



Exelon and ExGen Business and Financial Update

Moody's Annual Review Meeting

**New York, New York
March 29, 2011**



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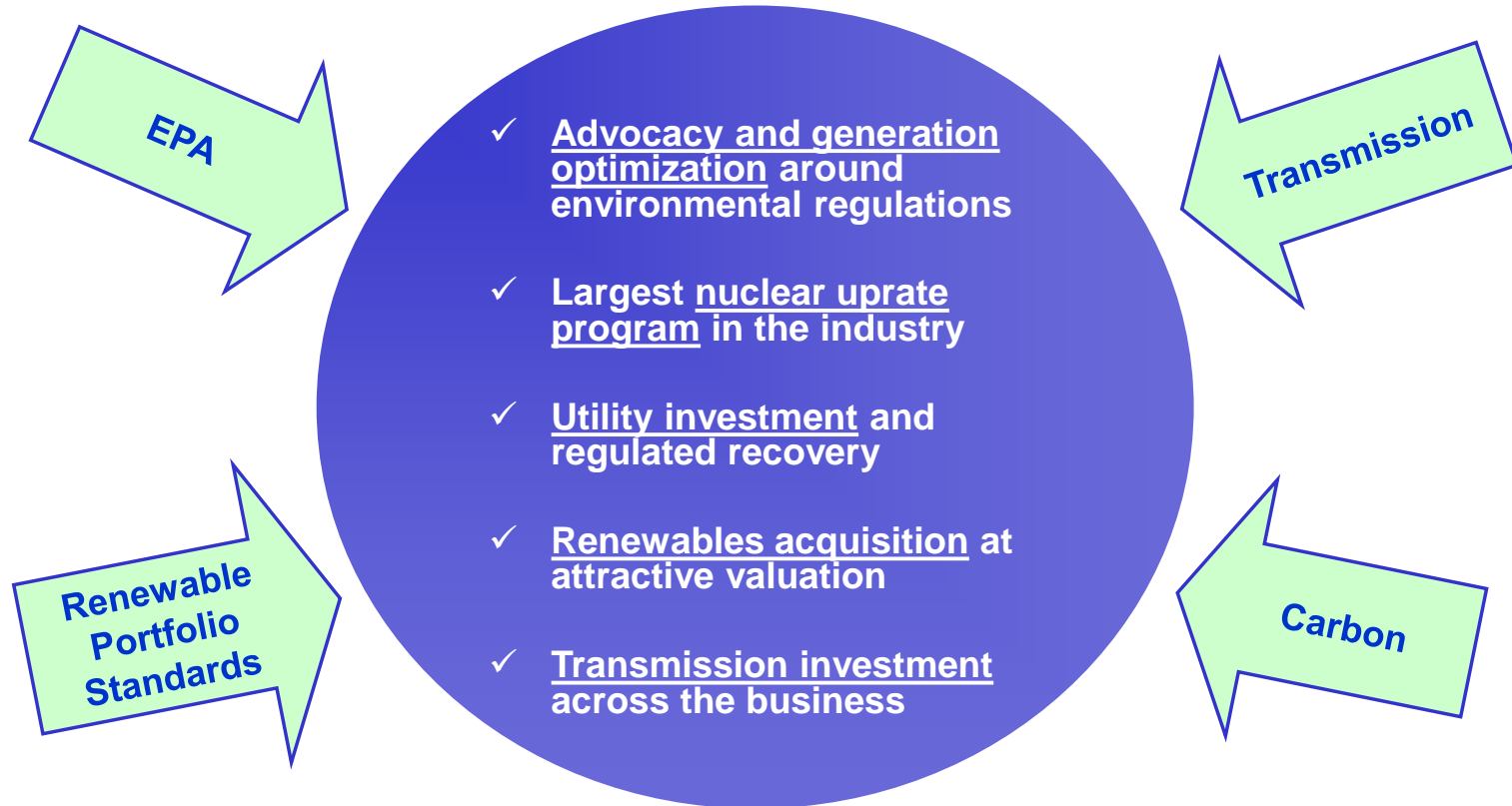
Introductions



- ✓ Bill Von Hoene – EVP, Finance and Legal, Exelon
- ✓ Matt Hilzinger – SVP & Chief Financial Officer, Exelon
- ✓ Ken Cornew – SVP, Exelon and President, Power Team
- ✓ JaCee Burnes – VP & Assistant Treasurer, Exelon
- ✓ Jeanne Jones – Manager, Treasury Operations, Exelon
- ✓ Andy Hamari – Principal Analyst, Treasury Operations, Exelon

Exelon's Protect and Grow strategy considers existing and potential energy policy to create long-term value

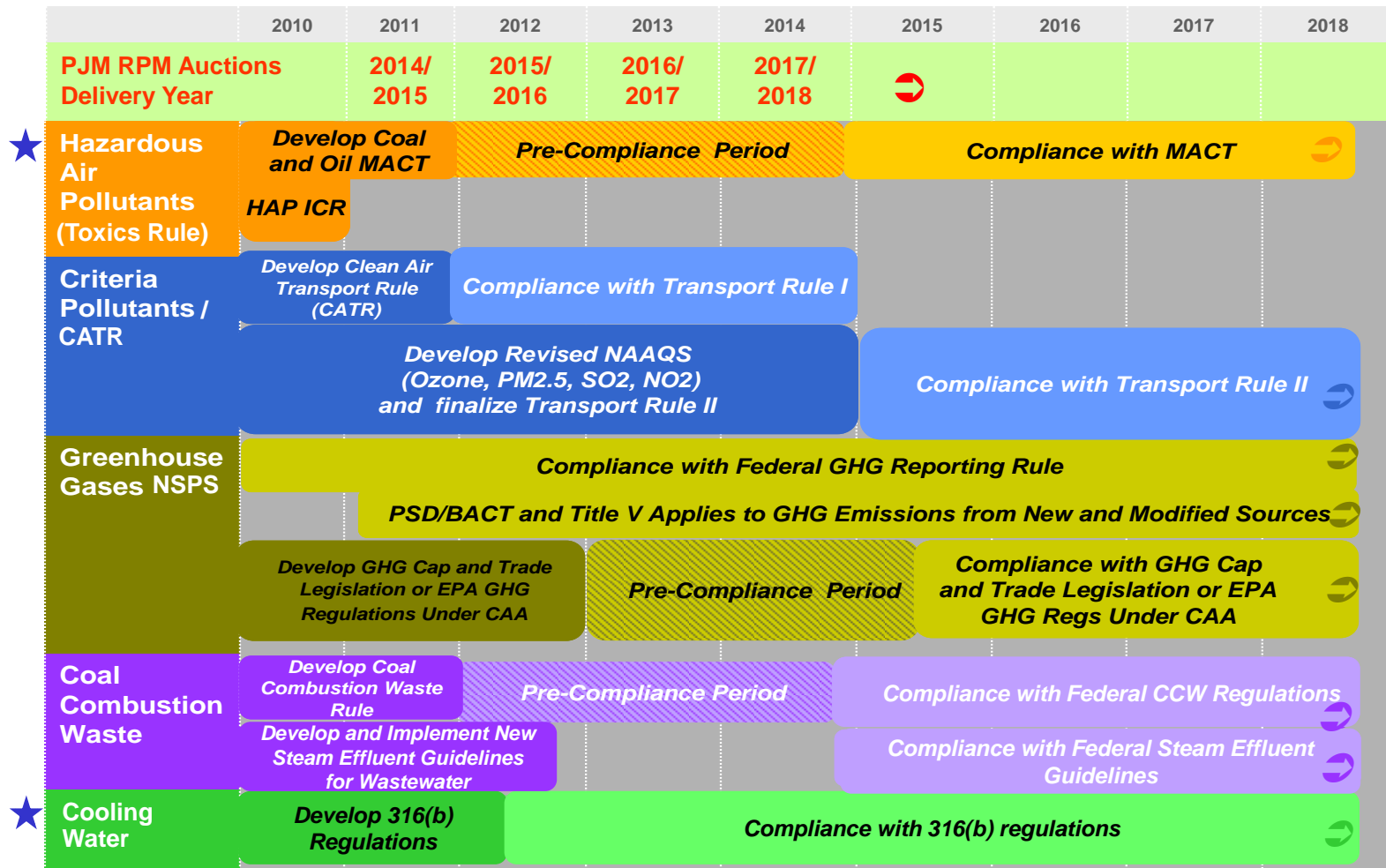
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Exelon 2020 identifies the most rational economic options to deliver shareholder value as energy policy turns toward clean energy and affects competitive markets

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EPA Regulations Will Move Forward in 2011



Note: RPM auctions take place annually in May.

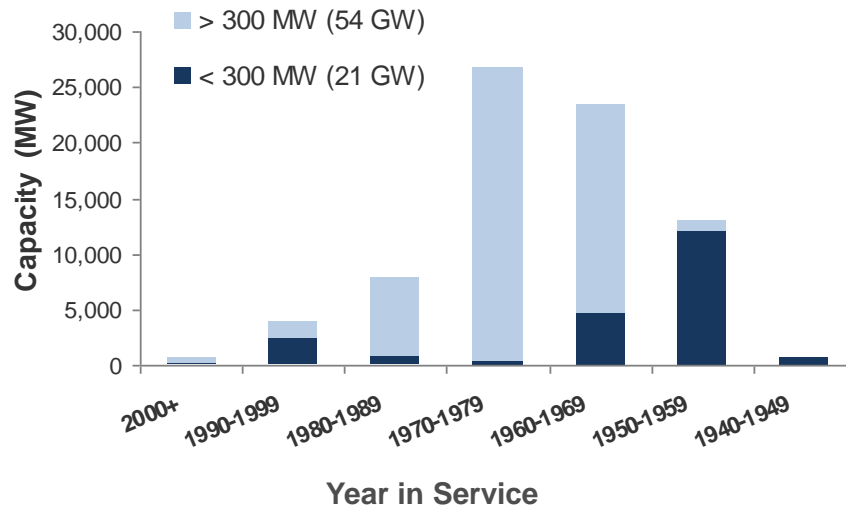
For definition of the EPA regulations referred to on this slide, please see the EPA's Terms of Environment (<http://www.epa.gov/OCEPAterms/>).

Older, smaller coal units are likely to retire as EPA implementation dates approach

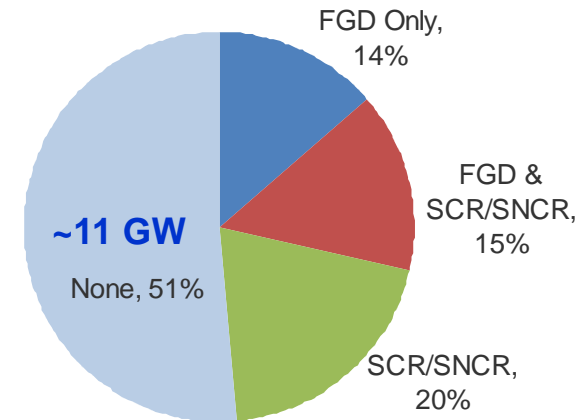
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PJM Coal Capacity by Age 75 GW Total



Environmental Controls on PJM units < 300 MW ⁽¹⁾



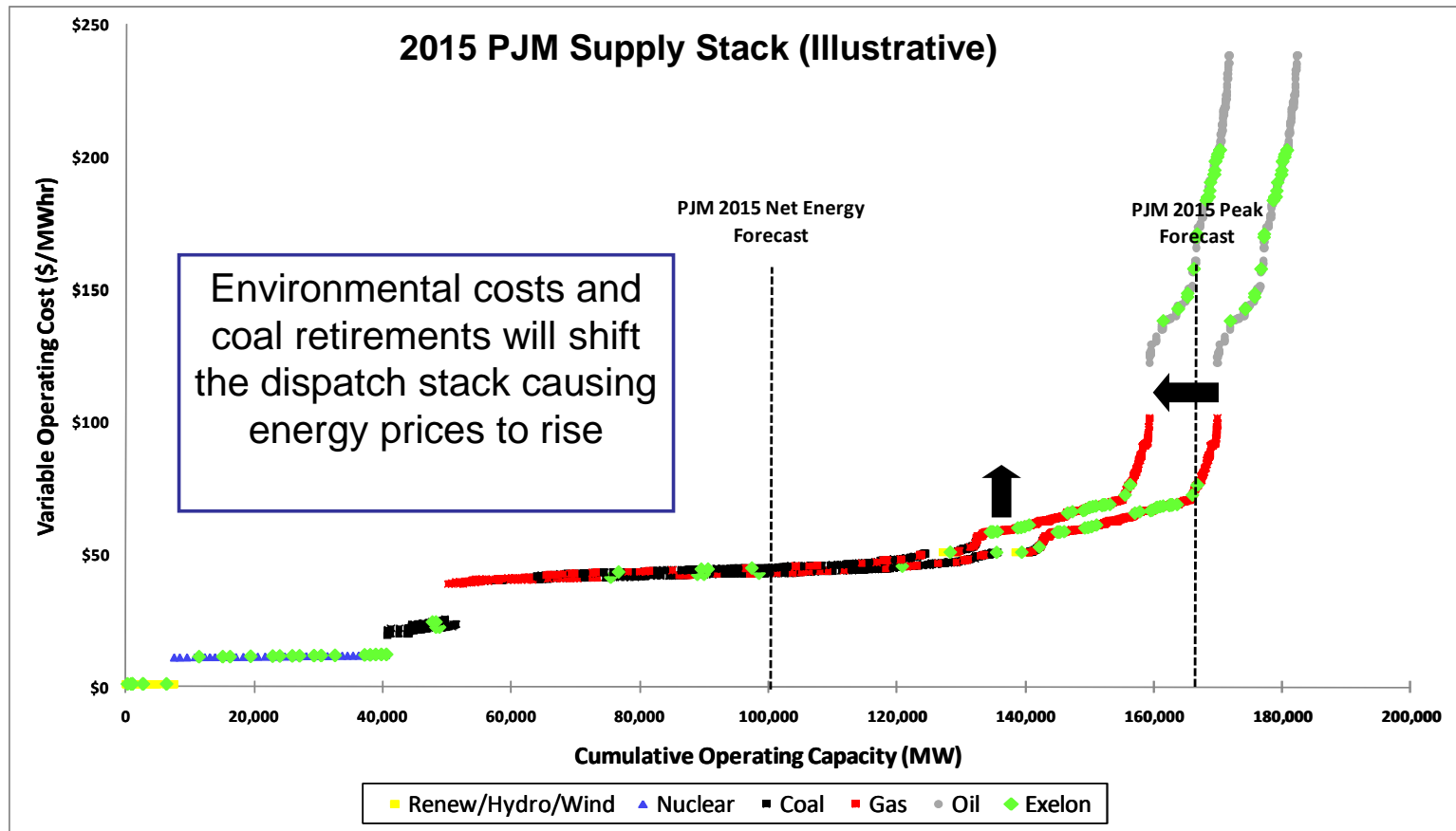
EPA regulations make retirement economically rational for approximately 11 GW of PJM coal plants, beginning the transition to clean energy

(1) Includes flue gas desulfurization (FGD), selective catalytic reduction (SCR), and selective noncatalytic reduction (SNCR); status will vary based on data source.

Sources: Energy Velocity, Exelon estimates

A shift in the PJM dispatch stack as coal retires benefits Exelon's clean nuclear fleet

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Sources: CEMS, Energy Velocity, SNL, Exelon estimates

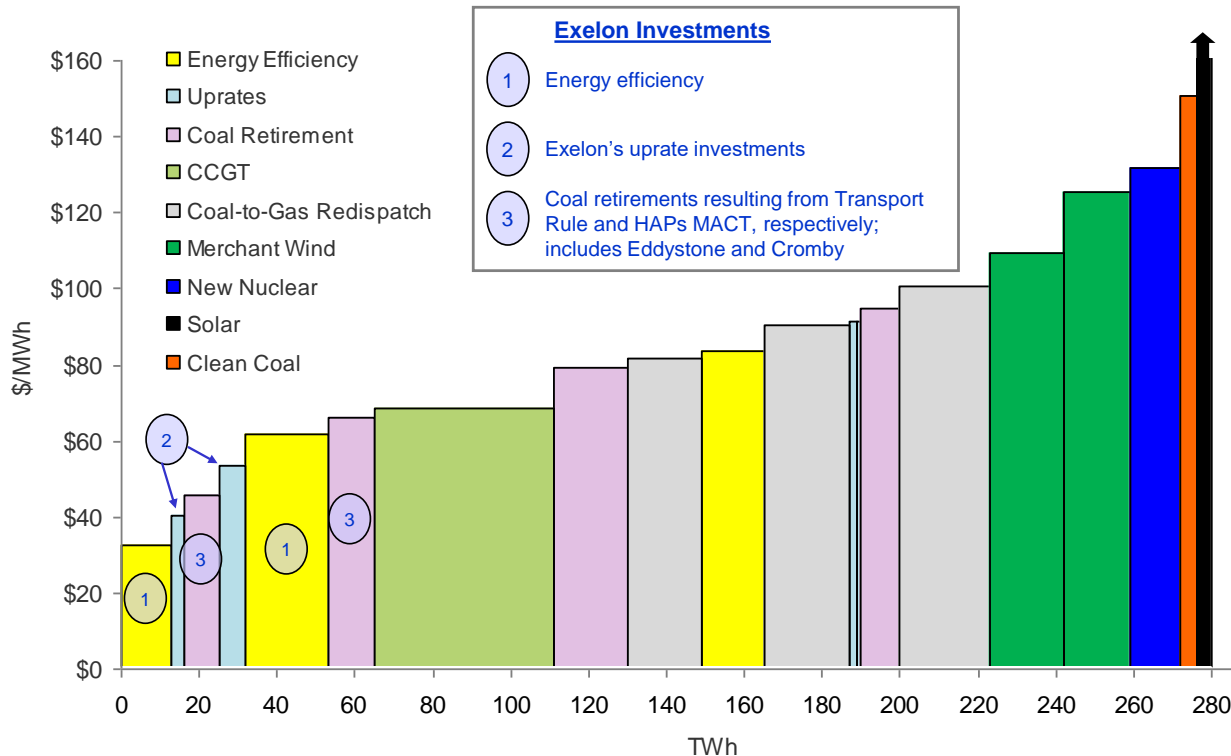
Note: PJM Supply Stack based on existing capacity and expected retirements.

Exelon 2020 Supply Curve shows how PJM can clean the dispatch stack

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Post-MACT Real Required ATC Price (Energy + Capacity)



➤ Supply Curve shows the increasing energy and capacity prices needed to make clean energy investments economic

➤ Exelon is focused on the lowest cost alternatives

The supply curve is guiding Exelon's strategy and investment decisions, including nuclear uprates, energy efficiency and coal retirements

Note: Represents a single economic and power market outlook, which is indicative of a range of scenarios. See slide 40 for additional details.
CCGT = Combined Cycle Gas Turbine, HAPs MACT = Hazardous Air Pollutant Maximum Achievable Control Technology as designated by the EPA.

