

**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**

December 19, 2007  
Date of Report (Date of earliest event reported)

| Commission File Number | Exact Name of Registrant as Specified in Its Charter;<br>State of Incorporation; Address of Principal Executive<br>Offices; and Telephone Number                          | IRS Employer<br>Identification Number |
|------------------------|---|---------------------------------------|
| 1-16169                | <b>EXELON CORPORATION</b><br><b>(a Pennsylvania corporation)</b><br>10 South Dearborn Street<br>P.O. Box 805379<br>Chicago, Illinois 60680-5379<br>(312) 394-7398         | 23-2990190                            |
| 333-85496              | <b>EXELON GENERATION COMPANY, LLC</b><br><b>(a Pennsylvania limited liability company)</b><br>300 Exelon Way<br>Kennett Square, Pennsylvania 19348-2473<br>(610) 765-5959 | 23-3064219                            |
| 1-1839                 | <b>COMMONWEALTH EDISON COMPANY</b><br><b>(an Illinois corporation)</b><br>440 South LaSalle Street<br>Chicago, Illinois 60605-1028<br>(312) 394-4321                      | 36-0938600                            |
| 000-16844              | <b>PECO ENERGY COMPANY</b><br><b>(a Pennsylvania corporation)</b><br>P.O. Box 8699<br>2301 Market Street<br>Philadelphia, Pennsylvania 19101-8699<br>(215) 841-4000       | 23-0970240                            |

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 7 — Regulation FD

### Item 7.01. Regulation FD Disclosure

On December 19, 2007, Exelon Corporation (Exelon) will host its annual investor conference and will reaffirm its adjusted (non-GAAP) operating earnings guidance range for 2007 at \$4.15 to \$4.30 per share for Exelon. Management believes that actual results are likely to come in at the upper end of this range. In addition, Exelon revised its 2007 GAAP earnings guidance range to \$4.05 to \$4.20. Exelon will also reaffirm its adjusted (non-GAAP) operating earnings guidance range for 2008 and will provide its GAAP earnings guidance range for 2008.

In addition, Exelon announced via press release a regular first-quarter 2008 dividend of \$0.50 per share on Exelon's common stock, a 14 percent increase over the dividend for the fourth quarter of 2007. Exelon's board of directors also authorized a new share repurchase program of up to \$500 million of Exelon's outstanding common stock. This new program is in addition to the \$1.25 billion share repurchase executed in September 2007. In line with Exelon's value return policy, additional share repurchases may be authorized by the board of directors later in 2008 based on availability of cash and other factors. The board authorization of the share repurchase permits the company to effect the repurchases from time to time through a variety of methods including open market repurchases, privately negotiated transactions and/or accelerated share repurchase transactions. There can be no assurance as to the amount, timing or prices of repurchases. The specific timing and amount of repurchases may also vary based on market conditions and other factors. The stock repurchase program may be modified, extended or terminated by the board of directors at any time.

The press release is attached to this Current Report on Form 8-K as Exhibit 99.1. In addition, attached as Exhibits 99.2 and 99.3 to this Current Report on Form 8-K are the presentation slides to be used at the conference and the supplemental information made available to investors, respectively.

## 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            |
| 99.2               | Presentation Slides      |
| 99.3               | Supplemental Information |

\* \* \* \* \*

This combined Form 8-K is being furnished separately by Exelon, Exelon Generation Company, LLC, Commonwealth Edison Company and PECO Energy 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 Current Report includes 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 these forward-looking statements include those discussed herein as well as those discussed in (1) Exelon's 2006 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 18; (2) Exelon's Third Quarter 2007 Quarterly Report on Form 10-Q in (a) Part II, Other Information, ITEM 1A. Risk Factors and (b) Part I, Financial Information, ITEM 1. Financial Statements: Note 13; and (3) other factors discussed in filings with the Securities and Exchange Commission 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 Current 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 Current 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  
EXELON GENERATION COMPANY, LLC**

/s/ John F. Young

John F. Young  
Executive Vice President, Finance and Markets  
and Chief Financial Officer  
Exelon Corporation

**COMMONWEALTH EDISON COMPANY**

/s/ Robert K. McDonald

Robert K. McDonald  
Senior Vice President, Chief Financial Officer,  
Treasurer and Chief Risk Officer  
Commonwealth Edison Company

**PECO ENERGY COMPANY**

/s/ Phillip S. Barnett

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

December 19, 2007

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**EXHIBIT INDEX**

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## News Release

Contact: Chaka Patterson  
Investor Relations  
312-394-7234

Kathleen Cantillon  
Corporate Communications  
312-394-2794

**FOR IMMEDIATE RELEASE**

### **Exelon Announces Dividend Increase and Share Buyback; Reaffirms 2007 and 2008 Earnings Guidance**

**CHICAGO** (December 19, 2007) – Exelon Corporation today announced that its board of directors has declared a regular first-quarter 2008 dividend of \$0.50 per share on Exelon's common stock, a 14 percent increase over the dividend for the fourth quarter of 2007. The first-quarter dividend is payable on March 10, 2008, to Exelon shareholders of record at 5:00 p.m. New York Time on February 15, 2008.

Last December, Exelon's board of directors approved a value return policy that established an annual base dividend rate of \$1.76 per share, which was expected to grow modestly over time. Largely due to improved market fundamentals and our superior operations, the board of directors is resetting Exelon's annual base dividend rate at \$2.00 per share. The company expects to grow the dividend modestly over time. Future dividends are subject to declaration by the board of directors.

"Our cash flow and balance sheet continue to be robust," said John W. Rowe, Exelon's chairman, president and CEO. "Considering our financial strength and the improving fundamentals of our business, our board has reset the annual base dividend rate at \$2.00 per share. This increase will return more immediate value to our shareholders, while still providing the financial flexibility needed to make sound investments in our business and take advantage of opportunities as they arise."

#### **Share Repurchase**

Exelon's board of directors also authorized a new share repurchase program of up to \$500 million of Exelon's outstanding common stock. This new program is in addition to the \$1.25 billion share repurchase executed in September 2007. In line with Exelon's value return policy, additional share repurchases may be authorized by the board of directors later in 2008 based on availability of cash and other factors.

Exelon's value return policy considers the use of share repurchases from time to time, when authorized by the board of directors, to return cash or balance sheet capacity to Exelon shareholders after funding maintenance capital and other commitments and in the absence of higher value-added growth opportunities.

## Earnings Outlook

Exelon reaffirmed adjusted (non-GAAP) operating earnings guidance range for 2007 at \$4.15 to \$4.30 per share. Management believes that actual results are likely to come in at the upper end of this range.

In addition, Exelon reaffirmed adjusted (non-GAAP) operating earnings guidance range for 2008 at \$4.00 to \$4.40 per share.

The outlook for 2007 and 2008 adjusted (non-GAAP) operating earnings for Exelon and its subsidiaries excludes the following items included in GAAP earnings:

- mark-to-market adjustments from economic hedging activities
- significant impairments of intangible assets, including goodwill
- significant changes in decommissioning obligation estimates
- investments in synthetic fuel-producing facilities (2007 only)
- costs associated with the Illinois electric rate settlement, including ComEd's previously announced customer rate relief and assistance initiatives
- gains or losses on the State Line Energy, L.L.C. and Tenaska Georgia Partners, LP transactions (2007 only)
- other unusual items
- any future changes to GAAP

In consideration of these factors, Exelon revised 2007 GAAP earnings guidance to \$4.05 to \$4.20 per share from \$3.90 to \$4.20 per share and provided 2008 GAAP earnings guidance of \$3.70 to \$4.10 per share. Both Exelon's adjusted (non-GAAP) operating earnings and GAAP earnings guidance are based on the assumption of normal weather for future periods.

Rowe and John F. Young, Exelon's executive vice president and chief financial officer, will discuss the dividend, the share buyback and earnings guidance today at Exelon's Investor Conference in New York City. The presentation will be webcast live at 10:00 a.m. Eastern time. To view the webcast, go to [www.exeloncorp.com](http://www.exeloncorp.com) and select the Investor Relations page.

*This news release includes 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 these forward-looking statements include those discussed herein as well as those discussed in (1) Exelon's 2006 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 18; (2) Exelon's Third Quarter 2007 Quarterly Report on Form 10-Q in (a) Part II, Other Information, ITEM 1A. Risk Factors and (b) Part I, Financial Information, ITEM 1. Financial Statements: Note 13; and (3) other factors discussed in filings with the Securities and Exchange Commission by Exelon Corporation, Exelon Generation Company, LLC, Commonwealth Edison Company and PECO Energy Company (Companies). Readers are cautioned not*

*to place undue reliance on these forward-looking statements, which apply only as of the date of this news release. None of the Companies undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this news release.*

###

Exelon Corporation is one of the nation's largest electric utilities with approximately 5.4 million customers and more than \$15 billion in annual revenues. The company has one of the industry's largest portfolios of electricity generation capacity, with a nationwide reach and strong positions in the Midwest and Mid-Atlantic. Exelon distributes electricity to approximately 5.4 million customers in Illinois and Pennsylvania and natural gas to more than 480,000 customers in southeastern Pennsylvania. Exelon is headquartered in Chicago and trades on the NYSE under the ticker EXC.



**Sustainable**  
**value**



**John W. Rowe**  
Chairman, President and Chief Executive Officer

**2007 Exelon Investor Conference**  
New York, NY  
December 19, 2007



This presentation includes 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 these forward-looking statements include those discussed herein as well as those discussed in (1) Exelon's 2006 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 18; (2) Exelon's Third Quarter 2007 Quarterly Report on Form 10-Q in (a) Part II, Other Information, ITEM 1A. Risk Factors and (b) Part I, Financial Information, ITEM 1. Financial Statements: Note 13; and (3) other factors discussed in filings with the Securities and Exchange Commission by Exelon Corporation, Exelon Generation Company, LLC, Commonwealth Edison Company, and PECO Energy Company (Companies). 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 Companies undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this presentation.

This presentation includes references to adjusted (non-GAAP) operating earnings that exclude the impact of certain factors. We believe that these adjusted operating earnings are representative of the underlying operational results of the company. Please refer to the Supplemental Information presentation in Form 8-K filed on December 19, 2007 for a reconciliation of adjusted (non-GAAP) operating earnings to GAAP earnings and a reconciliation of GAAP net income to adjusted (non-GAAP) EBITDA.

- 
- 10:00 a.m. – 10:35 a.m.**     **John Rowe – Welcome and Strategic Overview**
  - 10:35 a.m. – 11:00 a.m.**     **John Young – Financial Overview**
  - 11:00 a.m. – 11:15 a.m.**     **Break**
  - 11:15 a.m. – 12:15 p.m.**     **Panel Q&A –  
John Rowe, John Young, Chris Crane, Lisa Crutchfield,  
Ian McLean, Betsy Moler, Anne Pramaggiore**
  - 12:15 p.m. – 12:30 p.m.**     **John Rowe – Wrap-up**
  - 12:30 p.m. – 1:30 p.m.**     **Lunch / Informal discussion (Hilton Room)**

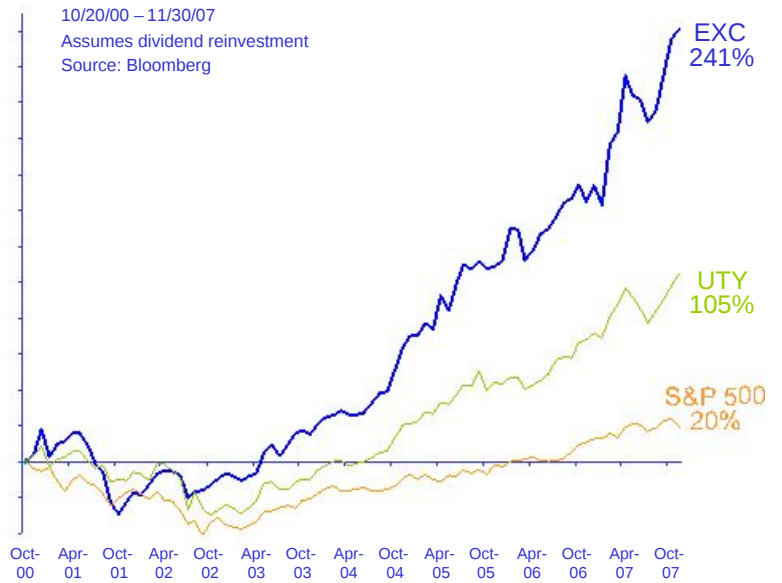
# Sustainable value

## Adjusted (non-GAAP) Operating EPS



(1) 8-year growth rate through 2008; calculated using midpoint of 2008 Operating EPS guidance range and 2000 Operating EPS of \$1.93/share as base year.

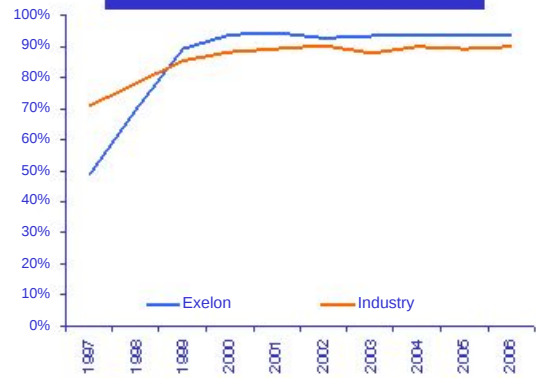
## Total Shareholder Return



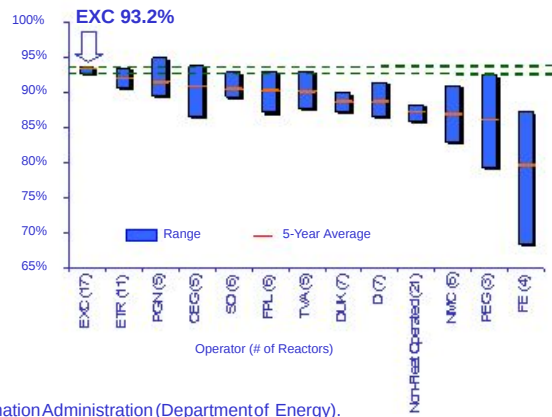
2000 – 2008 compound annual operating EPS growth is projected at ~10%.  
Seven-year total return exceeds 240%



## Average Capacity Factor

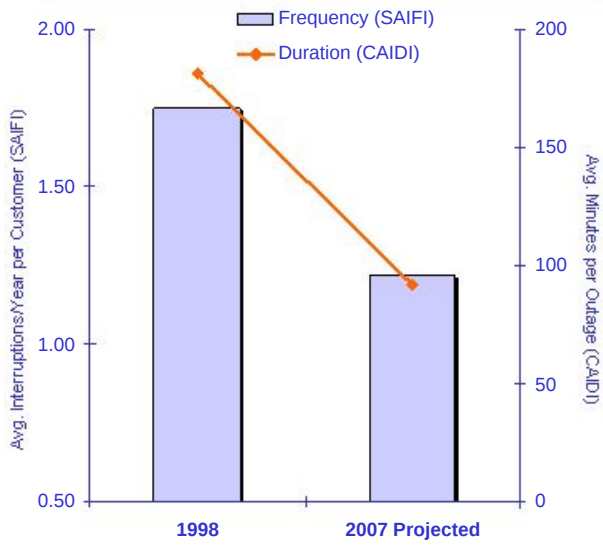


## Range of Fleet 2-Yr Avg Capacity Factor (2002-2006)



Note: Exelon data prior to 2000 represent ComEd-only nuclear fleet.  
Sources: Platt's, Nuclear News, Nuclear Energy Institute and Energy Information Administration (Department of Energy).

## Fewer Interruptions and Shorter Outages



Note: Data based on IEEE definition which excludes major events and planned outages.

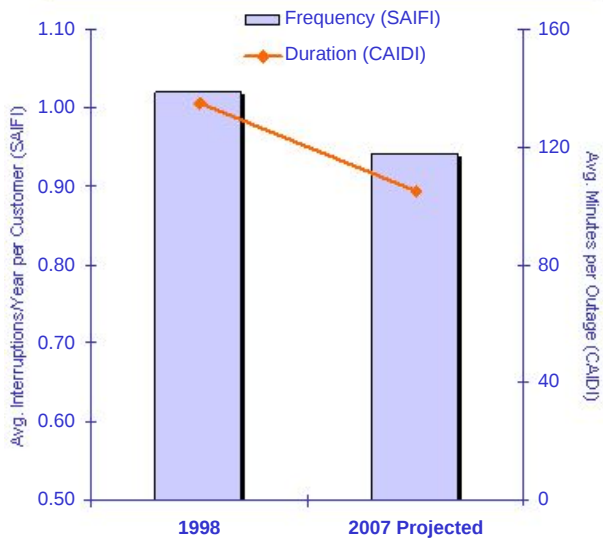


**“State touts rate-relief plan; Proposal could trim average ComEd bill \$8 a month”**

(July 24, 2007)



## Fewer Interruptions and Shorter Outages



Note: Data based on IEEE definition which excludes major events and planned outages.

## The Patriot-News

**“Rendell sees urgent need to complete energy plan”**

(September 14, 2007)





DRAFT 12/10/09 10:00 AM



## our vision

Exelon will be the best group of electric generation and electric and gas delivery companies in the United States – providing superior value for our customers, employees, investors and the communities we serve.

## our goals

- > Keep the lights on and the gas flowing
- > Run the nuclear fleet at world-class levels
- > Capitalize on environmental leadership and clean nuclear energy
- > Create a challenging and rewarding workplace
- > Enhance the value of our generation
- > Build value through disciplined financial management

## our values

- Safety – for our employees, our customers and our communities
- Integrity – the highest ethical standards in what we say and what we do
- Diversity – in ethnicity, gender, experience and thought
- Respect – trust and teamwork through open and honest communication
- Accountability – for our commitments, actions and results
- Continuous Improvement – stretch goals and measured results

## Exelon's Strategic Direction



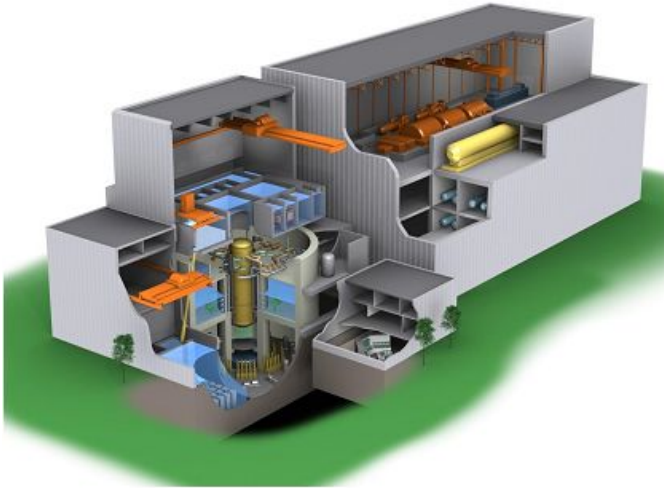
### Protect Today's Value

+

### Grow Long-Term Value

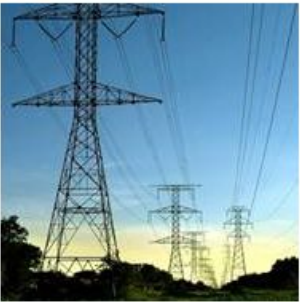
- Deliver superior operating performance
  - Keep the lights on
  - Continue nuclear excellence
- Support competitive markets
  - Maintain/bolster PJM
  - Step up advocacy
  - Encourage market-based new entry
    - Enhance auction construct
    - Participate in competitive new entry
- Protect the value of our generation
  - Optimize the generation portfolio
  - Hedge market risk appropriately
- Build healthy, self-sustaining delivery companies
  - ComEd – fight rate freeze legislation, seek long-term peace and drive path to financial health
  - PECO – maintain performance and prepare for 2011 transition to market
- Take the organization to the next level of performance
  - Foster positive employee relations
  - Require accountability for results and values
  - Acquire, develop and retain key talent
  - Continuously improve productivity
- Align our financial management policies with the changing profile of our company
- Rigorously evaluate new growth opportunities
  - Generation
  - Transmission
  - Distribution
- Advance an environmental strategy that leverages our carbon position





