

ICC Docket No. 11-0721

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
PR 1.01 – 1.04**

Date Received: December 5, 2011

Date Served: December 19, 2011

REQUEST NO. PR 1.02:

Please answer the following concerning the statement on p.10 of ComEd Ex. 2.0 that the current ECOSS contains a change in the manner of functionalizing G&I from a direct assignment methodology to a generic W&S allocation:

- a) Please explain whether this change has any impact on the overall distribution revenue requirement.
- b) In Docket No. 10-0467, in response to Staff DR PL 6.06, the Company stated that "The alignment of functionalization methodologies with the Transmission Formula Rate increases the revenue requirement by \$1,970K." Likewise, if the answer to part a) is yes, please indicate what the change to the Company's proposed distribution revenue requirement would be if the previously used direct assignment methodology was retained in this case.
- c) Please explain whether the Company considers a generic W&S allocation to produce more accurate results from a cost standpoint than a direct assignment approach.
- d) Please explain in detail why it is appropriate from a cost standpoint to directly assign.
- e) For each G&I account please indicate whether the allocation at the function level is the same as the allocator at the sub-function level.
- f) For each account identified in response to part e of this question where the allocators at the function and sub-function levels are different, please identify and explain each of the reasons why two different allocators were chosen and please explain why the use of two different approaches is consistent with costs.

RESPONSE:

ComEd objects to the question as it mischaracterizes the testimony in ComEd Ex. 2.0 at 10. ComEd Ex. 2.0 does not address the ECOSS, nor does the testimony state that a change was made from direct assignment to a generic W&S allocation. Subject to that objection and ComEd's General Objections, ComEd responds as follows: As described in the direct testimony of Kathryn Houtsma, ComEd Ex. 2.0 at 29, ComEd had previously applied a direct assignment approach to only a portion of G&I Plant (Account 397 – Communications Equipment) and applied several different allocation methods to functionalize the remaining G&I plant between transmission and distribution, but in this proceeding, ComEd is proposing to change to use a single allocation method for G&I plant (apart from Account 397) based on wages and salaries. A direct assignment approach continues to be proposed for Account 397. The rationale for the change is described by Ms. Houtsma on the page referenced above.

- a) ComEd has not performed an update of the allocation methods used in previous cases, but based on the factors utilized in 2010 the changes do have an impact on the revenue requirement as discussed in ComEd's response to subpart (b), below.

- b) If the previously allowed allocation factors for Account 389, Account 390, Account 392, and Accounts 394 - 396 were used in the formula rate template, the net change to the revenue requirement would be \$2,547,000. Jurisdictional rate base would decrease by net amount of \$18,197,000 reducing the revenue requirement by \$2,055,000. Jurisdictional depreciation expense would be reduced by \$492,000.
- c) When it can be accurately applied to a specific cost, direct assignment can produce a more accurate assignment of costs. For most types of general cost accounts, such as general and intangible plant as well as administrative and general expenses, direct assignment is not usually feasible due to the nature of the underlying costs which are shared between different functions. For example, Direct Assignment is feasible for Account 397, Communications Equipment, because the assets in that account can be associated to a particular function based on the location of the equipment and the function of the underlying asset. Direct Assignment is not feasible for many of the other types of general plant. For example, Account 394, Tools, Shop and Garage Equipment is commonly used by employees who serve both transmission and distribution functions and cannot be readily associated with a discrete function. Therefore, the use of a general allocator is appropriate. The change in this proceeding with respect to this account was a change from a general allocator based on gross plant to a general allocator based on wages and salaries. Also, ComEd believes it is appropriate to functionalize the assets consistently for transmission and distribution rate purposes to ensure that there are no overlaps or gaps in cost recovery.
- d) See ComEd's response to subpart (c), above.
- e) ECOSS allocates the G&I (general and intangible plant) accounts (at the 3-digit level) from the function to the subfunction levels as follows. The W&S components of the O&M accounts related to distribution plant (accounts 580 through 598) are allocated to subfunctions based on the assignment/allocation of corresponding plant investment amounts. See lines 286 through 308 of Schedule 1b, Functionalization Factors, of Exhibits 10.1 & 10.1 TB. For example, the W&S component of Account 593 (Maintenance of Overhead Lines) is allocated to the subfunctions: High Voltage Dist. Lines, Dist. Lines Primary, and Dist. Lines Secondary, based on the plant investment in the subfunctions, at line 301 of Schedule 1b. The allocator "LTOTAL DIST." is formed from these distribution plant-related W&S allocators at lines 216 through 218 of this schedule. The "L-TOTAL DIST." allocator is then used to subfunctionalize the distribution-related portion of the G&I accounts, lines 323 through 442 of Schedule 1b. This process is necessary because there is no direct mapping available from the accounting system of the W&S component of distribution-related expenses to the specific distribution plant subfunctions used in the ECOSS.

