

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
DLH 3.01 – 3.11  
Dated: July 9, 2010**

**REQUEST NO. DLH 3.04:**

Referring to Company Schedule C-26, p. 1, line 6 Original Cost Audit Costs, provide a full monthly amortization schedule from inception of the regulatory asset through May 31, 2011. Please provide all supporting calculations and workpapers. To the extent applicable, all documents and workpapers should be provided in Excel format with working formulas.

**RESPONSE:**

The attachment labeled as DLH 3.04\_Attach 1 shows the full monthly amortization schedule through May 31, 2011 of the regulatory asset for the Original Cost Audit Costs.

**Commonwealth Edison Company**  
Original Cost Audit Costs  
Amortization Schedule  
(In Dollars)

Costs to be amortized	\$ 1,547,700
Amortization period - months	36
Monthly amortization	\$ 42,992
Begin amortization	09/15/08
End amortization	09/15/11

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Beginning Balance	\$ 365,429	\$ 881,329	\$ 1,397,229	\$ 1,547,700
Less Amortization				
January	42,992	42,992	42,992	-
February	42,992	42,992	42,992	-
March	42,992	42,992	42,992	-
April	42,992	42,992	42,992	-
May	42,992	42,992	42,992	-
June	-	42,992	42,992	-
July	-	42,992	42,992	-
August	-	42,992	42,992	-
September	-	42,992	42,992	21,496
October	-	42,992	42,992	42,992
November	-	42,992	42,992	42,992
December	-	42,992	42,992	42,992
Total amortization for the year	214,958	515,900	515,900	150,471
Ending Balance	\$ 150,471	\$ 365,429	\$ 881,329	\$ 1,397,229

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
DLH 3.01 – 3.11  
Dated: July 9, 2010**

**REQUEST NO. DLH 3.06:**

Referring to Company Schedule C-26, p. 1, line 7 Rehearing on ICC Docket 05-0597, provide a full monthly amortization schedule from inception of the regulatory asset through May 31, 2011. Please provide all supporting calculations and workpapers. To the extent applicable, all documents and workpapers should be provided in Excel format with working formulas.

**RESPONSE:**

The attachment labeled as DLH 3.06\_Attach 1 shows the full monthly amortization schedule through May 31, 2011 of the regulatory asset for the Rehearing on ICC Docket No. 05-0597.

**Commonwealth Edison Company**  
Rehearing Costs on ICC Docket 05-0597  
Amortization Schedule  
(In Dollars)

Costs to be amortized	\$ 2,178,843
Amortization period - months	36
Monthly amortization	\$ 60,523
Begin amortization	09/15/08
End amortization	09/15/11

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Beginning Balance	\$ 514,449	\$ 1,240,730	\$ 1,967,011	\$ 2,178,843
Less Amortization				
January	60,523	60,523	60,523	-
February	60,523	60,523	60,523	-
March	60,523	60,523	60,523	-
April	60,523	60,523	60,523	-
May	60,523	60,523	60,523	-
June	-	60,523	60,523	-
July	-	60,523	60,523	-
August	-	60,523	60,523	-
September	-	60,523	60,523	30,262
October	-	60,523	60,523	60,523
November	-	60,523	60,523	60,523
December	-	60,523	60,523	60,523
Total amortization for the year	302,617	726,281	726,281	211,832
Ending Balance	\$ 211,832	\$ 514,449	\$ 1,240,730	\$ 1,967,011

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
DLH 3.01 – 3.11  
Dated: July 9, 2010**

**REQUEST NO. DLH 3.10:**

Referring to Company Schedule C-26, p. 1, line 9 Rate Case Costs ICC Docket 07-0566, provide a full monthly amortization schedule from inception of the regulatory asset through May 31, 2011. Please provide all supporting calculations and workpapers. To the extent applicable, all documents and workpapers should be provided in Excel format with working formulas.

**RESPONSE:**

The attachment labeled as DLH 3.10\_Attach 1 shows the full monthly amortization schedule through May 31, 2011 of the regulatory asset for the Rate Case Costs in ICC Docket No. 07-0566.

**Commonwealth Edison Company**  
Rate Case Costs on ICC Docket 07-0566  
Amortization Schedule  
(In Dollars)

Costs to be amortized:				
Recorded in 2008	\$ 10,321,329			
Recorded in 2009	177,459			
Total	<u>\$ 10,498,788</u>			
Amortization period - months	36			
Begin amortization	09/15/08			
End amortization	09/15/11			
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Beginning Balance	<u>\$ 2,601,636</u>	<u>\$ 6,070,476</u>	<u>\$ 9,326,881</u>	<u>\$ -</u>
Additions			177,459	10,321,329
Less Amortization				
January	289,070	289,070	282,633	-
February	289,070	289,070	282,633	-
March	289,070	289,070	283,028	-
April	289,070	289,070	284,393	-
May	289,070	289,070	284,393	-
June	-	289,070	285,717	-
July	-	289,070	285,717	-
August	-	289,070	289,070	-
September	-	289,070	289,070	145,415
October	-	289,070	289,070	283,011
November	-	289,070	289,070	283,011
December	-	289,070	289,070	283,011
Total amortization for the year	<u>1,445,350</u>	<u>3,468,840</u>	<u>3,433,864</u>	<u>994,448</u>
Ending Balance	<u>\$ 1,156,286</u>	<u>\$ 2,601,636</u>	<u>\$ 6,070,476</u>	<u>\$ 9,326,881</u>

Note - The total allowed costs for docket 07-05766 was \$10,500,000. Amortization began in September 2008 on the costs incurred to date. As costs were added to the regulatory asset The amortization schedule was adjusted accordingly.

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
DLH 1.01 – 1.08  
Dated: July 7, 2010**

**REQUEST NO. DLH 1.04:**

With respect to any rate case expense the company seeks to recover, please answer the following:

- a) Please provide all facts, information, data, analyses and assessments including all requests for proposals, bids, invoices, and other supporting documentation supporting the contention that the amounts set forth in rate case expense are just and reasonable amounts to prepare and litigate the current general rate case;
- b) For the categories provided in the Company's Schedule C-10, please provide the amount actually expended for each item as of June 30, 2010, and, to the extent not otherwise provided in response to part a) of this data request, provide a specific assessment of why each of the amounts actually incurred is a just and reasonable amount to prepare and litigate the current general rate case. This response should be updated to reflect additional rate case expense actually incurred each subsequent month as documentation such as invoices becomes available. This response should also include a summary schedule cross referenced to the Company's Schedule C-10 of the documentation being provided.

Please provide all supporting calculations and workpapers. To the extent applicable, all documents and workpapers should be provided in Excel format with working formulas.

**RESPONSE:**

- a) Consistent with Section 9-229 of the Public Utilities Act, ComEd employs a number of measures to ensure "the justness and reasonableness of any amount expended ... to compensate attorneys or technical experts to prepare and litigate" its 2010 Rate Case. 220 ILCS 5/9-229. Prior to the preparation of its 2010 Rate Case filing, ComEd engaged in a planning and budgeting process that considered, among other things, the following: (i) the requirements, features and components of the proposed filing; (ii) the filing and direct testimony requirements under Parts 285 and 286 of the Illinois Commerce Commission's ("Commission") rules, including the additional information and testimony that would have to be filed as a result of directives in prior Commission orders (*e.g.*, compliance with the rate design investigation order in Docket No. 08-0532); and (iii) ComEd's proposed, approved and actual rate case expenses from its prior rate and other related cases. Because each rate case's schedule generally involves the same substantive filings and hearings within a period not to exceed 11 months (Section 9-201), ComEd's initial estimates also considered post-filing requirements, which include the following: an extensive discovery process that provides for expedited responses (ComEd received over 1,350 data requests (which, when subpart were considered, exceeded 5,000 questions) in its last rate case and provided responses (at various points in the proceeding) within timeframes that ranged from 5 to 24 days); the analysis of Staff and intervenor direct and rebuttal testimony; the preparation of ComEd's rebuttal and surrebuttal testimony; preparation for and

participation in the evidentiary hearing; preparation of post-hearing initial and reply briefs; preparation of a draft proposed order and analysis of the ALJ's Proposed Order; briefs and reply briefs on exceptions; preparation for and participation in oral argument; analysis of the Commission's final Order; and preparation of the compliance filing.

Following this initial assessment, ComEd evaluated the internal resources available for the preparation, filing and litigation of the 2010 Rate Case, as well as identified where outside resources would be needed. With respect to the outside resources, ComEd negotiated appropriate and competitive compensation arrangements based on a clearly defined scope of work and the level of technical expertise required. The approved compensation rates were then applied to the estimated hours of work necessary to complete the scope of work. In some instances, a fixed price amount was negotiated for all or a portion of the work to be performed by a particular entity. With the exception of the fixed price arrangements, each attorney's and consultant's compensation is based on the actual time expended on this case at the negotiated rate. ComEd proactively manages each outside resource's compliance with budget estimates and agreed-to rates through a careful review of each invoice, which must be completed prior to payment.

The preparation of the 2010 Rate Case filing was a significant, complex and labor-intensive undertaking requiring compliance with all of the information filing requirements of Part 285, the direct testimony requirements of Part 286 and the notice requirements of Part 255. During the more than 6 months necessary to prepare the filing, ComEd, with the assistance of outside legal counsel and technical experts, compiled the required information, which resulted in the filing of over 13,000 pages of information responsive to the Part 285 requirements, and developed the 18 pieces of direct testimony supporting its request. The attorneys and technical experts ComEd retained to assist with the 2010 Rate Case are as follows:

- The law firms of Eimer Stahl Klevorn & Solberg LLP, Foley & Lardner LLP, Rooney Rippie & Ratnaswamy LLP and Sidley Austin LLP were hired to provide support for ComEd's 2010 Rate Case development and strategy, preparation, filing and litigation. ComEd based this decision on the firms' extensive experience in litigating rate cases before the Commission, their familiarity with the ComEd organization and ability to assist with little ramp-up or learning curve, and their capability to support a massive discovery phase with short turnaround times. As shown on Schedule C-10, the competitive rates that ComEd negotiated with each firm resulted in a 25% reduction in legal fees relative to the fees incurred in ComEd's last rate case.
- The following technical experts and consultants were retained based on their experience, expertise, reputation and competitive fee arrangements, and, where possible, ComEd selected experts or consultants who had previously worked with ComEd in order to leverage that prior experience and minimize costs:
  - Navigant Consulting LLC, a national consulting firm with expertise in utility rate cases, supports the calculation of ComEd's cost of working capital.

