

MUFG Utility Day

September 22, 2016

Francis Idehen
VP and Treasurer



Cautionary Statements Regarding Forward-Looking Information

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, that are subject to risks and uncertainties. The factors that could cause actual results to differ materially from the forward-looking statements made by Exelon Corporation, Exelon Generation Company, LLC, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC (PHI), Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company (Registrants) include those factors discussed herein, as well as the items discussed in (1) Exelon's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 23; (2) PHI's 2015 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 16; (3) Exelon's Second Quarter 2016 Quarterly Report on Form 10-Q in (a) Part II, Other Information, ITEM 1A. Risk Factors; (b) Part 1, Financial Information, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, Financial Information, ITEM 1. Financial Statements: Note 18; and (4) other factors discussed in filings with the SEC by the Registrants. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. None of the Registrants undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this presentation.

Non-GAAP Financial Measures

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

Non-GAAP Financial Measures Continued

This information is intended to enhance an investor's overall understanding of period over period financial results and provide an indication of Exelon's baseline operating performance by excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this information is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets and planning and forecasting of future periods.

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

Exelon: An Industry Leader

\$25B

Being invested in utilities through 2020

\$37M

In 2015, Exelon gave approx. \$37 million to charitable and community causes

#1

zero-carbon energy provider in America

195 TWh

Customer load served

32,700

Megawatts of total power generation capacity

10M

Six utilities serving 10M electric and gas customers, the most in the U.S.

34,000

employees

FORTUNE 100

Exelon is a FORTUNE 100 company and was named to Fortune Magazine's list of "World's Most Admired Companies"

2M

Exelon's Constellation business serves residential, public sector and business customers

12,042

transmission line miles for utilities

\$34.5B

Operating revenue in 2015

Top 10

in renewable energy sales

7.4M

Smart meters installed

Note: All numbers reflect year-end 2015; 2015 revenue number is Exelon and PHI combined

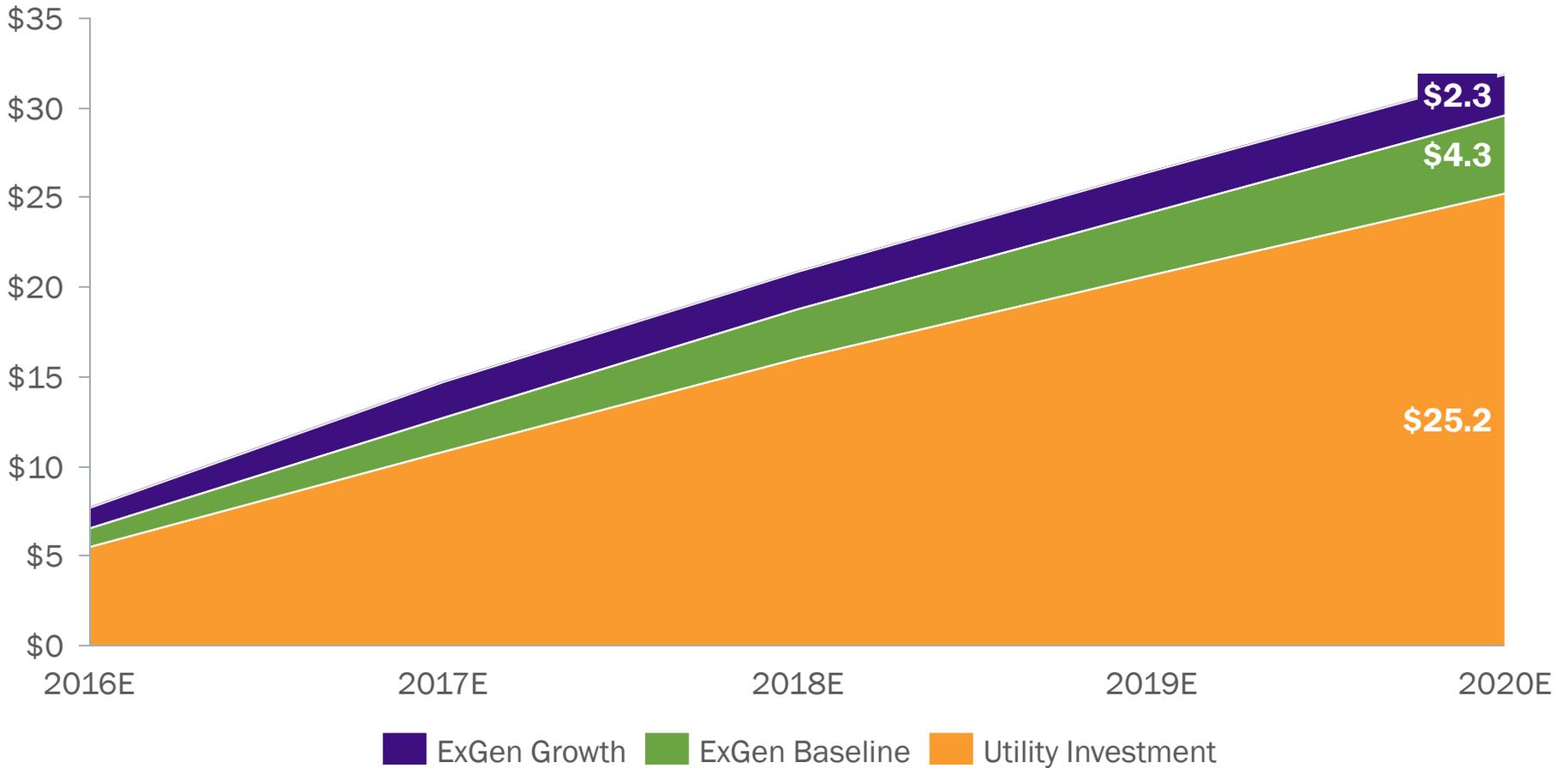
The Exelon Value Proposition

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

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

Capital Investment Concentrated on Exelon Utilities

Cumulative Capital Expenditures 2016-2020 (\$B)