The W&S components of the customer service-related O&M accounts are directly mapped from expense accounts 901 through 916 to the customer-related sub-functions. See lines 311-319 of Schedule 1b. These W&S values are used to form the allocator "LDIST (901-916)" at lines 224 through 226 of this schedule. This allocator is used to subfunctionalize the customer-related component of each G&I account, lines 323 through 442, of Schedule 1b.

- f) In general (with the exception of Account 397), the W&S allocator is used throughout to functionalize G&I accounts in ECOSS. As noted above, the W&S components of the 3-digit distribution-related expenses are subfunctionalized on plant, because there is no corresponding accounting data to do otherwise. There is an internal consistency in this process, because the subfunctionalization of the direct O&M expenses at the (3) three digit account level also uses plant investment as an allocator, since there is no direct mapping in the accounting system of O&M expenses to the subfunctions.

ICC Docket No. 11-0721

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
PR 1.01 – 1.04**

Date Received: December 5, 2011

Date Served: December 21, 2011

REQUEST NO. PR 1.02:

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- c) Please explain whether the Company considers a generic W&S allocation to produce more accurate results from a cost standpoint than a direct assignment approach.
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- e) For each G&I account please indicate whether the allocation at the function level is the same as the allocator at the sub-function level.
- f) For each account identified in response to part e of this question where the allocators at the function and sub-function levels are different, please identify and explain each of the reasons why two different allocators were chosen and please explain why the use of two different approaches is consistent with costs.

SUPPLEMENTAL RESPONSE TO SUBPART (b) ONLY:

Pursuant to discussion with Staff, ComEd is supplementing its response to subpart (b) to include PR 1.02 Supp_Attach 1.

- b) If the previously allowed allocation factors for Account 389, Account 390, Account 392, and Accounts 394 - 396 were used in the formula rate template, the net change to the revenue requirement would be \$2,547,000. Jurisdictional rate base would decrease by net amount of \$18,197,000 reducing the revenue requirement by \$2,055,000. Jurisdictional depreciation expense would be reduced by \$492,000. The calculations are detailed on the attachment labeled as PR 1.02 SUPP_Attach 1.

Summary

(in thousands)

	<u>Rate Base Impact</u>	<u>Revenue Requirement Impact</u>
<u>Plant in Service</u>		
Schedule B-1, page 2, column D, line 3	\$ (20,274)	\$ (2,291)
<u>Accumulated Reserve</u>		
Schedule B-1, page 2, column D, line 7	\$ 2,077	\$ 236
Totals	<u>\$ (18,197)</u>	<u>\$ (2,055)</u>

