

ComEd Energy Infrastructure Modernization Act ("EIMA") Annual Jobs Creation Report

Reporting Period: 2015
 Period Start Date: 1/1/2015
 Period End Date: 12/31/2015

This report includes job creation statistics for the period beginning January 1, 2015 and ending December 31, 2015 ("the reporting period") and cumulatively, pursuant to the annual reporting requirement in Section 16-108.5(b) of the Public Utilities Act ("PUA"). Although Section 16-108.5(b)'s annual reporting requirement regarding job creation is limited to identifying the "number of full-time equivalent jobs created for the prior calendar year and cumulatively", ComEd is also voluntarily including the additional statistics presented in its Quarterly Job Creation Reports. In total, this report includes the following statistics:

- SECTION 1 - Direct and Contractor Full-Time Equivalent ("FTE") jobs created during the reporting period
- SECTION 2 - Total number of ComEd employees as of the last day of the reporting period
- SECTION 3 - Direct and Contractor FTE hours in each job classification/job title
- SECTION 4 - Total number of incremental employees and contractors in support of the investments undertaken pursuant to Section 16-108.5(b) of the PUA and as set forth within ComEd's Infrastructure Investment Plan ("IIP" or "Plan") for the reporting period
- SECTION 5 - Induced jobs and total FTE jobs calculation for the reporting period
- SECTION 6 - Cumulative total FTE jobs
- SECTION 7 - Peak Program Year
- SECTION 8 - Notes

SECTION 1

Direct and Contractor FTE jobs created during the reporting period

	Std. FTE	Alt. FTE
Direct Jobs (ComEd)	623	736
Contractor Positions	1,181	1,229
Total Direct and Contractor FTE Jobs	1,804	1,965

Section 16-108.5(b) of the PUA defines FTE jobs to include "direct jobs, contractor positions, and induced jobs, but shall not include any portion of a job commitment, not specifically contingent on an amendatory Act of the 97th General Assembly becoming law, between a participating utility and a labor union that existed on the effective date of this amendatory Act of the 97th General Assembly and that has not yet been fulfilled. A portion of the full-time equivalent jobs created by each participating utility shall include incremental personnel hired subsequent to the effective date of this amendatory Act of the 97th General Assembly." Consistent with EIMA, the FTE jobs defined below do "not include any portion of a job commitment, not specifically contingent on an amendatory Act of the 97th General Assembly becoming law, between a participating utility and a labor union that existed on the effective date of this amendatory Act of the 97th General Assembly and that has not yet been fulfilled."

Definition of FTE Jobs:

Pursuant to Section 16-108.5 of the PUA, ComEd is required to create at least 2,000 FTE jobs in the State of Illinois during the Plan's peak program year. The calculation set forth below converts full-time, temporary, and part-time jobs into comparable FTEs. FTE employment is a standard concept used by the Department of Energy and other government agencies, and is defined within this report as follows:

$$\text{FTE} = \frac{\text{Total number of EIMA-related hours worked in the reporting period}}{\text{Total number of available work-hours in the reporting period}}$$

Standard and alternative calculations for Direct and Contractor FTE Jobs are presented above using different denominators. The standard denominator for the ComEd and Contractor FTE calculations is based on 2,080 available working hours in the year. This figure does not account for approved time-off such as vacation time, holidays, sick leave, jury duty and other approved time off not otherwise listed. The alternative denominator for the Direct FTE calculation is based on 1,760 available working hours per year and is reflective of time off consistent with ComEd budgeting processes. The alternative denominator for Contractor metrics is based on 2,000 available working hours per year and is also reflective of approved time off representing 10 holidays per year.

The numerator of the Direct Jobs (ComEd) FTE calculation only includes hours performed by ComEd and its affiliates' employees charged to EIMA-related projects and billed to corresponding code blocks. Similarly, the numerator of the Contractor FTE calculation only includes hours performed by contractors charged to EIMA-related projects.

Definition of FTE Job Categories:

For purposes of this report and as described in ComEd's IIP, the definitions of FTE Job Categories are the following:

- Direct Jobs include employees of ComEd and its affiliates.
- Contractor Positions of ComEd or its affiliates include non-employees, such as staff augmentation, project labor, outsourcing, consulting, physical craft contractors, clerical/administrative contractors, and construction of training facilities.
- Induced Jobs mean jobs that are econometrically estimated using a statistical "jobs multiplier" based on annual capital spending by EIMA program and actual Direct and Contractor FTE jobs created during the annual reporting period.

SECTION 2

Total number of ComEd employees as of the last day of the reporting period

Job Classification	As of 12/31/2015	
	Headcount	%
Management Headcount	2,738	41.8%
Bargaining Unit Headcount	3,807	58.2%
Total ComEd Headcount	6,545	100.0%

Definition:

Total headcount figures represent total full-time and part-time ComEd employee headcounts as of the last day of the reporting period including Management and Non-Management/Bargaining Unit employees. These figures do not include temporary ComEd employees. These figures are provided through extracts from ComEd's Human Resources Information System ("HRIS").

