAP) operating adjustments are computed based upon the applicable tax law and enacted tax rates, unless otherwise noted. In computing the tax, the ability to monetize tax attributes and the impact to calculations such as the domestic production

## Table of Contents

activities deduction is taken into consideration. Refer to the Reconciliations of Adjusted (non-GAAP) Operating Earnings to GAAP Consolidated Statements of Operations within the Earnings Release Attachments for further information regarding income tax impacts.

- (a) As a result of the PHI acquisition completion on March 23, 2016, the table includes financial results for PHI beginning on March 24, 2016 to September 30, 2016. Therefore, the results of operations from 2016 and 2015 are not comparable for PHI and Exelon. The explanations below identify any other significant or unusual items affecting the results of operations. PHI consolidated results includes Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company.
- (b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (c) As approved by the Maryland PSC and District of Columbia PSC, BGE, Pepco and DPL Maryland record monthly adjustments to rates for residential, commercial and industrial customers to eliminate the effects of abnormal weather and usage patterns per customer on distribution volumes.
- (d) For regulatory recovery mechanisms, including ComEd's distribution formula rate, ComEd, BGE and PHI utilities transmission formula rates, and riders across all utilities, revenues increase and decrease i) as fully recoverable costs fluctuate (with no impact on net earnings), and ii) pursuant to changes in rate base, capital structure and ROE (which impact net earnings).
- (1) Reflects the impact of unrealized losses in 2015 and unrealized gains in 2016 on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (2) Represents the non-cash amortization of intangible assets, net, related to commodity contracts recorded at fair value related to the Integrys acquisition in 2015 and the Integrys and ConEdison Solutions acquisitions in 2016.
- (3) Reflects certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities and upfront credit facilities fees, partially offset in 2016 at ComEd, BGE and PHI by the anticipated recovery of previously incurred PHI acquisition costs.
- (4) Reflects impairment of investment in long-term leases at Corporate in 2015 and the impairment of upstream assets and certain wind projects at Generation in 2016.
- (5) Primarily reflects a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (6) Reflects benefits related to the favorable settlements in 2015 of certain income tax positions on Constellation's pre-acquisition tax returns.
- (7) Reflects the impact of mark-to-market activity on forward-starting interest rate swaps held at Exelon Corporate related to financing for the PHI acquisition, which were terminated on June 8, 2015.
- (8) Primarily reflects a 2015 benefit for the favorable settlement of a long-term railcar lease agreement pursuant to the Midwest Generation bankruptcy.
- (9) Represents elimination from Generation's results of the non-controlling interest related to CENG exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments and mark-to-market activity.
- (10) Represents costs incurred as part of the settlement orders approving the PHI acquisition.
- (11) Primarily reflects accelerated depreciation and amortization expenses, increases to materials and supplies inventory reserves, charges for severance reserves and construction work in progress impairments associated with Generation's decision to early retire the Clinton and Quad Cities nuclear facilities, partially offset by a gain associated with Generation's 2016 sale of the New Boston generating site.
- (12) Reflects the non-cash impact of the remeasurement of state deferred income taxes, primarily as a result of changes in forecasted apportionment related to the PHI acquisition in 2016.
- (13) Represents 2016 severance expense and reorganization costs related to a cost management program.
- (14) Represents the recognition of a penalty and associated interest expense in the third quarter of 2016, as a result of a tax court decision on Exelon's like-kind exchange tax position.
- (15) Primarily reflects a decrease in outage days at higher capacity units in 2016 versus 2015, despite an increase in overall outage days.
- (16) Primarily reflects a decrease in fuel prices.
- (17) Primarily reflects increased capacity prices in the Midwest and New England regions, partially offset by decreased capacity prices in the Mid-Atlantic region.
- (18) Primarily reflects the approval of the Ginna Reliability Support Services Agreement, the inclusion of Pepco Energy Services results in 2016 and revenue related to energy efficiency projects, partially offset by lower realized energy prices across all regions and increased oil inventory write-downs.
- (19) For ComEd, primarily reflects increased electric distribution and transmission formula rate revenues, due to increased capital investments partially offset by lower electric distribution ROE due to a decrease in treasury rates and a decrease in fully recoverable costs. For PECO, primarily reflects increased electric distribution revenue pursuant to a rate increase effective January 1, 2016. For BGE, primarily reflects increased distribution revenue pursuant to increased rates effective in June 2016 and increased transmission revenue.
- (20) For Generation, reflects the net increase to contracting costs primarily related to energy efficiency projects and the inclusion of Pepco Energy Services results in 2016. For PECO, primarily reflects increased contracting costs related to vegetation management and other projects.
- (21) Primarily reflects a reduction in the number of nuclear outage days in 2016, excluding Salem.
- (22) Primarily reflects favorable impact of higher pension and OPEB discount rates in 2016.
- (23) For Generation, primarily reflects the timing and extended duration of an outage at Salem and the inclusion of Pepco Energy Services results in 2016. For ComEd, primarily relates to decreased fully recoverable costs associated with energy efficiency programs and uncollectible accounts. For PECO, primarily reflects decreased storm costs and a decrease in uncollectible accounts expense. For BGE, primarily reflects charges for certain disallowances contained in the June and July 2016 rate case orders, increased storm costs in the BGE service territory and increased underground conduit rental fees assessed by the City of Baltimore.
- (24) Primarily reflects increased nuclear decommissioning amortization at Generation. For BGE, primarily reflects increased amortization due to the initiation of cost recovery of the AMI programs. Additionally, primarily reflects increased depreciation for ongoing capital expenditures across all operating companies.
- (25) For ComEd, primarily reflects increased interest expense due to higher outstanding debt. At Corporate, primarily reflects increased interest expense due to higher outstanding debt to fund the PHI acquisition and general corporate purposes.

[Table of Contents](#)

- (26) At Generation, primarily reflects a decrease in domestic production activities deduction. At PECO, primarily reflects an increase in the gas repairs deduction and the impact of a cumulative adjustment related to an anticipated gas repairs tax return accounting method change in 2016. At BGE, primarily reflects a cumulative adjustment to tax expense for transmission-related regulatory assets pending anticipated recovery from transmission customers.
- (27) Reflects elimination from Generation's results of the non-controlling interest related to the net impact of CENG's operating revenue and expenses.
- (28) For Generation, primarily reflects lower realized NDT fund gains. For Corporate, primarily reflects the absence of a 2015 loss on the termination of forward-starting interest rate swaps.
- (29) Reflects the impact on earnings per share due to the increase in Exelon's average diluted common shares outstanding from 883 million in 2015 to 926 million in 2016 as a result of the July 2015 common stock issuance.



**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions)

	Three Months Ended September 30, 2016				Three Months Ended September 30, 2015			
	GAAP (a)	Adjustments		Adjusted Non-GAAP	GAAP (a)	Adjustments		Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 5,035	\$ (166)	(b),(d)	\$ 4,869	\$ 4,768	\$ 11	(b),(d)	\$ 4,779
<b>Operating expenses</b>								
Purchased power and fuel	2,589	(127)	(b),(d), (h)	2,462	2,519	(132)	(b),(d)	2,387
Operating and maintenance	1,336	(6)	(e),(g), (h),(i)	1,330	1,241	(2)	(e),(l)	1,239
Depreciation and amortization	632	(338)	(e),(h)	294	264	—		264
Taxes other than income	136	—		136	123	—		123
<b>Total operating expenses</b>	<u>4,693</u>	<u>(471)</u>		<u>4,222</u>	<u>4,147</u>	<u>(134)</u>		<u>4,013</u>
<b>Gain on sales of assets</b>	—	—		—	1	—		1
<b>Operating income</b>	<u>342</u>	<u>305</u>		<u>647</u>	<u>622</u>	<u>145</u>		<u>767</u>
<b>Other income and (deductions)</b>								
Interest expense, net	(77)	—		(77)	(68)	(12)	(m)	(80)
Other, net	185	(145)	(c)	40	(257)	279	(c)	22
<b>Total other income and (deductions)</b>	<u>108</u>	<u>(145)</u>		<u>(37)</u>	<u>(325)</u>	<u>267</u>		<u>(58)</u>
<b>Income before income taxes</b>	<u>450</u>	<u>160</u>		<u>610</u>	<u>297</u>	<u>412</u>		<u>709</u>
<b>Income taxes</b>	173	43	(b),(c), (d),(e), (g),(h), (i)	216	(36)	244	(b),(c), (d),(e), (l),(m)	208
<b>Equity in losses of unconsolidated affiliates</b>	<u>(6)</u>	<u>—</u>		<u>(6)</u>	<u>(1)</u>	<u>—</u>		<u>(1)</u>
<b>Net income</b>	271	117		388	332	168		500
<b>Net income (loss) attributable to noncontrolling interests</b>	35	(23)	(n)	12	(45)	46	(n)	1
<b>Net income attributable to membership interest</b>	<u>\$ 236</u>	<u>\$ 140</u>		<u>\$ 376</u>	<u>\$ 377</u>	<u>\$ 122</u>		<u>\$ 499</u>
	Nine Months Ended September 30, 2016				Nine Months Ended September 30, 2015			
	GAAP (a)	Adjustments		Adjusted Non-GAAP	GAAP (a)	Adjustments		Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 13,363	\$ 376	(b),(d)	\$ 13,739	\$ 14,841	\$ (190)	(b),(d)	\$ 14,651
<b>Operating expenses</b>								
Purchased power and fuel	6,609	211	(b),(d), (h)	6,820	7,800	88	(b),(d)	7,888
Operating and maintenance	4,333	(335)	(e),(f), (g),(h), (i)	3,998	3,860	(9)	(e),(j), (l)	3,851
Depreciation and amortization	1,329	(452)	(e),(h)	877	774	—		774
Taxes other than income	380	(1)	(i)	379	369	—		369
<b>Total operating expenses</b>	<u>12,651</u>	<u>(577)</u>		<u>12,074</u>	<u>12,803</u>	<u>79</u>		<u>12,882</u>
<b>Gain on sales of assets</b>	31	—		31	7	—		7
<b>Operating income</b>	<u>743</u>	<u>953</u>		<u>1,696</u>	<u>2,045</u>	<u>(269)</u>		<u>1,776</u>
<b>Other income and (deductions)</b>								
Interest expense, net	(273)	—		(273)	(269)	(12)	(m)	(281)
Other, net	395	(299)	(c),(h)	96	(193)	357	(c)	164
<b>Total other income and (deductions)</b>	<u>122</u>	<u>(299)</u>		<u>(177)</u>	<u>(462)</u>	<u>345</u>		<u>(117)</u>
<b>Income before income taxes</b>	<u>865</u>	<u>654</u>		<u>1,519</u>	<u>1,583</u>	<u>76</u>		<u>1,659</u>
<b>Income taxes</b>	293	215	(b),(c), (d),(e), (f),(g), (h),(i), (k)	508	371	131	(b),(c), (d),(e), (j),(l), (m)	502
<b>Equity in losses of unconsolidated affiliates</b>	<u>(16)</u>	<u>—</u>		<u>(16)</u>	<u>(4)</u>	<u>—</u>		<u>(4)</u>
<b>Net income</b>	556	439		995	1,208	(55)		1,153
<b>Net income (loss) attributable to noncontrolling interests</b>	18	(41)	(n)	(23)	(10)	52	(n)	42
<b>Net income attributable to membership interest</b>	<u>\$ 538</u>	<u>\$ 480</u>		<u>\$ 1,018</u>	<u>\$ 1,218</u>	<u>\$ (107)</u>		<u>\$ 1,111</u>

## Table of Contents

- (a) Results reported in accordance with GAAP.
- (b) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (c) Adjustment to exclude the unrealized gains and losses on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (d) Adjustment to exclude the non-cash amortization of intangible assets, net, related to commodity contracts recorded at fair value related to the Integrys acquisition in 2015 and the Integrys and ConEdison Solutions acquisitions in 2016.
- (e) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees.
- (f) Adjustment to exclude costs incurred as part of the settlement orders approving the PHI acquisition.
- (g) Adjustment to exclude 2016 charges to earnings primarily related to the impairment of upstream assets and certain wind projects at Generation.
- (h) Adjustment to exclude the impacts associated with Generation's decision to early retire the Clinton and Quad Cities nuclear facilities, partially offset by a gain associated with Generation's 2016 sale of the New Boston generating site.
- (i) Adjustment to exclude the 2016 severance expense and reorganization costs related to a cost management program.
- (j) Adjustment to exclude a 2015 benefit for the favorable settlement of a long-term railcar lease agreement pursuant to the Midwest Generation bankruptcy.
- (k) Adjustment to exclude the non-cash impact of the remeasurement of state deferred income taxes, primarily as a result of changes in forecasted apportionment related to the PHI acquisition in 2016.
- (l) Adjustment to exclude a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (m) Adjustment to exclude favorable settlements of certain income tax positions on Constellation's pre-acquisition tax returns.
- (n) Adjustments to exclude the elimination from Generation's results of the non-controlling interest related to CENG exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments and mark-to-market activity.

**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions)

	ComEd					
	Three Months Ended September 30, 2016			Three Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 1,497	\$ —	\$ 1,497	\$ 1,376	\$ —	\$ 1,376
<b>Operating expenses</b>						
Purchased power	454	—	454	390	—	390
Operating and maintenance	377	—	377	404	(3) (b)	401
Depreciation and amortization	196	—	196	176	—	176
Taxes other than income	82	—	82	79	—	79
<b>Total operating expenses</b>	<u>1,109</u>	<u>—</u>	<u>1,109</u>	<u>1,049</u>	<u>(3)</u>	<u>1,046</u>
<b>Gain on sales of assets</b>	1	—	1	—	—	—
<b>Operating income</b>	<u>389</u>	<u>—</u>	<u>389</u>	<u>327</u>	<u>3</u>	<u>330</u>
<b>Other income and (deductions)</b>						
Interest expense, net	(197)	105 (c)	(92)	(83)	—	(83)
Other, net	(80)	86 (c)	6	4	—	4
<b>Total other income and (deductions)</b>	<u>(277)</u>	<u>191</u>	<u>(86)</u>	<u>(79)</u>	<u>—</u>	<u>(79)</u>
<b>Income before income taxes</b>	112	191	303	248	3	251
<b>Income taxes</b>	75	42 (c)	117	99	1 (b)	100
<b>Net income</b>	<u>\$ 37</u>	<u>\$ 149</u>	<u>\$ 186</u>	<u>\$ 149</u>	<u>\$ 2</u>	<u>\$ 151</u>
	Nine Months Ended September 30, 2016			Nine Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 4,031	\$ (8) (b)	\$ 4,023	\$ 3,709	\$ —	\$ 3,709
<b>Operating expenses</b>						
Purchased power	1,141	—	1,141	991	—	991
Operating and maintenance	1,113	(2) (b)	1,111	1,166	(8) (b)	1,158
Depreciation and amortization	574	—	574	528	—	528
Taxes other than income	222	—	222	225	—	225
<b>Total operating expenses</b>	<u>3,050</u>	<u>(2)</u>	<u>3,048</u>	<u>2,910</u>	<u>(8)</u>	<u>2,902</u>
<b>Gain on sales of assets</b>	6	—	6	—	—	—
<b>Operating income</b>	<u>987</u>	<u>(6)</u>	<u>981</u>	<u>799</u>	<u>8</u>	<u>807</u>
<b>Other income and (deductions)</b>						
Interest expense, net	(374)	105 (c)	(269)	(248)	—	(248)
Other, net	(72)	86 (c)	14	14	—	14
<b>Total other income and (deductions)</b>	<u>(446)</u>	<u>191</u>	<u>(255)</u>	<u>(234)</u>	<u>—</u>	<u>(234)</u>
<b>Income before income taxes</b>	541	185	726	565	8	573
<b>Income taxes</b>	244	39 (b),(c)	283	226	3 (b)	229
<b>Net income</b>	<u>\$ 297</u>	<u>\$ 146</u>	<u>\$ 443</u>	<u>\$ 339</u>	<u>\$ 5</u>	<u>\$ 344</u>

(a) Results reported in accordance with GAAP.

(b) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees, partially offset in 2016 at ComEd by the anticipated recovery of previously incurred PHI acquisition costs.

(c) Adjustment to exclude the recognition of a penalty and associated interest expense, as a result of a tax court decision on Exelon's like-kind exchange tax position.

**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions)

	PECO					
	Three Months Ended September 30, 2016			Three Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 788	\$ —	\$ 788	\$ 740	\$ —	\$ 740
<b>Operating expenses</b>						
Purchased power and fuel	272	—	272	278	—	278
Operating and maintenance	199	(2) (b)	197	196	(1) (b)	195
Depreciation and amortization	67	—	67	68	—	68
Taxes other than income	46	—	46	44	—	44
<b>Total operating expenses</b>	<u>584</u>	<u>(2)</u>	<u>582</u>	<u>586</u>	<u>(1)</u>	<u>585</u>
<b>Operating income</b>	204	2	206	154	1	155
<b>Other income and (deductions)</b>						
Interest expense, net	(30)	—	(30)	(28)	—	(28)
Other, net	2	—	2	1	—	1
<b>Total other income and (deductions)</b>	<u>(28)</u>	<u>—</u>	<u>(28)</u>	<u>(27)</u>	<u>—</u>	<u>(27)</u>
<b>Income before income taxes</b>	176	2	178	127	1	128
<b>Income taxes</b>	54	1 (b)	55	37	—	37
<b>Net income attributable to common shareholder</b>	<u>\$ 122</u>	<u>\$ 1</u>	<u>\$ 123</u>	<u>\$ 90</u>	<u>\$ 1</u>	<u>\$ 91</u>

	PECO					
	Nine Months Ended September 30, 2016			Nine Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 2,293	\$ —	\$ 2,293	\$ 2,386	\$ —	\$ 2,386
<b>Operating expenses</b>						
Purchased power and fuel	809	—	809	953	—	953
Operating and maintenance	604	(7) (b),(c)	597	609	(4) (b)	605
Depreciation and amortization	201	—	201	198	—	198
Taxes other than income	126	—	126	125	—	125
<b>Total operating expenses</b>	<u>1,740</u>	<u>(7)</u>	<u>1,733</u>	<u>1,885</u>	<u>(4)</u>	<u>1,881</u>
<b>Gain on sales of assets</b>	—	—	—	1	—	1
<b>Operating income</b>	553	7	560	502	4	506
<b>Other income and (deductions)</b>						
Interest expense, net	(92)	—	(92)	(84)	—	(84)
Other, net	6	—	6	3	—	3
<b>Total other income and (deductions)</b>	<u>(86)</u>	<u>—</u>	<u>(86)</u>	<u>(81)</u>	<u>—</u>	<u>(81)</u>
<b>Income before income taxes</b>	467	7	474	421	4	425
<b>Income taxes</b>	121	3 (b),(c)	124	122	2 (b)	124
<b>Net income attributable to common shareholder</b>	<u>\$ 346</u>	<u>\$ 4</u>	<u>\$ 350</u>	<u>\$ 299</u>	<u>\$ 2</u>	<u>\$ 301</u>

(a) Results reported in accordance with GAAP.