Depreciation Expense

Depreciation Expense	<u>\$ (492)</u>
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RATE BASE REVENUE REQUIREMENT IMPACT				
				Page 2
		Total	Plant in Service	Accum Reserve
Common Equity				
Book Value of Common Equity (\$ in 000s)	ILCC Fm 21 Pg 4 Col D Ln 15	\$6,909,266	\$6,909,266	\$6,909,266
Goodwill (\$ in 000s)	FERC Fm 1 \SEC 10K	2,625,000	2,625,000	2,625,000
Adjusted Common Equity Balance (\$ in 000s)	(Ln 1) - (Ln 2)	\$4,284,266	\$4,284,266	\$4,284,266
Long-Term Debt Balance (\$ in 000s)	(App 13 Ln 42) / 1,000	\$5,070,469	\$5,070,469	\$5,070,469
Short-Term Debt Balance (\$ in 000s)	App 12 Ln 4	\$ 53,606	\$ 53,606	\$ 53,606
Total Capital (\$ in 000s)	(Ln 3) + (Ln 4) + (Ln 5)	\$9,408,341	\$9,408,341	\$9,408,341
Equity as a Percentage of Total Capital (%)	(Ln 3) / (Ln 6)	45.54%	45.54%	45.54%
Long-Term Debt as a Percentage of Total Capital (%)	(Ln 4) / (Ln 6)	53.89%	53.89%	53.89%
Short-Term Debt as a Percentage of Total Capital (%)	(Ln 5) / (Ln 6)	0.57%	0.57%	0.57%
Cost of Capital				
Cost of Common Equity				
Avg Monthly Market Yield on 30 Yr US Treasury Securities (%)	Sch FR D-2 Ln 13	4.25%	4.25%	4.25%
Performance Metrics Penalty (%)	(1')	0.00%	0.00%	0.00%
Cost of Equity Base (%)	(2')	6.00%	6.00%	6.00%
Total Cost of Common Equity (%)	(Ln 10) + (Ln 11) + (Ln 12)	10.25%	10.25%	10.25%
Cost of Long-Term Debt (%)	App 13 Ln 43	6.37%	6.37%	6.37%
Cost of Short-Term Debt (%)	App 12 Ln 3	1.43%	1.43%	1.43%
Wtd Cost of Short-Term and Long-Term Debt (%)	(Ln 8) * (Ln 14) + (Ln 9) * (Ln 15)	3.44%	3.44%	3.44%
Cost of Credit Facilities				
Total Cost of Credit Facilities (\$ in 000s)	App 12 Ln 7	9,337	9,337	9,337
Cost of Capital of Credit Facilities (%)	(Ln 17) / (Ln 6)	0.10%	0.10%	0.10%
Wtd Avg Cost of Capital				
Wtd Cost of Equity (%)	(Ln 7) * (Ln 13)	4.67%	4.67%	4.67%
Wtd Cost of Long-Term Debt (%)	(Ln 8) * (Ln 14)	3.43%	3.43%	3.43%
Wtd Cost of Short-Term Debt (%)	(Ln 9) * (Ln 15)	0.01%	0.01%	0.01%
Cost of Credit Facilities (%)	Ln 18	0.10%	0.10%	0.10%
Wtd Avg Cost of Capital (%)	Sum of (Ln 19) thru (Ln 22)	8.21%	8.21%	8.21%
Federal Tax Rate (%)	WP 21	35.000%	35.000%	35.000%
Illinois State Tax Rate (%)	WP 21	7.300%	7.300%	7.300%
Federal Tax Rate Less State Tax Deduction (%)	(Ln 1) * ((1.0) - (Ln 2))	32.445%	32.445%	32.445%
Income Tax Rate (%)	(Ln 2) + (Ln 3)	39.745%	39.745%	39.745%
Incremental Tax Gross Up Factor (%)	(Ln 4) / ((1.0) - (Ln 4))	65.961%	65.961%	65.961%
Rate Base Before Projected Plant Adjs	Sch FR B-1 Ln 49	\$ (18,197)	\$ 20,274	\$ (2,077)
Wtd Cost of Short- and Long-Term Debt (%)	(Sch FR D-1 Ln 16) + (Sch FR D-1 Ln 18)	3.54%	3.54%	3.54%
Effective Income Tax Rate (%)	Ln 4	39.745%	39.745%	39.745%
Interest Synchronization Deduction	(Ln 15) * (Ln 16) * (Ln 17)	\$ (256)	\$ 285	\$ (29)
Rate Base Change		18,197	(20,274)	2,077
Wtd Cost of Capital		8.21%	8.21%	8.21%
Return		1,494	(1,664)	171
Less: Interest Sync Deduction		\$ (256)	\$ 285	\$ (29)
Incremental Gross Up%		1,238	(1,379)	142
Tax Gross Up		65.961%	65.961%	65.961%
Total Return Less Int Sync Plus Gross Up		817	(910)	94
Depreciation Change		2,055	(2,289)	236
		(492)		

RATE BASE CHANGE		AS Filed			Using OLD METHOD			Variance		
Account		Allocation Of Gross Plant			Allocation Of Accumulated Depreciation			Allocation Of Accumulated Depreciation		
		In Service	Reserve	Net	In Service	Reserve	Net	In Service	Reserve	Net
General Plant Land in Fee	389.0	7,701,211	-	7,701,211	7,121,160	-	7,121,160	580,051	-	580,051
General Plant Structures & Improvements	390.0	248,761,145	(39,638,544)	209,122,601	230,753,281	(37,249,716)	193,503,565	18,007,864	(2,388,828)	15,619,036
General Plant Office Furniture & Equipment	391.X	72,627,876	(35,289,527)	37,338,349	72,627,876	(35,289,527)	37,338,349	-	-	-
General Plant Transportation Equipment	392.0	185,803,069	(80,716,869)	105,086,200	190,967,736	(82,960,513)	108,007,223	(5,164,667)	2,243,644	(2,921,023)
General Plant Stores Equipment	393.0	3,700,332	(1,765,450)	1,934,882	3,700,332	(1,765,450)	1,934,882	-	-	-
General Plant Tools, Shop and Garage Equipment	394.0	123,217,770	(50,667,271)	72,550,499	111,174,966	(45,715,258)	65,459,708	12,042,804	(4,952,013)	7,090,791
General Plant Lab Equipment	395.0	5,776,191	(5,002,944)	773,247	5,211,650	(4,513,977)	697,673	564,541	(488,967)	75,574
General Plant Power Operated Equipment	396.0	4,325,893	(1,289,918)	3,035,975	3,903,098	(1,163,846)	2,739,252	422,795	(126,072)	296,723
General Plant Communications Equipment	397.0	325,360,564	(138,440,527)	186,920,037	325,360,564	(138,440,527)	186,920,037	-	-	-
General Plant Miscellaneous Equipment	398.0	2,686,801	(1,336,556)	1,350,245	2,686,801	(1,336,556)	1,350,245	-	-	-
Removal and Salvage Work In Progress			-	-	-	-	-	-	-	-
Intangible Plant		371,715,438	(242,798,494)	128,916,944	377,895,121	(247,498,636)	130,396,485	(6,179,683)	4,700,142	(1,479,541)
Amortization of Lease Improvements				-		1,064,821	1,064,821	-	(1,064,821)	(1,064,821)
Overall Total		1,351,676,290	(596,946,100)	754,730,190	1,331,402,585	(594,869,185)	736,533,400	20,273,705	(2,076,915)	18,196,790