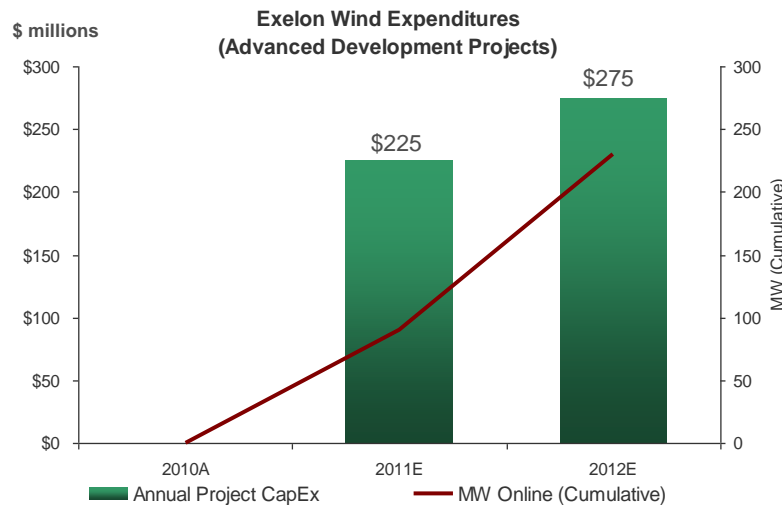
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Growing Our Clean Generation



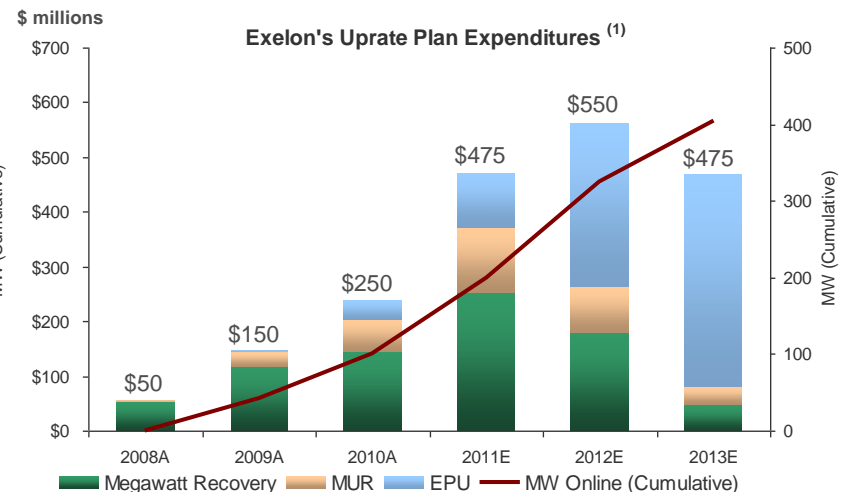
Wind Development Projects

- Attractive economics for both operating and advanced development projects – PPAs already executed
- Provides diversity in geographic presence and generation type



Nuclear Upgrades Program

- Highest return projects are being completed in early years
- Leverages Exelon's substantial experience managing successful uprate projects – 1,100 MW completed from 1999 to 2008, 101 MWs added in 2009-2010



Exelon is positioned as a key player in the US wind market and has the largest size and scale for nuclear uprates

(1) Dollars shown are nominal, reflecting 6% escalation, in millions and exclude TMI and Clinton extended power uprates, which are currently under review. MW shown at ownership. Note: PPA = power purchase agreement; MUR = measurement uncertainty recapture; EPU = extended power uprate. Data contained in this slide is rounded.

ComEd and PECO play a key role in support of clean, competitive markets

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Investing in Transmission

➤ West Loop Phase II – supporting reliability

- Ensures reliable service to the Chicago Central Business District in the event that Fisk and Crawford stations ⁽¹⁾ become unavailable
- Estimated cost of Fisk 345kV Project is ~\$165M with a late 2011 expected in-service
- Immediate benefits including redundancy

➤ Upgrades related to ExGen's Cromby and Eddystone retirements ⁽²⁾ – ensuring reliability of the grid

- Facilities identified and plans approved by PJM
- Total estimated cost of \$44M
- All projects under construction or in engineering status

Investing in New Technologies

➤ Electric Vehicles – exploring opportunities for infrastructure investment

- ~\$3M in Federal stimulus funds to expand green fleet
- Deploy vehicle smart charging stations
- Study vehicle performance, environmental and electrical load effects

➤ Smart Grid/Smart Meter – delivering customer-valued services

- ~\$200M in Federal stimulus funds for deployment
- Operational improvements and efficiency gains will allow continued cost savings
- Programs will enable customers more control over usage and rate structures

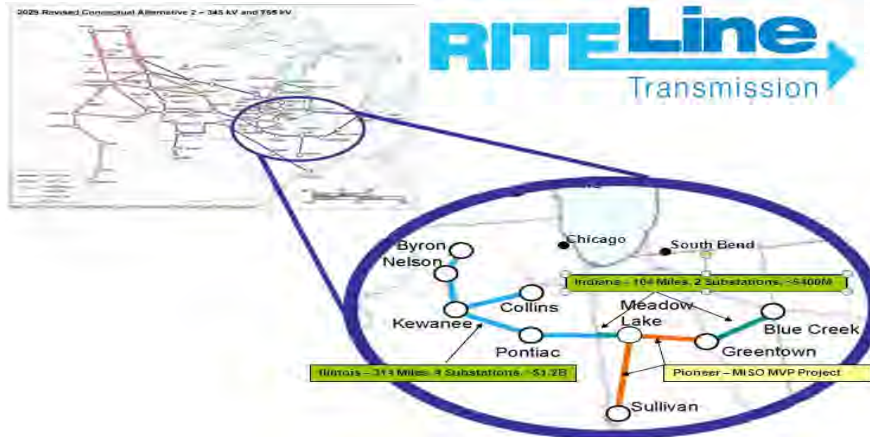
Our utilities are advancing regulatory recovery for Smart Grid investments and investing in system improvements to protect and grow value

(1) Crawford and Fisk generating stations are owned and operated by Midwest Generation, a subsidiary of Edison International.

(2) Cromby Units 1 and 2 to retire effective 5/31/11 and 12/31/11, respectively. Eddystone Units 1 and 2 to retire effective 5/31/11 and 6/01/12, respectively.

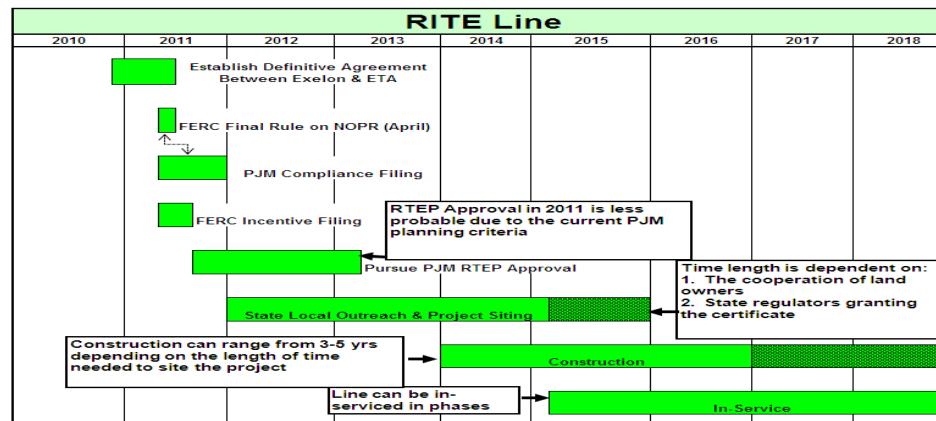
Pursuing Transmission Investment

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RITE Line

- Moving forward on project planning with partner ETA
- Total Investment ~\$1.6 billion
 - ComEd/Exelon ~\$1.1 billion
- FERC incentive rate joint filing expected late 1Q or early 2Q 2011



Transmission investment via the “RITE Line” creates value for Exelon and supports further clean energy development

Note: Electric Transmission America (ETA) is an American Electric Power & MidAmerican Energy Holdings joint venture company.

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2011 Events of Interest



	Q1	Q2	Q3	Q4
	Proposed 316(b) EPA Regulation (by 3/28)	RPM Auction results (5/13)		EPA Final HAP Rule (November)
	Proposed HAP EPA Regulation (3/16)	Retirement of Cromby 1 & Eddystone 1 units (5/31)		Retirement of Cromby 2 unit (12/31)
	Refinanced credit facility (\$5.3B)	EPA Final Transport Rule (June)		
	ALJ Proposed Order – DST Rate Case (3/31)	Illinois Power Agency RFP (April)		
		DST Rate Case Final Order (by 5/31)		
	Refinanced Credit Facility (\$0.6B)	Procurement RFP (bids due 5/23; results by 6/23)	Procurement RFP (bids due 9/19; results by 10/19)	
	Refinanced Credit Facility (\$0.5B)			

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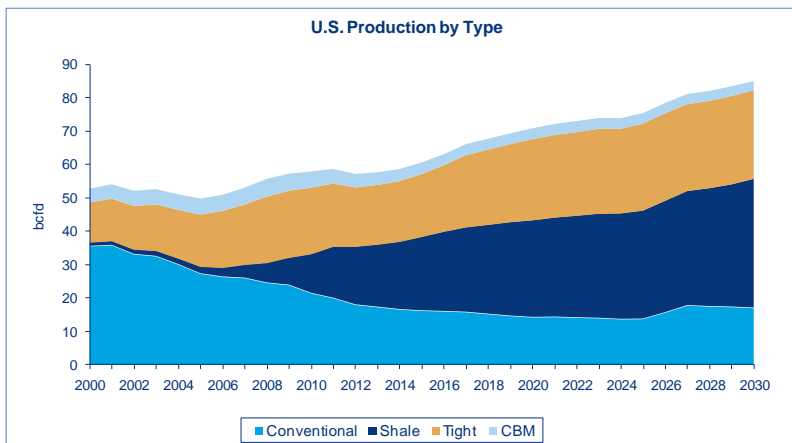
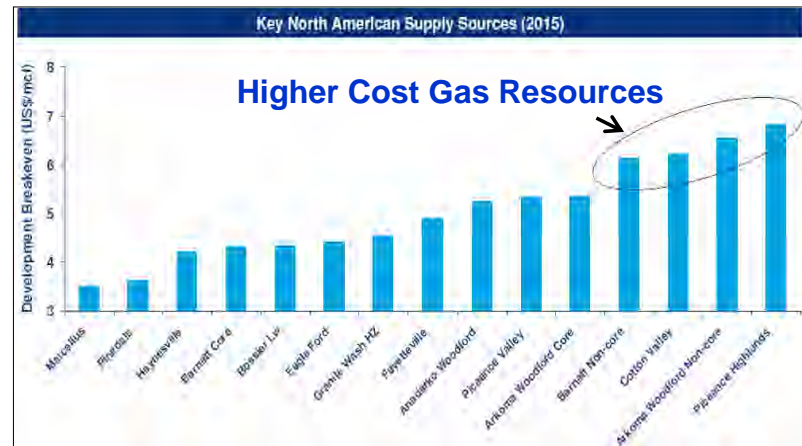
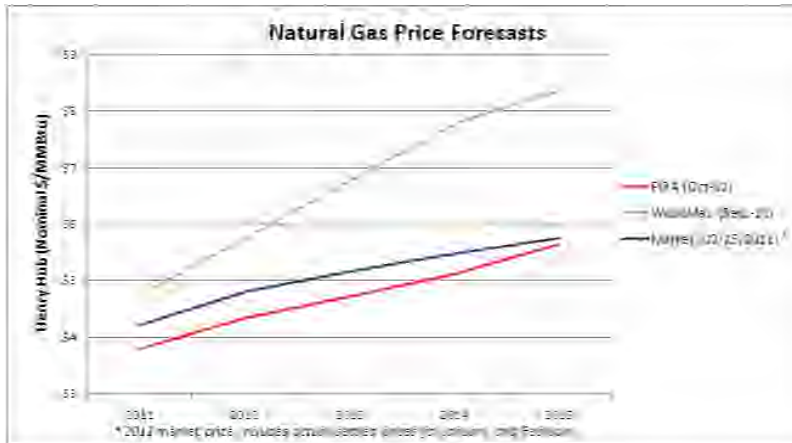
Note: ALJ = administrative law judge; DST = delivery service tariff



Portfolio and Market Update

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Natural Gas



- ✓ The economic recovery has increased natural gas demand, but this has been met by sufficient supply
- ✓ Shale gas has proven itself to be a low cost and abundant resource, but not the only resource
 - Most production growth is expected to come from shale resulting in a flatter gas supply curve
 - Non-core shale, tight sands, coal bed methane and conventional resources are higher cost and will remain part of the total supply mix
- ✓ A flatter supply curve provides market stability, but increased drilling costs, environmental concerns and uncertainty regarding shale decline rates could put upward pressure on the marginal cost of gas and therefore prices

Sources: Wood Mackenzie, PIRA, NYMEX

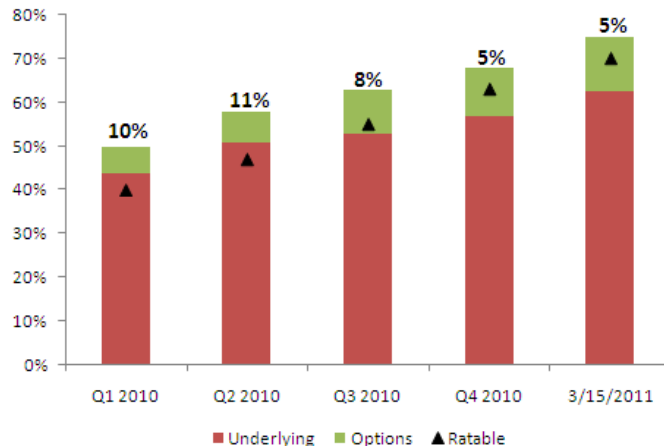
Current fundamentals support a natural gas price in the \$5-\$7/MMBtu range

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Power Fundamentals & Hedging Update



2012 Quarterly Hedge Level vs. Ratable Plan



Note: % values represent amount above ratable plan

➤ Normal practice is to hedge commodity risk on a ratable basis over three years

- Maintain flexibility from quarter to quarter
- Use gas and power put options to capture potential upside while providing downside price protection
- Slowed down pace of hedging in Q3 & Q4 2010 to recognize future upside from environmental regulations and economic recovery, and have maintained relative position to ratable during 2011

2012 Historical Energy & Gas Prices



➤ Using our perspective on the markets to time sales, thereby adding value

- PJMW energy prices increased in 4Q 2010, driven by higher eastern coal prices
- NiHub energy prices and Henry Hub natural gas prices remained relatively stable in 4Q 2010
- During Q1 2011 we have seen prices decrease but have more recently been trending upwards.

Exelon's ratable hedging program provides flexibility to time sales based on fundamental view of the market

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Hedging Update



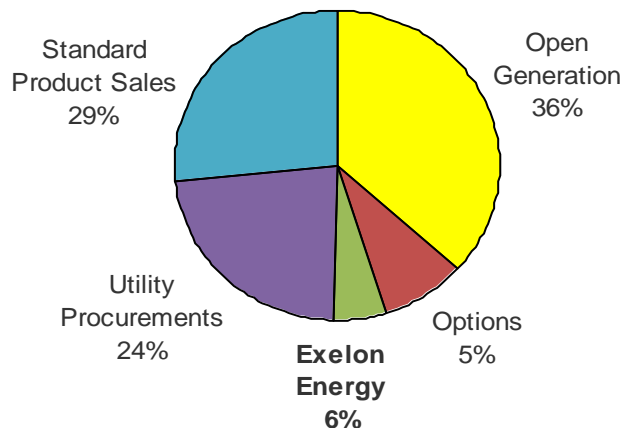
- (1) Represents an approximate range of expected gross margin, taking into account hedges in place, between the 5th and 95th percent confidence levels assuming all unhedged supply is sold into the spot market. Approximate gross margin ranges are based upon an internal simulation model and are subject to change based upon market inputs, future transactions and potential modeling changes. These ranges of approximate gross margin in 2012 and 2013 do not represent earnings guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years. The price distributions that generate this range are calibrated to market quotes for power, fuel, load following products, and options as of February 28, 2010.
- (2) Percent of expected generation hedged is the amount of equivalent sales divided by the expected generation. Includes all hedging products, such as wholesale and retail sales of power, options, and swaps. Uses expected value on options. Reflects decision to permanently retire Cromby Station and Eddystone Units 1&2 as of May 31, 2011.

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Multiple Channels To Market



2011-2013 Sales as % of Expected Generation ⁽¹⁾



➤ A diverse set of customers and products is important for Exelon Generation's hedging program

- Reduces and diversifies our collateral exposure
- Improves portfolio product fit (load following) and sales closer to assets
- Increases opportunities for margin via retail, utility solicitations and mid-marketing channels
- Long term transactions provide extended price certainty and monetize environmental upside
- Use of alternate channels and locations help minimize liquidity constraints

Multiple sales channels to market enhances value and maximizes liquidity and credit diversity

(1) Represents values as of December 31, 2010.