(b) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees.

(c) Adjustment to exclude the 2016 severance expense and reorganization costs related to a cost management program.

**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions)

	BGE					
	Three Months Ended September 30, 2016			Three Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 812	\$ —	\$ 812	\$ 725	\$ —	\$ 725
<b>Operating expenses</b>						
Purchased power and fuel	360	—	360	311	—	311
Operating and maintenance	178	(1) (b)	177	169	(2) (b)	167
Depreciation and amortization	101	—	101	79	—	79
Taxes other than income	58	—	58	57	—	57
<b>Total operating expenses</b>	<u>697</u>	<u>(1)</u>	<u>696</u>	<u>616</u>	<u>(2)</u>	<u>614</u>
<b>Gain on sales of assets</b>	—	—	—	1	—	1
<b>Operating income</b>	<u>115</u>	<u>1</u>	<u>116</u>	<u>110</u>	<u>2</u>	<u>112</u>
<b>Other income and (deductions)</b>						
Interest expense, net	(28)	—	(28)	(25)	—	(25)
Other, net	5	—	5	4	—	4
<b>Total other income and (deductions)</b>	<u>(23)</u>	<u>—</u>	<u>(23)</u>	<u>(21)</u>	<u>—</u>	<u>(21)</u>
<b>Income before income taxes</b>	92	1	93	89	2	91
<b>Income taxes</b>	36	—	36	35	1 (b)	36
<b>Net income</b>	56	1	57	54	1	55
<b>Preference stock dividends</b>	2	—	2	3	—	3
<b>Net income attributable to common shareholder</b>	<u>\$ 54</u>	<u>\$ 1</u>	<u>\$ 55</u>	<u>\$ 51</u>	<u>\$ 1</u>	<u>\$ 52</u>
	Nine Months Ended September 30, 2016			Nine Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 2,421	\$ —	\$ 2,421	\$ 2,388	\$ —	\$ 2,388
<b>Operating expenses</b>						
Purchased power and fuel	994	—	994	1,037	—	1,037
Operating and maintenance	588	(2) (b),(c)	586	499	(4) (b)	495
Depreciation and amortization	307	—	307	271	—	271
Taxes other than income	172	—	172	169	—	169
<b>Total operating expenses</b>	<u>2,061</u>	<u>(2)</u>	<u>2,059</u>	<u>1,976</u>	<u>(4)</u>	<u>1,972</u>
<b>Gain on sales of assets</b>	—	—	—	1	—	1
<b>Operating income</b>	<u>360</u>	<u>2</u>	<u>362</u>	<u>413</u>	<u>4</u>	<u>417</u>
<b>Other income and (deductions)</b>						
Interest expense, net	(76)	—	(76)	(73)	—	(73)
Other, net	16	—	16	13	—	13
<b>Total other income and (deductions)</b>	<u>(60)</u>	<u>—</u>	<u>(60)</u>	<u>(60)</u>	<u>—</u>	<u>(60)</u>
<b>Income before income taxes</b>	300	2	302	353	4	357
<b>Income taxes</b>	109	1 (b),(c)	110	141	2 (b)	143
<b>Net income</b>	191	1	192	212	2	214
<b>Preference stock dividends</b>	8	—	8	10	—	10
<b>Net income attributable to common shareholder</b>	<u>\$ 183</u>	<u>\$ 1</u>	<u>\$ 184</u>	<u>\$ 202</u>	<u>\$ 2</u>	<u>\$ 204</u>

(a) Results reported in accordance with GAAP.

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[Table of Contents](#)

- (b) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees, partially offset in 2016 at BGE by the anticipated recovery of previously incurred PHI acquisition costs.
- (c) Adjustment to exclude the 2016 severance expense and reorganization costs related to a cost management program.

**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions)

	PHI					
	Three Months Ended September 30, 2016			Three Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 1,394	\$ —	\$ 1,394	\$ —	\$ —	\$ —
<b>Operating expenses</b>						
Purchased power and fuel	583	—	583	—	—	—
Operating and maintenance	226	43 (b),(c)	269	—	—	—
Depreciation and amortization	182	—	182	—	—	—
Taxes other than income	124	—	124	—	—	—
<b>Total operating expenses</b>	<u>1,115</u>	<u>43</u>	<u>1,158</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Operating income</b>	279	(43)	236	—	—	—
<b>Other income and (deductions)</b>						
Interest expense, net	(64)	—	(64)	—	—	—
Other, net	19	—	19	—	—	—
<b>Total other income and (deductions)</b>	<u>(45)</u>	<u>—</u>	<u>(45)</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Income before income taxes</b>	234	(43)	191	—	—	—
<b>Income taxes</b>	68	(7) (b),(c)	61	—	—	—
<b>Net income</b>	<u>\$ 166</u>	<u>\$ (36)</u>	<u>\$ 130</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
	Nine Months Ended September 30, 2016			Nine Months Ended September 30, 2015		
	GAAP (a)	Adjustments	Adjusted Non-GAAP	GAAP (a)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ 2,565	\$ —	\$ 2,565	\$ —	\$ —	\$ —
<b>Operating expenses</b>						
Purchased power and fuel	1,037	—	1,037	—	—	—
Operating and maintenance	921	(375) (b),(c)	546	—	—	—
Depreciation and amortization	355	—	355	—	—	—
Taxes other than income	248	—	248	—	—	—
<b>Total operating expenses</b>	<u>2,561</u>	<u>(375)</u>	<u>2,186</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Operating income</b>	4	375	379	—	—	—
<b>Other income and (deductions)</b>						
Interest expense, net	(135)	—	(135)	—	—	—
Other, net	31	—	31	—	—	—
<b>Total other income and (deductions)</b>	<u>(104)</u>	<u>—</u>	<u>(104)</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>(Loss) income before income taxes</b>	(100)	375	275	—	—	—
<b>Income taxes</b>	(9)	99 (b),(c)	90	—	—	—
<b>Net loss</b>	<u>\$ (91)</u>	<u>\$ 276</u>	<u>\$ 185</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

As a result of the PHI acquisition completion on March 23, 2016, the table includes financial results for PHI beginning on March 24, 2016 to September 30, 2016 for the nine months ended and quarterly results for the September 30, 2016 three months ended period. Therefore, the results of operations from 2016 and 2015 are not comparable for PHI and Exelon. The explanations below identify any other significant or unusual items affecting the results of operations. PHI consolidated results includes Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company.

- (a) Results reported in accordance with GAAP.
- (b) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees, partially offset in 2016 at PHI by the anticipated recovery of previously incurred PHI acquisition costs.
- (c) Adjustment to exclude costs incurred as part of the settlement orders approving the PHI acquisition.

**EXELON CORPORATION**  
**Reconciliation of GAAP Consolidated Statements of Operations**  
**to Adjusted (non-GAAP) Operating Earnings**  
(unaudited)  
(in millions)

	Three Months Ended September 30, 2016			Other (a)	Three Months Ended September 30, 2015		
	GAAP (b)	Adjustments	Adjusted Non-GAAP		GAAP (b)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ (524)	\$ —	\$ (524)		\$ (208)	\$ —	\$ (208)
<b>Operating expenses</b>							
Purchased power and fuel	(504)	—	(504)		(207)	—	(207)
Operating and maintenance	22	(57) (c),(d)	(35)		(14)	(5) (c)	(19)
Depreciation and amortization	17	—	17		19	—	19
Taxes other than income	3	—	3		7	—	7
<b>Total operating expenses</b>	<u>(462)</u>	<u>(57)</u>	<u>(519)</u>		<u>(195)</u>	<u>(5)</u>	<u>(200)</u>
<b>Operating loss</b>	(62)	57	(5)		(13)	5	(8)
<b>Other income and (deductions)</b>							
Interest expense, net	(120)	48 (i)	(72)		(49)	—	(49)
Other, net	(11)	20 (i)	9		4	—	4
<b>Total other income and (deductions)</b>	<u>(131)</u>	<u>68</u>	<u>(63)</u>		<u>(45)</u>	<u>—</u>	<u>(45)</u>
<b>Loss before income taxes</b>	(193)	125	(68)		(58)	5	(53)
<b>Income taxes</b>	(66)	29 (c),(d),(g),(i)	(37)		(20)	3 (c)	(17)
<b>Equity in earnings of unconsolidated affiliates</b>	1	—	1		—	—	—
<b>Net loss</b>	(126)	96	(30)		(38)	2	(36)
<b>Net loss attributable to noncontrolling interests and preference stock dividends</b>	(1)	\$ —	(1)		—	—	—
<b>Net loss attributable to common shareholders</b>	<u>\$ (125)</u>	<u>\$ 96</u>	<u>\$ (29)</u>		<u>\$ (38)</u>	<u>\$ 2</u>	<u>\$ (36)</u>
	Nine Months Ended September 30, 2016				Nine Months Ended September 30, 2015		
	GAAP (b)	Adjustments	Adjusted Non-GAAP		GAAP (b)	Adjustments	Adjusted Non-GAAP
<b>Operating revenues</b>	\$ (1,187)	\$ —	\$ (1,187)		\$ (578)	\$ —	\$ (578)
<b>Operating expenses</b>							
Purchased power and fuel	(1,128)	—	(1,128)		(571)	—	(571)
Operating and maintenance	118	(235) (c),(d)	(117)		(15)	(41) (c),(g)	(56)
Depreciation and amortization	55	—	55		47	—	47
Taxes other than income	20	—	20		20	—	20
<b>Total operating expenses</b>	<u>(935)</u>	<u>(235)</u>	<u>(1,170)</u>		<u>(519)</u>	<u>(41)</u>	<u>(560)</u>
<b>Gain on sales of assets</b>	4	—	4		1	—	1
<b>Operating loss</b>	(248)	235	(13)		(58)	41	(17)
<b>Other income and (deductions)</b>							
Interest expense, net	(229)	48 (i)	(181)		(81)	(15) (c),(f)	(96)
Other, net	1	20 (i)	21		(16)	—	(16)
<b>Total other income and (deductions)</b>	<u>(228)</u>	<u>68</u>	<u>(160)</u>		<u>(97)</u>	<u>(15)</u>	<u>(112)</u>
<b>Loss before income taxes</b>	(476)	303	(173)		(155)	26	(129)
<b>Income taxes</b>	(133)	62 (c),(d),(g),(h),(i)	(71)		(55)	7 (c),(e),(f),(g)	(48)
<b>Equity in earnings of unconsolidated affiliates</b>	—	—	—		1	—	1
<b>Net loss</b>	(343)	241	(102)		(99)	19	(80)
<b>Net income attributable to noncontrolling interests and preference stock dividends</b>	—	—	—		—	—	—
<b>Net loss attributable to common shareholders</b>	<u>\$ (343)</u>	<u>\$ 241</u>	<u>\$ (102)</u>		<u>\$ (99)</u>	<u>\$ 19</u>	<u>\$ (80)</u>



## Table of Contents

- (a) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (b) Results reported in accordance with GAAP.
- (c) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses, integration activities, and upfront credit facilities fees.
- (d) Adjustment to exclude costs incurred as part of the settlement orders approving the PHI acquisition.
- (e) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (f) Adjustment to exclude the mark-to-market impact of Exelon's Corporate's forward-starting interest rate swaps related to financing for the PHI acquisition, which were terminated on June 8, 2015.
- (g) Adjustment to exclude a 2015 charge to earnings primarily related to the impairment of investment in long-term leases and 2016 impairment to upstream assets.
- (h) Adjustment to exclude the non-cash impact of the remeasurement of state deferred income taxes, primarily as a result of changes in forecasted apportionment related to the PHI acquisition in 2016.
- (i) Adjustment to exclude the recognition of a penalty and associated interest expense, as a result of a tax court decision on Exelon's like-kind exchange tax position.

**EXELON CORPORATION**  
**Exelon Generation Statistics**

	Three Months Ended				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
<b>Supply (in GWhs)</b>					
Nuclear Generation					
Mid-Atlantic (a)	15,604	15,224	16,208	15,500	16,446
Midwest	24,262	23,001	23,662	23,620	23,927
New York (a)	4,843	4,228	4,932	4,712	4,807
Total Nuclear Generation	44,709	42,453	44,802	43,832	45,180
Fossil and Renewables					
Mid-Atlantic	706	685	898	746	719
Midwest	273	324	449	490	262
New England	1,886	2,016	1,924	408	1,840
New York	1	1	1	—	1
ERCOT	2,472	1,879	1,376	1,163	2,306
Other Power Regions (b)	2,103	1,995	2,147	1,834	1,945
Total Fossil and Renewables	7,441	6,900	6,795	4,641	7,073
Purchased Power					
Mid-Atlantic	7,139	3,131	3,755	1,441	3,511
Midwest	461	688	706	814	515
New England	3,927	3,782	4,155	6,372	5,787
ERCOT	2,895	2,259	2,294	2,501	2,422
Other Power Regions (b)	3,803	3,879	2,600	4,636	5,812
Total Purchased Power	18,225	13,739	13,510	15,764	18,047
Total Supply/Sales by Region (c)					
Mid-Atlantic (d)	23,449	19,040	20,861	17,687	20,676
Midwest (d)	24,996	24,013	24,817	24,924	24,704
New England	5,813	5,798	6,079	6,780	7,627
New York	4,844	4,229	4,933	4,712	4,808
ERCOT	5,367	4,138	3,670	3,664	4,728
Other Power Regions (b)	5,906	5,874	4,747	6,470	7,757
<b>Total Supply/Sales by Region</b>	<b>70,375</b>	<b>63,092</b>	<b>65,107</b>	<b>64,237</b>	<b>70,300</b>

	Three Months Ended				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
<b>Outage Days (e)</b>					
Refueling	17	87	70	103	27
Non-refueling	—	21	10	21	11
<b>Total Outage Days</b>	<b>17</b>	<b>108</b>	<b>80</b>	<b>124</b>	<b>38</b>

- (a) Includes the proportionate share of output where Generation has an undivided ownership interest in jointly-owned generating plants and includes the total output of plants that are fully consolidated (e.g. CENG).
- (b) Other Power Regions includes, South, West and Canada.
- (c) Excludes physical proprietary trading volumes of 1,506 GWhs, 1,289 GWhs, 1,220 GWhs, 1,932 GWhs, and 1,913 GWhs for the three months ended September 30, 2016, June 30, 2016, March 31, 2016, December 31, 2015, and September 30, 2015 respectively.
- (d) Includes affiliate sales to PECO and BGE in the Mid-Atlantic region and affiliate sales to ComEd in the Midwest region. As a result of the PHI Merger, includes affiliate sales to Pepco, DPL and ACE in the Mid-Atlantic region for the successor period of March 24, 2016 to March 31, 2016, April 1, 2016 to June 30, 2016 and July 1, 2016 to September 30, 2016.
- (e) Outage days exclude Salem.

**EXELON CORPORATION**  
**Exelon Generation Statistics**  
**Nine Months Ended September 30, 2016 and 2015**

	<u>September 30,</u> <u>2016</u>	<u>September 30,</u> <u>2015</u>
<b>Supply (in GWhs)</b>		
Nuclear Generation		
Mid-Atlantic (a)	47,035	47,783
Midwest	70,925	69,802
New York (a)	14,002	14,057
Total Nuclear Generation	<u>131,962</u>	<u>131,642</u>
Fossil and Renewables		
Mid-Atlantic	2,290	2,028
Midwest	1,046	1,057
New England	5,826	2,575
New York	3	3
ERCOT	5,726	4,600
Other Power Regions	<u>6,245</u>	<u>6,014</u>
Total Fossil and Renewables	21,136	16,277
Purchased Power		
Mid-Atlantic	14,024	6,719
Midwest	1,855	1,511
New England	11,863	17,937
ERCOT	7,448	7,569
Other Power Regions	<u>10,281</u>	<u>14,186</u>
Total Purchased Power	45,471	47,922
Total Supply/Sales by Region (c)		
Mid-Atlantic (b)	63,349	56,530
Midwest (b)	73,826	72,370
New England	17,689	20,512
New York	14,005	14,060
ERCOT	13,174	12,169
Other Power Regions	<u>16,526</u>	<u>20,199</u>
<b>Total Supply/Sales by Region</b>	<u><u>198,569</u></u>	<u><u>195,840</u></u>

- (a) Includes the proportionate share of output where Generation has an undivided ownership interest in jointly-owned generating plants and includes the total output of plants that are fully consolidated (e.g. CENG).
- (b) Includes affiliate sales to PECO and BGE in the Mid-Atlantic region and affiliate sales to ComEd in the Midwest region. As a result of the PHI Merger, includes affiliate sales to Pepco, DPL and ACE in the Mid-Atlantic region for the Successor period of March 24, 2016 to September 30, 2016.
- (c) Excludes physical proprietary trading volumes of 4,015 GWh and 5,378 GWh for the nine months ended September 30, 2016 and 2015, respectively.

