

Commonwealth Edison Company

Risk Premium Analysis

(Based on Projected Interest Rates)

	MOODY'S AVERAGE PUBLIC UTILITY BOND YIELD (1)	AUTHORIZED ELECTRIC RETURNS (2)	INDICATED RISK PREMIUM
1980	13.15%	14.23%	1.08%
1981	15.62%	15.22%	-0.40%
1982	15.33%	15.78%	0.45%
1983	13.31%	15.36%	2.05%
1984	14.03%	15.32%	1.29%
1985	12.29%	15.20%	2.91%
1986	9.46%	13.93%	4.47%
1987	9.98%	12.99%	3.01%
1988	10.45%	12.79%	2.34%
1989	9.66%	12.97%	3.31%
1990	9.76%	12.70%	2.94%
1991	9.21%	12.55%	3.34%
1992	8.57%	12.09%	3.52%
1993	7.56%	11.41%	3.85%
1994	8.30%	11.34%	3.04%
1995	7.91%	11.55%	3.64%
1996	7.74%	11.39%	3.65%
1997	7.63%	11.40%	3.77%
1998	7.00%	11.66%	4.66%
1999	7.55%	10.77%	3.22%
2000	8.14%	11.43%	3.29%
2001	7.72%	11.09%	3.37%
2002	7.53%	11.16%	3.63%
2003	6.61%	10.97%	4.36%
2004	6.20%	10.75%	4.55%
2005	5.67%	10.54%	4.87%
2006	6.08%	10.36%	4.28%
2007	6.11%	10.36%	4.25%
2008	6.65%	10.46%	3.81%
2009	6.28%	10.48%	4.20%
AVERAGE	9.05%	12.28%	3.23%

INDICATED COST OF EQUITY

PROJECTED TRIPLE-B UTILITY BOND YIELD*	6.59%
MOODY'S AVG ANNUAL YIELD DURING STUDY	9.05%
INTEREST RATE DIFFERENCE	<u>-2.46%</u>

INTEREST RATE CHANGE COEFFICIENT	<u>-41.13%</u>
ADJUSTMENT TO AVG RISK PREMIUM	1.01%

BASIC RISK PREMIUM	3.23%
INTEREST RATE ADJUSTMENT	<u>1.01%</u>
EQUITY RISK PREMIUM	<u>4.24%</u>

PROJECTED TRIPLE-B UTILITY BOND YIELD*	<u>6.59%</u>
INDICATED EQUITY RETURN	<u>10.83%</u>

(1) Moody's Investors Service

(2) Regulatory Focus, Regulatory Research Associates, Inc.

*Projected triple-B bond yield is 159 basis points over projected long-term Treasury bond rate of 5.0% from ComEd Ex. 10.2, p. 3. The triple-B spread is for 3 months ended Mar 2010 from ComEd Ex. 10.2, p. 2.

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Risk Premium Analysis

(Based on Current Interest Rates)

	MOODY'S AVERAGE PUBLIC UTILITY BOND YIELD (1)	AUTHORIZED ELECTRIC RETURNS (2)	INDICATED RISK PREMIUM
1980	13.15%	14.23%	1.08%
1981	15.62%	15.22%	-0.40%
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1997	7.63%	11.40%	3.77%
1998	7.00%	11.66%	4.66%
1999	7.55%	10.77%	3.22%
2000	8.14%	11.43%	3.29%
2001	7.72%	11.09%	3.37%
2002	7.53%	11.16%	3.63%
2003	6.61%	10.97%	4.36%
2004	6.20%	10.75%	4.55%
2005	5.67%	10.54%	4.87%
2006	6.08%	10.36%	4.28%
2007	6.11%	10.36%	4.25%
2008	6.65%	10.46%	3.81%
2009	6.28%	10.48%	4.20%
AVERAGE	9.05%	12.28%	3.23%

INDICATED COST OF EQUITY

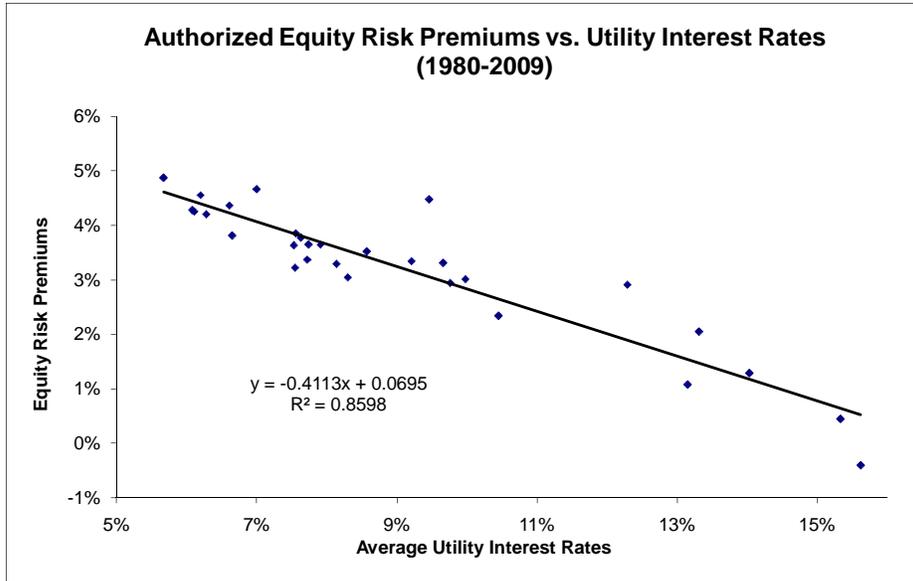
CURRENT TRIPLE-B UTILITY BOND YIELD*	6.21%
MOODY'S AVG ANNUAL YIELD DURING STUDY	9.05%
INTEREST RATE DIFFERENCE	<u>-2.84%</u>
INTEREST RATE CHANGE COEFFICIENT	<u>-41.13%</u>
ADJUSTMENT TO AVG RISK PREMIUM	1.17%
BASIC RISK PREMIUM	3.23%
INTEREST RATE ADJUSTMENT	1.17%
EQUITY RISK PREMIUM	<u>4.39%</u>
CURRENT TRIPLE-B UTILITY BOND YIELD*	<u>6.21%</u>
INDICATED EQUITY RETURN	<u>10.60%</u>

(1) Moody's Investors Service

(2) Regulatory Focus, Regulatory Research Associates, Inc.

*Current triple-B utility bond yield is three month average of Moody's Triple-B Public Utility Bond Yield Average through Mar 2010 from ComEd Ex. 10.2, p. 2.

Commonwealth Edison Company
Risk Premium Analysis
Regression Analysis & Interest Rate Change Coefficient



SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.927242552
R Square	0.85977875
Adjusted R Square	0.854770848
Standard Error	0.0047873
Observations	30

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.003934704	0.003934704	171.6844276	1.82118E-13
Residual	28	0.000641711	2.29182E-05		
Total	29	0.004576415			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.069475479	0.002972433	23.373272	6.55788E-20	0.063386727	0.075564232	0.063386727	0.075564232
X Variable 1	-0.411331263	0.031392526	-13.10284044	1.82118E-13	-0.475635937	-0.347026589	-0.475635937	-0.347026589