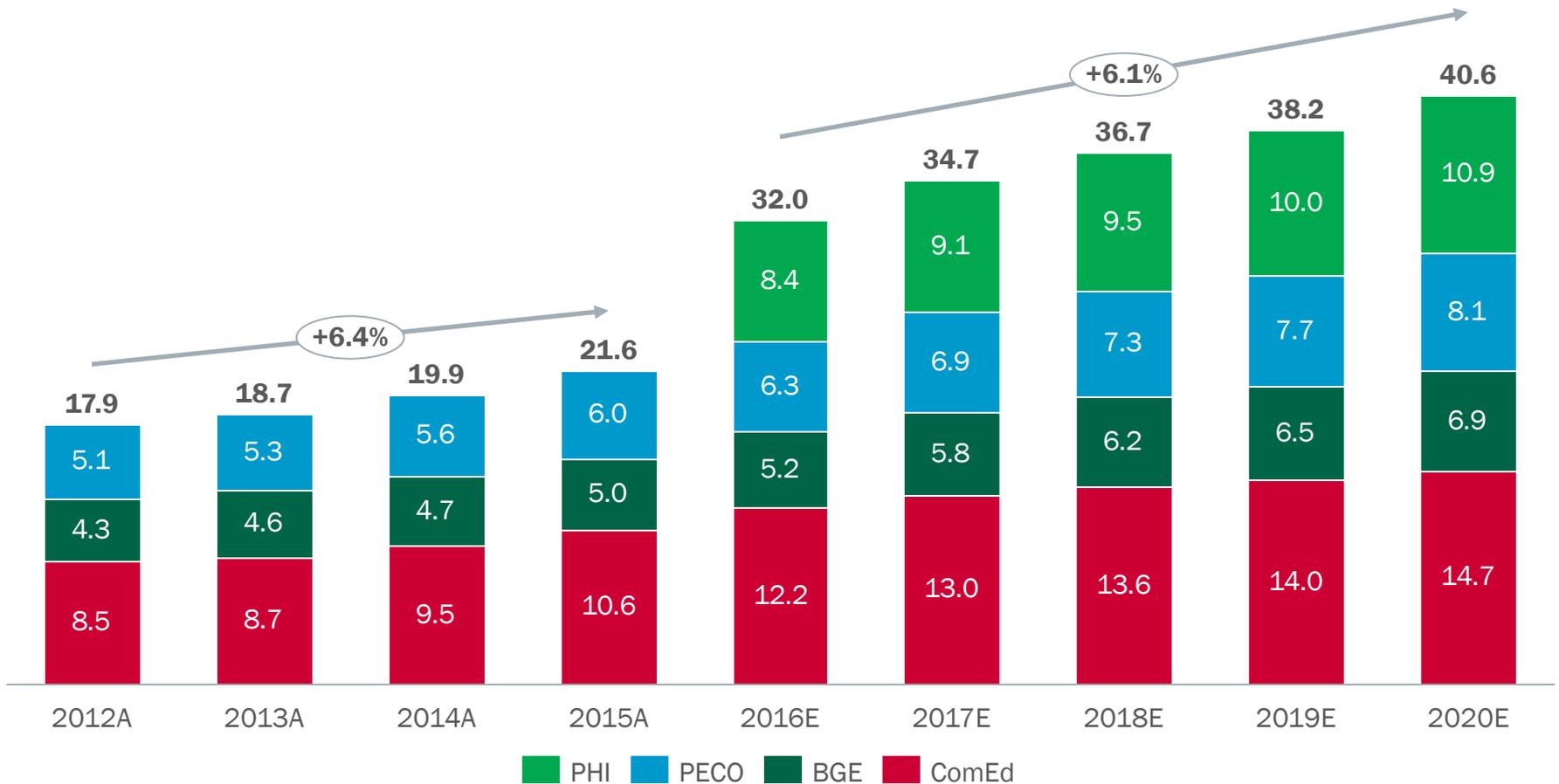


Utilities make up ~80% of capital investment from 2016-2020

Note: ExGen reflects cash capital expenditures with CENG at 100% and excludes Nuclear Fuel and merger commitments

Driving Strong Rate Base Growth

Exelon Utilities Rate Base 2012-2020 (\$B)

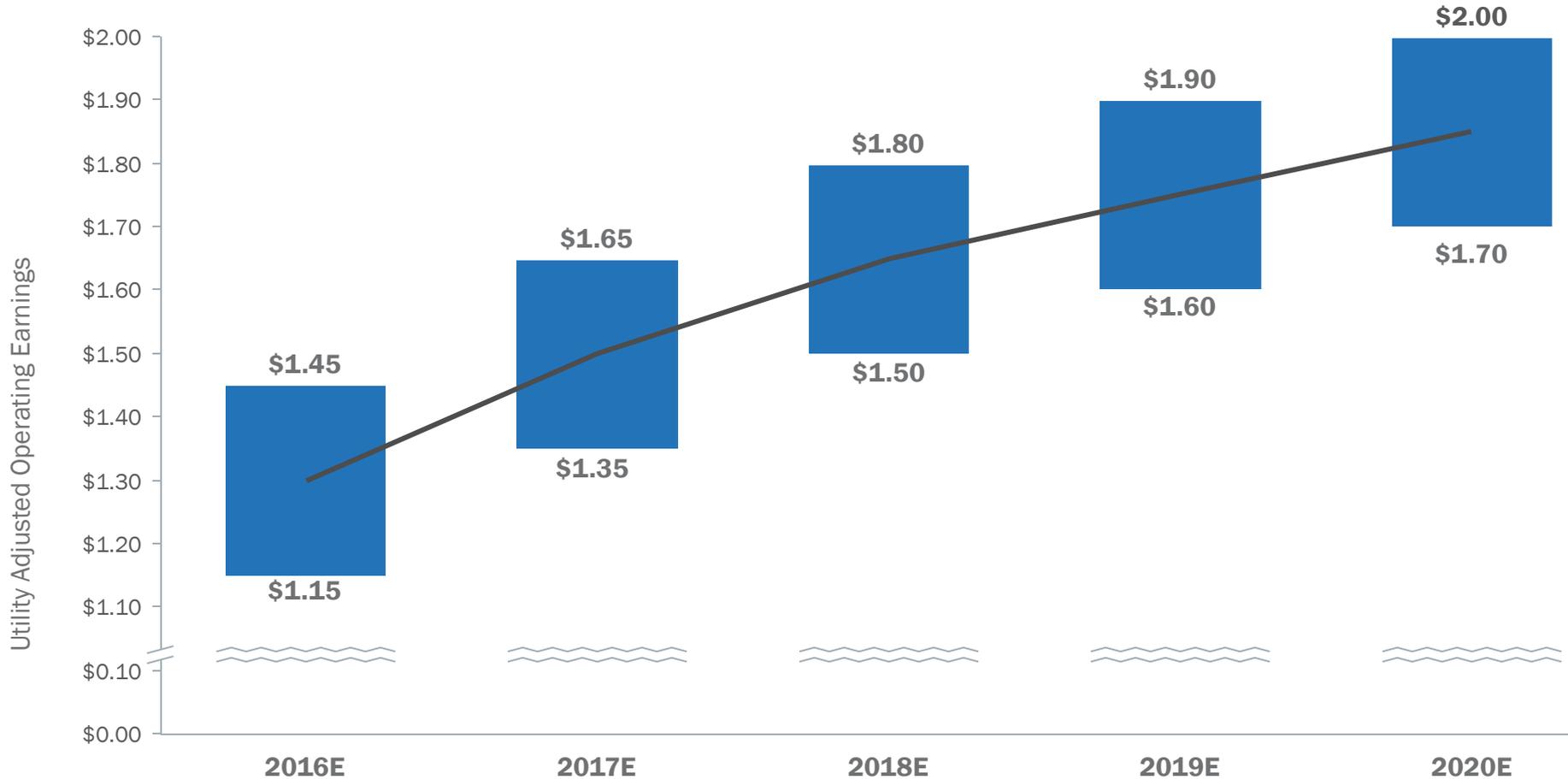


Exelon Utilities delivering strong rate base growth of 6.1% annually over planning period

Note: All numbers denote year-end rate base and may not add due to rounding

Exelon Utilities EPS Growth of 7-9% to 2020

Exelon Utilities Operating Earnings 2016-2020



Rate base growth combined with PHI ROE improvement drives EPS growth

Note: Reflects GAAP operating earnings except for 2016. 2016 GAAP EPS range would be \$0.65 to \$0.95. 2016 adjusted (non-GAAP) operating earnings include adjustments to exclude \$0.40 for merger commitments and \$0.10 of merger integration costs. Includes after-tax interest expense held at Corporate for debt associated with existing utility investment. 2016 estimate normalized to include a full year for PHI.