**EXELON CORPORATION**  
**ComEd Statistics**  
**Three Months Ended September 30, 2016 and 2015**

	Electric Deliveries (in GWhs)				Revenue (in millions)		
	2016	2015	% Change	Weather-Normal % Change	2016	2015	% Change
<b>Retail Deliveries and Sales (a)</b>							
Residential	9,014	7,919	13.8%	1.0%	\$ 786	\$ 690	13.9%
Small Commercial & Industrial	8,833	8,579	3.0%	(0.2)%	356	361	(1.4)%
Large Commercial & Industrial	7,565	7,250	4.3%	2.0%	126	121	4.1%
Public Authorities & Electric Railroads	308	295	4.4%	4.4%	10	10	— %
Total Retail	25,720	24,043	7.0%	0.9%	1,278	1,182	8.1%
<b>Other Revenue (b)</b>					219	194	12.9%
Total Electric Revenue (c)					\$1,497	\$1,376	8.8%
<b>Purchased Power</b>					\$ 454	\$ 390	16.4%

	2016	2015	Normal	% Change	
				From 2015	From Normal
<b>Heating and Cooling Degree-Days</b>					
Heating Degree-Days	23	55	119	(58.2)%	(80.7)%
Cooling Degree-Days	840	634	613	32.5%	37.0%

**Nine Months Ended September 30, 2016 and 2015**

	Electric Deliveries (in GWhs)				Revenue (in millions)		
	2016	2015	% Change	Weather-Normal % Change	2016	2015	% Change
<b>Retail Deliveries and Sales (a)</b>							
Residential	21,738	20,602	5.5%	(0.1)%	\$2,018	\$1,785	13.1%
Small Commercial & Industrial	24,447	24,305	0.6%	(0.1)%	1,007	1,029	(2.1)%
Large Commercial & Industrial	21,057	20,807	1.2%	1.0%	350	339	3.2%
Public Authorities & Electric Railroads	947	964	(1.8)%	(0.3)%	33	33	— %
Total Retail	68,189	66,678	2.3%	0.2%	3,408	3,186	7.0%
<b>Other Revenue (b)</b>					623	523	19.1%
Total Electric Revenue (c)					\$4,031	\$3,709	8.7%
<b>Purchased Power</b>					\$1,141	\$ 991	15.1%

	2016	2015	Normal	% Change	
				From 2015	From Normal
<b>Heating and Cooling Degree-Days</b>					
Heating Degree-Days	3,678	4,373	4,048	(15.9)%	(9.1)%
Cooling Degree-Days	1,130	805	831	40.4%	36.0%

Number of Electric Customers	2016	2015
	Residential	3,578,846
Small Commercial & Industrial	372,603	369,151
Large Commercial & Industrial	2,010	1,996
Public Authorities & Electric Railroads	4,738	4,826
Total	3,958,197	3,900,226

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from ComEd and customers purchasing electricity from a competitive electric generation supplier, as all customers are assessed delivery charges. For customers purchasing electricity from ComEd, revenue also reflects the cost of energy and transmission.
- (b) Other revenue primarily includes transmission revenue from PJM. Other revenue includes rental revenues, revenues related to late payment charges, revenues from other utilities for mutual assistance programs and recoveries of remediation costs associated with MGP sites.
- (c) Includes operating revenues from affiliates totaling \$4 million and \$1 million for the three months ended September 30, 2016 and 2015, and \$12 million and \$3 million for the nine months ended September 30, 2016 and 2015, respectively.

**EXELON CORPORATION**  
**PECO Statistics**  
**Three Months Ended September 30, 2016 and 2015**

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2016	2015	% Change	Weather-Normal % Change	2016	2015	% Change
<b>Electric (in GWhs)</b>							
<b>Retail Deliveries and Sales (a)</b>							
Residential	4,358	3,940	10.6%	1.5%	\$513	\$461	11.3%
Small Commercial & Industrial	2,324	2,219	4.7%	0.5%	109	113	(3.5)%
Large Commercial & Industrial	4,234	4,227	0.2%	(2.9)%	59	58	1.7%
Public Authorities & Electric Railroads	240	224	7.1%	7.1%	8	8	— %
<b>Total Retail</b>	<b>11,156</b>	<b>10,610</b>	<b>5.1%</b>	<b>(0.4)%</b>	<b>689</b>	<b>640</b>	<b>7.7%</b>
<b>Other Revenue (b)</b>							
Total Electric Revenue (d)					51	51	— %
					<u>740</u>	<u>691</u>	7.1%
<b>Natural Gas (in mmcfs)</b>							
<b>Retail Deliveries and Sales</b>							
Retail Sales (c)	3,494	3,639	(4.0)%	(2.4)%	41	42	(2.4)%
Transportation and Other	7,315	7,457	(1.9)%	(3.3)%	7	7	— %
<b>Total Natural Gas (d)</b>	<b>10,809</b>	<b>11,096</b>	<b>(2.6)%</b>	<b>(3.0)%</b>	<b>48</b>	<b>49</b>	<b>(2.0)%</b>
<b>Total Electric and Natural Gas Revenues</b>					<b>\$788</b>	<b>\$740</b>	<b>6.5%</b>
<b>Purchased Power and Fuel</b>					<b>\$272</b>	<b>\$278</b>	<b>(2.2)%</b>
							% Change
							From 2015
							From Normal
<b>Heating and Cooling Degree-Days</b>	<b>2016</b>	<b>2015</b>	<b>Normal</b>				
Heating Degree-Days	10	—	38		N/A		(73.7)%
Cooling Degree-Days	1,288	1,186	929		8.6%		38.6%

**Nine Months Ended September 30, 2016 and 2015**

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2016	2015	% Change	Weather-Normal % Change	2016	2015	% Change
<b>Electric (in GWhs)</b>							
<b>Retail Deliveries and Sales (a)</b>							
Residential	10,682	10,929	(2.3)%	1.3%	\$1,278	\$1,276	0.2%
Small Commercial & Industrial	6,236	6,306	(1.1)%	1.7%	334	330	1.2%
Large Commercial & Industrial	11,598	11,744	(1.2)%	(1.9)%	182	166	9.6%
Public Authorities & Electric Railroads	672	667	0.7%	0.7%	25	23	8.7%
<b>Total Retail</b>	<b>29,188</b>	<b>29,646</b>	<b>(1.5)%</b>	<b>0.1%</b>	<b>1,819</b>	<b>1,795</b>	<b>1.3%</b>
<b>Other Revenue (b)</b>							
Total Electric Revenue (d)					152	155	(1.9)%
					<u>1,971</u>	<u>1,950</u>	1.1%
<b>Natural Gas (in mmcfs)</b>							
<b>Retail Deliveries and Sales</b>							
Retail Sales (c)	38,488	45,734	(15.8)%	1.8%	298	410	(27.3)%
Transportation and Other	20,917	21,585	(3.1)%	1.1%	24	26	(7.7)%
<b>Total Natural Gas (d)</b>	<b>59,405</b>	<b>67,319</b>	<b>(11.8)%</b>	<b>1.5%</b>	<b>322</b>	<b>436</b>	<b>(26.1)%</b>
<b>Total Electric and Natural Gas Revenues</b>					<b>\$2,293</b>	<b>\$2,386</b>	<b>(3.9)%</b>
<b>Purchased Power and Fuel</b>					<b>\$ 809</b>	<b>\$ 953</b>	<b>(15.1)%</b>
							% Change
							From 2015
							From Normal
<b>Heating and Cooling Degree-Days</b>	<b>2016</b>	<b>2015</b>	<b>Normal</b>				
Heating Degree-Days	2,616	3,264	2,981		(19.9)%		(12.2)%
Cooling Degree-Days	1,684	1,699	1,278		(0.9)%		31.8%

	Number of Electric Customers		Number of Natural Gas Customers		
	2016	2015	2016	2015	
Residential	1,451,533	1,439,951	Residential	470,024	465,023
Small Commercial & Industrial	149,646	148,920	Commercial & Industrial	42,997	42,544
Large Commercial & Industrial	3,094	3,093	<b>Total Retail</b>	<b>513,021</b>	<b>507,567</b>
Public Authorities & Electric Railroads	9,820	9,801	Transportation	802	837
<b>Total</b>	<b>1,614,093</b>	<b>1,601,765</b>	<b>Total</b>	<b>513,823</b>	<b>508,404</b>

[Table of Contents](#)

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from PECO and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from PECO, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.
- (c) Reflects delivery volumes and revenues 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. For customers purchasing natural gas from PECO, revenue also reflects the cost of natural gas.
- (d) Total electric revenue includes operating revenues from affiliates totaling \$2 million and less than \$1 million for the three months ended September 30, 2016 and 2015, respectively, and \$5 million and less than \$1 million for the nine months ended September 30, 2016 and 2015, respectively. Total natural gas revenues includes operating revenues from affiliates totaling less than \$1 million for the three months ended September 30, 2016 and \$1 million for the three months ended September 30, 2015, and less than \$1 million for the nine months ended September 30, 2016, and \$1 million for the nine months ended September 30, 2015.

**EXELON CORPORATION**  
**BGE Statistics**  
**Three Months Ended September 30, 2016 and 2015**

	Electric and Natural Gas Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	3,900	3,458	12.8%	\$451	\$379	19.0%
Small Commercial & Industrial	877	788	11.3%	74	70	5.7%
Large Commercial & Industrial	3,992	3,829	4.3%	123	122	0.8%
Public Authorities & Electric Railroads	72	75	(4.0)%	9	9	— %
Total Retail	<u>8,841</u>	<u>8,150</u>	8.5%	<u>657</u>	<u>580</u>	13.3%
<b>Other Revenue (b)(c)</b>				78	75	4.0%
Total Electric Revenue				<u>735</u>	<u>655</u>	12.2%
<b>Natural Gas (in mmcfs)</b>						
<b>Retail Deliveries and Sales (d)</b>						
Retail Sales	13,159	11,719	12.3%	71	66	7.6%
Transportation and Other (e)	1,311	612	114.2%	6	4	50.0%
Total Natural Gas (f)	<u>14,470</u>	<u>12,331</u>	17.3%	<u>77</u>	<u>70</u>	10.0%
Total Electric and Natural Gas Revenues				<u>\$812</u>	<u>\$725</u>	12.0%
<b>Purchased Power and Fuel</b>				<u>\$360</u>	<u>\$311</u>	15.8%
% Change						
From 2015      From Normal						
<b>Heating and Cooling Degree-Days</b>	2016	2015	Normal	From 2015	From Normal	
Heating Degree-Days	24	46	79	(47.8)%	(69.6)%	
Cooling Degree-Days	747	592	594	26.2%	25.8%	

**Nine Months Ended September 30, 2016 and 2015**

	Electric and Natural Gas Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	9,996	10,266	(2.6)%	\$1,203	\$1,131	6.4%
Small Commercial & Industrial	2,343	2,413	(2.9)%	212	208	1.9%
Large Commercial & Industrial	10,627	10,735	(1.0)%	337	351	(4.0)%
Public Authorities & Electric Railroads	215	224	(4.0)%	27	24	12.5%
Total Retail	<u>23,181</u>	<u>23,638</u>	(1.9)%	<u>1,779</u>	<u>1,714</u>	3.8%
<b>Other Revenue (b)(c)</b>				219	194	12.9%
Total Electric Revenue				<u>1,998</u>	<u>1,908</u>	4.7%
<b>Natural Gas (in mmcfs)</b>						
<b>Retail Deliveries and Sales (d)</b>						
Retail Sales	69,415	72,481	(4.2)%	403	450	(10.4)%
Transportation and Other (e)	4,078	4,521	(9.8)%	20	30	(33.3)%
Total Natural Gas (f)	<u>73,493</u>	<u>77,002</u>	(4.6)%	<u>423</u>	<u>480</u>	(11.9)%
Total Electric and Natural Gas Revenues				<u>\$2,421</u>	<u>\$2,388</u>	1.4%
<b>Purchased Power and Fuel</b>				<u>\$ 994</u>	<u>\$1,037</u>	(4.1)%
% Change						
From 2015      From Normal						
<b>Heating and Cooling Degree-Days</b>	2016	2015	Normal	From 2015	From Normal	
Heating Degree-Days	2,878	3,418	2,999	(15.8)%	(4.0)%	
Cooling Degree-Days	966	909	851	6.3%	13.5%	

	Number of Electric Customers		Number of Natural Gas Customers		
	2016	2015	2016	2015	
Residential	1,145,020	1,132,836	Residential	619,837	613,571
Small Commercial & Industrial	112,609	112,888	Commercial & Industrial	43,957	43,885
Large Commercial & Industrial	12,030	11,863	Total Retail	663,794	657,456
Public Authorities & Electric Railroads	282	286	Transportation	—	—
Total	<u>1,269,941</u>	<u>1,257,873</u>	Total	<u>663,794</u>	<u>657,456</u>

[Table of Contents](#)

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from BGE and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from BGE, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes wholesale transmission revenue and late payment charges.
- (c) Includes operating revenues from affiliates totaling \$1 million and \$5 million for the three and nine months ended September 30, 2016.
- (d) Reflects delivery volumes and revenues from customers purchasing natural gas directly from BGE and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges. For customers purchasing natural gas from BGE, revenue also reflects the cost of natural gas.
- (e) Transportation and other natural gas revenue includes off-system revenue of 1,311 mmcfs (\$4 million) and 612 mmcfs (\$3 million) for the three months ended September 30, 2016 and 2015, respectively. Transportation and other natural gas revenue includes off-system revenue of 4,078 mmcfs (\$14 million) and 4,521 mmcfs (\$28 million) for the nine months ended September 30, 2016 and 2015, respectively.
- (f) Includes operating revenues from affiliates totaling \$6 million and \$3 million for the three months ended September 30, 2016 and 2015, respectively, and \$11 million and \$11 million for the nine months ended September 30, 2016 and 2015, respectively.



**EXELON CORPORATION**  
**PEPCO Statistics**  
**Three Months Ended September 30, 2016 and 2015**

	Electric Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	2,675	2,355	13.6%	\$315	\$285	10.5%
Small Commercial & Industrial	394	379	4.0%	43	43	— %
Large Commercial & Industrial	4,314	4,254	1.4%	219	210	4.3%
Public Authorities & Electric Railroads	180	177	1.7%	7	7	— %
<b>Total Retail</b>	<b>7,563</b>	<b>7,165</b>	<b>5.6%</b>	<b>584</b>	<b>545</b>	<b>7.2%</b>
<b>Other Revenue (b)</b>				<b>51</b>	<b>47</b>	<b>8.5%</b>
<b>Total Electric Revenue (c)</b>				<b>635</b>	<b>592</b>	<b>7.3%</b>
<b>Purchased Power</b>				<b>\$213</b>	<b>\$200</b>	<b>6.5%</b>

	2016	2015	Normal	% Change	
				From 2015	From Normal
<b>Heating and Cooling Degree-Days</b>					
Heating Degree-Days	1	—	13	N/A	(92.3)%
Cooling Degree-Days	1,418	1,239	1,109	14.4%	27.9%

**Nine Months Ended September 30, 2016 and 2015**

	Electric Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	6,652	6,844	(2.8)%	\$ 791	\$ 769	2.9%
Small Commercial & Industrial	1,124	1,150	(2.3)%	116	116	— %
Large Commercial & Industrial	11,890	11,759	1.1%	613	590	3.9%
Public Authorities & Electric Railroads	544	540	0.7%	23	23	— %
<b>Total Retail</b>	<b>20,210</b>	<b>20,293</b>	<b>(0.4)%</b>	<b>1,543</b>	<b>1,498</b>	<b>3.0%</b>
<b>Other Revenue (b)</b>				<b>152</b>	<b>143</b>	<b>6.3%</b>
<b>Total Electric Revenue (c)</b>				<b>1,695</b>	<b>1,641</b>	<b>3.3%</b>
<b>Purchased Power</b>				<b>\$ 563</b>	<b>\$ 573</b>	<b>(1.7)%</b>

	2016	2015	Normal	% Change	
				From 2015	From Normal
<b>Heating and Cooling Degree-Days</b>					
Heating Degree-Days	2,408	2,691	2,507	(10.5)%	(3.9)%
Cooling Degree-Days	1,872	1,914	1,587	(2.2)%	18.0%

	2016	2015
	<b>Number of Electric Customers</b>	
Residential	775,911	749,662
Small Commercial & Industrial	53,425	53,459
Large Commercial & Industrial	21,315	20,820
Public Authorities & Electric Railroads	129	128
<b>Total</b>	<b>850,780</b>	<b>824,069</b>

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from Pepco and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from Pepco, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.
- (c) Includes operating revenues from affiliates totaling \$1 million and \$1 million for the three months ended September 30, 2016 and 2015, respectively, and \$3 million and \$4 million for the nine months ended September 30, 2016 and 2015, respectively.

**EXELON CORPORATION**  
**DPL Statistics**  
**Three Months Ended September 30, 2016 and 2015**

	Electric and Natural Gas Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	1,601	1,425	12.4%	\$200	\$181	10.5%
Small Commercial & Industrial	642	618	3.9%	48	51	(5.9)%
Large Commercial & Industrial	1,250	1,283	(2.6)%	24	26	(7.7)%
Public Authorities & Electric Railroads	9	11	(18.2)%	2	3	(33.3)%
Total Retail	<u>3,502</u>	<u>3,337</u>	4.9%	<u>274</u>	<u>261</u>	5.0%
<b>Other Revenue (b)</b>				40	34	17.6%
Total Electric Revenue (c)				<u>314</u>	<u>295</u>	6.4%
<b>Natural Gas (in mmcfs)</b>						
<b>Retail Deliveries and Sales (d)</b>						
Retail Sales	1,121	1,111	0.9%	13	13	— %
Transportation and Other (e)	1,166	1,144	1.9%	4	6	(33.3)%
Total Natural Gas	<u>2,287</u>	<u>2,255</u>	1.4%	<u>17</u>	<u>19</u>	(10.5)%
Total Electric and Natural Gas Revenues				<u>\$331</u>	<u>\$314</u>	5.4%
<b>Purchased Power and Fuel</b>				<u>\$150</u>	<u>\$151</u>	(0.7)%
					<b>% Change</b>	
	<b>2016</b>	<b>2015</b>	<b>Normal</b>	<b>From 2015</b>	<b>From Normal</b>	
Heating and Cooling Degree-Days						
Heating Degree-Days	14	2	35	600.0%	(60.0)%	
Cooling Degree-Days	1,103	897	836	23.0%	31.9%	

**Nine Months Ended September 30, 2016 and 2015**

	Electric and Natural Gas Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	4,066	4,297	(5.4)%	\$522	\$ 533	(2.1)%
Small Commercial & Industrial	1,746	1,803	(3.2)%	143	145	(1.4)%
Large Commercial & Industrial	3,492	3,550	(1.6)%	74	79	(6.3)%
Public Authorities & Electric Railroads	35	33	6.1%	9	9	— %
Total Retail	<u>9,339</u>	<u>9,683</u>	(3.6)%	<u>748</u>	<u>766</u>	(2.3)%
<b>Other Revenue (b)</b>				124	109	13.8%
Total Electric Revenue (c)				<u>872</u>	<u>875</u>	(0.3)%
<b>Natural Gas (in mmcfs)</b>						
<b>Retail Deliveries and Sales (d)</b>						
Retail Sales	9,253	10,720	(13.7)%	87	111	(21.6)%
Transportation and Other (e)	4,455	4,716	(5.5)%	15	18	(16.7)%
Total Natural Gas	<u>13,708</u>	<u>15,436</u>	(11.2)%	<u>102</u>	<u>129</u>	(20.9)%
Total Electric and Natural Gas Revenues				<u>\$974</u>	<u>\$1,004</u>	(3.0)%
<b>Purchased Power and Fuel</b>				<u>\$448</u>	<u>\$ 500</u>	(10.4)%
					<b>% Change</b>	
	<b>2016</b>	<b>2015</b>	<b>Normal</b>	<b>From 2015</b>	<b>From Normal</b>	
Heating and Cooling Degree-Days						
Heating Degree-Days	2,812	3,275	2,974	(14.1)%	(5.4)%	
Cooling Degree-Days	1,410	1,315	1,164	7.2%	21.1%	

	Number of Electric Customers		Number of Natural Gas Customers	
	2016	2015	2016	2015
Residential	455,640	453,114	Residential	120,075
Small Commercial & Industrial	60,034	59,583	Commercial & Industrial	9,656
Large Commercial & Industrial	1,414	1,412	Total Retail	129,731
Public Authorities & Electric Railroads	643	644	Transportation	157
Total	<u>517,731</u>	<u>514,753</u>	Total	<u>129,888</u>
				<u>128,692</u>

(a) Reflects delivery volumes and revenues from customers purchasing electricity directly from DPL and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from DPL, revenue also reflects the cost of energy and transmission.