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DEPRECIATION

Commonwealth Edison Company

2010 Jurisdictional Depreciation and Amortization Expense

(In Thousands)

Witness: Fruehe

Line No.	Description	Distribution	General and Intangible Plant			Total Jurisdictional
			Depreciable - Other	Depreciable - Acct 397	Amortized	
	(A)	(B)	(C)	(D)	(D)	(E)
1	2010 Depreciation Expense	\$ 314,214	\$ 25,329	\$ 35,808	\$ -	
2	2010 Amortization Expense	-	-	-	42,727	
3	<u>Adjustments</u>					
4	Depreciation Expense Related To Asset Retirement Costs (3)	1,191	63	-	-	
5	Depreciation Expense Related To Supply Administration Costs	-	-	-	(698)	
6	Costs Excluded from Prior ICC Orders (Sch B-2.1)	(192)	-	-	-	
7	Rider EDA Depreciation (Sch. B-2.2) (4)	(49)	-	-	-	
8	PORCB	-	-	-	(219)	
9	Expense Related To AMI Pilot (Sch B-2.3, page 2, Line 4)	(1,285)	(351)	-	(3,558)	
10	Subtotal 2010 Depreciation Expense	\$ 313,879	\$ 25,041	\$ 35,808	\$ 38,252	
11	Jurisdictional Percentage	100.0%	85.60%	53.72%	90.30%	
12	Jurisdictional Depreciation and Amortization Expense	<u>\$ 313,879</u>	<u>\$ 21,435</u>	<u>\$ 19,236</u>	<u>\$ 34,542</u>	<u>\$ 389,092</u>
				As Filed in Formula		<u>\$ 389,584</u>
						<u>\$ (492)</u>

Commonwealth Edison Company - Adjusted
Summary of General and Intangible Plant Allocated between DST and Non-DST Functions
As of December 31, 2010
(In Dollars)

Line No.	Description	General Plant	General Amortized	Intangible Plant	Total General & Intangible Plant Allocated
	(A)	(B)	(C)	(C)	(D)
1	Gross Plant				
2	Non-DST	\$ 381,306,430	\$ 4,538,449	\$ 38,732,809	\$ 424,577,688
3	DST	927,948,003	25,559,461	377,895,121	1,331,402,585
4	Total Gross Plant	<u>1,309,254,433</u>	<u>30,097,910</u>	<u>416,627,930</u>	<u>\$ 1,755,980,273</u>
		<u>70.9%</u>	<u>90.3%</u>		
5	Accumulated Depreciation/Amortization				
6	Non-DST	\$ (147,838,022)	\$ (2,946,145)	\$ (25,958,727)	\$ (176,742,894)
7	DST	(330,071,703)	(17,298,846)	(247,498,636)	(594,869,185)
8	Total Accum. Depreciation/Amortization	<u>(477,909,725)</u>	<u>(20,244,991)</u>	<u>(273,457,363)</u>	<u>(771,612,079)</u>
9	Net Plant	<u>\$ 831,344,708</u>	<u>\$ 9,852,919</u>	<u>\$ 143,170,567</u>	<u>\$ 984,368,194</u>
					<u>Percentage to Apply to General Plant Excl Acct 397 for Depreciation Expense</u>
	<u>General Plant % Acct 397</u>	<u>Total General Plant (from Above)</u>	<u>Less: Communication Equip</u>	<u>General Plant Excl Acct 397</u>	
	DST Total	927,948,003	(325,360,564)	602,587,439	
	Total Gross Plant	1,309,254,433	(605,660,023)	703,594,410	85.6%

Commonwealth Edison Company
Depreciable General Plant and
Related Accumulated Depreciation
Allocated to ComEd Functions
2010 - Actual
(In Dollars)