- Susan Abbott Consulting LLC provides expert analysis and testimony concerning credit ratings and their impact on access to capital.
- Financial Analysis Consultants supports ComEd's cost of equity capital, and Analysis Group provides additional analysis regarding a reasonable adjustment thereto.
- Financial expert Mr. Seligson supports ComEd's cost of capital.
- Brown, Williams, Moorhead & Quinn, Inc. prepared and supports the embedded cost of service study.
- PDR&C assists both in reviewing ComEd's capital additions that have been included as additions to ComEd's proposed rate base and in gathering, assembling and organizing large volumes of support documents necessary to meet standard filing requirements and discovery needs.
- Individual experts provide analysis and testimony regarding ComEd's impact on the region in terms of economic support and community development.
- Trial Graphix provides support in the preparation of visual aids used in ComEd's 2010 Rate Case filing and provides ongoing assistance with testimony, exhibits and hearing preparation.
- Several non-testifying consultants also provide general support for the rate case filing.

The estimated fees and expenses reflected in Schedule C-10 accordingly reflect prudently incurred costs that are reasonable in amount for the work of the outside consultants, outside witnesses, outside legal counsel, and the costs of copying, printing and travel expenses for the rate case. In preparing these estimates, ComEd, the consultants and lawyers were also able to draw upon the 2005, 2007 and other rate cases and similar experiences to further refine their estimates through the identification of efficiencies and process improvements. As a result, the estimates reflect negotiations that resulted in an expected 19% reduction in rate case expenses as compared to ComEd's previous rate case.

The estimated fees and expenses reflected in Schedule C-10 are based upon the judgment of counsel and counsel's work product prepared in anticipation of the 2010 Rate Case. In particular, the information relied upon to develop the estimated fees and expenses disclose the mental impressions and reflect the litigation plans of ComEd's counsel in connection with this case. As such the workpapers relied upon in developing the estimated fees and expenses are protected by the attorney work product doctrine and are not subject to disclosure.

- b) Attached hereto as DLH 1.04\_Attach 1 through DLH 1.04\_Attach 5 is documentation in support of the fees and expenses incurred in this case through June 30, 2010.

- DLH 1.04\_Attach 1 provides a summary of the expenses incurred to date in the same format as the Company's Schedule C-10, cross referenced to the estimates shown on that schedule.
- DLH 1.04\_Attach 2 is a summary of the consultant and witness costs accrued as of June 30, 2010.
- DLH 1.04\_Attach 3 provides copies of the consultant invoices received and paid as of June 30, 2010.
- DLH 1.04\_Attach 4 provides copies of the expert witness invoices received and paid as of June 30, 2010.
- DLH 1.04\_Attach 5 provides copies of the invoices received and paid as of June 30, 2010 for outside counsel.

For the assessment and documentation in support of the costs estimated but not yet incurred, see (a) above.

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
DLH 1.01 – 1.08  
Date Received: July 7, 2010  
Date Served: September 10, 2010**

**REQUEST NO. DLH 1.04:**

With respect to any rate case expense the company seeks to recover, please answer the following:

- a) Please provide all facts, information, data, analyses and assessments including all requests for proposals, bids, invoices, and other supporting documentation supporting the contention that the amounts set forth in rate case expense are just and reasonable amounts to prepare and litigate the current general rate case;
- b) For the categories provided in the Company's Schedule C-10, please provide the amount actually expended for each item as of June 30, 2010, and, to the extent not otherwise provided in response to part a) of this data request, provide a specific assessment of why each of the amounts actually incurred is a just and reasonable amount to prepare and litigate the current general rate case. This response should be updated to reflect additional rate case expense actually incurred each subsequent month as documentation such as invoices becomes available. This response should also include a summary schedule cross referenced to the Company's Schedule C-10 of the documentation being provided.

Please provide all supporting calculations and workpapers. To the extent applicable, all documents and workpapers should be provided in Excel format with working formulas.

**SUPPLEMENTAL RESPONSE TO SUBPART (B):**

- b) Attached hereto as DLH 1.04 SUPP 1\_Attach 1 through DLH 1.04 SUPP 1\_Attach 5 is documentation in support of the fees and expenses incurred and paid in this case in the month of July 2010.
  - See DLH 1.04 SUPP 1\_Attach 1 (CONFIDENTIAL) and DLH 1.04 SUPP 1\_Attach 1 (PUBLIC) for a summary of the expenses incurred to date in the same format as the Company's Schedule C-10, cross referenced to the estimates shown on that schedule.
  - See DLH 1.04 SUPP 1\_Attach 2 (CONFIDENTIAL) and DLH 1.04 SUPP 1\_Attach 2 (PUBLIC) for a summary of the consultant and witness costs accrued for the month of July 2010
  - See DLH 1.04 SUPP 1\_Attach 3 for copies of the consultant invoices paid in July 2010.

- See DLH 1.04 SUPP 1\_Attach 4 for copies of the expert witness invoices paid in July 2010.
- See DLH 1.04 SUPP 1\_Attach 5 for copies of accrual estimates and invoices paid in July 2010 for outside counsel.

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
DLH 1.01 – 1.08  
Date Received: July 7, 2010  
Date Served: September 30, 2010**

**REQUEST NO. DLH 1.04:**

With respect to any rate case expense the company seeks to recover, please answer the following:

- a) Please provide all facts, information, data, analyses and assessments including all requests for proposals, bids, invoices, and other supporting documentation supporting the contention that the amounts set forth in rate case expense are just and reasonable amounts to prepare and litigate the current general rate case;
- b) For the categories provided in the Company's Schedule C-10, please provide the amount actually expended for each item as of June 30, 2010, and, to the extent not otherwise provided in response to part a) of this data request, provide a specific assessment of why each of the amounts actually incurred is a just and reasonable amount to prepare and litigate the current general rate case. This response should be updated to reflect additional rate case expense actually incurred each subsequent month as documentation such as invoices becomes available. This response should also include a summary schedule cross referenced to the Company's Schedule C-10 of the documentation being provided.

Please provide all supporting calculations and workpapers. To the extent applicable, all documents and workpapers should be provided in Excel format with working formulas.

**SECOND SUPPLEMENTAL RESPONSE TO SUBPART (B):**

- b) Attached hereto as DLH 1.04 SUPP 2\_Attach 1 through DLH 1.04 SUPP 2\_Attach 5 is documentation in support of the fees and expenses incurred and paid in this case in the month of August 2010.
  - DLH 1.04 SUPP 2\_Attach 1 (CONFIDENTIAL) provides a summary of the expenses incurred to date in the same format as the Company's Schedule C-10, cross referenced to the estimates shown on that schedule.
  - DLH 1.04 SUPP 2\_Attach 2 (CONFIDENTIAL) is a summary of the consultant and witness costs accrued for the month of August 2010
  - DLH 1.04 SUPP 2\_Attach 3 provides copies of the consultant invoices paid in August 2010.
  - DLH 1.04 SUPP 2\_Attach 4 provides copies of the expert witness invoices paid in August 2010.
  - DLH 1.04 SUPP 2\_Attach 5 provides copies of accrual estimates and invoices paid in August 2010 for outside counsel.

**Commonwealth Edison Company**

DST2010 Rate Case  
As of August 31, 2010  
(In Dollars)

Description of Service	Provider of Service	C-10 Line Reference	Total Estimated (From Schedule C-10)	Invoices Paid through 07/31/2010	Invoices Paid in August 2010	Charges Incurred through 08/2010 but Not Yet Paid	Invoices Paid or Incurred through 08/31/2010
<b>1 Consultants</b>							
2 Administrative and Support Functions	various	2					\$ -
3 Discovery Contractor	Providus Chicago, Ltd.	5					-
4 Alternative Regulation	Energy Resource Economics LLC	3					-
5 Alternative Regulation	Lake View Energy & Regulatory Consultant 1	3	(a)				-
6 Cost of Capital	Pacific Economics Research Group	14	(b)				-
7 Alternative Regulation/DST Consultant	PDRC	3	(a)				-
8 Capital Project Review	PDRC	4					-
9 Prepare Data Room	PDRC	9					-
10 Distribution Plant Field Study	Primera Engineering	6					-
11 Economic Dev/Job Creation and Retention	Chicago Partners	15	(c)				-
12 DST Consultant	SFIO Consulting, Inc.	7					-
13 Rate Case Support	Sullivan and Associates	10					-
14 Graphic Design	Trial Graphix	8					-
<b>15</b>	<b>Subtotal Consultants</b>		<b>\$ 1,770,000.00</b>	<b>\$ 782,127.00</b>	<b>\$ 245,117.64</b>	<b>\$ 74,250.00</b>	<b>\$ 1,101,494.64</b>
<b>16 Expert Witnesses - Direct Case</b>							
17 Cost of Capital	Carl Seligson	14	(b)				\$ -
18 EE (Recovery of lost sales)	Analysis Group	17					-
19 Community Involvement	Dr. Juan Andrade, Jr.	15	(c)				-
20 ECOSW Witness	Brown, Williams, Moorhead & Quinn, Inc.	16					-
21 ROE Witness	Financial Analysis Consultants	14					-
22 Cash Working Capital Study/witness	Navigant Consulting	13					-
23 Financial Witness	Susan Abbott Consulting LLC	18					-
24 Economics Witness	REAL University of Illinois	15					-
<b>25</b>	<b>Subtotal Expert Witnesses - Direct</b>		<b>\$ 840,000.00</b>	<b>\$ 323,551.82</b>	<b>\$ 78,997.50</b>	<b>\$ 86,250.00</b>	<b>\$ 488,799.32</b>
<b>26</b>	<b>Subtotal Post-Direct Testimony Witnesses</b>	22	<b>\$ 890,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>27 External Legal</b>							
28	Chico Nunez	24	(d)				\$ -
29	Eimer, Stahl, Klevorin & Solberg		(d)				-
30	Foley & Lardner		(d)				-
31	Rooney, Ripple, and Ratnaswamy		(d)				-
32	Sidley & Austin		(d)				-
<b>33</b>	<b>Subtotal External Legal</b>		<b>\$ 5,000,000.00</b>	<b>\$ 1,044,716.06</b>	<b>\$ 282,417.77</b>	<b>\$ 407,530.00</b>	<b>\$ 1,734,663.83</b>
<b>34</b>	<b>Grand Total Rate Case Expense</b>		<b>\$ 8,500,000.00</b>	<b>\$ 2,150,394.88</b>	<b>\$ 606,532.91</b>	<b>\$ 568,030.00</b>	<b>\$ 3,324,957.79</b>

Notes:

- (a) Estimate is included in amount shown on line 4 above.
- (b) Estimate is included in amount shown on line 21 above.
- (c) Estimate is included in amount shown on line 24 above.
- (d) Estimate is included in amount shown on line 27 above.