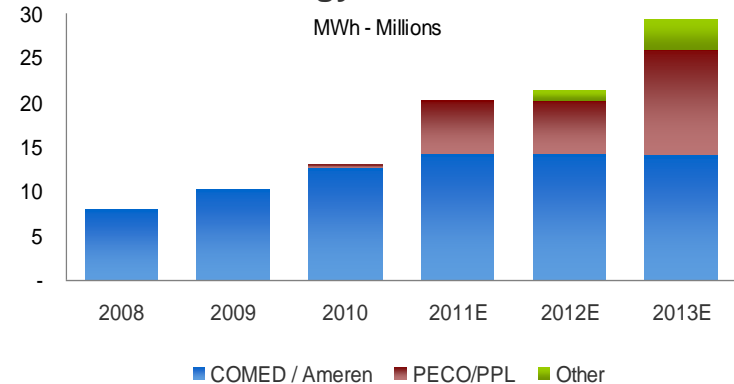
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Exelon Energy – Competitive Retail

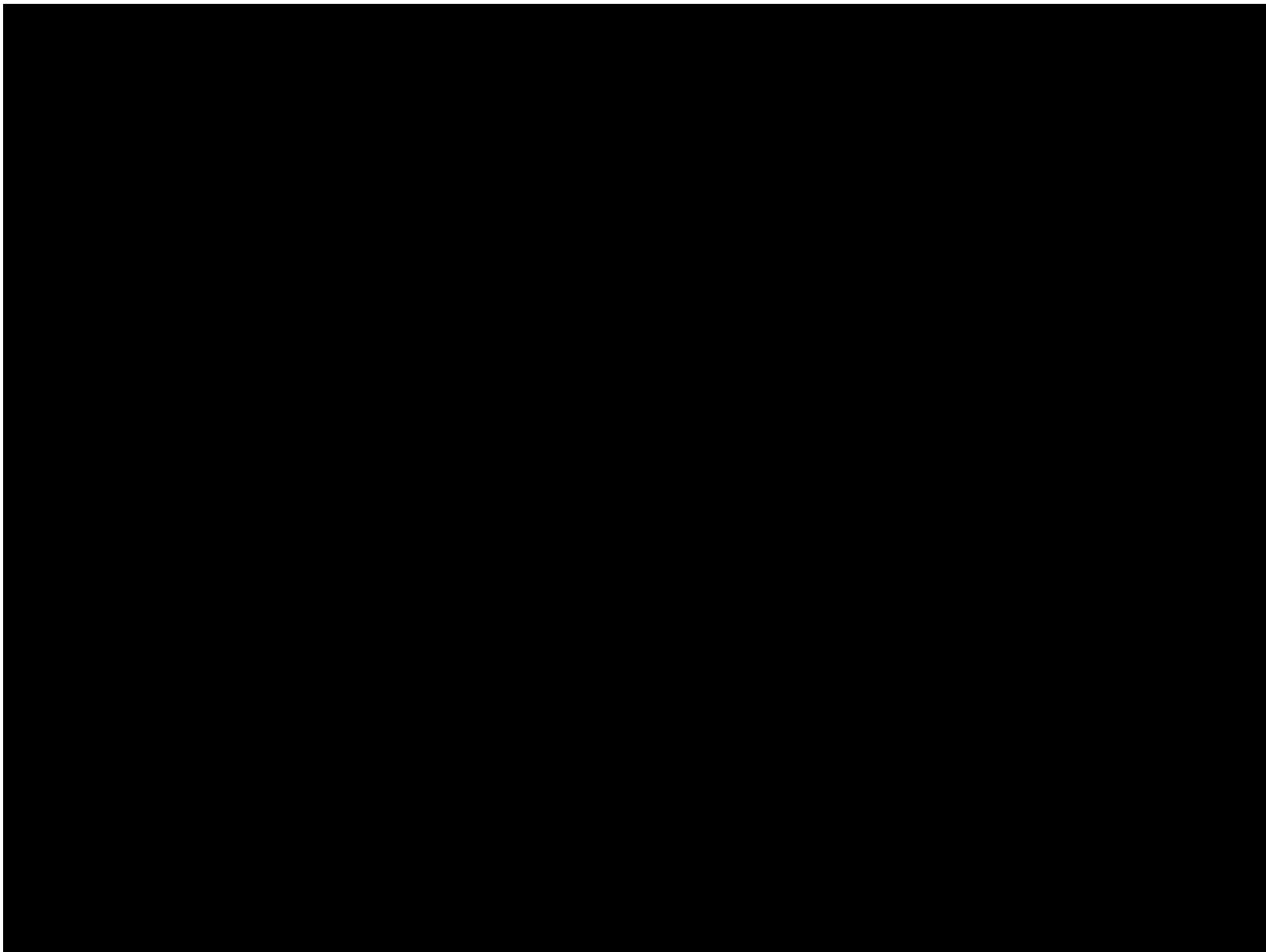


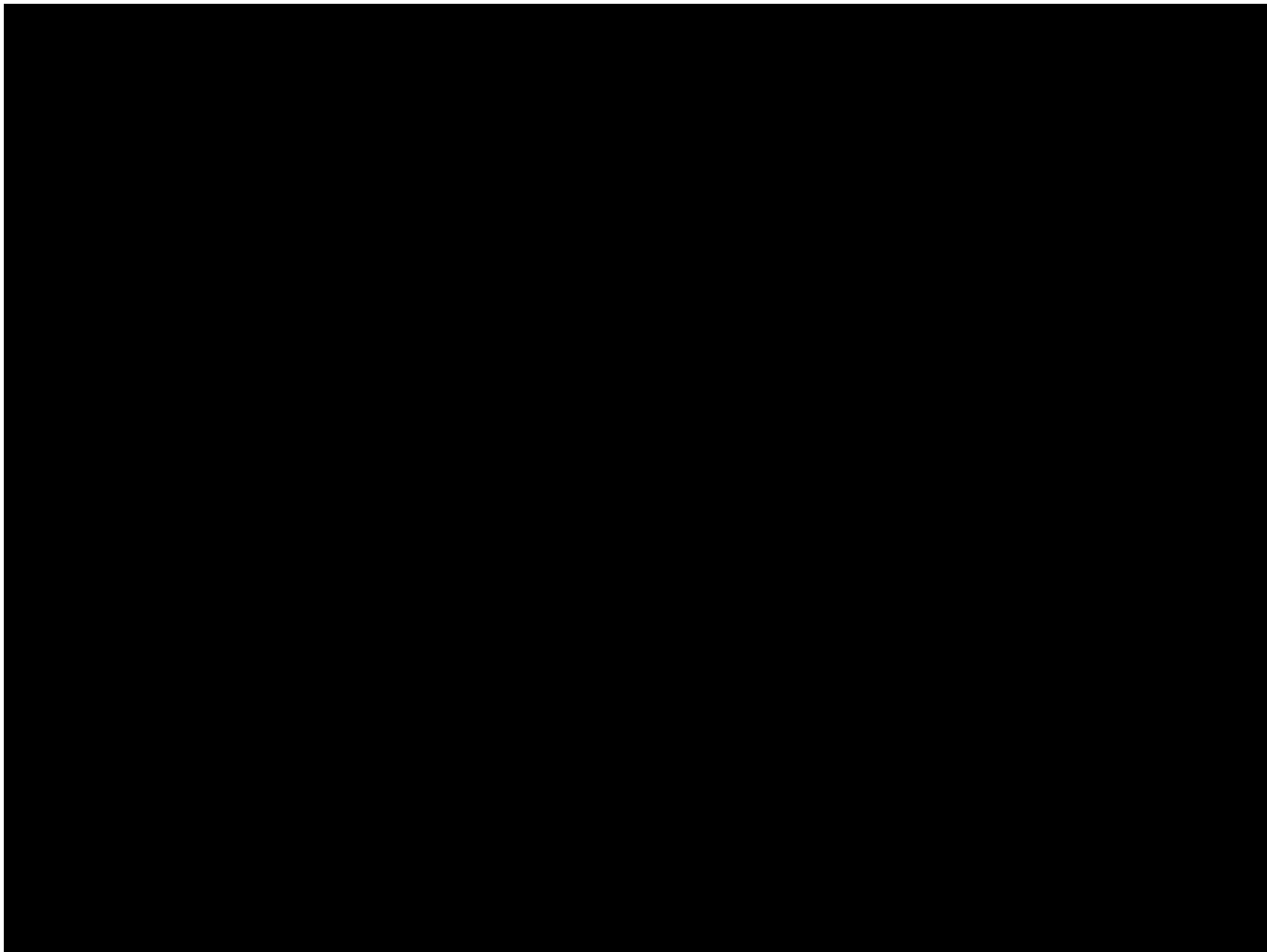
- **Supplies a wide range of energy and natural gas products directly to commercial and industrial customers in Illinois, Pennsylvania, Michigan and Ohio**
- **Managed as a part of the overall Exelon Generation hedging strategy**
 - Retail load profile complements generation portfolio
 - Long term sales agreements with creditworthy customers reduces portfolio price and earnings risk
 - Projected sales growing from ~10% to 20% of expected generation over the next 3 years
- **Channel to build relationship with end-use customers**
 - Partner with customers to meet their energy supply needs
 - Products support Exelon 2020 and provide access to Exelon Generation's low-emission generation fleet
 - Renewable Energy Credits (RECs), including John Deere wind resources
 - Low Carbon Energy Certificates (EDECs)
 - Nuclear energy attributes transferred through PJM Generation Attribute Tracking System

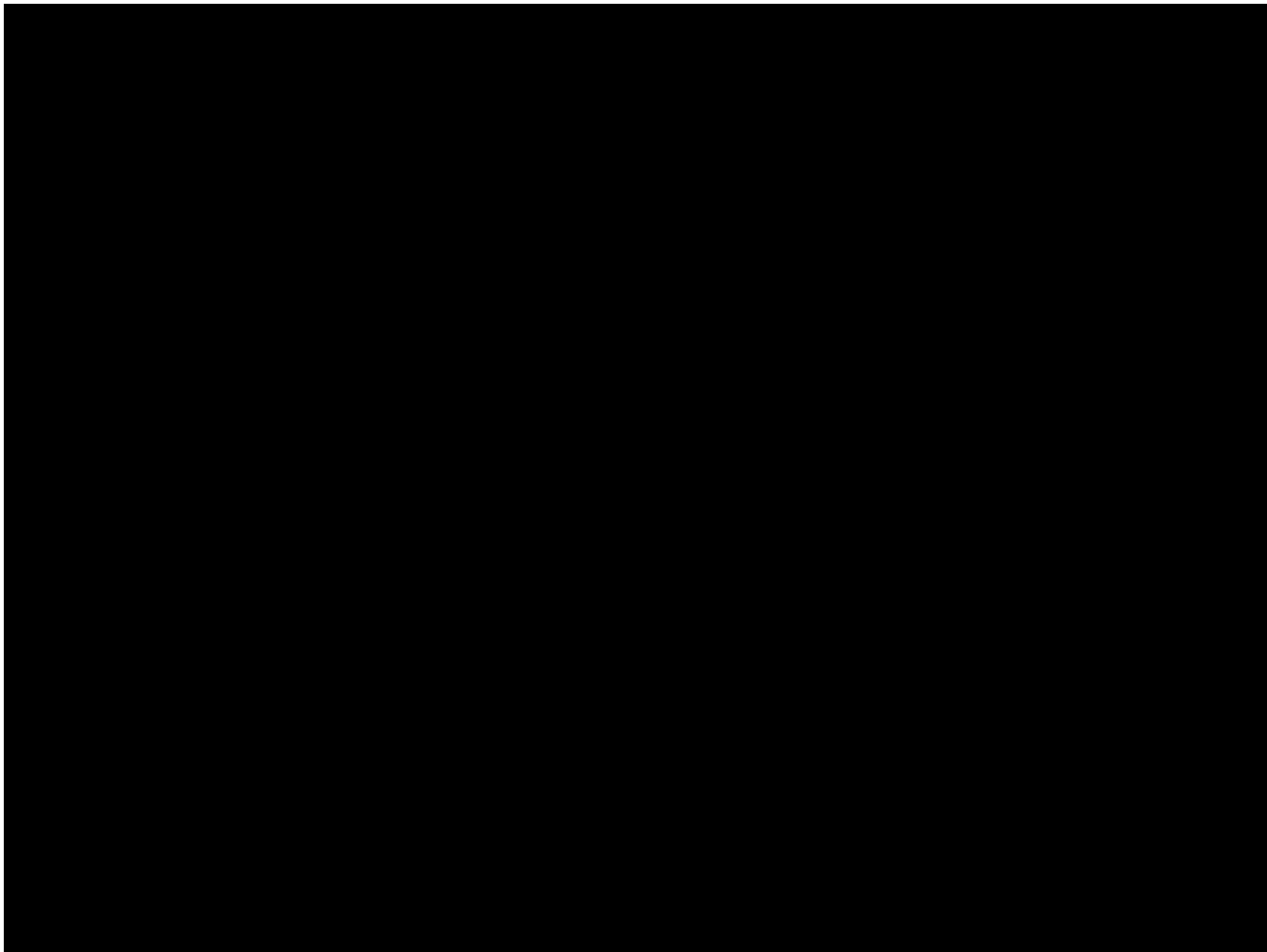
Exelon Energy Electric Volumes

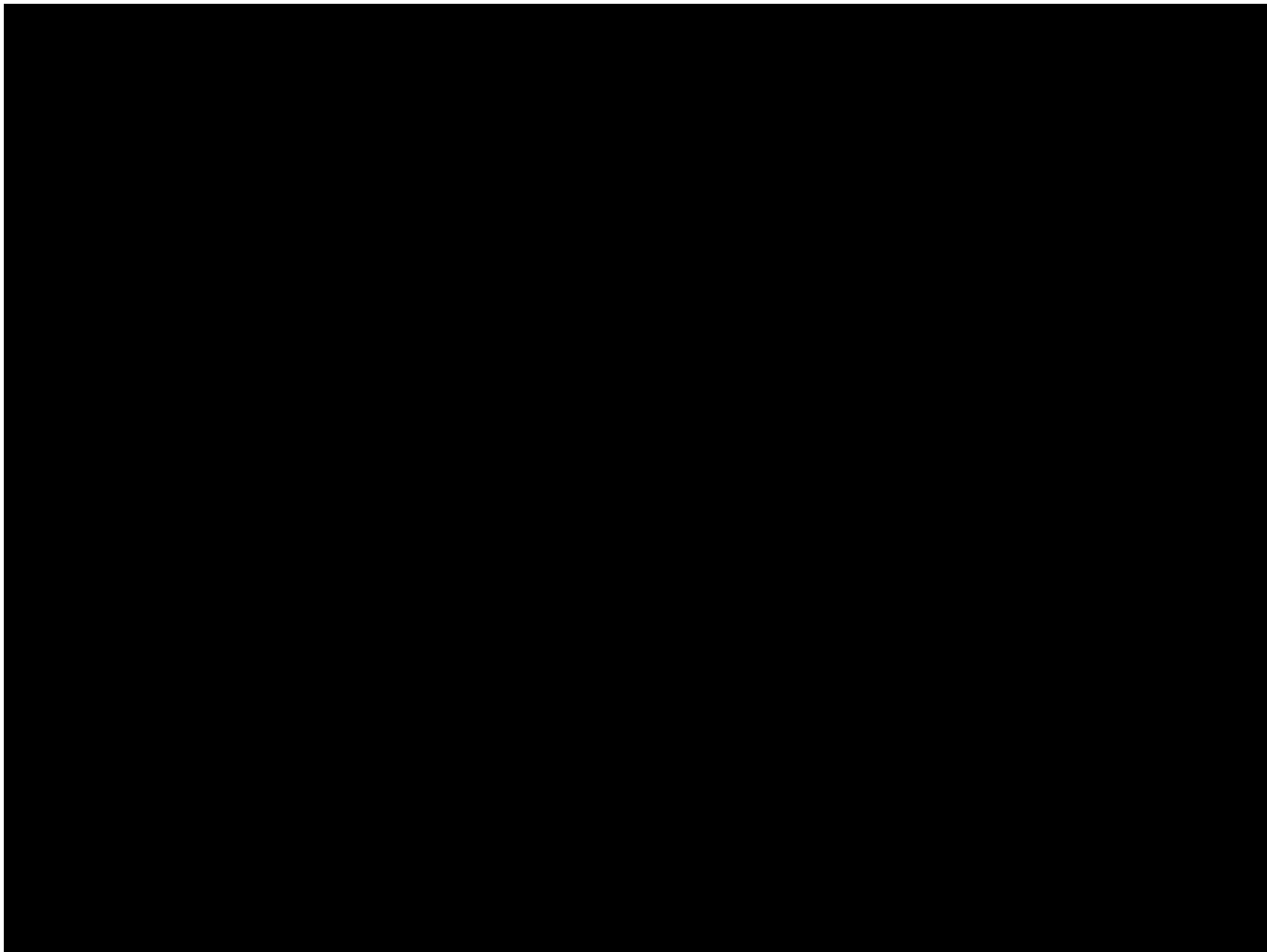


Exelon Energy complements Exelon Generation footprint by leveraging broad experience in wholesale markets and asset management











Financial Update

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Committed to Investment Grade Ratings



Exelon believes that solid investment grade ratings are critical for managing and operating both regulated utilities and a commodity-based generation company

Commercial Business Opportunities

- Asset acquisitions
- Ability to participate in or to bid competitively for PPAs and long-term transactions
- Increased liquidity for energy trading: counterparties' costs would increase for non-investment grade transactions, thereby reducing market participation

Manageable Liquidity Requirements

- Lower collateral requirements for energy trading
- Ability to secure sizeable and sufficient bank credit facilities (currently \$7.4B)
- Use of guarantees (versus letters of credit) to fulfill NRC requirements for Nuclear Decommissioning Trust obligations

Efficient Capital Markets Access

- Reliable access to long-term debt markets to meet sizeable capital program
- Lower cost and ability to extend debt maturity profile
- Access to commercial paper market

Business and Financial Flexibility

- Avoid prepayments on long-term contracts (such as uranium), which reduce working capital requirements
- Avoid restrictive bond covenants and secured financing transactions
- Limits regulatory friction

Our investment grade rating increases the pool of lenders, provides access to a broad range of trading counterparties, and enhances our strategic options

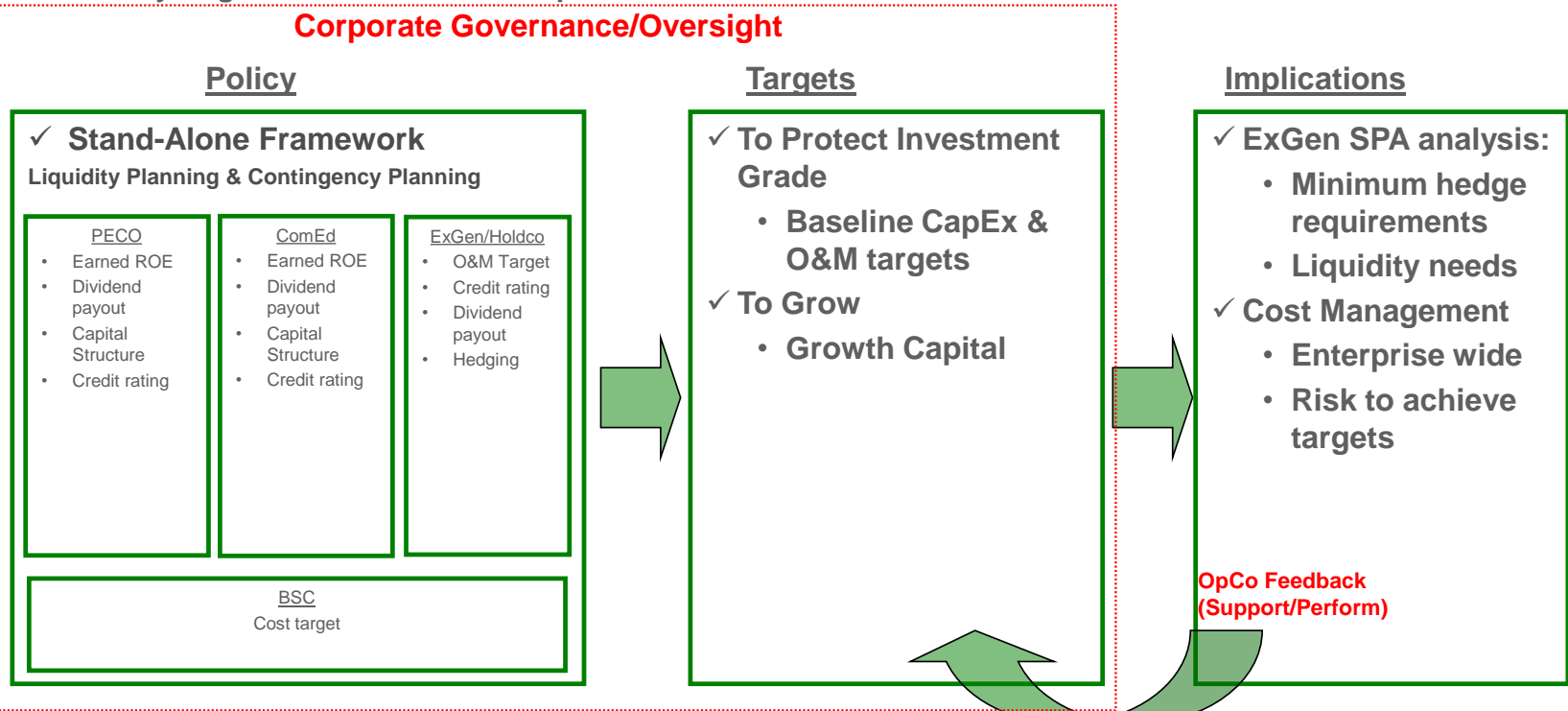
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Executing Financial Discipline