Line No.	ComEd Depreciable General Plant (A)	Account (B)	As of December 31, 2010			Allocation Basis (F)	Percentage Allocation to Function		
			Gross Plant (C)	Accumulated Depreciation (D)	Net Plant (E)		Transmission (G)	Distribution (H)	Customer (I)
1	General Plant Land in Fee	389.0	8,631,709	-	8,631,709	Property Usage	17.50%	69.30%	13.20%
2	General Plant Structures & Impr	390.0	248,719,782	(24,182,873)	224,536,909	Property Usage	17.50%	69.30%	13.20%
3	General Plant Office Furniture & Equip	391.X	81,403,134	(39,553,382)	41,849,752	Wages and Salaries	10.78%	50.50%	38.72%
4	General Plant Transportation Equipment	392.0	208,252,711	(90,469,479)	117,783,232	Transp. Asset Study	8.30%	83.00%	8.70%
5	General Plant Stores Equipment	393.0	4,147,424	(1,978,760)	2,168,664	Wages and Salaries	10.78%	50.50%	38.72%
6	General Plant Tools, Shop	394.0	138,105,548	(56,789,140)	81,316,408	T and D Gross Plant	19.50%	80.50%	0.00%
7	General Plant Lab Equipment	395.0	6,474,099	(5,607,424)	866,675	T and D Gross Plant	19.50%	80.50%	0.00%
8	General Plant Power Operated Equip	396.0	4,848,569	(1,445,772)	3,402,797	T and D Gross Plant	19.50%	80.50%	0.00%
9	General Plant Communications Equip	397.0	605,660,023	(257,707,607)	347,952,416	Location of Equipment	46.28%	53.72%	0.00%
10	General Plant Miscellaneous Equipment	398.0	3,011,434	(1,498,045)	1,513,389	Wages and Salaries	10.78%	50.50%	38.72%
11	General Plant Other Tangible Equipment	399.0	-	-	-	Wages and Salaries	10.78%	50.50%	38.72%
12	General Plant Asset Retirement	399.1	-	-	-	Excluded	0.00%	0.00%	0.00%
13	Removal and Salvage Work In Progress		-	1,322,759	1,322,759	T and D Gross Plant	19.50%	80.50%	0.00%
14	Total Depreciable General Plant		<u>1,309,254,433</u>	<u>(477,909,724)</u>	<u>831,344,709</u>				

Commonwealth Edison Company
Depreciable General Plant and
Related Accumulated Depreciation
Allocated to ComEd Functions
2010 - Actual
(In Dollars)

Line No.	ComEd Depreciable General Plant (A)	Account (B)	Allocation Of Gross Plant			Allocation Of Accumulated Depreciation		
			Transmission (C)	Distribution (D)	Customer (E)	Transmission (F)	Distribution (G)	Customer (H)
1	General Plant Land in Fee	389.0	1,510,549	5,981,774	1,139,386	-	-	-
2	General Plant Structures & Impr	390.0	43,525,962	172,362,809	32,831,011	(4,232,003)	(16,758,731)	(3,192,139)
3	General Plant Office Furniture & Equip	391.X	8,775,258	41,108,583	31,519,293	(4,263,855)	(19,974,458)	(15,315,069)
4	General Plant Transportation Equipment	392.0	17,284,975	172,849,750	18,117,986	(7,508,967)	(75,089,668)	(7,870,845)
5	General Plant Stores Equipment	393.0	447,092	2,094,449	1,605,883	(213,310)	(999,274)	(766,176)
6	General Plant Tools, Shop	394.0	26,930,582	111,174,966	-	(11,073,882)	(45,715,258)	-
7	General Plant Lab Equipment	395.0	1,262,449	5,211,650	-	(1,093,448)	(4,513,977)	-
8	General Plant Power Operated Equip	396.0	945,471	3,903,098	-	(281,925)	(1,163,846)	-
9	General Plant Communications Equip	397.0	280,299,459	325,360,564	-	(119,267,081)	(138,440,527)	-
10	General Plant Miscellaneous Equipment	398.0	324,633	1,520,774	1,166,027	(161,489)	(756,513)	(580,043)
11	General Plant Other Tangible Equipment	399.0	-	-	-	-	-	-
12	General Plant Asset Retirement	399.1	-	-	-	-	-	-
13	Removal and Salvage Work In Progress		-	-	-	257,938	1,064,821	-
14	Total Depreciable General Plant		381,306,430	841,568,417	86,379,586	(147,838,022)	(302,347,431)	(27,724,272)

Commonwealth Edison Company
Allocation of Plant and Accumulated Amortization
Related to Amortizable General Plant to
ComEd Functions
2010 - Actual
(In Dollars)

