

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY :
: No. 11-0721
Tariffs and charges submitted pursuant to :
Section 16-108.5 of the Public Utilities Act :
:

Rebuttal Testimony of

JOHN HENGTGEN

Consultant

SFIO Consulting, Inc.

On Behalf of

Commonwealth Edison Company

OFFICIAL FILE

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1 **I. Introduction and Background**

2 **A. Witness Identification**

3 Q. **Please state your name and business address.**

4 A. My name is John Hengtgen. My business address is 1708 Freedom Court, Mount
5 Prospect, Illinois 60056.

6 Q. **Are you the same John Hengtgen who provided direct testimony on behalf of
7 Commonwealth Edison Company (“ComEd”) in this proceeding?**

8 A. Yes.

9 **B. Purposes of Testimony**

10 Q. **What are the purposes of your rebuttal testimony?**

11 A. The first purpose of my rebuttal testimony is to respond to the direct testimony of Illinois
12 Commerce Commission (the “Commission” or “ICC”) Staff (“Staff”) witness Daniel
13 Kahle (Staff Exhibit (“Ex.”) 3.0), Illinois Attorney General’s Office / AARP
14 (“AG/AARP”) witnesses Michael Brosch (AG/AARP Ex. 1.0) and David Effron
15 (AG/AARP Ex. 2.0 Corrected), Citizens Utility Board (“CUB”) witness Ralph Smith
16 (CUB Ex. 1.0), and Illinois Industrial Energy Consumers witness Michael Gorman (IIEC
17 Ex. 1.0) on the subject of ComEd’s cash working capital (“CWC”) requirement and,
18 more specifically, to discuss the following issues raised by those witnesses:

- 19 1. Determination of the Collections Lag of ComEd;
- 20 2. The appropriate Lag and Leads for the Energy Assistance Charges and
21 Renewable Energy Charges (“EAC/REC”), the Gross Receipts
22 Tax/Municipal Utility Tax (“GRT/MUT”), the Illinois Electricity Excise

- 23 Tax ("IEET"), and the City of Chicago Infrastructure Maintenance Fee
24 ("CIMF");
- 25 3. The Lead for Intercompany Billing;
- 26 4. The Revenue Lag and Expense Lead of Employee Benefits – Pension and
27 Other Post Employment Benefits ("OPEB");
- 28 5. The appropriate amount of accounts payable related to non-AFUDC
29 Construction Work in Progress ("CWIP") to be included in the CWC
30 amount;
- 31 6. The inclusion of Incentive Pay and a revised lead calculation in the CWC
32 calculations;
- 33 7. Vacation Pay and the CWC calculations; and,
- 34 8. The impact of Negative Current State and Federal Income Taxes in the
35 CWC calculation.

36 The second purpose of my rebuttal testimony is to present a revised calculation of
37 ComEd's cash working capital requirement.

38 **C. Summary of Conclusions**

39 **Q. Please summarize the conclusions of your rebuttal testimony.**

40 **A. A. For reasons I discuss in my rebuttal testimony, I conclude as follows:**

- 41 1. The collection lag as filed by ComEd of 34.23 days should be accepted by
42 the Commission and the proposed collection lags of AG/AARP witness
43 Brosch and CUB witness Smith should be rejected.
- 44 2. The lag for pass through taxes as filed by ComEd of 51.25 days is
45 identical to the overall revenue lag and should be accepted by the

- 46 Commission. The proposed lags by Staff witness Kahle, AG/AARP
47 witness Brosch, CUB witness Smith, and IIEC witness Gorman should be
48 rejected. The leads for the GRT/MUT, IEET and the CIMF amounts by
49 ComEd in direct should be accepted and the updated lead for the
50 EAC/REC as described in rebuttal should be accepted by the Commission.
- 51 3. The lead for intercompany billings as filed by ComEd of 30.55 days
52 should be accepted by the Commission and the proposed leads by Staff
53 witness Kahle, AG/AARP witness Brosch, and CUB witness Smith should
54 be rejected.
- 55 4. The full revenue lag of 51.25 days as filed by ComEd should be used for
56 the revenues associated with Pension and OPEB and should be accepted
57 by the Commission. The use of zero revenue lag proposed by AG/AARP
58 witness Brosch and CUB witness Smith should be rejected.
- 59 5. The CWIP amount of \$235,000 as filed by ComEd should be approved by
60 the Commission and the amounts being proposed by AG/AARP witness
61 Brosch and CUB witness Smith should be rejected;
- 62 6. The lead for incentive pay of 228.50 days as described in this rebuttal
63 testimony should be accepted by the Commission and the proposals
64 regarding incentive pay made by AG/AARP witness Effron and CUB
65 witness Smith should be rejected as explained in the rebuttal testimony of
66 ComEd witness Fruehe.
- 67 7. The use of the base payroll lead for vacation pay as filed by ComEd
68 should be accepted by the Commission. The proposals for vacation pay

69 made by AG/AARP witness Effron and CUB witness Smith should be
70 rejected as described in the rebuttal testimony of ComEd witness Fruehe.

71 8. The updated CWC calculations for the negative current state and federal
72 income tax and the comparable impact on deferred income taxes as
73 reflected in my rebuttal testimony should be accepted by the Commission.

74 9. ComEd's revised cash working capital requirement is \$39,733,000,
75 calculated, in brief, as follows.

76 **Summary of CWC Requirements**

Line	Description	CWC Requirements
	(A)	(B)
1	REVENUE LAGS	164,207,000
2	EXPENSE LEADS	(164,075,000)
3	OTHER NON REVENUE, NON EXPENSE ITEMS – CASH INFLOW	87,690,000
4	OTHER NON REVENUE, NON EXPENSE ITEMS – CASH OUTFLOW	(47,782,000)
5	NON-AFUDC CONSTRUCTION WORK IN PROGRESS (CWIP)	(235,000)
6	CASH WORKING CAPITAL REQUIREMENT = Col (B) Line 1 – Col (B) Line 2 + Col (B) Line 3 – Col (B) Line 4 – Col (B) Line 5	39,805,000

77 **D. Itemized Attachments to Rebuttal Testimony**

78 Q. Are you sponsoring any attachments to your rebuttal testimony?

79 A. Yes, I am sponsoring ComEd Exs. 16.1, 16.2, 16.3, 16.4, 16.5, and 16.6, described
80 below.

81 **II. Cash Working Capital (CWC)**

82 **A. Collections Lag**

83 Q. What is your understanding of the proposals regarding the collection lag for
84 ComEd?

85 A. AG/AARP witness Brosch makes two proposals. He recommends (1) that the collection
86 lag be reduced by 5.17 days in this proceeding to account for what he considers

87 uncollectible amounts of ComEd's accounts receivable balances; and (2) that before any
88 CWC amount is allowed in future formula rate changes or the reconciliation of the
89 amounts in this proceeding, a more extensive analysis or study of the collection lag
90 should be required.

91 CUB witness Smith recommends that the collection lag be reduced by 4.5 days to
92 remove what he considers the impact of uncollectible amounts of ComEd's accounts
93 receivable balances. Mr. Smith's proposal is similar to Mr. Brosch's proposal, however
94 his proposed reduction is calculated differently. IIEC witness Gorman does not propose
95 an adjustment to the collection lag in this proceeding, but feels the collection lag is
96 unreasonably long and recommends that the ICC study this issue further.

97 **Q. What is the rationale behind the proposals by Mr. Brosch and Mr. Smith to reduce**
98 **the collection lag by 5.17 days and 4.5 days, respectively, in this proceeding?**

99 **A.** ComEd uses aged accounts receivable data to calculate its collection lag. It is an
100 identical process to what was used in Docket No. 10-0467. Both Mr. Brosch and
101 Mr. Smith believe that the data is unreliable as a predictor of the collection lag because
102 the amounts have not been reduced for uncollectible accounts. Their proposals to reduce
103 the lag by 5.17 days and 4.5 days is their attempt to use uncollectible reserve data
104 supplied by ComEd to eliminate from the accounts receivable amounts an estimate of
105 amounts that may become uncollectible and they feel should not be used in the collection
106 lag day calculation.

107 **Q. Do you agree with these two proposals?**

108 A. No, I do not. While it is true that some of ComEd's customers in all of its customer
109 classes and the aging intervals will become uncollectible, ComEd cannot determine with
110 certainty which customer accounts will become uncollectible. (ComEd's response to data
111 request AG 7.02.) In addition, and even more importantly, even if accounts receivable
112 balances become uncollectible, they would have to be considered separately in the CWC
113 calculation in order to determine how long it takes ComEd to recover those amounts and
114 be made whole, or whether ComEd ever is made whole. Utilities routinely collect
115 amounts based on very old receivables and even on amounts that have previously been
116 written off. Also, even if ComEd provides service and never collects payment from the
117 customer taking service, the uncollectible amount will ultimately be collected as an
118 uncollectible cost of service, either through base rates or through recovery of
119 uncollectibles in a rider, ComEd still is "out" the time value of the amount in question,
120 and that is a real cash capital working cost. If anything, the lag associated with
121 uncollectible accounts is longer than regular accounts, rather than non-existent. When a
122 bank makes a loan, the borrower defaults, and the bank ultimately collects only the
123 principle without interest from a guarantor, the bank in fact has lost the time value of
124 money. Mr. Brosch's presumption that there is no time value of money associated with
125 the delay in recovering uncollectible accounts is not realistic.

126 Q. **Do you have any comment on the specifics of their calculations?**

127 A. Yes. Mr. Brosch uses monthly gross uncollectible reserve balances before any
128 deductions for deposit reserves and estimated recoveries. As a result, the amounts that he
129 eliminates from the accounts receivable balances do not reflect the true reserve for
130 uncollectibles on ComEd's books.

131 Q. AG/AARP witness Brosch and IIEC witness Gorman make proposals that ask the
132 ICC to require further study or analysis of the collection lag in future proceedings.

133 First, do you have any comments on Mr. Gorman's proposal?

134 A. Yes. I do not think further study is necessary. Mr. Gorman merely makes a statement
135 that he feels the revenue lag is unreasonable based on his understanding that residential
136 customers have approximately 21 days to remit payment to ComEd. He hasn't provided
137 any support for his recommendation and therefore the ICC should reject his
138 recommendation. The reality is that customers do not always pay within 21 days, as
139 evidenced by the more than \$30 million in late payment fees paid by late-paying
140 customers in 2010 (ComEd Ex. 4.1, App. 10). The fact that customers do pay late shows
141 up in the accounts receivable aging data ComEd has used in this proceeding and this type
142 of aging data has been a long-standing, accepted practice that the Commission has relied
143 on to calculate CWC.

144 Q. What points does Mr. Brosch make regarding the need for further study?

145 A. Mr. Brosch's criticizes ComEd's study on several grounds. In addition to the
146 uncollectible issue described previously, he takes exception to the use of aging intervals
147 and the use of grace periods to determine various midpoints within those intervals and
148 use of old receivables in the calculations. He recommends that in the future ComEd be
149 required to conduct statistical sampling of actual customer remittance data and/or do an
150 accounts receivable turnover analysis which requires daily accounts receivable balances.