# Sustainable value

**Sustainable**  
**value**



**John F. Young**  
Executive Vice President, Finance and Markets, and Chief Financial Officer

**2007 Exelon Investor Conference**

New York, NY  
December 19, 2007

## YTD EPS Results

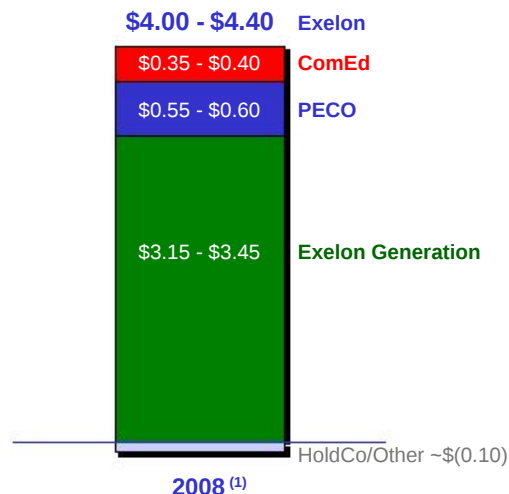
|                    | Sep-06 | Sep-07 |
|--------------------|--------|--------|
| Operating          | \$2.50 | \$3.31 |
| Weather Normalized | \$2.53 | \$3.26 |

## YTD Highlights

- Solid financial operating EPS results
  - Higher generation margins
  - Favorable weather
  - Strong nuclear performance
- Illinois Settlement
- Engaged in Pennsylvania transition
- Value Return Plan implementation
- ComEd Regulatory Recovery Plan execution

## 2008 EPS Guidance <sup>(1)</sup>

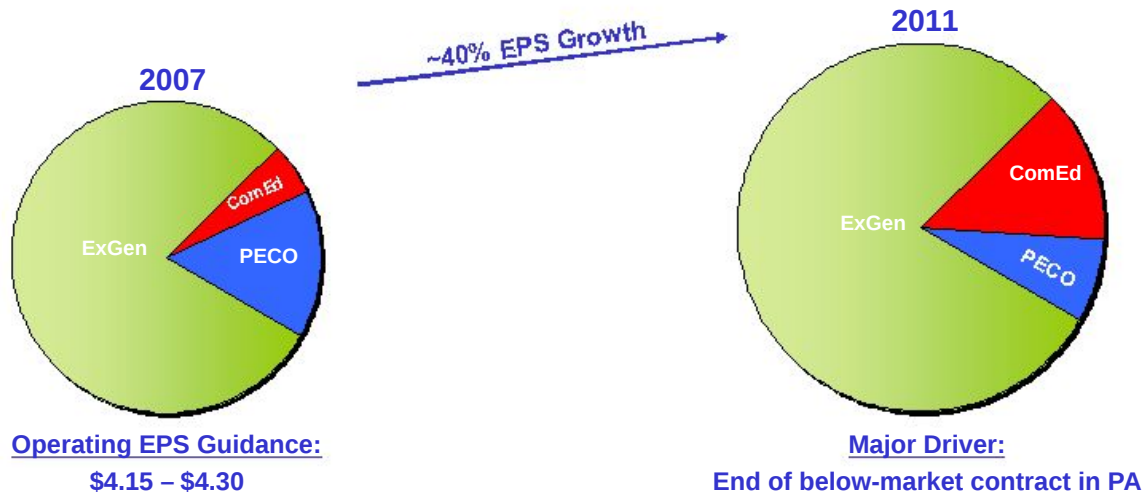
Operating EPS: \$4.00 - \$4.40  
 GAAP EPS: \$3.70 - \$4.10



2007 Operating EPS Guidance of \$4.15 - \$4.30  
 2008 Operating EPS Guidance of \$4.00 - \$4.40

(1) Refer to Appendix for key assumptions supporting 2008 earnings guidance and for expected 2008 earnings drivers for Exelon Generation, ComEd and PECO. Operating Company ranges do not add to Exelon guidance of \$4.00 - \$4.40/share due to rounding.

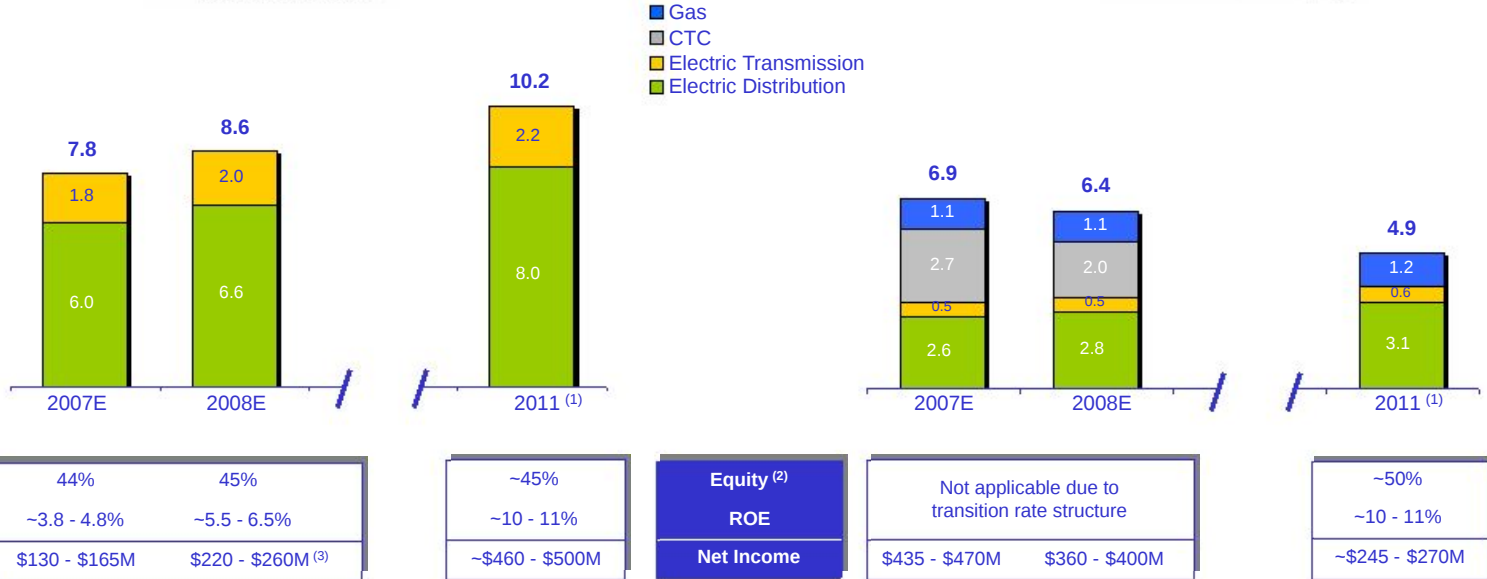
# Exelon Is Uniquely Positioned for Sustainable Value Creation



~9% Compound Annual Growth Rate in EPS from 2007 to 2011

## Average Annual Rate Base (\$ in Billions)

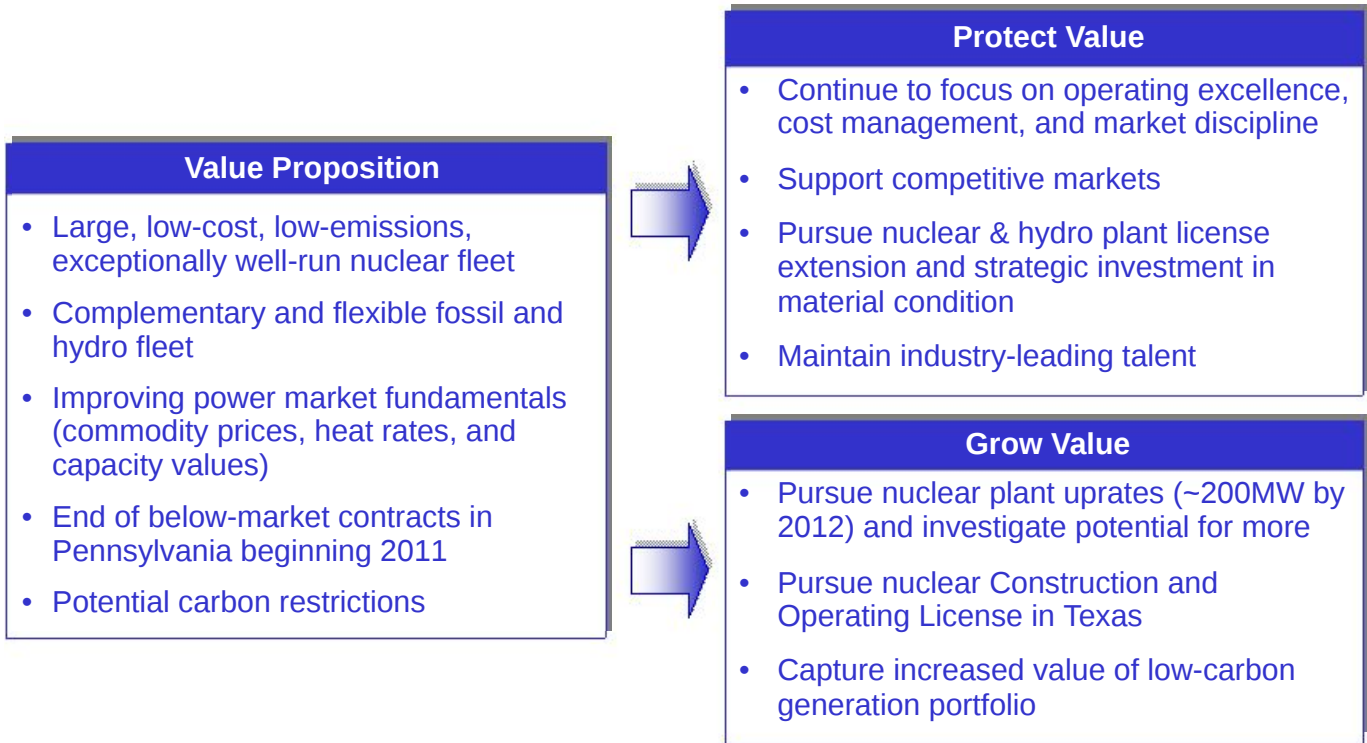
Numbers may not sum due to rounding



(1) Illustrative. Provided solely to illustrate possible future outcomes that are based on a number of different assumptions, all of which are subject to uncertainties and should not be relied upon as a forecast of future results.

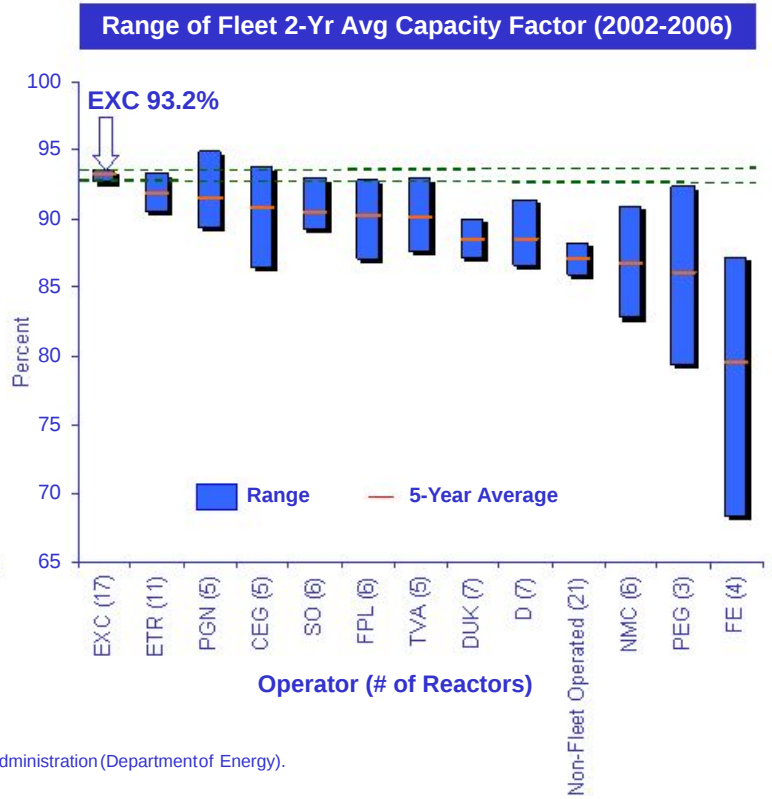
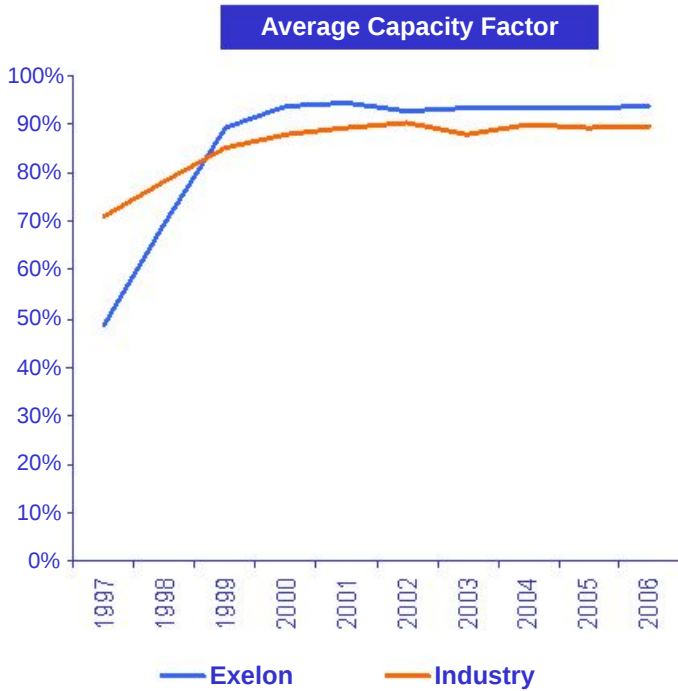
(2) ComEd estimated equity based on definition provided in most recent ICC distribution rate case order (book equity less goodwill). Projected book equity ratio in 2007 is 58%.

(3) ComEd 2008 estimated net income assumes full \$361M revenue increase granted in current distribution rate case.



Exelon Generation is the premier unregulated generation company – positioned to capture market opportunities and manage risk



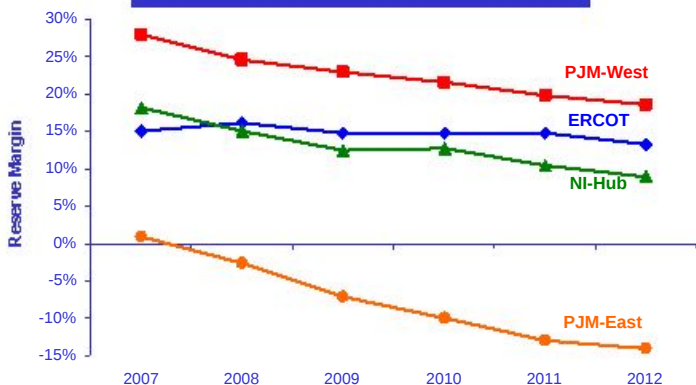


Note: Exelon data prior to 2000 represent ComEd-only nuclear fleet.  
 Sources: Platt's, Nuclear News, Nuclear Energy Institute and Energy Information Administration (Department of Energy).

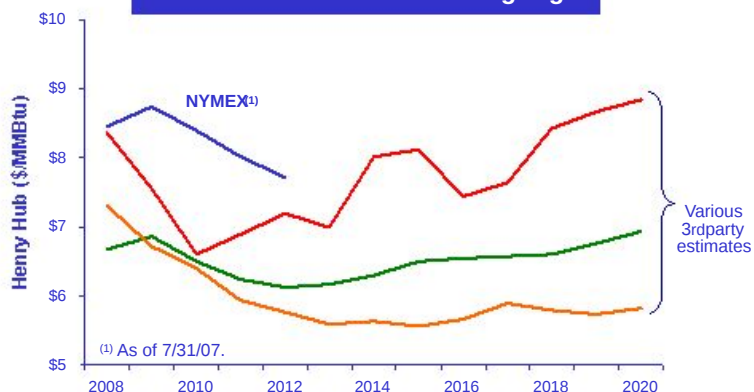


# Positively Exposed to Market Dynamics

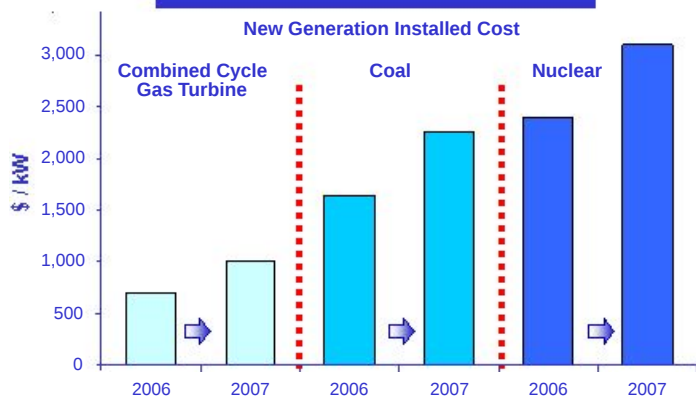
**Reserve Margins Declining**



**Natural Gas Prices Remaining High**

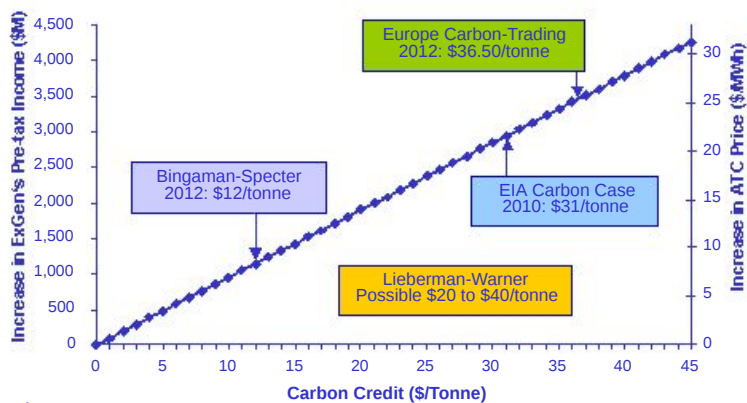


**Construction Costs Escalating**

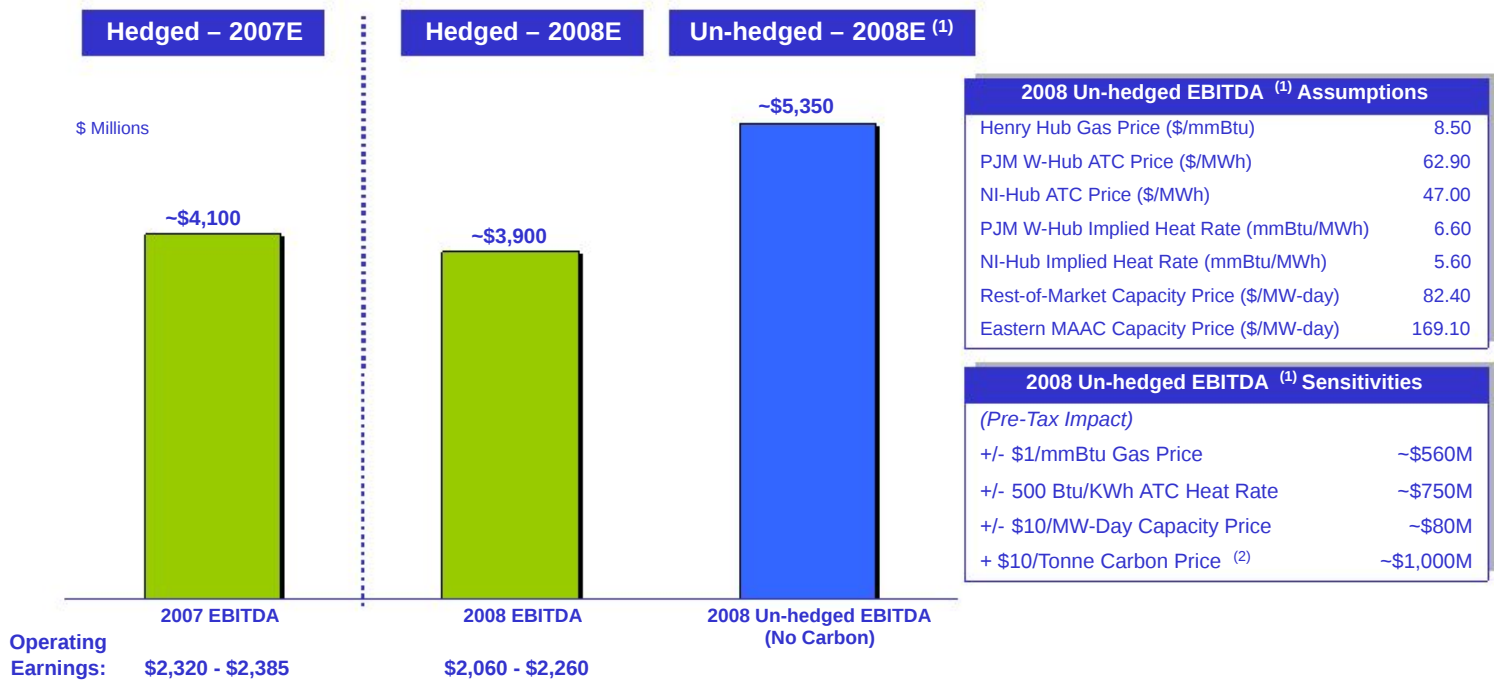


Note: Illustrative estimate. Overnight, all-in capital cost without interest during construction.

