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**RIDER 31
DECOMMISSIONING EXPENSE ADJUSTMENT CLAUSE**

- This rider is applicable to each and every kilowatt-hour (kWh) of electricity delivered or sold at retail in the Company's service area, including, but not limited to, sales by the Company to tariffed services retail customers, sales by the Company to retail customers pursuant to special contracts or other negotiated arrangements, sales by alternative retail electric suppliers, and sales by an electric utility other than the Company, provided, however, that for a retail customer that obtained electric power and energy from its own generation facilities on or before January 1, 1997, and subsequently takes services from an alternative retail electric supplier or an electric utility other than the Company for any portion of its electric power and energy requirements formerly obtained from those facilities, this rider shall not be applicable in any year to that portion of the retail customer's electric power and energy requirements formerly obtained from those facilities, provided that such portion shall not exceed the average number of kilowatt-hours per year obtained from the generation facilities during the three years prior to the date on which the retail customer became eligible for delivery services.
- Costs passed through the Decommissioning Expense Adjustment Clause represent estimates of costs to be incurred, with adjustment to actual billings as they become available. The costs used in calculating the Decommissioning Expense Adjustment per kWh (DE) are the total of allowable Decommissioning Expense costs as identified herein.
- The charges for all kWhs of energy supplied or delivered to designated customers shall be adjusted by a Decommissioning Expense Adjustment determined as follows:

$$DE = \left[\frac{\sum_{I=1}^{13} AP(I)}{S} + \frac{RA \times 100}{S} \right]$$

where:

- DE = Decommissioning Expense Adjustment per kWh: The amount in cents per kWh, rounded to the nearest .001¢, to be applied to each kWh in any monthly billing period. The DE is subject to adjustment to minimize over/under recoveries of allowable costs by application of the automatic reconciliation factor (RA) as defined herein.

AP (I) = Annual ICC jurisdictional cost of service funding requirement for decommissioning Company nuclear unit (Unit (I)), defined as $AP (I) = COS \times J \times 100$.

COS = The cost of service funding amount necessary for current and future contributions, defined as $COS = SF \times [(DCE \times E) - (TFB \times IRI)] - PAC$.

(Continued on Sheet No. 95.09.5)

RIDER 31
DECOMMISSIONING EXPENSE ADJUSTMENT CLAUSE

(Continued from Sheet No. 95.09.4)

where:

- DCE = Commonwealth Edison's latest decommissioning cost estimate for Unit (I) filed with the Commission Staff pursuant to Staff's draft report dated December 23, 1993, in Docket 89-NOI-1.
- * E = Decommissioning escalation factor, defined as $[1 + (0.378 \times W + 0.356 \times O + 0.266 \times B)]^n$
- W = Wages escalation rate, based on the annualized ten-year projection of the Employment Cost Index as forecasted by a nationally reputable forecasting firm.
- O = Other decommissioning costs escalation rate, based on the annualized ten-year projections contained in the Consumer Price Index as forecasted by a nationally reputable forecasting firm.
- B = Burial escalation rate, based on the average annual rate of escalation (excluding surcharges) for the most recent three years for waste burial at the Barnwell facility contained in the latest revision to NRC NUREG-1307.
- n = Number of years remaining for each Company nuclear unit (Unit (I)) until decommissioning expenses for each such unit are incurred.
- * TFB = The book value of funds accumulated in external decommissioning funds for Company nuclear unit (Unit (I)) as of the end of the Determination Period and as adjusted for the income tax effect of unrealized gains.
- IR = The most recent after-tax investment rates of return approved by the Commission for the Company compounded annually over Unit (I)'s funding life.
- SF = The sinking fund factor for the remaining funding period for Company nuclear unit (Unit (I)).
- PAC = The annual contribution due to amortization of collections prior to external funding for Company nuclear unit (Unit (I)). These annual contributions are for the remaining funding period of each unit as established in Docket 88-0298.
- J = The retail jurisdictional allocation of decommissioning costs based on the allocation approved by the Commission in the Company's most recent rate case.
- S = Total kWhs projected to be billed subject to the provisions of this rider to designated customers during the Current Year.

(Continued on Sheet No. 95.09.51)

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entered Month xx, 1999 in Docket No. xx-xxxx

Asterisk (*) indicates change.

**RIDER 31
DECOMMISSIONING EXPENSE ADJUSTMENT CLAUSE**

(Continued from Sheet No. 95.09.5)

where:

RA = The difference between the previously approved ICC jurisdictional cost of service funding requirement pursuant to this rider and actual recoveries through this rider in the Determination Period. This amount shall be a credit or charge depending on whether there has been an over or under recovery.

Unit (I) = Commonwealth Edison nuclear units are indexed according to the schedule below.

NUCLEAR UNIT INDEX

Index Number I	Unit (I)	Index Number I	Unit (I)
1	Dresden 1	8	LaSalle 1
2	Dresden 2	9	LaSalle 2
3	Dresden 3	10	Byron 1
4	Quad Cities 1	11	Byron 2
5	Quad Cities 2	12	Braidwood 1
6	Zion 1	13	Braidwood 2
7	Zion 2		

- * The Company shall make a filing with the Commission not less than once every three years computing a Decommissioning Expense Adjustment pursuant to the formulas set forth above, to be applied to the bills of those customers subject to the provisions of this rider during the Current Year. The Company's filing shall show the values used for each variable in the formulas above and shall provide the source data or basis for all such values.
- * If the Illinois Commerce Commission initiates a docketed proceeding as a result of the Company's filing hereunder, the Current Year is the twelve months beginning with the first day of the second billing cycle month following the date that the Illinois Commerce Commission enters an Order in such proceeding. In the event such docketed proceeding is initiated, the existing Rider 31 Decommissioning Expense Adjustment per kilowatt-hour shall remain in effect until the first day of the second billing cycle month following the Commission's Order in such proceeding.
- * If the Illinois Commerce Commission does not initiate a docketed proceeding as a result of the Company's filing hereunder, the Current Year is the twelve months beginning with the first day of the May billing cycle month following the Company's annual filing hereunder.

The Determination Period is the period beginning on January 1 following the last Determination Period for which an automatic reconciliation factor (RA) credit or charge took effect and ending with December 31 just prior to the Company's filing hereunder.