Proven Track Record of Improving Operational Performance

Operations	Metric	At CEG Merger (2012)			2015			2015
		BGE	PECO	ComEd	BGE	PECO	ComEd	PHI
Electric Operations	OSHA Recordable Rate	Yellow	Green	Green	Yellow	Green	Green	Yellow
	2.5 Beta SAIFI (Outage Frequency)	Orange	Green	Green	Green	Green	Green	Orange
	2.5 Beta CAIDI (Outage Duration)	Red	Yellow	Green	Green	Green	Green	Yellow
Customer Operations	Customer Satisfaction	Red	Green	Orange	Green	Green	Green	N/A
	Service Level % of Calls Answered in <30 sec	Yellow	Orange	Red	Green	Green	Green	Red
	Abandon Rate	Orange	Orange	Red	Green	Green	Green	Orange
Gas Operations	Percent of Calls Responded to in <1 Hour	Yellow	Green	No Gas Operations	Green	Green	No Gas Operations	Yellow
	3rd Party Damages per 1000 Gas Locates	Green	Yellow	No Gas Operations	Green	Orange	No Gas Operations	Red
Overall Rank	Electric Utility Panel of 24 Utilities ⁽¹⁾	23 rd	2 nd	2 nd	4 th	2 nd	3 rd	18 th

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

- System Performance
- Emergency Preparedness
- Corrective and Preventive Maintenance

Performance Quartiles

Q1	Q2
Q3	Q4

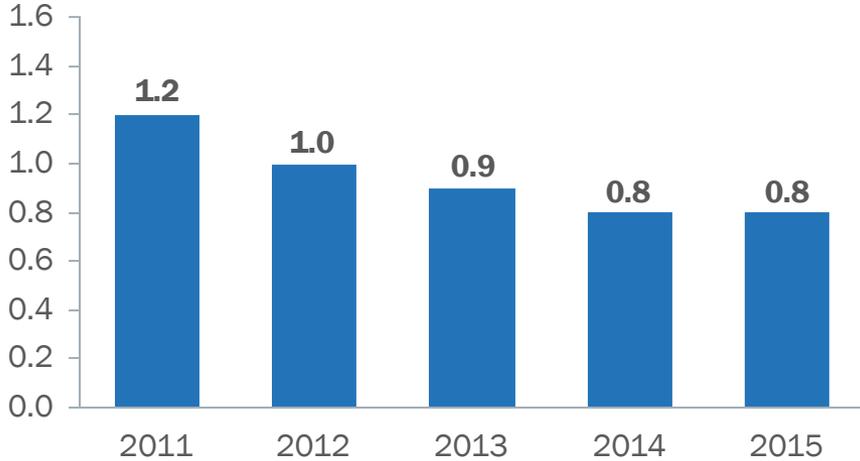
Significant opportunity for operating performance improvements at PHI

(1) Ranking based on results of five key industry performance indicators – CAIDI, SAIFI, Safety, Customer Satisfaction, and Cost per Customer

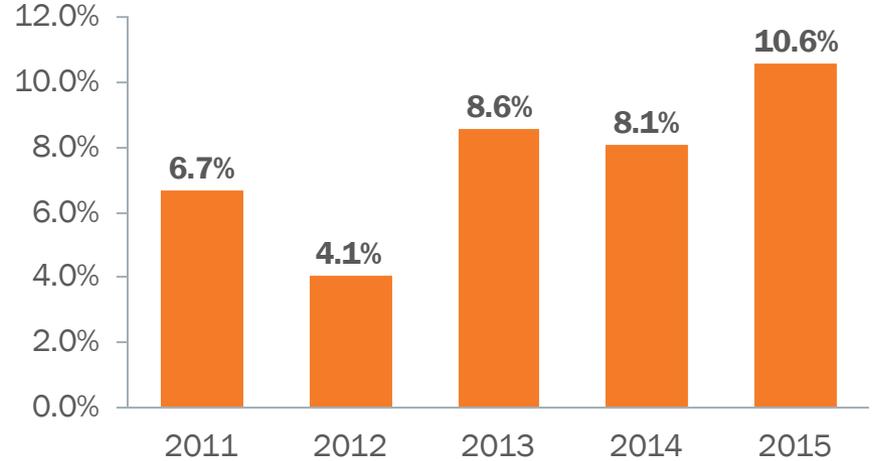
BGE: A Proven Track Record of Enhancing Utility Value

Leveraging the best practices of the Exelon Utilities platform, BGE has significantly improved operational metrics

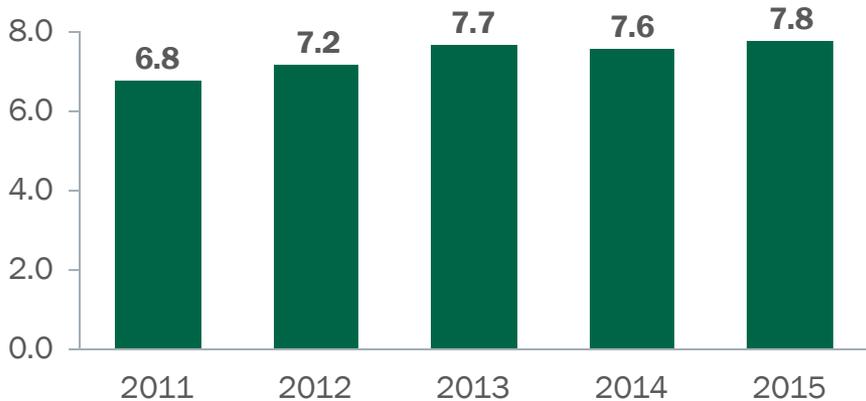
Outage Frequency (SAIFI)



Operating ROE (%)



Customer Satisfaction Index

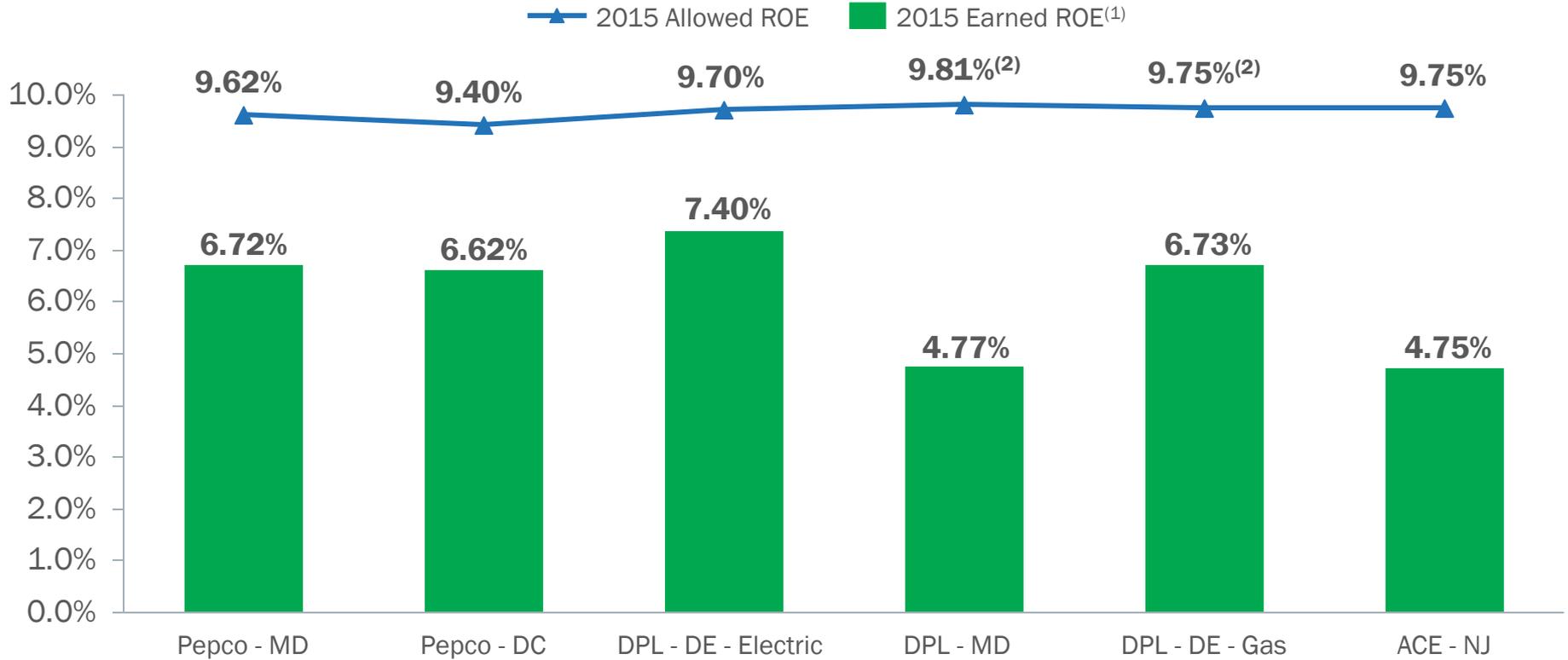


Results

- Increased reliability by 10% per year and customer satisfaction by 3% per year
- Increased ROE by more than 350 basis points from 2011 to 2015
- Continued system investments in reliability and safety requires continued rate cases for capital recovery

Note: 2012 ROE normalized by excluding one-time \$112M rate credit as part of EXC-CEG merger. For a reconciliation of operating ROE, which is derived from adjusted operating earnings, which is a non-GAAP measure please refer to slide 25 in the appendix.