**Carbon Legislation Progressing**



# 2008 “Open” EBITDA



Un-hedged (“Open”) EBITDA plus upside from energy, capacity, and carbon drives Exelon Generation’s value

(1) Un-hedged EBITDA assumes that existing hedges (including the PECO load, Illinois auction load, ComEd financial swap, and other sales) are priced at market prices as of 7/31/07.  
 (2) 1 tonne = 2,205 lbs.

- Announced a new Value Return Policy last December
  - Established annual base dividend of \$1.76/share; anticipated to grow modestly over time
  - Returns excess cash and/or balance sheet capacity through share repurchases
- Executed a \$1.25 billion accelerated share repurchase agreement in September 2007

## Today's announcement:

- New share repurchase program of \$500 million
  - Incremental to \$1.25 billion buyback executed in September 2007 and to any additional buybacks that may be authorized in 2008
- Annual base dividend rate reset at \$2.00/share (beginning Q1 2008); anticipated to grow modestly over time <sup>(1)</sup>
  - Higher base dividend reflects higher expected long-term earnings due to improved market fundamentals

(1) Future dividends are subject to declaration by the Board of Directors.

# 2008 Projected Sources and Uses of Cash



| \$ Millions                                       | Exelon <sup>(4)</sup> |
|---|-----------------------|
| Cash Flow from Operations <sup>(1)</sup>          | \$4,450               |
| Capital Expenditures                              | (\$3,120)             |
| Net Financing (excluding Dividend) <sup>(2)</sup> | \$1,220               |
| <b>Cash available before Dividend</b>             | <b>\$2,550</b>        |
| Dividend <sup>(3)</sup>                           | (\$1,310)             |
| <b>Cash available after Dividend</b>              | <b>\$1,240</b>        |

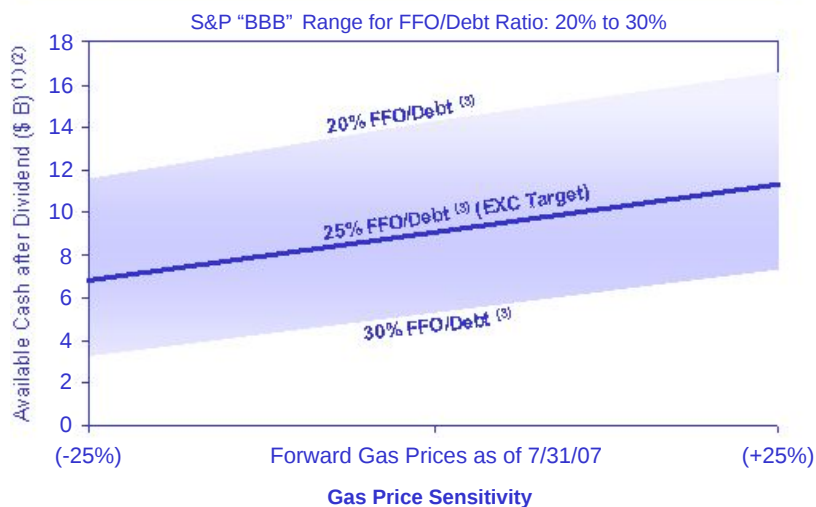
(1) Cash Flow from Operations = Net cash flows provided by operating activities less net cash flows used in investing activities other than capital expenditures.

(2) Net Financing (excluding Dividend) = Net cash flows used in financing activities excluding dividends paid on common and preferred stock.

(3) Assumes 2008 Dividend of \$2.00 per share.

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

## 2008 - 2012 Cumulative Available Cash (Illustrative)



## 2008 - 2012 Potential Uses of Available Cash

- Growth opportunities
- Future unfunded liabilities
- Buffer against potentially lower commodity prices
- Share repurchases or other value return options

Exelon expects to create substantial incremental balance sheet capacity over the next five years, based on planning assumptions

(1) Available Cash after Dividend = Cash Flow from Operations - CapEx - Dividends +/- Net Financings. Cash Flow from Operations = Net cash flows provided by operating activities less net cash flows used in investing activities other than capital expenditures. Net Financing (excluding Dividends) = Net cash flows used in financing activities excluding dividends paid on common stock. Assumes annualized dividend of \$2.00 /share in 2008, growing 5% annually; actual amounts may vary, subject to board approval.

(2) Available Cash after Dividend excludes any benefit from potential carbon impact.

(3) See "FFO Calculation and Ratios" definitions slide in Appendix. FFO / Debt includes: debt equivalents for purchased power agreements, unfunded pension and other postretirement benefits obligations, capital adequacy for energy trading, and related imputed interest.

- Continued strong financial and operating performance, and long-term earnings growth driven by unregulated generation
- Largest, lowest-cost nuclear fleet in competitive markets
- Executing regulatory recovery plan to put ComEd on a path toward appropriate returns and solid credit metrics
- Managing transition to competitive markets in Pennsylvania
- Increasingly strong cash flows and balance sheet
- Implementing Value Return Policy

Exelon is uniquely positioned to create sustainable value

# Sustainable value

# Appendix



# Key Assumptions



|   | 2005 Actual | 2006 Actual | 2007 Est.             | 2008 Est.             |
|---|-------------|-------------|-----------------------|-----------------------|
| Nuclear Capacity Factor (%) <sup>(1)</sup>                | 93.5        | 93.9        | 94.7                  | 93.1                  |
| Total Genco Sales Excluding Trading (GWhs)                | 194,337     | 190,680     | 190,700               | 189,300               |
| Total Genco Sales to Energy Delivery (GWhs)               | 121,961     | 119,354     | 40,900 <sup>(5)</sup> | 41,100 <sup>(5)</sup> |
| Total Genco Market and Retail Sales (GWhs) <sup>(2)</sup> | 72,376      | 71,326      | 149,800               | 148,200               |
| Henry Hub Gas Price (\$/mmBtu)                            | 8.85        | 6.74        | 7.00                  | 8.50                  |
| PJM West Hub ATC Price (\$/MWh)                           | 60.92       | 51.07       | 57.1                  | 62.90                 |
| Tetco M3 Gas Price (\$/mmBtu)                             | 9.67        | 7.31        | 7.80                  | 9.50                  |
| PJM West Hub Implied ATC Heat Rate (mmbtu/MWh)            | 6.30        | 6.98        | 7.30                  | 6.60                  |
| NI Hub ATC Price (\$/MWh)                                 | 46.39       | 41.42       | 43.60                 | 47.00                 |
| Chicago City Gate Gas Price (\$/mmBtu)                    | 8.41        | 6.56        | 6.80                  | 8.40                  |
| NI Hub Implied ATC Heat Rate (mmbtu/MWh)                  | 5.52        | 6.32        | 6.40                  | 5.60                  |
| PJM East Capacity Price (\$/MW-day)                       | 0.13        | 1.75        | 115.40                | 169.10                |
| PJM West Capacity Price (\$/MW-day)                       | 0.13        | 1.75        | 23.90                 | 82.40                 |
| Electric Delivery Growth (%) <sup>(3)</sup>               |             |             |                       |                       |
| PECO  | 0.9         | 1.2         | 2.0                   | 1.2                   |
| ComEd   | 1.3         | 0.6         | 1.2                   | 1.6                   |
| Effective Tax Rate (%) <sup>(4)</sup>                     | 37.5        | 37.0        | 37.3                  | 37.2                  |

(1) Excludes Salem.

(2) 2008 estimate includes Illinois Auction sales.

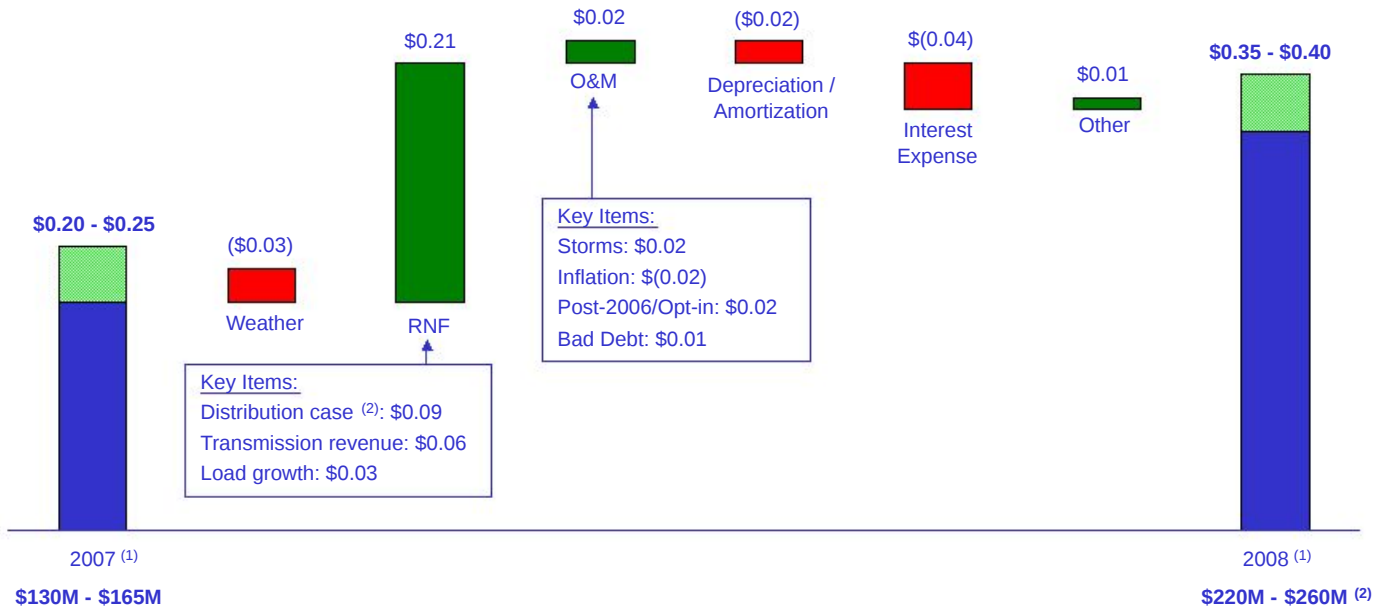
(3) Weather-normalized retail load growth.

(4) Excludes results related to investments in synthetic fuel-producing facilities.

(5) Sales to PECO only.

# ComEd 2008 EPS Contribution

\$ / Share



**ComEd's operating earnings are expected to increase in 2008 primarily due to execution of its Regulatory Recovery Plan**

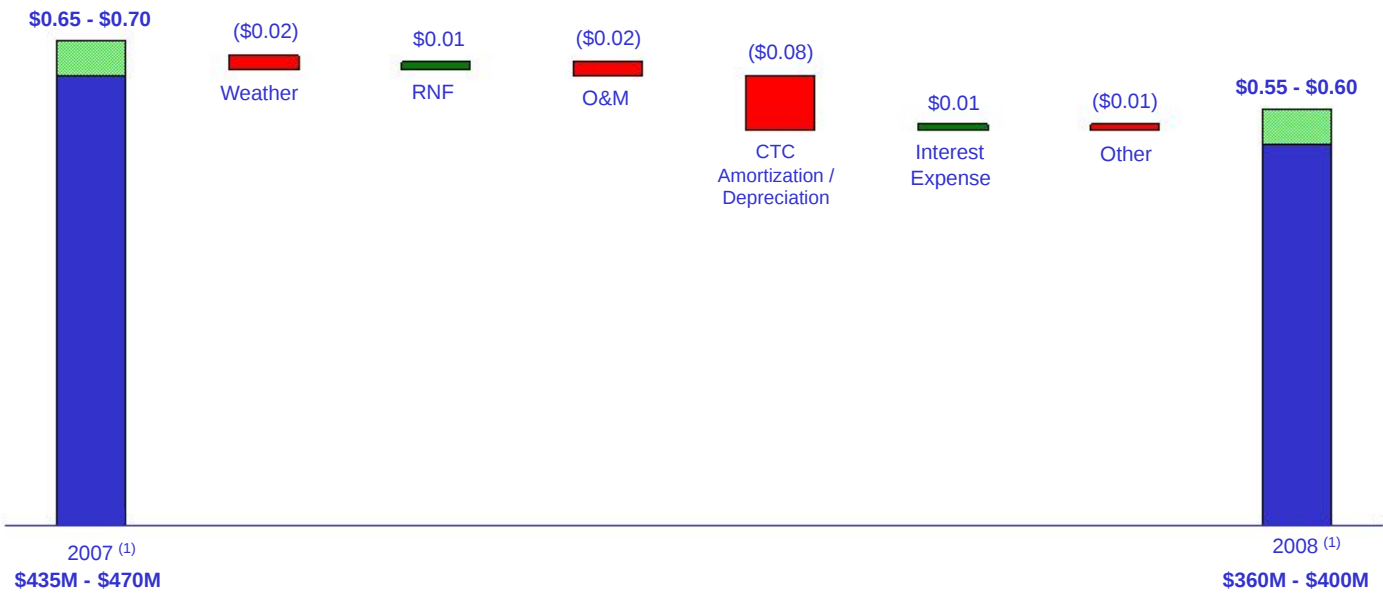
NOTE: Refer to "Key Assumptions" slide in Appendix.

(1) Estimated contribution to Exelon's operating earnings guidance.

(2) Assumes full \$361M revenue increase granted in current distribution rate case and effective 10/1/08.

# PECO 2008 EPS Contribution

\$ / Share



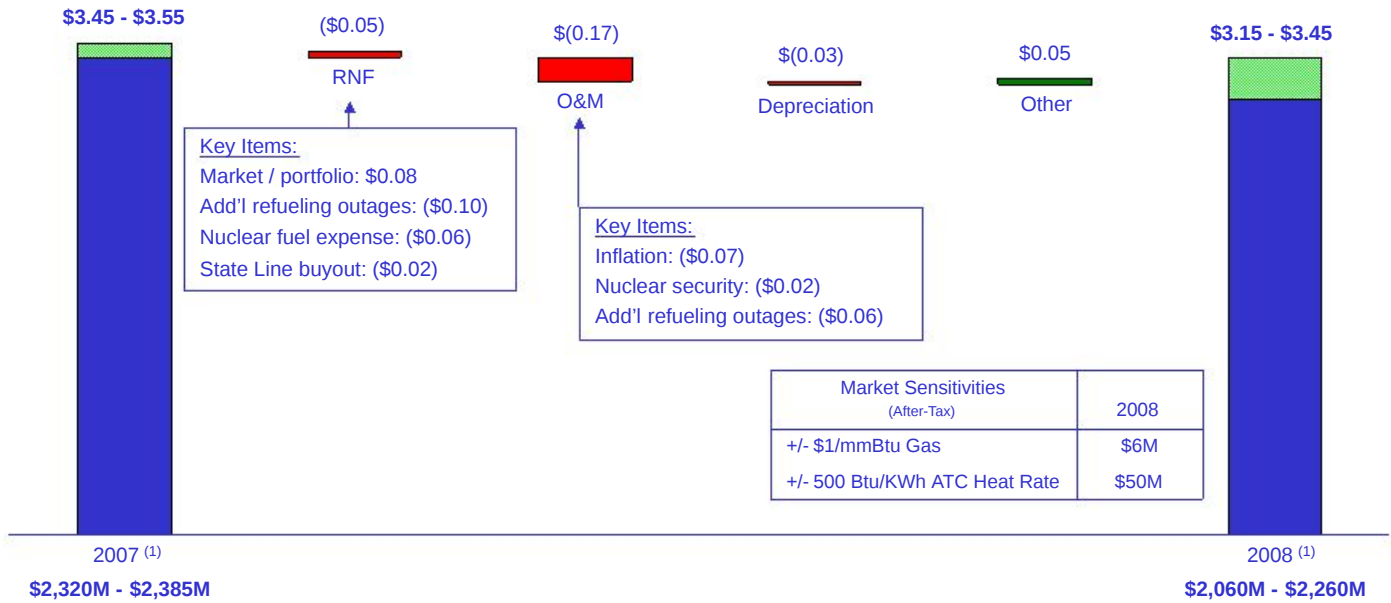
**PECO's operating earnings are expected to decrease in 2008 primarily due to increasing CTC amortization expense**

NOTE: Refer to "Key Assumptions" slide in Appendix.

(1) Estimated contribution to Exelon's operating earnings guidance.

# Exelon Generation 2008 EPS Contribution

\$ / Share



Exelon Generation's earnings are impacted primarily by increased number of refueling outages and nuclear fuel expense

NOTE: Refer to "Key Assumptions" slide in Appendix.

(1) Estimated contribution to Exelon's operating earnings guidance.

# Projected 2008 Key Credit Measures



|                             |   | With PPA & Pension / OPEB <sup>(1)</sup> | Without PPA & Pension / OPEB <sup>(2)</sup> | S&P Credit Ratings <sup>(3)</sup> | "BBB" Target Range <sup>(4)</sup> |
|-----------------------------|---|--|---|-----------------------------------|-----------------------------------|
| <b>Exelon Consolidated:</b> | FFO / Interest  | 4.6x                                     | 5.6x  | <b>BBB</b>                        | 3.2x – 4.5x                       |
|                             | FFO / Debt  | 22%                                      | 29%   |                                   |                                   |
|                             | Rating Agency Debt Ratio<br>Adjusted Book Debt Ratio: 55% | 69%                                      | 62%   |                                   |                                   |
| <b>ComEd:</b>               | FFO / Interest  | 2.6x                                     | 2.6x  | <b>BBB</b>                        | 3.5x – 5.5x                       |
|                             | FFO / Debt  | 9%                                       | 11%   |                                   |                                   |
|                             | Rating Agency Debt Ratio<br>Adjusted Book Debt Ratio: 44% | 60%                                      | 57%   |                                   |                                   |
| <b>PECO:</b>                | FFO / Interest  | 4.1x                                     | 4.1x  | <b>A</b>                          | 2.5x – 3.5x                       |
|                             | FFO / Debt  | 17%                                      | 20%   |                                   |                                   |
|                             | Rating Agency Debt Ratio<br>Adjusted Book Debt Ratio: 49% | 52%                                      | 49%   |                                   |                                   |
| <b>Exelon Generation:</b>   | FFO / Interest  | 7.2x                                     | 13.9x                                       | <b>BBB+</b>                       | 3.5x – 5.5x                       |
|                             | FFO / Debt  | 43%                                      | 77%   |                                   |                                   |
|                             | Rating Agency Debt Ratio<br>Adjusted Book Debt Ratio: 44% | 60%                                      | 44%   |                                   |                                   |

Notes: Projected credit measures reflect impact of Illinois electric rates and policy settlement. Exelon, ComEd and PECO metrics exclude securitization debt. See following slide for FFO (Funds from Operations)/Interest, FFO/Debt and Adjusted Book Debt Ratio reconciliations to GAAP.

(1) Reflects S&P updated guidelines, which include imputed debt and interest related to purchased power agreements (PPA), unfunded pension and other postretirement benefits (OPEB) obligations, capital adequacy for energy trading, operating lease obligations, and other off-balance sheet debt. Debt is imputed for estimated pension and OPEB obligations by operating company.

(2) Excludes items listed in note (1) above.

(3) Current senior unsecured ratings for Exelon and Generation and senior secured ratings for ComEd and PECO as of 12/14/07.

(4) Based on S&P Business Profiles: 7 for Exelon, 8 for Generation and ComEd, and 4 for PECO.