151 Q. Do you share Mr. Brosch's concern regarding the use of aging intervals?

152 A. No, I do not. All other major utilities in Illinois use similar if not identical aging
153 intervals. The ICC has accepted the use of these aging intervals in the last rate cases for
154 Ameren Illinois Company (Docket No. 11-0282), The Peoples Gas Light and Coke
155 Company and North Shore Gas Company (Docket Nos. 11-0280/11-0281), and Northern
156 Illinois Gas Company (Docket No. 08-0363). ComEd's methodology of using aging
157 intervals is the standard methodology that has been used many times in the State of
158 Illinois. My point is not that simply because something has been done in another Docket,
159 that necessarily makes it correct. My point is that there is ample support for the
160 calculation here, and there is no persuasive reason to study it further given that fact plus
161 the fact that similar use of aging intervals has been accepted by the ICC in a number of
162 other Dockets.

163 Q. **Do you share Mr. Brosch's concern regarding the use of grace periods to determine**
164 **the midpoints used within the grace periods?**

165 A. No, I do not. The use of grace periods is actually a conservative assumption that has kept
166 the collection lag significantly lower than it really is. By use of grace periods, I mean
167 that the CWC requirement calculation that I have presented excludes the time value of the
168 money lost to ComEd during the grace period, even though that time value of money is
169 real and is borne by ComEd. Elimination of the grace periods would only increase the
170 amount of the collection lag.

171 Q. **Have you provided a calculation showing the impact on the collection lag assuming**
172 **that all the grace periods are eliminated from the midpoint calculations?**

173 A. Yes, I have reflected those calculations in ComEd Ex. 16.1. If the grace periods are
174 eliminated the weighted collection lag for ComEd increased from 32.34 days to
175 41.44 days.

176 Q. **Have you refined that calculation that eliminates the grace periods and includes the**
177 **impact of Mr. Brosch's estimate of the uncollectible amounts of the accounts**
178 **receivable balances?**

179 A. Yes, I have. I do not agree with Mr. Brosch's opinion on the exclusion of the
180 uncollectible amounts but have performed the necessary calculation for illustrative
181 purposes. If the grace periods are eliminated and Mr. Brosch's estimate of uncollectible
182 accounts is factored into the receivable balances the weighted collection lag for ComEd
183 increases from 32.34 days to 36.66 days. These calculations can be found on ComEd
184 Ex. 16.2.

185 Q. **How does ComEd's proposed collection lag in this proceeding compare to that of**
186 **other major utilities in Illinois?**

187 A. ComEd has proposed a collection lag of 32.34 days in this proceeding. ComEd's
188 proposed number of days is less than that of The Peoples Gas Light and Coke Company
189 (38.82 in Docket 11-0280/11-0281 cons) and Northern Illinois Gas Company (33.76 in
190 Docket 08-0363) and just slightly more than that of Ameren Illinois Company (30.67 in
191 Docket 11-0282).

192 Q. **What is your view of Mr. Brosch's recommendation regarding statistical sampling**
193 **of customer remittance information and the use of daily accounts receivable**
194 **balances in order to do an accounts receivable turnover analysis?**

195 A. While there may be some merit to these types of methodologies in the abstract, it is my
196 understanding that the data to perform either of these methodologies is not available in
197 the needed form that ComEd maintains on an ongoing basis for its business activities.
198 There would be a significant time and cost commitment in order to get this type of data to
199 perform the necessary analyses, and other than the fact that he does not like the result,
200 Mr. Brosch offers no compelling reason the cost to gather the additional data should be
201 incurred.

202 Q. **What is your conclusion regarding the AG/AARP and CUB proposals about the**
203 **collection lag?**

204 A. The proposals should be rejected. Based on the recalculation of the collection lag
205 without use of the grace periods, and even if Mr. Brosch's estimate of uncollectible
206 accounts is considered into the calculation, the collection lag would actually be higher
207 than what is being proposed by ComEd. ComEd has used similar methodologies that
208 have been used by other utilities and accepted by the ICC. Based on this and the fact
209 that Mr. Brosch and Mr. Gorman have not provided any real compelling reasons to
210 require additional study at additional cost to ComEd, their proposals for additional
211 studies should also be rejected.

212 **B. Lags and Leads for Non Revenue and**
213 **Non Expense Items ("Pass Through")**

214 **1. EAC/REC and GRT/MUT**

215 Q. **Staff witness Kahle, AG/AARP witness Brosch, CUB witness Smith, and IIEC**
216 **witness Gorman all make recommendations regarding either the lag days or the**

217 **lead days or both with respect to the EAC/REC and the GRT/MUT. Do you agree**
218 **with their proposed changes?**

219 A. No, I do not.

220 Q. **Have you summarized the various proposals in an exhibit?**

221 A. Yes, I have attached a comparison of all the proposed leads and lags as ComEd Ex. 16.3.

222 Lines 1 through 16 show a summary comparison of all the proposed lags and leads and I
223 have identified three issues that I will discuss in response to their recommendations.

224 Those issues are:

225 1. Use of zero lag days for the EAC/REC and GRT/MUT by Staff,
226 AG/AARP, CUB and IIEC, and recalculation of EAC/REC lead days;

227 2. For the EAC/REC, use of the statutory due date instead of the actual
228 payment date by Staff, AG/AARP and CUB; and

229 3. For the GRT/MUT, use of the statutory due date and float by Staff.

230 Q. **Do you have any initial thoughts or points related to these items that will be helpful**
231 **in framing the discussion of the issues reflected above?**

232 A. Yes.

233 Q. **What initial thoughts or points do you have?**

234 A. First, the most important aspect is to capture and reflect the proper timing difference
235 related to the cash inflow and outflow of these charges so that the proper cash working
236 capital requirement of ComEd is included in rate base.

237 Second, the timing difference related to these taxes, fees and charges can and
238 should include both a lag and a lead, as I explained in my direct testimony (ComEd

239 Ex. 8.0, pages 10-12, lines 179-236). The lag represents the amount of time that it takes
240 to receive the cash inflows (customer payments) and the lead represents the amount of
241 time before the cash outflow (remittances to the various municipalities or state agency).
242 The starting point for both should be the same and in the case of an electric utility it is
243 when the electricity is delivered to the customer.

244 For example, if you have a lag of 51.25 days and a lead of 86.25 days the timing
245 difference would be a negative 35 days (51.25 days – 86.25 days) meaning that you
246 receive the money on day 51 and have use of the money until day 86 or for 35 days. That
247 timing difference can also be accomplished by another example assuming a lag of zero
248 days and a lead of 35 days as you would have the same timing difference of a negative
249 35 days (0 days – 35 days). The resulting timing differences are the same but these two
250 examples have different facts. In the second example all of the cash inflow occurs on day
251 zero, which is not the case for these charges and taxes, and therefore does not apply to the
252 situation with these taxes.

253 **Issue 1 - Use of zero lag days**

254 Q. **What is your understanding of the proposals regarding use of zero lag days for the**
255 **EAC/REC by Staff witness Kahle, AG/AARP witness Brosch, CUB witness Smith,**
256 **and IIEC witness Gorman?**

257 A. Mr. Kahle's rationale appears to be the incorrect claims that "there is no lag between a
258 delivery of utility service and the receipt of cash for these pass through taxes" (Staff
259 Ex. 3.0, page 6, lines 110-111), that a lag is not consistent with the Order in Docket
260 No. 10-0467, and that "[t]hese pass-through taxes are collected from ratepayers and later
261 remitted to taxing authorities" (Staff Ex. 3.0, pages 6-8, lines 107-142). Mr. Brosch,

262 Mr. Smith, and Mr. Gorman all claim that the lag is inconsistent with the Order in Docket
263 No. 10-0467 and that the amounts are due after they are collected.

264 **Q. Do you agree with Mr. Kahle's statement that there is no lag between utility service
265 and receipt of customer payments of the EAC/REC?**

266 **A.** No, I do not agree with Mr. Kahle's factually unsupported statement that there is no lag
267 between the delivery of utility service and the receipt of cash for these charges and taxes.
268 That claim is not correct. His passing implication that collection of the EAC/REC is not
269 a charge for utility service (Kahle Dir., Staff Ex. 3.0, page 6, lines 122-123) also is
270 incorrect. Specifically, for the EAC/REC, ComEd is required by State statute (305 ILCS
271 20/1, *et seq.*, and 20 ILCS 687/6-1, *et seq.*) to include in its charges for utility service an
272 amount that will be remitted to fund state programs related to energy assistance and
273 renewable energy programs. Both statutes contain language that states the charges
274 "assessed by electric and gas public utilities shall be considered a charge for public utility
275 service". Furthermore, as explained in my direct testimony, under Illinois law (Sections
276 9-221 and 9-222 of the Public Utilities Act), separate additional charges are included on
277 the customer's bills for all of these items (EAC/REC, GRT/MUT, IEET, CIMF) (ComEd
278 Ex. 8.0, page 10, lines 186-191), and ComEd receives payment of these amounts at the
279 same time as all other cash from its customers through the payment of their monthly bills
280 (ComEd Ex. 8.0, page 11, lines 197-206). Based on the above, Mr. Kahle's statement
281 that there is no lag between utility service and receipt of payment is incorrect for the
282 EAC/REC. There is a lag and it is identical to the revenue lag of 51.25 days as I
283 explained in my direct testimony.

284 Q. **Do you agree with all of their positions that the use of 51.25 lag days is not**
285 **consistent with the Order in Docket No. 10-0467?**

286 A. Yes, I do agree that the use of 51.25 lag days is not consistent with the Order in Docket
287 No. 10-0467, in the sense that a different ruling was made there. As a matter of fact,
288 however, and contrary to Mr. Brosch's assertion that changes were made "with no
289 justification for these changes" (AG/AARP Ex. 1.0, page 36, lines 775-776), I explained
290 why I used the 51.25 lag days in my direct testimony (ComEd Ex. 8.0, page 22, lines 414
291 - 428).

292 Q. **What about their positions that the amounts are payable after collected and that**
293 **ComEd has use of the money for approximately 35 days (EAC/REC) and 45 days**
294 **(GRT/MUT)?**

295 A. I agree that according to the state statutes and the municipal ordinances that the
296 EAC/REC amounts are due by the 20th of the month following the month in which the
297 charges are collected and the GRT/MUT amounts are due on or before the last day of the
298 month following the month during which the tax is collected or is required to be
299 collected. I do not agree with their positions that ComEd in fact has use of the money for
300 approximately 35 days (EAC/REC) and 45 days (GRT/MUT).

301 Q. **Why not?**

302 A. Like its other two taxes (IEET and the CIMF), ComEd pays these amounts based on
303 amounts billed in the current month or prior months, not the amounts collected. This
304 process means that ComEd pays these amounts earlier than they may technically be

305 required to be paid by statute or ordinance and earlier than collected, therefore ComEd
306 does not in fact have use of the money for any period of time.

307 **Q. For the EAC/REC please explain how these charges are paid?**

308 **A.** ComEd pays these charges based on billings from the current month and the two prior
309 months. In the current month, ComEd assumes that 70% of the billings are “collected”
310 and are paid by the 20th of the following month. Also, in the current month, ComEd
311 assumes that 25% of the billings from the previous month are “collected” and paid by the
312 20th of the following month and that 5% of the billings from two months prior to the
313 current month are “collected” and paid by the 20th of the following month. This 70%,
314 25%, 5% process is used each month of the year to make the payments and is a long
315 established process at ComEd.

316 **Q. Is the process you described how the lead for the EAC/REC was calculated in the**
317 **direct filing of this case?**

318 **A.** No, at the time I calculated the lead it was based on my understanding that these amounts
319 were based on billings from the current month like all its other taxes and not the process
320 described above. As a result, my calculations in the direct filing understated the lead
321 time by about 10 days.