Wide Gaps in Earned vs Allowed Distribution ROEs at PHI



Impact of a 50 bps increase in Earned Distribution ROE on Operating Earnings

Pepco - MD	Pepco - DC	DPL - DE Electric	DPL - MD	DPL - DE - Gas	ACE - NJ
~\$4M	~\$4M	~\$2M	~\$2M	~\$1M	~\$4M

Significant opportunity for earned ROE improvement at PHI Utilities

(1) Earned ROEs represent distribution regulatory view

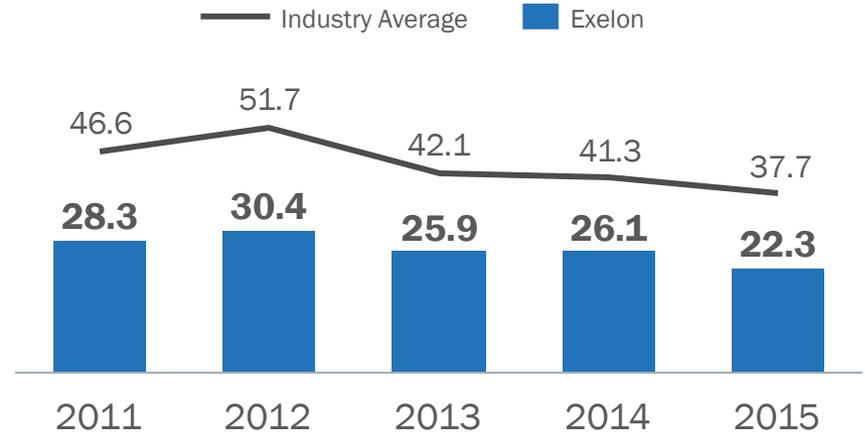
(2) ROE for purposes of calculating AFUDC and regulatory asset carrying costs

Best in Class Operational Performance

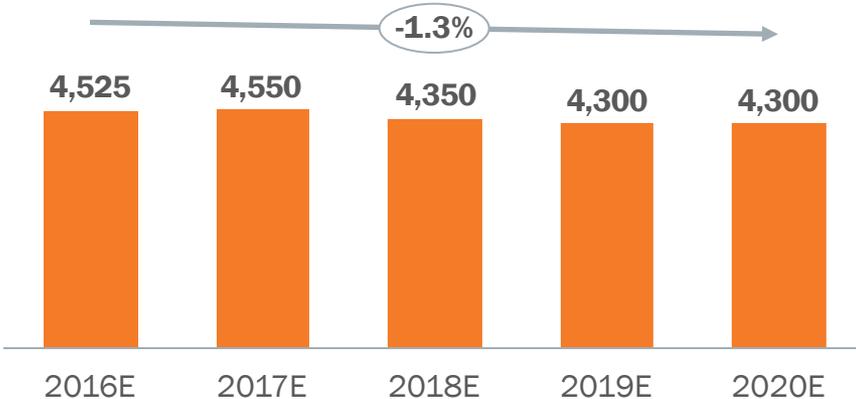
Nuclear Capacity Factor⁽¹⁾



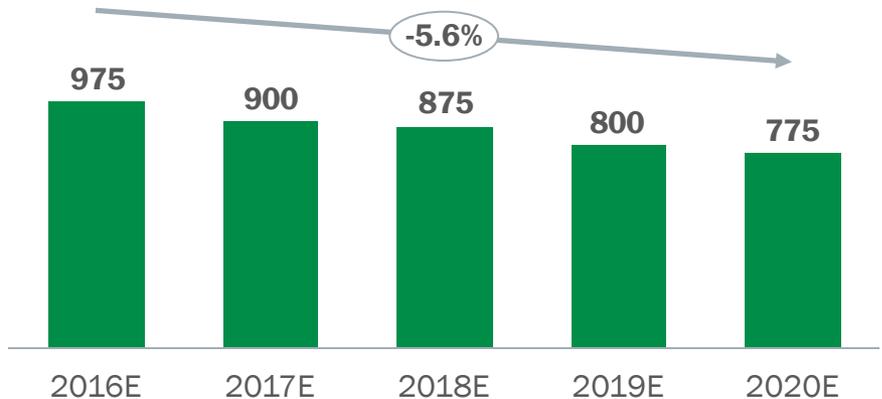
Average Nuclear Refueling Days



ExGen Adjusted O&M Spend (\$M)⁽²⁾



ExGen Base Capital Spend (\$M)⁽³⁾



Our leading nuclear capacity factor produced 6 TWh more power than if at industry average

(1) Includes CENG beginning in April 2014, excludes Salem and Fort Calhoun; Calculation of industry average capacity factor and refueling days excludes Exelon fleet

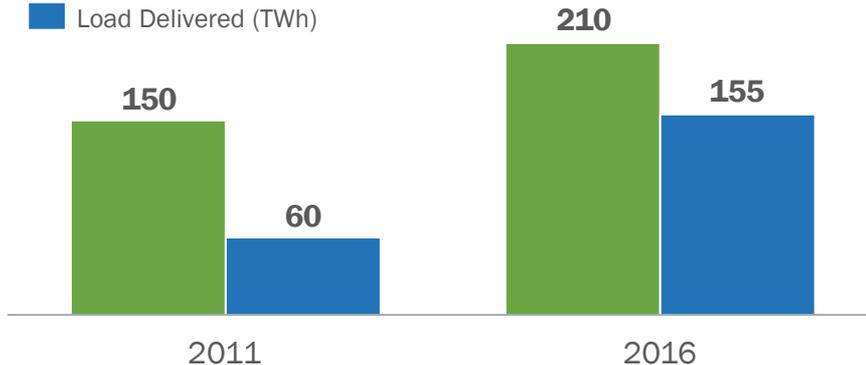
(2) Refer to slide 24 in the appendix for a reconciliation of adjusted (non-GAAP) O&M to GAAP O&M

(3) Base capital spend represents cash CapEx with CENG at 100%, excludes merger commitments, and reflects retirement of Clinton and Quad Cities

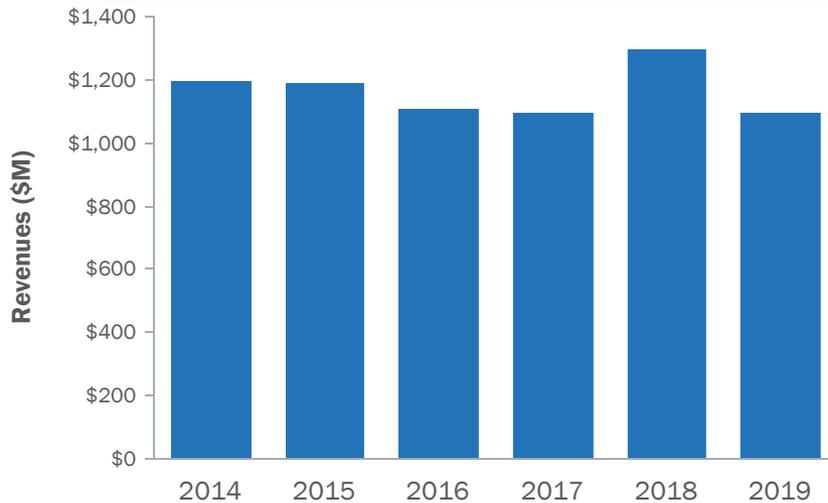
Taking Steps to Improve ExGen's Earnings Consistency

Improving Our Generation to Load Match

■ Generation Produced (TWh)
■ Load Delivered (TWh)



Locked-in PJM Capacity Revenues⁽³⁾



(1) Illinois impacts based on February 29, 2016 pricing and excludes decommissioning costs; New York impacts assume ZEC program implementation and that adjusted social cost of carbon is ZEC price for tranche 2

(2) \$350M is solely from implementation of CES program and does not include additional cash benefits from CENG loan repayment and special distribution

(3) Prior year capacity revenues are based on the portfolio as it existed in each historical year and is not based on current portfolio. 2014 and beyond excludes Safe Harbor and 2015 and beyond excludes Keystone and Conemaugh which were sold in 2014.