## FFO Calculation

|  |
|--|
| Net Income   |
| Add back non-cash items:   |
| + Depreciation, amortization (including nucl fuel amortization), AFUDC/Cap. Interest |
| + Change in Deferred Taxes   |
| + Gain on Sale, Extraordinary Items and Other Non-Cash Items <sup>(3)</sup>          |
| - PECO Transition Bond Principal Paydown   |
| <b>= FFO</b>   |

## FFO Interest Coverage

|   |
|---|
| $\frac{FFO + Adjusted\ Interest}{Adjusted\ Interest}$   |
| Net Interest Expense (Before AFUDC & Cap. Interest)   |
| - PECO Transition Bond Interest Expense   |
| + 7% of Present Value (PV) of Operating Leases  |
| + Interest on imputed debt related to PV of Purchased Power Agreements (PPA), unfunded Pension and Other Postretirement Benefits (OPEB) obligations, and Capital Adequacy for Energy Trading <sup>(2)</sup> , as applicable |
| <b>= Adjusted Interest</b>  |

## Debt to Total Cap

|  |   |
|--|---|
| $\frac{Adjusted\ Book\ Debt}{Total\ Adjusted\ Capitalization}$ | $\frac{Rating\ Agency\ Debt}{Rating\ Agency\ Capitalization}$ |
| <b>Debt:</b>   | <b>Adjusted Book Debt</b>                                     |
| + LTD  | + Off-balance sheet debt equivalents <sup>(2)</sup>           |
| + STD  | + ComEd Transition Bond Principal Balance                     |
| - Transition Bond Principal Balance                            |   |
| <b>= Adjusted Book Debt</b>                                    | <b>= Rating Agency Debt</b>                                   |
| <b>Capitalization:</b>   | <b>Total Adjusted Capitalization</b>                          |
| + Total Shareholders' Equity                                   | - Goodwill  |
| + Preferred Securities of Subsidiaries                         | + Off-balance sheet debt equivalents <sup>(2)</sup>           |
| + Adjusted Book Debt   |   |
| <b>= Total Adjusted Capitalization</b>                         | <b>= Total Rating Agency Capitalization</b>                   |

## FFO Debt Coverage

|   |
|---|
| $\frac{FFO}{Adjusted\ Debt\ ^{(1)}}$                      |
| <b>Debt:</b>  |
| + LTD   |
| + STD   |
| - PECO Transition Bond Principal Balance                  |
| Add off-balance sheet debt equivalents:                   |
| + A/R Financing   |
| + PV of Operating Leases                                  |
| + 100% of PV of Purchased Power Agreements <sup>(2)</sup> |
| + Unfunded Pension and OPEB obligations <sup>(2)</sup>    |
| + Capital Adequacy for Energy Trading <sup>(2)</sup>      |
| <b>= Adjusted Debt</b>                                    |

Note: Reflects S&P guidelines and company forecast. FFO and Debt related to non-recourse debt are excluded from the calculations.

(1) Uses current year-end adjusted debt balance.

(2) Metrics are calculated in presentation unadjusted and adjusted for debt equivalents and related interest for PPAs, unfunded Pension and OPEB obligations, and Capital Adequacy for Energy Trading.

(3) Reflects depreciation adjustment for PPAs and decommissioning interest income and contributions.



# Sustainable value



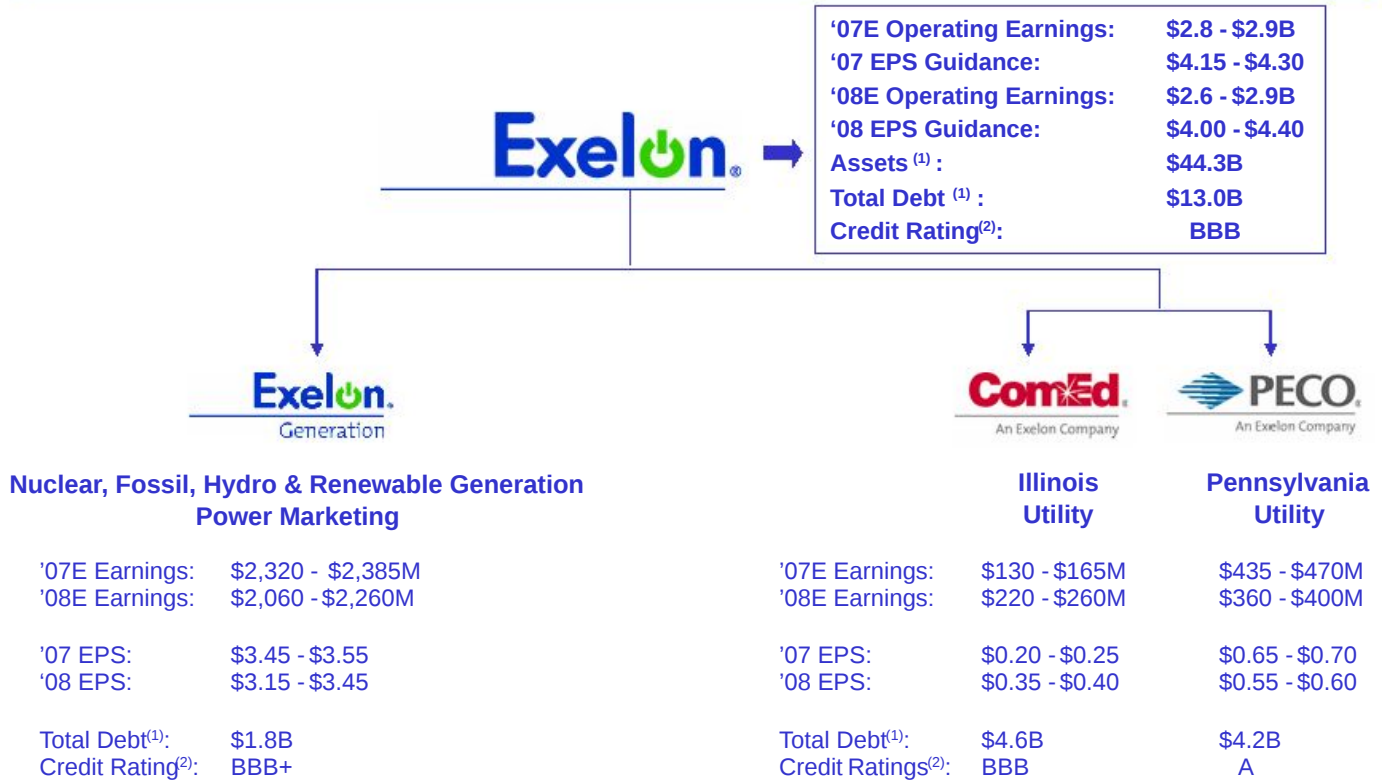
## Supplemental Information

2007 Exelon Investor Conference  
December 19, 2007

Exelon®

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Note: All estimates represent adjusted (Non-GAAP) Operating Earnings and EPS. Exelon Generation, ComEd and PECO estimates represent expected contribution to Exelon's operating earnings EPS (per Exelon share). Refer to Appendix for reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS.

(1) As of 12/31/06.

(2) Standard & Poor's senior unsecured debt ratings for Exelon and Generation and senior secured debt ratings for ComEd and PECO as of 12/14/07.

## Exelon<sup>®</sup> Generation

### Total Capacity

Owned: 24,746 MW  
Contracted: 7,524 MW  
Total: 32,270 MW

### Midwest Capacity

Owned: 11,373 MW  
Contracted: 4,271 MW  
Total: 15,644 MW

### ERCOT/South Capacity

Owned: 2,222 MW  
Contracted: 2,917 MW  
Total: 5,139 MW

## ComEd<sup>®</sup> An Exelon Company

Electricity Customers: 3.8M

## PECO<sup>®</sup> An Exelon Company

Electricity Customers: 1.6M  
Gas Customers: 0.5M

### New England Capacity

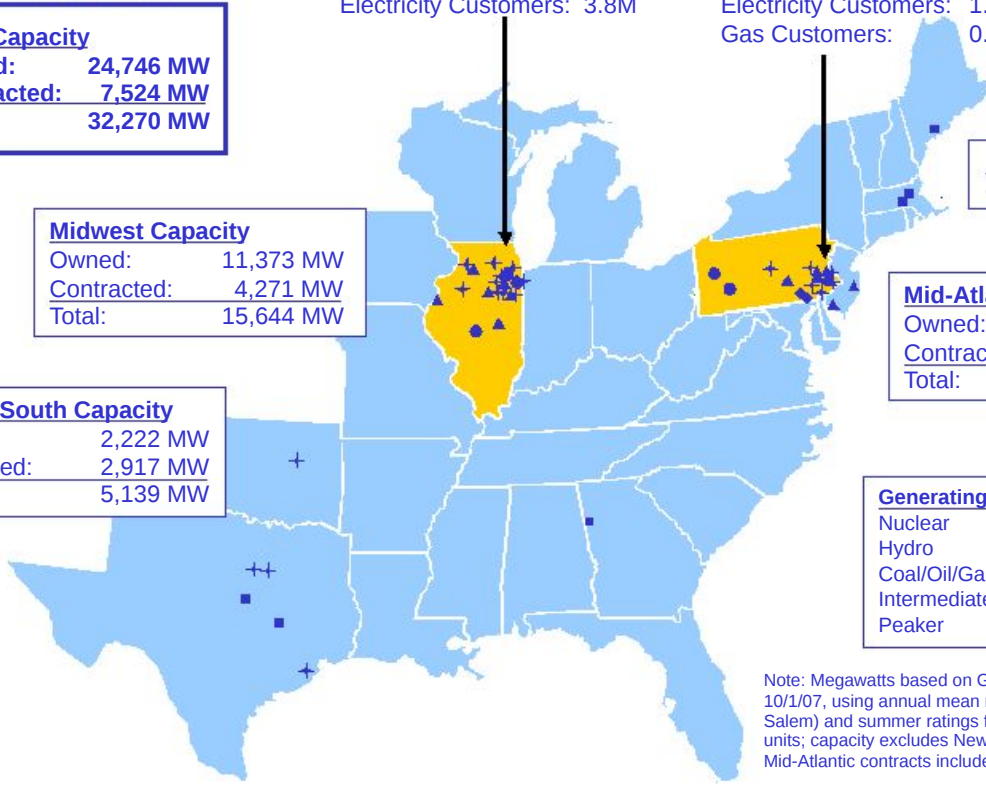
Owned: 181MW

### Mid-Atlantic Capacity

Owned: 10,970 MW  
Contracted: 336 MW  
Total: 11,306 MW

### Generating Plants

- Nuclear ▲
- Hydro ◆
- Coal/Oil/Gas Base-load ●
- Intermediate ■
- Peaker +



Note: Megawatts based on Generation's ownership as of 10/1/07, using annual mean ratings for nuclear units (excluding Salem) and summer ratings for Salem and the fossil and hydro units; capacity excludes New Boston Unit 1 and State Line PPA. Mid-Atlantic contracts include wind and cogeneration projects.

## Customer Focused



- Immediate rate relief for customers
- Provisions to help stabilize rates
- Energy efficiency and demand response programs and renewable portfolio standards

## Protects Competitive Markets



- Continued ComEd membership in PJM
- Competitive procurement for supply
- Filed competitive declaration for 100 -400 kW customers
- Statute mandates cost recovery for purchased power

## Protects Value of Generation



- Eliminated the IL Attorney General's challenges to the 2006 auction
- Financial swap at market prices
- No generation tax


## Provides Strategic Flexibility



- Reduced uncertainty around conditions for ICC approval for strategic transactions such as reorganizations or mergers

# 2008 Projected Sources and Uses of Cash



| (\$ in Millions)                                  | <br>An Exelon Company | <br>An Exelon Company | <br>Generation | <b>Exelon (1)</b> |
|---|--|--|---|-------------------|
| Cash Flow from Operations <sup>(1)</sup>          | \$700  | \$920  | \$2,740   | \$4,450           |
| Capital Expenditures                              | (\$1,000)  | (\$390)  | (\$1,600)   | (\$3,120)         |
| Net Financing (excluding Dividend) <sup>(2)</sup> | \$300  | (\$50)   | \$1,240   | \$1,220           |
| <b>Cash available before Dividend</b>             | <b>\$0</b>   | <b>\$480</b>   | <b>\$2,380</b>  | <b>\$2,550</b>    |
| Dividend <sup>(3)</sup>                           |  |  |   | (\$1,310)         |
| <b>Cash available after Dividend</b>              |  |  |   | <b>\$1,240</b>    |

(1) Cash Flow from Operations = Net cash flows provided by operating activities less net cash flows used in investing activities other than capital expenditures.

(2) Net Financing (excluding Dividend) = Net cash flows used in financing activities excluding dividends paid on common and preferred stock.

(3) Assumes 2008 Dividend of \$2.00 per share.

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

# O&M and CapEx Expectations

(\$ in Millions)

| O&M            | <br>An Exelon Company | <br>An Exelon Company | <br>Generation |  | Exelon <sup>(1)</sup> |
|----------------|-----------------------|-----------------------|----------------|--|-----------------------|
| 2007E          | \$1,030               | \$620                 | \$2,450        |  | \$4,090               |
| 2008E          | \$1,020               | \$650                 | \$2,620        |  | \$4,250               |
| 2008-2012 CAGR | 2-3%                  | 2-3%                  | 2-3%           |  | 2-3%                  |

(\$ in Millions)

| CapEx          | <br>An Exelon Company | <br>An Exelon Company | Nuclear Fuel | Other             | Exelon <sup>(1)</sup> |
|----------------|-----------------------|-----------------------|--------------|-------------------|-----------------------|
| 2007E          | \$1,060               | \$350                 | \$580        | \$720             | \$2,740               |
| 2008E          | \$1,000               | \$390                 | \$730        | \$870             | \$3,120               |
| 2008-2012 CAGR | 3-4%                  | 1-2%                  | ~15%         | NM <sup>(2)</sup> | NM <sup>(2)</sup>     |

Note: Reflects operating O&M data and excludes Decommissioning Trust Fund impact.

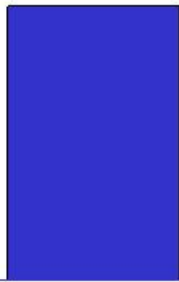
(1) Includes eliminations and other corporate entities.

(2) Due to varying capital investment for the period 2008-2012, the CAGR is not meaningful.

# Industry Is Facing a Capital Investment Challenge

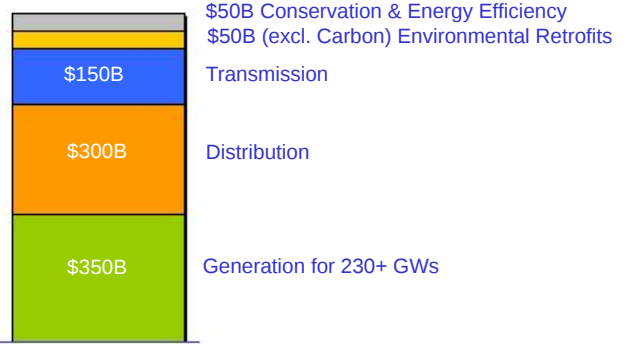
## Current Industry Market Cap (\$B)

~\$750B



## CapEx Spend Next 15 Years (\$B)

~\$900B



Source: Cambridge Energy Research Associates

Investment required over the next 15 years exceeds the current market capitalization of the entire electric industry

**ComEd<sup>®</sup>**

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# ComEd Transmission Case Settlement (1)

(Docket Nos. ER07-583-000 & EL07-41-000)

| (\$ in millions)                                 | FERC Filing<br>3/1/07    | Preliminary Order<br>6/5/07 | Settlement Filing<br>10/5/07 (1) |
|--|--------------------------|-----------------------------|----------------------------------|
| <b>Total Revenue Requirement (in year 1) (2)</b> | \$415                    | \$387                       | <b>\$364</b>                     |
| <b>Revenue Requirement increase (in year 1)</b>  | \$146                    | \$116 (3)                   | <b>\$93</b>                      |
| <b>Rate Base (in year 1)</b>                     | \$1,826                  | \$1,744                     | <b>\$1,672 (4)</b>               |
| <b>Common Equity Ratio</b>                       | 58%                      | 58%                         | <b>58% (5)</b>                   |
| <b>Return on Equity (ROE) (6)</b>                | 12.20%                   | 12.20%                      | <b>11.50%</b>                    |
|  | 11.70% + 0.50% RTO adder | 11.70% + 0.50% RTO adder    | 11.0% + 0.50% RTO adder          |
| <b>Return on Rate Base (ROR)</b>                 | 9.87%                    | 9.87%                       | <b>9.40%</b>                     |

**Rate settlement establishes reasonable framework for timely recovery of transmission investment on an annual basis through formula rates**

(1) Subject to final FERC approval.

(2) Included a request for project incentives of \$16 million.

(3) Rates effective 5/1/07, subject to refund.

(4) Excludes pension asset; 6.51% debt return allowed in operating expenses.

(5) Equity cap of 58% for 2 years, declining to 55% by 2011.

(6) ROE is fixed and not subject to annual updating.

RTO = Regional Transmission Organization



- Annual filing by May 15th will update the current year revenue requirement and true-up prior year to actual:
  - Update current year
  - Estimate current year revenue requirement using updated costs based on prior year actual data per FERC Form 1 plus projected plant additions for the current calendar year
  - True-up prior year
  - Perform a true-up of the prior year's rates by comparing prior year actual data per FERC Form 1 to the estimate used for that year; over/under-recoveries for the prior year are collected in the current year
- Rates take effect on June 1st
- Interested parties have 180 days to submit information requests and raise concerns; unresolved concerns go before FERC for resolution

The combination of annual updating and true-up virtually eliminates regulatory lag

(1) Subject to final FERC approval.

(Docket No. 07-566)

| \$ in millions)   | <b>Requested Revenue Requirement Increase</b> |
|---|---|
| Rate Base: \$7,071 <sup>(1)</sup>   | \$215 <sup>(2)</sup>                          |
| Capital Structure <sup>(3)</sup> : ROE - 10.75% /<br>Common Equity - 45.11% / ROR - 8.55% | \$50  |
| Administrative & General expenses <sup>(4)</sup>  | \$99  |
| O&M expenses  | \$48  |
| Other adjustments <sup>(5)</sup>  | \$(51)  |
| <b>Total (\$2,049 revenue requirement)</b>  | <b>\$361 <sup>(6)</sup></b>                   |

**Revenue increase needed to recover significant distribution system investment and represents an important step in ComEd's regulatory recovery plan**

(1) Based on 2006 test year, including pro forma capital additions through 3Q 2008; represents a \$1,550 million increase from 2006 ICC order.

(2) Includes increased depreciation expense associated with capital additions.

(3) Requested cap structure does not include goodwill; ICC docket 05-0597 allowed 10.045% ROE, 42.86% equity ratio and 8.01% ROR (return on rate base).

(4) Primarily includes increases in pension and other post-retirement benefits costs and effects of a reclassification of rental revenue of \$20 million, which is offset in "Other adjustments".

(5) Includes taxes other than income, regulatory expenses, and reductions for other revenues and load growth.

(6) Or approximately \$359 million adjusted for normal weather.

