

ICC Docket No. 11-0721

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RMP 3.01 – 3.03**

Date Received: December 2, 2011

Date Served: December 16, 2011

REQUEST NO. RMP 3.03:

WPD-3 includes various bond indentures, which mention the Company's subsidiary, Commonwealth Edison Company of Indiana, Inc. (the "Indiana subsidiary") Please provide the following information regarding Commonwealth Edison Company of Indiana, Inc.:

- A) Were adjustments made to D Schedules and associated work papers that removed the effects of the Indiana subsidiary from the Company data provided in the D Schedules and associated work papers in the instant case?
- B) If the response to subpart A is affirmative, please specify each and every adjustment that was made in order to remove the effects of the Indiana subsidiary from the Company data provided in the D Schedules and associated work papers.
- C) Does the Indiana subsidiary incrementally increase ComEd's cost of capital? Please explain why (or why not) the Company believes that the Indiana subsidiary does (or does not) incrementally increase ComEd's cost of capital.
- D) Please provide the following data for the Indiana subsidiary in 2009, 2010 and 2011:
 - 1. Total assets;
 - 2. Total Debt (including the type of debt);
 - 3. Total Equity; and
 - 4. Annual revenues.

RESPONSE:

Commonwealth Edison of Indiana owns and operates approximately 20 miles of 345 kV transmission facilities that connect the electricity grid of ComEd to those in Indiana. These assets are managed and operated as one integrated system with those of ComEd and the costs associated with ComEd of Indiana are recovered through ComEd's FERC formula rate. As stated in the bond prospectuses included as WPD-3 (see, for example, Page 29 of 142), the assets of ComEd of Indiana are not included in ComEd's mortgage.

- A) No. No adjustments are necessary.
- B) Not applicable.
- C) ComEd of Indiana is a rate-regulated entity engaged in standard utility operations subject to FERC jurisdiction. Since it is not an unregulated or non-utility entity, it does not incrementally increase ComEd's cost of capital.
- D) The attachment labeled as RMP 3.03_Attach 1 provides the requested financial information for ComEd of Indiana.

OFFICIAL FILE

I.C.C. DOCKET NO. 11-0721

ComEd Exhibit No. 23.1

Witness Grey

Date 3-9-12 Reporter CC

CFRC 0007071

Commonwealth Edison Company
Selected Financial Information for ComEd of Indiana (1)
(in dollars)

Line No.	Item	2009	2010	2011 (1)
1	Total assets	\$10,126,662	\$10,915,587	\$11,675,099
2	Total debt	\$0	\$0	\$0
3	Total equity	\$8,740,655	\$9,371,716	\$9,890,553
4	Annual revenues	\$2,251,943	\$2,219,392	\$1,750,383 (2)

NOTES

(1) 2009 and 2010 amounts from the ComEd of Indiana FERC Forms 1. Amounts for 2011 from the ComEd of Indiana Form 3-Q for Q3 2011

(2) 2011 revenues are through Q3.

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RMP 9.01 – 9.02
Date Received: December 16, 2011
Date Served: December 30, 2011**

REQUEST NO. RMP 9.01:

Please explain why the Company did not remove the following items from its calculation of the December 31, 2010 common equity balance:

- A) Unappropriated Undistributed Subsidiary Earnings; and
- B) Investment in Subsidiary Companies.

RESPONSE:

The amounts in the balances cited above represent earnings from or investments in two entities: ComEd Financing III and Commonwealth Edison Company of Indiana, Inc, both of which are related to regular utility operations.

ComEd of Indiana owns and operates approximately 20 miles of 345 kV transmission facilities that connect the electricity grid of ComEd to those in Indiana. These assets are managed and operated as one integrated system with those of ComEd and the costs associated with ComEd of Indiana are recovered through ComEd's FERC formula rate. Because the Commission has never functionalized the components of an electric utility's capital structure between distribution and transmission operations, and because doing so now would be inconsistent with Commission practice and law, ComEd included amounts related to ComEd of Indiana in its capital structure as it has in the past.

ComEd Financing III is a trust established for the purpose of facilitating a subordinated debt issuance that is accounted for in ComEd's embedded cost of long-term debt ICC Docket No. 02-0562 authorized ComEd to issue subordinated debt securities and recognized that ComEd would invest in a trust for the purpose of facilitating the transaction by holding the shares of common equity required by the security.

ICC Docket No. 11-0721

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RMP 11.01 – 11.08**

Date Received: February 7, 2012

Date Served: February 14, 2012

REQUEST NO. RMP 11.05:

In Docket No. 10-0467, did the Company adjust the common equity balance to remove ComEd of Indiana? If so, please describe how the Company adjusted the common equity balance in Docket No. 10-0467 in order to remove ComEd of Indiana from the Company's equity balance.

RESPONSE:

No, ComEd did not make an adjustment to its capital structure related to ComEd of Indiana in ICC Docket No. 10-0467. ComEd responded to discovery concerning ComEd of Indiana and whether its investment in the subsidiary incrementally increased ComEd's cost of capital. No party in the case proposed any adjustments.

ICC Docket No. 11-0721

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RMP 11.01 – 11.08**

Date Received: February 7, 2012

Date Served: February 14, 2012

REQUEST NO. RMP 11.06:

Please specify the year in which ComEd initially invested in ComEd of Indiana. Additionally, please specify the docket number for every request for Commission authority relating to financing, affiliated interest transactions or certifications involving the Company and ComEd of Indiana, or ComEd of Indiana on its own.

RESPONSE:

ComEd objects to this data request on the grounds that it is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Subject to the foregoing objections and ComEd's General objections, ComEd states as follows: ComEd of Indiana was first incorporated on March 26, 1926 and reorganized on July 26, 1930. ComEd of Indiana was established to own the State Line generating station which was placed into service in 1929 with 206 MW of net capacity, evolved over time to a 944 MW station by 1970 and currently operates at 544 MW today. State Line station was connected to the northern Illinois service territory of ComEd via transmission lines where the vast majority if not all of the output from the station was used to provide power to ComEd customers. State Line was eventually sold to Dominion on December 29, 1997 but remains connected to the ComEd service territory by a 345 kV transmission line and substation owned and operated by ComEd of Indiana.

Given the 86 years of operating history related to ComEd of Indiana, and the fact that output from State Line station was used to supply ComEd customers through a purchased power contract, those costs would have been subject to review in a large number of rate case and fuel adjustment clause proceedings. ComEd was not able to gather every docket number related to ComEd of Indiana within the data response window. However, the following dockets were identified which pertained specifically to ComEd of Indiana.

46967
79-0240
80-0322
96-0248

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**Commonwealth Edison Company's Response to
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RMP 11.01 – 11.08**

Date Received: February 7, 2012

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REQUEST NO. RMP 11.07:

How would ComEd record a transfer of its ownership of ComEd of Indiana to another entity? Include in the response the names of the accounts and account numbers that would be used to record the transfer and whether those accounts would be credited or debited.

RESPONSE:

ComEd objects to the request as it is overly broad and requests information about a hypothetical transaction. Notwithstanding the objection, ComEd responds that the accounting for a transfer of ownership would depend upon the terms of the transfer. Using an assumption that ComEd sold ComEd of Indiana at book value with no gain or loss on the transaction, ComEd would debit Cash (FERC account 131), credit Investments in Associated Companies (FERC account 123.1), debit Unappropriated Undistributed Subsidiary Earnings (FERC account 216.1) and credit Retained Earnings (FERC account 216).