**Distribution Rate Case - Calculation of Monthly Accrual for Consultants and Witnesses**

Expert	Witness / Lead	Law Firm/Other Providing Invoicing and Accrual Info	Invoices paid or in process thru 08/26/2010	Accrual for Jan-Jul charges unpaid	Projected August Charges	Total Expenses Through Aug 31	Calculation of Accrual for Aug 2010
Consultant BeeLine.com Inc. Ikon Office Solutions Providus Energy Resource Economics LLC Lake View Energy and Regulatory Consultants Consultant 1	E. Stahl Theresa Flaim Louis Harris	Eimer Stahl RRR RRR Foley & Lardner					
Pacific Economics Group Research PDR&C Primera Engineering Chicago Partners SFIO Consulting Sullivan and Associates Trial Graphix Towers Perrin	Mark Lowry Ron Williams Erin Inman Ricardo Cossa Salvatore Fiorella Michael Sullivan	RRR RRR RRR Eimer Stahl RRR Rev Policy RRR					
			Subtotal Consultants	\$ 1,026,304.17	\$ 25,400.00	\$ 1,086,936.17	\$ 74,250.00
Carl Seligson Analysis Group Community Involvement Brown, Williams, Moorhead & Quinn, Inc. Financial Analysis Consultants Navigant Consulting Susan Abbott Consulting LLC Regional Economics Applications Laboratory	Carl Seligson Susan Tierney Dr. Andrade Alan Heintz Sam Hadaway Celia David Susan Abbott Geoffrey Hewings	Foley & Lardner Eimer Stahl Eimer Stahl RRR Foley & Lardner RRR Eimer Stahl Eimer Stahl					
			Subtotal Expert Witnesses - Direct	\$ 402,551.53	\$ 34,900.00	\$ 473,801.53	\$ 86,250.00
				\$ 1,428,855.70	\$ 76,750.00	\$ 1,560,737.70	\$ 160,500.00

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Citizens Utility Board ("CUB") Data Requests  
CUB 2.01 – 2.40**

**Date Received: September 21, 2010**

**Date Served: October 12, 2010**

**REQUEST NO. CUB 2.32:**

Identify all expenses incurred during the base and test years for athletic events, tickets, sky boxes and all sporting activities.

- a. Specifically identify the activity and dollar amount.
- b. Provide copies of paid vouchers and invoices supporting these expenditures.

**RESPONSE:**

ComEd has season tickets and or suites for various Chicago sporting events. The costs of these tickets/venues are initially charged to FERC Account 426.5, Other deductions. To the extent that an operating department or affiliate utilizes the sporting facility the costs of the tickets and catering charges for that event are manually charged to the requesting department or affiliate. In the year 2009, \$511K of ticket expense and catering costs were charged back to ComEd operating departments and are included in ComEd's revenue requirement. These charges were manually billed based on a per event charge calculated by dividing the total payment to the venue by the number of scheduled events and adding an estimated average cost of catering based on the number of seats available for the event. Supporting invoice detail on an individual event basis is not available.

ComEd skyboxes provide a forum for building customer, business and government relations, promoting economic development, and rewarding and recognizing employees

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests**

**BAP 7.01 – 7.06**

**Date Received: August 3, 2010**

**Date Served: August 24, 2010**

**REQUEST NO. BAP 7.06:**

Please provide a summary of all perquisites, other awards and bonuses reflected in the 2009 jurisdictional test year, excluding amounts from annual incentive plans, but including amounts allocated from affiliates.

**RESPONSE:**

For a summary of all perquisites, other awards and bonuses reflected in the 2009 test year please see BAP 7.06\_Attach 1.

**Commonwealth Edison Company**  
Perquisites and Other Awards Included in 2009 Jurisdictional Test Year  
(in thousands)

	(A)	(B)	(C)	(D)	(E)	(F)	(D)	(E)	(F)
	Retention Awards	Performance Based Awards	Performance, Signing Bonus And Other Awards	Other Stock Awards	Executive Perquisites	Less: Perquisites and Other Stock Excluded in WPC-1c (2)	Sub Total	Jurisdictional Percentage Charged to C-1	Amount Included in C-1 (3)
Transmission	269	4	-	-	-	-	273	0.0%	-
Distribution	30	6	89	-	-	-	125	100.0%	125
Customer Accounts	35	50	-	-	-	-	85	100.0%	85
Customer Service	-	-	910	-	-	-	910	100.0%	910
A&G	1,059	777	279	768	176	(378)	2,681	88.6%	2,375
<b>Total Expense</b>	<b>1,393</b>	<b>837</b>	<b>1,278</b>	<b>768</b>	<b>176</b>	<b>(378)</b>	<b>4,074</b>		<b>3,495</b>

	Estimated Amt Included in B-1
Total Charged to Capital - Other Accounts (1)	160

(1) Primarily capital, allocated using the gross plant allocator on WPA-5, page 2  
(2) WPC-1c includes a reduction for Other Stock Awards of \$258 and Perquisites of \$120  
(3) Includes \$1,234 in costs from affiliates

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
People of the State of Illinois ("AG") Data Requests**

**AG 6.01 – 6.32**

**Date Received: September 16, 2010**

**Date Served: October 7, 2010**

**REQUEST NO. AG 6.15:**

**Ref: ComEd's Response to Staff Data Request BAP 7.06, Attachment 1 (Perquisites and Other Awards).** According to the attachment, ComEd incurred costs for awards and perquisites of approximately \$3.5 million in the test year. Please provide the following additional information:

- a. A detailed description and copies of plan documentation associated with each of the awards and perquisites associated with columns A, B, C, D and E in this attachment.
- b. An explanation of each reason why "Retention Awards" were paid in the test year and why such costs are properly and fully included in the revenue requirement without amortization or normalization treatment.
- c. Annual expenses incurred by ComEd for Retention Awards in each of the years 2006, 2007 and 2008.
- d. An itemization of Performance Based Awards paid in 2009, indicating what type of measured performance was being rewarded.
- e. A detailed itemization of the "Performance, Signing Bonus and Other Awards" that were paid in 2009, indicating why such awards were necessary and appropriately recovered through rates.
- f. Annual expenses incurred by ComEd for "Performance, Signing Bonus and Other Awards" in each of the years 2006, 2007 and 2008.

**RESPONSE:**

- a. ComEd has a retention policy and it is included in the attachment labeled as AG 6.15\_Attach 1. The meter reading compensation document is attached as AG 6.15\_Attach 2. The reward and recognition policy is attached as AG 6.15\_Attach 3. There are no detailed documents for signing awards as they are not formal programs.
- b. Retention awards were paid in the test year to hire and retain critical talent needed to meet ComEd's business objectives. These are regular costs incurred in the normal course of business.
- c. Annual Retention award amounts are as follows:  
  
2006 - \$131,000  
2007 - \$229,000  
2008 - \$967,000

- d. The 2009 Performance Based awards in column (B) of the attachment to Staff Data Request BAP 7.06 labeled as BAP 7.06\_Attach 1 of \$837,000 are made up of recognition awards that are explained in the attachment labeled as AG 6.15\_Attach 3. A detailed itemization of each award is not readily available and would be overly burdensome to obtain.
  
- e. The 2009 Performance, Signing Bonus, and Other Awards in column (C) of the attachment to Staff Data Request BAP 7.06 labeled BAP 7.06\_Attach 1 are made up of the following listed below. The awards are designed to acknowledge and reward significant employee contributions to the company's success. The programs are benchmarked and aligned with best practices and as such are a cost incurred in the ordinary course of business.

Signing Bonuses \$102,000  
Other Payroll Premiums \$177,000  
Meter Reading Bonus \$910,000  
Unmetered Awards \$89,000

- f. ComEd's annual Performance, Signing Bonus and Other Awards amounts are as follows:

2006 - \$1,313,000  
2007 - \$1,296,000  
2008 - \$1,237,000

# Corporate Policy

## Human Resources

HR-DO-56

Page 1 of 4

### **RETENTION POLICY**

#### **Applicability**

This policy applies to employees of an Exelon subsidiary, affiliate or related Company as set forth below.

This policy supersedes all other policies, procedures, practices and guidelines relating to the matters set forth herein. Where this Policy contradicts the terms of a collective bargaining agreement, negotiated agreement, other written employment agreement, benefit plan, or any applicable law or regulation, the provisions of such agreement, plan, law or regulation shall govern. In all cases, it is the responsibility of the Business Unit and the Corporate Center to fairly and consistently apply this Policy in accordance with (i) federal, state and local law and (ii) business needs.

#### **No Alteration of Terms of Employment**

Nothing contained in this Policy is intended to, and this Policy does not, alter the employment at-will relationship or create a guarantee of continued employment or any contractual obligations, express or implied. Management retains the right, at all times and in its sole discretion, to modify or revoke this Policy at any time, for any reason.