- Filed: October 17, 2007
- Staff & Intervenor Direct Testimony: February 11, 2008
- ComEd Rebuttal Testimony: March 12
- Staff & Intervenor Rebuttal Testimony: April 8
- ComEd Surrebuttal Testimony: April 21
- Hearings: April 28 - May 5
- Initial Briefs: May 29
- Reply Briefs: June 12
- Administrative Law Judge (ALJ) Order expected: July
- Final Illinois Commerce Commission (ICC) Order expected: September 2008

- Financial Swap Agreement between ComEd and Exelon Generation promotes price stability for residential and small business customers
- Designed to dovetail with ComEd's remaining auction contracts for energy, increasing in volume as the auction contracts expire
  - Will cover about 60% of the energy that ComEd's residential and small business customers use
- Includes ATC baseload energy only
  - Does not include capacity, ancillary services or congestion

| Portion of Term                     | Fixed Price (\$/MWH) | Notional Quantity (MW) |
|-------------------------------------|----------------------|------------------------|
| June 1, 2008 - December 31, 2008    | \$47.93              | 1,000                  |
| January 1, 2009 - May 31, 2009      | \$49.04              | 1,000                  |
| June 1, 2009 - December 31, 2009    | \$49.04              | 2,000                  |
| January 1, 2010 - May 31, 2010      | \$50.15              | 2,000                  |
| June 1, 2010 - December 31, 2010    | \$50.15              | 3,000                  |
| January 1, 2011 - December 31, 2011 | \$51.26              | 3,000                  |
| January 1, 2012 - December 31, 2012 | \$52.37              | 3,000                  |
| January 1, 2013 - May 31, 2013      | \$53.48              | 3,000                  |



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## Current State of Play

- Governor Rendell proposed an Energy Independence Strategy (EIS) in February 2007
  - Aimed at reducing energy costs, increasing clean energy sources, reducing reliance on foreign fuels and expanding energy production in PA
  - Funded through a systems benefit charge
- Special legislation session on Energy Policy began September 17<sup>th</sup>
  - Runs through mid-December

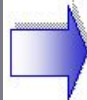


## PECO Actions

- Stakeholder outreach
- Working with industry coalition
- Negotiating legislative proposals with Administration and legislative leadership
  - Smart meters and real time pricing
  - Energy efficiency and demand side management programs
  - Procurement
  - Contracts for large industrials
  - Utilities owning generation
  - Rate increase deferral/phase-in
- Participating directly or through industry associations in legislative hearings and informational meetings
- Evaluating alternative proposals

## Position of Stakeholders

- Legislators concerned with cost of funding Governor's initiatives, no new taxes
- Rate freeze and/or generation tax legislation being considered
- Industry coalition working together to develop a comprehensive package



# Key Themes of Legislative Proposals

## Procurement



- ✓ Competitive procurement process utilizing auctions, RFPs, spot purchases and bilateral contracts
- ✓ Full and current cost recovery for default service provider (DSP)
- ✓ DSP must offer residential and small commercial customers a rate that changes no more frequently than annually with reconciliation for under or over-recovery

## Smart Meters



- ✓ Full deployment of smart meters within 6-10 years
- ✓ Full recovery for net costs of smart meter deployment through base rates or on full and current basis through automatic recovery mechanism
- ✓ Must submit a time-of-use rate plan with voluntary customer participation by the end of rate cap period

## Rate Phase-in Program



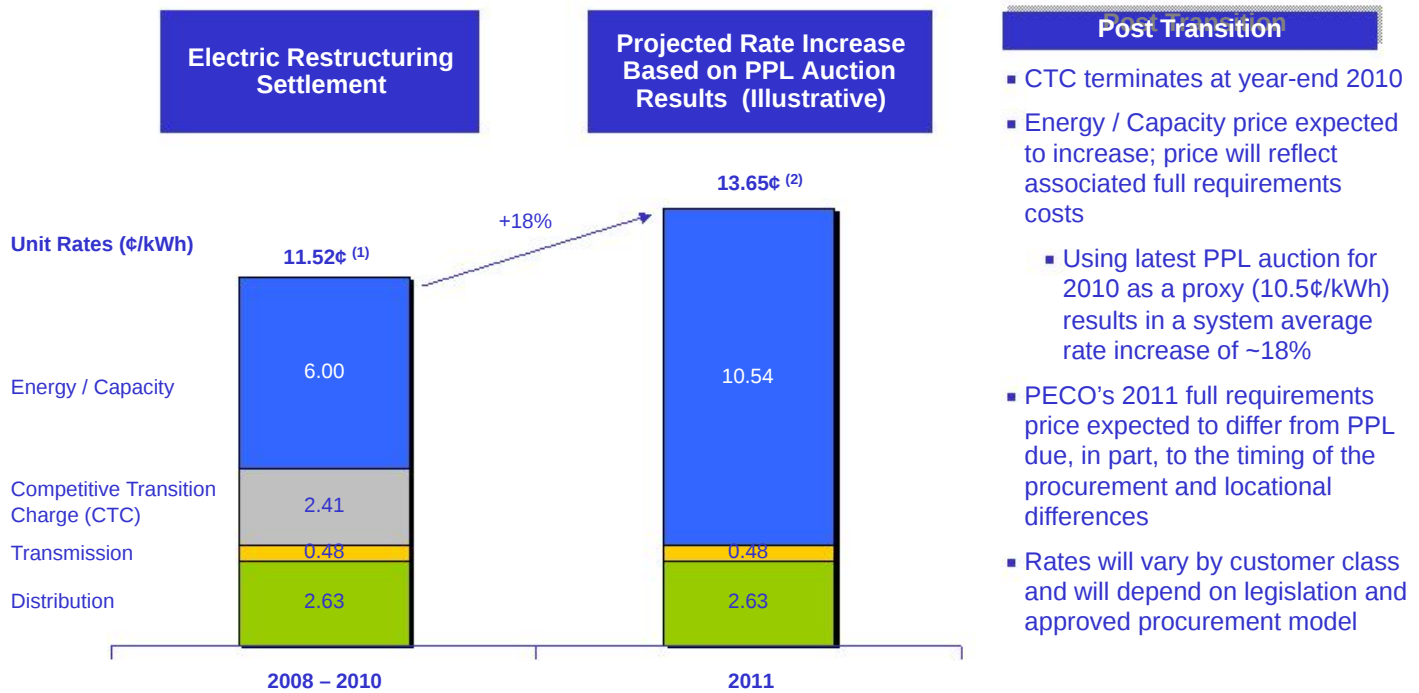
- ✓ Must file a rate phase-in plan for all customers with the option to phase-in rate increase if class average total rate increases by more than 15%
- ✓ Phase-in plans are to be opt-in for customer, provide utility with full recovery of carrying costs with return on deferred balance
- ✓ Securitization of deferred balance and carrying charges authorized
- ✓ Utility may propose an early phase-in plan

## Demand Side Response & Energy Efficiency (DSR/EE)



- ✓ Energy efficiency goal of usage reduction of 2% by 2013
- ✓ Peak demand reduction goal of 3% by 2012
- ✓ Utilities may file for cost recovery

# PECO Average Electric Rates



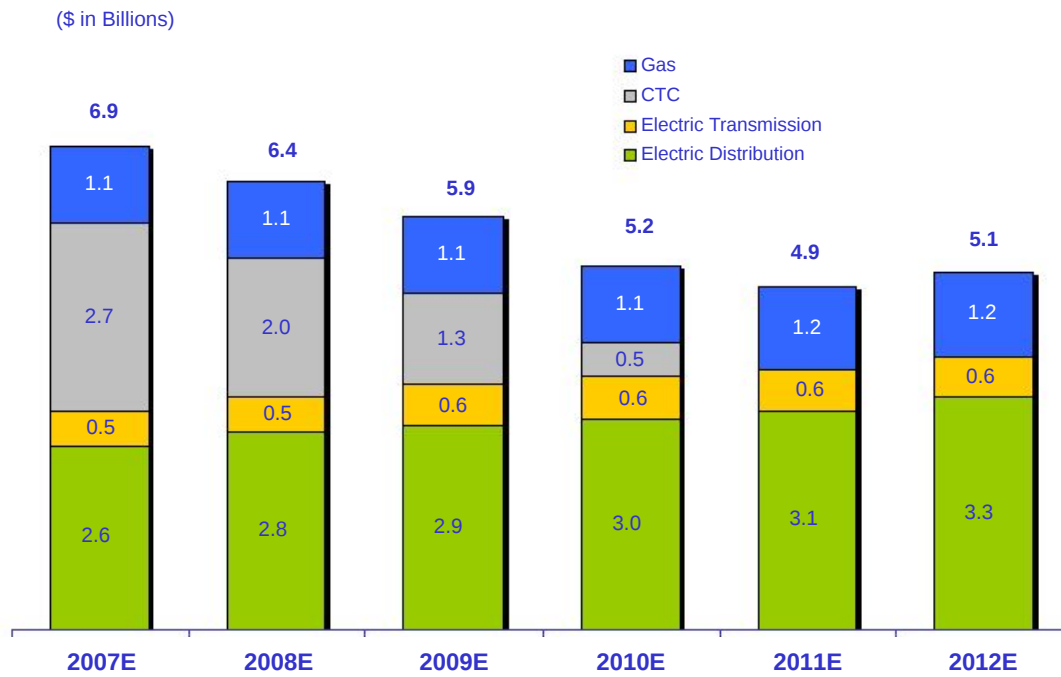
- CTC terminates at year-end 2010
- Energy / Capacity price expected to increase; price will reflect associated full requirements costs
  - Using latest PPL auction for 2010 as a proxy (10.5¢/kWh) results in a system average rate increase of ~18%
- PECO's 2011 full requirements price expected to differ from PPL due, in part, to the timing of the procurement and locational differences
- Rates will vary by customer class and will depend on legislation and approved procurement model

(1) System Average Rates based upon Restructuring Settlement Rate Caps on Energy and Capacity increased from original settlement by 1.6% to reflect the roll-in of increased Gross Receipts Tax and \$0.02/kWh for Universal Service Fund Charge and Nuclear Decommissioning Cost Adjustment. System Average Rates also adjusted for sales mix based on current sales forecast. Assumes continuation of current Transmission and Distribution Rates.

(2) Energy/Capacity Price is an average of the results for residential (10.51¢/kWh) and small commercial customers (10.58¢/kWh) from the second round of PPL Auction held 10/07. Assumes continuation of current Transmission and Distribution Rates.



# PECO Average Annual Rate Base

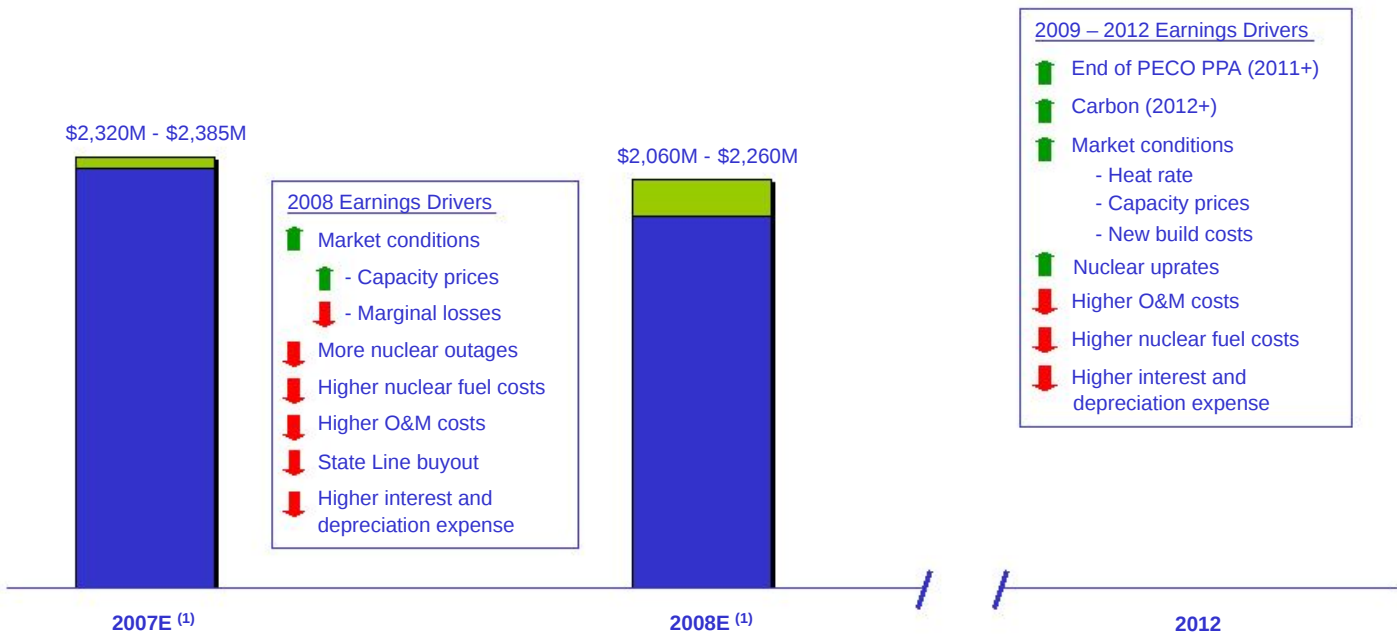


Exelon®

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Generation

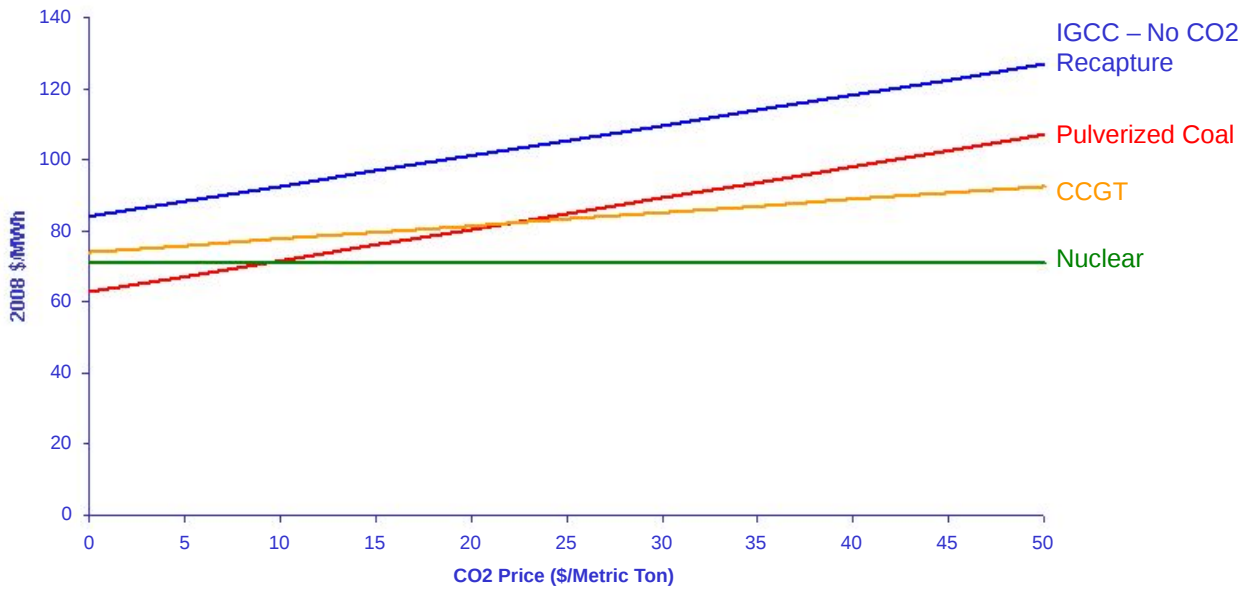
# Exelon Generation Operating Earnings



Exelon Generation is poised for significant earnings growth driven by improving market fundamentals, the end of the Pennsylvania transition period, and carbon legislation

(1) 2007 and 2008 estimated contribution to Exelon operating earnings; see Appendix for reconciliation of adjusted (non-GAAP) operating EPS to GAAP EPS.

# Long-Run Marginal Cost of Electricity



CCGT = Combined Cycle Gas Turbine; IGCC = Integrated Gasification Combined Cycle

Excluding energy efficiency, nuclear is the least expensive generation option in a carbon-constrained environment

**Power Team employs commodity hedging strategies to optimize Exelon Generation's earnings:**

- Maintain length for opportunistic sales
- Use cross commodity option strategies to enhance hedge activities
- Time hedging around view of market fundamentals
- Supplement portfolio with load following products
- Use physical and financial fuel products to manage variability in fossil generation output

**Financial Hedging Range<sup>(1)</sup>**

| Prompt Year<br>(2008)   | Second Year<br>(2009) | Third Year<br>(2010) |
|-------------------------|-----------------------|----------------------|
| <b>Target Ranges</b>    |                       |                      |
| 90% - 98%               | 70% - 90%             | 50% - 70%            |
| <b>Current Position</b> |                       |                      |
| Midpoint of range       | Upper end of range    | Above the range*     |

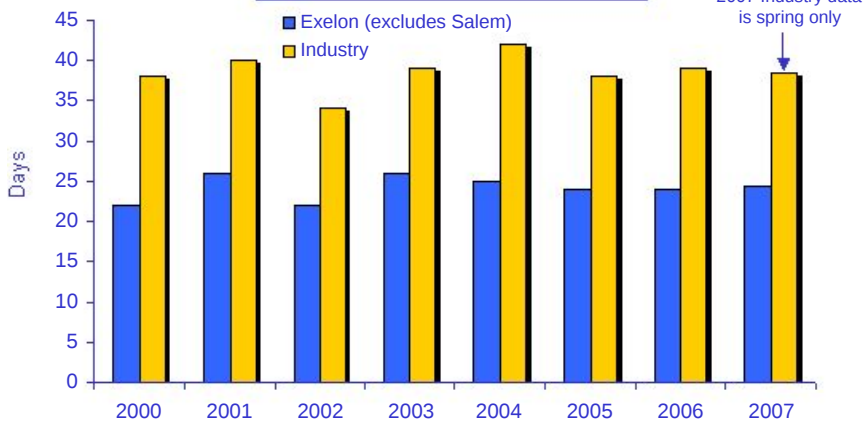
\* Due to ComEd financial swap

Flexibility in our targeted financial hedge ranges allows us to be opportunistic while mitigating downside risk

(1) Percent financially hedged is our estimate of the gross margin that is not at risk due to a market price drop and assuming normal generation operating conditions. The formula is: gross margin at the 5th percentile / expected gross margin.

# Impact of Refueling Outages

## Refueling Outage Duration



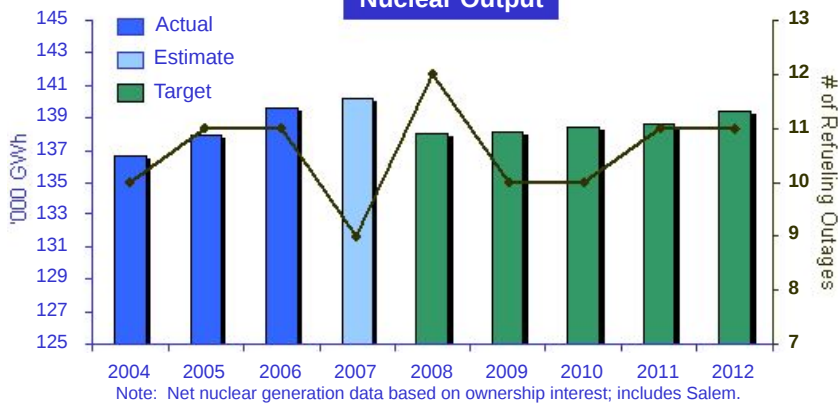
## Nuclear Refueling Cycle

- 18 or 24 months
- Duration: ~24 days

## 2008 Refueling Outage Impact

- 2008 is an exception:
  - Salem steam generator replacement
  - 3 more outages than 2007
- ~2,600 GWh less than 2007
- \$100-\$110M negative after-tax impact

## Nuclear Output

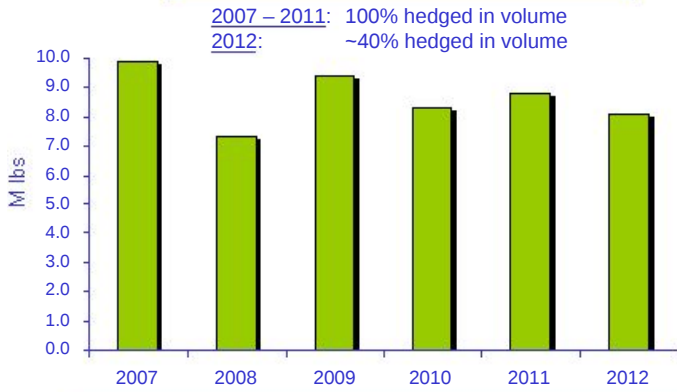


Based on the refueling cycle, we will conduct 12 refueling outages in 2008, versus 9 in 2007, and 10 to 11 in a typical year

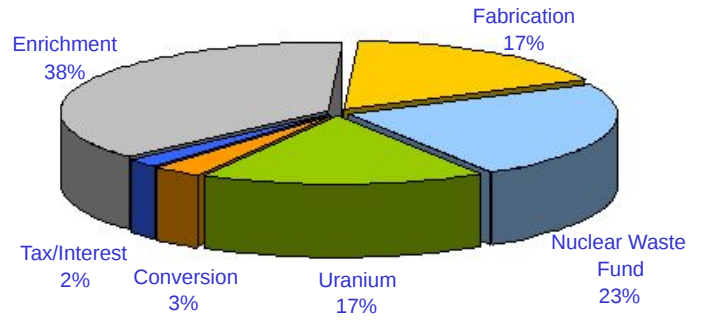
# Effectively Managing Nuclear Fuel Costs

All charts exclude Salem, except Projected Total Nuclear Fuel Spend.

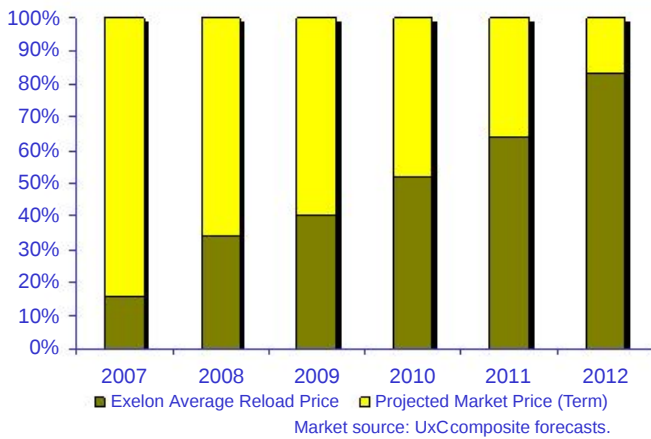
### Projected Exelon Uranium Demand



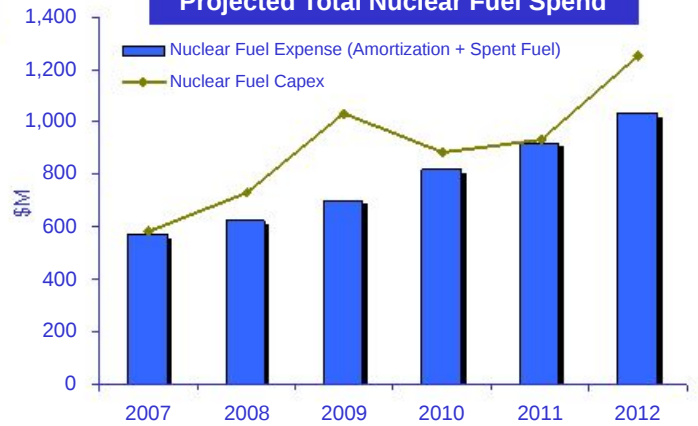
### Components of Fuel Expense in 2007



### Projected Exelon Average Uranium Cost vs. Market



### Projected Total Nuclear Fuel Spend



Note: Excludes costs reimbursed under the settlement agreement with the DOE.

