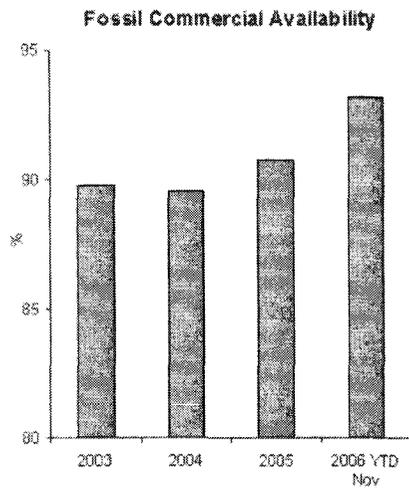


Exelon Generation Value Proposition

- ✓ Generation has a well-balanced portfolio:
 - Large, low-cost, low-emissions, well-run nuclear fleet
 - Complementary and flexible fossil and hydro fleet
- ✓ Exelon Power and Exelon Nuclear have a track record of improving asset performance
- ✓ Generation business is uniquely positioned to capture value through:
 - Focusing on fundamentals of operating excellence and cost management
 - Realizing upside from expiration of below-market contracts in Illinois and Pennsylvania
 - Improving power market fundamentals

Exelon Generation captures market opportunities and rigorously manages risk through operational and commercial excellence

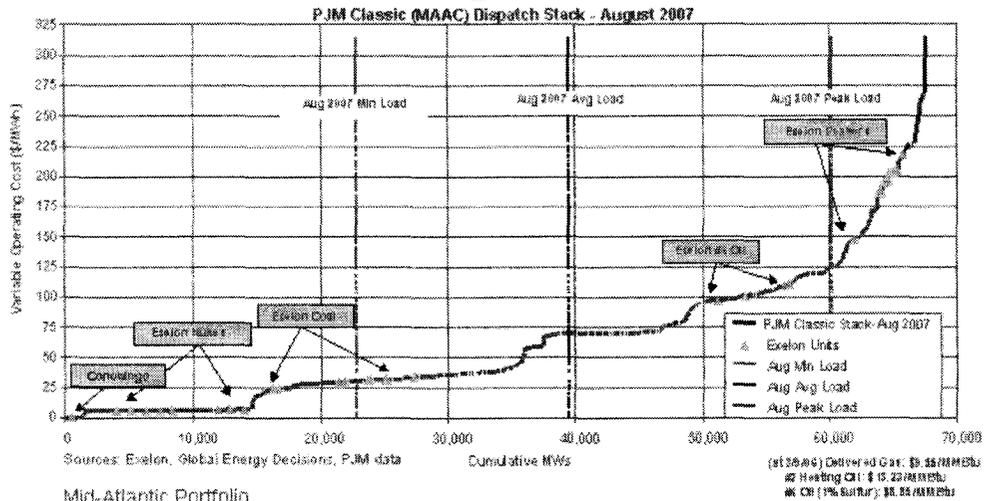
Exelon Power - Reliability



- ✓ Exelon Power ensures plants are available when the market demands them
- ✓ Exelon Power capitalizes on market opportunities through:
 - Short start-up times on key units
 - Operational flexibility
 - Improved unit reliability, heat rate and capacity
 - Market-driven investment in plant improvements

Exelon Power helps reduce risk within the portfolio by maintaining a reliable fleet

Exelon Power - Integral to Portfolio



Mid-Atlantic Portfolio

- ✓ Intermediate and peaking units complement the baseload nuclear, coal, and hydro units, meet peak demand, support outages to help serve load and reduce exposure within the portfolio
- Exelon Power also operates merchant assets in Texas and Massachusetts

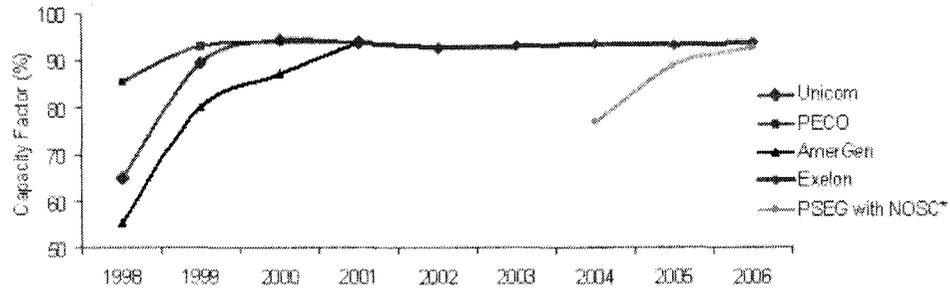
Balanced, flexible portfolio

Exelon Power Going Forward

- ✓ Continue to analyze capital to ensure sound investments are being made for a reliable and flexible portfolio
 - Continue to invest to upgrade capacity of hydro units
- ✓ Continue to monitor environmental legislation and ensure compliance across the fleet
 - FGD (flue gas desulfurization) technology installation at Keystone
- ✓ Develop new generation
 - Long-term electricity supply requires a broad and balanced portfolio
 - Be ready to develop when the market sends the right signal
 - Ensure new generation will meet new environmental standards
- ✓ Evaluate opportunities in competitive regions where reserve margins are dropping