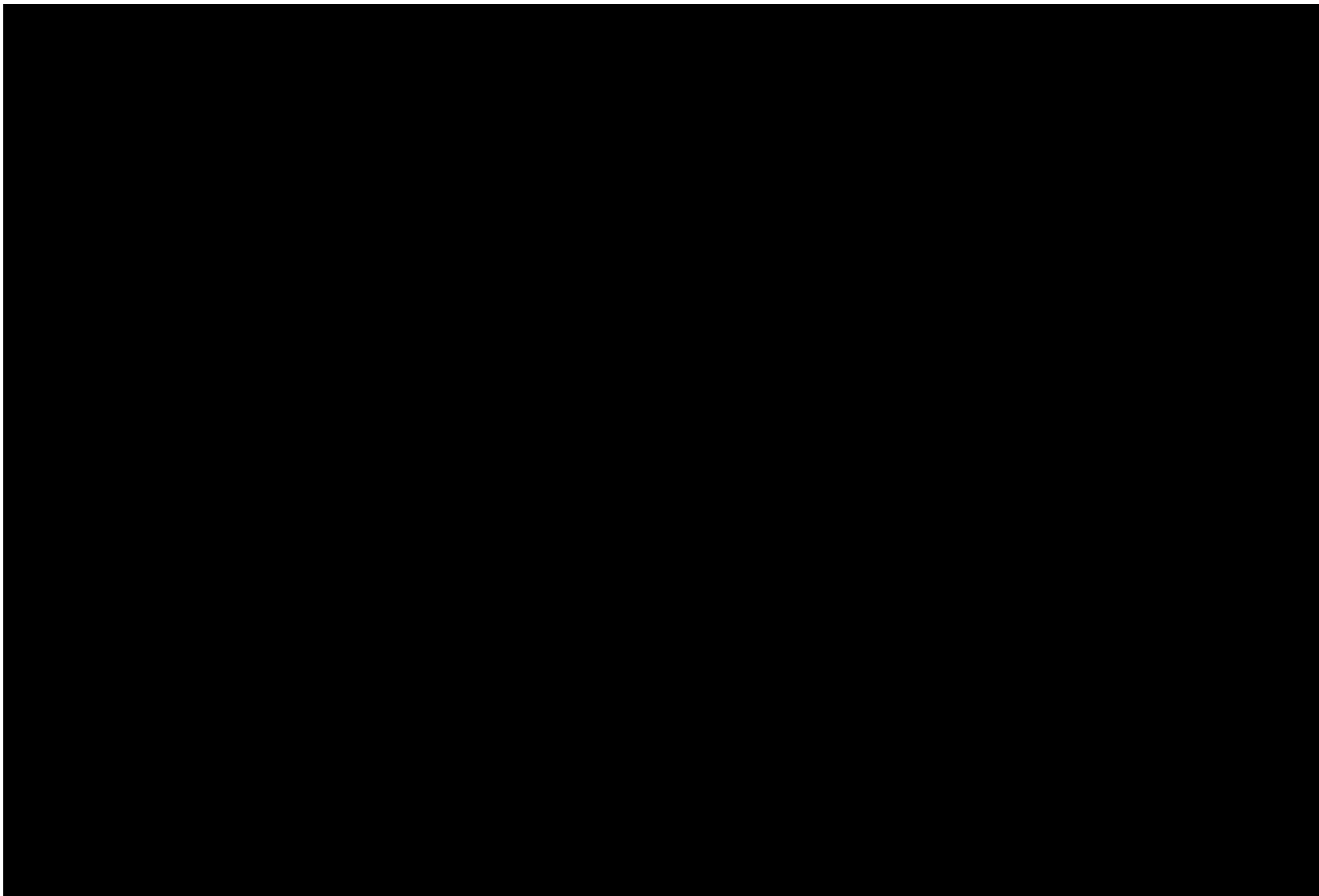
We utilize stand-alone policies to increase financial discipline through alignment of operating subsidiary targets with shareholder expectations

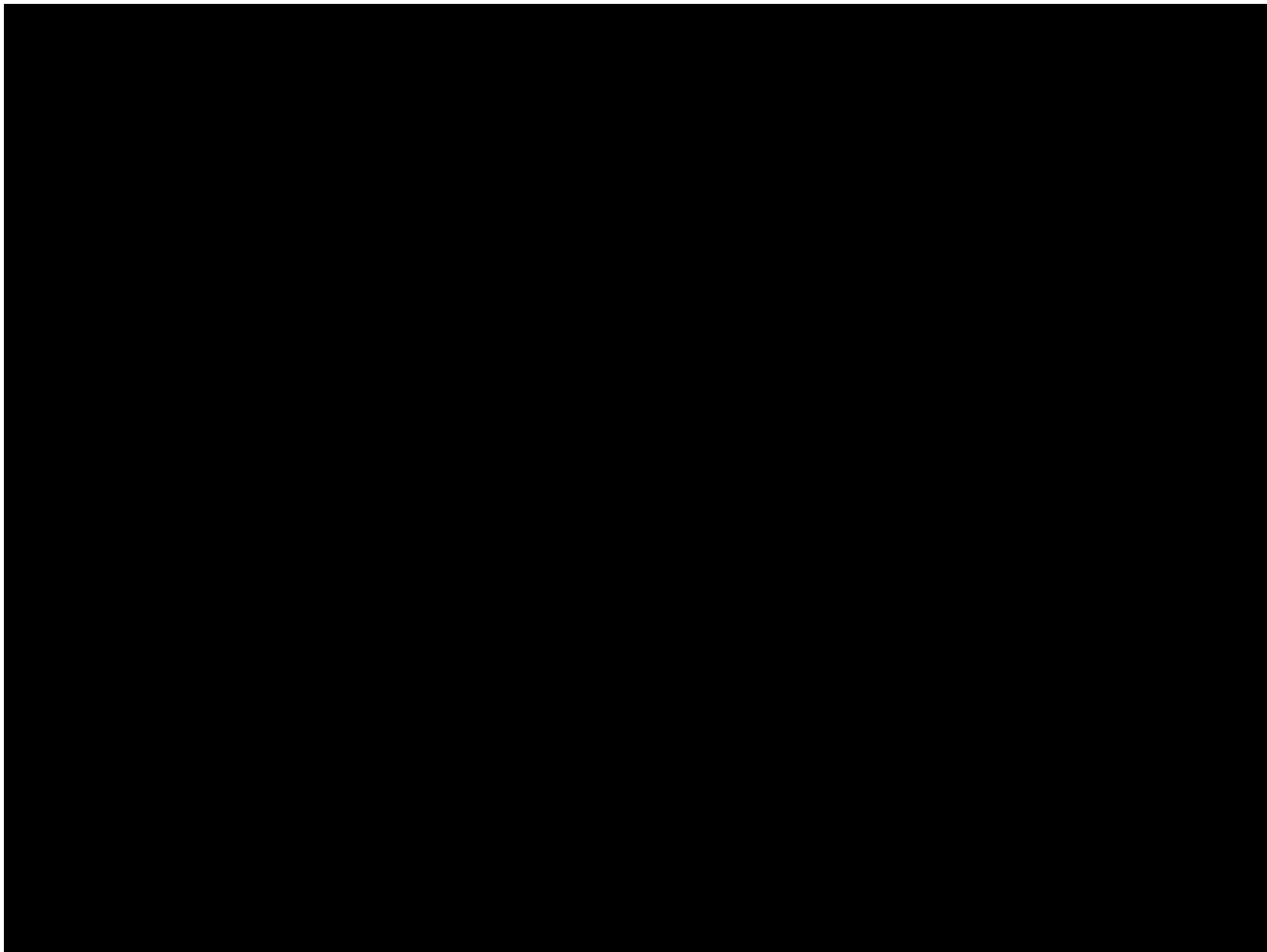
Corporate Governance/Oversight



Key Implications:

1. No cross-subsidization of dividend funding at consolidated level
2. Separation of hedging policies (regulatory model at utilities; commodity at ExGen)
3. Baseline capital & O&M targets aligned with rating metrics by OpCo
4. Growth capital allocated based on excess cash and/or balance sheet capacity



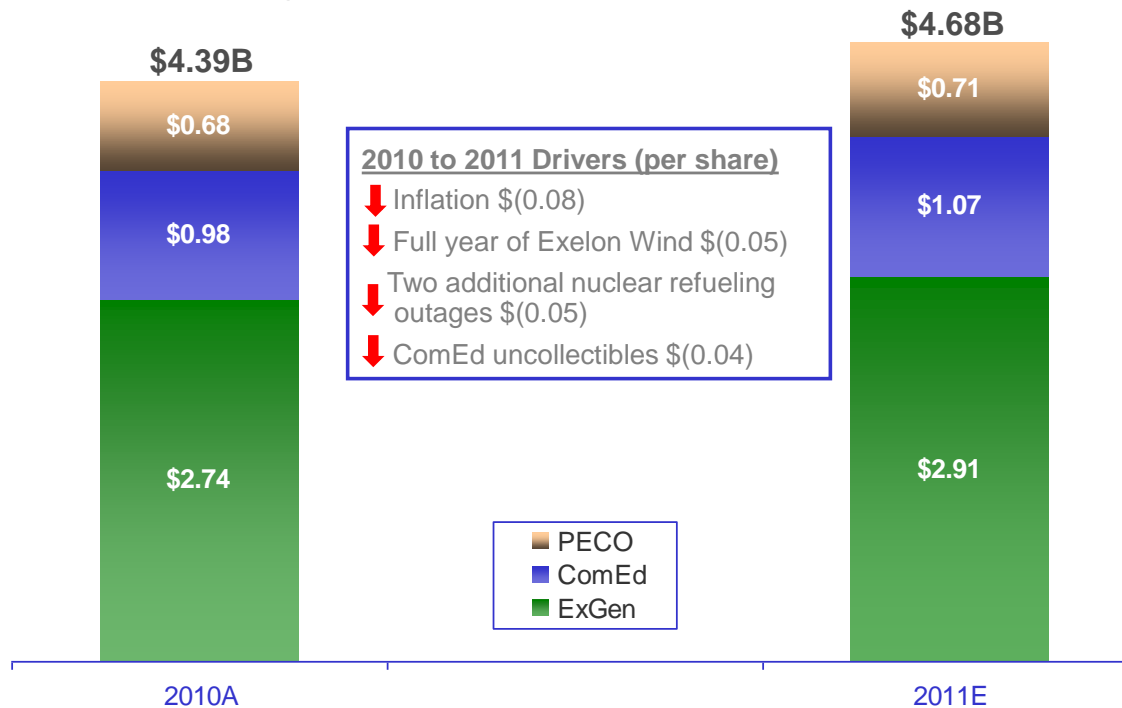


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Operating O&M Outlook



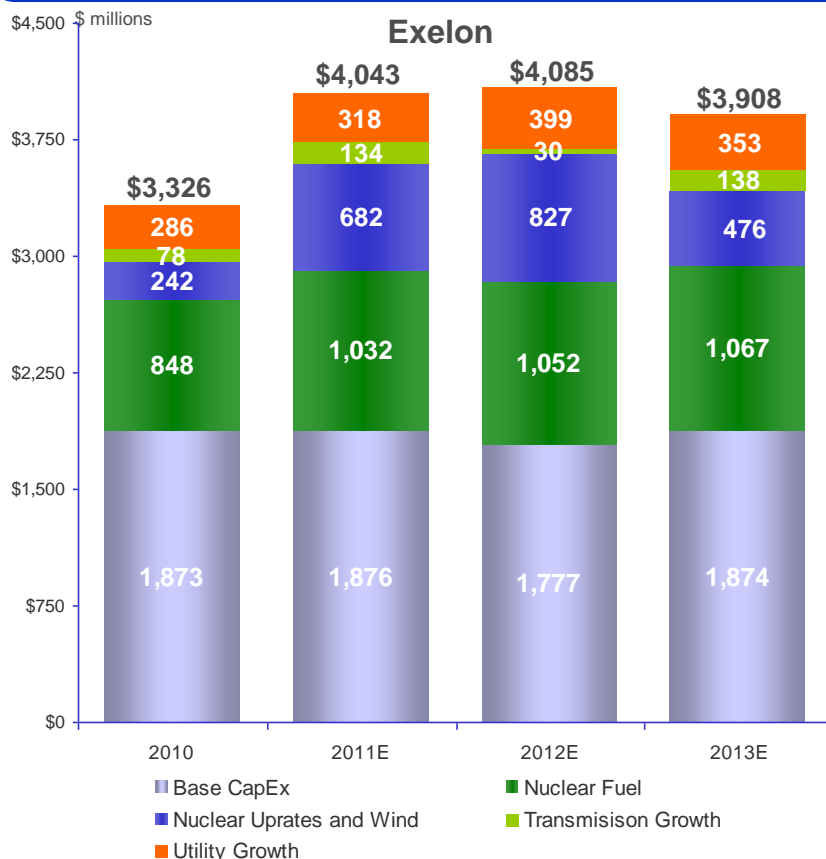
- 2010 Operating O&M below 2008 levels for second consecutive year
- One-time savings in 2010 included executive salary freezes and reduced compensation benefits
- Anticipate annual O&M growth rate of ~2% for 2011-2013



Estimated 2011 O&M represents a new “base” level for operating O&M

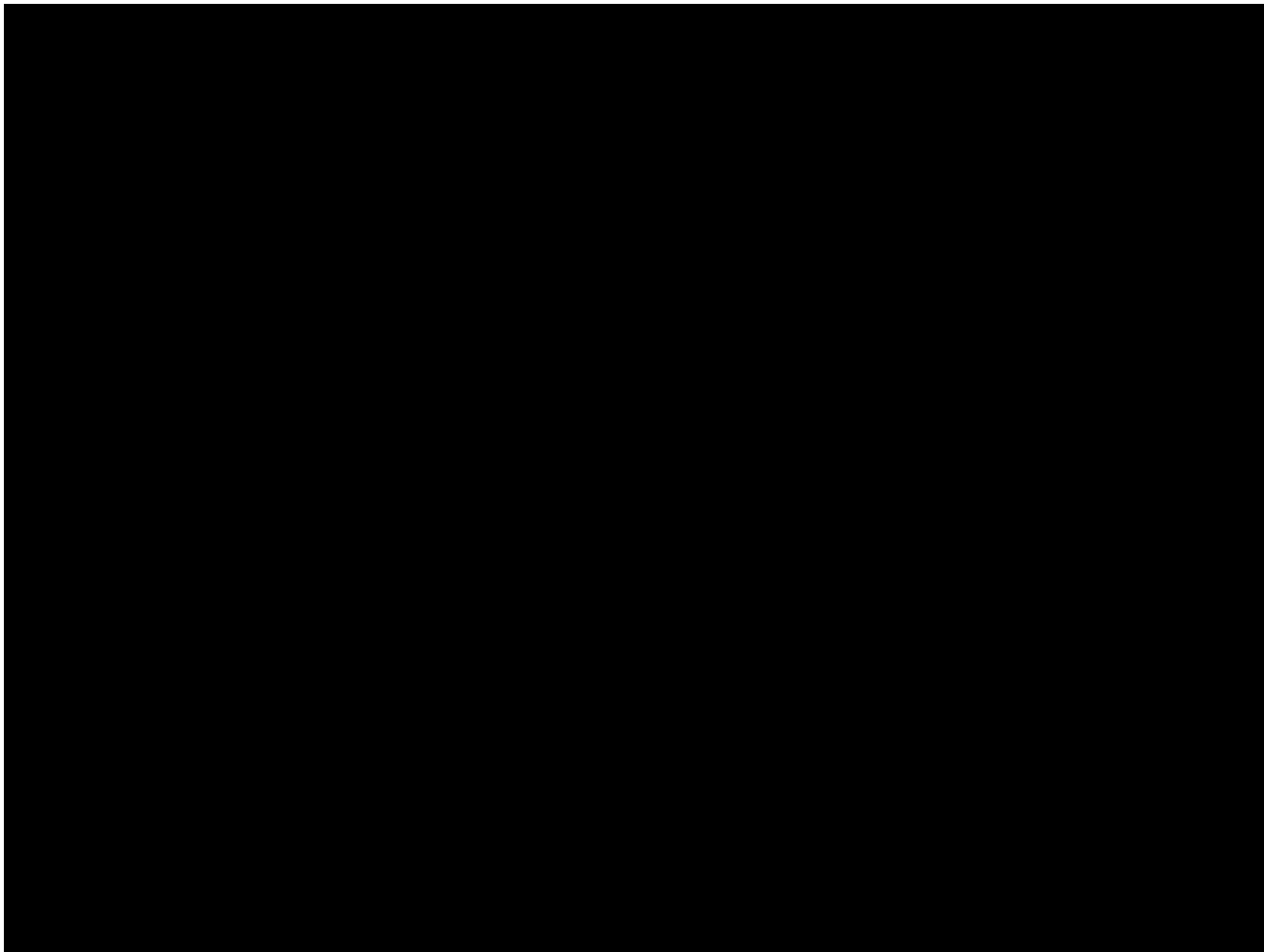
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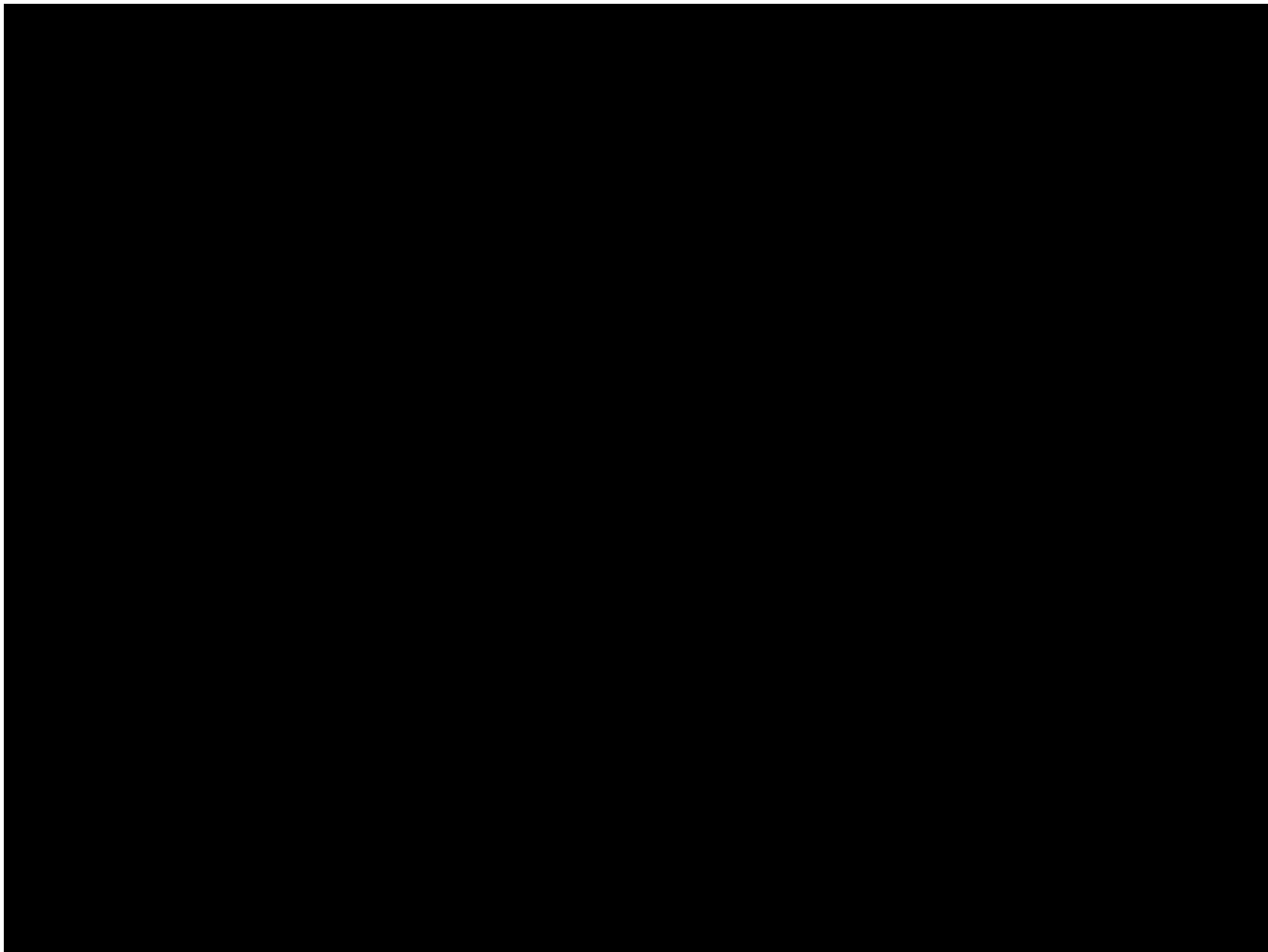
Capital Expenditures Expectations

