ComEd's ability to provide safe and reliable energy contributes to the quality of life in northern Illinois and is a key component of the State's overall economic development potential. Without a robust electrical system in place, Chicago and northern Illinois would be unable to effectively compete for new business expansion in the global economy and existing businesses would be less competitive. Since 2001, ComEd has invested more than \$9 billion to expand, upgrade, and maintain our system. This is part of an ongoing commitment to maintain system-wide reliability and expand capacity by strengthening and modernizing infrastructure. The benefits of the reliability investments are evident. In fact, ComEd's reliability performance in 2009 represented the best on record. Overall since 1998, customers have experienced a 20% reduction in the frequency of interruptions. In addition, the recent passage of SB1652, the Energy Infrastructure Modernization Act by the Illinois legislature mandates an improvement in reliability by requiring a 20% reduction in the frequency of outages and 15% reduction in the length of outages when they do occur. This \$2.6 billion ten year investment will transform ComEd's distribution system in to a smart grid with advanced metering infrastructure and digital distribution automation equipment installed on our lines and in our substations.

Since 2001, all businesses in Illinois have been able to select an electricity provider of their choice as part of 1997 legislation that restructured the Illinois electric utility industry. ComEd is now solely a transmission and distribution utility. There are three major components to electricity costs in northern Illinois: distribution, transmission, and commodity supply. Businesses have many competitive electricity supply options available to them, and that offers a tremendous advantage over neighboring Midwestern states that do not allow electricity choice. More than 85% of ComEd's large business customer load is now taking advantage of the competitive market by buying electricity from suppliers other than ComEd. A list of certified alternative retail electricity suppliers is available at: www.comedpowerpath.com and/or www.icc.illinois.gov. ComEd will continue to safely and reliably deliver electricity to customers regardless of their electricity supplier.

Customer choice also has had a huge impact on the electricity generation market. More than 8,800 MWs of new capacity from 24 different facilities (in addition to the region's existing 20,000-plus MW capacity) has been added in northern Illinois since 1999. Illinois is home to more nuclear generating facilities (11) than any other state. These facilities operate at some of the highest capacity factors in the industry at over 93% and provide a low-carbon electricity source. In fact, ComEd's service territory has been rated as the lowest carbon output location for electricity among utilities serving major cities based in large part on the nuclear capacity in place. Illinois is also home to a growing wind energy resource thanks in part to an aggressive renewable energy portfolio strategy which calls for 25% renewable sources by the year 2025.

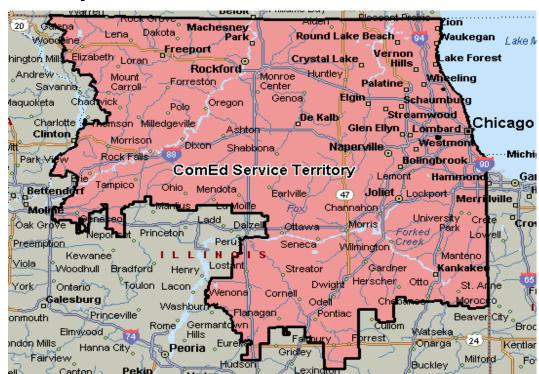
To further enhance reliability and offer more competitive supply options to northern Illinois businesses, ComEd joined the PJM Interconnection (www.pjm.com) in 2004. PJM is the largest independent regional transmission operator in the world. The PJM operating area stretches from the Mississippi River to the east coast and serves 51 million people in 13 states. Businesses located within the PJM system have access to an installed generation capacity of 162,000 MW.

The ComEd service territory covers 11,411 square miles in northern Illinois, stretching from the Wisconsin border to as far south as Pontiac, Ill., and from the Indiana border to the Mississippi River. ComEd (www.comed.com) serves 3.8 million customers or approximately 70 percent of the population in Illinois and the vast majority of the state's industrial companies. ComEd's transmission and distribution systems are extensive, with more than 5,300 miles of overhead transmission lines and approximately 34,900 miles of overhead distribution lines and 29,700 miles of underground distribution lines. ComEd is committed to safely delivering reliable electricity throughout the more than 400 communities it serves. ComEd's peak system demand is 23,753MWs set in 2011. ComEd is part of the Exelon Corporation (www.exeloncorp.com), headquartered in Chicago, which includes a sister-utility, PECO Energy in Philadelphia, PA, Exelon Generation and other affiliate companies such as Exelon Generation.

The ComEd Service Territory in Northern Illinois







Electricity Delivery Service Rates for Businesses

	-
	Rate (per
Customer Class	kW/month)
< 100 kW	\$5.15
100 - 400 kW	\$4.99
400 - 1,000 kW	\$5.44
1,000 - 10,000 kW	\$5.53
> 10,000 kW	\$3.69
Transmission Voltage	
> 10,000 kVV	\$0.79

Notes:

- ComEd's Retail Delivery Service (RDS) rate for electricity distribution is a kW demand charge plus a kWh charge of 0.123 ¢/kWh; other components include, but are not limited to various monthly customer and metering charges and state and local taxes where applicable.
- 2. Pricing for the supply of electricity is set by the 25+ competitive retail electricity suppliers certified by the Illinois Commerce Commission (see list at: www.comed.com/sites/customerservice/Pages/CustomerChoice.aspx).
- 3. ComEd's default supply option is an hourly real-time pricing rate with prices that change each hour based on the PJM wholesale price. The average price for all hours since January 2007 has been 4.08 ¢/kWh. More information is available at: www.besh.exeloncorp.com.
- 4. These rates do not include PJM transmission services, ComEd customer service or metering charges, or applicable state and local taxes and fees.

Illinois' Environmental Advantages

- ComEd offers a portfolio of energy efficiency programs designed to reduce customers' bills and benefit the environment by reducing the amount of power needed from power plants that emit greenhouse gases linked to global climate change. The programs offer incentives for the installation of higher efficiency equipment (i.e., lighting technologies, motors, HVAC systems) as well as a new construction design assistance program perfect for businesses considering building a new facility. The incentive programs offer yet another competitive advantage to an Illinois location. To learn more about these exciting programs visit: www.comed.com/bizincentives.
- There has been tremendous growth in Illinois-based <u>wind energy</u> with nearly 1,900MW now in service which ranks Illinois 4th in the country. Illinois has one of the most aggressive renewable energy portfolio standards in the country that mandates 25% of electricity consumed in the state by the year 2025 must come from renewable sources. The state is currently meeting the required targets of 6% as of June 2011.
- Low carbon emission <u>nuclear power</u> accounts for 48% of the state's electrical output coming from 11 generating units. This is more nuclear-based electricity than any other state.