322 **Q. Have you revised the lead calculation for the EAC/REC based on the above process?**

323 **A.** Yes, I have recalculated the lead using the 70%, 25%, 5% process and the calculations
324 are reflected in ComEd Ex. 16.4. Page 1 of that exhibit calculates the lead based on
325 actual payment dates and page 2 calculates the lead based on statutory due dates. I am

326 proposing to use 40.69 days for the lead for the EAC/REC based on actual payment dates
327 in rebuttal.

328 Q. **Please explain how the GRT/MUT taxes are paid?**

329 A. ComEd pays these charges based on billings from the current month only and they are
330 paid by the last day of the following month. This process of paying these amounts is also
331 a long established practice at ComEd.

332 Q. **Are you making any changes regarding this lead in rebuttal?**

333 A. No, the lead was calculated based on this process, so it was correct in direct testimony.

334 Q. **Have you prepared a graphical representation of the timeline for collection and
335 payment of EAC/REC and GRT/MUT being proposed by ComEd?**

336 A. Yes, ComEd Ex. 16.5 shows a monthly timeline for how ComEd collects these amounts
337 and a timeline for how ComEd pays these amounts. Note that the payment timelines are
338 based on statutory payment due dates and not when ComEd actually pays these amounts.
339 ComEd has historically paid the amounts slightly earlier than the technical due dates.
340 This timeline reflects that ComEd pays both of these items earlier than collected.

341 **Issue 2 - Use of the statutory due date instead of the actual due date**

342 Q. **What is your understanding of the proposals regarding use of the statutory due date
343 instead of the actual due date by Staff witness Kahle, AG/AARP witness Brosch and
344 CUB witness Smith?**

345 A. For the EAC/REC, Mr. Brosch and Mr. Smith use the technical statutory due date that is
346 consistent with the last Order without any explanation as to why. Mr. Kahle recalculated
347 the lead based on the data supplied in ComEd Ex. 8.2 TB indicating that the actual

348 payment dates should not be used and that ratepayers should not be penalized for
349 remitting taxes before they are due. He also indicated that his proposal was consistent
350 with the Order in Docket No. 10-0467 and was used for the calculation of the "Other
351 Taxes" payment lead.

352 Q. **Do you agree with their proposals?**

353 A. I agree that it is not consistent with the ruling in the last Order but I do not agree that the
354 actual payment dates should not be used in this proceeding. ComEd makes many tax
355 payments for many different types of taxes over the course of any given month and if all
356 taxes were paid exactly on the due date the possibility of making a payment late and
357 incurring a penalty or interest would certainly increase. It seems like paying a few days
358 early is good practice in order to not risk penalty or interest and is in the interest of both
359 ComEd and customers. Using the technical statutory due date as compared to the actual
360 payment date serves only to reduce the CWC requirement figure and does not reflect the
361 true CWC requirement of ComEd.

362 **Issue 3 – Staff's use of the statutory due**
363 **date and the float amount for the GRT/MUT**

364 Q. **For the GRT/MUT Staff witness Kahle used the technical statutory due date as his**
365 **basis for calculating the lead but then also used an amount for float for the**
366 **payments that are made by check instead of ACH. Is that correct?**

367 A. No, by using the statutory due date and the float amount the resulting lead calculation
368 pushes the payment date past the statutory due date and in effect double counts the
369 impact of the float. If ComEd were to do this, their payment would be considered late
370 and likely subject to penalty and interest.

371 Q. **Do you have any final comments regarding the proposals being made with respect to**
372 **the EAC/REC and the GRT/MUT?**

373 A. Yes. As I've explained here in my rebuttal testimony, ComEd remits the EAC/REC
374 amounts and the GRT/MUT amounts prior to them being collected and much in advance
375 of the time period being proposed by Staff and AG/AARP and CUB.

376 Q. **Q. What is the difference in days between what Staff is proposing and what**
377 **ComEd is proposing?**

378 A. That is shown on ComEd Ex. 16.3, column D. ComEd believes it pays the EAC/REC
379 earlier than collected by about 10 days (column B, line 3) while Staff's position is that
380 ComEd has the funds for about 35 days (column C, line 3) after collection and before
381 paying or a difference of about 46 days. For the GRT/MUT, ComEd believes it pays the
382 amounts earlier than collected by about 7 days (column B, line 8) while Staff's position is
383 that ComEd has the funds for about 47 days (column C, line 8) after collection and before
384 paying or a difference of about 54 days. The other three intervenor proposals indicate a
385 similar result.

386 Q. **If these parties continue to support these positions and if the ICC approves that**
387 **methodology for its CWC requirement in this proceeding, would ComEd change it**
388 **process of paying these taxes?**

389 A. These proposals and a decision by the ICC accepting either one of them is a decision that
390 would severely penalize ComEd for its long standing practice of paying these charges
391 and taxes based primarily on billings rather than collections, and it would not reflect
392 ComEd's true CWC requirement. In order to achieve the payment schedules proposed by

393 Staff, ComEd would need to consider making a change to its payment procedures if that
394 decision is made by the ICC.

395 Q. **What would be required to make such a change and what would the impact be for**
396 **the EAC/REC?**

397 A. For the EAC/REC, the total amount remitted for calendar year 2010 is approximately
398 \$45.7 million. That is an average monthly amount of about \$3.8 million. The difference
399 between Staff and ComEd is approximately 46 days which is about a month and a half.
400 A good estimate of what is being remitted early would be about 1.5 times (46 days/30
401 days) the monthly amount or about \$5.7 million. To achieve Staff's proposed timeline,
402 ComEd could consider skipping one month of payments entirely and then in the second
403 month only remit about 50% of what is usually remitted. Once past the first two months,
404 ComEd would be back in line with remitting its normal amount of monthly payments or
405 approximately \$3.8 million. Such a change would represent a loss of \$5.7 million in
406 revenue in the calendar year of the change to the Energy Assistance and Renewable
407 Energy programs, and if ComEd decides to pursue a change it likely would seek approval
408 from the Illinois Department of Revenue.

409 Q. **Q. What state programs would be impacted by this type of change for the**
410 **EAC/REC?**

411 A. It is my understanding that the Energy Assistance Program and the Renewable Energy
412 Program is the recipient of these funds. I do not know and would not like to speculate if
413 changing the remittance schedule would have any impact on these programs going
414 forward.

415 Q. **What would be required to make such a change for the GRT/MUT?**

416 A. ComEd pays these taxes to approximately 300 municipalities in northern Illinois. The
417 largest municipality is the City of Chicago. Based on payments made for calendar year
418 2010, ComEd paid the City of Chicago approximately \$97 million. The monthly amount
419 varies by the amount of electricity delivered in a given month but the average monthly
420 amount would be approximately \$8 million. The difference between Staff and ComEd is
421 approximately 54 days which is almost two months. A good estimate of what is being
422 remitted early would be about 1.8 times (54 days/30 days) the monthly amount or about
423 \$14.4 million. For the City of Chicago, ComEd could consider skipping one payment
424 entirely and significantly reducing the next month's payment. Based on 2010 payments,
425 ComEd paid approximately \$138 million to the municipalities outside of Chicago. Again
426 the amount varies by month but it averages approximately \$11 million a month. Using
427 the same calculation as the Chicago taxes, a good estimate for what is being paid early is
428 about 1.8 times the monthly amount or about \$19.8 million. If ComEd were to decide to
429 adopt the schedule Staff suggests it should, ComEd would likely need to inform all the
430 Municipalities involved in advance and inform them of their plans to make a change in
431 their remittance pattern as it will result in a significant loss of revenue to those
432 municipalities in the year of adoption. At this point, absent discussing the subject with
433 them, ComEd would not know what the reaction would be of the City of Chicago and the
434 other municipalities. However, as everyone knows, most municipal budgets are currently
435 strained due to the lower tax revenues and difficult economic conditions and this would
436 likely not be well accepted.

437 2. **Illinois Electricity Excise Tax (IEET) and City of**
438 **Chicago Infrastructure Maintenance Fee (CIFM)**

439 Q. **Staff witness Kahle makes recommendations regarding the lag and lead of the IEET**
440 **and the CIFM shortening the lag days and increasing the lead days. AG/AARP**
441 **witness Brosch and CUB witness Smith replace the lag of 51.25 with their own**
442 **revenue lag calculation that is based on a change to the collection lag. Do you agree**
443 **with their proposed changes?**

444 A. No, I do not agree with Mr. Brosch and Mr. Smith's proposal. That issue is included in
445 the Collection Lag section of my testimony above. I also do not agree with Mr. Kahle's
446 proposal to shorten the lag time or extend the lead time.

447 Q. **Have you summarized the various proposals in an exhibit?**

448 A. Yes, the IEET and the CIFM are also included on ComEd Ex. 16.3. Lines 17 through 36
449 show a summary comparison of all the proposed lags and leads for these taxes and
450 charges. I have identified three issues that I will discuss in response to their
451 recommendations. Those issues are:

- 452 1. Use of lag days excluding the service lag by Staff;
- 453 2. Use of the statutory due date instead of the actual due date by Staff; and
- 454 3. Staff proposal to include service lead when service lag has not been
455 included.

456 **Issue 1 - Use of lag days excluding the service lag**

457 Q. **Staff witness Kahle has eliminated from the lag the service lag. Do you agree with**
458 **that proposal?**

459 A. No, for the same reason[s] as I explained earlier in the EAC/REC and GRT/MUT section.
460 A full revenue lag should be applied to the IEEC and the CIMF.

461 **Issue 2 - Use of the statutory due date instead of the actual payment date**

462 Q. Similar to the EAC/REC and the GRT/MUT, Staff witness Kahle proposes to use
463 the statutory due date instead of the actual payment date. Do you agree?

464 A. No, as I explained earlier in the EAC/REC and GRT/MUT, it is good practice and in the
465 best interest of ComEd and customers and reflects the true CWC requirements of ComEd.

466 **Issue 3 - Staff witness Kahle's proposal to include the service lag of 15.21**
467 **days when the service of 15.21 days has been excluded from the revenue lag**

468 Q. Staff witness Kahle has included the service lead in the overall lead calculation for
469 both the IEET and the CIMF. Do you agree?

470 A. Yes, I do, but only if the full lag of 51.25 days is also used. As I previously explained in
471 my rebuttal testimony above and in my direct testimony it is appropriate to include a
472 service lead in the calculation of this lead along with the service lag in the overall lag
473 being used. However, if you eliminate the service lag from the overall lag (which
474 Mr. Kahle has done) then it is not appropriate to include a service lead.

475 Q. Is Mr. Kahle's recommendation consistent with Staff's position in Docket
476 No. 10-0467 and the final Order in that proceeding?

477 A. No. The staff witness in that proceeding and the final Order did not include a service
478 lead in the calculation of the lead for these two items. If Mr. Kahle continues to pursue
479 the elimination of the service lag, he should also be consistent and eliminate the service
480 lead.