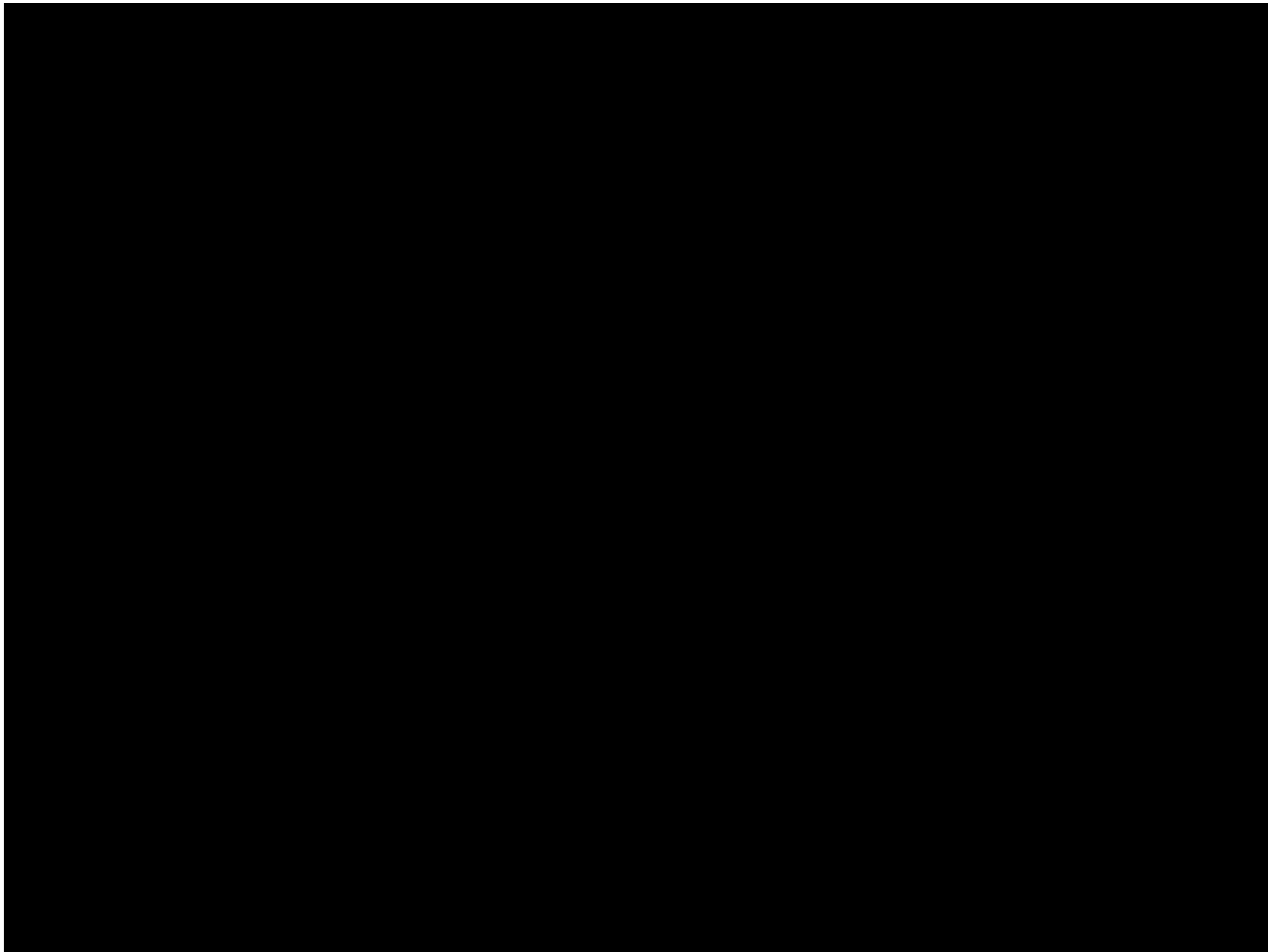


	2010A	2011E	2012E	2013E
Exelon Generation				
Base CapEx	\$793	\$847	\$791	\$787
Nuclear Fuel ⁽¹⁾	848	1,032	1,052	1,067
Nuclear Upgrades and Wind ⁽²⁾	242	682	827	476
Total ExGen	\$1,883	\$2,561	\$2,670	\$2,330
ComEd				
Base CapEx	\$682	\$691	\$644	\$688
Transmission Growth	78	134	30	138
Utility Growth ⁽³⁾⁽⁴⁾	202	190	282	232
Total ComEd	\$962	\$1,015	\$956	\$1,058
PECO				
Base CapEx	\$461	\$320	\$321	\$372
Utility Growth ⁽³⁾	84	128	117	121
Total PECO	\$545	\$448	\$438	\$492
Corporate				
	\$ (64)	\$ 18	\$ 20	\$ 27

- (1) Nuclear fuel shown at ownership, including Salem.
- (2) Excludes TMI and Clinton EPU's, which are under review. Does not include \$900 million related to acquisition of John Deere Renewables.
- (3) Represents new business and smart grid/meter investment
- (4) ComEd does not plan to move forward with these Smart Grid/Meter investments unless appropriate cost recovery mechanisms are in place.
- (5) Represents capital projects transferred from BSC to Generation, ComEd and PECO. These projects are shown as capital expenditures at Generation, ComEd and PECO and the capital expenditure is eliminated upon consolidation







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Tax Relief Act of 2010



- ✓ Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 signed into law on December 17th
- ✓ Bonus Depreciation Provision
 - Qualifying property purchased (and placed into service) after September 8, 2010, and before January 1, 2012, would be eligible for 100 percent bonus depreciation for tax purposes.
 - In addition, qualifying property purchased (and placed into service) during 2012 would be eligible for 50 percent bonus depreciation.

(in millions)	Cash-Flow Benefit	P&L Impact	EPS
2010	\$ 84	\$ (5)	\$ (0.01)
2011	\$ 763	\$ (77)	\$ (0.11)
2012	\$ 170	\$ (6)	\$ (0.01)
Total	\$ 1,017	\$ (88)	\$ (0.13)

- Cash-flow benefit, P&L impact and EPS amounts include reduced ComEd revenue requirement in 2011 as a result of the tax relief; NPV does not include the impact of reduced ComEd revenue requirement
- These projections do not include any potential pull forward of CapEx into 2011, which is being contemplated by the OpCo's
- Data in table reflects limitations on manufacturing deduction

- ✓ Other Tax Act Provisions
 - Extension of Bush tax cuts through 2012 for all individual taxpayers, including 15-percent rate for dividends and capital gains
 - Extends renewable energy grants in lieu of production tax credit and investment tax credit for 1 year, through 2011

Bonus depreciation provision resulted in ~ \$1 billion in accelerated cash in 2011 and 2012

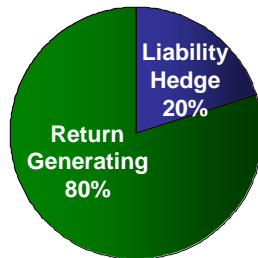


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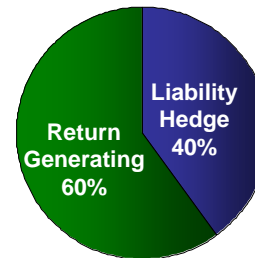
Pension Investment Strategy – Exelon Approach



- A dynamic asset allocation strategy has been developed and is being implemented with the goal of dampening the volatility of both plan asset returns and plan funded status
- The dynamic asset allocation strategy will evolve with changes in plan funded status
- The asset portfolio should be viewed in two categories:
 - Liability Hedging Investments
 - Return Generating Investments
- A high-quality liability matching bond portfolio (the liability hedging investment) will increase as the funded status improves in order to de-risk assets and better hedge the obligation
- The return generating portfolio will become more diversified by adding additional asset classes and will include an increase to alternative assets in order to improve the risk/return characteristics of the portfolio



12/31/10



6/30/11

- The combination of these portfolios will significantly lower asset portfolio risk and pension surplus risk as the asset allocation evolves, while still achieving reasonable asset returns
- New investment team established in late 2009 with more resources

Pension and OPEB Expense and Contributions – As of 12/31/10

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(\$ in millions)	Assumptions		2010		2011		2012	
	Asset Returns (actual for 2010 and expected for 2011 and 2012)	Discount Rate (used for expense)	Pre-tax expense	Actual contribution	Pre-tax expense	Expected contribution	Pre-tax expense	Expected contribution
Pension	11.9% in 2010 8.0% in 2011 7.5% in 2012	5.83% in 2010 5.26% in 2011 5.48% in 2012	\$240	\$765	\$200	\$2,100 ⁽¹⁾	\$240	\$110
<i>Assets</i>				\$8,860				
<i>Obligations</i>				<u>\$12,525</u>				
<i>Unfunded balance – end of year</i>				\$3,665		\$1,305		\$1,015
OPEB	11.6% in 2010 7.08% in 2011 7.08% in 2012	5.83% in 2010 5.30% in 2011 5.52% in 2012	\$190	\$205	\$210	\$185	\$225	\$210
<i>Assets</i>				\$1,655				
<i>Obligations</i>				<u>\$3,875</u>				
<i>Unfunded balance – end of year</i>				\$2,220		\$2,180		\$2,140

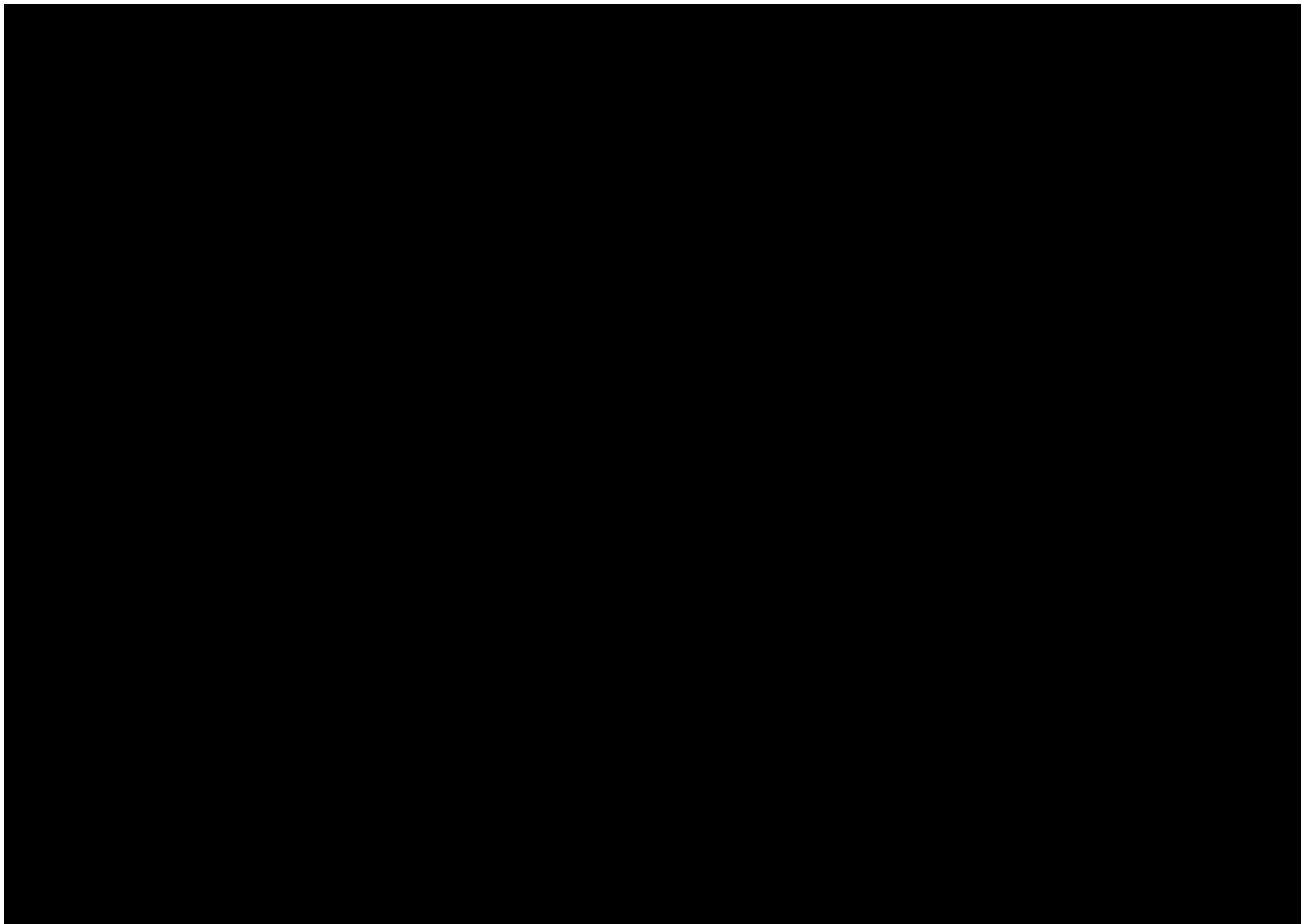
The decrease in pension expense in 2011 is primarily due to the \$2.1 billion pension contribution, partially offset by the effects of lower discount rates and a decrease in EROA

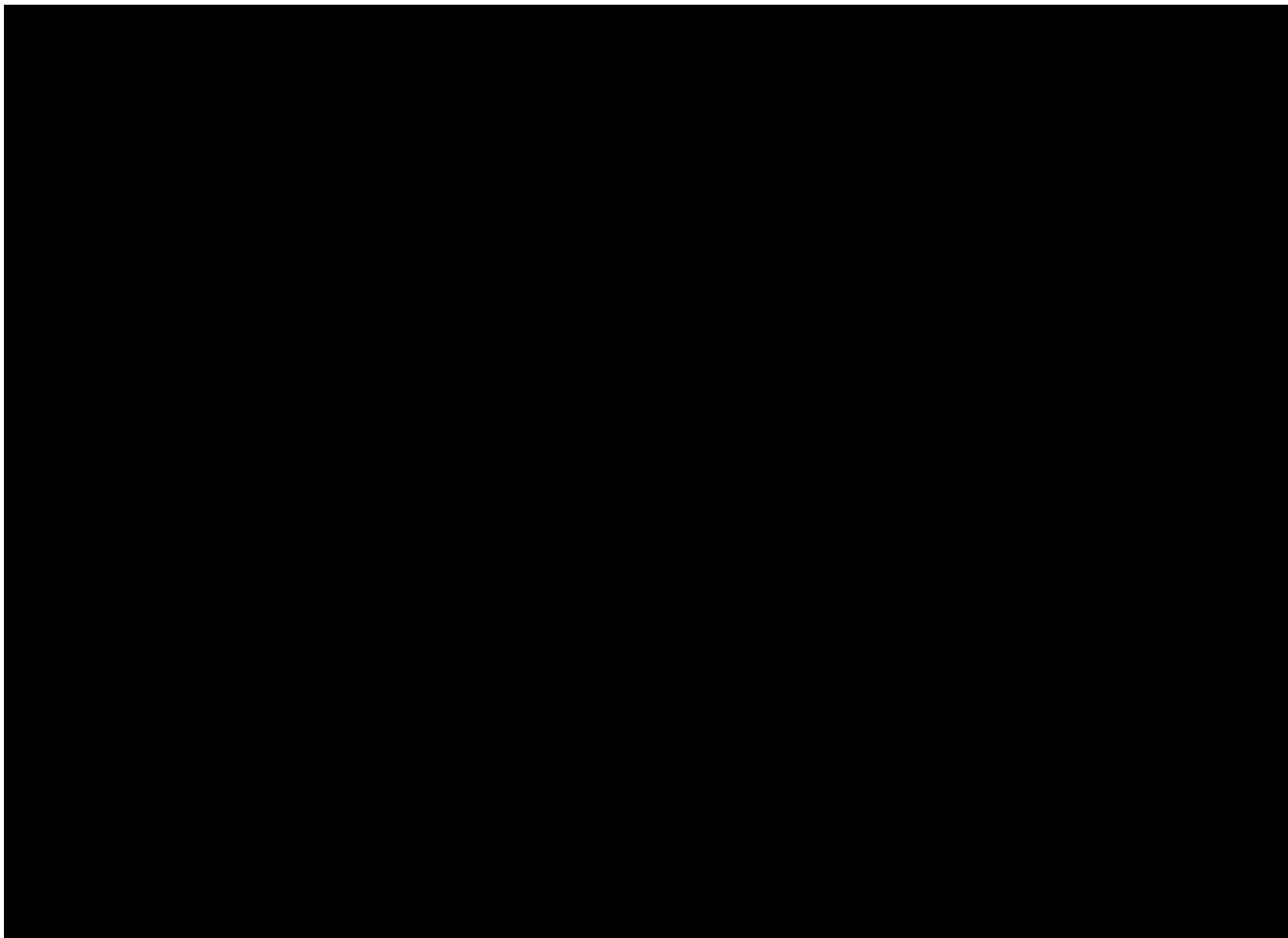
(1) Exelon made a \$2.1B pension contribution on January 31, 2011