Track Record of Nuclear Excellence

Sustainability of Exelon Model



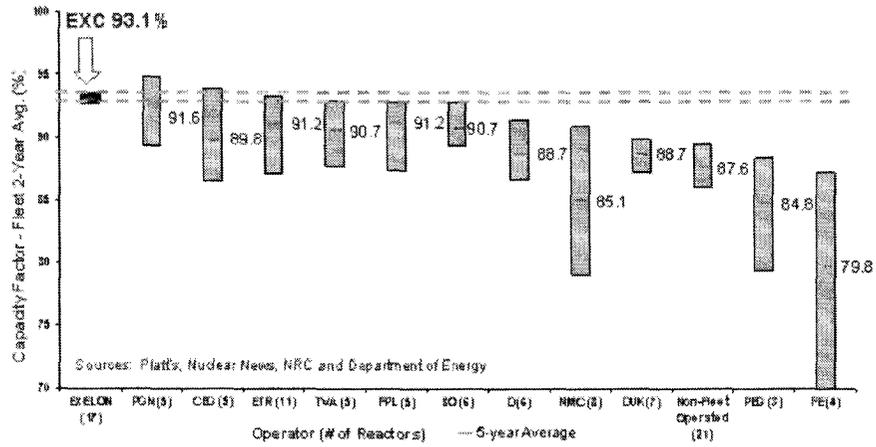
- ✓ Exelon Nuclear has implemented its Management Model in 20 units, with sustained excellent results
 - Capacity factor is consistently high
 - Production cost shows similar results

The Exelon Nuclear model works – and is scalable

* Nuclear Operating Services Contract

Superior Nuclear Operating Performance

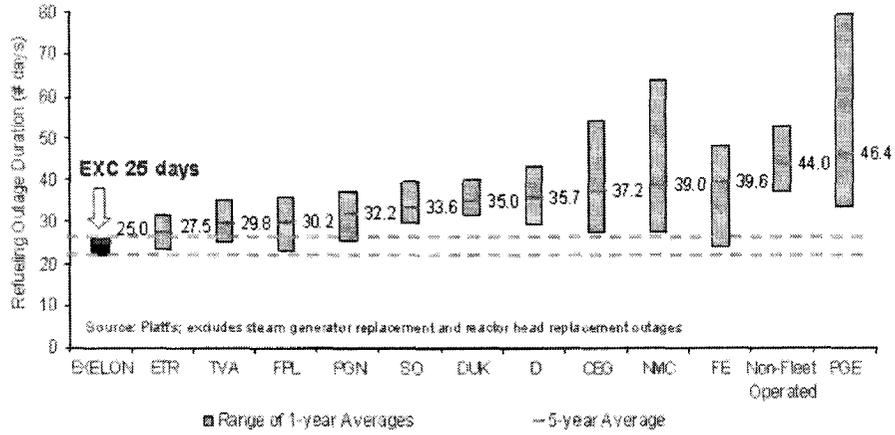
Range of Nuclear Capacity Factors (2001-2005)



Exelon Nuclear's sustained reliability is a competitive advantage

Nuclear Performance - Refueling

Range of Nuclear Refueling Outage Durations (2001-2005)



Exelon Nuclear's refueling excellence drives higher generation

Nuclear Operating Services Contract

- ✓ PSEG Nuclear Operating Services Contract (NOSC)
- ✓ Salem and Hope Creek have demonstrated significant performance improvement under NOSC
 - 95% November '06 YTD site capacity factor
 - 18% improvement in capacity factor since 2004
 - World and site record-setting refueling outage performance
 - 25% reduction in O&M spending since 2004
 - Resolution of long-standing equipment issues
 - Returned to normal NRC oversight after 3 years of increased scrutiny
- ✓ "Termination Transition Period" has been invoked under terms of NOSC
 - Orderly planned transition to terminate services and management support to PSEG
 - PSEG exercised option for two-year transition period; has option for additional year