No exceptions to the policy will be allowed without the approval of the Executive Vice President, Chief Human Resources Officer.

#### **1. PURPOSE**

- 1.1. Exelon is committed to building leadership bench strength to ensure that the corporation has the talent necessary to execute business strategy and goals. Retention of key talent ensures mission critical positions are appropriately staffed in order to achieve the company's vision.
- 1.2. Senior leadership identifies mission critical positions. These are positions, which, for example, can affect the safe and reliable delivery of service to our customers, those in which employees work to create vision and strategy for the company, are responsible for change and innovation, and/or directly impact stakeholder relationships vital to the implementation of business strategy and goals.

2. **MAIN BODY**

- 2.1. Retention criteria are the responsibility of Corporate Human Resources Planning and Development.
- 2.2. Criteria for selection to participate in a retention program is determined by the following:
  1. Employee is designated to be a high potential key manager or executive as determined through the Business Talent Review process or they have a skill set that the company cannot afford to lose.
  2. Employee is meeting performance expectations in their current role.
  3. The business unit leader has identified the employee's position as mission critical.
  4. The employee has been identified as at-risk of departure from the company.
  5. The business unit leader requests a retention recommendation.
- 2.3. The process for requesting a retention plan as part of the routine business talent review cycle, or in ad hoc situations, follows.
  1. Management Development initiates a discussion to identify employees who should be considered for retention in the third quarter Business Talent Review meeting. A list of current employees receiving retention is reviewed and new employees who should be considered for the following year are discussed.
  2. The business unit leader determines which employees should be placed on retention.
  3. Management Development structures a retention proposal to present to the business unit leader. The proposal will include one or more of the following dependent upon the employee situation. If the proposal includes a compensation or executive education component there is a requirement for additional input as delineated below.
    - A. Communication
      1. Discuss high potential status with employee in conversations tied to performance reviews and development planning
      2. Discuss benefits of working at Exelon – company strategy, leadership opportunities, work satisfaction, reward system
    - B. On-The-Job Development
      1. Assign employee to a high profile project

2. Provide opportunities for exposure to senior team (presentations, meetings, etc)
  3. Consider rotational opportunities to gain broader experience
  4. Identify and support external volunteer opportunities that will develop employee's skill sets
- C. Coaching and Mentoring
1. Identify a mentor or coach for the employee
  2. Pair the employee with a management development specialist or peer for informal coaching and feedback
- D. Development Feedback
1. Enroll employee in an assessment process to gain additional development feedback
  2. Provide employee with career guidance through meetings with internal managers in different areas or through on-line support tools
- E. Leadership Training and Education
1. Nominate employee for internal leadership training programs (i.e. the Advanced Management Program or the Exelon Leadership Institute)
  2. Recommend and support higher education opportunities for the employee consistent with the Tuition Reimbursement Policy
  3. Recommend employee for external training programs tied to the development plan
  4. Nominate employee for external executive education programs consistent with the Executive Education Policy
- F. Motivation and Compensation strategies
1. Explore work-life balance options (example: flexible work arrangements, working from home or alternate location when appropriate)
  2. Develop a compensation package that supports retention (example: one time recognition award, restricted stock or monetary retention award)
4. If the proposal includes a compensation component, the human resources lead drafts a letter addressed to the vice president, compensation requesting

a monetary retention. The letter is carbon copied to the vice president, human resources planning and development for talent data. Note: If there is an external executive education component refer to the External Executive Education Policy.

- A. The letter includes:
  - 1. A synopsis of the employee's current role and background,
  - 2. Comments on leadership capability as described by the business unit leader,
  - 3. Confirmation that the position is mission critical and reasons, and
  - 4. An estimate of total cost for participation.
- B. The vice president, compensation creates a monetary retention plan based on the specific situation required.
- C. The human resources lead will prepare a retention letter to address the retention components.
  - 1. Compensation prepares the language for any monetary retention component.
  - 2. The business unit pays for all retention costs associated with a monetary retention component as well as any external executive education components.
- D. The business unit leader, or designate, meets with the employee to communicate the components of the retention agreement.
- E. Upon acceptance or rejection of the offer, the human resources lead informs the vice president, compensation to initiate payment and the management development lead to track employee acceptances and rejections.

2.3.2. This policy applies to all Exelon key management employees.

### 3. **REFERENCES**

3.1. Diversity Policy

Business Talent Review Policy

Compensation and Rewards Policy

Executive Education Policy

## Tuition Reimbursement Policy

APPROVED: /s/ S. Gary Snodgrass

12/04/04

Executive Vice President and Chief Human Resources Officer, Exelon Corporation

Corporate Policy  
Human Resources

HR-AC-37

Page 1 of 5  
Effective: 10/1/09

## **Reward and Recognition Policy**

### **Applicability**

This Reward and Recognition (R&R) policy applies to all employees of Exelon Corporation and any subsidiary, affiliate or related company, including represented employees where permitted by collective bargaining agreement or binding past practice. Contractors are excluded. This policy supersedes all previous policies, procedures, practices, and guidelines relating to the matters set forth herein. Employees or managers should consult with their local Human Resources (“HR”) generalists or Exelon’s Corporate Compensation Department (“Compensation”) for questions or interpretation of the policy contained herein. In all cases, it is the responsibility of each Operating Company (“OpCo”) or Business Unit (“BU”) and Compensation to fairly and consistently apply the policy in accordance with (i) federal, state and local law, and (ii) business needs.

### **Policy Statement**

Exelon’s R&R programs are designed to acknowledge and reward significant employee contributions to Exelon’s success. The programs are benchmarked and aligned with best practices. Compensation within Human Resources is responsible for establishing the overall Corporate Policy on Reward & Recognition programs.

### **No Alteration of Terms of Employment**

Nothing contained in this policy is intended to, and this policy does not alter the employment at-will relationship or create a guarantee of continued employment or any contractual obligations, expressed or implied. Management retains the right, at all times, and in its sole discretion, to modify or revoke this policy at any time, for any reason.

No exceptions to the policy will be allowed without the approval of the Vice President Compensation & Benefits or Senior Vice President Human Resources.

## **1. Responsibilities:**

Compensation within Human Resources is responsible for the governance and oversight of reward and recognition program design and administration. OpCos, BUs or practice areas may implement this policy with separate program names/identities or other minor variations to meet specific business needs, provided they are in conformance with the requirements of this policy. OpCo, BU or practice area R&R programs need to be reviewed and approved by Compensation prior to implementation. Compensation provides tools and guidelines for management use to ensure proper administration of the programs.

## **2. Eligibility:**

- Cash Awards - all active non-union employees below Executive level.
- Non-Cash Gift Certificate Awards, Other Non-Cash Spot Awards and Merchandise Awards - all active employees below Executive level (including union where permitted by collective bargaining agreement or binding past practice).
- Eligibility includes employees on leave and temporaries/interns; however, contractors are excluded.

## **3. Awards:**

This policy provides for both Cash and Non-Cash awards. In the current “cost-constrained” economic climate, lower cost Non-Cash Gift Certificate Awards are encouraged vs. higher cost Cash Awards.

**3.1 Cash Awards:** Generally, cash awards should range from \$1,000 to \$5,000 (in \$50 increments) and are used to recognize extraordinary achievements (particularly those in the high end of the award range). Cash awards should focus on results and should not be based solely on effort.

**3.2 Non-Cash Gift Certificate Awards:** Awards in this category must be in the form of Premiere Choice Gift Certificate Awards from Hallmark Insights ranging from \$25 up to \$500 (in \$5 dollar increments) and can be used to reward important accomplishments, superior effort, commitment to Exelon’s vision and strategic goals and actions or behaviors valued by the company. Hallmark Insights is Exelon’s sole vendor for awards in this category.

**3.3 Other Non-Cash Spot Awards:** This category includes inexpensive award practices established and managed by OpCos, BUs or practice areas with aggregate value below \$25 per award event (e.g. Cafeteria meal vouchers, \$5 Subway Restaurant card, \$5 Gas Station cards, movie tickets, etc.). Awards should be provided on a prudent and infrequent basis.

**3.4 Merchandise Awards:** Merchandise must have a value of \$100 or less and be provided on a prudent and infrequent basis. Programs that accumulate points or currency for merchandise redemption from a catalog (including online), or any other process involving selection by an employee based on value, are not permitted by this policy. (Note: This policy does not prohibit merchandise selected or received under an

approved length-of-service program covered under Service Award Policy HR-AC-88 or point-based programs that are redeemed for Premiere Choice Gift Certificate Awards from Hallmark Insights as described in section 3.2.)

#### **4. Administration and Approvals:**

Both Cash and Non-Cash Gift Certificate Awards referenced in sections 3.1 and 3.2 above are provided and processed through the Exelon R&R web-based system hosted and administered by Hallmark Insights at <http://hallmarkrewards.exeloncorp.com>. All R&R processes including nomination and approval and associated payment and taxation interfaces are automated via this system. Other Non-Cash Spot Awards and Merchandise Awards are purchased and administered by each OpCo, BU or practice area directly.

OpCos, BUs, and practice areas can establish and maintain their own program identities, provided they operate within this policy and any Cash and Non-Cash Gift Certificate Awards are administered exclusively through the Exelon R&R web-based system hosted by Hallmark Insights.

**4.1 Cash Awards:** Key Managers (or above) can nominate employees to receive cash recognition awards. However for cash awards up to and including \$1,500, approval is required from nominator's reporting VP and the OpCo/BU HR Lead. Cash Awards over \$1,500 require additional approval of the respective OpCo/BU President or in the case of BSC, the respective practice area Executive Vice President (EVP). Cash Awards in excess of \$5,000 may be considered as an exception and will require an additional approval from the VP Compensation & Benefits. Cash Awards are processed through the Hallmark Insights system and Exelon's payroll system and will be reflected as a separate line item on the employee's regular paycheck or direct deposit statement generally within two pay periods after all approvals are obtained.