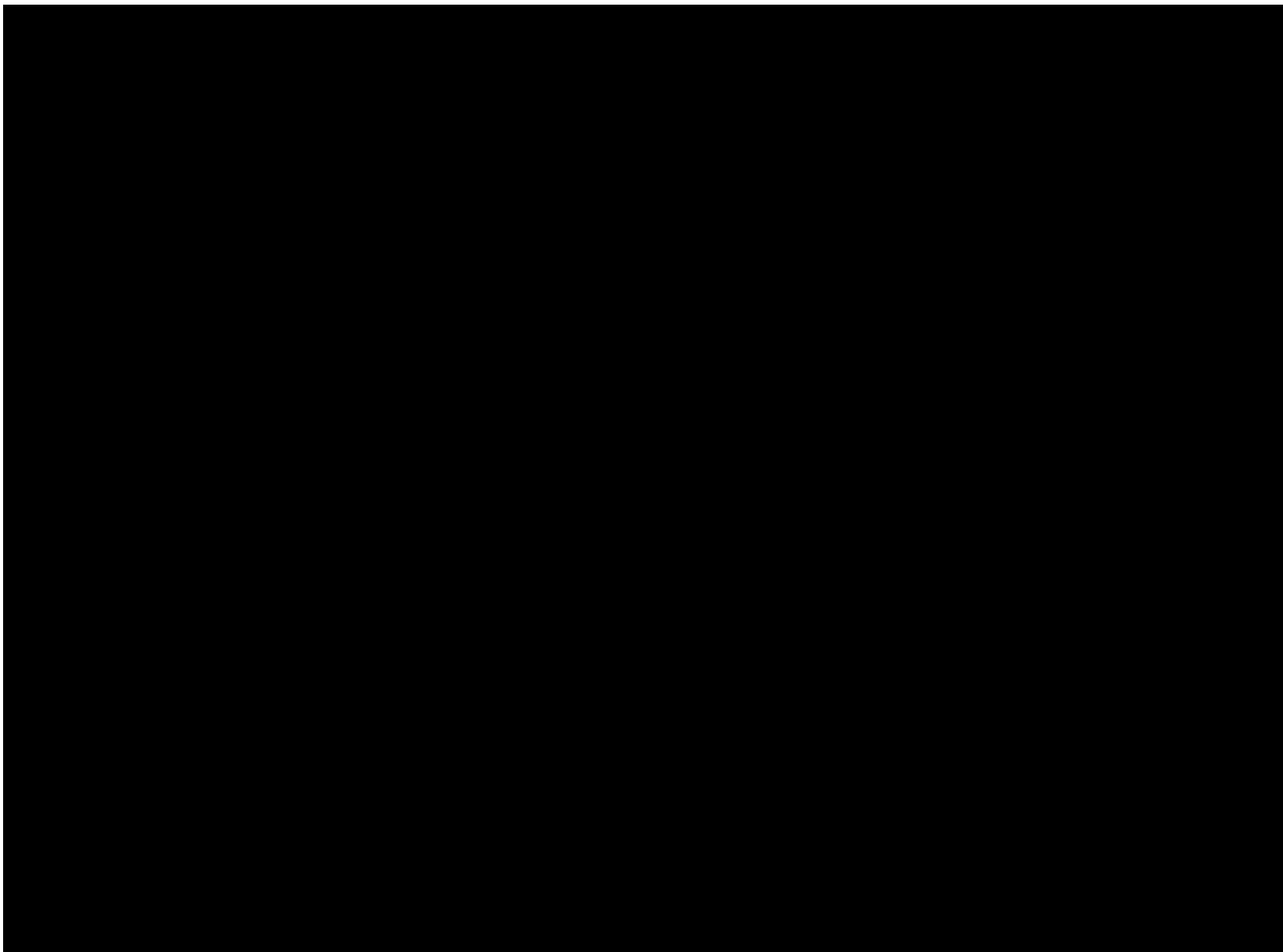
(2) Pension expense amounts exclude settlement charges.

(3) Management considers various factors when making pension funding decisions, including actuarially determined minimum contribution requirements under ERISA, contributions required to avoid benefit restrictions and at-risk status as defined by the Pension Protection Act of 2006 (the Act), management of the pension obligation and regulatory implications. The Act requires the attainment of certain funding levels to avoid benefit restrictions (such as an inability to pay lump sums or to accrue benefits prospectively), and at-risk status (which triggers higher minimum contribution requirements and participant notification).

Note: Slide provided for illustrative purposes and not intended to represent a forecast of future outcomes. Assumes an ~25% capitalization of pension and OPEB costs.
EROA = earned return on assets









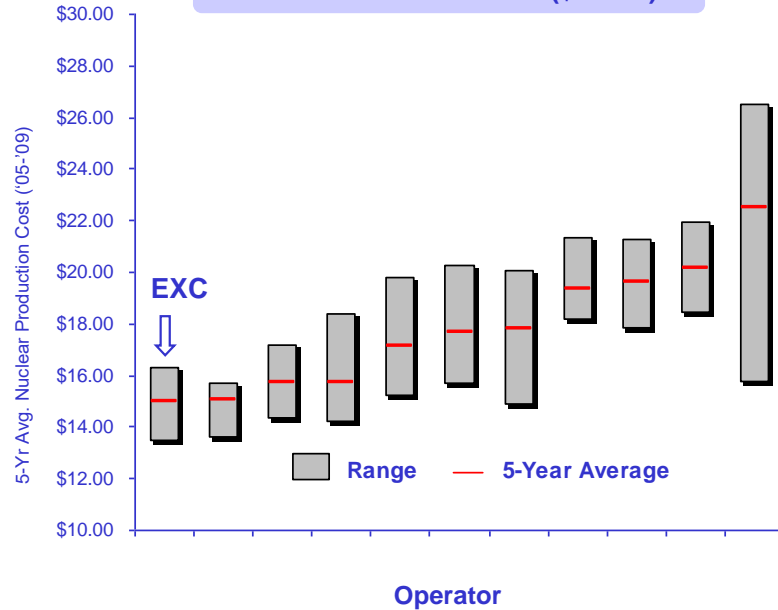
Appendix

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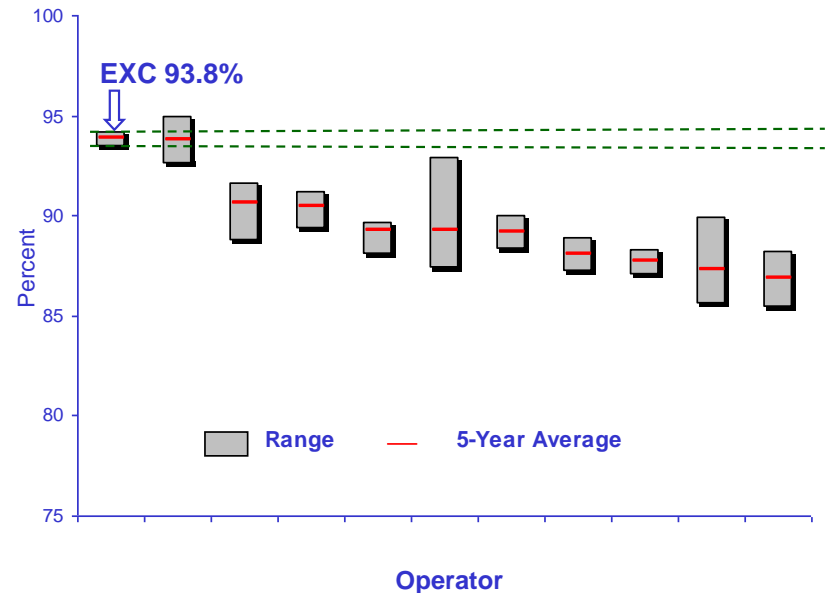
World-Class Nuclear Operator



Nuclear Production Cost (\$/MWh)⁽¹⁾



Range of Fleet 2-Yr Avg Capacity Factor (2005-2009)⁽²⁾



Among major nuclear plant fleet operators, Exelon is consistently one of the lowest-cost producers of electricity in the nation

(1) Source: 2009 Electric Utility Cost Group (EUCG) survey. Includes Fuel Cost plus Direct O&M divided by net generation.

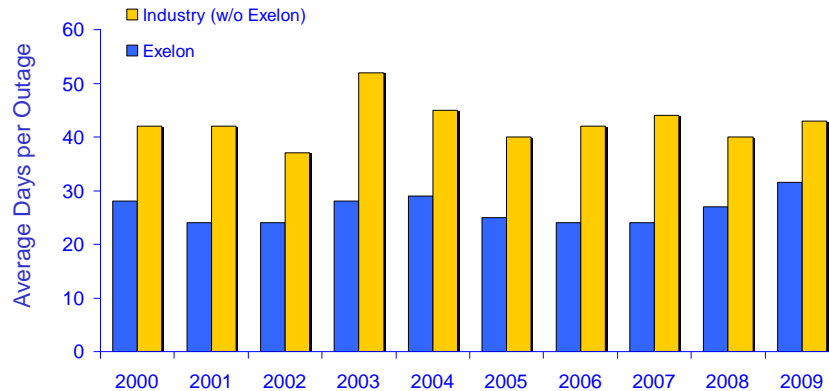
(2) Source: Platts Nuclear News, Nuclear Energy Institute and Energy Information Administration (Department of Energy).

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Impact of Refueling Outages

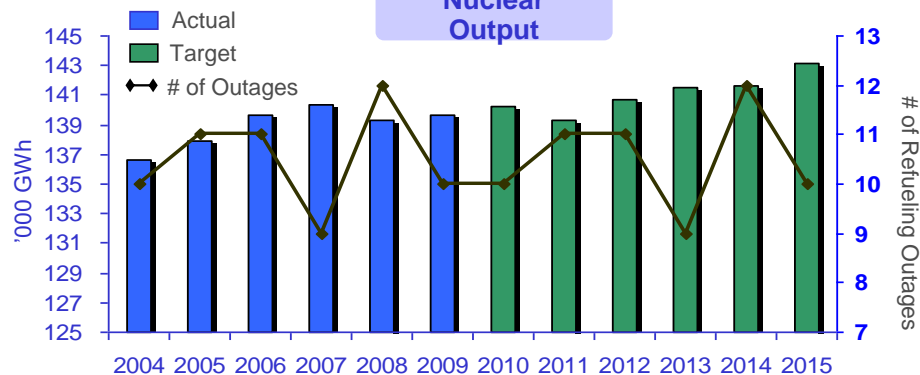


Refueling Outage Duration



Note: Exelon data includes Salem. 2009 average includes 23 days of TMI outage that extended into 2010 reflecting steam generator replacement.

Nuclear Output



Note: Data includes Salem. Net nuclear generation data based on ownership interest.

Nuclear Refueling Cycle

- All Exelon owned units on a 24 month cycle except for Braidwood U1/U2, Byron U1/U2 and Salem U1/U2, which are on 18 month cycles
- Average Outage Duration (2008-9): ~29 days⁽¹⁾

2010 Refueling Outage Impact

- 10 planned refueling outages, including 1 at Salem
- Completed 6 refueling outages in the Spring with an average duration of 25 days
- 4 planned Fall refueling outages (Peach Bottom 2, Oyster Creek, Braidwood 1 and Dresden 3)

2011 Refueling Outage Impact

- 11 planned refueling outages, including 2 at Salem
- 6 refueling outages planned for the Spring and 5 refueling outages planned for the Fall

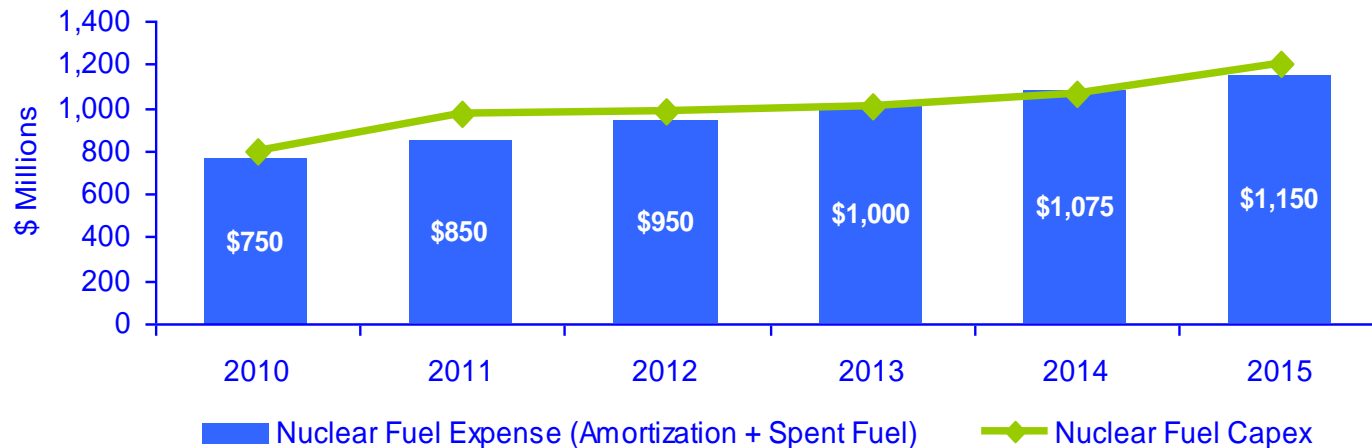
(1) Includes Salem and 23 days of TMI 2009 outage that extended into 2010 reflecting steam generator replacement.

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Projected Total Nuclear Fuel Spend



- Nuclear fuel expense is amortized over three refueling outage cycles
- Nuclear fuel capital expenditures are recognized in the period of investment



Exelon Generation is the largest uranium user in the U.S. and uses diverse sources and contract terms to manage supply

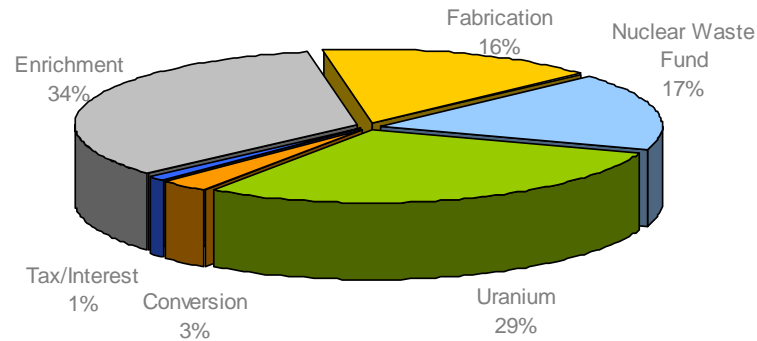
Note: At 100%, excluding Salem. Excludes costs reimbursed under the settlement agreement with the DOE.

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Effectively Managing Nuclear Fuel Costs



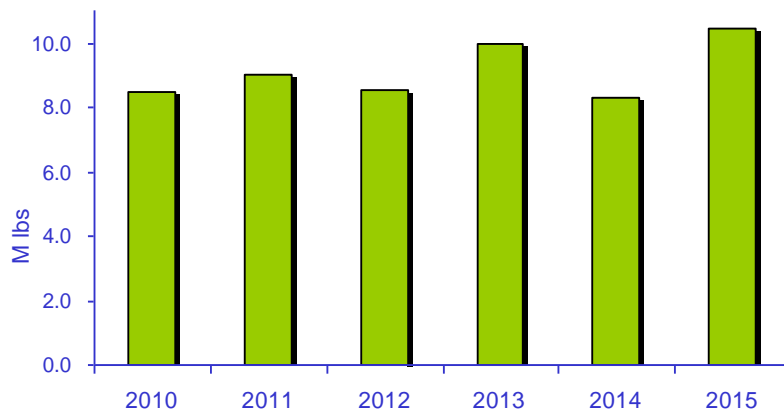
Components of Fuel Expense in 2010



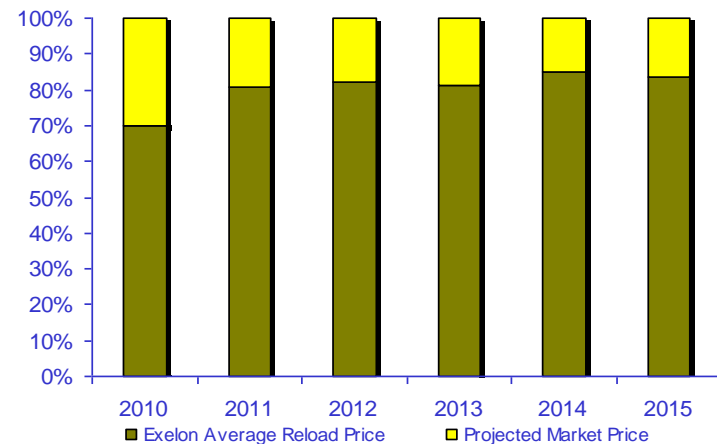
- Exelon Nuclear's uranium demand is 100% physically hedged for 2010-2015
- Contracted prices continue to be below market prices
- Uranium prices were volatile over last 5 years, but have stabilized in the \$40-\$60/lb range