(b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.

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[Table of Contents](#)

- (c) Includes operating revenues from affiliates totaling \$2 million and \$1 million for the three months ended September 30, 2016 and 2015, respectively, and \$6 million and \$4 million for the nine months ended September 30, 2016 and 2015, respectively.
- (d) Reflects delivery volumes and revenues 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. For customers purchasing natural gas from DPL, revenue also reflects the cost of natural gas.
- (e) Transportation and other revenue includes off-system natural gas sales and the short-term release of interstate pipeline transportation and storage capacity not needed to serve customers.

**EXELON CORPORATION**  
**ACE Statistics**  
**Three Months Ended September 30, 2016 and 2015**

	Electric Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	1,575	1,420	10.9%	\$249	\$227	9.7%
Small Commercial & Industrial	426	385	10.6%	55	53	3.8%
Large Commercial & Industrial	1,032	933	10.6%	57	56	1.8%
Public Authorities & Electric Railroads	11	9	22.2%	4	3	33.3%
<b>Total Retail</b>	<b>3,044</b>	<b>2,747</b>	<b>10.8%</b>	<b>365</b>	<b>339</b>	<b>7.7%</b>
<b>Other Revenue (b)</b>				56	47	19.1%
<b>Total Electric Revenue (c)</b>				<b>421</b>	<b>386</b>	<b>9.1%</b>
<b>Purchased Power and Fuel</b>				<b>\$221</b>	<b>\$214</b>	<b>3.3%</b>

	2016	2015	Normal	% Change	
				From 2015	From Normal
<b>Heating and Cooling Degree-Days</b>					
Heating Degree-Days	17	—	44	N/A	(61.4)%
Cooling Degree-Days	1,006	883	786	13.9%	28.0%

**Nine Months Ended September 30, 2016 and 2015**

	Electric Deliveries			Revenue (in millions)		
	2016	2015	% Change	2016	2015	% Change
<b>Electric (in GWhs)</b>						
<b>Retail Deliveries and Sales (a)</b>						
Residential	3,327	3,452	(3.6)%	\$530	\$ 549	(3.5)%
Small Commercial & Industrial	998	996	0.2%	133	135	(1.5)%
Large Commercial & Industrial	2,705	2,669	1.3%	158	155	1.9%
Public Authorities & Electric Railroads	35	32	9.4%	10	9	11.1%
<b>Total Retail</b>	<b>7,065</b>	<b>7,149</b>	<b>(1.2)%</b>	<b>831</b>	<b>848</b>	<b>(2.0)%</b>
<b>Other Revenue (b)</b>				151	155	(2.6)%
<b>Total Electric Revenue (c)</b>				<b>982</b>	<b>1,003</b>	<b>(2.1)%</b>
<b>Purchased Power</b>				<b>\$520</b>	<b>\$ 552</b>	<b>(5.8)%</b>

	2016	2015	Normal	% Change	
				From 2015	From Normal
<b>Heating and Cooling Degree-Days</b>					
Heating Degree-Days	2,938	3,524	3,143	(16.6)%	(6.5)%
Cooling Degree-Days	1,267	1,249	1,072	1.4%	18.2%

Number of Electric Customers	2016	2015
	Residential	483,542
Small Commercial & Industrial	63,826	63,671
Large Commercial & Industrial	845	893
Public Authorities & Electric Railroads	593	564
<b>Total</b>	<b>548,806</b>	<b>547,476</b>

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from ACE and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from ACE, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.
- (c) Includes operating revenues from affiliates totaling \$1 million and \$1 million for the three months ended September 30, 2016 and 2015, respectively, and \$3 million and \$2 million for the nine months ended September 30, 2016 and 2015, respectively.

# Earnings Conference Call 3<sup>rd</sup> Quarter 2016

October 26, 2016



# Cautionary Statements Regarding Forward-Looking Information

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This presentation 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, Exelon Generation Company, LLC, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC (PHI), Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company (Registrants) include those factors discussed herein, as well as the items discussed in (1) Exelon's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 23; (2) PHI's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 16; (3) Exelon's Third Quarter 2016 Quarterly Report on Form 10-Q in (a) Part II, Other Information, ITEM 1A. Risk Factors; (b) Part 1, Financial Information, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, Financial Information, ITEM 1. Financial Statements: Note 18; and (4) 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 presentation. 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 presentation.

## Non-GAAP Financial Measures

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Exelon reports its financial results in accordance with accounting principles generally accepted in the United States (GAAP). Exelon supplements the reporting of financial information determined in accordance with GAAP with certain non-GAAP financial measures, including adjusted (non-GAAP) operating earnings, adjusted (non-GAAP) operating and maintenance expense, total gross margin, and adjusted cash flow from operations (non-GAAP) or free cash flow. Adjusted (non-GAAP) operating earnings exclude certain costs, expenses, gains and losses and other specified items, including mark-to-market adjustments from economic hedging activities, unrealized gains and losses from nuclear decommissioning trust fund investments merger and integration costs, certain costs incurred associated with the PHI acquisition, merger commitments related to the settlement of the PHI acquisition, the impairment of certain long-lived assets, plant retirements and divestitures, costs related to the cost management program, and the non-controlling interest in CENG. Adjusted (non-GAAP) operating and maintenance expense excludes regulatory operating and maintenance costs for the utility businesses and direct cost of sales for certain Constellation businesses, decommissioning costs that do not affect profit and loss, and the impact from operating and maintenance expense related to variable interest entities at Generation. Total gross margin (non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners, the operating services agreement with Fort Calhoun, variable interest entities and net of direct cost of sales for certain Constellation businesses. Adjusted cash flow from operations (non-GAAP) or free cash flow primarily includes net cash flows from operating activities and net cash flows from investing activities excluding capital expenditures at ownership and nuclear fuel expense. Due to the forward-looking nature of any forecasted non-GAAP measures, information to reconcile the forecast adjusted (non-GAAP) measures to the most directly comparable GAAP measure is not currently available, as management is unable to project all of these items for future periods.

## Non-GAAP Financial Measures Continued

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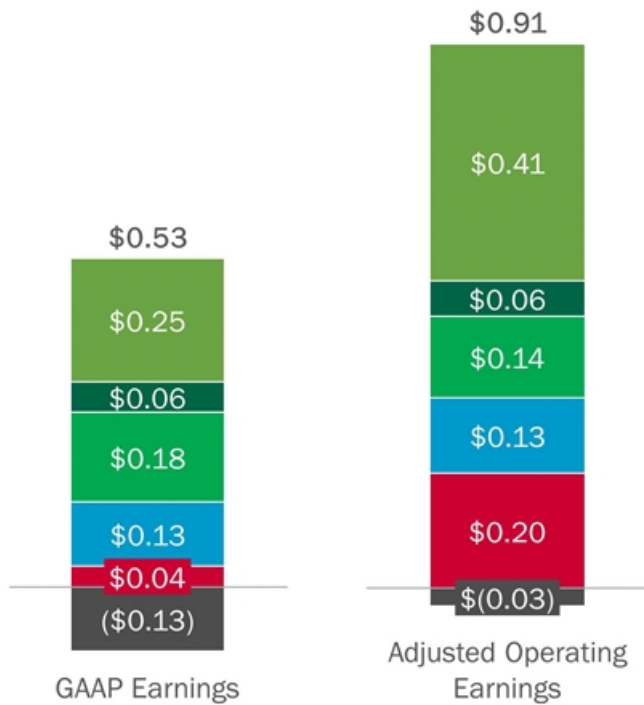
This information is intended to enhance an investor's overall understanding of period over period financial results and provide an indication of Exelon's baseline operating performance by excluding items that are considered by management to be not directly related to the ongoing operations of the business. 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.

These non-GAAP financial measures are not a presentation defined under GAAP and may not be comparable to other companies' presentation. Exelon has provided these non-GAAP financial measure as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. These non-GAAP measures should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP measures provided in the materials presented. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are provided in the footnotes, appendices and attachments to this presentation.



# Strong 3<sup>rd</sup> Quarter Results

## Q3 EPS Results<sup>(1,2)</sup>



- GAAP earnings were \$0.53/share in Q3 2016 vs. \$0.69/share in Q3 2015
- Adjusted (non-GAAP) operating earnings were \$0.91/share in Q3 2016 vs. \$0.83/share in Q3 2015, exceeding our guidance range of \$0.65-\$0.75/share

ExGen BGE PHI PECO ComEd HoldCo

(1) Refer to the Earnings Release Attachments for additional details and to the Appendix for a reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS  
 (2) Amounts may not add due to rounding

# Best in Class Operations

## Exelon Utilities Operational Metrics

Operations	Metric	YTD 2016 <sup>(1)</sup>			
		BGE	PECO	ComEd	PHI
Electric Operations	OSHA Recordable Rate	Yellow	Green	Green	Yellow
	2.5 Beta SAIFI (Outage Frequency)	Yellow	Green	Green	Orange
	2.5 Beta CAIDI (Outage Duration)	Green	Green	Green	Orange
Customer Operations	Customer Satisfaction	Green	Green	Green	N/A
	Service Level % of Calls Answered in <30 sec	Green	Green	Green	Green
	Abandon Rate	Green	Green	Green	Green
Gas Operations	Percent of Calls Responded to in <1 Hour	Green	Green	No Gas Operations	Green

<sup>(1)</sup>Note: 2.5 Beta SAIFI is YE projection

Exelon Utilities has identified and transferred best practices at each of its utilities to improve operating performance in areas such as:

- System Performance
- Emergency Preparedness
- Corrective and Preventive Maintenance

Q1	Q2
Q3	Q4

## Exelon Generation Operational Metrics

- Continued best in class performance across our Nuclear fleet:
  - Q3 Capacity Factor of 96.3%
  - Most MWhs ever produced in a quarter
  - No unplanned outages in Q3
- Strong performance across our Fossil and Renewable fleet:
  - Q3 Renewables energy capture: 95.2%
  - Q3 Power dispatch match: 97.9%
- Closed on ConEdison Solutions transaction, adding more than 560,000 customers

# Exelon Utilities Distribution Rate Case Summary

ACE Electric Settlement		Pepco DC Filing	
Authorized Revenue Requirement Increase <sup>(1)</sup>	\$45M	Requested Revenue Requirement Increase <sup>(1)</sup>	\$82.1M
Authorized ROE	9.75%	Requested ROE	10.60%
Common Equity Ratio	49.48%	Requested Common Equity Ratio	49.14%
Commission Approved Settlement	8/24/16	Order Expected	7/25/17

Pepco MD Filing		Delmarva DE Electric Filing	
Requested Revenue Requirement Increase <sup>(1)</sup>	\$102.8M	Requested Revenue Requirement Increase <sup>(1)</sup>	\$62.8M
Requested ROE	10.60%	Requested ROE	10.60%
Requested Common Equity Ratio	49.60%	Requested Common Equity Ratio	49.40%
Order Expected	11/15/16	Order Expected	Q3 2017

ComEd Filing		Delmarva DE Gas Filing	
Requested Revenue Requirement Increase <sup>(2)</sup>	\$132M	Requested Revenue Requirement Increase <sup>(1)</sup>	\$21.5M
Requested ROE	8.64%	Requested ROE	10.60%
Requested Common Equity Ratio	46%	Requested Common Equity Ratio	49.40%
Order Expected	Dec 2016	Order Expected	Q3 2017

Delmarva MD Filing	
Requested Revenue Requirement Increase <sup>(1)</sup>	\$57.0M
Requested ROE	10.60%
Requested Common Equity Ratio	49.10%
Order Expected	2/17/17

(1) Revenue requirement includes changes in depreciation and amortization expense where applicable, which have no impact on pre-tax earnings

(2) Amounts represent ComEd's position filed in surrebuttal testimony on August 19, 2016

# Status of New York and Illinois Nuclear Plants

## New York Nuclear Plants: Nine Mile Point, Ginna, FitzPatrick

- EPS uplift of \$0.08-0.10 per share and \$350M of additional after-tax cash flow through 2020 (Ginna and Nine Mile Point I & II)<sup>(1)</sup>
- Federal court challenge filed on October 19
- FitzPatrick acquisition<sup>(3)</sup>:
  - EPS contribution of \$0.02-0.08 per share
  - NY PSC approval expected in November
  - FERC approval requested for November
  - NRC approval expected Q1 2017
  - Refueling planned for January 2017
- NYSERDA contracts for all 3 plants expected to be signed in November

## Illinois Nuclear Plants: Clinton and Quad Cities

- 2019 EPS run rate of up to \$0.07 per share and up to \$75M of pre-tax cash flow<sup>(2)</sup>
- June 22: Notification to NRC on intent to close Clinton and Quad Cities stations
- July 7: Notification to PJM on intent to retire Quad Cities station and not offer it into 20/21 capacity auction
- On or about December 1: Notification due to MISO on intent to retire Clinton
- Illinois Legislature veto session scheduled November 15-17 and November 29 - December 1

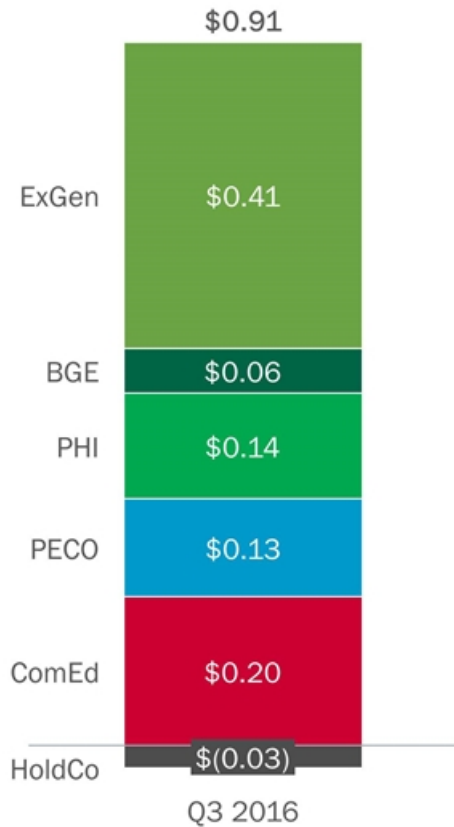
(1) \$350M is solely from implementation of CES program and does not include additional cash benefits from CENG loan repayment and special distribution

(2) Impacts based on February 29, 2016 pricing and excludes decommissioning costs

(3) Estimates are subject to change based on final purchase accounting and April 1, 2017 closing date, and equates to an EPS of \$0.02-0.08