481 **C. Intercompany Billing Lead**

482 Q. **Staff Witness Kahle and CUB witness Smith make a recommendation to increase**
483 **the lead by 15 days and AG/AARP witness Brosch makes a recommendation to use**
484 **the lead as approved in ComEd's last rate case, Docket No. 10-0467. Both**
485 **Mr. Kahle and Mr. Brosch cite cross-subsidization of the affiliate and non affiliate**
486 **vendors. Do you agree?**

487 A. No, I do not.

488 Q. **Why do you not agree?**

489 A. For several reasons. Most importantly because ComEd has calculated this lead based on
490 actual billing amounts and payment dates and therefore it reflects the actual cash working
491 capital requirement of ComEd for intercompany billings. The proposal by Mr. Kahle and
492 Mr. Smith merely adds 15 days to ComEd's proposed lead of 30.55 days. Mr. Kahle
493 feels that feels that 30 days is more appropriate than the payment lead time ComEd
494 actually incurs but has not provided any support for using 30 days. No support was
495 provided by Mr. Smith other than to indicate that this was consistent with the findings in
496 Docket No. 10-0467. Mr. Brosch's proposal is not based on any support, either; he just
497 recommends that the same lead day be used that was approved in the last case.

498 I do not agree with the claims about cross-subsidization regarding paying an
499 affiliate faster than non affiliate vendors. The non affiliate vendors are much different
500 than ComEd's affiliate in what the types of services they provide (tree trimming, location
501 services, cable and wire products, trenching services, etc.), when and how they bill
502 ComEd and therefore how long it takes ComEd to pay some of these non affiliate
503 vendors. The affiliate vendor invoices ComEd routinely on a monthly basis using

504 intercompany systems, usually on time and ComEd pays these invoices on a timely basis
505 based on its internal policies. No cross subsidization exists.

506 **Q. How does the lead ComEd is proposing compare to the lead that has been approved
507 for other Utilities in Illinois?**

508 A. In Docket Nos. 11-0280/11-0281, the ICC approved leads for The Peoples Gas Light and
509 Coke Company of 35.80 days and for North Shore Gas Company of 38.23 days. In
510 Docket No. 08-0363 the ICC approved a lead for Northern Illinois Gas Company of
511 34.21 days. While ComEd's lead is a shorter than all three, all are far less than the lead
512 being proposed by the Staff, AG/AARP and CUB in this case.

513 **Q. On page 13, lines 265 – 266, Mr. Kahle claims that you made a statement saying that
514 the GSA “required” intercompany billings to be paid by the 15th of the month
515 following service. Is Mr. Kahle's understanding accurate?**

516 A. No, that sentence indicates that ComEd is billed for services from affiliates pursuant to a
517 General Services Agreement (“GSA”). It says nothing about the GSA requiring payment
518 by the 15th of the month. The GSA does not require settlement or payment on specific
519 terms just that it is done monthly. The settlement requirement by the 15th is based on
520 internal policy.

521 **Q. AG/AARP staff witness Brosch also makes a recommendation regarding further
522 analysis be done of the Intercompany billing amounts and payments in future lead
523 lag studies. What is your understanding of his recommendation?**

524 A. Mr. Brosch indicates that the majority of intercompany billing to ComEd is from Exelon
525 Business Services Company (“BSC”). Mr. Brosch appears to recommend that a study

526 similar to a lead lag study be done for BSC and then somehow incorporate those results
527 into ComEd's lead day calculation for intercompany billings in future filings in order to
528 avoid an affiliate cross subsidization.

529 Q. **Do you agree with this recommendation?**

530 A. No, I do not. Requiring a study by ComEd of an affiliate would require access by
531 ComEd to the affiliates' records including employee payroll records, vendor records and
532 accounts payable records and analysis of the timing of cash flows related to these items.
533 As previously explained, the vendors and processes of BSC are not similar to that of
534 ComEd and an analysis of this kind would be time consuming and costly and likely
535 produce results that would not be useful in determining ComEd's CWC requirement.

536 D. **Employee Benefits – Pension and OPEB Lead**

537 Q. **AG/CUB witness Brosch makes a proposal to use zero revenue lag days for**
538 **Employee Benefits-Pension and OPEB. Do you agree with his proposal?**

539 A. No, I do not. Mr. Brosch asserts that since zero expense lead is used for Pension and
540 OPEB in the CWC calculation then it is appropriate to use zero lag days also. His
541 rationale appears to be that since these amounts are accrual based expenses and a separate
542 study of the timing of the cash outflows was not done then it is inappropriate to include
543 the revenue lag of 51.25 days and that I have "blindly" applied a full revenue lag to the
544 cash inflows related to these two items. What Mr. Brosch misses is no separate study of
545 the cash outflows is necessary or required. The accrued expense amounts for both
546 Pensions and OPEB and the routine, periodic cash payments to the trusts (cash outflows)
547 for both Pension and OPEB are not ignored, they already are fully accounted for at 100%
548 in separate rate base line items in this proceeding. Reducing rate base for the pension and

549 OPEB accruals is the equivalent of including those expense accruals in the lead-lag study
550 and assigning them a 365-day lead. The timing of the cash inflows has not been
551 measured or included separately in the revenue requirement schedules therefore it is
552 appropriate to include the amounts in the cash receipts section of the CWC calculation at
553 the full revenue lag. Assigning zero-revenue lag days to the pension and OPEB accruals
554 would only be appropriate if the expense leads were not addressed at all in the calculation
555 of rate base, which is not the case.

556 Q. **Do you have any other comment regarding Mr. Brosch's testimony on this subject?**

557 A. Yes, it should be noted that this subject was fully litigated in Docket No. 10-0467 and the
558 Commission rejected Mr. Brosch's proposed adjustment in that case. On page 33
559 (lines 708-709) of his testimony, Mr. Brosch includes a sentence from the data request
560 response to AG 1.27 (attached to his testimony) as follows "Since these amounts are
561 already included in rate base or earning a return...zero lag days are used". For some
562 reason Mr. Brosch left out a phrase in the middle of that sentence that is relevant. The
563 correct sentence reads: "Since these amounts are already included in rate base or earning
564 a return, **consistent with the last rate order**, zero lag days are used". (Emphasis added)

565 Q. **On page 30, lines 658-669, CUB witness Smith appears to make a recommendation**
566 **that an amount of \$15,836,000 should be removed the CWC requirements related to**
567 **Pension and OPEB costs. Do you agree with his recommendation?**

568 A. No, for several reasons. First, it appears that he has provided no support or analysis for
569 his recommendation other than saying ComEd has included \$15,836,000 in the CWC
570 requirements and that it "should be removed" (see page 30, line 666-668). Second, while

571 it appears that Mr. Smith's testimony indicates removal of \$15,836,000 of CWC related
572 to this issue it appears that the amount has not been removed from his calculation of
573 CWC. (See CUB Exhibit 1.2, Page 19 of 35). Lastly, and more importantly, I have
574 provided reasons above in response to a similar proposal by Mr. Brosch that this
575 adjustment is not warranted and should be rejected.

576 **E. Construction Work in Progress – Accounts Payable**

577 Q. **AG/AARP witness Brosch and CUB witness Smith make a proposal to include the**
578 **entire amount of accounts payable related to its non-AFUDC CWIP at 12/31/10. Do**
579 **you agree with their proposals?**

580 A. No, I do not.

581 Q. **Why don't you agree?**

582 A. Both the proposal by Mr. Brosch and Mr. Smith recommend that the entire amount of
583 accounts payable related to CWIP at 12/31/10 (\$1,283,000) is the best indicator of the
584 amount of vendor supplied financing related to CWIP. What they did not take into
585 account is that the amount of CWIP and the associated accounts payable change month to
586 month and the amount of accounts payable at any given time only exists for a short
587 period of time until the vendor is paid and the vendor supplied financing is converted to
588 investor supplied financing. That is what ComEd included in its calculation of cash
589 working capital. The amount of accounts payable at 12/31/10 (\$1,283,000) was assumed
590 to be outstanding for 66.82 days or 18.3% (66.82/365) of the following 12 months. That
591 would indicate that \$235,000 ($\$1,283,000 \times 18.3\%$) should be considered vendor
592 supplied financing and a reduction to the CWC amount.

593 Q. **Mr. Brosch believes that inclusion of the CWIP related accounts payable in the cash**
594 **working capital analysis is meaningless because cash working capital only applies to**
595 **revenues and expenses. How do you respond?**

596 A. First it should be noted that the Order in Docket 10-0467 required that CWIP related
597 accounts payable be included in the CWC calculations. Second, I believe it is appropriate
598 to include the CWIP related accounts payable in the CWC analysis because accounts
599 payable represent a temporary source of financing, i.e., working capital, and not a
600 permanent source of funding. If one wants to limit the CWC analysis to the working
601 capital provided by revenues and expenses, then I believe that it would be appropriate to
602 reduce the CWIP in rate base by an equivalent amount i.e. the \$1,283,000 of accounts
603 payable associated with CWIP should be weighted by the % of time for the year that the
604 accounts payable vendor financing is available. In other words, the rate base reduction
605 for accounts payable would be $1,283,000 * 66.13 \text{ days} / 365 \text{ days}$ to recognize that the
606 vendor financing is not permanent. Mr. Brosch also suggests that a more detailed
607 analysis of CWIP financing should be performed, but because much of the work that
608 vendors perform is for both capital and O&M work, the same payment lags would apply
609 and I do not believe any further analysis is warranted.

610 **F. Incentive Pay**

611 Q. **Both AG/AARP witness Effron and CUB witness Smith criticize the use of the Base**
612 **Payroll and Withholdings lead in the determination of CWC and make a proposal**
613 **to reflect the accrued liability for incentive pay as a reduction of rate base. Have**
614 **you made any adjustments related to this issue based on their proposals?**

615 A. Yes, I have. I agree that the lead for incentive pay is longer than that of base payroll and
616 I have separated out the amount of incentive pay expense from the base payroll expense
617 amounts and included the impact of the longer lead time (228.50 days) in ComEd
618 Ex. 16.6. This change reduces the CWC amount being claimed in rebuttal by
619 \$16,956,000. ComEd witness Fruehe addresses the related or alternate proposal by
620 Mr. Effron and Mr. Smith regarding the rate base deduction for the accrued incentive
621 liability.

622 **G. Vacation Pay**

623 **Q. AG/AARP witness Effron criticizes the use of the Base Payroll and Withholdings**
624 **lead in the determination of CWC and makes a proposal to reflect the accrued**
625 **liability for vacation pay as a reduction of rate base. Do you agree with his**
626 **proposal?**

627 A. No, I do not.

628 **Q. Why don't you agree with his proposal?**

629 A. The expense lead for base payroll is the appropriate lead to use for vacation pay expense
630 as it is expensed and paid during the course of the year. Vacation pay is not like
631 incentive pay, where the employee provides service to ComEd during the course of the
632 year and then gets paid for that service after year end. Vacation pay is paid to the
633 employees through the normal payroll process after the vacation is taken. In order to
634 clearly identify that the vacation pay expense and the base payroll amount is reflected in
635 the CWC, I have separated the 2010 vacation pay expense amount out from the base
636 payroll amount and I have shown the impact of each separately in ComEd Ex. 16.6. This
637 change is for illustrative purposes only and has no impact on the amount of CWC being

638 requested in this proceeding. ComEd witness Fruehe addresses the related proposal by
639 Mr. Effron regarding the rate base deduction for the accrued vacation pay liability.

640 **H. Impact of Current and Deferred Income Taxes**

641 **Q. Have you made any modifications to the way the Current and Deferred Income**
642 **Taxes are reflected in the CWC calculation?**

643 **A.** Yes, I have.