Line No.	ComEd Amortizable General Plant (A)	As of December 31, 2010			Percentage Allocation to Function		
		Gross Plant (B)	Accumulated Amortization (C)	Net Plant (D)	Transmission (E)	Distribution (F)	Customer (G)
1	Leasehold Improvements - Acct. 390:						
2	Two Lincoln Centre	\$ 5,590,368	\$ (2,756,866)	\$ 2,833,502	17.10%	61.60%	21.30%
3	Three Lincoln Centre	9,774,902	(5,147,686)	4,627,216	17.10%	61.60%	21.30%
4	Customer Care Center	4,314,871	(3,359,358)	955,513	0.00%	0.00%	100.00%
5	Belvidere	188,700	(145,420)	43,280	18.60%	81.40%	0.00%
6	Channahon	87,189	(62,034)	25,155	18.60%	81.40%	0.00%
7	Chicago Loop Tech	323,745	(98,622)	225,123	47.70%	52.30%	0.00%
8	Harvard	14,121	(14,121)	-	18.60%	81.40%	0.00%
9	Libertyville	3,992,945	(3,043,248)	949,697	17.20%	75.10%	7.70%
10	Melrose Park Training Bldg.	1,000,347	(995,442)	4,905	18.60%	81.40%	0.00%
11	One Financial Place	4,265,344	(4,106,879)	158,465	17.10%	61.60%	21.30%
12	Pontiac	222,451	(222,451)	-	18.60%	81.40%	0.00%
13	Sandwich	1,732	(1,732)	-	18.60%	81.40%	0.00%
14	Sterling	263,092	(263,092)	-	18.60%	81.40%	0.00%
15	Woodstock	58,101	(28,041)	30,060	16.80%	73.10%	10.10%
16	Total Amortizable General Plant	<u>\$ 30,097,908</u>	<u>\$ (20,244,992)</u>	<u>\$ 9,852,916</u>			

Commonwealth Edison Company
Allocation of Plant and Accumulated Amortization
Related to Amortizable General Plant to
ComEd Functions
2010 - Actual
(In Dollars)

Line No.	ComEd Amortizable General Plant (A)	Amortizable General Plant					
		Allocation of Gross Plant			Allocation of Accumulated Amortization		
		Transmission (B)	Distribution (C)	Customer (D)	Transmission (E)	Distribution (F)	Customer (G)
1	Leasehold Improvements - Acct. 390:						
2	Two Lincoln Centre	\$ 955,953	\$ 3,443,667	\$ 1,190,748	\$ (471,424)	\$ (1,698,229)	\$ (587,213)
3	Three Lincoln Centre	1,671,508	6,021,340	2,082,054	(880,254)	(3,170,975)	(1,096,457)
4	Customer Care Center	-	-	4,314,871	-	-	(3,359,358)
5	Belvidere	35,098	153,602	-	(27,048)	(118,372)	-
6	Channahon	16,217	70,972	-	(11,538)	(50,496)	-
7	Chicago Loop Tech	154,426	169,319	-	(47,043)	(51,579)	-
8	Harvard	2,627	11,494	-	(2,627)	(11,494)	-
9	Libertyville	686,787	2,998,702	307,457	(523,439)	(2,285,479)	(234,330)
10	Melrose Park Training Bldg.	186,065	814,282	-	(185,152)	(810,290)	-
11	One Financial Place	729,374	2,627,452	908,518	(702,276)	(2,529,837)	(874,765)
12	Pontiac	41,376	181,075	-	(41,376)	(181,075)	-
13	Sandwich	322	1,410	-	(322)	(1,410)	-
14	Sterling	48,935	214,157	-	(48,935)	(214,157)	-
15	Woodstock	9,761	42,473	5,868	(4,711)	(20,498)	(2,832)
16	Total Amortizable General Plant	\$ 4,538,449	\$ 16,749,945	\$ 8,809,516	\$ (2,946,145)	\$ (11,143,891)	\$ (6,154,955)

Commonwealth Edison Company
Allocation of Intangible Plant and Limited Term Easements
2010 - Actual
(In Dollars)

Line No.	ComEd Intangible Plant (A)	Account (B)	As of December 31, 2010		
			Gross Plant (C)	Accumulated Amortization (D)	Net Plant (E)
1	Intangible-Non-Depreciable	301.000	\$ 80,375	\$ -	\$ 80,375
2	Intangible - Software:				
3	CEGIS Design Tool	303.000	3,399,290	(2,513,972)	885,318
4	CIMS Software	303.000	145,060,697	(98,547,592)	46,513,104
5	Mobile Data Software	303.000	32,890,180	(15,175,257)	17,714,923
6	Passport Software	303.000	35,993,666	(35,993,666)	-
7	PowerPath Software	303.000	65,114,233	(65,114,233)	-
8	Powertools Software	303.000	36,178,587	(26,055,716)	10,122,871
9	Miscellaneous Software	303.000	97,910,905	(29,887,166)	68,023,738
10	Total ComEd Intangible Plant		<u>\$ 416,627,932</u>	<u>\$ (273,287,602)</u>	<u>\$ 143,340,329</u>
11	Limited Term Easements - Transmission	350.000	\$ 412,767	\$ (168,546)	\$ 244,220
12	Limited Term Easements - Distribution	360.000	\$ 24,286	\$ (1,215)	\$ 23,071
13	(amortization included in Account 111)				