# 3<sup>rd</sup> Quarter Adjusted Operating Earnings Drivers

## Q3 Adjusted Operating EPS Results<sup>(1,2)</sup>



## Q3 2016 vs. Guidance (\$0.65 - \$0.75)

### Exelon Utilities

- ↑ Favorable weather
- ↑ Reduced Storm Activity
- ↑ Lower O&M

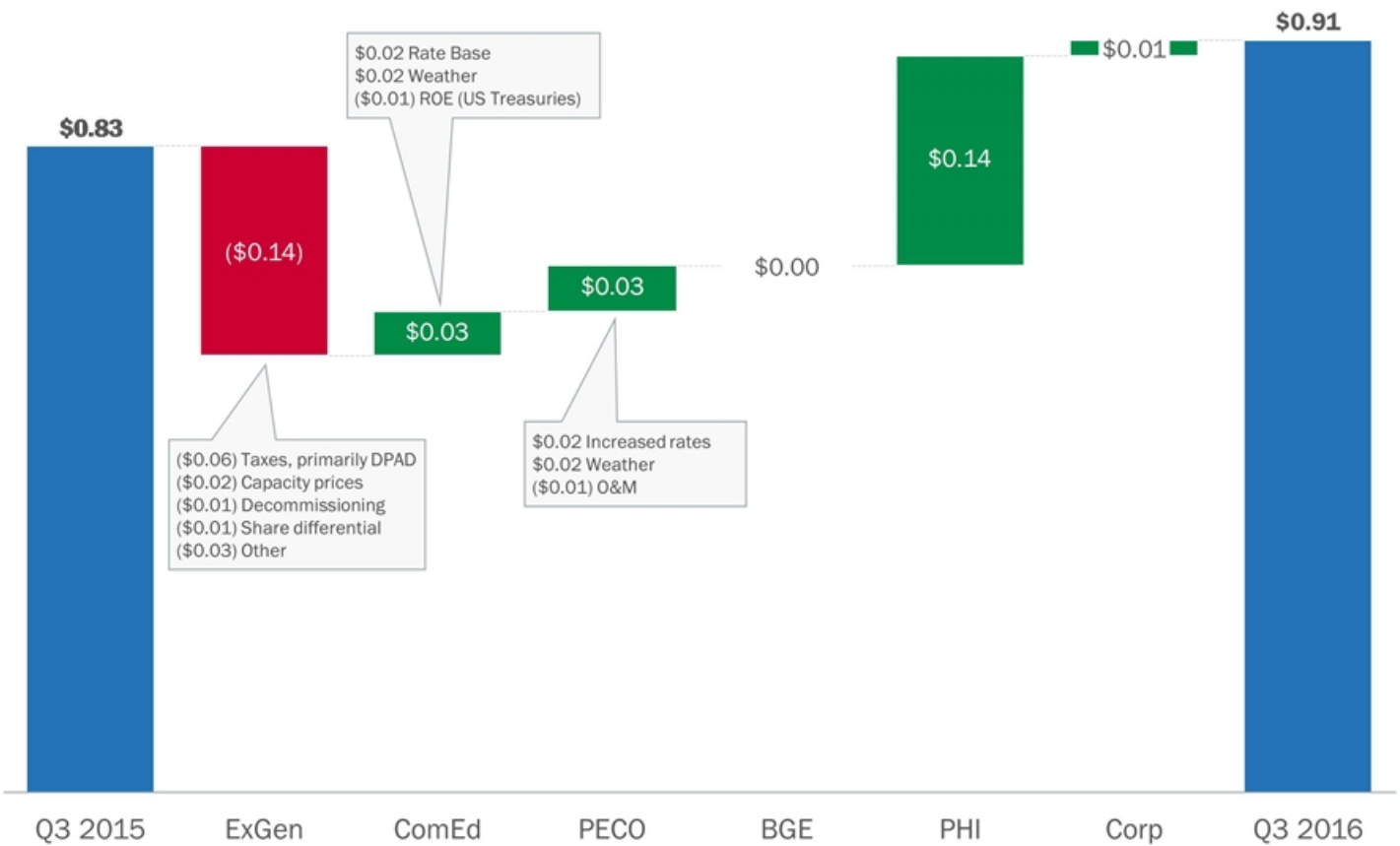
### Exelon Generation

- ↑ Lower cost to serve
- ↑ Strong performance at Constellation

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

(2) Amounts may not add due to rounding

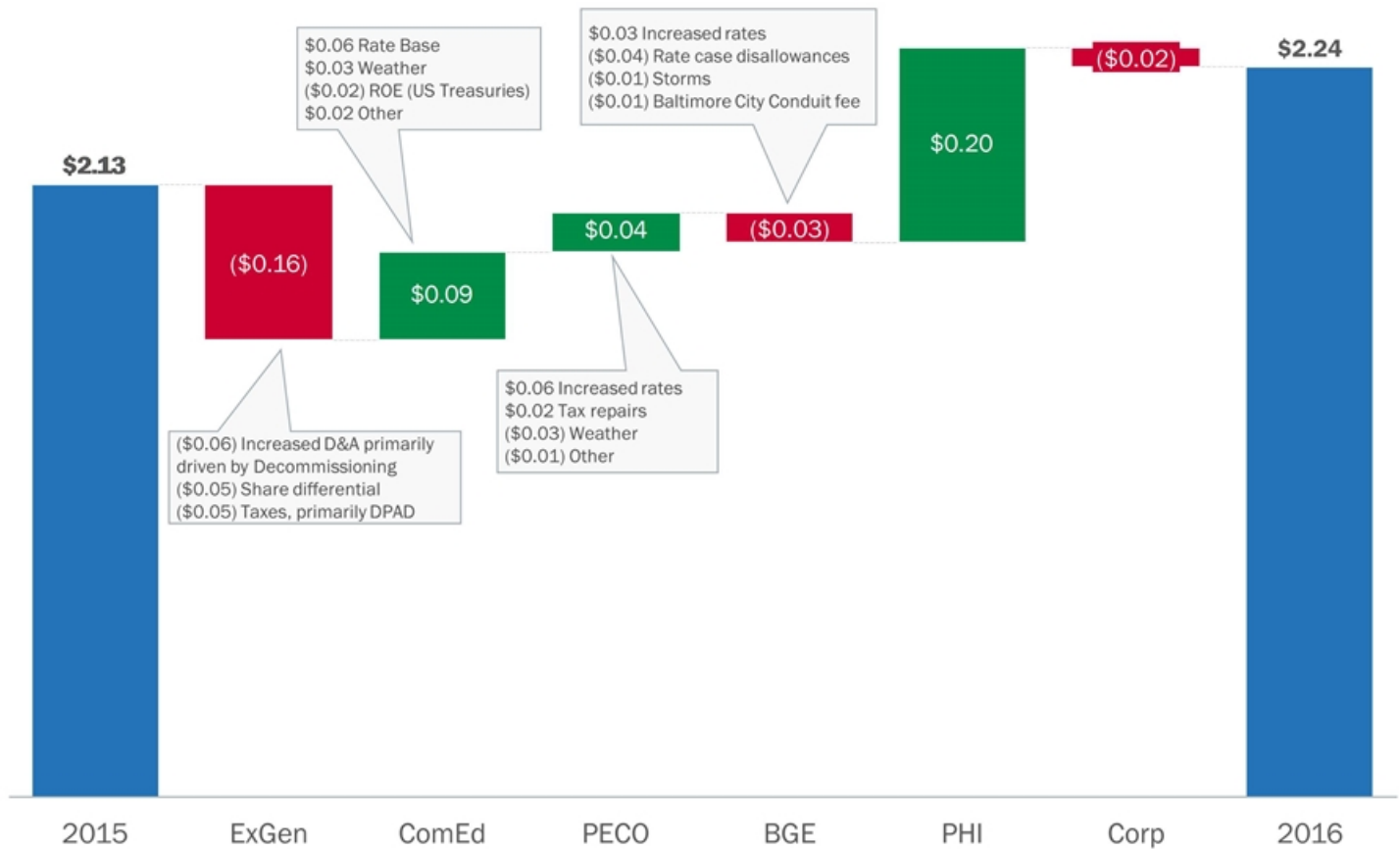
# 3<sup>rd</sup> Quarter Adjusted Operating Earnings Waterfall (1,2)



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

(2) Amounts may not add due to rounding

# YTD Adjusted Operating Earnings Waterfall (1,2)



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

(2) Amounts may not add due to rounding

# Raising 2016 Full-Year Guidance on Strong Utility Results

## 2016 Adjusted Operating Earnings



(1) ComEd ROE based on 30-year average Treasury yield of 2.47% as of 9/30/16

(2) 2016 earnings guidance based on expected average outstanding shares of 926M. Refer to Appendix for a reconciliation of adjusted non-GAAP operating EPS guidance to GAAP EPS.

(3) Amounts may not add due to rounding



# Exelon Utilities Distribution Rate Case Schedule

	10/16	11/16	12/16	1/17	2/17	3/17	4/17
<b>ComEd Electric Distribution Formula Rate</b>	Proposed Order Oct 20		Final Order Expected by Dec 9				
<b>Pepco Electric Distribution Rates - MD</b>	Final Reply Briefs Oct 26	Final Order Expected Nov 15					
<b>Pepco Electric Distribution Rates - DC</b>			Intervenor Direct Due Dec 14		Rebuttal Testimony Due Feb 1	Evidentiary Hearings Mar 15-21	Final Reply Briefs Apr 24
<b>Delmarva Electric Distribution Rates - DE</b>		Intervenor Direct Due Nov 23		Rebuttal Testimony Due Jan 11		Evidentiary Hearings Mar 7-9	
<b>Delmarva Gas Distribution Rates - DE</b>			Intervenor Direct Due Dec 9		Rebuttal Testimony Due Feb 10		Evidentiary Hearings Apr 5-7
<b>Delmarva Electric Distribution Rates - MD</b>	Rebuttal Testimony Due Oct 18	Evidentiary Hearings Nov 2-10	Final Reply Briefs Dec 14		Commission Order Expected Feb 17		

Note: Based on current schedules of Illinois Commerce Commission, Maryland Public Service Commission, DC Public Service Commission and Delaware Public Service Commission and is subject to change

# Exelon Generation: Gross Margin Update

Gross Margin Category (\$M) <sup>(1)</sup>	September 30, 2016				Change from June 30, 2016		
	2016	2017	2018	2019	2016	2017	2018
Open Gross Margin <sup>(3)</sup> (including South, West, Canada hedged gross margin)	\$4,450	\$5,200	\$5,350	\$5,050	\$(300)	\$(450)	\$(550)
Mark-to-Market of Hedges <sup>(3,4)</sup>	\$2,900	\$1,250	\$500	\$300	\$450	\$450	\$300
Power New Business / To Go	\$50	\$600	\$900	\$950	\$(100)	\$(100)	-
Non-Power Margins Executed	\$400	\$150	\$100	\$50	\$50	-	-
Non-Power New Business / To Go	\$50	\$300	\$400	\$450	\$(50)	-	-
<b>Total Gross Margin<sup>(2,5,6)</sup></b>	<b>\$7,850</b>	<b>\$7,500</b>	<b>\$7,250</b>	<b>\$6,800</b>	<b>\$50</b>	<b>\$(100)</b>	<b>\$(250)</b>
<b>CES Gross Margin (GINNA, Nine Mile Point I &amp; II)<sup>(7)</sup></b>	<b>\$0</b>	<b>\$100</b>	<b>\$150</b>	<b>\$200</b>			
<b>FitzPatrick Gross Margin<sup>(5,8)</sup></b>	<b>\$0</b>	<b>\$200</b>	<b>\$250</b>	<b>\$300</b>			
<b>Total Gross Margin including CES and FitzPatrick</b>	<b>\$7,850</b>	<b>\$7,800</b>	<b>\$7,650</b>	<b>\$7,300</b>			

## Recent Developments

- Behind ratable hedging position reflects the fundamental upside we see in power prices
  - Generation ~12-15% open in 2017
  - Power position ~7-10% behind ratable, considering cross-commodity hedges in 2017

1) Gross margin categories rounded to nearest \$50M

2) Total Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners, operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses. See Slide 26 for a Non-GAAP to GAAP reconciliation of Total Gross Margin.

3) Excludes EDF's equity ownership share of the CENG Joint Venture

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

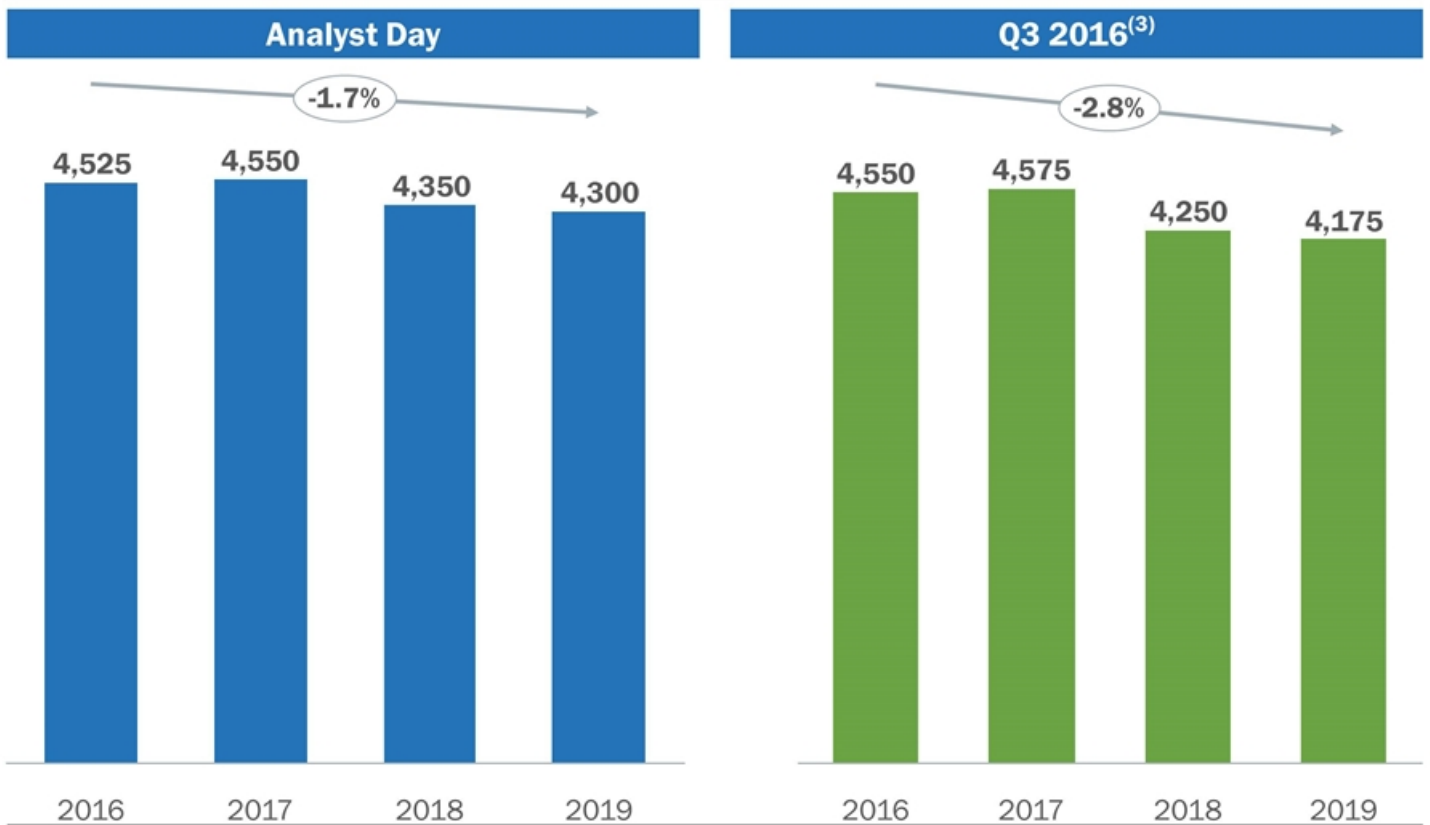
5) Based on September 30, 2016 market conditions

6) Excludes Clinton, Quad Cities, and Oyster Creek starting in June 2017, June 2018, and December 2019, respectively. Does not include the impact of the CES program in NY or the acquisition of FitzPatrick.

7) 2019 ZEC value based on September 30, 2016 pricing

8) Estimates are subject to change based on final purchase accounting and April 1, 2017 closing date, and equates to an EPS of \$0.02-0.08

# Further Reducing O&M at ExGen<sup>(1,2)</sup>



**Finding additional savings at ExGen – O&M down \$100M in 2018 and \$125M in 2019**

(1) O&M reflects the retirement of Clinton and Quad Cities. In addition, the run rate of D&A and TOTI declines by \$100M with the retirements.  
 (2) O&M does not include cost of FitzPatrick acquisition  
 (3) Refer to slide 42 in the appendix for a reconciliation of adjusted (non-GAAP) O&M to GAAP O&M



# 2016 Projected Sources and Uses of Cash

(\$ in millions) <sup>(1)</sup>	BGE	ComEd	PECO	PHI	Total Utilities	ExGen	Corp <sup>(9)</sup>	Exelon 2016E	Cash Balance
<b>Beginning Cash Balance</b> <sup>(2)(3)</sup>									<b>8,100</b>
Adjusted Cash Flow from Operations <sup>(3,4)</sup>	700	1,525	775	775	3,775	3,600	(525)	6,850	
Base CapEx and Nuclear Fuel <sup>(5)</sup>	0	0	0	0	0	(2,325)	(100)	(2,425)	
<b>Free Cash Flow</b>	<b>700</b>	<b>1,525</b>	<b>775</b>	<b>775</b>	<b>3,775</b>	<b>1,275</b>	<b>(625)</b>	<b>4,425</b>	
Debt Issuances	850	1,200	300	175	2,525	1,000	1,800	5,325	
Debt Retirements	(575)	(675)	(300)	(325)	(1,875)	0	0	(1,875)	
Project Financing	0	0	0	0	0	275	0	275	
PHI Purchase	0	0	0	0	0	0	(6,925)	(6,925)	
Contribution from Parent	25	625	0	1,300	1,950	0	(1,950)	0	
Other Financing <sup>(6)</sup>	50	250	25	(875)	(550)	(700)	1,225	(25)	
<b>Financing</b>	<b>350</b>	<b>1,400</b>	<b>25</b>	<b>275</b>	<b>2,050</b>	<b>575</b>	<b>(5,850)</b>	<b>(3,225)</b>	
<b>Total Free Cash Flow and Financing Growth</b>	<b>1,050</b>	<b>2,925</b>	<b>800</b>	<b>1,050</b>	<b>5,825</b>	<b>1,850</b>	<b>(6,475)</b>	<b>1,200</b>	
Utility Investment	(850)	(2,625)	(650)	(1,050)	(5,175)	0	0	(5,175)	
ExGen Growth <sup>(9)(7)</sup>	0	0	0	0	0	(1,100)	0	(1,100)	
Acquisitions and Divestitures	0	0	0	0	0	(250)	0	(250)	
Equity Investments	0	0	0	0	0	(100)	0	(100)	
Dividend <sup>(8)</sup>	0	0	0	0	0	0	(1,175)	(1,175)	
<b>Other CapEx and Dividend</b>	<b>(850)</b>	<b>(2,625)</b>	<b>(650)</b>	<b>(1,050)</b>	<b>(5,175)</b>	<b>(1,450)</b>	<b>(1,175)</b>	<b>(7,800)</b>	
<b>Total Cash Flow</b>	<b>200</b>	<b>300</b>	<b>150</b>	<b>0</b>	<b>650</b>	<b>400</b>	<b>(7,650)</b>	<b>(6,600)</b>	
<b>Ending Cash Balance</b> <sup>(10)(2)</sup>									<b>1,500</b>

- (1) All amounts rounded to the nearest \$25M. Figures may not add due to rounding.
- (2) Gross of posted counterparty collateral
- (3) Excludes counterparty collateral activity
- (4) Adjusted Cash Flow from Operations (non-GAAP) primarily includes net cash flows from operating activities and net cash flows from investing activities excluding capital expenditures, net M&A, and equity investments. Please refer to slide 41 for reconciliations to GAAP cash flow measures.
- (5) Figures reflect cash CapEx and CENG fleet at 100%
- (6) Other Financing primarily includes expected changes in short-term debt, money pool borrowings, and tax sharing from the parent
- (7) ExGen Growth CapEx includes Texas CCGTs, West Medway, AGE, Nuclear relicensing, Nuclear Upgrades, Merger Commitments excl. Solar, Retail Growth & Distributed Energy, Michigan Wind 3, Bluestem Wind, and Clinton Battery Storage
- (8) Dividends are subject to declaration by the Board of Directors
- (9) Includes cash flow activity from Holding Company, eliminations, and other corporate entities
- (10) Includes PHI cash on hand at time of merger close

## Consistent and reliable free cash flows

Operational excellence and financial discipline drives free cash flow reliability