## 2008 EBITDA Sensitivities

*(Pre-Tax Impact)*

|                               |        |
|-------------------------------|--------|
| +/- \$1/mmBtu Gas Price       | ~\$10M |
| +/- 500 Btu/KWh ATC Heat Rate | ~\$80M |

## Uranium Sensitivity <sup>(1)</sup>

| + \$50/lb                       | 2008 | 2009  | 2010  | 2011  | 2012   |
|---------------------------------|------|-------|-------|-------|--------|
| Capital Expenditures            | -    | \$20M | \$30M | \$85M | \$280M |
| Expense <i>(Pre-Tax Impact)</i> | -    | \$5M  | \$10M | \$15M | \$40M  |

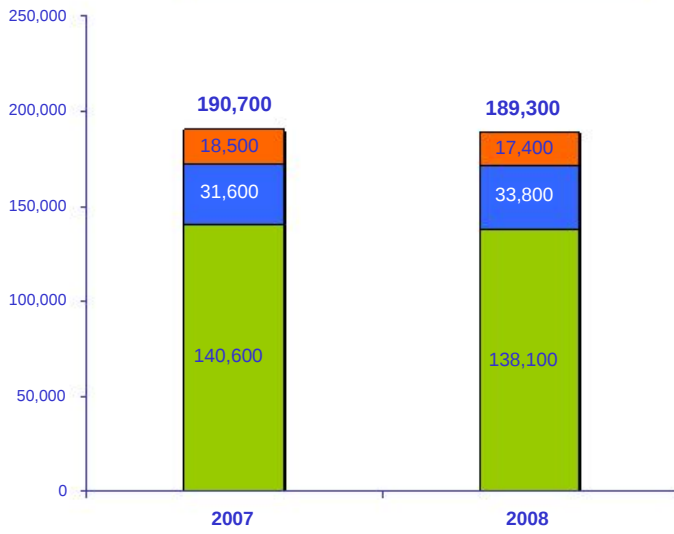
| - \$50/lb                       | 2008 | 2009    | 2010     | 2011     | 2012     |
|---------------------------------|------|---------|----------|----------|----------|
| Capital Expenditures            | -    | (\$60M) | (\$100M) | (\$160M) | (\$335M) |
| Expense <i>(Pre-Tax Impact)</i> | -    | (\$5M)  | (\$20M)  | (\$40M)  | (\$80M)  |

(1) Excludes Salem.

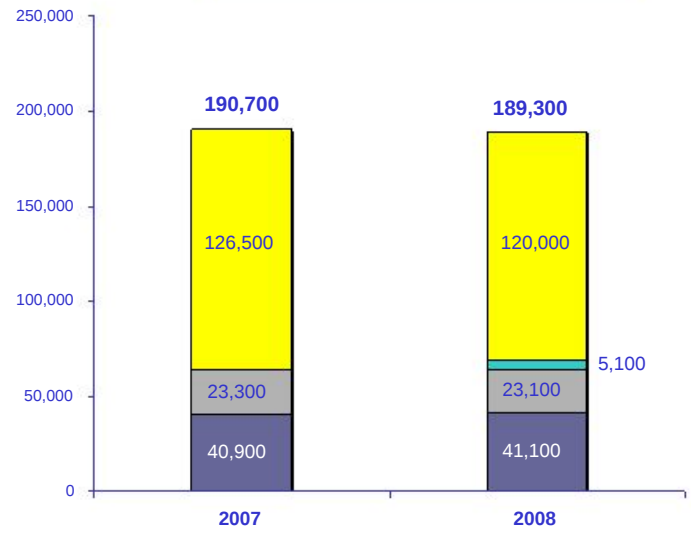


# Total Portfolio Characteristics

**Expected Total Supply (GWh)**



**Expected Total Sales (GWh)**



- Forward / Spot Purchases
- Fossil & Hydro
- Nuclear

- Actual Hedges & Open Position
- ComEd Swap
- IL Auction
- PECO Load

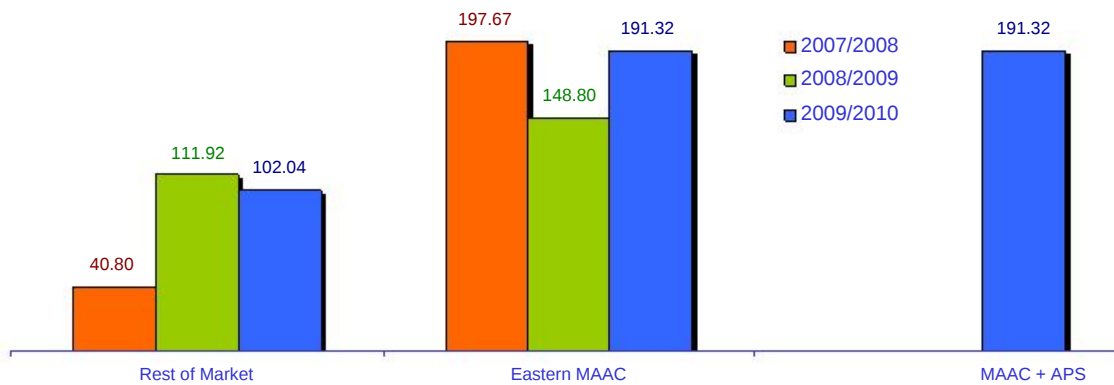
The value of our portfolio resides in our nuclear fleet

- Market-based contract for ATC baseload energy only
  - Does not include capacity, ancillary services or congestion
- Preserves competitive markets
- Fits with Exelon Generation's hedging policy and strategy
- Small portion of Exelon Generation's supply

| Portion of Term                     | Fixed Price (\$/MWH) | Notional Quantity (MW) |
|-------------------------------------|----------------------|------------------------|
| June 1, 2008 - December 31, 2008    | \$47.93              | 1,000                  |
| January 1, 2009 - May 31, 2009      | \$49.04              | 1,000                  |
| June 1, 2009 - December 31, 2009    | \$49.04              | 2,000                  |
| January 1, 2010 - May 31, 2010      | \$50.15              | 2,000                  |
| June 1, 2010 - December 31, 2010    | \$50.15              | 3,000                  |
| January 1, 2011 - December 31, 2011 | \$51.26              | 3,000                  |
| January 1, 2012 - December 31, 2012 | \$52.37              | 3,000                  |
| January 1, 2013 - May 31, 2013      | \$53.48              | 3,000                  |

# Reliability Pricing Model Auction

## PJM RPM Auction Results (\$/MW-day)



## Exelon Generation Participation within PJM Reliability Pricing Model<sup>(1)</sup>

|                           | 2007 / 2008              |                                 | 2008 / 2009              |                                 | 2009 / 2010             |                                 |
|---------------------------|--------------------------|---------------------------------|--------------------------|---------------------------------|-------------------------|---------------------------------|
|                           | Capacity <sup>(2)</sup>  | Obligation                      | Capacity <sup>(2)</sup>  | Obligation                      | Capacity <sup>(2)</sup> | Obligation                      |
| Rest of Market            | 16,000 MW <sup>(4)</sup> | 6,600 - 6,800 MW                | 14,500 MW <sup>(5)</sup> | 6,600 - 6,800 MW                | 12,700 MW               | 4,750 - 4,950 MW <sup>(6)</sup> |
| Eastern MAAC              | 9,500 MW                 | 9,500 - 9,800 MW <sup>(3)</sup> | 9,500 MW                 | 9,550 - 9,850 MW <sup>(3)</sup> | 9,500 MW                | 9,750 - 9,950 MW <sup>(3)</sup> |
| MAAC + APS <sup>(7)</sup> | N/A                      | N/A                             | N/A                      | N/A                             | 1,500 MW                | 0                               |

(1) All values are approximate and not inclusive of wholesale transactions.

(2) All capacity values are in installed capacity terms (summerratings).

(3) EMAAC obligation consists of load from PECO and BGS commitments.

(4) Removing State Line from the supply in October 2007 reduces this by 515 MW.

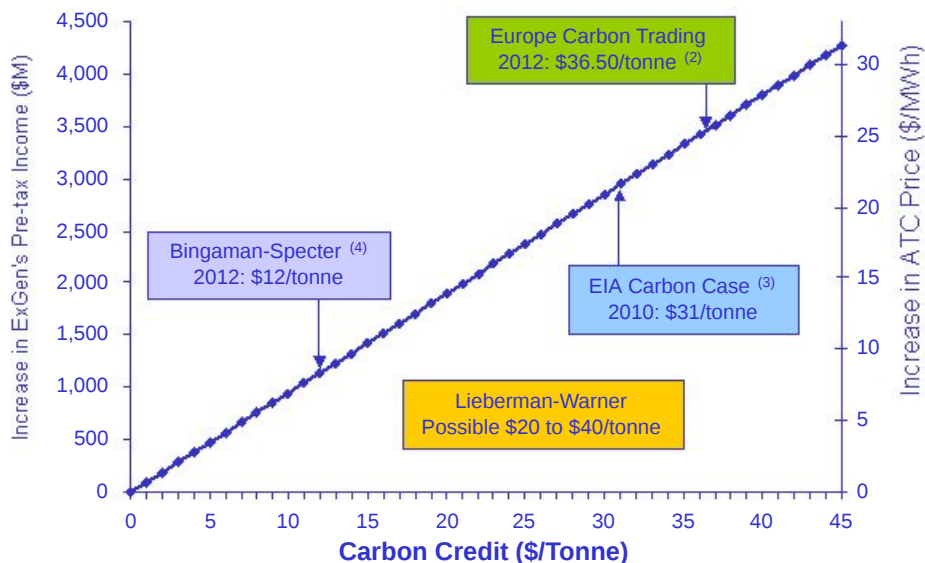
(5) 08/09 Capacity supply decreased due to roll-off of several purchase power agreements (PPAs).

(6) In 09/10, obligation is reduced due to roll-off of part of ComEd auction load obligation in May 2009.

(7) MAAC = Mid-Atlantic Area Council; APS = Allegheny Power System.

# Carbon Value

## Assumes Open Position<sup>(1)</sup>



## Carbon Value

### Midwest

- ~90,000 GWhs in Midwest nuclear portfolio
- ~55% of time coal on the margin
- ~40% of time gas on the margin

### Mid-Atlantic

- ~50,000 GWhs in Mid-Atlantic nuclear portfolio
- ~45% of time coal on the margin
- ~50% of time gas on the margin

Climate change legislation is expected to drive substantial gross margin expansion at Exelon Generation

(1) Carbon sensitivity excludes ComEd SWAP and upside of Kincaid/Elwood due to contract expiration in 2012. Assumes below \$45/tonne carbon cost, no carbon reduction technology (e.g., sequestration) is economical.  
 (2) As of 12/11/07.  
 (3) The EIA Carbon Stabilization Case (Case 4) dated March 2006, EIA report number SR/OIAF/2006-1.  
 (4) Low Carbon Economy Act initial "Technology Accelerator Payment" (TAP) price in 2012. Allowance price increases at 5% above the rate of inflation thereafter.

- Intend to file Construction and Operating License (COL) for plant in Texas by end of 2008
  - Preserves option to participate in Energy Policy Act incentives
- Long-lead material for dual unit ESBWR has been reserved
- Texas is attractive market for new nuclear
  - Growing demand for baseload power, robust market prices
  - State and local support for new nuclear
  - Existing Exelon presence in Texas
- Exelon's phased approach allows for go/no-go decisions at major funding/commitment milestones
- Exelon's conditions for new build remain unchanged: the economics must be right

Nuclear new build would capitalize on improving fundamentals, high gas prices, and Exelon's core strength in nuclear operations

# Exelon Nuclear Fleet Overview

| Plant, Location  | Units | Type | Vendor | Net Annual Mean Rating MW | License Expiration / Status    | Ownership                             | Spent Fuel Storage/ Date to lose full core discharge capacity |
|------------------|-------|------|--------|---------------------------|--------------------------------|---------------------------------------|---|
| Braidwood, IL    | 2     | PWR  | W      | 1194, 1166                | 2026, 2027                     | 100%                                  | 2013  |
| Byron, IL        | 2     | PWR  | W      | 1183, 1153                | 2024, 2026                     | 100%                                  | 2011  |
| Clinton, IL      | 1     | BWR  | GE     | 1048                      | 2026                           | 100% AmerGen                          | Re-rack completed   |
| Dresden, IL      | 2     | BWR  | GE     | 871, 871                  | Renewed: 2029, 2031            | 100%                                  | Dry cask  |
| LaSalle, IL      | 2     | BWR  | GE     | 1138, 1150                | 2022, 2023                     | 100%                                  | 2012  |
| Limerick, PA     | 2     | BWR  | GE     | 1151, 1151                | 2024, 2029                     | 100%                                  | Dry cask in process   |
| Oyster Creek, NJ | 1     | BWR  | GE     | 625                       | 2009; renewal filed 2005       | 100% AmerGen                          | Dry cask  |
| Peach Bottom, PA | 2     | BWR  | GE     | 1135 <sup>(1)</sup>       | Renewed: 2033, 2034            | 50% Exelon, 50% PSEG                  | Dry cask  |
| Quad Cities, IL  | 2     | BWR  | GE     | 1303 <sup>(1)</sup>       | Renewed: 2032                  | 75% Exelon, 25% Mid-American Holdings | Dry cask  |
| TMI-1, PA        | 1     | PWR  | B&W    | 837                       | 2014; renewal to be filed 2008 | 100% AmerGen                          | Life of plant capacity  |
| Salem, NJ        | 2     | PWR  | W      | 969 <sup>(1)</sup>        | 2016, 2020                     | 42.6% Exelon, 56.4 % PSEG             | 2011  |

Fleet also includes 4 shutdown units: Peach Bottom 1, Dresden 1, Zion 1 & 2.

(1) Capacity based on ownership interest.

## Production Tax Credit (PTC)

- \$18 per MWh, 8 year PTC for first 6,000 MWe of new capacity
- Cap of \$125M per 1,000 MWe of capacity per year
- Protects against a decrease in market prices and revenues earned
- Benefit will be allocated/ prorated among those who:
  - File COL by year-end 2008
  - Begin construction (first safety-related concrete) by 1/1/2014
  - Place unit into service by 1/1/2021

## Regulatory Delay “Backstop”

- “Insurance” protecting against regulatory and litigation-related delays in commissioning a completed plant
- Eligible costs include principal and interest on debt coverage and the incremental cost of replacement power
  - First two reactors each receive 100% of covered costs up to \$500M
  - The next four reactors each receive 50% of covered costs incurred after six months of delay, up to \$250M

## Government Loan Guarantee

- Results in ability to obtain non-recourse project financing
- Up to 80% of the project cost, repayment within 30 years or 90% of the project life
- Timing of application subject to DOE solicitations
- Loan guarantee volume dependent upon congressional appropriations action
- Cost of credit subsidy is still uncertain

Energy Policy Act provides financial incentives and reduced risk by way of production tax credits and loan guarantees

# Announced Nuclear Projects

| Applicant                  | Units | Technology | Site                   | Type of site  | Status   |
|----------------------------|-------|------------|------------------------|---------------|--|
| Unistar                    | 1     | EPR        | Calvert Cliffs MD      | Operating     | Partial COL submitted; remainder expected in 2007                                |
| Dominion                   | 1     | ESBWR      | North Anna VA          | Operating     | Reference plant for ESBWR COL application; submitted November 2007; ESP approved |
| TVA/NuStart                | 2     | AP1000     | Bellefonte AL          | Characterized | COL submitted Oct 2007. Reference plant for AP1000                               |
| Entergy/NuStart            | 1     | ESBWR      | Grand Gulf MS          | Operating     | ESP approved; COL February 2008  |
| South Carolina E&G         | 2     | AP1000     | Summer SC              | Operating     | Letter of intent   |
| Progress                   | 2     | AP1000     | Levy Co. FL            | Greenfield    | COL July 2008  |
| Duke                       | 2     | AP1000     | Lee SC                 | Characterized | COL submitted December 2007  |
| Entergy                    | 1     | ESBWR      | River Bend LA          | Operating     | COL May 2008   |
| Southern                   | 2     | AP1000     | Vogtle GA              | Operating     | COL 2008   |
| Progress                   | 2     | AP1000     | Harris NC              | Operating     | COL Jan 2008   |
| Amarillo Power             | 2     | EPR        | Amarillo TX            | Greenfield    | Letter of intent   |
| NRG Energy                 | 2     | ABWR       | South Texas Project TX | Operating     | COL submitted Sept 2007  |
| Unistar                    | 1     | EPR        | Nine Mile Pt NY        | Operating     | Letter of intent   |
| Unistar/Ameren             | 1     | EPR        | Callaway MO            | Operating     | Letter of intent   |
| TXU                        | 2     | APWR       | Comanche Peak TX       | Operating     | Letter of intent   |
| Exelon                     | 2     | ESBWR      | Victoria TX            | Greenfield    | Letter of intent   |
| DTE Energy                 | 1     | TBD        | Fermi MI               | Operating     | Letter of intent   |
| PPL                        | 1     | EPR        | Susquehanna PA         | Operating     | Letter of intent   |
| FPL                        | TBD   | TBD        | Turkey Pt FL           | Operating     | Letter of intent   |
| Alternative Energy Hldings | 1     | EPR        | Bruneau ID             | Greenfield    | Announced intent   |
| Fresno Nuclear Energy      | 1     | EPR        | San Joaquin Valley CA  | Greenfield    | Announced intent   |
| Mid-American Nuclear       | TBD   | TBD        | western Idaho          | Greenfield    | Letter of intent   |

22 projects totaling ~40,000 MWs have been announced

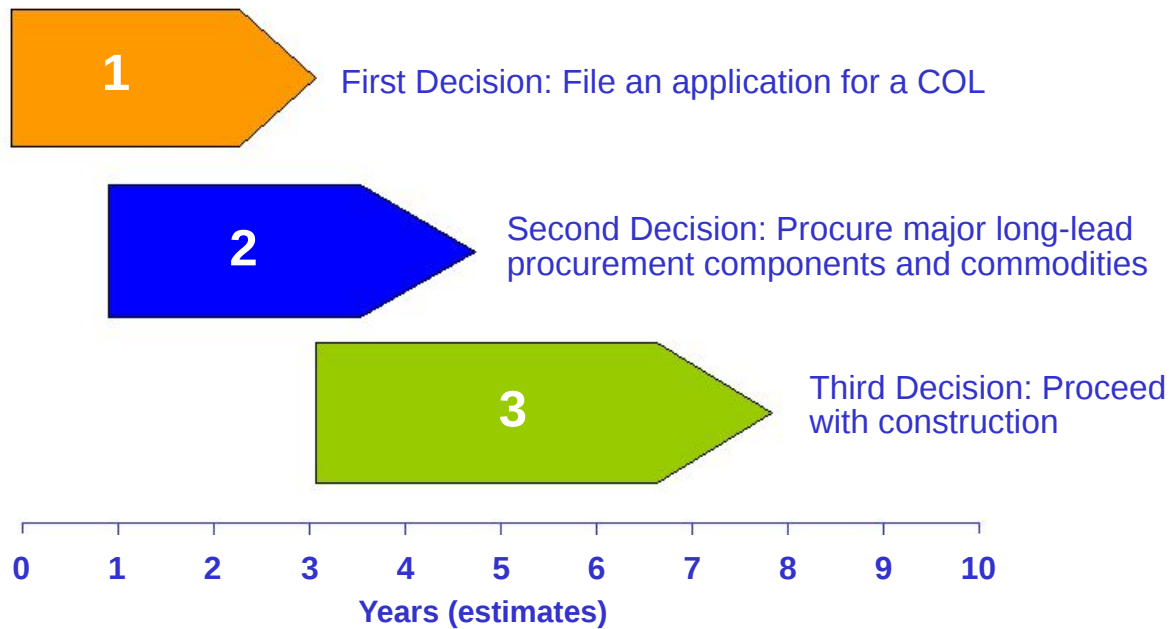


# Advanced Nuclear Designs – U.S. Market

| Reactor   | Vendor       | Capacity | Status  | Selected in US by:   |
|---|--------------|----------|---|--|
| ESBWR (Economic Simplified Boiling Water Reactor) | GE-Hitachi   | 1500 MW  | Passive safety features, simplified from ABWR design. NRC design certification expected 2010  | <ul style="list-style-type: none"> <li>•Dominion</li> <li>•Entergy/NuStart at Grand Gulf</li> <li>•Entergy at River Bend</li> <li>•Exelon</li> </ul> |
| AP1000 (Advanced Passive 1000)                    | Westinghouse | 1150 MW  | PWR, passive safety features, Design certification received December 2005   | <ul style="list-style-type: none"> <li>•TVA/NuStart</li> <li>•SCE&amp;G</li> <li>•Progress</li> <li>•Duke</li> <li>•Southern</li> </ul>              |
| EPR (Evolutionary PWR)                            | AREVA        | 1600 MW  | Design certification submitted to NRC. AREVA in UniStar joint venture with Constellation to deploy EPR in US. Under construction in Finland, France | <ul style="list-style-type: none"> <li>•UniStar</li> <li>•PPL</li> <li>•Ameren</li> <li>•Alternate Energy Holdings</li> </ul>                        |
| ABWR (Advanced BWR)                               | GE-Hitachi   | 1350 MW  | Evolutionary improvement from current BWR. Design certification in 1997. In operation in Japan since 1996.  | <ul style="list-style-type: none"> <li>•NRG</li> </ul>   |
| APWR (Advanced PWR)                               | Mitsubishi   | 1700 MW  | Will apply for design certification in 2008   | <ul style="list-style-type: none"> <li>•Luminant (formerly TXU)</li> </ul>   |

Sources: World Nuclear Association; Nuclear Fuel Cycle Monitor, September 17, 2007.