Exelon is committed to a sustainable solution

Nuclear Going Forward

- ✓ Recently announced intent to file Construction & Operating License (COL) in ERCOT by end of 2008
 - Preserves option to participate in Energy Policy Act incentives
 - Supports NRC resource planning
- ✓ New nuclear designs offer improved features, passive safety systems, competitive capital costs and shorter construction times
- ✓ ERCOT is an attractive market for new nuclear
- ✓ Exelon's phased approach allows for go/no-go decisions at major funding/commitment milestones

Exelon's conditions for new build remain unchanged;
economics must be right

Exelon Generation Summary

- ✓ Well-run generating fleet
- ✓ Significant nuclear cost advantage
- ✓ Focus on the fundamentals
- ✓ Well-positioned to respond to market demand
- ✓ Scalable management model
- ✓ Sustained track record of performance

Exelon.

ComEd.

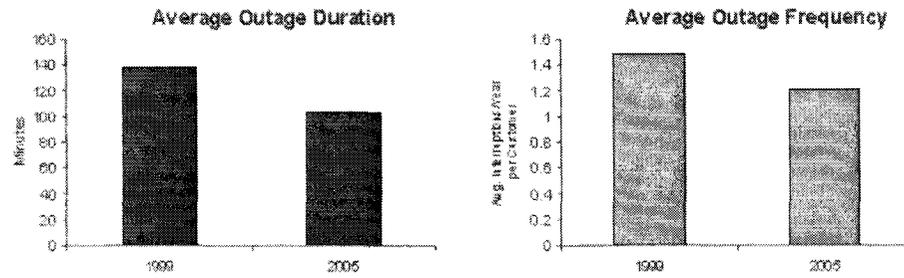
An Exelon Company



PECO.

An Exelon Company

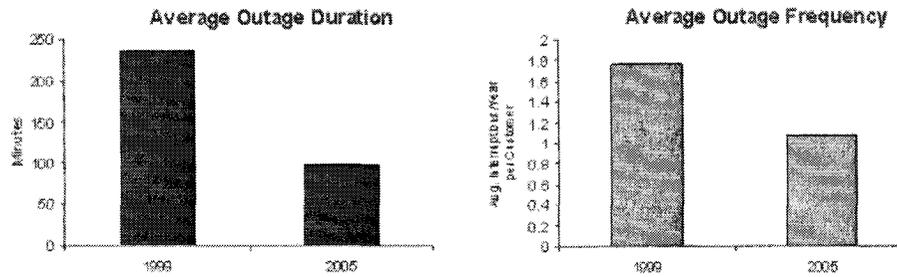
ComEd – Operational Overview



- ✓ Improving trend in outage duration and frequency
 - Challenged by distribution material condition
- ✓ Transmission reliability among the best in the nation
- ✓ System reliability in top quartile amongst peer group

ComEd reliability has improved

PECO – Operational Overview



- ✓ Improving trend in outage duration and frequency
 - Record storms in 2006 will impact that trend
- ✓ Transmission reliability among the best in the nation
- ✓ 2003-2005 Distribution reliability is top quartile amongst peer group
- ✓ 2006 non-storm reliability continues positive trend

PECO continues to deliver strong reliability

Operations Update

✓ Customer Satisfaction

- Exelon achieved American Customer Satisfaction Index (ACSI) Proxy 2nd quartile in 2006
 - First time since company was formed
- PECO customer satisfaction is strong and improving
- ComEd customer satisfaction has improved since 1999
- Common customer information system will improve customer service and credit and collection management

Focus on customer satisfaction

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Operations Going Forward

- ✓ Material Condition Improvement
 - Underground Cable Replacement, Overhead Distribution Circuits, Fire Protection
- ✓ Automation
 - Distribution Sectionalizing, Philadelphia Center City Network Upgrade, Re-closers
- ✓ Reliability Programs
 - Vegetation Management, Top Priority Circuits
- ✓ Emergency Response
 - Mobile Dispatch, Emergency Preparedness
- ✓ Capacity Investment
 - New Substations and Transmission Lines

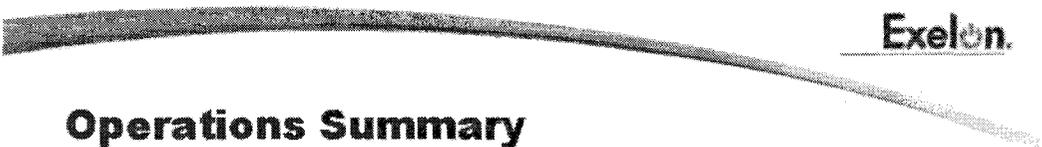
System initiatives are leading to reliability improvement