Commonwealth Edison Company
Allocation of Intangible Plant and Limited Term Easements
2010 - Actual
(In Dollars)

Line No.	ComEd Intangible Plant (A)	Allocation Basis (B)	Percentage Allocation to Function		
			Transmission (C)	Distribution (D)	Customer (E)
1	Intangible-Non-Depreciable (Organization Costs)	Wages and Salaries	10.78%	50.50%	38.72%
2	Intangible - Software:				
3	CEGIS Design Tool	T & D Gross Plant	19.50%	80.50%	0.00%
4	CIMS Software	100% Customer	0.00%	0.00%	100.00%
5	Mobile Data Software	T & D Gross Plant	19.50%	80.50%	0.00%
6	Passport Software	T & D Gross Plant	19.50%	80.50%	0.00%
7	PowerPath Software	Wages and Salaries	10.78%	50.50%	38.72%
8	Powertools Software	T & D Gross Plant	19.50%	80.50%	0.00%
9	Miscellaneous Software	Wages and Salaries	10.78%	50.50%	38.72%
10	Limited Term Easements - Transmission	Transmission	100.00%	0.00%	0.00%
11	Limited Term Easements - Distribution	Distribution	0.00%	100.00%	0.00%
12	(amortization included in Account 111)				

Commonwealth Edison Company
Allocation of Intangible Plant and Limited Term Easements
2010 - Actual
(In Dollars)

Line No.	ComEd Intangible Plant (A)	Allocation of Gross Plant		
		Transmission (B)	Distribution (C)	Customer (D)
1	Intangible-Non-Depreciable	\$ 8,664	\$ 40,589	\$ 31,121
2	Intangible - Software:			
3	CEGIS Design Tool	662,862	2,736,428	-
4	CIMS Software	-	-	145,060,697
5	Mobile Data Software	6,413,585	26,476,595	-
6	Passport Software	7,018,765	28,974,901	-
7	PowerPath Software	7,019,314	32,882,687	25,212,231
8	Powertools Software	7,054,824	29,123,763	-
9	Miscellaneous Software	10,554,795	49,445,007	37,911,102
10	Total ComEd Intangible Plant	<u>\$ 38,732,809</u>	<u>\$ 169,679,970</u>	<u>\$ 208,215,151</u>
11	Limited Term Easements - Transmission	\$ 412,767	\$ -	\$ -
12	Limited Term Easements - Distribution	\$ -	\$ 24,286	\$ -
13	(amortization included in Account 111)			

Commonwealth Edison Company
Allocation of Intangible Plant and Limited Term Easements
Related To Intangible Plant
2010 - Actual
(In Dollars)

Line No.	ComEd Intangible Plant (A)	Allocation of Accumulated Amortization		
		Transmission (B)	Distribution (C)	Customer (D)
1	Intangible-Non-Depreciable	\$ -	\$ -	\$ -
2	Intangible - Software			
3	CEGIS Design Tool	(490,225)	(2,023,747)	-
4	CIMS Software	-	-	(98,547,592)
5	Mobile Data Software	(2,959,175)	(12,216,082)	-
6	Passport Software	(7,018,765)	(28,974,901)	-
7	PowerPath Software	(7,019,314)	(32,882,687)	(25,212,231)
8	Powertools Software	(5,080,865)	(20,974,851)	-
9	Miscellaneous Software	(3,221,837)	(15,093,019)	(11,572,311)
10	Total Intangible Plant Accumulated Amortization	<u>\$ (25,790,181)</u>	<u>\$ (112,165,287)</u>	<u>\$ (135,332,134)</u>
11	Limited Term Easements - Transmission	<u>\$ (168,546)</u>	<u>\$ -</u>	<u>\$ -</u>
12	Limited Term Easements - Distribution	<u>\$ -</u>	<u>\$ (1,215)</u>	<u>\$ -</u>
13	(amortization included in Account 111)			

ICC Docket No. 11-0721

**Commonwealth Edison Company's Response to
Citizens Utility Board ("CUB") Data Requests
CUB 3.01 – 3.04**

Date Received: December 29, 2011

Date Served: January 12, 2012

REQUEST NO. CUB 3.01:

Property tax expense allocation. Refer to ComEd Testimony ComEd Ex 2.0 Page 30, Lines 615 to 618, and to the Company's response to CUB 2.07.