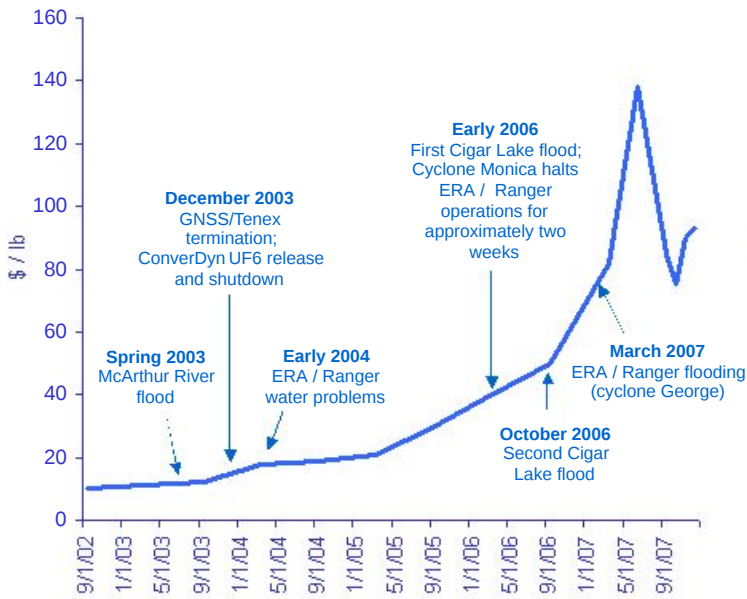
Building a new nuclear plant is not a one-step process or decision: It is a sequence of 3 successive decisions



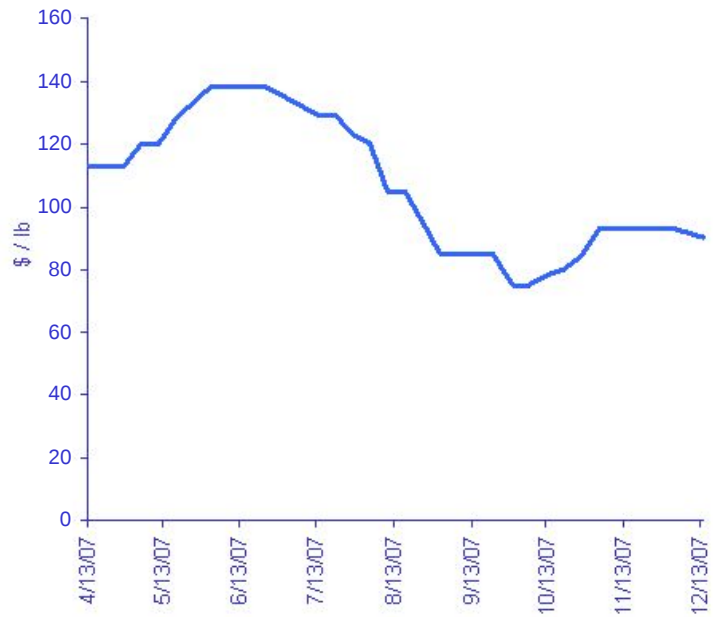
Source: Exelon estimates.

# Uranium Price Volatility

**Long-term Uranium Price Trend**



**Seven-Month Uranium Price Trend**



Long-term equilibrium price expected to be \$40-\$60/lb

# Current Market Prices

## PRICES (as of December 14, 2007)

|                       | Units      | 2004 <sup>1</sup>  | 2005 <sup>1</sup>  | 2006 <sup>1</sup>  | 2007 <sup>5</sup> | 2008 <sup>6</sup> | 2009 <sup>6</sup> |
|-----------------------|------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|
| PJM West Hub ATC      | (\$/MWh)   | 42.35 <sup>2</sup> | 60.92 <sup>2</sup> | 51.07 <sup>2</sup> | 60.52             | 59.36             | 57.91             |
| PJM NiHub ATC         | (\$/MWh)   | 30.15 <sup>2</sup> | 46.39 <sup>2</sup> | 41.42 <sup>2</sup> | 46.20             | 44.92             | 44.75             |
| NEPOOL MASS Hub ATC   | (\$/MWh)   | 52.13 <sup>2</sup> | 76.65 <sup>2</sup> | 59.68 <sup>2</sup> | 68.03             | 75.08             | 72.20             |
| ERCOT North On-Peak   | (\$/MWh)   | 49.53 <sup>3</sup> | 76.90 <sup>3</sup> | 60.87 <sup>3</sup> | 59.53             | 75.85             | 73.19             |
| Henry Hub Natural Gas | (\$/MMBTU) | 5.85 <sup>4</sup>  | 8.85 <sup>4</sup>  | 6.74 <sup>4</sup>  | 6.97              | 8.25              | 7.95              |
| WTI Crude Oil         | (\$/bbl)   | 41.48 <sup>4</sup> | 56.62 <sup>4</sup> | 66.38 <sup>4</sup> | 69.72             | 90.50             | 87.48             |
| PRB 8800              | (\$/Ton)   | 5.97               | 8.06               | 13.04              | 9.67              | 12.03             | 12.18             |
| NAPP 3.0              | (\$/Ton)   | 60.25              | 52.42              | 43.87              | 47.54             | 57.62             | 55.08             |

## ATC HEAT RATES (as of December 14, 2007)

|                                    |             |      |      |      |      |      |      |
|------------------------------------|-------------|------|------|------|------|------|------|
| PJM West Hub / Tetco M3            | (MMBTU/MWh) | 6.40 | 6.30 | 6.98 | 7.77 | 7.04 | 6.31 |
| PJM NiHub / Chicago City Gate      | (MMBTU/MWh) | 5.52 | 5.52 | 6.32 | 6.74 | 6.02 | 5.43 |
| ERCOT North / Houston Ship Channel | (MMBTU/MWh) | 7.53 | 8.21 | 8.28 | 8.97 | 9.19 | 9.46 |

1. 2004, 2005 and 2006 are actual settled prices.

2. Real Time LMP (Locational Marginal Price).

3. Next day over-the-counter market.

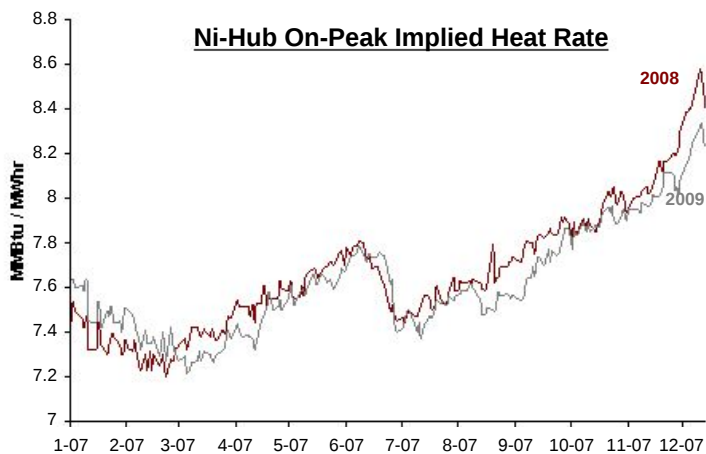
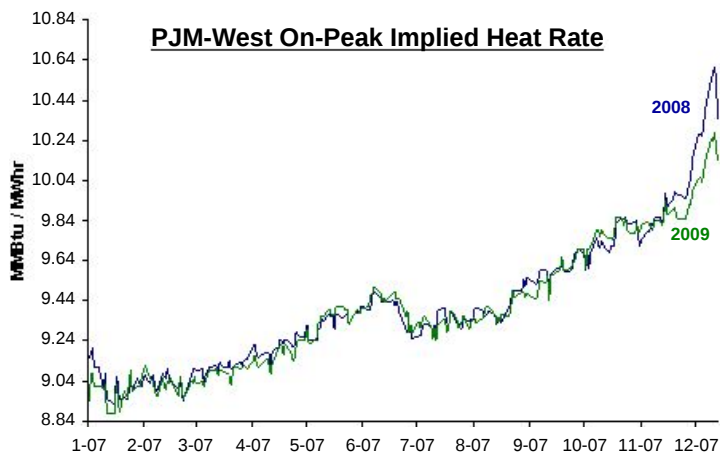
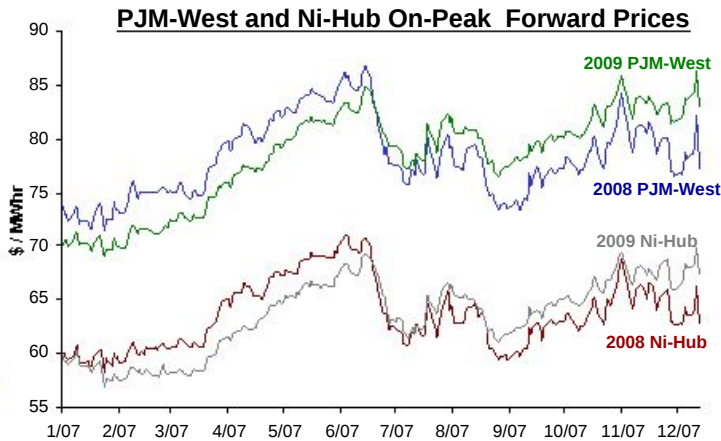
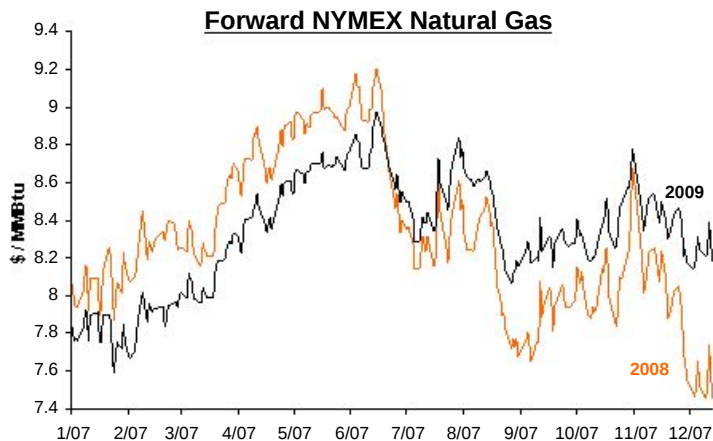
4. Average NYMEX settled prices.

5. 2007 information is a combination of actual prices through 12/14/07 and market prices for the balance of the year.

6. 2008 and 2009 are forward market prices as of 12/14/07.

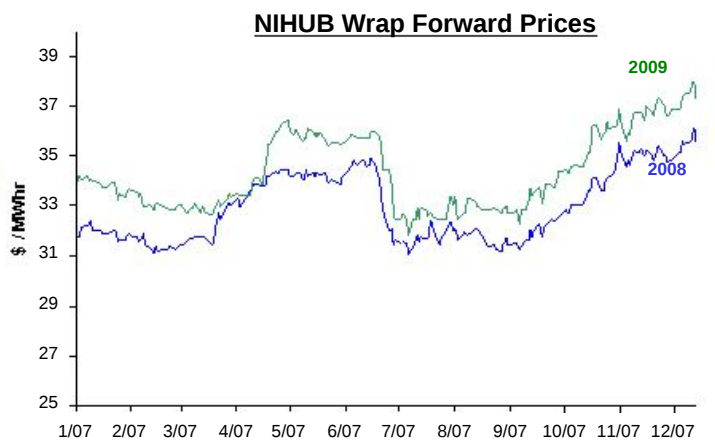
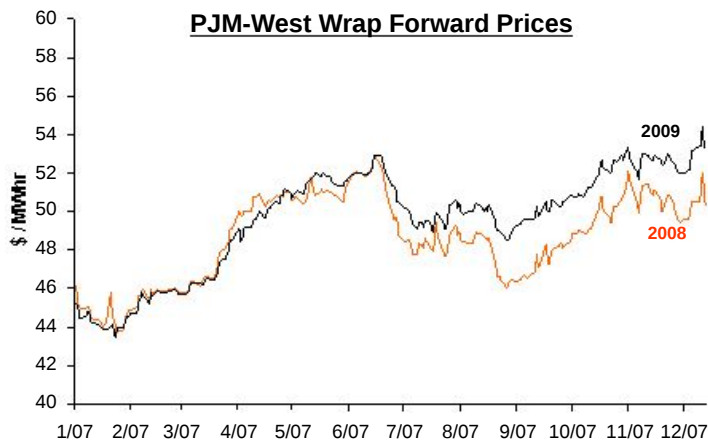
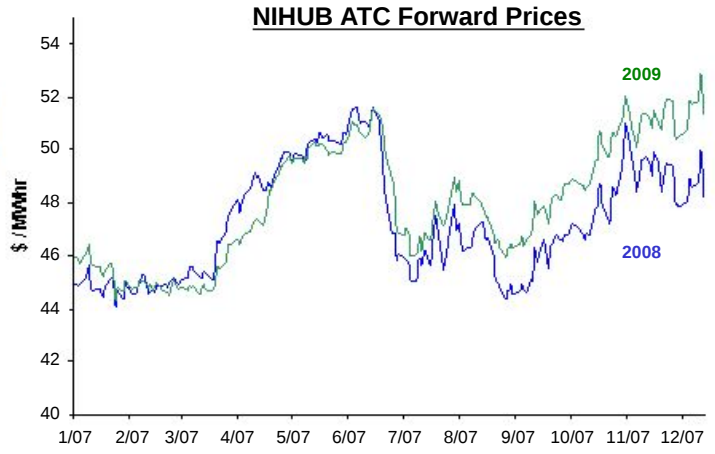
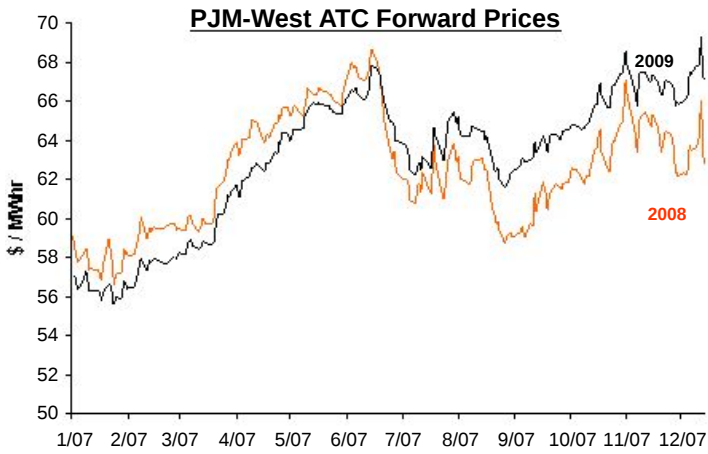
# Market Price Snapshot

As of December 14, 2007. Source: OTC quotes and electronic trading system. Quotes are daily.



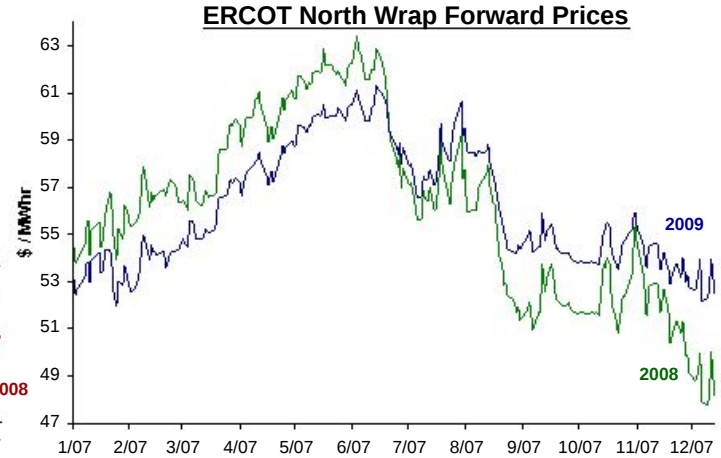
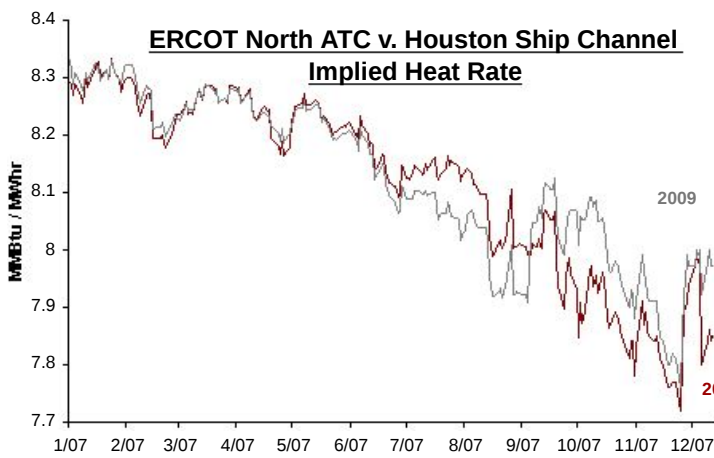
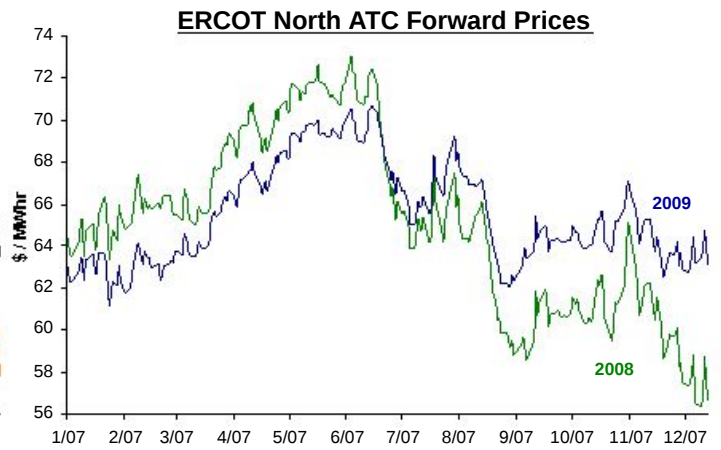
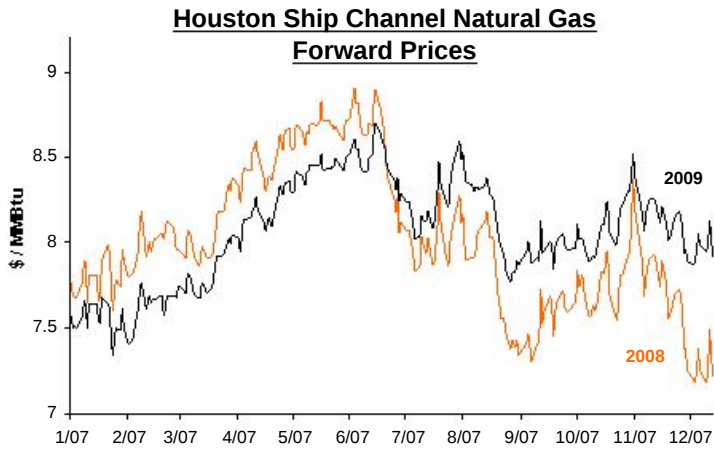
# Market Price Snapshot

As of December 14, 2007. Source: OTC quotes and electronic trading system. Quotes are daily.