**4.2 Non-Cash Gift Certificate Awards:** Premiere Choice Gift Certificate Awards are requested on-line by Key Managers (or above). No further approval is required unless the aggregate of an order exceeds \$5,000. If the aggregate of an order exceeds \$5,000; approval is required from the ordering Key Manager's reporting VP.

When ordering the Premiere Choice Gift Certificate Awards, managers should use their corporate Supply or Travel & Entertainment credit card for payment. Orders placed using a personal credit card may not be reimbursed.

**4.3 Other Non-Cash Spot Awards:** Awards in this category are purchased and administered by each OpCo, BU or practice area directly. Managers should use their corporate Supply or Travel & Entertainment credit card to purchase items in this category.

**4.4 Merchandise Awards:** Same as item 4.3 above.

## **5. Tax Implications:**

**5.1 Cash Awards:** Cash Awards of any amount are always taxable compensation and applicable income and employment tax withholding and reporting will occur. A taxable amount will appear as a recognition payment on the employee's pay statement generally within two pay periods after all approvals are obtained.

**5.2 Non-Cash Gift Certificate Awards:** Awards in this category are taxable compensation, subject to appropriate income and employment tax withholding and reporting. Award recipients will see this additional compensation (i.e. imputed income) and appropriate withholding on their regular pay statement, generally within two pay periods following completion of an award order (including approvals, if required). In the case of Premiere Choice Gift Certificate Awards from Hallmark Insights, Exelon will gross up these amounts (i.e. make additional payment) in a reasonable effort to neutralize the tax implications for the award recipient. The gross up will be included and displayed as a separate earnings description on the regular pay statement. To view these new items, employees should go to PeopleSoft's Employee Self Service / Payroll and Compensation Home / View Paycheck.

**5.3 Other Non-Cash Spot Awards:** Awards with an aggregate value below \$25 per award event will be treated as non-taxable provided they are granted on a prudent and infrequent basis.

**5.4 Merchandise Awards:** Merchandise awards valued at \$100 or less will be treated as non-taxable provided they are given on a prudent and infrequent basis.

Managers are required to report awards in excess of the limits cited in paragraphs 5.3 and 5.4 above to Exelon's Payroll department so that income can be imputed to recipients. Managers must submit the following details via Outlook email to the Payroll Special Requests mailbox using the following subject and content:

**Subject:** Non Cash Spot Award \$25 or Greater or Merchandise Award Greater than \$100 in value.

**Email Body:**

Employee Name

Employee ID #

Value of Non Cash Spot Award or Merchandise Award

### **5.5. Miscellaneous R&R Related Items:**

- Employee contest awards valued at \$25 or higher are considered taxable compensation (with no gross-up) and should be reviewed in advance of contest implementation by Compensation and Tax departments.
- Reasonable meal costs related to company-sponsored departmental or group outings or celebrations are not considered taxable compensation.
- Use of personal employee or spousal meals as recognition is discouraged and is considered taxable compensation (with no gross-up).

- The cost for spousal travel resulting from attendance at special employee recognition events is considered taxable compensation but may be grossed-up at the discretion of the OpCo, BU or practice area sponsoring the event.

**Reference:**

- Refer to related documentation, procedures and submission requirements of the Travel & Expense (T&E) Policy AP-AC-10 for purchases of Non-Cash Gift Certificate, Other Non-Cash Spot, Merchandise and Miscellaneous R&R Related Awards cited above.
- Refer to Credit Card Program Policy AP-AC-8, Exelon Supply Card Policy AP-AC-9 and Travel & Expense (T&E) Policy AP-AC-10 for guidance on use of company credit cards.
- Refer to Service Award Policy HR-AC-88 for service recognition award guidance.

<b>Approved:</b>	<b><u>/s/ Sunil Garg</u></b>	<b><u>10/01/2009</u></b>
	<b>Senior Vice President</b>	<b>Date</b>
	<b>Human Resources</b>	

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests**

**BAP 13.01 – 13.09**

**Date Received: August 17, 2010**

**Date Served: September 7, 2010**

**REQUEST NO. BAP 13.04:**

Referring to Schedule C-11.3, lines 1 and 2, please provide the actuarial valuation that supports the total benefit cost for 2009. Include supporting documentation to reconcile amounts in the actuarial valuation to amounts reflected on Schedule C-11.3, lines 1 and 2, as necessary.

**RESPONSE:**

The attachment labeled as BAP 13.04\_Attach 1 details ComEd's net periodic benefit costs for 2009 and reconciles the amounts shown in Schedule C-11.3, Lines 1 and 2 to the 2009 Towers Perrin allocation of cost by plan and operating company. The relevant excerpts of this report were produced in Attachment 2 to ComEd's Response to Staff Data Request BAP 7.01 labeled as BAP 7.01\_Attach 2.

In the course of preparing this reconciliation, the Company determined that its internal allocation of employee benefit costs contained offsetting errors. ComEd's pension and OPEB net periodic benefit costs are initially recorded to a clearing account on a monthly basis. Each month, ComEd allocates those costs between pension and OPEB subaccounts, and subsequently each of those subaccounts between O&M and capital. The result of this allocation was to under-allocate to the pension subaccount by \$6.8 million and to over-allocate to the OPEB subaccount by \$6.9 million relative to the amounts reflected on the Towers Perrin report. There is no net impact on the O&M and capital allocation or on the revenue requirement as these amounts are allocated over the same population of costs.

The "Grand Total" shown in the final page of BAP 7.01\_Attach 2 is \$190.0 million. When the costs of the deferred compensation unit plans and the SERP settlements are included, the total comes to \$194.7 million. This total is essentially equal to the sum of the Pension Benefit and Post-Retirement Benefits shown on Schedule C-11.3, Page 1, Lines 1 and 2.

**Commonwealth Edison Company  
2009 Pension and OPEB Net Periodic Benefit Costs**

Year 2009  
(Thousands of Dollars)

	Pension		OPEB		Total
<b>Actuarial Cost Allocated to ComEd (1)</b>					
Towers Perrin Report					
Qualified Pension Subtotal	98,231	(2)			98,231
Non-Qualified Pension	4,390	(3)			4,390
Postretirement Welfare			87,473	(4)	87,473
DCU's	<del>4,257</del>	(5)			<del>4,257</del>
SERP Settlements	<del>496</del>				<del>496</del>
Miscellaneous Adjustments	24		(42)		(18)
<b>Total Incurred</b>	<b>107,398</b>		<b>87,431</b>		<b>194,829</b>
<b>Employee Benefit Costs Shown in Schedule C-11.3</b>					
General Ledger Allocations	100,028		94,305		194,333
SERP Settlements	<del>496</del>		-		<del>496</del>
<b>Total</b>	<b>100,524</b>	(6)	<b>94,305</b>	(7)	<b>194,829</b>
Over / (Under) Allocated	(6,874)		6,874		-
<b>Expense/Capital Breakdown</b>					
Expense - Account 926	<del>58,044</del>		<del>53,452</del>		<del>111,496</del>
Capital Charges	40,696		38,700		79,396
Expense - Clearing Accounts & Reimbursed Non-Utility (8)	1,784		2,153		3,937
	100,524		94,305		194,829

**NOTES**

- (1) Refer to "Exelon Corporation 2009 FAS 87/106 Cost by Plan and Operating Company" prepared by Towers Perrin, the relevant excerpts of which were produced as BAP 7.01\_Attach 1
- (2) Page 13 of above referenced report.
- (3) Page 14 of above referenced report
- (4) See Page 15 of above referenced report. Includes a credit (reduction) of \$12.1 million associated with Medicare Part D subsidies.
- (5) Calculation of 2009 DCU Plan costs is shown in BAP 13.02\_Attach 3. 6
- (6) Schedule C-11.3, Page 1, Line 1, Column C
- (7) Schedule C-11.3, Page 1, Line 2, Column C
- (8) Clearing Accounts for are for Fleet and Stores functions, the costs of which are not reflected in Account 92

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
People of the State of Illinois ("AG") Data Requests**

**AG 3.01 – 3.41**

**Date Received: August 27, 2010**

**Date Served: September 17, 2010**

**REQUEST NO. AG 3.11:**

**Ref: FERC Form 1, page 323 - Account 926 Employee Pensions and Benefits.** According to the FERC Form 1, recorded Employee Benefits Expenses in Account 926 increased from \$121.7 million in 2008 to \$175.3 million in 2009, an increase of more than 40 percent. Please provide the following information:

- a. A detailed breakdown of recorded Employee Benefits Expenses (Debits and Credits) by benefit program (health, dental, pension, OPEB, savings plans, etc.) for the year 2008, the year 2009 and for actual year-to-date recorded amounts for the seven months ended July 31, 2010.
- b. An explanation of significant changes in employee benefit program provisions for each individual benefit program set forth in your response to part (a), if any.
- c. An explanation of significant changes in employee benefit program expenses for each individual benefit program set forth in your response to part (a), if any.
- d. Provide comparative calculations showing the gross cost of each employee benefit program in each year 2008, 2009 and to date July 31, 2010 and the portion of gross cost that is capitalized versus expensed in each period, reconciling the expensed portion by program to recorded Account 926 amounts in each period.

**RESPONSE:**

- a. ComEd's employee benefit costs are recorded in Account 184 (Clearing Accounts) as incurred and are allocated out of Account 184 to projects based upon the distribution of regular time labor. As a result the amounts recorded in Employee Benefits Expenses are debits distributed from Account 184.

The attachment labeled as AG 3.11\_Attach 1 contains a summary of recorded Employee Benefits Expenses by benefit program for the year 2008, the year 2009 and for actual year-to-date recorded amounts for the six months ended June 30, 2010. ComEd has provided the requested information through June 30, 2010, rather than July 31, 2010. ComEd provides quarterly financial reports to regulators, investors, and the public on an annual and/or quarterly basis as required (e.g. SEC Forms 10-K and 10-Q, FERC Form 1 and Form 3-Q, ICC Form 21, Quarterly Earnings Release). Such financial reports are prepared with the appropriate reviews and controls and certain of the reports are audited by external auditors. Non-quarterly financial data is not released publicly and is not subject to the same reviews and controls as the publicly released quarterly data.