644 **Q. Would you please provide some background as to how current and deferred income**
645 **taxes are treated in a CWC study?**

646 **A.** It is common and proper in a cash working capital study to reflect the current income tax
647 expense as a cash outflow with its associated lead and then remove the net amount of the
648 deferred taxes and investment tax credits from revenues as they are reflected in the total
649 receipts amount but are a not a cash outflow in the test year. Failure to remove these
650 deferred taxes would create an imbalance between the amount of receipts (cash inflows)
651 being used in the CWC calculation and the amount of expenses (cash outflows) being
652 used in the CWC calculation.

653 **Q. Is that the treatment you followed in the direct filing in this proceeding?**

654 **A.** Yes, it is.

655 **Q. Please explain why modifications were needed in rebuttal?**

656 **A.** The updated 2010 amounts in rebuttal include a negative \$33,217,000 for current state
657 income tax, a negative \$213,189,000 for current federal income tax, a positive
658 \$444,328,000 for deferred state and federal income tax, and a negative \$1,721,000 for
659 investment tax credits. The sum of these amounts is the total tax expense reflected in the

660 test year and amounts to \$196,201,000. (See ComEd Ex. 13.1 at Schedule C-1 Rev., col
661 F, lines 20 through 24.) These numbers differ only slightly from what was in direct. It is
662 my understanding that the negative amounts for current and state income tax expense
663 arose as a result of book and tax timing differences generating enough deferred taxes that
664 there were no current taxes due and payable in 2010 and that a receivable was recorded
665 on the books for the amount of negative current tax expense. Because the negative
666 current and state income tax expense in the amount of \$246,406,000 (\$33,217,000 +
667 \$213,189,000) is not an actual cash outflow in the test year that amount should not
668 impact the CWC requirements.

669 Q. **Please explain what changes were necessary in rebuttal to reflect these**
670 **modifications?**

671 A. I eliminated the negative current state and federal income tax expense amounts of
672 \$33,217,000 and \$213,189,000, respectively, and reflected zero for these amounts in the
673 outlays section of ComEd Ex. 16.6. Because deferred taxes generated these negative
674 current taxes a comparable amount (\$246,406,000) of deferred taxes also had to be
675 eliminated from the deferred tax amounts that are excluded from revenues (cash inflows)
676 in the CWC calculation. Failure to remove these comparable deferred taxes would cause
677 an imbalance of cash inflows and cash outflows in the CWC calculation.

678 I. **Revised Cash Working Capital Amount**

679 Q. **Have you prepared an exhibit using ComEd's revenues and expenses as updated in**
680 **the rebuttal testimony being filed in this proceeding and reflecting the adjustment**
681 **described in your rebuttal testimony?**

682 A. Yes, I have prepared ComEd Ex. 16.6, which shows the amount of CWC calculated
 683 based on rebuttal. The amount of CWC being requested based in the rebuttal filing is
 684 \$39,805,000 or a reduction of \$9,126,000 from the amount originally requested in
 685 ComEd Ex. 8.1TB. ComEd Ex. 16.6 is summarized below.

Line	Description (A)	CWC Requirements (B)
1	REVENUE LAGS	164,207,000
2	EXPENSE LEADS	(164,075,000)
3	OTHER NON REVENUE, NON EXPENSE ITEMS - CASH INFLOW	87,690,000
4	OTHER NON REVENUE, NON EXPENSE ITEMS - CASH OUTFLOW	(47,782,000)
5	NON-AFUDC CONSTRUCTION WORK IN PROGRESS (CWIP)	(235,000)
6	CASH WORKING CAPITAL REQUIREMENT = Col (B) Line 1 - Col (B) Line 2 + Col (B) Line 3 - Col (B) Line 4 - Col (B) Line 5	39,805,000

686

687 Q. Does this conclude your rebuttal testimony?

688 A. Yes.

Commonwealth Edison Company

Recalculation of Collection Lag

Line No.	Lag (A)	Number of Days (B)
1	Service Lag	15.21 No change from Direct
2	Billing Lag	2.06 No change from Direct
3	Collection Lag, recalculated	41.41 Change due to elimination of grace periods
4	Payment Processing Lag	0.85 No change from Direct
5	Bank Float	0.79 No change from Direct
6	Total Revenue Lag	60.32

Summary

Line No.	Weighted Days	Average Monthly \$ Amounts	Weighted Days	Weighted \$ Amounts
27	Residential	42,239,775	317,134,679	28,862,937
28	SCI	43,218,200	106,038,124	0.2325
29	LCI	24,743,883	26,642,049	0.0573
30	Railroad	38,875,200	1,449,000	0.0031
31	Street Lighting	48,061,558	6,748,490	0.1405
32	Public Authority	15,505,610	748,129	0.0016
33	Government	30,919,033	3,956,135	0.0086
34	Total	464,750,605	1,000,000	41,408,775

Collection Lag

Line No.	13 Month Average Receivable Balances	0-30	31-60	61-90	91-120	121-150	151-180	181-210	211-270	271-365	Total
2	Residential	209,985,169	45,301,768	22,639,414	13,167,331	8,061,869	5,321,751	3,814,749	4,739,710	4,070,738	317,134,679
3	SCI	76,864,628	12,753,860	5,211,584	3,046,096	2,183,237	1,664,897	1,436,740	2,771,132	2,665,959	106,038,124
4	LCI	21,061,859	3,750,014	1,267,848	373,896	197,982	59,030	14,869	(18,668)	(6,779)	26,642,049
5	Railroad	602,277	54,854	298,057	5,042	1,770	0	0	0	0	1,449,000
6	Street Lighting	3,386,191	1,626,642	755,098	408,690	257,471	150,578	36,125	49,704	68,991	6,748,490
7	Public Authority	741,336	3,463	1,739	829	339	292	28	13	0	748,129
8	Government	2,616,714	1,067,718	166,974	84,841	20,743	14,441	11,869	17,613	28,705	3,956,135
9		315,250,165	65,048,228	30,280,512	17,086,625	10,623,191	7,212,989	5,303,360	7,064,504	5,820,534	464,750,605

Percentage of Customer Class Total

Line No.	0-30	31-60	61-90	91-120	121-150	151-180	181-210	211-270	271-365
13	Residential	0.6507	0.4785	0.0715	0.0445	0.0242	0.0167	0.0128	0.0128
14	SCI	0.2116	0.1164	0.0482	0.0283	0.0195	0.0154	0.0140	0.0140
15	LCI	0.0785	0.0400	0.0475	0.0140	0.0093	0.0022	0.0054	0.0051
16	Railroad	0.0268	0.0027	0.0057	0.0009	0.0009	0.0000	0.0000	0.0000
17	Street Lighting	0.0366	0.0213	0.1109	0.0681	0.0349	0.0223	0.0096	0.0077
18	Public Authority	0.0091	0.0007	0.0032	0.0011	0.0005	0.0004	0.0002	0.0000
19	Government	0.0083	0.0002	0.0005	0.0002	0.0001	0.0001	0.0001	0.0001
20		4.7384	1.2852	0.3256	0.1576	0.0965	0.0607	0.0402	0.0395
21	Midpoint	0.30	0.60	0.90	1.20	1.50	1.80	2.10	2.70
22	Residential	15	45	75	105	135	165	195	240
23	SCI	15	45	75	105	135	165	195	240
24	LCI	15	45	75	105	135	165	195	240
25	Railroad	15	45	75	105	135	165	195	240
26	Street Lighting	15	45	75	105	135	165	195	240
27	Public Authority	15	45	75	105	135	165	195	240
28	Government	15	45	75	105	135	165	195	240

Weighted Average Collection Time by Interval and Customer Category

Line No.	0-30	31-60	61-90	91-120	121-150	151-180	181-210	211-270	271-365
36	Residential	9,910,505	6,428,252	4,859,600	3,431,700	2,770,350	2,348,885	2,111,270	2,711,365
37	SCI	10,679,000	5,316,300	3,618,000	2,595,900	2,102,625	1,575,950	5,044,800	4,070,738
38	LCI	11,858,923	6,300,000	3,568,500	1,472,000	800,950	3,663,000	0,595,300	(10,147,800)
39	Railroad	6,307,200	16,610,400	15,427,500	0,365,000	0,164,700	0,000,000	0,000,000	0,000,000
40	Street Lighting	7,539,800	10,855,625	8,399,250	6,364,000	5,155,650	3,684,400	1,045,200	1,768,800
41	Public Authority	14,855,665	0,214,200	0,174,000	0,116,550	0,065,075	0,064,525	0,007,900	0,000,000
42	Government	9,878,665	12,249,000	3,133,500	0,915,600	0,700,625	0,553,800	1,058,400	1,827,700