- ✓ Generating ~\$4.4B of free cash flow, including \$1.3B at ExGen and \$3.8B at the Utilities

## Supported by a strong balance sheet

Strong balance sheet enables flexibility to raise and deploy capital for growth

- ✓ Completed \$6.9B merger with PHI
- ✓ HoldCo issued \$1.8B of Long-term debt in April
- ✓ ExGen plans to issue \$1.0B of Long-term debt to fund dividend to parent to support LKE

## Enable growth & value creation

Creating value for customers, communities and shareholders

- ✓ Investing \$6.3B, with \$5.2B at the Utilities and \$1.1B at ExGen

## The Exelon Value Proposition

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- **Regulated Utility Growth** with utility EPS rising 7-9% annually from 2016-2020 and rate base growth of 6.1%, representing an expanding majority of earnings
- **ExGen's strong free cash generation** will support utility growth while also reducing debt by ~\$3B over the next 5 years
- **Optimizing ExGen value by:**
  - Seeking fair compensation for the zero-carbon attributes of our fleet;
  - Closing uneconomic plants;
  - Monetizing assets; and,
  - Maximizing the value of the fleet through our generation to load matching strategy
- **Strong balance sheet is a priority** with all businesses comfortably meeting investment grade credit metrics through the 2020 planning horizon
- **Capital allocation priorities targeting:**
  - Organic utility growth;
  - Return of capital to shareholders with 2.5% annual dividend growth through 2018<sup>(1)</sup>,
  - Debt reduction; and,
  - Modest contracted generation investments

(1) Quarterly dividends are subject to declaration by the board of directors

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# Exelon Generation Disclosures

September 30, 2016

# Portfolio Management Strategy

## Strategic Policy Alignment

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

## Three-Year Ratable Hedging

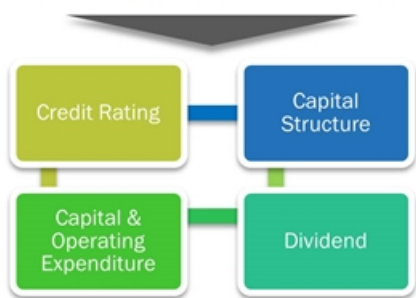
- Ensure stability in near-term cash flows and earnings
- Disciplined approach to hedging
- Tenor aligns with customer preferences and market liquidity
- Multiple channels to market that allow us to maximize margins
- Large open position in outer years to benefit from price upside

## Bull / Bear Program

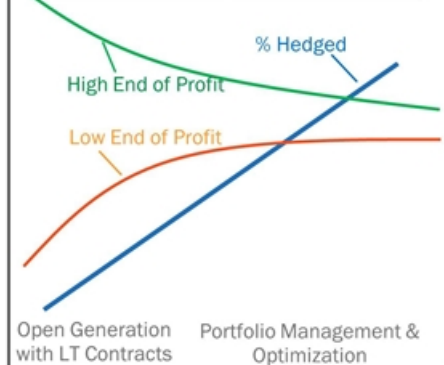
- Ability to exercise fundamental market views to create value within the ratable framework
- Modified timing of hedges versus purely ratable
- Cross-commodity hedging (heat rate positions, options, etc.)
- Delivery locations, regional and zonal spread relationships

### Align Hedging & Financials

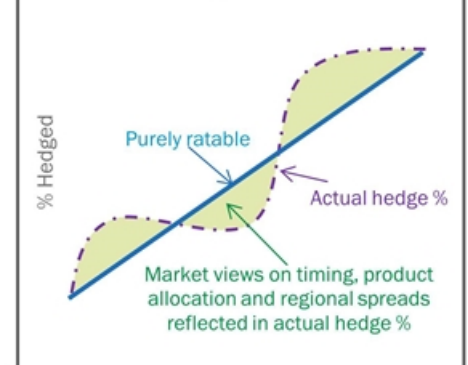
#### Establishing Minimum Hedge Targets



### Portfolio Management Over Time



### Exercising Market Views

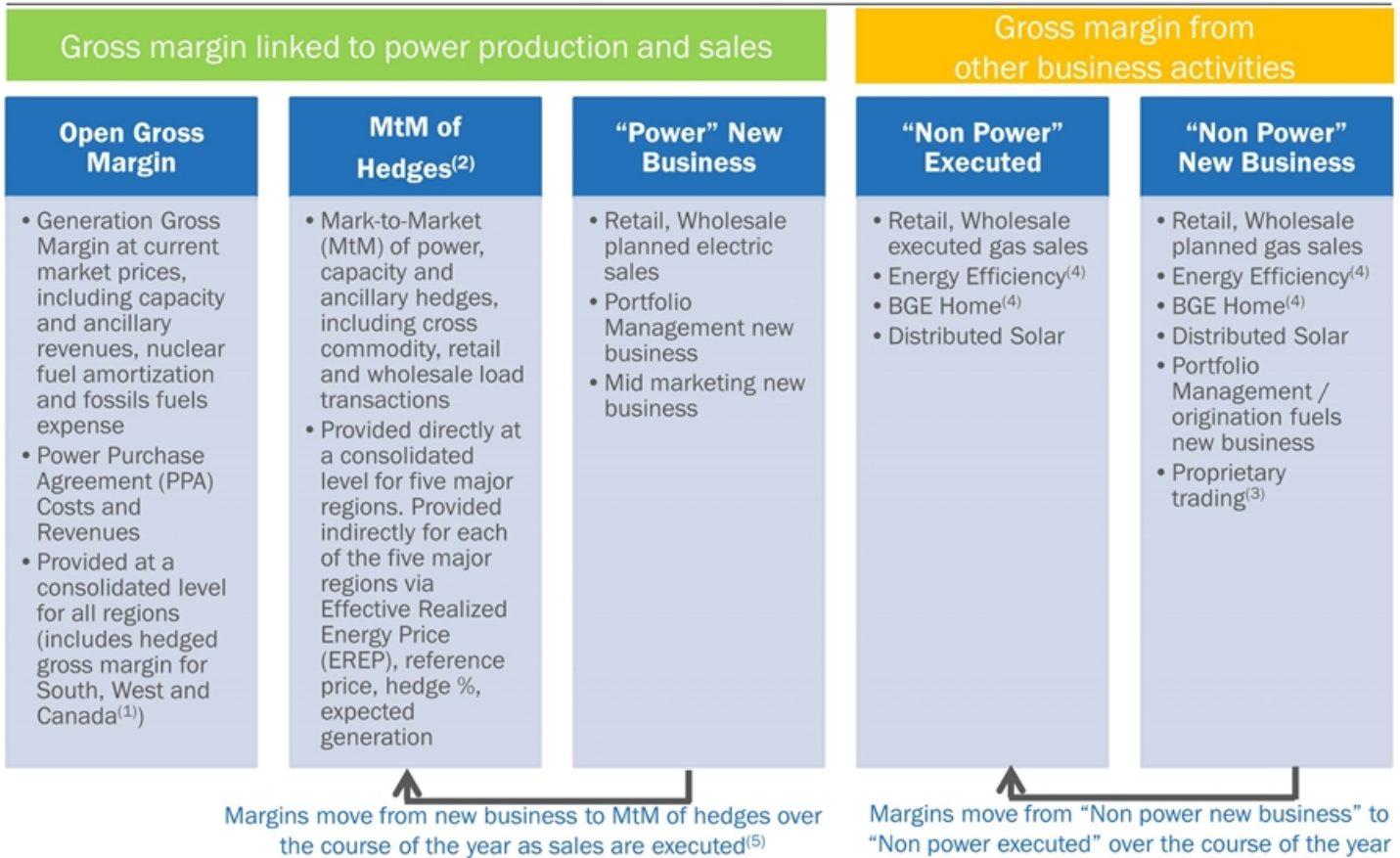


**Protect Balance Sheet**

**Ensure Earnings Stability**

**Create Value**

# Components of Gross Margin Categories



(1) Hedged gross margins for South, West & Canada region will be included with Open Gross Margin, and no expected generation, hedge %, EREP or reference prices provided for this region  
 (2) MtM of hedges provided directly for the five larger regions; MtM of hedges is not provided directly at the regional level but can be easily estimated using EREP, reference price and hedged MWh  
 (3) Proprietary trading gross margins will generally remain within “Non Power” New Business category and only move to “Non Power” Executed category upon management discretion  
 (4) Gross margin for these businesses are net of direct “cost of sales”  
 (5) Margins for South, West & Canada regions and optimization of fuel and PPA activities captured in Open Gross Margin



# ExGen Disclosures

Gross Margin Category (\$M) <sup>(1)</sup>	2016	2017	2018	2019
Open Gross Margin (including South, West & Canada hedged GM) <sup>(3)</sup>	\$4,450	\$5,200	\$5,350	\$5,050
Mark-to-Market of Hedges <sup>(3,4)</sup>	\$2,900	\$1,250	\$500	\$300
Power New Business / To Go	\$50	\$600	\$900	\$950
Non-Power Margins Executed	\$400	\$150	\$100	\$50
Non-Power New Business / To Go	\$50	\$300	\$400	\$450
<b>Total Gross Margin<sup>(2,6)</sup></b>	<b>\$7,850</b>	<b>\$7,500</b>	<b>\$7,250</b>	<b>\$6,800</b>

Reference Prices <sup>(5)</sup>	2016	2017	2018	2019
Henry Hub Natural Gas (\$/MMbtu)	\$2.46	\$3.09	\$2.91	\$2.81
Midwest: NiHub ATC prices (\$/MWh)	\$25.87	\$28.49	\$27.78	\$27.66
Mid-Atlantic: PJM-W ATC prices (\$/MWh)	\$28.84	\$32.84	\$31.08	\$30.44
ERCOT-N ATC Spark Spread (\$/MWh) <i>HSC Gas, 7.2HR, \$2.50 VOM</i>	\$1.54	\$3.13	\$3.28	\$3.57
New York: NY Zone A (\$/MWh)	\$26.51	\$32.28	\$31.43	\$31.23
New England: Mass Hub ATC Spark Spread(\$/MWh) <i>ALQN Gas, 7.5HR, \$0.50 VOM</i>	\$5.52	\$7.10	\$7.29	\$7.81

(1) Gross margin categories rounded to nearest \$50M

(2) Total Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners, operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses. Refer to slide 26 for a reconciliation of Total Gross Margin to the most comparable GAAP measure.

(3) Excludes EDF's equity ownership share of the CENG Joint Venture

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

(5) Based on September 30, 2016 market conditions

(6) Excludes Clinton and Quad Cities starting in June 2017 and June 2018 respectively. Does not include the impact of the CES program or FitzPatrick acquisition in NY.

# ExGen Disclosures

Generation and Hedges	2016	2017	2018	2019
<b>Exp. Gen (GWh)<sup>(1)</sup></b>	<b>191,800</b>	<b>196,600</b>	<b>188,700</b>	<b>186,200</b>
Midwest <sup>(6)</sup>	98,000	90,800	81,000	77,500
Mid-Atlantic <sup>(2)</sup>	61,300	60,400	60,200	60,000
ERCOT	12,100	24,200	29,700	30,100
New York <sup>(2)</sup>	9,500	9,200	9,000	9,400
New England	10,900	12,000	8,800	9,200
<b>% of Expected Generation Hedged<sup>(3)</sup></b>	<b>98%-101%</b>	<b>85%-88%</b>	<b>54%-57%</b>	<b>23%-26%</b>
Midwest <sup>(6)</sup>	97%-100%	79%-82%	48%-51%	18%-21%
Mid-Atlantic <sup>(2)</sup>	99%-102%	91%-94%	59%-62%	27%-30%
ERCOT	99%-102%	84%-87%	54%-57%	28%-31%
New York <sup>(2)</sup>	96%-99%	93%-96%	68%-71%	23%-26%
New England	100%-103%	90%-93%	49%-52%	22%-25%
<b>Effective Realized Energy Price (\$/MWh)<sup>(4)</sup></b>				
Midwest <sup>(6)</sup>	\$35.50	\$32.50	\$30.50	\$30.50
Mid-Atlantic <sup>(2)</sup>	\$48.00	\$43.50	\$39.50	\$42.00
ERCOT <sup>(5)</sup>	\$18.50	\$7.50	\$4.50	\$3.00
New York <sup>(2)</sup>	\$59.50	\$48.50	\$39.00	\$35.00
New England <sup>(5)</sup>	\$28.50	\$15.50	\$8.50	\$8.00

(1) Expected generation is the volume of energy that best represents our commodity position in energy markets from owned or contracted for capacity based upon a simulated dispatch model that makes assumptions regarding future market conditions, which are calibrated to market quotes for power, fuel, load following products, and options. Expected generation assumes 12 refueling outages in 2016, 14 in 2017, 12 in 2018, and 10 in 2019 at Exelon-operated nuclear plants and Salem. Expected generation assumes capacity factors of 94.6%, 93.6%, 93.5% and 94.6% in 2016, 2017, 2018 and 2019 respectively at Exelon-operated nuclear plants, at ownership. These estimates of expected generation in 2017, 2018 and 2019 do not represent guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years

(2) Excludes EDF's equity ownership share of CENG Joint Venture and acquisition of FitzPatrick

(3) Percent of expected generation hedged is the amount of equivalent sales divided by expected generation. Includes all hedging products, such as wholesale and retail sales of power, options and swaps.

(4) Effective realized energy price is representative of an all-in hedged price, on a per MWh basis, at which expected generation has been hedged. It is developed by considering the energy revenues and costs associated with our hedges and by considering the fossil fuel that has been purchased to lock in margin. It excludes uranium costs and RPM capacity revenue, but includes the mark-to-market value of capacity contracted at prices other than RPM clearing prices including our load obligations. It can be compared with the reference prices used to calculate open gross margin in order to determine the mark-to-market value of Exelon Generation's energy hedges.

(5) Spark spreads shown for ERCOT and New England

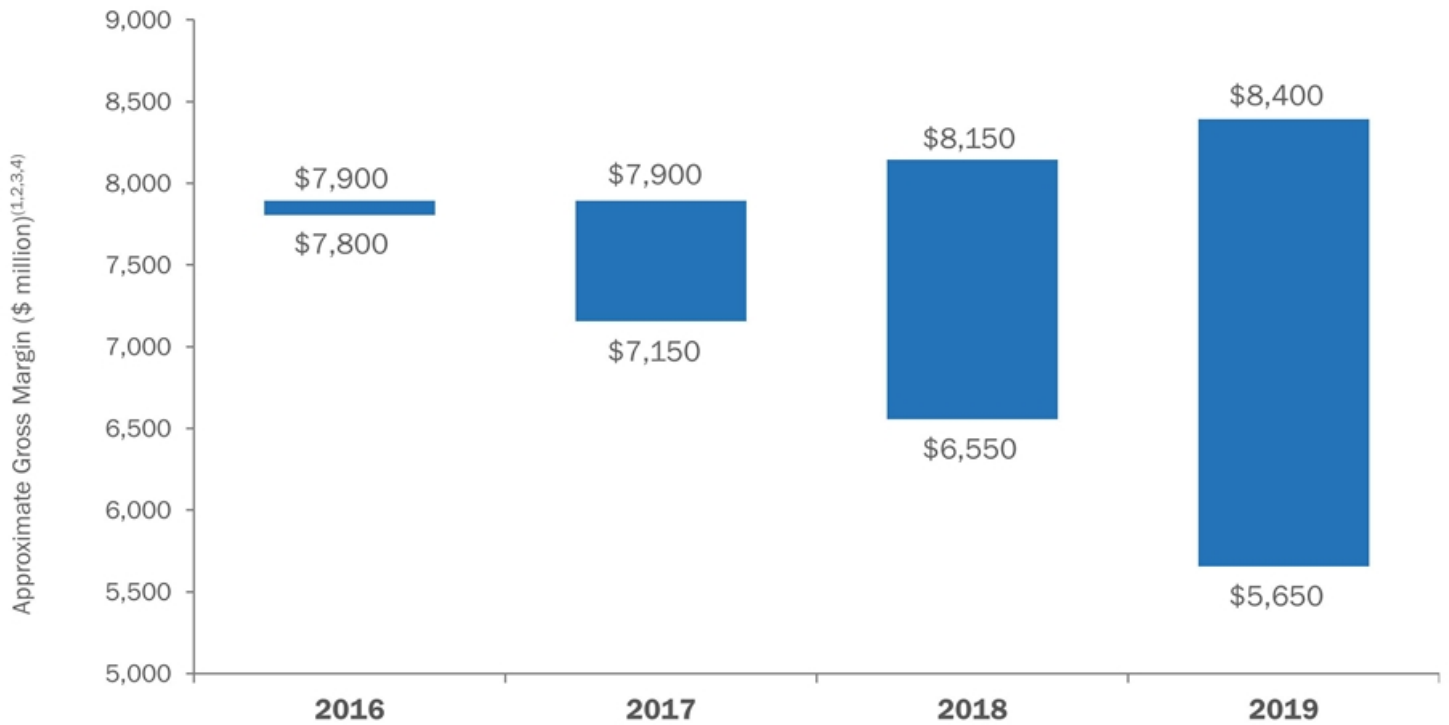
(6) Excludes Clinton and Quad Cities starting in June 2017 and June 2018, respectively. Does not include the impact of the ZEC program.

# ExGen Hedged Gross Margin Sensitivities

Gross Margin Sensitivities (With Existing Hedges) <sup>(1)</sup>	2016	2017	2018	2019
Henry Hub Natural Gas (\$/Mmbtu)				
+ \$1/Mmbtu	\$(10)	\$75	\$275	\$400
- \$1/Mmbtu	\$40	\$(55)	\$(260)	\$(365)
NiHub ATC Energy Price				
+ \$5/MWh	\$5	\$100	\$220	\$300
- \$5/MWh	\$(5)	\$(100)	\$(220)	\$(295)
PJM-W ATC Energy Price				
+ \$5/MWh	\$(5)	\$30	\$120	\$220
- \$5/MWh	\$5	\$(15)	\$(125)	\$(215)
NYPP Zone A ATC Energy Price				
+ \$5/MWh	-	-	\$15	\$35
- \$5/MWh	-	-	\$(15)	\$(35)
Nuclear Capacity Factor				
+/- 1%	+/- \$10	+/- \$35	+/- \$30	+/- \$30

(1) Based on September 30, 2016 market conditions and hedged position; Gas price sensitivities are based on an assumed gas-power relationship derived from an internal model that is updated periodically; Power price sensitivities are derived by adjusting the power price assumption while keeping all other prices inputs constant; Due to correlation of the various assumptions, the hedged gross margin impact calculated by aggregating individual sensitivities may not be equal to the hedged gross margin impact calculated when correlations between the various assumptions are also considered; Sensitivities based on commodity exposure which includes open generation and all committed transactions; Excludes EDF's equity share of CENG Joint Venture. Total Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners, operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses. Refer to slide 26 for a reconciliation of Total Gross Margin to the most comparable GAAP measure.