Impact of State Nuclear Outcomes⁽¹⁾

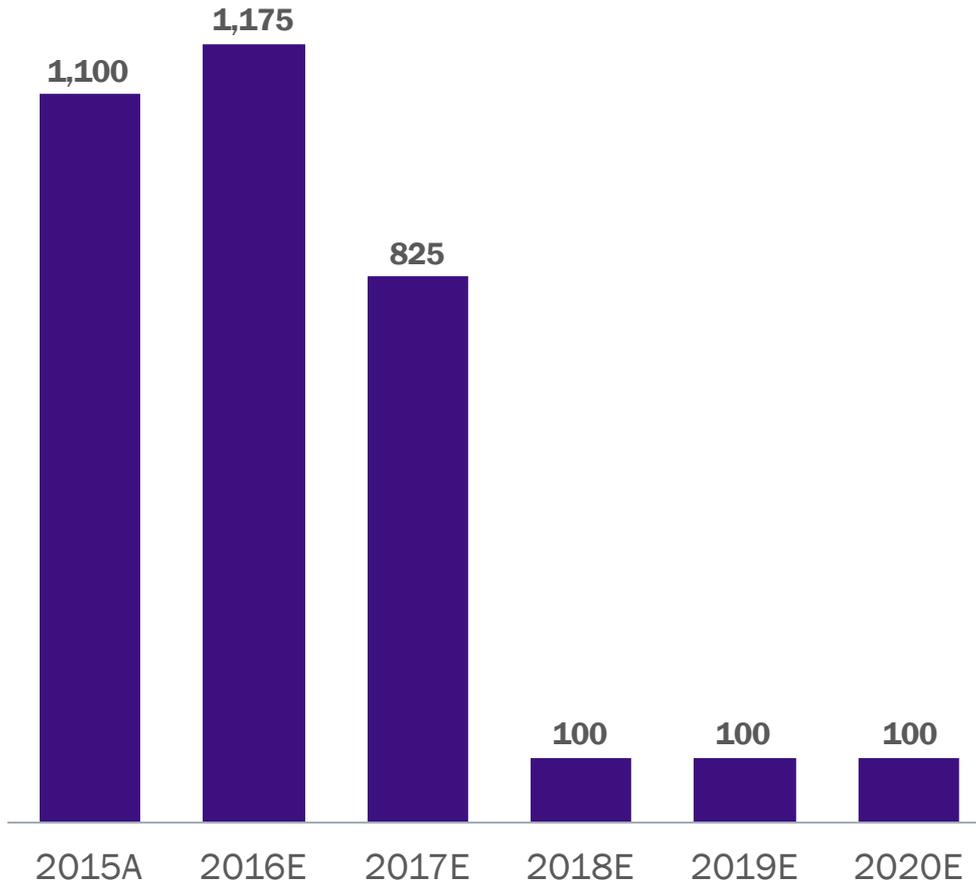
- **New York: \$0.08-0.10** per share annually and **~\$350M** in additional after-tax cash⁽²⁾ through 2020 from implementation of Clean Energy Standard (CES) program which includes Zero Emission Credit (ZEC)
- **Illinois: 2019 run rate of up to \$0.07** per share and up to **\$75M** in avoided pre-tax cash losses from retirement of Clinton and Quad Cities

Opportunistically Monetize Assets

- Realized pre-tax proceeds of **\$1.8 Billion** or **\$600/MW from 2014 sale of 6 assets**
- Raised **~\$3.3B in project finance** since 2011
 - **Including: ~\$1,050M** Continental/EGR1 (13 contracted wind assets) and **~\$700M** ExGen Texas Power (3,476 MW of gas-fired assets)

Growth CapEx Slowing

Exelon Generation Growth Capital Expenditures 2015-2020 (\$B)⁽¹⁾



Growth Project	In-Service Date	Contracted Asset
Blue Stem Wind	2016	Yes
Albany Green Energy	2017	Yes
Texas CCGTs	2017	No
Michigan Wind 3	2017	Yes
West Medway ⁽²⁾	2018	No

Invest in select contracted assets where we can meaningfully exceed our return thresholds

(1) Includes cash CapEx with CENG at 100%, excludes merger commitments ,and nuclear fuel CapEx is rounded to the nearest \$25M

(2) 7-year capacity payments make the project break-even based on a simple payback

Diverging Paths for Economically Challenged Nuclear Plants

Some Nuclear plants are challenged by persistently low power prices and market designs that do not compensate for their carbon free attributes



New York establishes CES, preserving at-risk nuclear plants, including Ginna and Nine Mile

2,600 jobs saved

\$3B in NY GDP contributed

~\$47M in property taxes preserved

Prevention of 16MMt of additional carbon emissions



Illinois fails to reach legislative solution leading to the closure of Clinton and Quad Cities stations

4,200 jobs lost

\$1.2B in economic activity lost

29-43% of the property tax revenues of surrounding local governments lost

20MMt in additional carbon emissions released

Source: January 5, 2015 Response to the IL General Assembly Concerning House Resolution 1146 prepared by Illinois Commerce Commission, Illinois Power Agency, Illinois Environmental Protection Agency, and Illinois Department of Commerce and Economic Opportunity; New York's Upstate Nuclear Power Plant's Contribution to the State Economy, Mark Berkman and Dean Murphy (The Brattle Group) authors, December 2015

ExGen's Strong Free Cash Flow Supports Utility Growth and Debt Reduction

2016-2020 Exelon Generation Free Cash Flow^(1,2,3) and Uses of Cash (\$B)



Redeploying Exelon Generation's free cash flow to maximize shareholder value

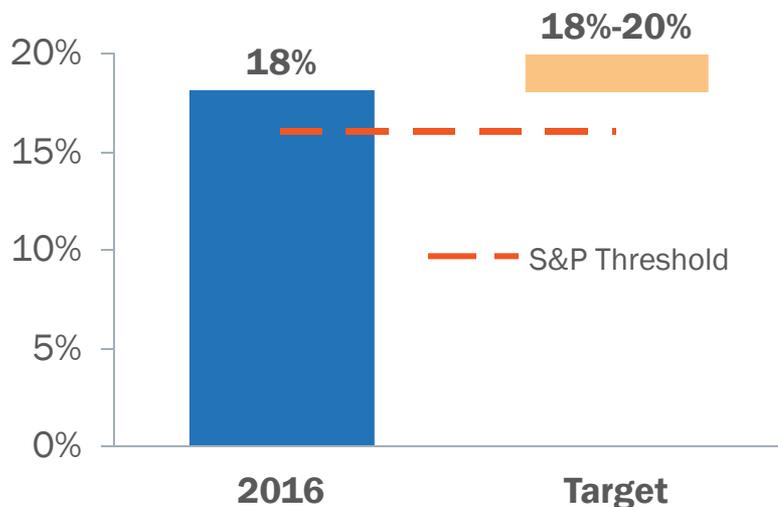
- (1) Free Cash Flow is a non-GAAP Measure. See slide 24 for a reconciliation of free cash flow to the most comparable GAAP measures.
- (2) Cumulative Free Cash Flow is a midpoint of a range based on June 30, 2016 market prices. It includes ~\$700M of other sources including change in margin, tax parent benefit, equity investments, and acquisitions and divestitures.
- (3) Approval of Clean Energy Standard (CES) in NY would add up to ~\$750M of incremental cash (after-tax) through 2020. This incremental cash is comprised of payments from the CES program (\$350M) and additional distributions to Exelon from CENG related to completion of loan repayment and special distribution.