	0-30	31-60	61-90	91-120	121-150	151-180	181-210	211-270	271-365	Total
Street Lighting	17,614,642	35,332,761	19,780,569	13,058,039	8,413,102	4,994,519	3,050,259	4,000,791	4,156,626	269,243,588
Public Authority	16,418,604	3,491,053	3,881,344	2,433,137	1,902,644	1,411,133	2,844,807	1,411,133	2,844,807	101,006,865
Government	18,180,600	2,901,350	2,918,215	2,470,811	1,899,457	1,402,366	2,844,807	1,411,133	2,844,807	27,469,486
Government	3,313,987	569,666	2,918,215	1,402,366	1,092,582	809,880	1,411,133	715,722	1,411,133	4,648,922
Government	491,613	935,894	311,495	17,388,640	10,923,511	6,874,961	183,720	6,115,772	7,228,163	1,982,794
Government	0-30	31-60	61-90	91-120	121-150	151-180	181-210	211-270	271-365	Total
Residential	222,780,069	461,313,344	218,644,686	140,938,128	85,818,192	47,645,462	28,541,968	43,821,130	45,941,968	330,048,511
SCI	79,764,402	12,841,748	8,810,903	2,980,941	2,278,594	1,898,717	3,684,178	2,483,246	3,002,469	11,633,846
LCI	24,242,326	4,502,712	3,009,411	559,262	185,360	23,267	173,143	0	0	30,639,215
Railroad	770,019	466,423	303,948	14,901	11,039	0	0	0	0	1,551,380
Street Lighting	2,591,140	1,015,598	248,971	96,405	95,868	27,276	24,774	60,848	95,033	3,717,872
Public Authority	1,569,441	3,425	2,924	3,127	0	0	0	0	0	3,425
Government	7,768,883	1,650,413	273,180	44,328	40,139	31,462	31,777	26,590	61,514	4,917,771
Government	332,875,551	64,801,663	30,199,081	17,537,094	12,120,189	9,057,817	6,298,738	6,713,351	7,741,147	487,444,650
Government	194,357,749	50,995,357	24,449,337	14,317,912	8,924,383	7,218,652	5,189,554	5,514,357	4,460,874	315,749,395
Residential	74,580,296	13,220,995	4,970,736	2,905,741	2,120,168	1,938,938	1,812,814	2,438,454	2,522,280	104,919,889
SCI	22,883,041	4,128,850	1,792,049	759,060	106,211	13,317	11,267	(73,143)	0	29,572,873
LCI	713,793	653,568	324,369	0	0	0	0	0	0	1,691,729
Railroad	2,929,214	696,158	313,326	(183,613)	70,068	90,334	8,050	78,785	97,743	4,148,065
Street Lighting	9,647,402	4,813	3,425	36,024	19,970	29,322	24,781	31,659	52,236	9,656,188
Public Authority	2,942,448	1,538,741	349,684	36,024	19,970	29,322	24,781	31,659	52,236	5,022,886
Government	306,024,044	71,336,593	32,693,327	17,883,355	11,141,619	9,290,119	6,848,496	8,020,132	7,513,342	472,761,026
Government	167,278,359	44,413,183	19,003,111	15,063,703	8,009,500	6,374,276	5,169,963	6,403,812	4,326,785	287,047,671
Residential	73,090,172	12,969,874	5,004,925	2,924,796	2,015,873	1,878,765	1,591,477	2,556,937	2,874,103	104,943,922
SCI	24,779,456	3,869,228	1,746,395	644,465	312,650	(48,199)	6,434	(29,249)	0	30,500,945
LCI	680,372	611,672	309,369	0	0	0	0	0	0	1,601,414
Railroad	4,676,312	879,629	229,187	231,875	(164,709)	63,966	66,361	32,697	97,360	6,111,909
Street Lighting	1,357	4,902	3,428	3,425	229	219	0	0	0	11,066
Public Authority	2,529,437	1,227,356	327,074	32,360	22,427	10,781	15,832	24,509	34,171	4,233,947
Government	273,032,472	63,802,844	36,283,889	18,205,623	10,715,970	8,278,899	6,850,068	8,598,911	7,332,359	454,300,875
Government	152,210,890	38,272,536	23,443,223	15,890,633	9,108,875	5,260,356	4,397,802	6,150,136	4,586,177	258,726,628
Residential	71,235,761	12,959,759	5,133,314	3,199,477	2,099,117	1,476,822	1,578,606	2,454,390	2,705,692	101,693,839
SCI	21,542,081	5,817,653	633,254	150,712	115,784	14,509	(13,075)	0	0	28,361,719
LCI	601,230	596,195	482,788	23,141	0	0	0	0	0	1,703,646
Railroad	5,474,510	2,892,680	957,902	95,062	119,550	(181,931)	42,170	30,175	112,886	6,941,504
Street Lighting	16,138	1,039	113	151	128	229	135	0	0	(4,443)
Public Authority	2,671,562	1,040,042	201,209	66,712	24,477	18,746	7,939	20,366	28,874	4,153,936
Government	251,720,493	60,220,206	29,942,298	19,123,898	11,467,931	6,568,730	6,006,577	6,672,057	7,492,729	401,776,928
Government	148,895,011	35,504,274	18,629,698	13,730,447	9,248,646	5,625,751	3,570,484	5,197,405	4,349,208	244,761,924
Residential	70,517,000	11,998,810	4,493,630	2,894,486	2,396,953	1,554,327	1,255,472	2,329,797	2,644,001	99,546,477
SCI	17,140,226	4,911,883	3,495,790	174,701	41,150	91,582	363	(18,906)	0	27,809,330
LCI	546,672	478,372	32,069	0	0	0	0	0	0	1,085,914
Railroad	3,680,073	2,310,293	2,062,979	345,974	70,992	119,853	(211,125)	74,739	62,989	8,492,915
Street Lighting	16,138	3,903	3,422	3,846	3,828	3,353	229	174	0	12,614
Public Authority	1,172,215	463,215	113,860	64,996	56,661	23,063	18,677	20,443	34,669	4,084,487
Government	245,823,937	55,839,930	28,821,508	17,311,377	11,911,231	7,398,329	4,694,100	7,059,702	7,950,807	383,864,661
Government	223,621,212	32,621,213	18,211,488	11,745,096	7,087,054	6,061,918	3,854,540	4,231,645	4,060,199	312,189,284
Residential	82,158,669	12,664,637	5,003,158	3,031,606	2,008,991	1,255,323	1,323,385	2,096,105	2,509,105	112,410,532
SCI	21,192,166	4,214,851	1,903,018	129,918	81,419	(30,333)	36,185	(84,048)	0	29,303,891
LCI	584,539	507,047	339,026	4,490	0	0	156,430	(172,624)	66,313	1,433,084
Railroad	3,342,334	1,866,325	341,433	214,690	114,638	58,509	0	0	0	6,077,968
Street Lighting	(12,421)	787	0	0	0	0	0	0	0	(12,421)
Public Authority	1,138,159	511,364	242,290	24,290	26,738	20,802	4,082	63	(1,679)	3,717,103
Government	313,363,965	52,894,980	25,359,467	15,098,533	9,918,849	7,856,778	5,370,611	6,110,134	6,742,739	462,651,059

	0-30	31-60	61-90	91-120	121-150	151-180	181-210	211-270	271-355	Total
1 July 2010										
2 Residential	32,904,822	43,669,694	15,276,941	10,010,208	7,246,602	5,999,838	4,448,869	4,447,873	5,654,288	416,402,750
3 SCI	99,234,637	12,860,483	4,699,893	2,885,591	2,694,911	1,986,238	1,315,463	2,055,886	2,618,330	122,810,504
4 LCI	24,166,468	3,000,345	1,990,700	375,298	99,090	77,174	(44,201)	(10,956)	(38,868)	28,708,469
5 Railroad	635,191	313,173	0	0	0	0	(60,463)	104,216	75,185	7,070,085
6 Street Lighting	3,025,371	1,868,977	184,214	100,241	54,990	0	0	0	0	7,070,085
7 Public Authority	112	0	797	0	0	0	18,234	6,642	(11,717)	4,135,682
8 Government	3,137,417	812,180	304,609	19,445	15,757	23,104	18,234	6,642	(11,717)	4,135,682
9	460,945,799	62,594,724	22,944,631	13,872,751	9,558,602	6,791,312	5,586,891	6,984,653	6,327,886	580,187,898
10										
11 August 2010										
12 Residential	360,831,978	54,882,488	16,864,372	8,496,017	5,897,021	4,544,851	3,628,458	4,778,047	3,198,176	460,169,360
13 SCI	103,892,872	13,658,939	3,898,741	2,655,284	1,966,431	1,542,889	1,371,881	2,275,006	2,380,321	183,243,028
14 LCI	23,069,475	4,053,471	711,594	439,053	323,375	57,959	54,572	(52,158)	(81,795)	28,892,546
15 Railroad	569,220	548,314	321,051	8,331	0	0	0	0	0	1,478,915
16 Street Lighting	4,385,215	2,083,285	1,852,199	1,502,276	90,434	0	28,079	(6,098)	116,890	9,678,478
17 Public Authority	39	4,897	0	0	0	0	0	0	0	4,896
18 Government	3,403,616	1,241,155	173,782	20,095	475	8,161	15,172	16,707	(2,060)	4,877,102
19										
20	466,184,514	83,861,631	23,516,630	12,872,379	8,448,568	6,244,333	5,136,172	7,007,513	5,651,622	688,381,961
21										
22 September 2010										
23 Residential	264,440,239	72,155,901	25,897,914	9,775,715	4,698,417	3,859,311	3,266,679	4,665,972	3,350,282	392,108,429
24 SCI	89,519,287	16,806,734	5,283,419	2,735,863	1,658,729	1,397,474	1,310,694	2,202,564	2,424,568	133,541,372
25 LCI	21,275,516	3,196,131	1,246,736	487,523	151,686	52,591	46,346	26,325	(81,795)	26,884,090
26 Railroad	575,923	498,653	10,370	0	0	0	0	0	0	1,085,246
27 Street Lighting	3,277,455	2,767,279	1,287,257	1,354,135	1,278,050	166,658	85,921	746	128,760	10,344,229
28 Public Authority	3,336,999	1,535,967	37,324	(6,369)	11,036	(1,404)	7,508	27,607	(857)	4,845,151
29 Government	382,324,953	96,958,699	33,765,020	14,825,967	7,804,928	5,674,609	4,717,229	6,923,213	5,870,959	558,365,416
30										
31 October 2010										
32 Residential	163,007,953	52,948,051	30,598,577	12,310,775	5,404,237	3,145,644	2,655,183	4,208,887	3,486,019	277,956,246
33 SCI	72,178,910	13,449,085	6,698,943	2,775,571	1,918,274	1,467,270	1,355,798	2,133,243	2,549,184	104,511,187
34 LCI	21,124,279	3,014,594	721,434	622,989	300,474	89,595	8,325	9,711	(21,089)	25,872,112
35 Railroad	614,082	551,846	313,106	0	0	0	0	0	0	1,479,038
36 Street Lighting	3,813,457	1,860,428	1,886,711	1,184,694	1,278,659	1,163,014	102,885	83,960	(66,646)	10,900,262
37 Public Authority	(1,627)	5,115	1,154	0	0	0	0	0	0	4,642
38 Government	2,715,901	618,749	88,071	30,568	(4,407)	8,457	(8,099)	7,333	7,519	3,459,082
39										
40	282,847,953	71,437,847	40,291,936	16,924,607	8,886,106	5,973,781	4,119,184	6,442,134	6,155,896	424,182,513
41										
42 November 2010										
43 Residential	140,897,346	39,157,204	26,713,455	15,791,707	7,755,586	4,245,857	2,385,884	3,830,784	4,047,774	245,024,366
44 SCI	56,531,563	13,669,003	6,076,511	3,465,907	1,838,262	1,857,899	1,295,457	2,073,590	2,226,114	88,864,745
45 LCI	14,467,074	3,280,320	831,911	240,127	465,572	127,145	(9,144)	8,218	(5,545)	19,405,708
46 Railroad	565,480	559,658	344,229	0	0	0	0	0	0	1,463,377
47 Street Lighting	3,898,095	1,077,422	201,486	191,249	65,916	108,253	37,276	127,678	(19,032)	4,878,423
48 Public Authority	(1,281)	4,405	3,869	0	0	0	0	0	0	6,942
49 Government	2,155,901	713,571	70,115	51,454	11,975	(7,741)	11,095	1,726	10,891	3,019,177
50	217,804,137	56,355,582	34,241,556	19,740,543	10,137,311	6,181,513	3,650,098	6,042,307	6,560,291	361,663,337
51										
52 December 2010										
53 Residential	202,095,093	37,057,936	22,241,834	17,253,716	12,098,815	9,596,082	8,615,146	3,821,578	4,431,151	305,515,291
54 SCI	65,342,861	9,505,587	5,910,370	3,371,789	2,481,724	1,821,705	1,309,267	2,051,816	2,555,186	95,480,807
55 LCI	17,137,185	2,200,108	590,048	240,549	137,865	364,385	153,194	(3,100)	6,192	20,886,440
56 Railroad	552,783	510,016	350,518	0	0	0	0	0	0	1,415,316
57 Street Lighting	3,055,013	981,934	1,763,344	76,431	142,547	26,184	65,088	134,568	2,986	4,663,778
58 Public Authority	(4,602)	3,897	4	0	0	0	0	0	0	1,683
59 Government	2,920,446	477,967	105,770	(6,069)	10,359	(462)	(11,059)	(153)	13,382	3,510,686
60	230,843,676	50,745,246	28,974,883	20,940,422	15,091,280	7,866,075	5,153,217	6,004,662	7,009,408	422,410,974

Commonwealth Edison Company
 Recalculation of Collection Lag

Line No.	Summary	Lag (A)	Number of Days (B)
1	Service Lag	15-21	No change from Direct
2	Billing Lag	2-05	No change from Direct
3	Collection Lag - Recalculation	35-65	Change due to elimination of grace periods and inclusion of Branch uncollectible impact
4	Payment Processing Lag	0-85	No change from Direct
5	Bank Float	0-75	No change from Direct
6	Total Revenue Lag	55-57	