- b. There have been no significant changes in employee benefit program provisions from 2008 through June 30, 2010.

- c. The large increases in Employee Benefits Expenses in Account 926 from 2008 to 2009 were in the pension, OPEB and medical insurance plans. The primary reason for the increase in postretirement benefit costs in 2009 was investment losses experienced in 2008 as a result of the market decline at the outset of the recent recession. Postretirement health care costs were also adversely impacted by slightly lower discount rates in 2009, offset by modest improvement in medical cost trend rates. Medical insurance costs for active employees rose as a result of claims experienced. ComEd is self insured for active employee medical coverage, as noted in Schedule C-17.
  
- d. The attachment labeled as AG 3.11\_Attach 1 contains the gross cost of each employee benefit program in each year 2008, 2009 and year to date June 30, 2010 and the portion of gross cost that was capitalized versus expensed in each period, reconciling the expensed portion by program to recorded Account 926 amounts in each period.

**Commonwealth Edison Company**  
Employee Benefits  
2010 Actual - Through June 30  
(In Thousands)

<u>Benefit Types</u>	<u>Total Benefit Cost</u> (1)	<u>Amount Capitalized</u> (1)	<u>Amount Expensed</u> (1)	<u>Amount Charged to Account 926</u>	<u>Amount Charged to Other accts.</u> (2)
Pension Benefit	\$ 64,826	\$ 27,430	\$ 37,396	\$ 35,099	\$ 2,297
Post-Retirement Benefits	41,076	17,778	23,298	21,631	1,667
Medical Insurance Plan	31,364	13,351	18,013	17,182	831
Dental Insurance Plan	1,939	825	1,114	1,062	52
Vision Insurance Plan	228	97	131	125	6
Other Benefit Plans	2,783	894	1,889	1,889	-
401 K Benefit Plan	10,296	4,383	5,913	5,640	273
Disability Benefit Plan	1,557	663	894	852	42
Severance	1,605	-	1,605	-	1,605
Amortization of Exelon Way Severance Costs	5,793	-	5,793	5,793	-
Miscellaneous credits	-	-	-	(3) (590)	590
<b>Total through June 30</b>	<b>\$ 161,467</b>	<b>\$ 65,421</b>	<b>\$ 96,046</b>	<b>\$ 88,683</b>	<b>\$ 7,363</b>

**Notes**

- (1) Amounts were derived from an internal query of ComEd's general ledger
- (2) A portion of the total amount of pension and benefits expensed was charged to non-utility accounts and to transportation and stores clearing accounts. The amounts charged to transportation and stores clearing accounts were subsequently redistributed to various accounts as transportation and stores expense.
- (3) Includes benefit costs billed to third parties.

**Commonwealth Edison Company**

Employee Benefits

2009 Actual

(In Thousands)

Benefit Types	Total Benefit Cost (1)	Amount Capitalized (1)	Amount Expensed (1)	Amount Charged to Account 926	Amount Charged to Other accts. (2)
Pension Benefit	\$ 100,524	\$ 40,696	\$ 59,828	\$ 58,044	\$ 1,784
Post-Retirement Benefits	94,305	38,700	55,605	53,452	2,153
Medical Insurance Plan	65,292	26,535	38,757	36,641	2,116
Dental Insurance Plan	4,124	1,676	2,448	2,314	134
Vision Insurance Plan	448	182	266	252	14
Other Benefit Plans	5,739	1,895	3,844	2,276	1,568
401 K Benefit Plan	19,762	8,031	11,731	11,090	641
Disability Benefit Plan	380	154	226	213	13
Severance	1,939	-	1,939	1,939	-
Amortization of Exelon Way Severance Costs	11,587	-	11,587	11,587	-
Miscellaneous credits	-	-	-	(3) (2,480)	2,480
Total Per Schedule C-11.3	\$ 304,100	\$ 117,869	\$ 186,231	\$ 175,328	\$ 10,903

**Notes**

- (1) Total benefit costs agrees with Schedule C-11.3, Page 1.
- (2) A portion of the total amount of pension and benefits expensed was charged to non-utility accounts and to transportation and stores clearing accounts. The amounts charged to transportation and stores clearing accounts were subsequently redistributed to various accounts as transportation and stores expense.
- (3) Includes benefit costs billed to third parties.

**Commonwealth Edison Company**

Employee Benefits

2008 Actual

(In Thousands)

<u>Benefit Types</u>	<u>Total Benefit Cost</u>	<u>Amount Capitalized</u>	<u>Amount Expensed</u>	<u>Amount Charged to Account 926</u>	<u>Amount Charged to Other accts.</u>
	(1)	(2)	(2)		(3)
Pension Benefit	\$ 41,594	\$ 16,349	\$ 25,245	\$ 24,251	\$ 994
Post-Retirement Benefits	63,914	25,387	38,527	36,377	2,150
Medical Insurance Plan	56,583	22,318	34,265	32,072	2,193
Dental Insurance Plan	4,016	1,583	2,433	2,278	155
Vision Insurance Plan	492	194	298	279	19
Other Benefit Plans	5,105	1,561	3,544	3,237	307
401 K Benefit Plan	20,092	7,921	12,171	11,397	774
Disability Benefit Plan	360	142	218	204	14
Severance	1,107	-	1,107	1,107	-
Amortization of Exelon Way Severance Costs	(4) -	-	-	(4) 11,587	-
Miscellaneous credits	-	-	-	(5) (1,090)	1,090
Total Per Schedule C-11.3	<u>\$ 193,263</u>	<u>\$ 75,455</u>	<u>\$ 117,808</u>	<u>\$ 121,699</u>	<u>\$ 7,696</u>

**Notes**

- (1) Lines 1 through 10 agree with Schedule C-11.3, Page 2.
- (2) Amounts capitalized and expensed were derived from an internal query of ComEd's general ledger.
- (3) A portion of the total amount of pension and benefits expensed was charged to non-utility accounts and to transportation and stores clearing accounts. The amounts charged to transportation and stores clearing accounts were subsequently redistributed to various accounts as transportation and stores expense.
- (4) Exelon Way severance costs amortization was inadvertently omitted from Schedule C-11.3. The Exelon Way severance costs were included in Account 926 in 2008.
- (5) Includes benefit costs billed to third parties.

**ICC Docket No. 10-0XXX**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
BAP 2.01 – 2.04  
Dated: July 9, 2010**

**REQUEST NO. BAP 2.01:**

Referring to the Direct Testimony of Kathryn M. Houtsma. (ComEd Ex. 6.0), page 28, lines 566 through 569, Ms. Houtsma asserts that ComEd's 2009 pension contribution of \$92 million is reflected in rate base because it represents a contribution "beyond the amounts recovered from customers through rates as a pension expense." Please provide all supporting calculations and documentation to support this assertion.

**RESPONSE:**

ComEd's rates historically have reflected recovery of pension expense on the basis of periodic pension expense. The \$92 million net pension contribution included in rate base is the net amount of contributions reduced by the cumulative accruals for periodic pension expense. See Attachment BAP 2.01\_Attach 1 for a roll-forward of the net pension contribution, which demonstrates that the \$92 million has been reduced by the cumulative amounts of periodic pension expense (normal accruals).

The reason the contributions exceed the cumulative amount of periodic pension expense (which has been the basis for rate recovery) is because in addition to the pension liability that ComEd has recognized through periodic pension expense, Exelon, the plan sponsor, has recorded an additional liability for previously unrecognized prior service costs and previously unrecognized actuarial gains and losses, a portion of which is attributable to ComEd. As of December 31, 2009 the portion of the previously unrecognized liability that is attributable to ComEd was \$2,137 million. Because this liability has not yet been recognized in periodic pension expense it has not yet been recovered from customers through rates. Pursuant to FASB Statement 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*, the liability will be amortized and included in pension expense accruals in future periods. As described in BAP 1.02, the 2009 special contribution was intended, in part, to address the significant underfunded status of the plan that is evidenced when the unfunded liability recorded by Exelon (attributable to ComEd employees and retirees) is considered.

BAP 2.01\_Attach 2 are excerpts from Towers Watson report that provide the amounts of unrecognized actuarial gains and losses and unrecognized prior service costs that pertain to ComEd plan participants.

**Commonwealth Edison Company**

**Analysis of Change in Deferred Debit - Pension Asset (2004 - 2009)**

(In Dollars)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Beginning balance	\$ 846,938,710	\$ 875,240,244	\$ 913,785,454	\$ 937,956,097	\$ 155,718,881	\$ 3,892,663
Accruals						
Normal accruals	(102,676,078)	(37,231,466)	(40,802,489)	(26,929,995)	(22,438,996)	(48,594,640)
Curtailment accruals	-	-	-	-	-	(2,853,000)
Severance / settlement accruals	(496,007)	(415,024)	(585,325)	(113,370)	-	(70,969)
Topside adjustment						(13,437,123)
Total Accruals	(103,172,085)	(37,646,490)	(41,387,814)	(27,043,365)	(22,438,996)	(64,955,732)
Contributions						
Normal quarterly contributions	11,228,416	9,344,956	2,842,604	2,872,722	1,705,212	216,781,950
Special contributions	152,481,000	-	-	-	802,971,000	-
Net Change	60,537,331	(28,301,534)	(38,545,210)	(24,170,643)	782,237,216	151,826,218
Ending Balance	907,476,041	\$ 846,938,710	\$ 875,240,244	\$ 913,785,454	\$ 937,956,097	\$ 155,718,881
Pension contribution made in March 2005	(802,971,000)					
Remaining balance	104,505,041					
Jurisdictional percentage WPA-5, Page 1	88.6%					
Jurisdictional amount WPB-10, page 1	\$ 92,591,466					

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
People of the State of Illinois ("AG") Data Requests**