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As of December 14, 2007. Source: OTC quotes and electronic trading system. Quotes are daily.



# Market Price Snapshot

As of December 14, 2007. Source: OTC quotes and electronic trading system. Quotes are daily.

## ERCOT North On-Peak Forward Prices





## Exelon – Climate Change

- Lobbying in favor of climate change legislation that is *national, mandatory and economy-wide*
- Taking voluntary action to reduce our greenhouse gas (GHG) emissions 8% from 2001 levels by 2008
- Continuing to invest in our low-carbon generation portfolio
- Developing a comprehensive low-carbon energy strategy
  - Expanding our low-carbon resources
  - Providing customers with green products and services
  - Being a model of green operations

-  Named to the 2006/2007 and 2007/2008 Dow Jones Sustainability North America Index
- Named to Climate Disclosure Leadership Index of the Carbon Disclosure Project in 2005, 2006 and 2007
- Signatory to the Global Roundtable on Climate Change and the Ceres/Investor Network on Climate Risk statements
- Member of the United States Climate Action Partnership (USCAP)
- Corporate headquarters awarded Leadership in Energy and Environmental Design (LEED®) Platinum Commercial Interiors certification by the U.S. Green Building Council



- Achieved SF6 leak rate of under 10% for 2006
- Provides customer-based energy-efficiency programs (compact fluorescent light bulbs, demand response programs) –ramping up to one of the country's leading programs in four years
- ComEd is the largest private user of biodiesel in Illinois thereby helping to create a healthy biodiesel market



- First utility in PA to file to meet Tier 1 requirements under Alternative Energy Portfolio Standards (AEPS)
- Achieved SF6 leak rate of under 10% for 2006
- Supporting implementation of smart meters system-wide and time-of-use programs



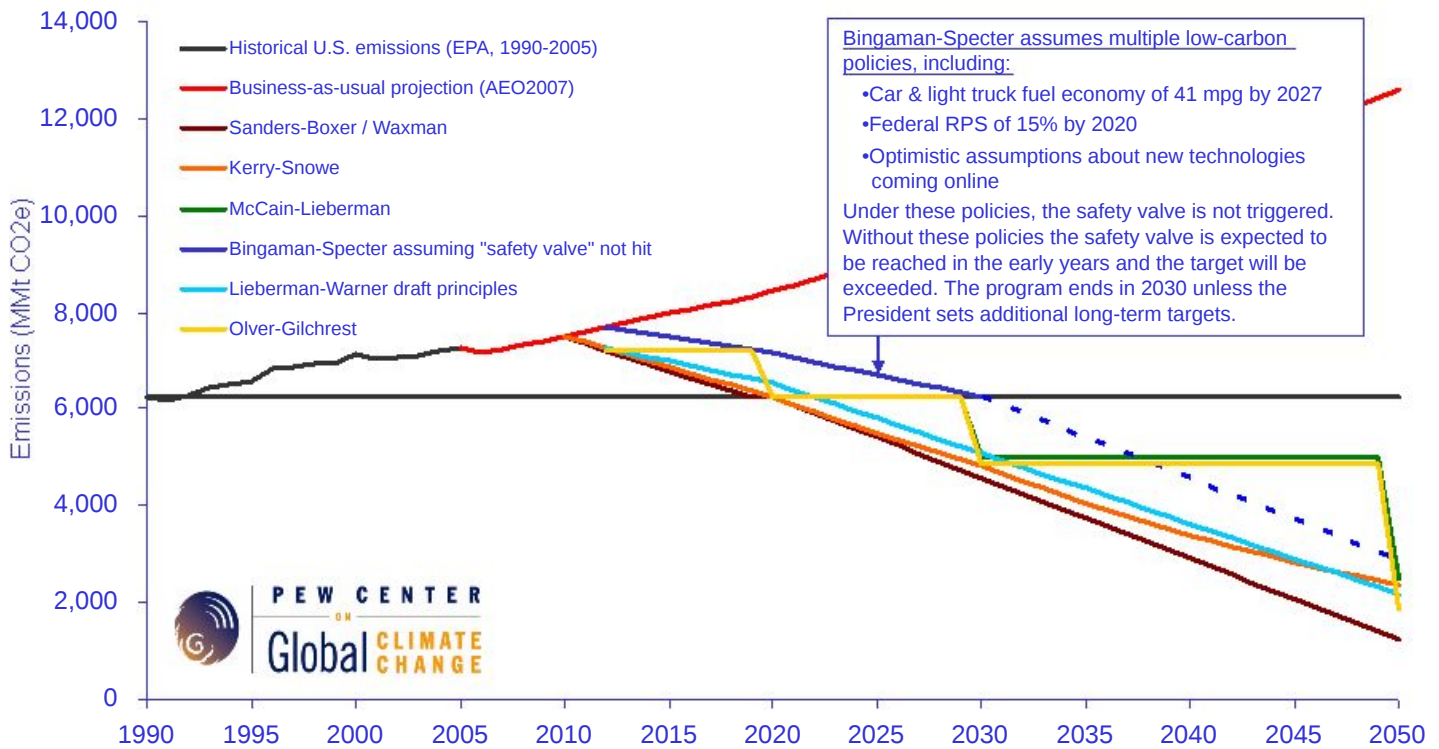
- Nation's largest low-carbon generation fleet
- Retired older, inefficient plant
- Invested in landfill gas power generation expansion
- Largest marketer of wind power east of the Mississippi River
- Signed 20-year deal to purchase output from largest solar photovoltaic installation in PJM region

Committed to going beyond world-class nuclear performance and compliance with regulations, Exelon is taking voluntary action to address climate change

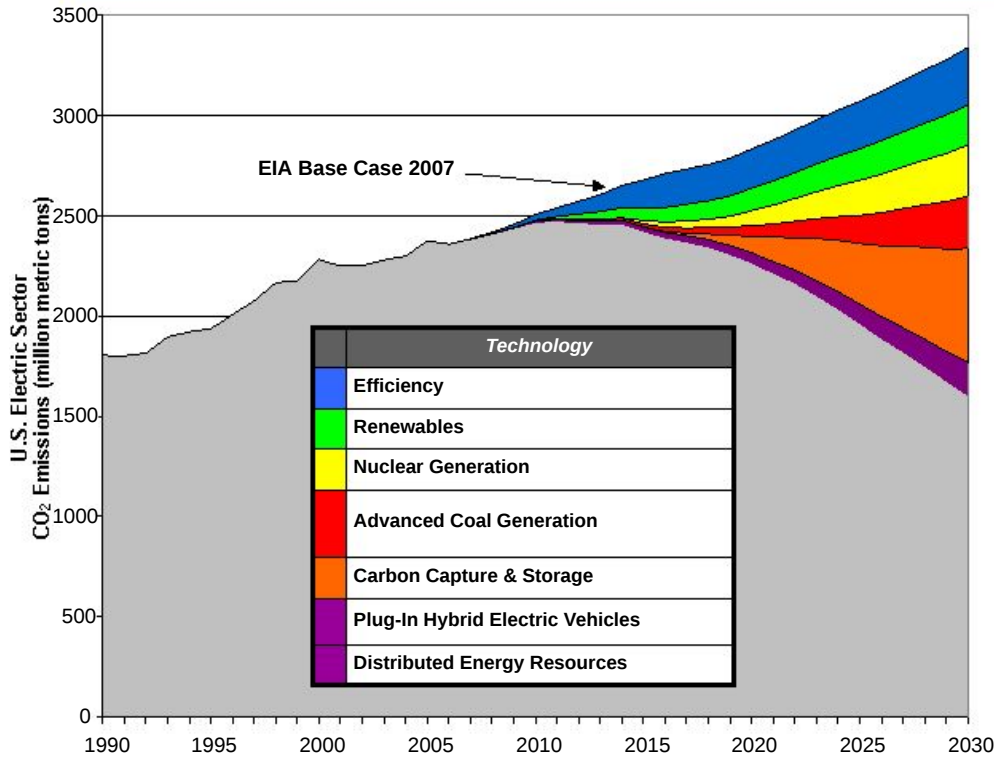
- Actively involved in the climate debate in Washington, D.C.
- Lobbying in favor of enacting legislation that is national, mandatory and economy-wide
- Favors a cap-and-trade system over a carbon tax
- Believes that any allocation scheme should include allowances for distribution companies to help offset the cost of carbon for the end-user
- To limit near-term economic impacts, supports a cost containment mechanism, such as a safety valve, that supports a market price for carbon that increases over time

## Comparison of Economy-wide Cap-and-Trade Emissions Targets

Includes Legislation Introduced in the 110th Congress as of September 2007



# CO2 Reductions Demand Multiple Generation Technologies



Source: Electric Power Research Institute

- The technical potential exists for the U.S. electricity sector to significantly reduce CO<sub>2</sub> emissions over the coming decades
- No one technology will be a silver bullet – a portfolio of technologies will be needed
- Much of the needed technology is not available yet – substantial R&D, demonstration, and deployment are required

To stabilize emissions at 1990 levels, multiple technologies and intensive R&D will be required

- Several bills and white papers and drafts are gaining support in Washington:
  - Bingaman-Specter (S. 1766, the Low Carbon Economy Act of 2007)
    - Economy-wide: All major GHG producing sectors
      - Point of regulation: Oil and natural gas refineries and coal-fired generators
    - Increasing auction of allowances
      - Allowance allocations include: 9% to states, 53% to industry declining 2% per year starting in 2017, 5% set aside for agricultural
      - Safety Valve: Price of allowances capped at \$12/tonne of CO<sub>2</sub> (“technology accelerator payment”) starting in 2012 and increasing 5% per year above inflation rate
  - Lieberman-Warner (S. 2191, America’s Climate Security Act of 2007)
    - Approved by U.S. Senate Environment and Public Works Committee
    - Slated for action by the full U.S. Senate in the Spring
    - Needs 60 votes to break expected filibuster and pass
    - Economy-wide: All major GHG producing sectors
      - Seeks to reduce GHG to the 2005 level by 2012; phases to 70% below the 2005 level by 2050
      - Points of regulation: Electric power sector – large coal generators; Natural gas – natural gas processors and importers; Industrial sector – large facilities emitting more than 10,000 tonnes per year
      - “Free” allowances include: 10% to states, 19% to generators (phase out in 2031); 10% to industry; 9% to electric distribution companies, to benefit their customers; 2% to gas distribution companies, to benefit their customers
      - Creates a Carbon Market Efficiency Board (“Carbon Fed”) with limited authority to oversee market
  - Dingell-Boucher White Paper
    - Seeks to reduce emissions by 60% to 80% by 2050
    - Best achieved by a cap-and-trade system



# GAAP Reconciliation

## GAAP net income (loss)

+/- Impact of certain non-operating items

## Adjusted non-GAAP net income (loss)

+/- Cumulative effect of changes in accounting principle

+/- Discontinued operations

+/- Minority interest

+ Income taxes

## Adjusted non-GAAP income (loss) from continuing operations before income taxes and minority interest

+ Interest expense

+ Interest expense to affiliates

- Interest income from affiliates

+ Depreciation and amortization

## Adjusted non-GAAP earnings before interest, taxes, depreciation and amortization (adjusted non-GAAP EBITDA)

|  |               |
|--|---------------|
| <b>2000 GAAP Reported EPS</b>                          | <b>\$1.44</b> |
| Change in common shares                                | (0.53)        |
| Extraordinary items                                    | (0.04)        |
| Cumulative effect of accounting change                 | --            |
| Unicom pre-merger results                              | 0.79          |
| Merger-related costs                                   | 0.34          |
| Pro forma merger accounting adjustments                | (0.07)        |
| <b>2000 Adjusted (non-GAAP) Operating EPS</b>          | <b>\$1.93</b> |
| <br>   |               |
| <b>2001 GAAP Reported EPS</b>                          | <b>\$2.21</b> |
| Cumulative effect of adopting SFAS No. 133             | (0.02)        |
| Employee severance costs                               | 0.05          |
| Litigation reserves                                    | 0.01          |
| Net loss on investments                                | 0.01          |
| CTC prepayment   | (0.01)        |
| Wholesale rate settlement                              | (0.01)        |
| Settlement of transition bond swap                     | --            |
| <b>2001 Adjusted (non-GAAP) Operating EPS</b>          | <b>\$2.24</b> |
| <br>   |               |
| <b>2002 GAAP Reported EPS</b>                          | <b>\$2.22</b> |
| Cumulative effect of adopting SFAS No. 141 and No. 142 | 0.35          |
| Gain on sale of investment in AT&T Wireless            | (0.18)        |
| Employee severance costs                               | 0.02          |
| <b>2002 Adjusted (non-GAAP) Operating EPS</b>          | <b>\$2.41</b> |

|  |               |
|--|---------------|
| <b>2003 GAAP Reported EPS</b>                                | <b>\$1.38</b> |
| Boston Generating impairment                                 | 0.87          |
| Charges associated with investment in Sithe Energies, Inc.   | 0.27          |
| Employee severance costs                                     | 0.24          |
| Cumulative effect of adopting SFAS No. 143                   | (0.17)        |
| Property tax accrual reductions                              | (0.07)        |
| Enterprises' Services goodwill impairment                    | 0.03          |
| Enterprises' impairments due to anticipated sale             | 0.03          |
| March 3 ComEd Settlement Agreement                           | 0.03          |
| <b>2003 Adjusted (non-GAAP) Operating EPS</b>                | <b>\$2.61</b> |
| <br>   |               |
| <b>2004 GAAP Reported EPS</b>                                | <b>\$2.78</b> |
| Charges associated with debt repurchases                     | 0.12          |
| Investments in synthetic fuel-producing facilities           | (0.10)        |
| Employee severance costs                                     | 0.07          |
| Cumulative effect of adopting FIN 46-R                       | (0.05)        |
| Settlement associated with the storage of spent nuclear fuel | (0.04)        |
| Boston Generating 2004 impact                                | (0.03)        |
| Charges associated with investment in Sithe Energies, Inc.   | 0.02          |
| Charges related to the now terminated merger with PSEG       | 0.01          |
| <b>2004 Adjusted (non-GAAP) Operating EPS</b>                | <b>\$2.78</b> |
| <br>   |               |
| <b>2005 GAAP Reported EPS</b>                                | <b>\$1.36</b> |
| Investments in synthetic fuel-producing facilities           | (0.10)        |
| Charges related to the now terminated merger with PSEG       | 0.03          |
| Impairment of ComEd's goodwill                               | 1.78          |
| 2005 financial impact of Generation's investment in Sithe    | (0.03)        |
| Cumulative effect of adopting FIN 47                         | 0.06          |
| <b>2005 Adjusted (non-GAAP) Operating EPS</b>                | <b>\$3.10</b> |

# GAAP Earnings Reconciliation Year Ended December 31, 2006



| (in millions)   | <u>ExGen</u>   | <u>ComEd</u>   | <u>PECO</u>  | <u>Other</u>   | <u>Exelon</u>  |
|---|----------------|----------------|--------------|----------------|----------------|
| <b>2006 GAAP Reported Earnings (Loss)</b>                   | <b>\$1,407</b> | <b>\$(112)</b> | <b>\$441</b> | <b>\$(144)</b> | <b>\$1,592</b> |
| Mark-to-market adjustments from economic hedging activities | (61)           | 3              | -            | -              | (58)           |
| Investments in synthetic fuel-producing facilities          | -              | -              | -            | 24             | 24             |
| Charges related to now terminated merger with PSEG          | 8              | 4              | 10           | 36             | 58             |
| Severance charges   | 9              | 4              | 4            | 1              | 18             |
| Nuclear decommissioning obligation reduction                | (89)           | -              | -            | -              | (89)           |
| Recovery of debt costs at ComEd                             | -              | (52)           | -            | -              | (52)           |
| Impairment of ComEd's goodwill                              | -              | 776            | -            | -              | 776            |
| Recovery of severance costs at ComEd                        | -              | (95)           | -            | -              | (95)           |
| Impairment of Generation's investments in TEG and TEP       | 1              | -              | -            | -              | 1              |
| <b>2006 Adjusted (non-GAAP) Operating Earnings (Loss)</b>   | <b>\$1,275</b> | <b>\$528</b>   | <b>\$455</b> | <b>\$(83)</b>  | <b>\$2,175</b> |

Note: Amounts may not add due to rounding.

# GAAP EPS Reconciliation Year Ended December 31, 2006



|   | <u>ExGen <sup>(1)</sup></u> | <u>ComEd <sup>(1)</sup></u> | <u>PECO <sup>(1)</sup></u> | <u>Other <sup>(1)</sup></u> | <u>Exelon</u> |
|---|-----------------------------|-----------------------------|----------------------------|-----------------------------|---------------|
| <b>2006 GAAP Reported EPS</b>                               | <b>\$2.08</b>               | <b>(0.17)</b>               | <b>0.65</b>                | <b>(0.21)</b>               | <b>\$2.35</b> |
| Mark-to-market adjustments from economic hedging activities | (0.09)                      | -                           | -                          | -                           | (0.09)        |
| Investments in synthetic fuel-producing facilities          | -                           | -                           | -                          | 0.04                        | 0.04          |
| Charges related to now terminated merger with PSEG          | 0.01                        | 0.01                        | 0.01                       | 0.05                        | 0.09          |
| Severance charges   | 0.01                        | 0.01                        | 0.01                       | -                           | 0.03          |
| Nuclear decommissioning obligation reduction                | (0.13)                      | -                           | -                          | -                           | (0.13)        |
| Recovery of debt costs at ComEd                             | -                           | (0.08)                      | -                          | -                           | (0.08)        |
| Impairment of ComEd's goodwill                              | -                           | 1.15                        | -                          | -                           | 1.15          |
| Recovery of severance costs at ComEd                        | -                           | (0.14)                      | -                          | -                           | (0.14)        |
| <b>2006 Adjusted (non-GAAP) Operating EPS</b>               | <b>\$1.88</b>               | <b>\$0.78</b>               | <b>0.67</b>                | <b>(0.11)</b>               | <b>\$3.22</b> |

Note: Amounts may not add due to rounding.

(1) Amounts shown per Exelon share and represent contributions to Exelon's EPS.

# GAAP EPS Reconciliation

## Nine Months Ended September 30, 2006



|   |               |
|---|---------------|
| <b>Q3 2006 YTD GAAP Reported EPS</b>                        | <b>\$1.48</b> |
| Mark-to-market adjustments from economic hedging activities | (0.11)        |
| Investments in synthetic fuel-producing facilities          | 0.08          |
| Charges related to now terminated merger with PSEG          | 0.09          |
| Nuclear decommissioning obligation reduction                | (0.13)        |
| Severance charges   | 0.02          |
| Impairment of ComEd's goodwill                              | 1.15          |
| Recovery of debt costs at ComEd                             | (0.08)        |
| <b>Q3 2006 YTD Adjusted (non-GAAP) Operating EPS</b>        | <b>\$2.50</b> |

# GAAP EPS Reconciliation

## Nine Months Ended September 30, 2007



|   |               |
|---|---------------|
| <b>Q3 2007 YTD GAAP Reported EPS</b>                        | <b>\$3.20</b> |
| Mark-to-market adjustments from economic hedging activities | 0.12          |
| Investments in synthetic fuel-producing facilities          | (0.10)        |
| Nuclear decommissioning obligation reduction                | (0.03)        |
| Settlement of a tax matter at Generation related to Sithe   | (0.01)        |
| 2007 Illinois electric rate settlement                      | 0.14          |
| Sale of Generation's investments in TEG and TEP             | (0.01)        |
| <b>Q3 2007 YTD Adjusted (non-GAAP) Operating EPS</b>        | <b>\$3.31</b> |



- Exelon's outlook for 2007/2008 adjusted (non-GAAP) operating earnings excludes the earnings impacts of the following:
  - mark-to-market adjustments from economic hedging activities
  - significant impairments of intangible assets, including goodwill
  - significant changes in decommissioning obligation estimates
  - investments in synthetic fuel-producing facilities (2007 only)
  - costs associated with the Illinois electric rate settlement, including ComEd's previously announced customer rate relief programs
  - gains or losses on the State Line Energy, L.L.C. and Tenaska Georgia Partners, LP transactions (2007 only)
  - other unusual items which the Company is unable to forecast
  - significant future changes to GAAP
- Both our operating earnings and GAAP earnings guidance are based on the assumption of normal weather

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