20

PECO - Solid Business Profile

- ✓ Consistently solid operational and financial results over the past five years
- ✓ Predictable source of earnings through remainder of transition period
 - No plans for T&D rate increases through 2010 – will continue to monitor
 - Full requirements contract
- ✓ Annual electric and gas load growth is stable and in line with historical trends
- ✓ Manageable capital expenditures support ongoing operations
- ✓ Focus on post-2010

PECO is well positioned for the remainder of the transition period

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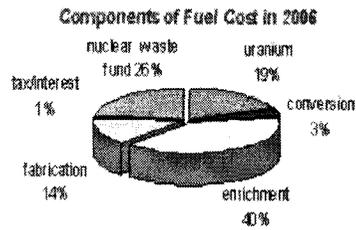
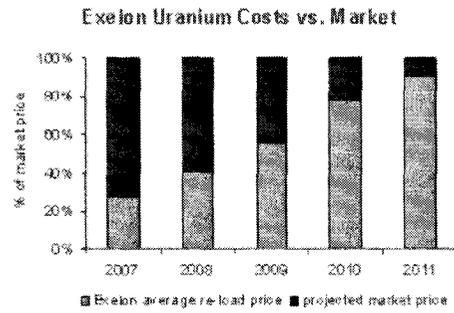
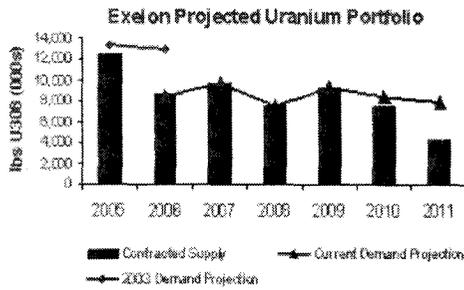
Operations Summary

- ✓ Strong Operational Foundation
 - Focused on reliability and cost management
- ✓ Generation company: uniquely positioned to capture market opportunities through operational and commercial excellence
- ✓ Delivery companies: maintain operational focus and prepared for effective transitions

Appendix



Nuclear Performance – Fuel Costs



Uranium market prices have increased, but Exelon is managing its portfolio

- Reduced uranium demand by 25%
- Contracting strategy protects us and ensures we are significantly below current spot market prices through 2011
- Uranium is small component of total production cost
- Expect long-term fundamentals in \$30-35 range due to new uranium production

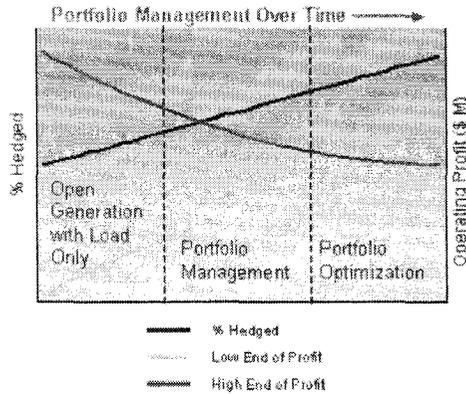
Exelon Nuclear is managing fuel costs

Enhancing the Value of Our Generation

Ian McLean
President, Power Team



Portfolio Management



Power Team has employed a number of successful commodity hedging strategies to optimize Exelon Generation's earnings

- ✓ Supplemented portfolio with load following products
- ✓ Maintained length for opportunistic sales
- ✓ Used physical and financial fuel products to manage variability in fossil generation output
- ✓ Deployed option strategies in the Midwest and Mid-Atlantic to protect against retail load switching and price volatility

Power Team manages the interaction between Exelon Generation supply and EED / market demand in order to reduce earnings risk and optimize profitability

Commodity Hedging Targets

Target Financial Hedge* Range		
Prompt Year	Second Year	Third Year
90% - 98%	70% - 90%	50% - 70%