Projected Exelon Uranium Demand

2010 – 2015: 100% hedged in volume



Projected Exelon Average Uranium Cost vs. Market



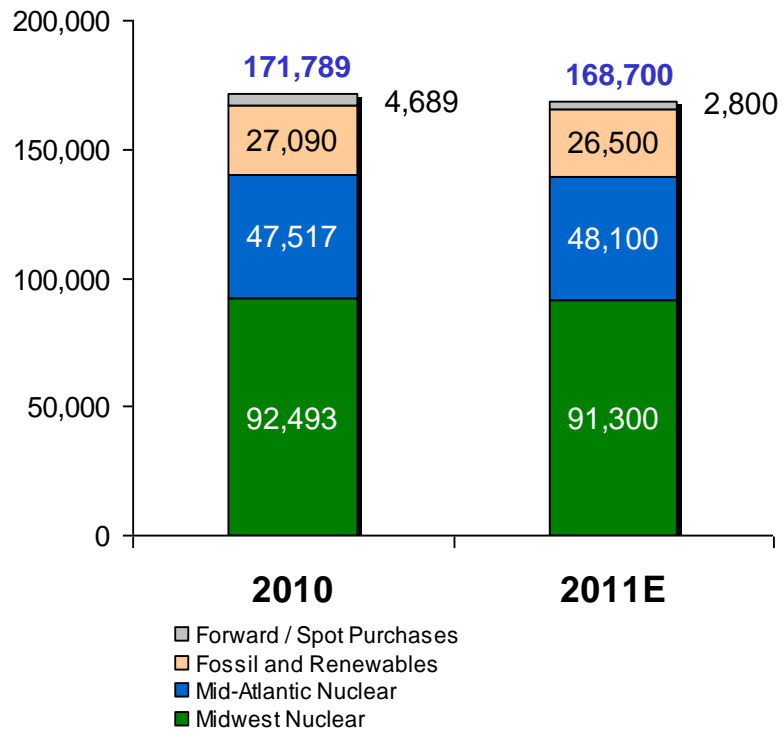
All charts exclude Salem

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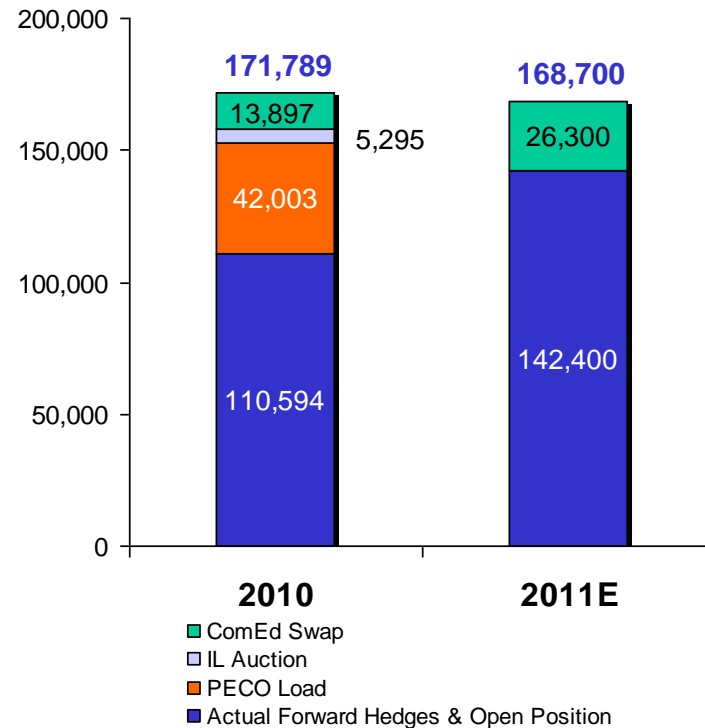
Total Portfolio Characteristics



Expected Total Supply (GWh)



Expected Total Sales (GWh)



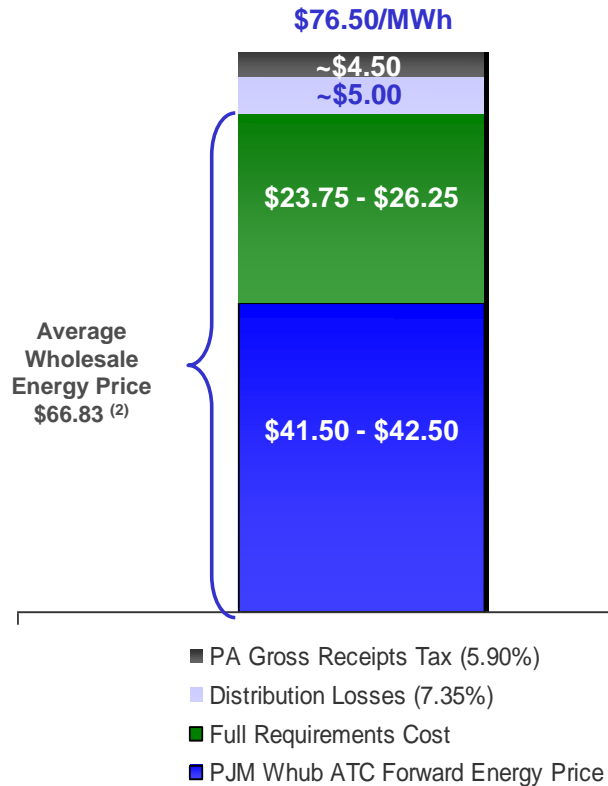
Notes: Represents values as of December 31, 2010. The estimates of planned generation do not represent guidance or a forecast of future results as Exelon has not completed its planning or optimization processes.

Estimated Build-Up of PECO Average Residential Full Requirements Price – Fall 2010

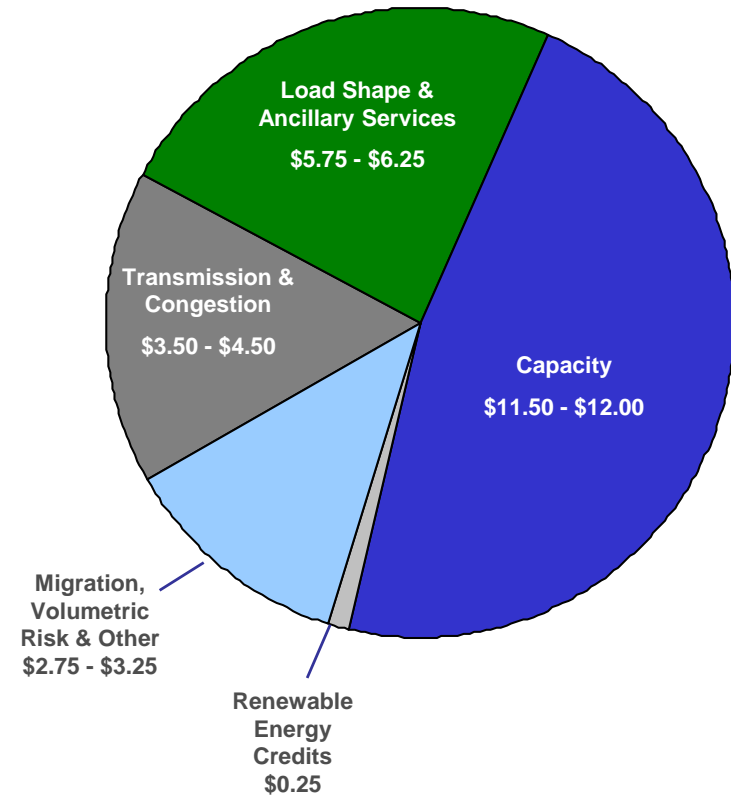
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Average Full Requirements Retail Sales Price ⁽¹⁾



Full Requirements Costs (\$/MWh)



(1) As provided by Exelon Generation.

(2) On October 14, 2010 the Independent Evaluator (NERA) announced a wholesale winning bid of \$66.83/MWh for PECO's Fall 2010 RFP Residential Price.

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Key Assumptions



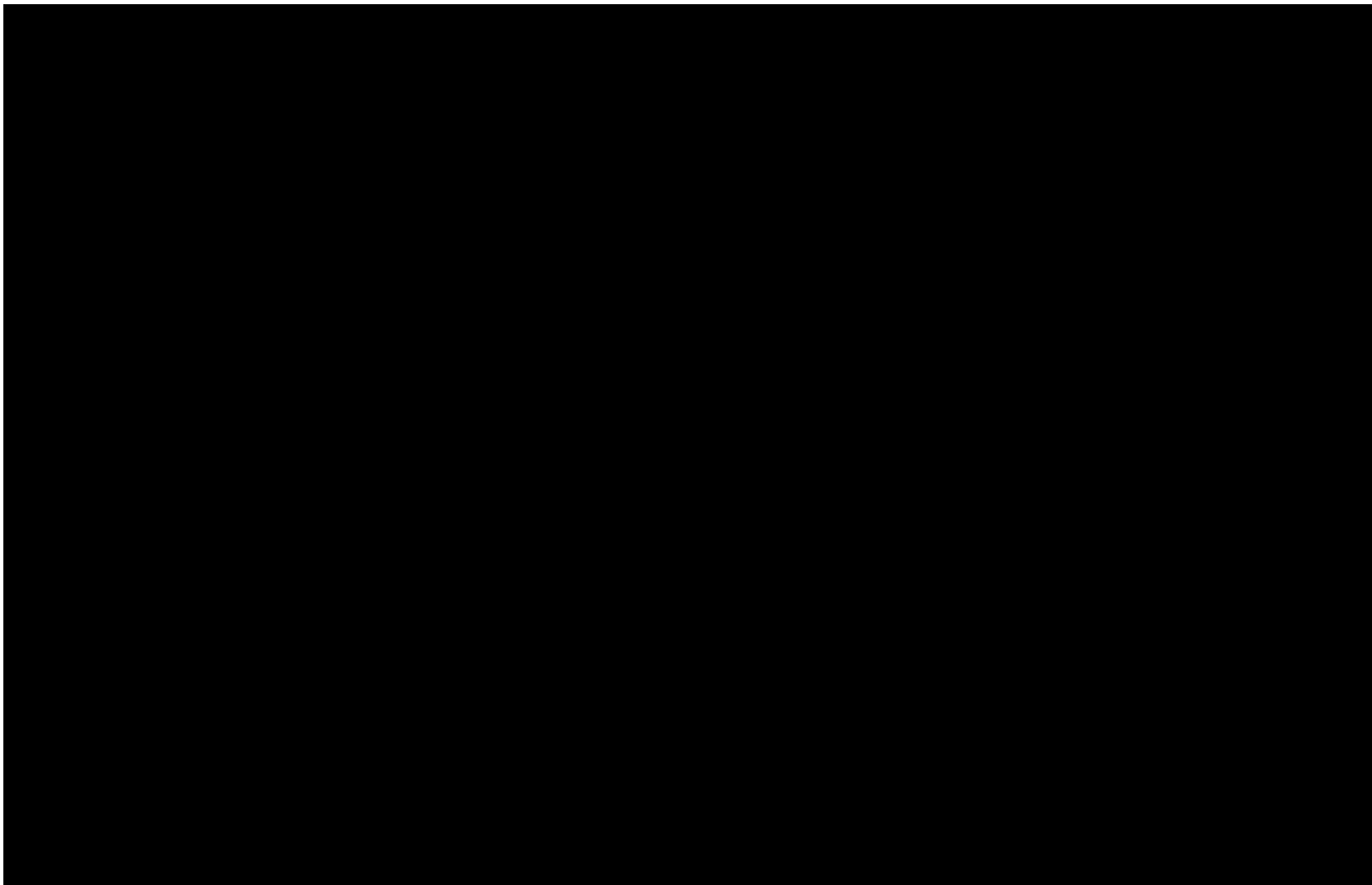
	2010 Actual	2011 Est. ⁽³⁾	2012 Est. ⁽³⁾	2013 Est. ⁽³⁾
Nuclear Capacity Factor (%) ⁽¹⁾	93.9	93.0	93.6	93.1
Total Generation Sales Excluding Trading (GWh)	171,789	168,681	167,356	163,061
Henry Hub Gas Price (\$/mmBtu)	4.37	4.56	5.62	5.79
PJM West Hub ATC Price (\$/MWh)	45.93	45.45	49.14	51.12
Tetco M3 Gas Price (\$/mmBtu)	5.10	5.32	6.27	6.44
PJM West Hub Implied ATC Heat Rate (mmbtu/MWh)	9.01	8.54	7.84	7.94
NI Hub ATC Price (\$/MWh)	33.09	30.69	37.03	40.27
Chicago City Gate Gas Price (\$/mmBtu)	4.46	4.61	5.63	5.80
NI Hub Implied ATC Heat Rate (mmbtu/MWh)	7.42	6.66	6.58	6.94
MAAC Capacity Price (\$/MW-day)	181.34	136.59	123.67	187.77
EMAAC Capacity Price (\$/MW-day)	181.34	136.59	127.39	201.45
RTO Capacity Price (\$/MW-day)	144.40	136.59	55.30	23.07
Electric Delivery Growth (%) ⁽²⁾				
PECO	0.1	0.0	1.0	0.6
ComEd	0.2	0.0	1.8	1.1
Effective Tax Rate - Operating (%)	36.7	38.1	37.1	36.9
Exelon Generation	37.5	37.1	36.0	35.7
ComEd	39.7	40.8	41.1	41.2
PECO	31.1	38.0	38.2	38.2

(1) Excludes Salem.

(2) Weather-normalized retail load growth.

(3) Reflects forward market prices as of December 31, 2010.

Note: The estimates of planned generation do not represent guidance or a forecast of future results as Exelon has not completed its planning or optimization processes.



Exelon Generation Gross Margin Sensitivities (as of 12/31/10)

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\$ millions		2011	2012	2013
Gas	+\$1/MMBtu	\$6	\$173	\$493
	-\$1/MMBtu	(\$5)	(\$93)	(\$444)
Power	+\$5/MWh	\$67	\$329	\$577
	-\$5/MWh	(\$39)	(\$292)	(\$555)
Heat Rate	+ 500 Btu/MWh	\$27	\$163	\$305
	- 500 Btu/MWh	(\$22)	(\$153)	(\$299)
Nuclear Capacity Factor	+ 1%	\$42	\$44	\$48
	- 1%	(\$42)	(\$44)	(\$48)

- Gas Sensitivity - For each forward month and time bucket, when NYMEX Natural Gas price increases (decreases) by \$1/MMBtu power prices will also increase (decrease) base on a modeled heat rate
- Power Sensitivity - Power prices for all time and regions increase (decrease) by \$5/MWh
- Heat Rate Sensitivity - The heat rate change is due to power price movement only

Exelon Generation Projected Sources and Uses of Cash

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(\$ millions)	2010A	2011E	2012E	2013E
Beginning Cash Balance ⁽¹⁾	146	(495)	--	73
Cash Flow from Operations ⁽¹⁾⁽²⁾	2,872	3,160	3,390	2,822
CapEx (excluding Nuclear Fuel, Nuclear Uprates, Exelon Wind, Utility Growth CapEx)	(793)	(847)	(791)	(787)
Nuclear Fuel	(848)	(1,032)	(1,052)	(1,067)
Dividend	(1,506)	(102)	(720)	(710)
Nuclear Uprates and Exelon Wind ⁽³⁾	(1,135)	(682)	(827)	(476)
Net Financing (excluding Dividend): ⁽⁴⁾				
Planned Debt Issuances	900	--	--	--
Planned Debt Retirements	(200)	--	--	--
Other ⁽⁵⁾	70	(2)	73	222
Ending Cash Balance ⁽¹⁾	(495)	--	73	77

No long-term debt financings expected over next three years

(1) Excludes counterparty collateral activity.

(2) Cash Flow from Operations primarily includes net cash flows provided by operating activities and net cash flows used in investing activities other than capital expenditures and John Deere Acquisition.

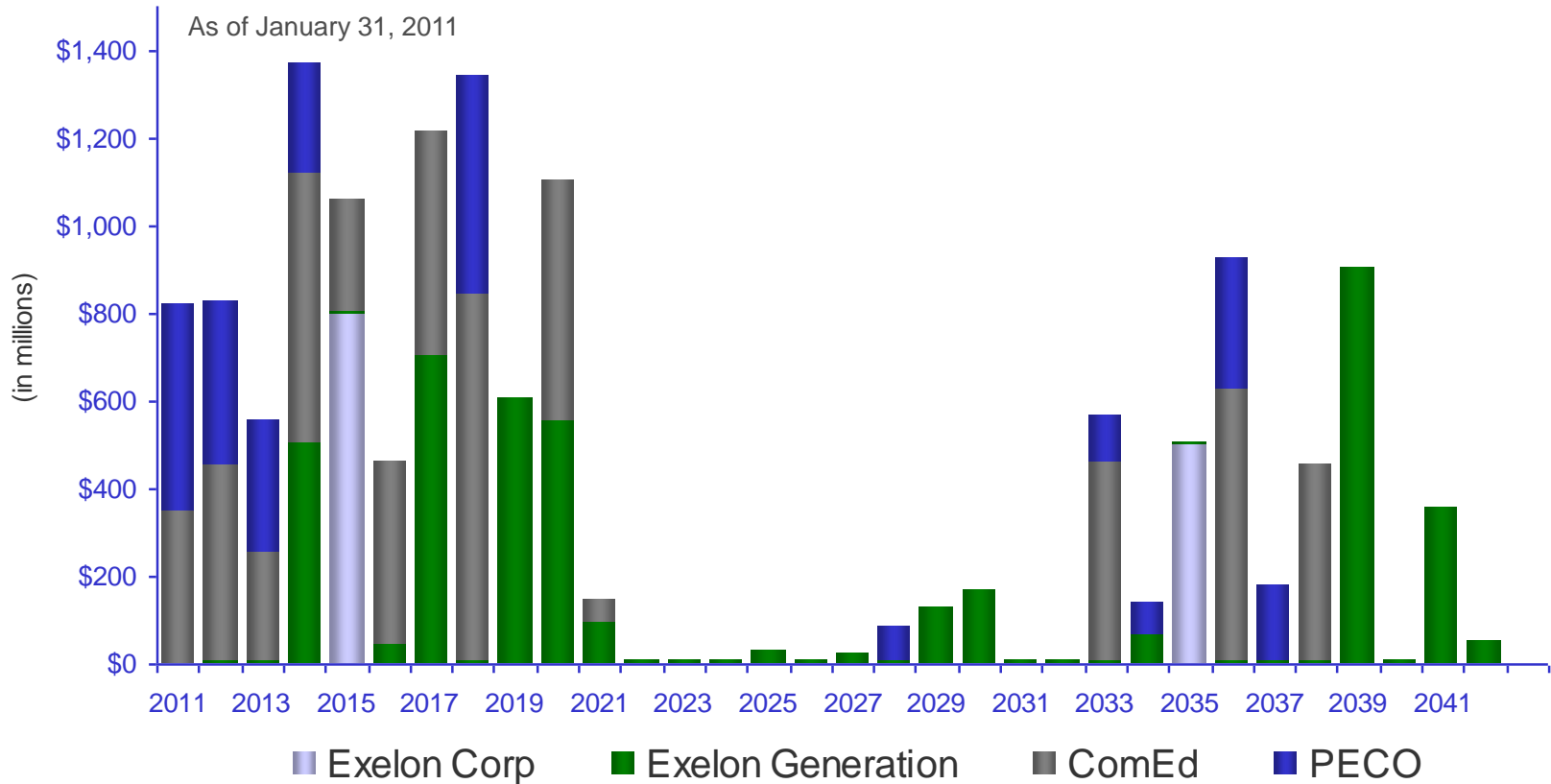
(3) Includes \$213 million, \$267 million and \$11 million, respectively, for Exelon Wind capital expenditures in 2011 - 2013

(4) Net Financing (excluding Dividend) = Net cash flows used in financing activities excluding dividends paid on common and preferred stock. "Other" includes proceeds from options and expected changes in short-term debt.

(5) "Other" includes proceeds from options and expected changes in short-term debt.

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Debt Maturity Profile



Debt maturities over the next several years are manageable

Note: Balances shown exclude securitized debt and include capital leases.



Exelon Generation Hedging Disclosures

(as of December 31, 2010)

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Important Information



The following slides are intended to provide additional information regarding the hedging program at Exelon Generation and to serve as an aid for the purposes of modeling Exelon Generation's gross margin (operating revenues less purchased power and fuel expense). The information on the following slides is not intended to represent earnings guidance or a forecast of future events. In fact, many of the factors that ultimately will determine Exelon Generation's actual gross margin are based upon highly variable market factors outside of our control. The information on the following slides is as of December 31, 2010. We update this information on a quarterly basis.

Certain information on the following slides is based upon an internal simulation model that incorporates assumptions regarding future market conditions, including power and commodity prices, heat rates, and demand conditions, in addition to operating performance and dispatch characteristics of our generating fleet. Our simulation model and the assumptions therein are subject to change. For example, actual market conditions and the dispatch profile of our generation fleet in future periods will likely differ – and may differ significantly – from the assumptions underlying the simulation results included in the slides. In addition, the forward-looking information included in the following slides will likely change over time due to continued refinement of our simulation model and changes in our views on future market conditions.