- a. ComEd confirmed that by using Net Plant Allocator, the Company property taxes for 2010 is \$19.323 million for total company and \$15.153 million for jurisdictional, using a 78.42% allocation factor based on net plant.
- b. Please show in detail the jurisdictional allocation that would result from applying the same methodology used in ComEd's rate case, Docket No. 10-0467, Schedule C-19, where ComEd showed Total Company real estate taxes of \$19.840 million and Jurisdictional real estate taxes of \$12.124 million, indicating a composite jurisdictional allocation of 61.11%.
- c. Please show the calculation in detail what the change to the Company's proposed property taxes for total company and jurisdictional would be if the previously used allocators were applied to the \$19.323 million of total Company property taxes for 2010. Include supporting workpapers.

RESPONSE:

- a. Yes. The amounts are correct.
- b. ComEd has not completed the study for 2010 nor have the allocators been updated. Assuming the same allocation of 61.11%, the real estate taxes assigned to delivery service would be \$11.81 million.

In millions
\$19.323
x 61.11%
\$11.808

- c. Using the same calculation of 2010 real estate taxes as shown in subpart (b), the difference in 2010 jurisdictional real estate taxes would be a decrease of \$3.34 million if the methodology used in ICC Docket No. 10-0467 had been used in ICC Docket No. 11-0721. Note that as described in ComEd's response to part b, the study has not been performed for 2010 nor have the allocators been updated.

In millions
\$15.153
\$11.808
\$3.345

ICC Docket No. 11-0721

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

CUB 3.01 – 3.04

Date Received: December 29, 2011

Date Served: January 12, 2012

REQUEST NO. CUB 3.02:

Explain fully and in detail why the jurisdictional allocation of real estate taxes for the formula rate should not be required to be consistent with the allocation of real estate taxes in Com Ed's rate case, Docket 10-0467.

RESPONSE:

As described in the direct testimony of Kathryn Houtsma, ComEd Ex. 2.0 at 30: 615 - 618 this method is consistent with the method used in ComEd's transmission formula rate and results in full cost recovery. Applying two different allocation methodologies would result in either an under or over recovery of costs.

The real estate tax allocation method applied in Docket 10-0467 did not necessarily produce a more accurate jurisdictional allocation than what ComEd has proposed in this instant proceeding. In Docket 10-0467 the property taxes on Rights of Way and Substation property, which represented 72% of the 2009 real estate taxes, were allocated to Transmission and Delivery Service using an allocator based on a study of General Communication Equipment (Account 397) locations. The study resulted in an allocation of Communications Equipment of 44.6% to Transmission and 55.4% to Delivery service. This study was valid for the functional allocation of the costs of communication equipment. The overall Transmission and Distribution net plant allocator is a reasonable measure for allocating real estate taxes as it portrays the overall relationship between the overall investments made in transmission and distribution.

ICC Docket No. 11-0721

**Commonwealth Edison Company's Response to
The People of the State of Illinois ("AG") Data Requests
AG 4.01 – 4.26**

Date Received: December 8, 2011

Date Served: December 20, 2011

REQUEST NO. AG 4.05:

Ref: ComEd Ex. 4.1, App 10; ComEd Response to AG 1.06 (Late Payment Revenues attributed to Transmission Jurisdiction) According to Att 10, the Company has attributed \$2.6 million of FERC Acct 450 revenues to Transmission. Please provide the following additional information:

- a. Explain the rationale for attributing Late Payment Revenues to the transmission jurisdiction.
- b. Provide calculations supportive of the amount attributed to Transmission.
- c. Provide an itemization of each instance in 2010 where a ComEd transmission service customer has actually paid Late Payment Charges, indicating the amount of such charges by customer.
- d. Provide copies of (or citation to) each FERC rule, order and/or other authority relied upon by ComEd to attribute Late Payment charges to the transmission jurisdiction.

RESPONSE:

- a. A significant portion of ComEd's transmission revenues relate to the bundled service it provides under Rider PE, and ultimately retail customers. Since a proportional amount of the customers' bills relate to transmission, a proportional amount of the Late Payment Charges should be allocated to transmission. ComEd has consistently assigned a portion of its late payment charges to transmission (ICC Docket Nos. 05-0597, 07-0566 and 10-0467).
- b. See ComEd's Data Request Response to AG 1.03 and the attachment labeled as AG 1.03_Attach 1 (Attachment 11, Account 450 – Forfeited Discounts, page 1 of 1).
- c. ComEd does not have information relating to late payment charges paid by transmission services only customers and notes that transmission services are provided by PJM. However, the late payment fees being allocated relate to late payment fees assessed on retail customers and would not apply to customers only taking transmission service from PJM.
- d. ComEd has not relied on any specific FERC orders in determining the amount of late payment charges included in the transmission formula rate, but has relied in part on the methodology accepted by the ICC in the proceedings cited in subpart (a) above.