# ExGen Hedged Gross Margin Upside/Risk



- (1) Represents an approximate range of expected gross margin, taking into account hedges in place, between the 5th and 95th percent confidence levels assuming all unhedged supply is sold into the spot market; Approximate gross margin ranges are based upon an internal simulation model and are subject to change based upon market inputs, future transactions and potential modeling changes; These ranges of approximate gross margin in 2017 and 2018 do not represent earnings guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years; The price distributions that generate this range are calibrated to market quotes for power, fuel, load following products, and options as of September 30, 2016
- (2) Gross Margin Upside/Risk based on commodity exposure which includes open generation and all committed transactions
- (3) Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners, operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses. Excludes EDF's equity ownership share of the CENG Joint Venture. Refer to slide 26 for a reconciliation of Total Gross Margin to the most comparable GAAP measure.
- (4) Excludes Clinton, Quad Cities, and Oyster Creek starting in June 2017, June 2018 and December 2019, respectively. Does not include the impact of the CES program or FitzPatrick acquisition in NY.

# Illustrative Example of Modeling Exelon Generation 2017 Gross Margin

Row	Item	Midwest	Mid-Atlantic	ERCOT	New York	New England	South, West & Canada
(A)	Start with fleet-wide open gross margin	← \$5.2 billion →					
(B)	Expected Generation (TWh)	90.8	60.4	24.2	9.2	12.0	
(C)	Hedge % (assuming mid-point of range)	80.5%	92.5%	85.5%	94.5%	91.5%	
(D=B*C)	Hedged Volume (TWh)	73.1	55.9	20.7	8.7	11.0	
(E)	Effective Realized Energy Price (\$/MWh)	\$32.50	\$43.50	\$7.50	\$48.50	\$15.50	
(F)	Reference Price (\$/MWh)	\$28.49	\$32.84	\$3.13	\$32.28	\$7.10	
(G=E-F)	Difference (\$/MWh)	\$4.01	\$10.66	\$4.37	\$16.22	\$8.40	
(H=D*G)	Mark-to-market value of hedges (\$ million) <sup>(1)</sup>	\$295	\$595	\$90	\$140	\$90	
(I=A+H)	Hedged Gross Margin (\$ million)	\$6,450					
(J)	Power New Business / To Go (\$ million)	\$600					
(K)	Non-Power Margins Executed (\$ million)	\$150					
(L)	Non-Power New Business / To Go (\$ million)	\$300					
(N=I+J+K+L)	Total Gross Margin <sup>(2,3)</sup>	\$7,500 million					

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

(2) Total Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses. Refer to slide 26 for a reconciliation of Total Gross Margin to the most comparable GAAP measure.

(3) Excludes Clinton starting in June 2017. Does not include the impact of the CES program or FitzPatrick acquisition in NY.

## Additional ExGen Modeling Data

Total Gross Margin Reconciliation (in \$M) <sup>(1)</sup>	2016	2017	2018	2019
Revenue Net of Purchased Power and Fuel Expense <sup>(2)(3)</sup>	\$8,625	\$8,200	\$7,975	\$7,525
Other Revenues <sup>(4)</sup>	\$(300)	\$(300)	\$(300)	\$(300)
Direct cost of sales incurred to generate revenues for certain Constellation businesses <sup>(5)</sup>	\$(475)	\$(400)	\$(425)	\$(425)
<b>Total Gross Margin (Non-GAAP)</b>	<b>\$7,850</b>	<b>\$7,500</b>	<b>\$7,250</b>	<b>\$6,800</b>

Key ExGen Modeling Inputs (in \$M) <sup>(1)(6)</sup>	2016
Other Revenues (excluding Gross Receipts Tax) <sup>(4)</sup>	\$175
Adjusted O&M <sup>(7)</sup>	\$(4,550)
Taxes Other Than Income (TOTI) <sup>(8)</sup>	\$(350)
Depreciation & Amortization <sup>(9)</sup>	\$(1,025)
Interest Expense	\$(350)
<b>Effective Tax Rate</b>	<b>34.0%</b>

(1) All amounts rounded to the nearest \$25M

(2) Revenue net of purchased power and fuel expense (RNF), a non-GAAP measure, is calculated as the GAAP measure of operating revenue less the GAAP measure of purchased power and fuel expense. ExGen does not forecast the GAAP components of RNF separately, as to do so would be unduly burdensome. RNF also includes the RNF of our proportionate ownership share of CENG.

(3) Excludes the mark-to-market impact of economic hedging activities due to the volatility and unpredictability of the future changes to power prices

(4) Other revenues reflects revenues from operating services agreement with Fort Calhoun, variable interest entities, funds collected through revenues for decommissioning the former PECO nuclear plants through regulated rates and gross receipts tax revenues

(5) Reflects the cost of sales and depreciation expense of certain Constellation businesses of Generation

(6) ExGen amounts for O&M, TOTI, Depreciation & Amortization; excludes EDF's equity ownership share of the CENG Joint Venture

(7) ExGen adjusted O&M excludes direct cost of sales for certain Constellation business, P&L neutral decommissioning costs and the impact from O&M related to variable interest entities. Refer to slide 42 for a reconciliation of adjusted (non-GAAP) O&M to GAAP O&M.

(8) TOTI excludes gross receipts tax of \$100M

(9) Depreciation & Amortization excludes the cost of sales impact of ExGen's non-power businesses of \$25M

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# Additional Disclosures

# ComEd April 2016 Distribution Formula Rate

The 2016 distribution formula rate filing established the net revenue requirement used to set the rates that will take effect in January 2017 after the Illinois Commerce Commission's (ICC's) review. There are two components to the annual distribution formula rate filing:

- **Filing Year:** Based on 2015 costs and 2016 projected plant additions.
- **Annual Reconciliation:** For 2015, this amount reconciles the revenue requirement reflected in rates in effect during 2015 to the actual costs for that year. The annual reconciliation impacts cash flow in 2017 but the earnings impact has been recorded in 2015 as a regulatory asset.

<b>Docket #</b>	<b>16-0259</b>
<b>Filing Year</b>	<b>2015 Calendar Year Actual Costs and 2016 Projected Net Plant Additions</b> are used to set the rates for calendar year 2017. Rates currently in effect (docket 15-0287) for calendar year 2016 were based on 2014 actual costs and 2015 projected net plant additions.
<b>Reconciliation Year</b>	<b>Reconciles Revenue Requirement reflected in rates during 2015 to 2015 Actual Costs Incurred.</b> Revenue requirement for 2015 is based on docket 14-0312 (2013 actual costs and 2014 projected net plant additions) approved in December 2014.
<b>Common Equity Ratio</b>	<b>~46%</b> for both the filing and reconciliation year
<b>ROE</b>	<b>8.64%</b> for the filing year (2015 30-yr Treasury Yield of 2.84% + 580 basis point risk premium) and <b>8.59%</b> for the reconciliation year (2015 30-yr Treasury Yield of 2.79% + 580 basis point risk premium - 5 basis points performance metrics penalty). For 2016 and 2017, the actual allowed ROE reflected in net income will ultimately be based on the average of the 30-year Treasury Yield during the respective years plus 580 basis point spread, absent any metric penalties
<b>Requested Rate of Return</b>	<b>~7%</b> for both the filing and reconciliation years
<b>Rate Base<sup>(1)</sup></b>	<b>\$8,831 million</b> - Filing year (represents projected year-end rate base using 2015 actual plus 2016 projected capital additions). 2016 and 2017 earnings will reflect 2016 and 2017 year-end rate base respectively. \$7,781 million - Reconciliation year (represents year-end rate base for 2015)
<b>Revenue Requirement Increase<sup>(1)</sup></b>	<b>\$132M increase</b> (\$4M decrease due to the 2015 reconciliation and collar adjustment offset by a \$136M increase related to the filing year). The 2015 reconciliation impact on net income was recorded in 2015 as a regulatory asset.
<b>Timeline</b>	<ul style="list-style-type: none"> <li>• 04/13/16 Filing Date</li> <li>• 240 Day Proceeding</li> </ul>

**Given the retroactive ratemaking provision in the Energy Infrastructure Modernization Act (EIMA) legislation, ComEd net income during the year will be based on actual costs with a regulatory asset/liability recorded to reflect any under/over recovery reflected in rates. Revenue Requirement in rate filings impacts cash flow.**

<sup>(1)</sup> Amounts represent ComEd's position filed in surrebuttal testimony on August 19, 2016

Note: Disallowance of any items in the 2016 distribution formula rate filing could impact 2016 earnings in the form of a regulatory asset adjustment



# Pepco MD Electric Distribution Rate Case

<b>Case No.</b>	9418
<b>Test Year</b>	2015 Calendar Year
<b>Test Period</b>	12 months actual
<b>Requested Common Equity Ratio</b>	49.6%
<b>Requested Rate of Return</b>	ROE: 10.60%; ROR: 8.01%
<b>Proposed Rate Base (Adjusted)</b>	\$1.7B
<b>Requested Revenue Requirement Increase (Updated on September 8, 2016)</b>	\$102.8M <sup>(1)</sup>
<b>Residential Total Bill % Increase</b>	8.71%
<b>Notes</b>	<ul style="list-style-type: none"> <li>• 4/19/16 Pepco MD filed application with the MDPSC seeking increase in electric distribution base rates</li> <li>• Size of ask is driven by 2 years of capital investment, recovery of AMI investments and new depreciation rates</li> <li>• 12 month forward looking reliability and other plant additions from January 2016 through December 2016 (\$17.9M of Revenue Requirement based on a 10.60% ROE) included in revenue requirement request</li> <li>• Extension of the Grid Resiliency Program to fund accelerated investments in grid resiliency, incremental to the capital plan (not included in revenue requirement request) <ul style="list-style-type: none"> <li>• Capital \$31.6 million (Feeder Work \$24.0 million and Reclosing Devices \$7.6 million) in 2017-2018</li> </ul> </li> </ul> <p>Procedural Schedule:</p> <ul style="list-style-type: none"> <li>• Evidentiary Hearings Completed (9/13/16 - 9/23/16)</li> <li>• Final Reply Briefs: 10/26/16</li> <li>• Commission Order Expected: 11/15/16</li> <li>• New rates are in effect shortly after the final order</li> </ul>

(1) Revenue requirement includes changes in depreciation and amortization expense, which have no impact on pre-tax earnings

## DPL DE (Electric) Distribution Rate Case

<b>Docket #</b>	16-0649
<b>Test Year</b>	2015 Calendar Year
<b>Test Period</b>	12 months actual
<b>Requested Common Equity Ratio</b>	49.4%
<b>Requested Rate of Return</b>	ROE: 10.60%; ROR: 7.19%
<b>Proposed Rate Base (Adjusted)</b>	\$846M
<b>Requested Revenue Requirement Increase</b>	\$62.8M <sup>(1)(2)</sup>
<b>Residential Total Bill % Increase</b>	7.25%
<b>Notes</b>	<ul style="list-style-type: none"> <li>• 5/17/16 DPL DE filed application with the DPSC seeking increase in electric distribution base rates</li> <li>• 18 month forward looking reliability and other plant additions from January 2016 through June 2017 (\$8.4M of Revenue Requirement based on 10.60% ROE) included in revenue requirement request</li> <li>• Includes the Pay as You Go Program, a proposed pilot program that would be cooperatively designed to use the capability of the AMI meters to offer a voluntary pre-paid metering option for customers</li> </ul> <p>Procedural Schedule:</p> <ul style="list-style-type: none"> <li>• Evidentiary Hearings: 3/7/17 – 3/9/17</li> <li>• Commission Order Expected: Q3 2017</li> </ul>

(1) As permitted by Delaware law, Delmarva Power implemented interim rate increases of \$2.5 million on July 16, 2016 and will implement full allowable rates on December 17, 2016, subject to refund

(2) Revenue requirement includes changes in depreciation and amortization expense, which have no impact on pre-tax earnings

## DPL DE (Gas) Distribution Rate Case

<b>Docket #</b>	16-0650
<b>Test Year</b>	2015 Calendar Year
<b>Test Period</b>	12 months actual
<b>Requested Common Equity Ratio</b>	49.4%
<b>Requested Rate of Return</b>	ROE: 10.60%; ROR: 7.19%
<b>Proposed Rate Base (Adjusted)</b>	\$362M
<b>Requested Revenue Requirement Increase</b>	\$21.5M <sup>(1)(2)</sup>
<b>Residential Total Bill % Increase</b>	10.40%
<b>Notes</b>	<ul style="list-style-type: none"> <li>• 5/17/16 DPL DE filed application with the DPSC seeking increase in gas distribution base rates</li> <li>• 18 month forward looking reliability and other plant additions from January 2016 through June 2017 (\$3.4M of Revenue Requirement based on 10.60% ROE) included in revenue requirement request</li> </ul> Procedural Schedule: <ul style="list-style-type: none"> <li>• Evidentiary Hearings: 4/5/17 – 4/7/17</li> <li>• Commission Order Expected: Q3 2017</li> </ul>

(1) As permitted by Delaware law, Delmarva Power implemented interim rate increases of \$2.5 million on July 16, 2016 and will implement full allowable rates on December 17, 2016, subject to refund

(2) Revenue requirement includes changes in depreciation and amortization expense, which have no impact on pre-tax earnings

# Pepco DC Distribution Rate Case

<b>Formal Case No.</b>	1139
<b>Test Year</b>	April 1, 2015 – March 31, 2016
<b>Test Period</b>	12 months actual
<b>Requested Common Equity Ratio</b>	49.14%
<b>Requested Rate of Return</b>	ROE: 10.60%; ROR: 8.00%
<b>Proposed Rate Base (Adjusted)</b>	\$1.7B
<b>Requested Revenue Requirement Increase (Updated on October 14, 2016)</b>	\$82.1M <sup>(1)</sup>
<b>Residential Total Bill % Increase</b>	5.15% <sup>(2)</sup>
<b>Notes</b>	<ul style="list-style-type: none"> <li>• 6/30/16 Pepco DC filed application with the DCPSC seeking increase in electric distribution base rates</li> <li>• Size of ask is driven by 3 years of capital investments</li> <li>• 18 month forward looking reliability and other plant additions from April 2016 through September 2017 (\$26.7M of Revenue Requirement based on 10.60% ROE) included in revenue requirement request</li> <li>• The Merger Order provides for a Customer Base Rate Credit (CBRC) in the amount of \$25.6M, which can be used to offset rate increases approved by the DCPSC; the parties will be provided an opportunity to propose how the CRBC and Incremental Offset be allocated and over what period of time             <ul style="list-style-type: none"> <li>• The DCPSC will ultimately decide how to allocate the CBRC</li> </ul> </li> </ul> <p>Procedural Schedule:</p> <ul style="list-style-type: none"> <li>• Evidentiary Hearings: 3/15/17 – 3/21/17</li> <li>• Final Briefs: 4/24/17</li> <li>• Commission Order Expected: 7/25/17</li> </ul>

(1) Revenue requirement includes changes in amortization expense, which has no impact on pre-tax earnings

(2) As proposed by the Company, the full allocation of the CBRC to Residential and MMA customers, along with the proposal for a \$1M Incremental Offset for residential customers, will ensure that residential customers do not receive an increase on the distribution portion of their bill until approximately January 2019 (February 2019 for MMA customers). Upon expiration of the CBRC and Incremental Offset proposed by the Company, this rate increase would translate to a 5.25% total bill increase for a residential customer.