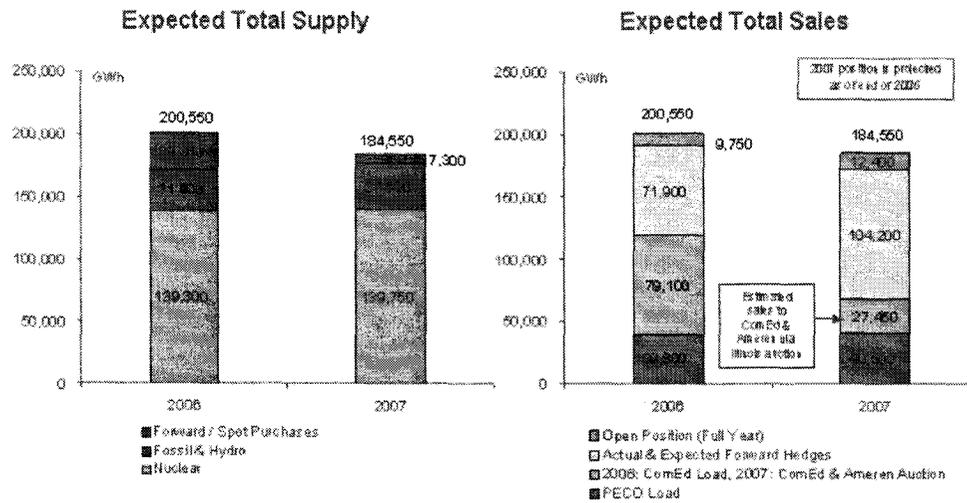
***Definition**

Percent Financially Hedged is our estimate of the gross margin that is not at risk due to a market price drop and assuming normal generation operating conditions. The formula is: $1 - (\text{Gross margin at the 5}^{\text{th}}$ percentile / Expected Gross margin).

- ✓ Hedging reduces earnings risk created by market and portfolio uncertainties
- ✓ Link program requirements to:
 - Future cash requirements: capital expenditures, debt payments
 - Credit objectives
 - Value return policy
- ✓ Consider various sources of risk
 - Market, Credit, Operational

Flexibility in our targeted financial hedge ranges allows us to be opportunistic while mitigating downside risk

Total (Annual) Portfolio Characteristics



The transition to power procurement auctions places more emphasis on hedging and risk management, but allows Exelon Generation to capture the full market value of its generation portfolio

Illinois Auction Results

✓ **Timeline**

- Sept 5: Descending clock auction competitive bidding process began
- Sept 15: ICC approved the results of the fixed price auction
- Dec 6: ICC released results and report on the auction process
- Jan 2008: Next auction held

✓ **Overall Results**

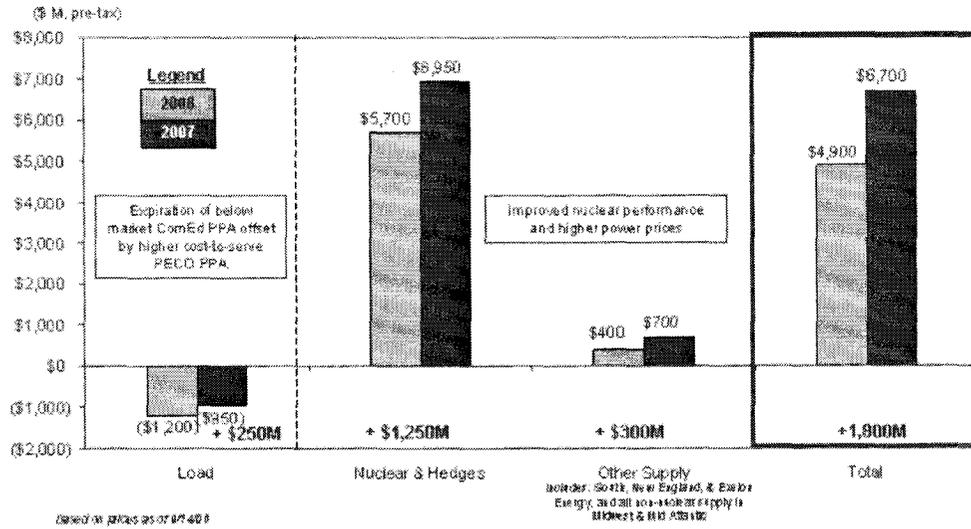
- 21 registered bidders, with 16 companies winning fixed-price tranches

✓ **Exelon Generation Results**

Load Recipient	ComEd	ComEd	ComEd	Ameren
Auction Product	CPP A-17	CPP B-29	CPP B-41	BGS LFP-17
Start Date	Jan 1, 2007	Jan 1, 2007	Jan 1, 2007	Jan 1, 2007
End Date	May 31, 2008	May 31, 2009	May 31, 2010	May 31, 2008
Duration	17 months	29 months	41 months	17 months
Tranches Won	1	36	69	10
Clearing Price (\$/MWh)	\$80.12	\$84.00	\$83.33	\$84.85

ICC Staff's report concluded that the "auction was conducted in a transparent, equitable, and highly professional manner consistent with both the Commission orders in the Procurement Docket and the Auction Rules"

Total Portfolio Revenue Net Fuel



Total Portfolio Revenue Net Fuel Increase ('06-'07): ~\$1,800M