Portfolio Management Objective

Align Hedging Activities with Financial Commitments

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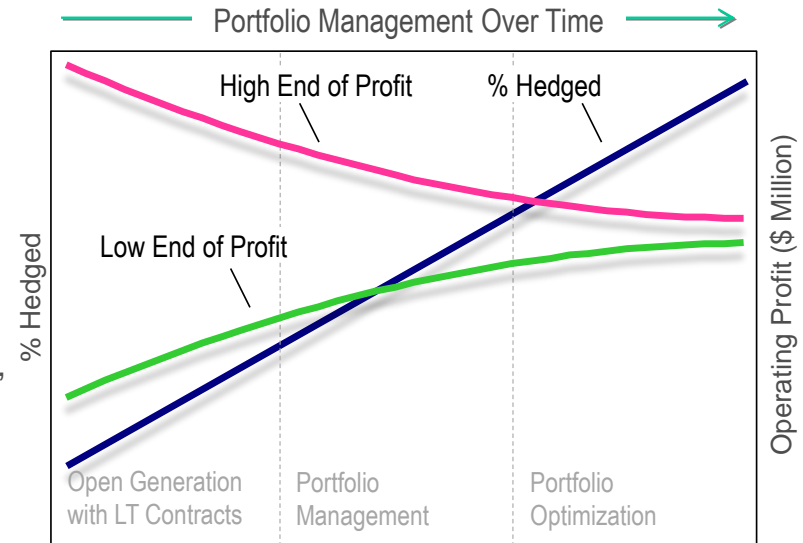
➤ **Exelon's hedging program is designed to protect the long-term value of our generating fleet and maintain an investment-grade balance sheet**

- Hedge enough commodity risk to meet future cash requirements if prices drop
- Consider: financing policy (credit rating objectives, capital structure, liquidity); spending (capital and O&M); shareholder value return policy

➤ **Consider market, credit, operational risk**

➤ **Approach to managing volatility**

- Increase hedging as delivery approaches
- Have enough supply to meet peak load
- Purchase fossil fuels as power is sold
- Choose hedging products based on generation portfolio – sell what we own



➤ **Power Team utilizes several product types and channels to market**

- Wholesale and retail sales
- Block products
- Load-following products and load auctions
- Put/call options
- Heat rate options
- Fuel products
- Capacity
- Renewable credits

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Exelon Generation Hedging Program



➤ **Our normal practice is to hedge commodity risk on a ratable basis over the three years leading to the spot market**

- Carry operational length into spot market to manage forced outage and load-following risks
- By using the appropriate product mix, expected generation hedged approaches the mid-90s percentile as the delivery period approaches
- Participation in larger procurement events, such as utility auctions, and some flexibility in the timing of hedging may mean the hedge program is not strictly ratable from quarter to quarter

**Percentage of Expected
Generation Hedged**

= $\frac{\text{Equivalent MWs Sold}}{\text{Expected Generation}}$

- How many equivalent MW have been hedged at forward market prices; all hedge products used are converted to an equivalent average MW volume
- Takes ALL hedges into account whether they are power sales or financial products

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Exelon Generation Open Gross Margin and Reference Prices



	2011	2012	2013
Estimated Open Gross Margin (\$ millions) ⁽¹⁾⁽²⁾⁽³⁾	\$5,200	\$5,050	\$5,700

Open gross margin assumes all expected generation is sold at the Reference Prices listed below

Reference Prices ⁽¹⁾

Henry Hub Natural Gas (\$/MMBtu)	\$4.56	\$5.08	\$5.33
NI-Hub ATC Energy Price (\$/MWh)	\$30.69	\$32.38	\$35.09
PJM-W ATC Energy Price (\$/MWh)	\$45.45	\$46.41	\$48.25
ERCOT North ATC Spark Spread (\$/MWh) ⁽⁴⁾	\$1.12	\$0.82	\$1.84

(1) Based on December 31, 2010 market conditions.

(2) Gross margin is defined as operating revenues less fuel expense and purchased power expense, excluding the impact of decommissioning and other incidental revenues. Open gross margin is estimated based upon an internal model that is developed by dispatching our expected generation to current market power and fossil fuel prices. Open gross margin assumes there is no hedging in place other than fixed assumptions for capacity cleared in the RPM auctions and uranium costs for nuclear power plants. Open gross margin contains assumptions for other gross margin line items such as various ISO bill and ancillary revenues and costs and PPA capacity revenues and payments. The estimation of open gross margin incorporates management discretion and modeling assumptions that are subject to change.

(3) As of December 31, 2010 disclosure, Exelon Wind included. Assets in IL, MI and MN are in Midwest region and assets in ID, KS, MO, OR and TX are in South and West region.

(4) ERCOT North ATC spark spread using Houston Ship Channel Gas, 7,200 heat rate, \$2.50 variable O&M.

Generation Profile

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	2011	2012	2013
Expected Generation (GWh) ⁽¹⁾	165,900	165,800	163,300
Midwest	99,600	98,500	96,200
Mid-Atlantic	56,800	57,200	56,500
South & West	9,500	10,100	10,600
Percentage of Expected Generation Hedged ⁽²⁾	90-93%	67-70%	32-35%
Midwest	91-94	69-72	31-34
Mid-Atlantic	93-96	67-70	36-39
South & West	70-73	51-54	39-42
Effective Realized Energy Price (\$/MWh) ⁽³⁾			
Midwest	\$43.00	\$41.50	\$43.50
Mid-Atlantic	\$57.00	\$50.50	\$51.50
South & West	\$2.50	\$(1.00)	\$(3.50)

(1) Expected generation represents the amount of energy estimated to be generated or purchased through owned or contracted for capacity. Expected generation is based upon a simulated dispatch model that makes assumptions regarding future market conditions, which are calibrated to market quotes for power, fuel, load following products, and options. Expected generation assumes 12 refueling outages in 2011 and 10 refueling outages in 2012 and 2013 at Exelon-operated nuclear plants and Salem. Expected generation assumes capacity factors of 93.0%, 93.6% and 93.1% in 2011, 2012 and 2013 at Exelon-operated nuclear plants. These estimates of expected generation in 2012 and 2013 do not represent guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years.

(2) Percent of expected generation hedged is the amount of equivalent sales divided by the expected generation. Includes all hedging products, such as wholesale and retail sales of power, options, and swaps. Uses expected value on options. Reflects decision to permanently retire Cromby Station and Eddystone Units 1&2 as of May 31, 2011.

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

Exelon Generation Gross Margin Sensitivities

(with Existing Hedges)

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	2011	2012	2013
Gross Margin Sensitivities with Existing Hedges (\$ millions)⁽¹⁾			
Henry Hub Natural Gas			
+ \$1/MMBtu	\$5	\$175	\$495
- \$1/MMBtu	\$(5)	\$(95)	\$(445)
<hr/>			
NI-Hub ATC Energy Price			
+\$5/MWH	\$30	\$185	\$340
-\$5/MWH	\$(20)	\$(165)	\$(335)
<hr/>			
PJM-W ATC Energy Price			
+\$5/MWH	\$15	\$115	\$200
-\$5/MWH	\$(10)	\$(110)	\$(195)
<hr/>			
Nuclear Capacity Factor			
+1% / -1%	+/- \$40	+/- \$45	+/- \$50

(1) Based on December 31, 2010 market conditions and hedged position. Gas price sensitivities are based on an assumed gas-power relationship derived from an internal model that is updated periodically. Power prices sensitivities are derived by adjusting the power price assumption while keeping all other prices inputs constant. Due to correlation of the various assumptions, the hedged gross margin impact calculated by aggregating individual sensitivities may not be equal to the hedged gross margin impact calculated when correlations between the various assumptions are also considered.

Exelon Generation Gross Margin Upside / Risk

(with Existing Hedges)

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- (1) Represents an approximate range of expected gross margin, taking into account hedges in place, between the 5th and 95th percent confidence levels assuming all unhedged supply is sold into the spot market. Approximate gross margin ranges are based upon an internal simulation model and are subject to change based upon market inputs, future transactions and potential modeling changes. These ranges of approximate gross margin in 2012 and 2013 do not represent earnings guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years. The price distributions that generate this range are calibrated to market quotes for power, fuel, load following products, and options as of December 31, 2010.

Illustrative Example

of Modeling Exelon Generation 2011 Gross Margin
(with Existing Hedges)

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	Midwest	Mid-Atlantic	South & West
Step 1 Start with fleetwide open gross margin	<div> <div></div> <div>\$5.20 billion</div> <div></div> </div>		
Step 2 Determine the mark-to-market value of energy hedges	99,600GWh * 92% * (\$43.00/MWh-\$30.69MWh) = \$1.13 billion	56,800GWh * 94% * (\$57.00/MWh-\$45.45MWh) = \$0.62 billion	9,500GWh * 71% * (\$2.50/MWh-\$1.12/MWh) = \$0.01 billion
Step 3 Estimate hedged gross margin by adding open gross margin to mark-to-market value of energy hedges	Open gross margin: MTM value of energy hedges: Estimated hedged gross margin:	\$5.20 billion <u>\$1.13 billion + \$0.62 billion + \$0.01 billion</u> \$6.96 billion	

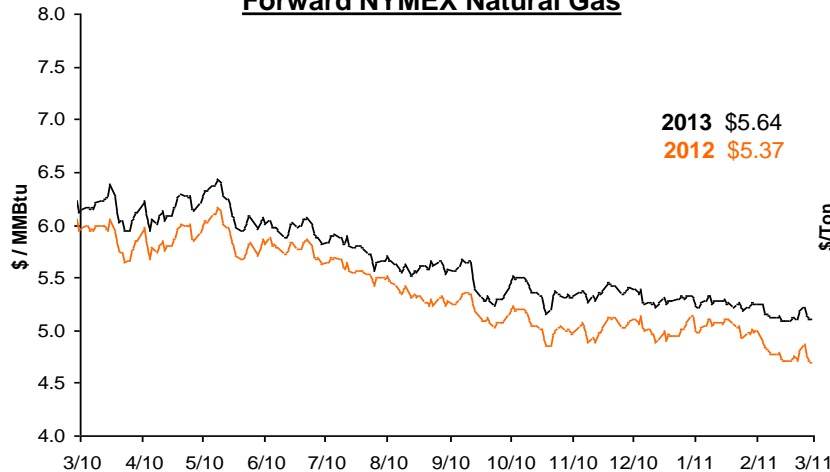
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Market Price Snapshot

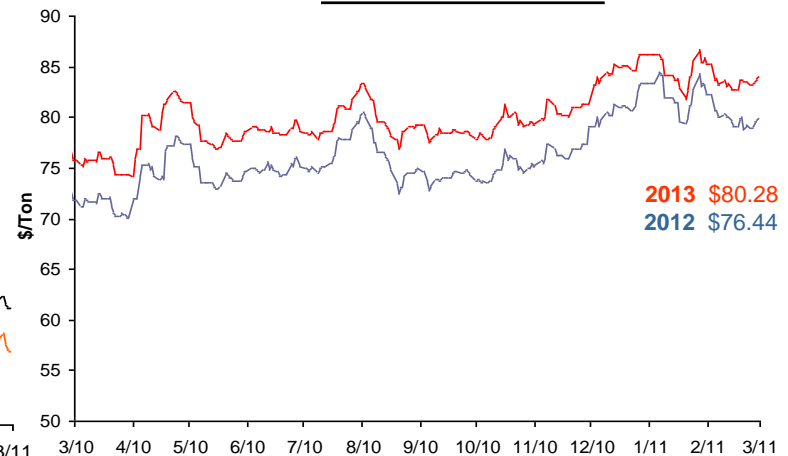
Rolling 12 months, as of March 4th 2011. Source: OTC quotes and electronic trading system. Quotes are daily.



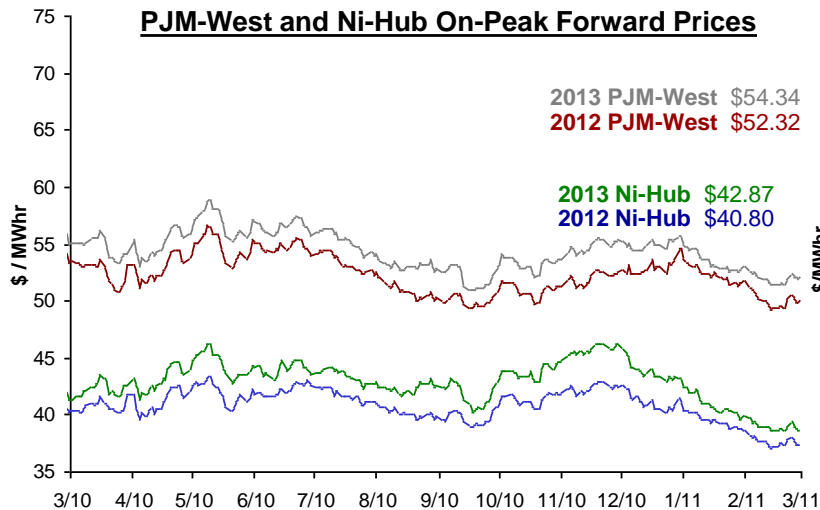
Forward NYMEX Natural Gas



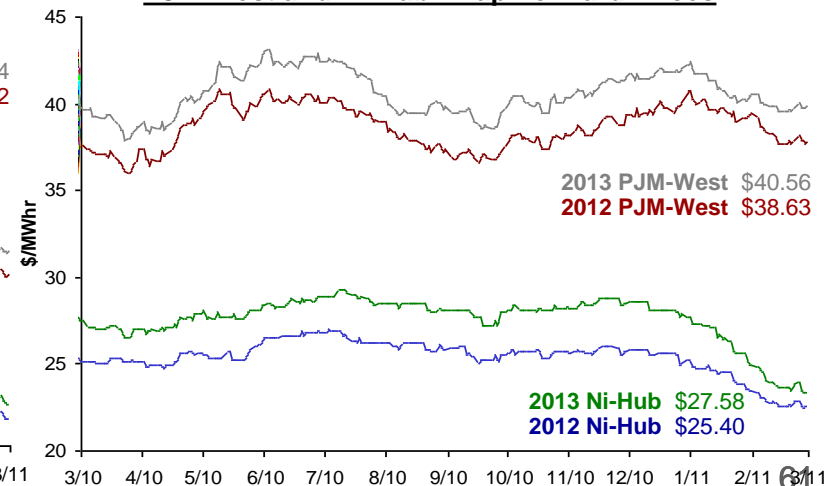
Forward NYMEX Coal



PJM-West and Ni-Hub On-Peak Forward Prices



PJM-West and Ni-Hub Wrap Forward Prices



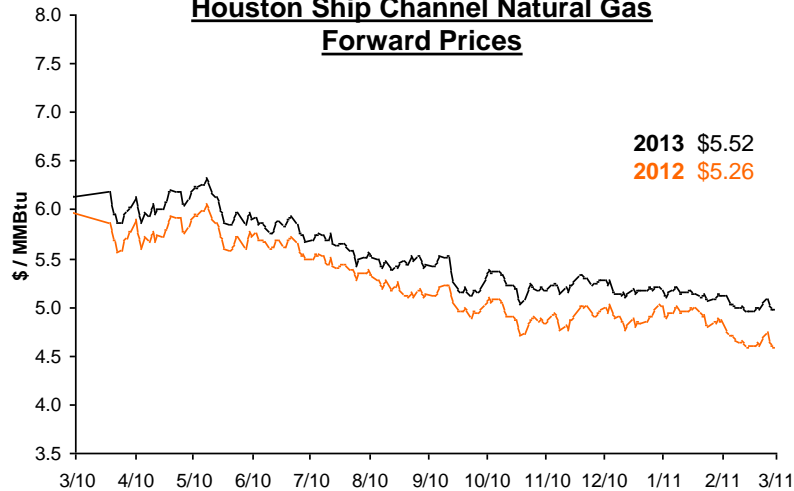
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Market Price Snapshot

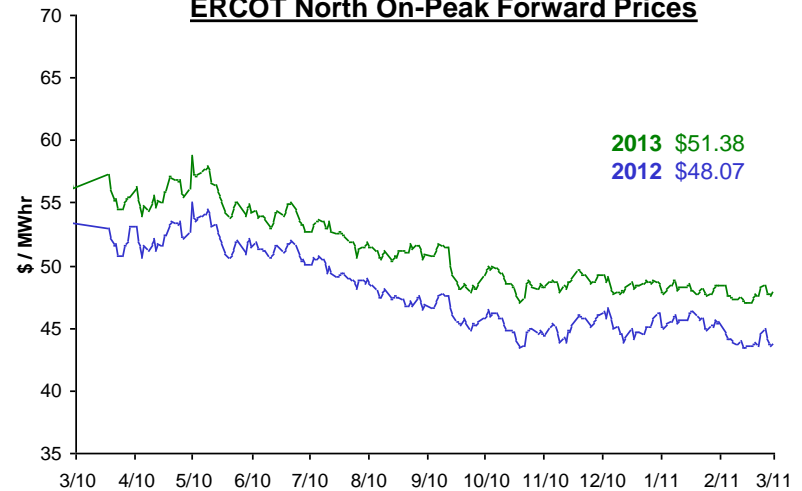
Rolling 12 months, as of March 4th 2011. Source: OTC quotes and electronic trading system. Quotes are daily.



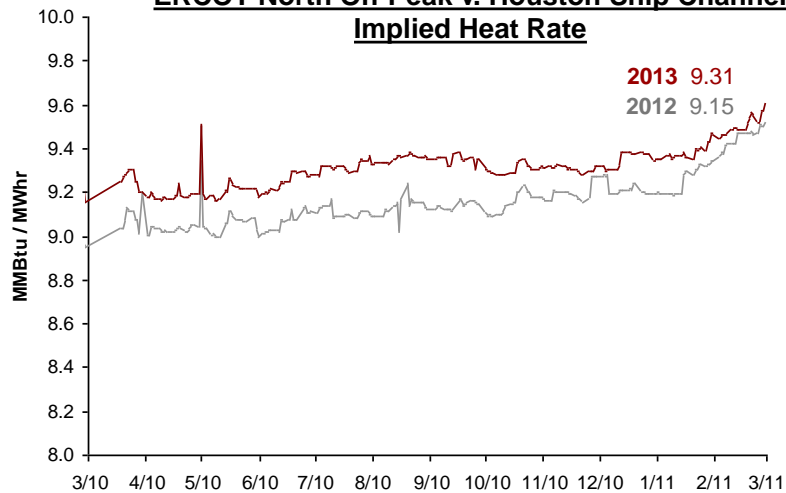
Houston Ship Channel Natural Gas Forward Prices



ERCOT North On-Peak Forward Prices



ERCOT North On-Peak v. Houston Ship Channel Implied Heat Rate



ERCOT North On Peak Spark Spread

Assumes a 7.2 Heat Rate, \$1.50 O&M, and \$.15 adder

