

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

April 28, 2021

Date of Report (Date of earliest event reported)

| Commission File Number | Name of Registrant; State or Other Jurisdiction of Incorporation; Address of Principal Executive Offices; and Telephone Number | IRS Employer Identification Number |
|------------------------|---|------------------------------------|
| 001-16169 | EXELON CORPORATION (a Pennsylvania corporation) 10 South Dearborn Street P.O. Box 805379 Chicago, Illinois 60680-5379 (800) 483-3220 | 23-2990190 |
| 333-85496 | EXELON GENERATION COMPANY, LLC (a Pennsylvania limited liability company) 300 Exelon Way Kennett Square, Pennsylvania 19348-2473 (610) 765-5959 | 23-3064219 |

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))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|-------------------|---|
| EXELON CORPORATION: Common Stock, without par value | EXC | The Nasdaq Stock Market LLC |

Indicate by check mark whether any of the registrants are emerging growth companies as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if any of the registrants have elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 8 - Other Events

Item 8.01. Other Events

As previously disclosed in the Form 10-K filed on February 24, 2021, extreme cold weather conditions in February 2021 resulted in outages at the Texas-based generating assets of Exelon Generation Company, LLC (Generation) within the Electric Reliability Council of Texas (ERCOT).

On April 28, 2021, Exelon Corporation (Exelon) affirmed the range for full year 2021 Adjusted (non-GAAP) Operating Earnings guidance of \$2.60 - \$3.00 per share. For the first quarter of 2021, Exelon estimates a GAAP Net Loss of \$(0.30) per share and an Adjusted (non-GAAP) Operating Loss of \$(0.06) per share.

Exelon and Generation are increasing the full year estimated loss from the February market and weather event by \$150 million pre-tax or \$110 million after-tax, compared to the February 24, 2021 disclosure. The estimated loss for the full year 2021 is approximately \$900 million to \$1.1 billion pre-tax or \$670 million to \$820 million after-tax. The estimated full year impact includes updated load meter data and ERCOT default payments that differed from our February 24th estimate. The ultimate impact to Exelon's and Generation's earnings may be affected by a number of factors, including final settlement data, the impacts of customer and counterparty credit losses, any state or federal solutions to address the financial challenges caused by the event, and related litigation and contract disputes.

Exelon expects to offset between \$550 million and \$650 million pre-tax or \$410 million and \$490 million after-tax of this loss impact for the full year 2021, primarily at Generation through a combination of enhanced revenue opportunities, deferral of selected non-essential maintenance, and primarily one-time cost savings.

Exelon and Generation estimate the first quarter 2021 impact from the weather event to be a loss of approximately \$1.2 billion pre-tax or \$880 million after-tax. The first quarter estimated impact includes certain charges associated with the natural gas business that may be reduced through waivers and/or recoveries from customers. Therefore, such charges are not included in the estimated full year earnings impact.

Non-GAAP Financial Measures

Reconciliation of the GAAP Net Loss to Adjusted (non-GAAP) Operating Loss will be included in the Form 8-K to be filed on May 5, 2021 when Exelon announces its results for the quarter ended March 31, 2021. The outlook for 2021 Adjusted (non-GAAP) Operating Earnings for Exelon excludes the following items that would be included in a GAAP calculation:

- Mark-to-market adjustments from economic hedging activities;
- Unrealized gains and losses from nuclear decommissioning trust funds to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements;
- Certain costs related to plant retirements and divestitures;
- Certain costs incurred to achieve cost management program savings;
- Direct costs related to the novel coronavirus (COVID-19) pandemic;
- Certain acquisition-related costs;
- Costs related to a multi-year Enterprise Resource Program (ERP) system implementation;
- Costs related to the planned separation;
- Other items not directly related to the ongoing operations of the business; and
- Generation's noncontrolling interest related to exclusion items.

In addition to net income as determined under generally accepted accounting principles in the United States (GAAP), Exelon evaluates its operating performance using the measure of Adjusted (non-GAAP) Operating Earnings because management believes it represents earnings directly related to the ongoing operations of the business. Adjusted (non-GAAP) Operating Earnings exclude certain costs, expenses, gains and losses and other specified items. This measure is intended to enhance an investor's overall understanding of period over period operating results and provide an indication of Exelon's baseline operating performance excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this measure is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets and planning and forecasting of future periods. Adjusted (non-GAAP) Operating Earnings is not a presentation defined under GAAP and may not be comparable to other companies' presentation. Exelon has provided the non-GAAP financial measure as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. Adjusted (non-

GAAP) Operating Earnings should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP Net Income measures.

Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 101 | Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document. |
| 104 | The cover page from this Current Report on Form 8-K, formatted as Inline XBRL. |

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This combined Current Report on Form 8-K is being furnished separately by Exelon Corporation and Exelon Generation Company, LLC (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 contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties including, among others, those related to the timing, manner, tax-free nature and expected benefits associated with the potential separation of Exelon's competitive power generation and customer-facing energy business from its six regulated electric and gas utilities. Words such as "could," "may," "expects," "anticipates," "will," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "predicts," and variations on such words, and similar expressions that reflect our current views with respect to future events and operational, economic, and financial performance, are intended to identify such forward-looking statements.

The factors that could cause actual results to differ materially from the forward-looking statements made by the Registrants include those factors discussed herein as well as the items discussed in (1) the Registrants' 2020 Annual Report on Form 10-K in (a) Part I, ITEM 1A. Risk Factors, (b) Part II, ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, and (c) Part II, ITEM 8. Financial Statements and Supplementary Data: Note 19, Commitments and Contingencies; and (2) other factors discussed in filings with the Securities and Exchange Commission by the Registrants.

Investors are cautioned not to place undue reliance on these forward-looking statements, whether written or oral, 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

/s/ Joseph Nigro

Joseph Nigro
Senior Executive Vice President and Chief Financial Officer
Exelon Corporation

EXELON GENERATION COMPANY, LLC

/s/ Bryan P. Wright

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

April 28, 2021

EXHIBIT INDEX

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