Maintaining Investment Grade Credit Ratings is a Top Financial Priority

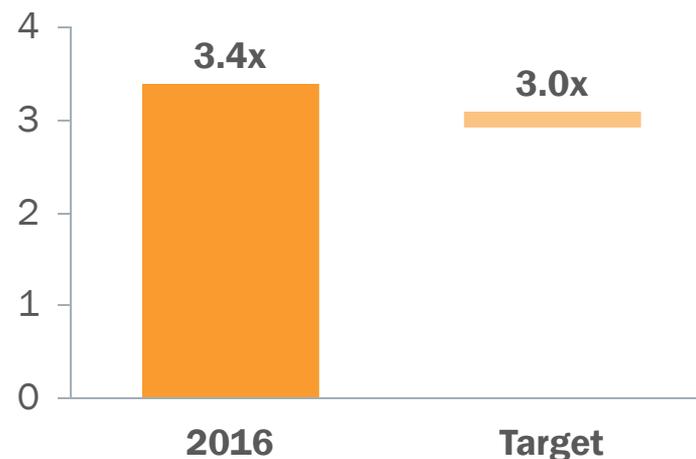
ZECJ-FIN-21

PUBLIC

Exelon S&P FFO/Debt %⁽¹⁾⁽⁴⁾



ExGen Debt/EBITDA Ratio⁽⁵⁾



Credit Ratings by Operating Company

Current Ratings ⁽²⁾⁽³⁾	ExCorp	ExGen	ComEd	PECO	BGE	ACE	DPL	Pepco
Moody's	Baa2	Baa2	A2	Aa3	A3	A3	A2	A2
S&P	BBB-	BBB	A-	A-	A-	A	A	A
Fitch	BBB+	BBB	A-	A	A-	A-	A	A-

(1) Due to ring-fencing, S&P deconsolidates BGE from Exelon and analyzes solely as an equity investment. FFO/Debt is a non-GAAP measure. Please refer to slide 22 in the appendix for a reconciliation of FFO/Debt to the most comparable GAAP measure.

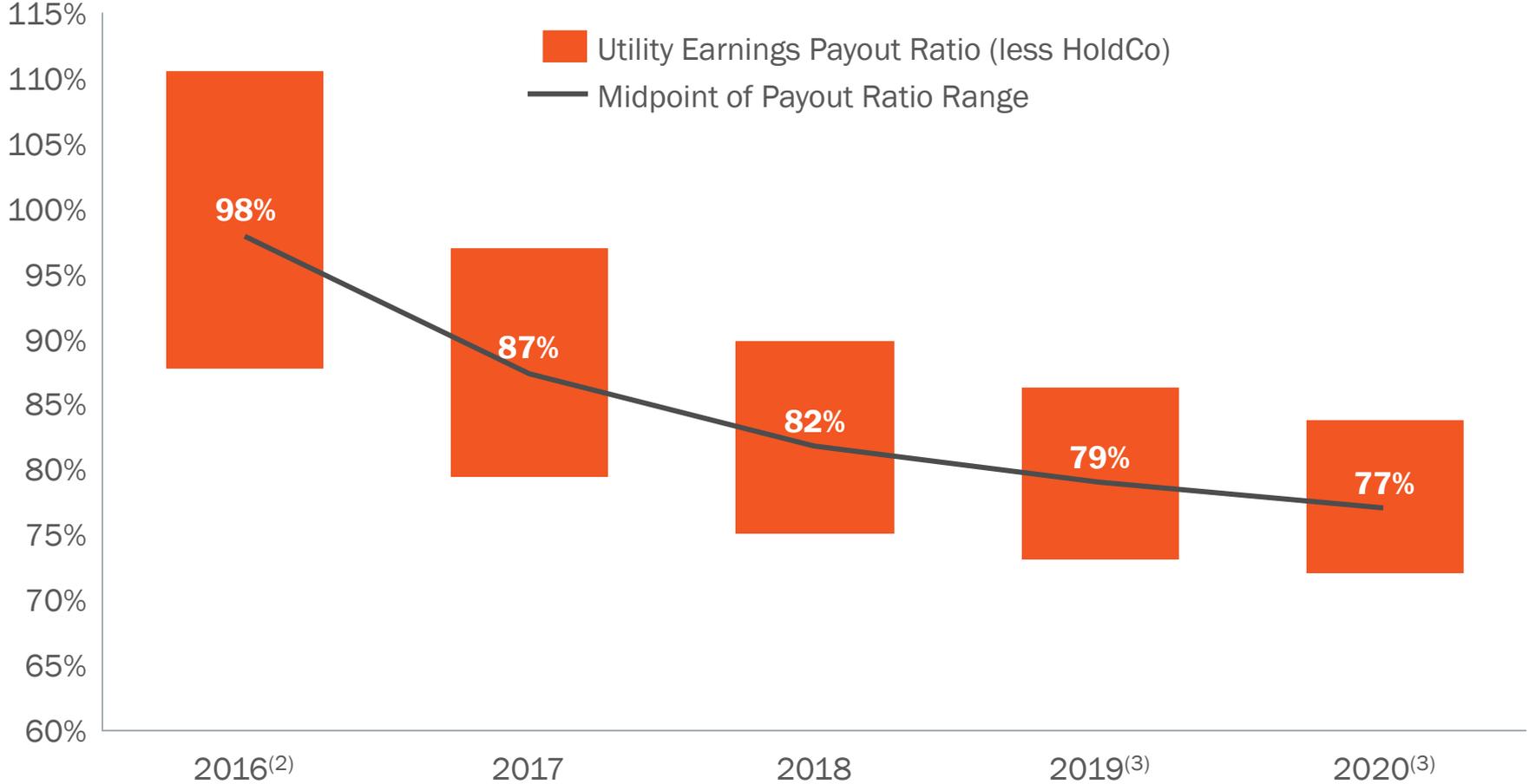
(2) Current senior unsecured ratings as of June 30, 2016 for Exelon, Exelon Generation and BGE and senior secured ratings for ComEd, PECO, ACE, DPL, and Pepco

(3) All ratings have "Stable" outlook, except for at Moody's, which has ComEd on "Positive" outlook

(4) Exelon Corp downgrade threshold (red dotted line) is based on the S&P Exelon Corp Summary Report; represents minimum level to maintain current Issuer Credit Rating of BBB at Exelon Corp.

(5) Reflects net book debt (YE debt less cash on hand) / adjusted operating EBITDA. EBITDA, a non-GAAP measure, is defined as earnings before interest, taxes, depreciation and amortization. Includes nuclear fuel amortization expense. Please refer to slide 23 in the appendix for a reconciliation of Debt/EBITDA to the most comparable GAAP measure.

Theoretical Dividend Affordability from Utility less HoldCo⁽¹⁾



Utility less HoldCo payout ratio falling consistently even as dividend grows

- (1) Chart is illustrative and shows theoretical payout ratio if utilities supported 100% of the external dividend and interest expense at HoldCo. Currently, the utilities have a payout ratio of 70% which covers the majority of the external dividend and interest expense at HoldCo with ExGen covering the remainder.
- (2) 2016 numbers normalized to include full year for PHI
- (3) Board of directors has approved a policy of 2.5% per year dividend increase through 2018. For illustrative purposes only, the chart assumes the dividend continues to increase 2.5% per year 2019 and 2020; this does not signal a change in Board policy at this time. Quarterly dividends are subject to declaration by the board of directors.