SECTION 3

Direct and Contractor FTE hours in each job classification/job title

	Management Hours	Bargaining Unit Hours	Total FTE Hours
Direct FTE Hours (ComEd)	419,057	876,817	1,295,874
Contractor FTE Hours	573,209	1,884,136	2,457,345
Total Direct and Contractor FTE Hours	992,266	2,760,953	3,753,219

Definition:

Section 3 statistics represent EIMA-related FTE hours worked during the reporting period that are used to calculate the FTE statistics set forth in Section 1 of this report. ComEd hours are collected through ComEd's time-keeping and accounting systems. Contractor hours are tracked and compiled from vendor time templates submitted to ComEd on a monthly basis. Hours across all contractors are aggregated and set forth in Section 3 of this report.

SECTION 4

Total number of incremental employees and contractors in support of the investments undertaken under Section 16-108.5(b) for the reporting period

Organization	Incremental Employees
ComEd	82
Contractors	397
Total	479

Definition:

Incremental hire statistics represent net EIMA-related positions created and filled during the reporting period and reflect any lost or vacated EIMA-related positions during that same period. All reported incremental hires for ComEd, its affiliates and contractors, are positions that have been created in the State of Illinois.

SECTION 5

Induced jobs and total FTE jobs calculation for the reporting period

In selecting the methodology to calculate the number of induced jobs created by ComEd's annual EIMA capital investments, ComEd has chosen a method that is the most representative of the ComEd service territory. ComEd has engaged the Regional Economic Applications Laboratory (REAL) of the University of Illinois to calculate the Illinois induced jobs that result from the EIMA investments made in 2015. REAL uses the Chicago Regional Econometric Input-Output Model (CREIM) to determine the economic impacts of EIMA in the Chicago region. CREIM is a proprietary economic model that specifically models the Chicago regional economy and has been in use for over 20 years. As such, it is a uniquely suited, and a superior model, for calculating the induced job impacts on the EIMA investment being made by ComEd. CREIM has wide acceptance in the Chicago region as demonstrated by its use in various State agencies, such as DCEO.^[1]

^[1] ComEd further notes that it is aware of a non-proprietary and generic "simple rule" developed by the federal government, which calculates job impacts related to government spending under the American Recovery and Reinvestment Act ("ARRA"). This calculation, however, is based on and produces nationwide averages to reflect that ARRA investments are made across diverse economies in 50 states, including urban centers as large as New York City and small rural communities. Although this model provides a very quick and simple calculation, the CREIM method is the most representative of the ComEd service territory.

CREIM Method

To facilitate use of the CREIM model, ComEd provided REAL with ComEd's actual EIMA program capital investment during the 2015 reporting period, as well as actual Direct and Contractor FTE jobs created during the reporting period. REAL used these actual numbers as inputs to the CREIM to derive the induced jobs multiplier and total FTE jobs created during the reporting period.

The CREIM results indicate a total "ripple effect" of 2.53. That is, for each Direct and Contractor FTE Job created in 2015, 1.53 additional jobs are created elsewhere in the economy for a total of 2.53. The CREIM results are based on ComEd's 2015 capital investments and actual Direct and Contractor FTE jobs as presented below:

	Std. FTE	Alt. FTE
Capital Expenditures (\$M)	\$663	
Direct Jobs (ComEd)	623	736
Contractor Positions	1,181	1,229
Total Direct & Contractor	1,804	1,965
Total Jobs Multiplier	2.53	2.53
TOTAL FTE JOBS	4,569	4,977
Induced Jobs	2,765	3,012

SECTION 6*Cumulative total FTE jobs*

Total Standard and Alternative FTE Jobs (including Direct and Contractor FTE Jobs and Induced Jobs) for the four reporting periods completed to date are as follows:

Year	Total Std. FTE Jobs	Total Alt. FTE Jobs
2012	2,486	2,683
2013	2,871	3,116
2014	3,598	3,919
2015	4,569	4,977

SECTION 7*Peak Program Year*

Pursuant to Section 16-108.5 of the PUA, ComEd is required to create at least 2,000 FTE jobs in the State of Illinois during the Plan's peak program year. Section 16-108.5(b) of the PUA defines FTE jobs to include "direct jobs, contractor positions, and induced jobs...A portion of the full-time equivalent jobs created by each participating utility shall include incremental personnel hired subsequent to the effective date of this amendatory Act of the 97th General Assembly". Section 16-108.5(b) of the PUA also defines "peak program year" as "the consecutive 12-month period with the highest number of full-time equivalent jobs that occurs between the beginning of investment year 2 and the end of investment year 4". Consistent with this definition, ComEd declares its peak program year as the consecutive 12-month period beginning December 1, 2014 and ending November 30, 2015.

Peak Program Year (Dec. 1, 2014 - Nov. 30, 2015)	Std. FTE
Total Direct & Contractor	1,800
TOTAL FTE JOBS	4,572
Induced Jobs	2,772

SECTION 8

Notes

Over the course of reviewing the 2015 data, ComEd identified that ComEd's 2015 Quarterly Job Creation Reports cumulatively over reported incremental headcount by 33. ComEd performed a comprehensive review of all incremental employees reported by contractors and found that the over reporting was primarily due to inadvertent duplication of certain incremental contractors. Section 4 of this report includes these corrections and reflects ComEd's annual incremental employees and contractors in support of the investments undertaken under Section 16-108.5(b) for 2015.

ComEd engaged Deloitte Consulting LLP to assist management with the development of processes to collect, aggregate and review the information provided by ComEd and its suppliers to support the FTE jobs reporting requirements set forth in Section 16-108.5(b) of the PUA. Deloitte Consulting's engagement did not constitute an audit or any other form of attest service. ComEd is responsible for the information reported herein.