Line No.	Summary	Lag (A)	Number of Days (B)
1	Service Lag	15-21	No change from Direct
2	Billing Lag	2-05	No change from Direct
3	Collection Lag - Recalculation	35-65	Change due to elimination of grace periods and inclusion of Branch uncollectible impact
4	Payment Processing Lag	0-85	No change from Direct
5	Bank Float	0-75	No change from Direct
6	Total Revenue Lag	55-57	

Collection Lag

Line No.	Summary	Lag (A)	Number of Days (B)
27	Residential	36,8653	248,585,844
28	SCI	39,03073	97,528,802
29	LCI	24,24383	26,682,049
30	Railroad	38,87520	1,449,000
31	Street Lighting	48,06158	6,742,490
32	Public Authority	15,50510	748,129
33	Government	30,91903	3,996,135
34	Total	306,692,449	1,090,000

Line No.	Summary	Lag (A)	Number of Days (B)
1	13 Month Average Receivable Balances	0-30	
2	Residential	176,178,847	35,616,896
3	SCI	72,095,740	11,237,482
4	LCI	21,061,859	3,730,014
5	Railroad	609,277	534,854
6	Street Lighting	3,395,191	1,676,642
7	Public Authority	741,326	3,563
8	Government	2,618,714	1,007,785
9	Total	276,658,954	51,867,536

Line No.	Summary	Lag (A)	Number of Days (B)
12	Percentage of Customer Class Total	0-30	
13	Residential	0.70589	0.13469
14	SCI	0.29276	0.11522
15	LCI	0.00953	0.00408
16	Railroad	0.00248	0.00102
17	Street Lighting	0.00286	0.00123
18	Public Authority	0.00271	0.00111
19	Government	0.00951	0.00418
20	Total	4.02506	1.27724

Line No.	Summary	Lag (A)	Number of Days (B)
25	Midpoint	0-30	
26	Residential	15	45
27	SCI	15	45
28	LCI	15	45
29	Railroad	15	45
30	Street Lighting	15	45
31	Public Authority	15	45
32	Government	15	45

Line No.	Summary	Lag (A)	Number of Days (B)
35	Weighted Average Collection Time by Interval and Customer Category	0-30	
36	Residential	10.88831	6,06105
37	SCI	11,08890	5,18490
38	LCI	11,85825	6,30000
39	Railroad	6,30720	16,61040
40	Street Lighting	7,53980	10,81625
41	Public Authority	14,86365	0,17400
42	Government	9,82955	12,24900

Commonwealth Edison Company

Summary of Proposals related to EAC/REC, GRT/MUT, IIET and CIMF

Line No.	Tax, Fee or Charge	Com Ed	Staff	Difference ComEd vs Staff	AG/AARP	CUB	IIEC
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	EAC/REC Lag	51.25	- (1)		- (1)	- (1)	- (1)
2	Lead	(40.69) (1)	(35.79) (2)		(35.20) (2)	(35.21) (2)	
3	Net	<u>10.56</u>	<u>(35.79)</u>	<u>46.35</u>	<u>(35.20)</u>	<u>(35.21)</u>	-
4							
5							
6	GRT/MUT Lag	51.25	- (1)		- (1)	- (1)	- (1)
7	Lead	(44.22)	(47.38) (3)		(44.22)	(44.22)	
8	Net	<u>7.03</u>	<u>(47.38)</u>	<u>54.41</u>	<u>(44.22)</u>	<u>(44.22)</u>	-
9							
10							
11	Issues to be discussed:						
12	(1) Use of zero lag days and recalculation of EAC/REC lead from (30.05) to (40.69) due to 5%/25%/75% issue.						
13	(2) Use of statutory due date instead of actual payment date.						
14	(3) Staff proposal to use statutory due date and float amount.						
15							
16							
17							
18							
19	Tax, Fee or Charge	Com Ed	Staff	Difference ComEd vs Staff	AG/AARP	CUB	IIEC
20							
21	IIET Lag	51.25	36.04 (1)		46.08 (2)	46.72 (2)	-
22	Lead	(4.12)	(5.90) (3)		(4.12)	(4.12)	
23	Net	<u>47.13</u>	<u>30.14</u>	<u>16.99</u>	<u>41.96</u>	<u>42.60</u>	-
24							
25							
26	CIMF Lag	51.25	36.04 (1)		46.08 (2)	46.72 (2)	-
27	Lead	(43.46)	(45.87) (3)		(43.46)	(43.46)	
28	Net	<u>7.79</u>	<u>(9.83)</u>	<u>17.62</u>	<u>2.62</u>	<u>3.26</u>	-
29							
30							
31	Issues to be discussed:						
32	(1) Use of lag days excluding the service lag.						
33	(2) Use of statutory due date instead of actual payment date						
34	(3) Kahle proposal to include service lead of 15.21 days when service lag of 15.21 days has been excluded.						
35							
36							

Commonwealth Edison Company

Recalculation of EAC/REC Lead for Rebuttal

1 Energy Assistance Charges/Renewable Energy
 Paid by Check or ACH - assumes ACH going forward

ComEd pays this tax assuming that the collections in a month are as follows:
 70% from Current month billing 0.7
 25% from 1 Prior month billing 0.25
 5% from 2 Prior month billing 0.05

Line No.	Taxing Jurisdiction	Period Beginning	Period Ending	Payment Due Date	Actual Payment Date	Total Amount	Amount By Month	Billing Month	Days in Month	Service Lead	Payment Lead	Float	Total	Weighting	Weighted Lead		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)		
1	State of Illinois	1/1/2010	1/31/2010	2/22/2010	2/15/2010	3,817,354.68	2,672,148.28	Current	Jan	31	15.50	15.00	0	30.50	0.058457	1.782945	0.75
2							954,338.67	Prior	Dec	31	15.50	46.00	0	61.50	0.020878	1.283971	0.25
3							190,867.73	2 Prior	Nov	30	15.00	76.00	0	91.00	0.004176	0.379972	0.05
4	State of Illinois	2/1/2010	2/28/2010	3/22/2010	3/15/2010	3,807,895.24	2,665,526.67	Current	Feb	28	14.00	15.00	0	29.00	0.058312	1.691058	0.75
5							951,973.81	Prior	Jan	31	15.50	46.00	0	61.50	0.020826	1.280789	0.25
6							190,394.76	2 Prior	Dec	31	15.50	77.00	0	92.50	0.004165	0.385278	0.05
7	State of Illinois	3/1/2010	3/31/2010	4/20/2010	4/14/2010	3,793,611.21	2,655,527.85	Current	Mar	31	15.50	14.00	0	29.50	0.058094	1.713762	0.75
8							948,402.80	Prior	Feb	28	14.00	42.00	0	56.00	0.020748	1.161872	0.25
9							189,680.56	2 Prior	Jan	31	15.50	73.00	0	88.50	0.00415	0.367235	0.05
10	State of Illinois	4/1/2010	4/30/2010	5/20/2010	5/13/2010	3,836,457.47	2,685,520.23	Current	Apr	30	15.00	13.00	0	28.00	0.05875	1.644993	0.75
11							959,114.37	Prior	Mar	31	15.50	44.00	0	59.50	0.020982	1.248432	0.25
12							191,822.87	2 Prior	Feb	28	14.00	72.00	0	86.00	0.004196	0.360891	0.05
13	State of Illinois	5/1/2010	5/31/2010	6/21/2010	6/10/2010	3,792,525.24	2,654,767.67	Current	May	31	15.50	10.00	0	25.50	0.058077	1.480963	0.75
14							948,131.31	Prior	Apr	30	15.00	40.00	0	55.00	0.020742	1.140798	0.25
15							189,626.26	2 Prior	Mar	31	15.50	71.00	0	86.50	0.004148	0.358833	0.05
16	State of Illinois	6/1/2010	6/30/2010	7/20/2010	7/13/2010	3,798,509.47	2,658,956.63	Current	June	30	15.00	13.00	0	28.00	0.058169	1.628721	0.75
17							949,627.37	Prior	May	31	15.50	44.00	0	59.50	0.020775	1.236083	0.25
18							189,925.47	2 Prior	Apr	30	15.00	74.00	0	89.00	0.004155	0.369786	0.05
19	State of Illinois	7/1/2010	7/31/2010	8/20/2010	8/13/2010	3,774,756.99	2,642,329.89	Current	July	31	15.50	13.00	0	28.50	0.057805	1.647439	0.75
20							943,689.25	Prior	June	30	15.00	43.00	0	58.00	0.020645	1.197387	0.25
21							188,737.85	2 Prior	May	31	15.50	74.00	0	89.50	0.004129	0.369538	0.05
22	State of Illinois	8/1/2010	8/31/2010	9/20/2010	9/17/2010	3,826,256.03	2,678,379.22	Current	Aug	31	15.50	17.00	0	32.50	0.058594	1.904289	0.75
23							956,564.01	Prior	July	31	15.50	48.00	0	63.50	0.020926	1.328817	0.25
24							191,312.80	2 Prior	June	30	15.00	78.00	0	93.00	0.004185	0.389228	0.05
25	State of Illinois	9/1/2010	9/30/2010	10/20/2010	10/19/2010	3,843,865.81	2,690,706.07	Current	Sept	30	15.00	19.00	0	34.00	0.058853	2.001348	0.75
26							960,966.45	Prior	Aug	31	15.50	50.00	0	65.50	0.021023	1.376978	0.25
27							192,193.29	2 Prior	July	31	15.50	81.00	0	96.50	0.004205	0.405736	0.05
28	State of Illinois	10/1/2010	10/31/2010	11/22/2010	11/18/2010	3,806,758.39	2,664,730.87	Current	Oct	31	15.50	18.00	0	33.50	0.058295	1.952881	0.75
29							951,689.60	Prior	Sept	30	15.00	48.00	0	63.00	0.02082	1.311636	0.25
30							190,337.92	2 Prior	Aug	31	15.50	79.00	0	94.50	0.004164	0.393491	0.05
31	State of Illinois	11/1/2010	11/30/2010	12/20/2010	12/17/2010	3,804,907.10	2,663,434.97	Current	Nov	30	15.00	17.00	0	32.00	0.058267	1.864531	0.75
32							951,226.78	Prior	Oct	31	15.50	48.00	0	63.50	0.020809	1.321403	0.25
33							190,245.36	2 Prior	Sept	30	15.00	78.00	0	93.00	0.004162	0.387057	0.05
34	State of Illinois	12/1/2010	12/31/2010	1/20/2011	1/14/2011	3,808,286.38	2,665,800.47	Current	Dec	31	15.50	14.00	0	29.50	0.058318	1.720391	0.75
35							952,071.60	Prior	Nov	30	15.00	44.00	0	59.00	0.020828	1.228851	0.25
36							190,414.32	2 Prior	Oct	31	15.50	75.00	0	90.50	0.004166	0.376986	0.05
37																	
						45,711,184.01	45,711,184.01							1.00	40.69		

EAC-REC Rebuttal Change Impact				
	Amount	Lead	Factor	CWC Amount
Rebuttal	46,376	(40.69)	(0.11149)	(5,171)
Direct - Based on 30.05 days				(3,818)
Change				(1,353)

Commonwealth Edison Company
 Recalculation of Lead for Rebuttal

1. Energy Assistance Charges/Renewable Energy
 Paid by Check or ACH - assumes ACH going forward

ComEd pays this tax assuming that the collections in a month are as follows:
 70% from Current month billing 0.7
 25% from 1 Prior month billing 0.25
 5% from 2 Prior month billing 0.05