2016 Projected Sources and Uses of Cash

(\$ in millions) ⁽¹⁾	BGE	ComEd	PECO	PHI	Total Utilities	ExGen	Corp ⁽⁸⁾	Exelon 2016E	Cash Balance
Beginning Cash Balance⁽²⁾									7,800
Adjusted Cash Flow from Operations ^(2,3)	600	1,500	750	775	3,625	3,600	(200)	7,025	
Base CapEx and Nuclear Fuel ⁽⁴⁾	0	0	0	0	0	(2,400)	(125)	(2,525)	
Free Cash Flow	600	1,500	750	775	3,625	1,200	(325)	4,500	
Debt Issuances	750	1,200	300	300	2,550	1,000	1,800	5,350	
Debt Retirements	(575)	(675)	(300)	(325)	(1,875)	0	0	(1,875)	
Project Financing	0	0	0	0	0	50	0	50	
PHI Purchase	0	0	0	0	0	0	(6,925)	(6,925)	
Contribution from Parent	25	625	0	1,550	2,200	0	(2,200)	0	
Other Financing ⁽⁵⁾	225	225	25	(900)	(425)	(300)	1,025	300	
Financing	425	1,375	25	625	2,450	750	(6,300)	(3,100)	
Total Free Cash Flow and Financing Growth	1,025	2,875	775	1,400	6,075	1,950	(6,625)	1,400	
Utility Investment	(850)	(2,575)	(675)	(1,175)	(5,275)	0	0	(5,275)	
ExGen Growth ^{(4),(6)}	0	0	0	0	0	(1,200)	0	(1,200)	
Acquisitions and Divestitures	0	0	0	0	0	100	0	100	
Equity Investments	0	0	0	0	0	(125)	0	(125)	
Dividend ⁽⁷⁾	0	0	0	0	0	0	(1,175)	(1,175)	
Other CapEx and Dividend	(850)	(2,575)	(675)	(1,175)	(5,275)	(1,225)	(1,175)	(7,675)	
Total Cash Flow	175	300	100	225	800	725	(7,800)	(6,275)	
Ending Cash Balance^{(1),(2)}									1,525

- (1) All amounts rounded to the nearest \$25M. Figures may not add due to rounding.
- (2) Excludes counterparty collateral activity.
- (3) Adjusted Cash Flow from Operations (non-GAAP) primarily includes net cash flows from operating activities and net cash flows from investing activities excluding capital expenditures at ownership, net M&A, and equity investments. Please refer to slide 170 for reconciliations to GAAP cash flow measures.
- (4) Figures reflect cash CapEx and CENG fleet at 100%
- (5) Other Financing includes expected changes in short-term debt, money pool borrowings, tax sharing from the parent, debt issue costs, and retail energy efficiency contracts.
- (6) ExGen Growth CapEx includes Phoenix, West Medway, AGE, Sendero, Nuclear relicensing, Nuclear Upgrades, Merger Commitments excl. Solar, Retail Growth & Distributed Energy, Michigan Wind 3, Bluestem Wind, Clinton Battery Storage and MTSA wind turbines
- (7) Dividends are subject to declaration by the Board of Directors.
- (8) Includes cash flow activity from Holding Company, eliminations, and other corporate entities.

Consistent and reliable free cash flows

Operational excellence and financial discipline drives free cash flow reliability

- ✓ Generating ~\$4.5B of free cash flow, including \$1.2B at ExGen and \$3.6B at the Utilities

Supported by a strong balance sheet

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

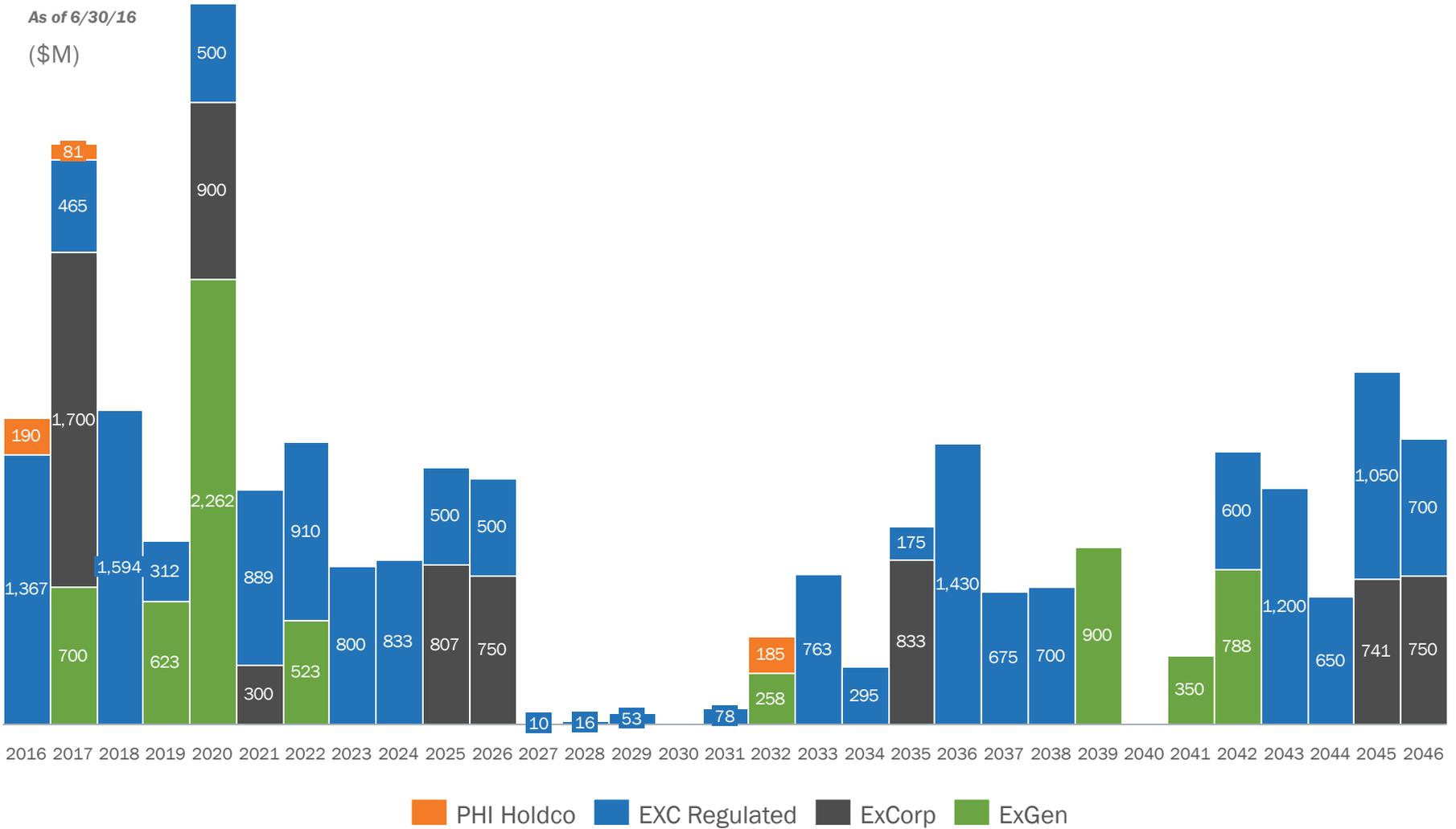
- ✓ Completed \$6.9B merger with PHI
- ✓ HoldCo issued \$1.8B of Long-term debt in April

Enable growth & value creation

Creating value for customers, communities and shareholders

- ✓ Investing \$6.5B, with \$5.3B at the Utilities and \$1.2B at ExGen

Exelon Debt Maturity Profile⁽¹⁾



Exelon's weighted average LTD maturity is approximately 13 years

(1) ExCorp debt includes \$1,150M mandatory convertible units remarketing in 2017; ExGen debt includes legacy CEG debt; Excludes securitized debt and non-recourse debt