**AG 3.01 – 3.41**

**Date Received: August 27, 2010**

**Date Served: September 15, 2010**

**REQUEST NO. AG 3.31:**

**Ref: 2009 FERC Form 1, page 123.32 (Pension and Other Postretirement Benefits).** According to this report, "Approximately \$192 million and \$101 million were included in capital and operating and maintenance expense during 2009 and 2008, respectively for ComEd's allocated portion of the Exelon-sponsored pension and postretirement benefit plans. ComEd contributed \$214 million and \$58 million to the Exelon-sponsored pension and other post-retirement benefit plans in 2009 and 2008, respectively." Please provide the following additional information:

- a. A schedule showing how the overall Exelon pension plan net periodic pension expense for each plan was developed for each year 2008, 2009 and 2010 (basis for accruals to date), indicating the employee census data, compensation assumptions, discount rate assumptions, expected returns on pension assets and other actuarial inputs used to determine annual pension expense (comparable to WPC-2.2, pages 3-5)
- b. A schedule showing how the overall Exelon other postretirement benefits ("OPEB") plan net periodic expense for each plan was developed for each year 2008, 2009 and 2010 (basis for accruals to date), indicating the employee census data, benefit cost assumptions, discount rate assumptions, expected returns on fund assets and other actuarial inputs used to determine annual OPEB expense. (comparable to WPC-2.2, page 6)
- c. Calculations indicating how the overall Exelon pension and OPEB annual expenses in 2008, 2009 and 2010 were allocated among ComEd and other Exelon business units, with explanations of the methods and data used and any changes in such allocations since January 1, 2009.
- d. Accounting distribution data showing how the ComEd allocated share of pension and OPEB annual expenses in 2008, 2009 and to-date in 2010 were distributed between operating expense, capital, retirement and other accounts.
- e. Accounting distribution data showing how the Exelon Business Service ("EBSC") allocated share of pension and OPEB annual expenses in 2008, 2009 and to-date in 2010 were distributed to ComEd and other business units, indicating how ComEd's share of EBSC pension and OPEB charges were ultimately distributed between operating expense, capital, retirement and other accounts.
- f. Explain and quantify how the information provided in your responses to parts (d) and ( e) can be reconciled to the test year proposed level of pension and OPEB expenses asserted in the Company's revenue requirement on Schedule C-2.2.

**RESPONSE:**

- a. The actuarial valuation reports and cost allocation schedules for Exelon's pension and other post-retirement benefits from 2008-10 are included as AG 3.31\_Attach 1 through AG 3.31\_Attach 6.

- b. See ComEd's response to subpart (a) of this request.
- c. The methodology for allocation of net periodic benefit costs among ComEd and other Exelon business units is described in subpart (e) of ComEd's response to Illinois Commerce Commission Staff Data Request BAP 2.02. The calculation is performed by Towers Watson, ComEd's actuarial consultant.
- d. The distribution of ComEd's 2010 net periodic pension and OPEB cost between capital and O&M expense is illustrated on Schedule C-2.2, Lines 2-3. This distribution for net periodic benefit costs from 2006-2009 is shown on Schedule C-11.3 (Page 1, Lines 1-2; Page 2, Lines 11 and 13). Amounts shown in Line 1-2, Column (D) of Schedule C-11.3 are slightly higher than those shown on Line 4 of Schedule C-2.2 due to the inclusion of amounts charged to accounts other than Account 926.
- e. The cost of services provided by EBSC is billed to ComEd on a "fully-loaded" basis, including the cost of all benefits in the cost of various services. EBSC does not allocate a specific portion of its pension and post-retirement benefit costs to ComEd or any other Exelon operating company, and as a result the share of EBSC pension and OPEB costs paid by ComEd is not explicitly tracked.
- f. The test year pension and OPEB expense shown on Schedule C-2.2 represents only the pension and post-retirement benefit expense for ComEd. The Schedule shows the distribution between O&M expense and capital.

**Exelon Corporation**  
 2009 FAS 87/106 Cost by Plan and Operating Company

	PECO	COMED	BSC	GENCO - CORPORATE	GENCO - NUCLEAR	GENCO - FOSSIL	GENCO - TXU	GENCO - POWER TEAM	GENCO - POWER LABS	GENCO - HYDRO	GENCO - NEW ENGLAND	GENCO - NRG	GENCO - EXELON SECURITY	TOTAL
<b>Exelon Corporation Retirement Program</b>														
Service Cost	REDACTED	50,546,621												116,087,083
Interest Cost		227,466,790												565,632,026
Expected return on assets		(259,525,105)												(682,821,926)
Amortization of:														
Actual (gain)/loss		75,226,469												170,361,463
Prior service (credit)/cost		546,067												3,037,484
Transition (asset)/obligation		-												-
Net Periodic Benefit Cost		94,260,842												172,296,130
<b>Exelon Corporation Cash Balance Pension Plan</b>														
Service Cost	REDACTED	6,419,168												43,927,730
Interest Cost		7,704,192												87,060,322
Expected return on assets		(13,092,645)												(65,394,819)
Amortization of:														
Actual (gain)/loss		1,891,673												16,465,914
Prior service (credit)/cost		788,476												9,843,544
Transition (asset)/obligation		-												-
Net Periodic Benefit Cost		3,710,864												51,902,891
<b>Pension Plan for Bargaining Unit Employees</b>														
Service Cost	REDACTED	248,938												514,761
Interest Cost		56,905												121,023
Expected return on assets		(54,162)												(115,189)
Amortization of:														
Actual (gain)/loss		7,438												15,818
Prior service (credit)/cost		-												-
Transition (asset)/obligation		-												-
Net Periodic Benefit Cost		258,119												536,413

**Exelon Corporation**  
 2009 FAS 87/106 Cost by Plan and Operating Company

	PECO	COMED	BSC	GENCO - CORPORATE	GENCO - NUCLEAR	GENCO - FOSSIL	GENCO - TXU	GENCO - POWER TEAM	GENCO - POWER LABS	GENCO - HYDRO	GENCO - NEW ENGLAND	GENCO - NRG	GENCO - EXELON SECURITY	TOTAL
<b>Exelon New England Union Employees Pension Plan</b>														
Service Cost	REDACTED	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected return on assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Actual (gain)/loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior service (credit)/cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transition (asset)/obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Periodic Benefit Cost	REDACTED	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Exelon Corporation Pension Plan for Employees at OYC, TMI, and Clinton</b>														
Service Cost	REDACTED	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected return on assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Actual (gain)/loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior service (credit)/cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transition (asset)/obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Periodic Benefit Cost	REDACTED	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Qualified Pension Subtotal</b>														
Service Cost	REDACTED	57,214,727	-	-	-	-	-	-	-	-	-	-	-	174,593,548
Interest Cost	-	235,227,887	-	-	-	-	-	-	-	-	-	-	-	643,348,419
Expected return on assets	-	(272,671,912)	-	-	-	-	-	-	-	-	-	-	-	(776,639,757)
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Actual (gain)/loss	-	77,125,580	-	-	-	-	-	-	-	-	-	-	-	190,998,124
Prior service (credit)/cost	-	1,334,543	-	-	-	-	-	-	-	-	-	-	-	13,483,666
Transition (asset)/obligation	-	98,230,825	-	-	-	-	-	-	-	-	-	-	-	245,784,000

**Exelon Corporation**  
 2009 FAS 87/106 Cost by Plan and Operating Company

	PECO	COMED	BSC	GENCO - CORPORATE	GENCO - NUCLEAR	GENCO - FOSSIL	GENCO - TXU	GENCO - POWER TEAM	GENCO - POWER LABS	GENCO - HYDRO	GENCO - NEW ENGLAND	GENCO - NRG	GENCO - EXELON SECURITY	TOTAL
<b>Exelon Corporation Supplemental Pension Benefit Plan and 2000 Excess Plan</b>														
Service Cost	REDACTED	164,737												407,141
Interest Cost		811,524												1,707,545
Expected return on assets														-
Amortization of:														
Actual (gain)/loss		1,109,905												2,335,373
Prior service (credit)/cost		301,489												634,367
Transition (asset)/obligation														-
Net Periodic Benefit Cost		2,387,655												5,084,426
<b>Exelon Corporation Supplemental Management Retirement Plan</b>														
Service Cost	REDACTED	300,216												2,615,329
Interest Cost		1,096,398												5,703,148
Expected return on assets														-
Amortization of:														
Actual (gain)/loss		623,548												3,237,614
Prior service (credit)/cost		(19,535)												(101,429)
Transition (asset)/obligation														-
Net Periodic Benefit Cost		2,002,627												11,454,662
<b>Non-Qualified Pension Subtotal</b>														
Service Cost	REDACTED	464,953												3,022,470
Interest Cost		1,909,922												7,410,693
Expected return on assets														-
Amortization of:														
Actual (gain)/loss		1,733,453												6,572,987
Prior service (credit)/cost		281,954												532,938
Transition (asset)/obligation														-
Net Periodic Benefit Cost		4,390,282												16,539,088

**Exelon Corporation**  
 2009 FAS 87/106 Cost by Plan and Operating Company

PECO	COMED	BSC	GENCO - CORPORATE	GENCO - NUCLEAR	GENCO - FOSSIL	GENCO - TXU	GENCO - POWER TEAM	GENCO - POWER LABS	GENCO - HYDRO	GENCO - NEW ENGLAND	GENCO - NRG	GENCO - EXELON SECURITY	TOTAL
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**Exelon East Postretirement Welfare Plan**

Service Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected return on assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior service (credit)/cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Transition (asset)/obligation	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Periodic Benefit Cost	-	-	-	-	-	-	-	-	-	-	-	-	-

**Exelon West Postretirement Medical, Dental, Life Insurance and Vision Plans**

Service Cost	35,875,134	-	-	-	-	-	-	-	-	-	-	-	69,030,470
Interest Cost	62,439,845	-	-	-	-	-	-	-	-	-	-	-	122,599,340
Expected return on assets	(32,260,193)	-	-	-	-	-	-	-	-	-	-	-	(65,342,221)
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	33,297,463	-	-	-	-	-	-	-	-	-	-	-	65,378,879
Prior service (credit)/cost	(11,875,765)	-	-	-	-	-	-	-	-	-	-	-	(23,323,709)
Transition (asset)/obligation	87,473,484	-	-	-	-	-	-	-	-	-	-	-	170,342,759