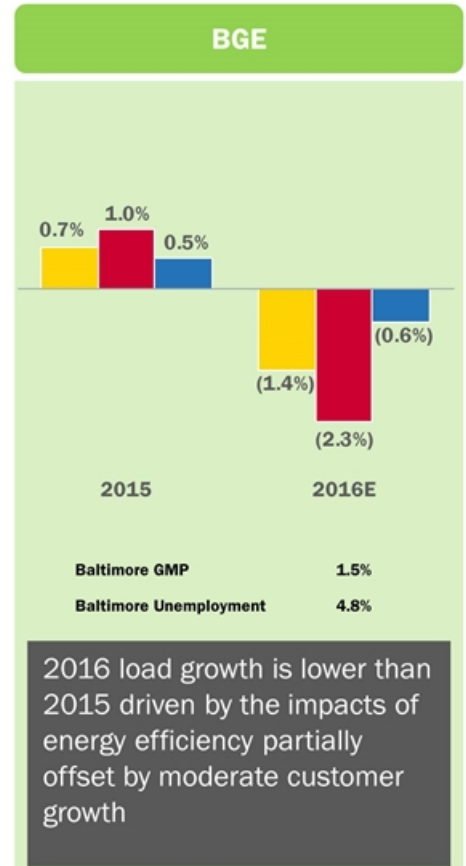
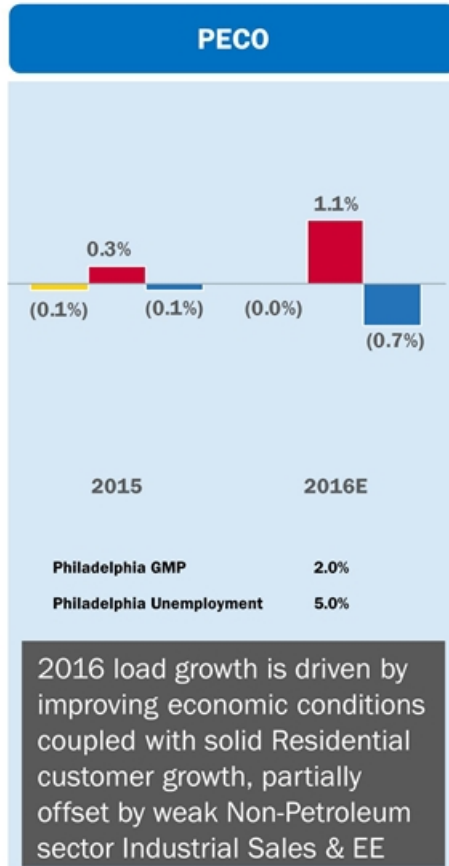
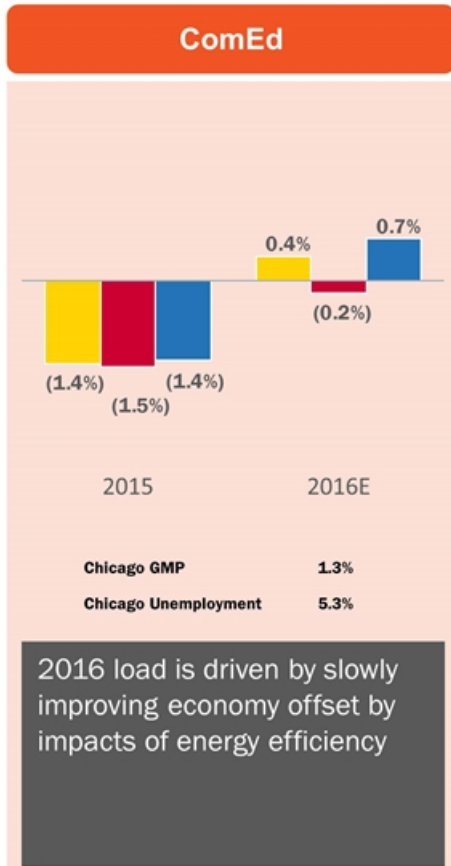
## DPL MD Distribution Rate Case

<b>Case No.</b>	9424
<b>Test Year</b>	April 1, 2015 – March 31, 2016
<b>Test Period</b>	12 months actual
<b>Requested Common Equity Ratio</b>	49.1%
<b>Requested Rate of Return</b>	ROE: 10.60%; ROR: 7.24%
<b>Proposed Rate Base</b>	\$727M
<b>Requested Revenue Requirement Increase (Updated on October 18, 2016)</b>	\$57.0M <sup>(1)</sup>
<b>Residential Total Bill % Increase</b>	12.5%
<b>Notes</b>	<ul style="list-style-type: none"> <li>• 7/20/16 DPL MD filed application with the MDPSC seeking increase in electric distribution base rates</li> <li>• Size of ask is driven by 3 years of capital investment, recovery of AMI investments and new depreciation rates</li> <li>• Extension of the Grid Resiliency Program to fund accelerated investments in grid resiliency, incremental to the capital plan (not included in revenue requirement request) Capital \$9.2 million (Feeder Work \$4.2 million and Reclosing Devices \$5.0 million) in 2017-2018</li> <li>• 10 month forward looking reliability and other plant additions from April 2016 through January 2017 (\$5.0M of Revenue Requirement based on 10.60% ROE) included in revenue requirement request</li> </ul> <p>Procedural Schedule:</p> <ul style="list-style-type: none"> <li>• Evidentiary Hearings: 11/2/16 – 11/10/16</li> <li>• Final Briefs: 12/14/16</li> <li>• Commission Order Expected: 2/17/17</li> <li>• New rates are in effect shortly after the final order</li> </ul>

(1) Revenue requirement includes changes in depreciation and amortization expense, which have no impact on pre-tax earnings

# Exelon Utilities Load

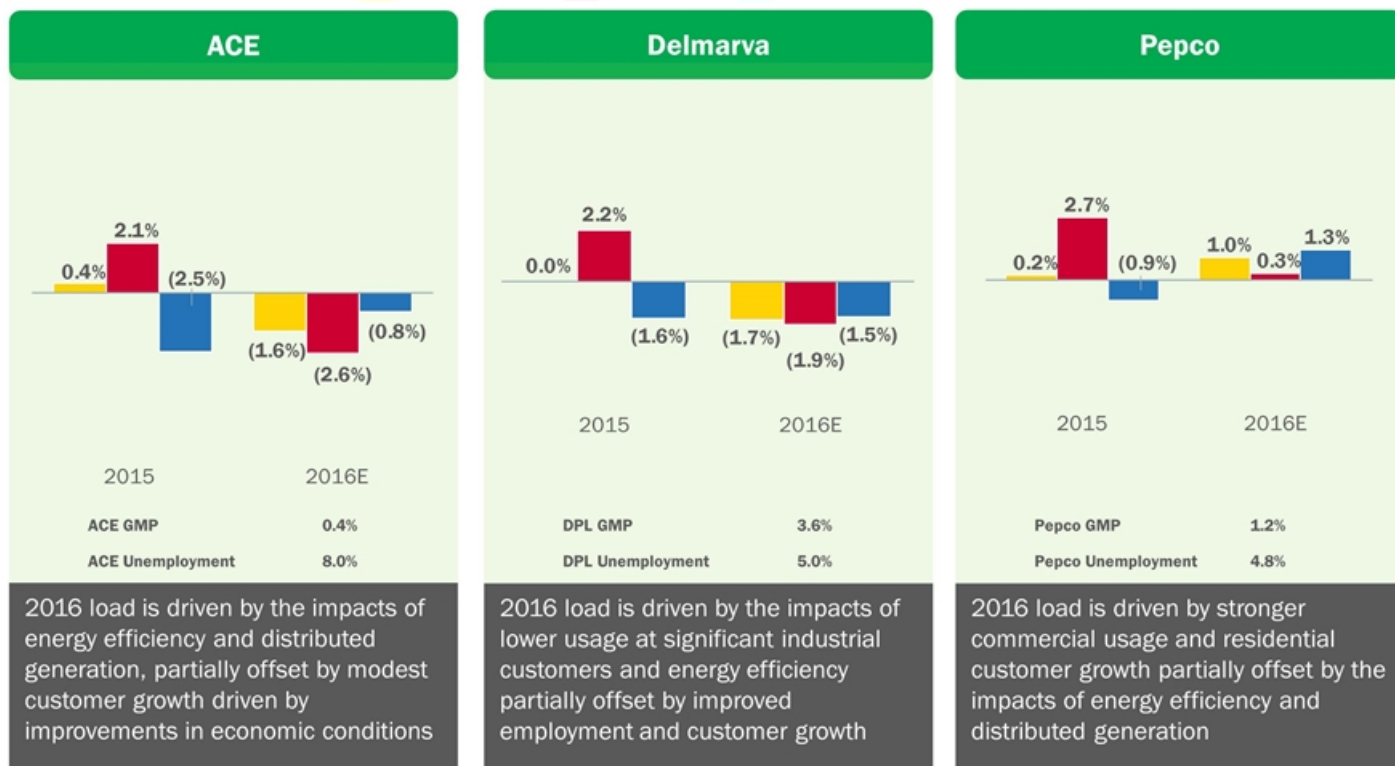
■ All Customers
 ■ Residential
 ■ Commercial & Industrial



Notes: Data is weather normalized and not adjusted for leap year. Source of economic outlook data is IHS and US Department of Labor (September 2016). Assumes 2016 U.S. GDP of 1.5% and U.S. unemployment of 5.0%. ComEd has the ROE collar as part of the distribution formula rate and BGE is decoupled which mitigates the load risk. QTD and YTD actual data can be found in earnings release tables. BGE amounts have been adjusted for prior quarter true-ups.

# Exelon Utilities Load (cont'd)

■ All Customers 
 ■ Residential 
 ■ Commercial & Industrial



**~65% of 2016 forecast distribution revenue is decoupled for PHI**

Notes: Data is weather normalized using 20-year historical average and not adjusted for leap year. Source of economic outlook data is IHS (September 2016). Assumes 2016 GDP of 1.5% and U.S. unemployment rate of 5.0%. Pepco and DPL MD are decoupled which mitigates the load risk. QTD and YTD actual data can be found in earnings release tables. ACE includes Atlantic City, Vineland and Ocean City MSAs (Metropolitan Statistical Area). DPL MSA includes Wilmington Division, Dover MSA and Salisbury MSA. Pepco MSA includes the city of Washington DC and Silver Spring/Frederick Division. Pepco reclassified certain customer classes in DC from C&I to Residential in 2015. Including the impacts of the re-class, 2015 Residential load growth would have been 6.7% and C&I load growth would have been (2.7%).

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# Appendix

## Reconciliation of Non-GAAP Measures



## 3Q QTD GAAP EPS Reconciliation

<b>Three Months Ended September 30, 2015</b>	<b>ExGen</b>	<b>ComEd</b>	<b>PECO</b>	<b>BGE</b>	<b>Other</b>	<b>Exelon</b>
<b>2015 GAAP Earnings (Loss) Per Share</b>	<b>\$0.41</b>	<b>\$0.17</b>	<b>\$0.10</b>	<b>\$0.06</b>	<b>\$(0.04)</b>	<b>\$0.69</b>
Mark-to-market impact of economic hedging activities	0.09	-	-	-	-	0.09
Unrealized losses related to NDT fund investments	0.15	-	-	-	-	0.15
Amortization of commodity contract intangibles	-	-	-	-	-	-
Merger and integration costs	0.02	-	-	-	-	0.02
Asset retirement obligation	(0.01)	-	-	-	-	(0.01)
Tax settlements	(0.06)	-	-	-	-	(0.06)
CENG non-controlling interest	(0.05)	-	-	-	-	(0.05)
<b>2015 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$0.55</b>	<b>\$0.17</b>	<b>\$0.10</b>	<b>\$0.06</b>	<b>\$(0.04)</b>	<b>\$0.83</b>

<b>Three Months Ended September 30, 2016</b>	<b>ExGen</b>	<b>ComEd</b>	<b>PECO</b>	<b>BGE</b>	<b>PHI</b>	<b>Other</b>	<b>Exelon</b>
<b>2016 GAAP Earnings (Loss) Per Share</b>	<b>\$0.25</b>	<b>\$0.04</b>	<b>\$0.13</b>	<b>\$0.06</b>	<b>\$0.18</b>	<b>\$(0.13)</b>	<b>\$0.53</b>
Mark-to-market impact of economic hedging activities	(0.06)	-	-	-	-	-	(0.06)
Unrealized gains related to NDT fund investments	(0.07)	-	-	-	-	-	(0.07)
Amortization of commodity contract intangibles	0.01	-	-	-	-	-	0.01
Merger and integration costs	0.01	-	-	-	-	-	0.01
Merger commitments	-	-	-	-	(0.04)	0.05	0.01
Long-lived asset impairments	0.01	-	-	-	-	-	0.01
Plant retirements and divestitures	0.22	-	-	-	-	-	0.22
Cost management program	0.01	-	-	-	-	-	0.01
Like-kind exchange tax position	-	0.16	-	-	-	0.05	0.21
CENG non-controlling interest	0.03	-	-	-	-	-	0.03
<b>2016 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$0.41</b>	<b>\$0.20</b>	<b>\$0.13</b>	<b>\$0.06</b>	<b>\$0.14</b>	<b>\$(0.03)</b>	<b>\$0.91</b>

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

## 3Q YTD GAAP EPS Reconciliation

<b>Nine Months Ended September 30, 2015</b>	<b>ExGen</b>	<b>ComEd</b>	<b>PECO</b>	<b>BGE</b>	<b>Other</b>	<b>Exelon</b>
<b>2015 GAAP Earnings (Loss) Per Share</b>	<b>\$1.38</b>	<b>\$0.38</b>	<b>\$0.34</b>	<b>\$0.23</b>	<b>\$(0.11)</b>	<b>\$2.22</b>
Mark-to-market impact of economic hedging activities	(0.18)	-	-	-	-	(0.18)
Unrealized losses related to NDT fund investments	0.19	-	-	-	-	0.19
Amortization of commodity contract intangibles	(0.01)	-	-	-	-	(0.01)
Merger and integration costs	0.02	0.01	-	-	0.03	0.06
Long-lived asset impairments	-	-	-	-	0.02	0.02
Asset retirement obligation	(0.01)	-	-	-	-	(0.01)
Tax settlements	(0.06)	-	-	-	-	(0.06)
Mark-to-market impact of PHI merger related interest rate swap	-	-	-	-	(0.03)	(0.03)
Midwest Generation bankruptcy recoveries	(0.01)	-	-	-	-	(0.01)
CENG non-controlling interest	(0.06)	-	-	-	-	(0.06)
<b>2015 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$1.26</b>	<b>\$0.39</b>	<b>\$0.34</b>	<b>\$0.23</b>	<b>\$(0.09)</b>	<b>\$2.13</b>

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

## 3Q YTD GAAP EPS Reconciliation (continued)

<b>Nine Months Ended September 30, 2016</b>	<b>ExGen</b>	<b>ComEd</b>	<b>PECO</b>	<b>BGE</b>	<b>PHI</b>	<b>Other</b>	<b>Exelon</b>
<b>2016 GAAP Earnings (Loss) Per Share</b>	<b>\$0.58</b>	<b>\$0.32</b>	<b>\$0.37</b>	<b>\$0.20</b>	<b>(\$0.10)</b>	<b>(\$0.37)</b>	<b>\$1.00</b>
Mark-to-market impact of economic hedging activities	0.07	-	-	-	-	-	0.07
Unrealized gains related to NDT fund investments	(0.13)	-	-	-	-	-	(0.13)
Amortization of commodity contract intangibles	0.01	-	-	-	-	-	0.01
Merger and integration costs	0.02	-	-	-	0.04	0.04	0.10
Merger commitments	-	-	-	-	0.26	0.17	0.43
Long-lived asset impairments	0.11	-	-	-	-	-	0.11
Plant retirements and divestitures	0.37	-	-	-	-	-	0.37
Reassessment of state deferred income taxes	0.01	-	-	-	-	(0.01)	-
Cost management program	0.02	-	-	-	-	-	0.03
Like-kind exchange tax position	-	0.16	-	-	-	0.05	0.21
CENG non-controlling interest	0.04	-	-	-	-	-	0.04
<b>2016 Adjusted (non-GAAP) Operating Earnings (Loss) Per Share</b>	<b>\$1.10</b>	<b>\$0.48</b>	<b>\$0.37</b>	<b>\$0.20</b>	<b>\$0.20</b>	<b>(\$0.11)</b>	<b>\$2.24</b>

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

## GAAP to Operating Adjustments

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- **Exelon's Q3 2016 adjusted (non-GAAP) operating earnings excludes the earnings effects of the following:**
  - Mark-to-market adjustments from economic hedging activities
  - Unrealized gains and losses from NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements
  - Non-cash amortization of intangible assets, net, related to commodity contracts recorded at fair value at the date of acquisition of Integrys in 2014 and ConEdison Solutions in 2016
  - Certain costs incurred associated with PHI and FitzPatrick acquisitions
  - Adjustments to merger commitments costs related to settlement of PHI acquisition
  - Impairments of upstream assets
  - Plant retirements and divestitures at Generation
  - Costs incurred related to cost management program
  - Like-kind exchange tax position at Exelon and ComEd
  - Generation's non-controlling interest related to CENG exclusion items
  - Other unusual items

## GAAP to Non-GAAP Reconciliations

2016 Adjusted Cash from Ops Calculation (\$M) <sup>(1)</sup>	ComEd	PECO	BGE	PHI	ExGen	Other	Exelon
Net cash flows provided by operating activities (GAAP)	\$1,875	\$775	\$700	\$800	\$4,100	(\$875)	\$7,375
Other cash from investing activities	-	-	-	(\$25)	(\$125)	-	(\$150)
Intercompany receivable adjustment	(\$350)	-	-	-	-	\$350	-
Counterparty collateral activity	-	-	-	-	(\$375)	-	(\$375)
<b>Adjusted Cash Flow from Operations</b>	<b>\$1,525</b>	<b>\$775</b>	<b>\$700</b>	<b>\$775</b>	<b>\$3,600</b>	<b>(\$525)</b>	<b>\$6,850</b>

2016 Cash From Financing Calculation (\$M) <sup>(1)</sup>	ComEd	PECO	BGE	PHI	ExGen	Other	Exelon
Net cash flow provided by financing activities (GAAP)	\$675	(\$250)	\$175	\$25	(\$350)	\$2,250	\$2,525
Dividends paid on common stock	\$375	\$275	\$175	\$250	\$925	(\$825)	\$1,175
Intercompany receivable adjustment	\$350	-	-	-	-	(\$350)	-
Purchase of PHI (including cash acquired)	-	-	-	-	-	(\$6,925)	(\$6,925)
<b>Financing Cash Flow</b>	<b>\$1,400</b>	<b>\$25</b>	<b>\$350</b>	<b>\$275</b>	<b>\$575</b>	<b>(\$5,850)</b>	<b>(\$3,225)</b>

Exelon Total Cash Flow Reconciliation <sup>(1)</sup>	2016
<b>GAAP Beginning Cash Balance</b>	<b>\$6,800</b>
Adjustment for Cash Collateral Posted	\$1,300
Adjusted Beginning Cash Balance <sup>(3)</sup>	\$8,100
Net Change in Cash (GAAP) <sup>(2)</sup>	\$(6,600)
Adjusted Ending Cash Balance <sup>(3)</sup>	\$1,500
Adjustment for Cash Collateral Posted	(\$900)
<b>GAAP Ending Cash Balance</b>	<b>\$600</b>

(1) All amounts rounded to the nearest \$25M. Items may not sum due to rounding.

(2) Represents the GAAP measure of net change in cash, which is the sum of cash flow from operations, cash from investing activities, and cash from financing activities. Figures reflect cash capital expenditures and CENG fleet at 100%.

(3) Adjusted Beginning and Ending cash balances reflect GAAP Beginning and End Cash Balances excluding counterparty collateral activity

## GAAP to Non-GAAP Reconciliations

ExGen Adjusted O&M Reconciliation (\$M) <sup>(1)</sup>	2016	2017	2018	2019
<b>GAAP O&amp;M</b>	<b>\$5,775</b>	<b>\$5,225</b>	<b>\$5,000</b>	<b>\$4,975</b>
Decommissioning <sup>(2)</sup>	125	200	125	50
Costs associated with early nuclear plant retirements	(150)	-	-	-
Long-lived asset impairment costs	(175)	-	-	-
Direct cost of sales incurred to generate revenues for certain Constellation and Power businesses <sup>(3)</sup>	(450)	(400)	(425)	(425)
O&M for managed plants that are partially owned	(400)	(425)	(425)	(425)
Other	(175)	(25)	(25)	-
<b>Adjusted O&amp;M (Non-GAAP)</b>	<b>\$4,550</b>	<b>\$4,575</b>	<b>\$4,250</b>	<b>\$4,175</b>

(1) All amounts rounded to the nearest \$25M

(2) Reflects earnings neutral O&M

(3) Reflects the direct cost of sales of certain businesses, which are included in Total Gross Margin, a non-GAAP measure