Delivering Value Through Capital Allocation Policy

Our strong balance sheet underpins our capital allocation policy and capital decisions are made to maximize value to our customers and shareholders

We are **returning capital to shareholders** by growing our dividend, targeting 2.5% annual increases through 2018⁽¹⁾ with upside potential beyond

We are **redeploying free cash flow** from Exelon Generation to support:

- **Investing in utilities** where we can earn an appropriate return and will deploy \$25B of capital over the next 5 years
- **Retiring debt** with ~\$3B targeted at ExGen over the next 5 years
- **Investing in select contracted assets** where we can meaningfully exceed our return thresholds



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

Reconciliation of Non-GAAP Measures

GAAP to Non-GAAP Reconciliations

YE 2016 Exelon FFO Calculation (\$M) ^(1,2)		YE 2016 Exelon Adjusted Debt Calculation (\$M) ⁽¹⁾	
GAAP Operating Income	\$2,100	Long-Term Debt (including current maturities)	\$33,050
Depreciation & Amortization	<u>\$3,650</u>	Short-Term Debt	\$2,150
EBITDA	\$5,750	+ PPA Imputed Debt ⁽⁶⁾	\$500
+/- Non-operating activities and nonrecurring items ⁽⁴⁾	\$825	+ Operating Lease Imputed Debt ⁽⁷⁾	\$750
- Interest Expense	(\$1,400)	+ Pension/OPEB Imputed Debt ⁽⁸⁾	\$4,625
+ Current Income Tax (Expense)/Benefit	\$125	- Off-Credit Treatment of Debt ⁽⁹⁾	(\$3,225)
+ Nuclear Fuel Amortization	\$1,175	- Surplus Cash Adjustment ⁽¹⁰⁾	(\$625)
+/- Other S&P FFO Adjustments ⁽⁵⁾	<u>\$325</u>	+/- Other S&P FFO Adjustments ⁽⁵⁾	<u>\$325</u>
= FFO (a)	\$6,800	= Adjusted Debt (b)	\$37,550

YE 2016 Exelon FFO/Debt ⁽³⁾	
FFO (a)	= 18%
Adjusted Debt (b)	

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

(2) 2016 estimate normalized to include a full year for PHI

(3) Calculated using S&P Methodology. Due to ring-fencing, S&P deconsolidates BGE from Exelon and analyzes solely as an equity investment

(4) Reflects impact operating adjustments on GAAP EBITDA. Refer to slide 165 for a list of operating adjustments to GAAP.

(5) Includes other adjustments as prescribed by S&P

(6) Reflects present value of net capacity purchases

(7) Reflects present value of minimum future operating lease payments

(8) Reflects after-tax unfunded pension/opeb

(9) Includes non-recourse project debt and mandatory convertible equity units

(10) Applies 75% of excess cash against balance of LTD

GAAP to Non-GAAP Reconciliations

YE 2016 ExGen Net Debt Calculation (\$M) ⁽¹⁾	
Long-Term Debt (including current maturities)	\$10,150
Short-Term Debt	\$950
- Surplus Cash Adjustment	(\$300)
= Net Debt (a)	\$10,800

YE 2016 ExGen Operating EBITDA Calculation (\$M) ⁽¹⁾	
GAAP Operating Income	\$375
Depreciation & Amortization	\$1,975
EBITDA	\$2,350
+/- Non-operating activities and nonrecurring items ⁽²⁾	\$850
= Operating EBITDA (b)	\$3,200

YE 2016 Debt / EBITDA	
Net Debt (a)	= 3.4x
Operating EBITDA (b)	

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

(2) Reflects impact operating adjustments on GAAP EBITDA. Refer to slide 165 for a list of operating adjustments to GAAP.

GAAP to Non-GAAP Reconciliations

ExGen Adjusted O&M Reconciliation (\$M) ⁽¹⁾	2016	2017	2018	2019	2020
GAAP O&M	\$5,625	\$5,225	\$5,050	\$5,100	\$5,150
Decommissioning ⁽²⁾	125	150	100	50	50
Costs associated with early nuclear plant retirements	(125)	-	-	-	-
Long-lived asset impairment costs	(150)	-	-	-	-
Direct cost of sales incurred to generate revenues for certain Constellation and Power businesses ⁽³⁾	(425)	(375)	(375)	(400)	(425)
O&M for managed plants that are partially owned	(400)	(425)	(425)	(425)	(450)
Other	(125)	(25)	-	(25)	(25)
Adjusted O&M (Non-GAAP)	\$4,525	\$4,550	\$4,350	\$4,300	\$4,300

2016-2020 ExGen Free Cash Flow Calculation (\$M) ⁽¹⁾	
Cash from Operations (GAAP)	\$17,975
Other Cash from Investing Activities	(\$600)
Baseline Capital Expenditures ⁽⁴⁾	(\$4,625)
Nuclear Fuel Capital Expenditures	(\$4,525)
Free Cash Flow before Growth CapEx and Dividend	\$8,225

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

(2) Reflects earnings neutral O&M

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

(4) Baseline capital expenditures refer to maintenance and required capital expenditures necessary for day to day plant operations

GAAP to Non-GAAP Reconciliations

2016 Adjusted Cash from Ops Calculation (\$M) ⁽¹⁾	ComEd	PECO	BGE	PHI	ExGen	Other	Exelon
Net cash flows provided by operating activities (GAAP)	\$1,700	\$750	\$600	\$800	\$4,000	(\$400)	\$7,425
Other cash from investing activities	-	-	-	(\$25)	(\$125)	-	(\$150)
Intercompany receivable adjustment	(\$200)	-	-	-	-	\$200	-
Counterparty collateral activity	-	-	-	-	(\$275)		(\$275)
Adjusted Cash Flow from Operations	\$1,500	\$750	\$600	\$775	\$3,600	(\$200)	\$7,000

2016 Cash From Financing Calculation (\$M) ⁽¹⁾	ComEd	PECO	BGE	PHI	ExGen	Other	Exelon
Net cash flow provided by financing activities (GAAP)	\$800	(\$250)	\$250	\$450	(\$375)	\$1,775	\$2,650
Dividends paid on common stock	\$375	\$275	\$175	\$175	\$1,125	(\$950)	\$1,175
Intercompany receivable adjustment	\$200	-	-	-	-	(\$200)	
Purchase of PHI (including cash acquired)	-	-	-	-	-	(\$6,925)	(\$6,925)
Financing Cash Flow	\$1,375	\$25	\$425	\$625	\$750	(\$6,300)	(\$3,100)

Exelon Total Cash Flow Reconciliation ⁽¹⁾	2016
GAAP Beginning Cash Balance	\$6,500
Adjustment for Cash Collateral Posted	\$1,300
Adjusted Beginning Cash Balance ⁽³⁾	\$7,800
Net Change in Cash (GAAP) ⁽²⁾	\$(6,275)
Adjusted Ending Cash Balance ⁽³⁾	\$1,525
Adjustment for Cash Collateral Posted	(\$1,000)
GAAP Ending Cash Balance	\$525

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

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

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

GAAP to Non-GAAP Reconciliations

BGE Operating ROE Reconciliation	2011	2012	2013	2014	2015
Net Income (GAAP)	\$123	(\$9)	\$197	\$198	\$275
Operating exclusions ⁽¹⁾	\$18	\$96	(\$2)	\$1	\$3
Adjusted Operating Earnings	\$141	\$87	\$195	\$199	\$278
Average Equity	\$2,092	\$2,139	\$2,266	\$2,464	\$2,625
Operating ROE (Adjusted Operating Earnings/Average Equity)	6.7%	4.1%	8.6%	8.1%	10.6%

(1) Operating exclusions represent adjustments for merger commitments and costs to achieve