**AmerGen Energy Company Postretirement Welfare Plan**

Service Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected return on assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior service (credit)/cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Transition (asset)/obligation	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Periodic Benefit Cost	-	-	-	-	-	-	-	-	-	-	-	-	-

**Postretirement Welfare Subtotal**

Service Cost	35,875,134	-	-	-	-	-	-	-	-	-	-	-	112,967,234
Interest Cost	62,439,845	-	-	-	-	-	-	-	-	-	-	-	204,700,787
Expected return on assets	(32,260,193)	-	-	-	-	-	-	-	-	-	-	-	(94,225,248)
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	33,297,463	-	-	-	-	-	-	-	-	-	-	-	87,238,764
Prior service (credit)/cost	(11,875,765)	-	-	-	-	-	-	-	-	-	-	-	(56,463,844)
Transition (asset)/obligation	87,473,484	-	-	-	-	-	-	-	-	-	-	-	9,552,499
Net Periodic Benefit Cost	87,473,484	-	-	-	-	-	-	-	-	-	-	-	263,770,192

**Grand Total**

Service Cost	83,554,814	-	-	-	-	-	-	-	-	-	-	-	290,583,252
Interest Cost	299,577,694	-	-	-	-	-	-	-	-	-	-	-	655,459,689
Expected return on assets	(304,932,105)	-	-	-	-	-	-	-	-	-	-	-	(970,665,005)
Amortization of:	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	112,156,496	-	-	-	-	-	-	-	-	-	-	-	283,809,875
Prior service (credit)/cost	(10,262,268)	-	-	-	-	-	-	-	-	-	-	-	(42,447,240)
Transition (asset)/obligation	190,094,591	-	-	-	-	-	-	-	-	-	-	-	6,552,499
Net Periodic Benefit Cost	190,094,591	-	-	-	-	-	-	-	-	-	-	-	528,093,280



**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests**

**ST 7.01 – ST. 7.04**

**Date Received: September 2, 2010**

**Date Served: October 12, 2010**

**REQUEST NO. ST 7.03:**

Referring to the ComEd Data Room, Box 6, Part 285.150 C., a proposal letter to the Exelon Corporation Board of Directors dated June 24, 2008, sought permission from said board by ComEd for the following contributions:

- ComEd sponsorship of the United Center, Chicago Bulls Basketball and Chicago Blackhawks Hockey for \$506,549 in 2009.
- ComEd sponsorship of the Chicago Bears for \$220,000 in 2009.
- A Chicago Bears Suite Lease for ComEd at Soldier Field for \$125,660 in 2009.

Please provide documentation showing the approval or disapproval of these contributions and any signed contracts with the various above listed parties. If approval was given, please indicate the account number and on what page of the FERC Form 1 these expenses were recorded. If any portions of these contributions are included in ComEd's test year revenue requirement, indicate for each contribution the amount and line item on Schedule C-1 that includes each such amount.

**CORRECTED RESPONSE:**

The Board of Directors approved the expenditures for these sports team sponsorships and suite leases. ComEd charges the sponsorship payments to a prepayment account and amortizes the payment over the life of the agreement to FERC Account 426.5, Other deductions. No portion of this amount is included in the revenue requirement in this case. Accordingly, and without limiting its objection in any way, ComEd objects to producing any of the requested documentation or other information relating to these sponsorships.

Apart from the cost of the sponsorships, the per game ticket cost and catering charge is billed out by ComEd Corporate Relations to the functional area using the box for each ticketed event. In 2009 ComEd included ticket and catering expense for all skybox use, of approximately \$511K in its revenue requirement on Schedule C-1, Page 1, Lines 8, 9, and 12. The amount included in Distribution operating expense is \$63.4K, in Customer Accounts Expenses is \$64.8K and in Administrative and General Expenses is \$382.8K.

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
BAP 15.01 – 15.02  
Date Received: August 27, 2010  
Date Served: September 14, 2010**

**REQUEST NO. BAP 15.01:**

The order in Docket No. 05-0597, Appendix A, page 6, column (b) reflects the Commission conclusion to disallow \$5,975,000 from rate base ("this amount") related to the Company's incentive compensation plan. (Order at p. 97).

- a) Provide copies of any journal entries made by the Company to remove this amount from rate base in the instant case. If no entry was made, so state.
- b) Provide the net book value of this amount at 12/31/2009 or provide an estimate if the actual net book value is not available. Include supporting calculations and a description of the methodology in the response.
- c) Provide the amount included in Schedules B-1 and C-1, by line and column reference, related to this amount.
- d) Provide the Company's rationale as to why the amounts in c) above should be allowed in the revenue requirement in this case considering the Commission's conclusion in Docket No. 05-0597.

**RESPONSE:**

- a) ComEd did not record a journal entry to remove the \$5,975,000 disallowance from plant in service.
- b) The estimated book value of the \$5,975,000 disallowance is as follows:

Gross Plant in Service disallowance as of 12/31/04	\$5,975,000
Distribution depreciation rate (2005 – 2008)	2.44%
Distribution depreciation rate (2009)	2.46%
Estimated depreciation expense years 2005 – 2008	\$ 583,000
Estimated depreciation expense years 2009	\$ 146,000
Estimated net book value as of 12/31/09	\$5,246,000
Estimate ADIT	\$ 412,000
Estimated net book value adjusted for ADIT	\$4,834,000

The estimated net book value is determined by subtracting the accumulated depreciation since 12/31/04 to the specified gross plant.

- c) Schedule B-1, lines 2 and 3, Column (D), include a total of \$5,975,000 (original capitalized amount).

Schedule B-1, lines 6 and 7, Column (D), include a reduction of \$729,000 (sum of five years of depreciation)

Schedule B-1, line 12, Column, (ADIT) includes a reduction of \$412,000  
(Note that ADIT was not addressed in the final order but for completeness is included here)

Schedule C-1, line 13, Column (G), includes \$146,000 (one year depreciation expense)

- d) ComEd believes these costs were prudently incurred in connection with the provision of delivery services to customers.

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
BAP 15.01 – 15.02  
Date Received: August 27, 2010  
Date Served: September 14, 2010**

**REQUEST NO. BAP 15.02:**

The order in Docket No. 07-0566, Appendix, page 5, column (b) reflects the Commission conclusion to disallow \$1,355,000 from rate base related to the Company's incentive compensation plan. (Order at p. 61).

- a) Provide copies of any journal entries made by the Company to remove this amount from rate base in the instant case. If no entry was made, so state.
- b) Provide the net book value of this amount at 12/31/2009 or provide an estimate if the actual net book value is not available. Include supporting calculations and a description of the methodology in the response.
- c) Provide the amount included in Schedules B-1 and C-1, by line and column reference, related to this amount.
- d) Provide the Company's rationale as to why the amounts in c) above should be allowed in the revenue requirement in this case considering the Commission's conclusion in Docket No. 07-0566.

**RESPONSE:**

- a) ComEd did not record a journal entry to remove the \$1,355,000 disallowance from plant in service.
- b) The estimated book value of the \$1,355,000 disallowance is as follows:

Gross Plant in Service disallowance as of 12/31/06	\$1,355,000
Distribution depreciation rate (2007 – 2008)	2.44%
Distribution depreciation rate (2009)	2.46%
Estimated depreciation expense years 2007 – 2008	\$ 66,000
Estimated depreciation expense years 2009	\$ 33,000
Estimated net book value as of 12/31/09	\$1,256,000
Estimate ADIT	\$ 56,000
Estimated net book value adjusted for ADIT	\$1,200,000

The estimated net book value is determined by subtracting the accumulated depreciation since 12/31/06 to the specified gross plant.

- c) Schedule B-1, lines 2 and 3, Column (D), include a total of \$1,355,000 (original capitalized amount).

Schedule B-1, lines 6 and 7, Column (D), include a reduction of \$99,000 (sum of three years of depreciation)

Schedule B-1, line 12, Column, (ADIT) includes a reduction of \$56,000  
(Note that ADIT was not addressed in the final order but for completeness is included here)

Schedule C-1, line 13, Column (G), includes \$33,000 (one year depreciation expense)

- d) ComEd believes these costs were prudently incurred in connection with the provision of delivery services to customers.

**ICC Docket No. 10-0467**

**Commonwealth Edison Company's Response to  
Illinois Commerce Commission ("STAFF") Data Requests  
DLH 3.01 – 3.11  
Dated: July 9, 2010**

**REQUEST NO. DLH 3.08:**

Referring to Company Schedule C-26, p. 1, line 8 Lease Abandonment Costs, provide a full monthly amortization schedule from inception of the regulatory asset through May 31, 2011. Please provide all supporting calculations and workpapers. To the extent applicable, all documents and workpapers should be provided in Excel format with working formulas.

**RESPONSE:**

The attachment labeled as DLH 3.08\_Attach 1 shows the full monthly amortization schedule through May 31, 2011 of the regulatory asset for the Lease Abandonment Costs.

**Commonwealth Edison Company**  
Lease Abandonment Costs  
Amortization Schedule  
(In Dollars)

Costs to be amortized	\$ 3,255,000
Amortization period - months	36
Monthly amortization	\$ 90,417
Begin amortization	09/15/08
End amortization	09/15/11

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Beginning Balance	\$ 768,542	\$ 1,853,542	\$ 2,938,542	\$ 3,255,000
Less Amortization				
January	90,417	90,417	90,417	-
February	90,417	90,417	90,417	-
March	90,417	90,417	90,417	-
April	90,417	90,417	90,417	-
May	90,417	90,417	90,417	-
June	-	90,417	90,417	-
July	-	90,417	90,417	-
August	-	90,417	90,417	-
September	-	90,417	90,417	45,208
October	-	90,417	90,417	90,417
November	-	90,417	90,417	90,417
December	-	90,417	90,417	90,417
Total amortization for the year	452,083	1,085,000	1,085,000	316,458
Ending Balance	\$ 316,458	\$ 768,542	\$ 1,853,542	\$ 2,938,542