Line No.	Taxing Jurisdiction	Period Beginning	Period Ending	Payment Due Date	Actual Payment Date	Total Amount	Amount By Month	Billing Month	Days in Month	Service Lead	Payment Lead	Total Weighting	Weighted Lead
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
1	State of Illinois	1/1/2010	1/31/2010	2/22/2010	2/15/2010	3,817,354.68	2,672,148.28	Current	31	15.50	22.00	37.50	0.058457
2							954,338.67	Prior	31	15.50	53.00	68.50	0.020878
3							190,867.73	2 Prior	30	15.00	83.00	98.00	0.004176
4	State of Illinois	2/1/2010	2/28/2010	3/22/2010	3/15/2010	3,807,895.24	2,655,226.67	Current	28	14.00	22.00	36.00	0.058312
5							951,973.81	Prior	31	15.50	53.00	68.50	0.020826
6							190,394.76	2 Prior	31	15.50	84.00	99.50	0.004165
7	State of Illinois	3/1/2010	3/31/2010	4/20/2010	4/14/2010	3,793,611.21	2,655,527.85	Current	31	15.50	20.00	35.50	0.058094
8							948,402.80	Prior	28	14.00	48.00	62.00	0.020748
9							189,680.56	2 Prior	31	15.50	79.00	94.50	0.00415
10	State of Illinois	4/1/2010	4/30/2010	5/20/2010	5/13/2010	3,836,457.47	2,685,520.23	Current	30	15.00	20.00	35.00	0.05875
11							959,114.37	Prior	31	15.50	51.00	66.50	0.020982
12							191,822.87	2 Prior	28	14.00	79.00	93.00	0.004196
13	State of Illinois	5/1/2010	5/31/2010	6/21/2010	6/10/2010	3,792,525.24	2,654,767.67	Current	31	15.50	21.00	36.50	0.058077
14							948,131.31	Prior	30	15.00	51.00	66.00	0.020742
15							189,526.26	2 Prior	31	15.50	82.00	97.50	0.004148
16	State of Illinois	6/1/2010	6/30/2010	7/20/2010	7/13/2010	3,798,509.47	2,658,956.63	Current	30	15.00	20.00	35.00	0.058169
17							949,627.37	Prior	31	15.50	51.00	66.50	0.020775
18							189,925.47	2 Prior	30	15.00	81.00	96.00	0.004155
19	State of Illinois	7/1/2010	7/31/2010	8/20/2010	8/13/2010	3,774,756.99	2,642,325.89	Current	31	15.50	20.00	35.50	0.057805
20							943,685.25	Prior	30	15.00	50.00	65.00	0.020645
21							188,737.85	2 Prior	31	15.50	81.00	96.50	0.004129
22	State of Illinois	8/1/2010	8/31/2010	9/20/2010	9/17/2010	3,826,256.03	2,678,379.22	Current	31	15.50	20.00	35.50	0.058594
23							956,564.01	Prior	31	15.50	51.00	66.50	0.020926
24							191,312.80	2 Prior	30	15.00	81.00	96.00	0.004185
25	State of Illinois	9/1/2010	9/30/2010	10/20/2010	10/19/2010	3,843,865.81	2,690,706.07	Current	30	15.00	20.00	35.00	0.058863
26							960,866.45	Prior	31	15.50	51.00	66.50	0.021023
27							192,193.29	2 Prior	31	15.50	82.00	97.50	0.004205
28	State of Illinois	10/1/2010	10/31/2010	11/22/2010	11/18/2010	3,806,758.39	2,664,730.87	Current	31	15.50	22.00	37.50	0.058295
29							951,688.60	Prior	30	15.00	52.00	67.00	0.02082
30							190,337.92	2 Prior	31	15.50	85.00	98.50	0.004164
31	State of Illinois	11/1/2010	11/30/2010	12/20/2010	12/17/2010	3,804,907.10	2,663,484.97	Current	30	15.00	20.00	35.00	0.058267
32							951,226.78	Prior	31	15.50	51.00	66.50	0.020809
33							190,245.36	2 Prior	30	15.00	81.00	96.00	0.004162
34	State of Illinois	12/1/2010	12/31/2010	1/20/2011	1/14/2011	3,806,286.38	2,665,800.47	Current	31	15.50	20.00	35.50	0.058318
35							952,071.60	Prior	30	15.00	50.00	65.00	0.020828
36							190,414.32	2 Prior	31	15.50	81.00	96.50	0.004166
37							45,711,184.01					1.00	46.44

EAC-REC Rebuttal Change Impact		
Amount	Lead	CWC Amount
Rebuttal	46,376	(5,900)
Direct - Based on 30.05 days	(46,44)	(3,818)
Change		(2,082)

Commonwealth Edison Company

Timeline of Collection and Payment of EAC/REC and GRT/MUT-Based on Statutory Due Dates

EAC/REC and GRT/MUT

COLLECTION	Timeline of Collection of EAC/REC and GRT/MUT	Current Month		Bill Produced and Mailed	Customer Collection Time	Customer Payment Deposited in Bank	Funds Available to ComEd	Total						
		Monthly Service to Customer												
		Month Day 1	Month Day 31											
		15	21	8 days	2	06 days	37	34 days	0	83 days	0	79 days	57	25 Days

EAC/REC

PAYMENT	Timeline of Payment of EAC/REC-based on Statutory Due Dates	% of billings paid	Month -2	Month -1	Current Month - 0		Month +1		Total	Weighted Total
			Monthly Service to Customer	Monthly Service to Customer	Monthly Service to Customer		Tax Remittance Time			
			Month Day 1	Month Day 31	Month Day 1	Month Day 31				
5% of billings	15 days	30 days	30 days	20 days	35 days	5 days				
25% of billings	15 days	45 days	30 days	20 days	55 days	15 days				
70% of billings	15 days	15 days	15 days	20 days	33 days	25 days				
						45 days				

Based on Statutory Due
ComEd pays before collected
by approximately 5 days

GRT/MUT

PAYMENT	Timeline of Payment of GRT/MUT - based on Statutory Due Dates	% of billings paid	Current Month - 0		Month +1		Total
			Monthly Service to Customer		Tax Remittance Time		
			Month Day 1	Month Day 31			
100% of billings	15 days	30 days	30 days	45 days			

Based on Statutory Due
ComEd pays before collected
by approximately 6 days

Commonwealth Edison Company
Cash Working Capital Information

Ln	(A) Description	(B) Source	(C) Amt (\$ in 000s)	(D) Lag (Lead)	(E) CWC Factor (C) / 365	(F) CWC Requirement (C) x (E) (\$ in 000s)
1	Receipts	WPB-8 Revised	\$1,169,476	51.25	0.14041	\$164,207
	Collection of Non Revenue Non Expense Items:					
2	Energy Assistance/Renewable Energy	Schedule B-8 Revised	46,376	51.25	0.14041	\$6,512
3	Gross Receipts/Municipal Utility Tax	Schedule B-8 Revised	238,383	51.25	0.14041	\$33,472
4	Illinois Excise Tax	Schedule B-8 Revised	247,941	51.25	0.14041	\$34,814
5	Infrastructure Maintenance Fee	Schedule B-8 Revised	91,819	51.25	0.14041	\$12,892
6	Other Revenues If Any				0.00000	\$0
7	Total Revenue and Non Revenue Receipts	Sum of (Ln 1) thru (Ln 6)	<u>1,793,995</u>			<u>\$251,897</u>
	Outlays					
	Base Payroll and Withholdings excluding vacation and incentive pay	WPB-8 Revised	\$215,668	(15.05)	(0.04123)	(\$8,893)
8	Vacation Expense	WPB-8 Revised	\$19,948	(15.05)	(0.04123)	(\$823)
9	Incentive Pay Expense	WPB-8 Revised and WP Ex. 16.6	\$28,985	(228.50)	(0.62603)	(\$18,152)
10	Employee Benefits - Pension and OPEB	WPB-8 Revised	112,785	0	0.00000	\$0
11	Employee Benefits - Other	WPB-8 Revised	52,652	(4.95)	(0.01358)	(\$714)
12	Intra Company Billings - Less Pass Thrus	WPB-8 Revised	91,985	(30.55)	(0.08368)	(\$7,698)
13	Intra Company Billings - Pass Thrus	WPB-8 Revised	32,391	(30.55)	(0.08370)	(\$2,711)
14	Property Leases	WPB-8 Revised	29,778	(6.33)	(0.01734)	(\$516)
15	Other O&M Expense	WPB-8 Revised	242,385	(66.82)	(0.18307)	(\$44,373)
16	Property/Real Estate Taxes	Schedule B-8 Revised	15,162	(339.12)	(0.92910)	(\$14,087)
17	FICA Contributions	Schedule B-8 Revised	20,321	(15.05)	(0.04123)	(\$838)
18	Federal Unemployment Tax	Schedule B-8 Revised	234	(75.63)	(0.20721)	(\$48)
19	State Unemployment Tax	Schedule B-8 Revised	371	(75.63)	(0.20721)	(\$77)
20	Electricity Distribution Tax	Schedule B-8 Revised	66,890	(30.13)	(0.08255)	(\$5,522)
21	State Franchise Tax	Schedule B-8 Revised	1,582	(190.67)	(0.52238)	(\$826)
22	City of Chicago Dark Fiber Tax	Schedule B-8 Revised	0	0.00	0.00000	\$0
23	State Public Utility Fund	Schedule B-8 Revised	3,869	(37.67)	(0.10321)	(\$399)
24	Illinois Sales and Use Tax	Schedule B-8 Revised	561	(2.66)	(0.00729)	(\$4)
25	Chicago Sales and Use Tax	Schedule B-8 Revised	21	(37.45)	(0.10263)	(\$2)
26	Interest Expense	Schedule C-5.4	233,876	(91.13)	(0.24967)	(\$58,392)
27	Current State Income Tax		0	(37.88)	(0.10378)	\$0
28	Current Federal Income Tax		0	(37.88)	(0.10378)	\$0
29	Other Outlays If Any				0.00000	\$0
	Payment of Non Revenue Non Expense Items:					
30	Energy Assistance/Renewable Energy	Schedule B-8 Revised	46,376	(40.69)	(0.11148)	(\$5,170)
31	Gross Receipts/Municipal Utility Tax	Schedule B-8 Revised	238,383	(44.22)	(0.12115)	(\$28,880)
32	Illinois Excise Tax	Schedule B-8 Revised	247,941	(4.12)	(0.01128)	(\$2,799)
33	Infrastructure Maintenance Fee	Schedule B-8 Revised	91,819	(43.46)	(0.11907)	(\$10,933)
34	Other Outlays		0			0
35	Total Outlays	Sum of (Ln 8) thru (Ln 33)	<u>\$1,793,993</u>			<u>(\$211,857)</u>
36	Receipts Less Outlays	(Ln 7) - (Ln 36)	<u>\$2</u>			
37	Accts Payable Related to CWIP	Schedule B-8 Revised	<u>1,283</u>	(66.82)	(0.18307)	(235)
38	Total CWC Requirement - Rebutal	(Ln 7) + (Ln 36) + (Ln 38)				\$39,805
39	CWC Requirement - Direct					<u>48,931</u>
40	Change in CWC					<u>(\$9,126)</u>