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2010 Annual Incentive Program

An informational guide to understanding ComEd's Annual Incentive Program (AIP) for ComEd employees and BSC employees who are "dedicated to" or "embedded in" ComEd (i.e., Communications, Finance [excluding the Controller group], Human Resources, Legal, IT and Supply [excluding IT or Supply dedicated to both ComEd and PECO]) and who are not covered by a collective bargaining agreement

Overview

The ComEd Annual Incentive Program ("AIP") provides an opportunity for you to be rewarded for your contribution to the success of Commonwealth Edison Company (the "Company"). It serves as an important part of your overall compensation package by linking individual and Company performance. The final amount of your award will be based on how well you, the group that shares your key performance indicators and the Company as a whole perform against goals set for the year. The ComEd AIP covers all eligible ComEd employees and BSC employees who are embedded in or dedicated to ComEd.

This program is designed to reasonably insure that customers receive the benefits of reduced expenses and greater efficiencies in operations by putting a portion of employees' compensation at risk. It also ensures that employees are properly recognized when their efforts result in superior performance for customers.

Who is Eligible?

To participate in the 2010 AIP, you must meet each of the following requirements:

- You must be classified as a salaried exempt or salaried non-exempt regular employee (not temporary or other classification, such as an intern, co-op or contractor) on the Company's payroll for at least 31 calendar days in 2010 (and not be covered by an incentive plan provided in lieu of the AIP); and
- In most cases, you must be actively employed through the Company's last business day of 2010. *

This informational guide does not apply to individuals who are covered by a collective bargaining agreement.

* Please refer to page 7 "What Happens if Your Status Changes During 2010" for additional information.

How Does the AIP Work?

Generally, 2010 AIP awards will be determined based on the following calculation:

Employee's Incentive-Eligible Salary	X	Target Incentive Opportunity Percentage	X	Company Performance Multiplier (CPM)	X	Individual Performance Multiplier (IPM)*	=	AIP Award Amount																
<p>Each employee has a target percentage that is determined based on his or her grade level. The following chart applies to most employees (grade level E06 and below).</p> <p style="text-align: center;">2010 Target Incentive Opportunity</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Grade Level</th> <th style="text-align: center;">Target % (of Employee's Salary)</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">E06</td><td style="text-align: center;">30%</td></tr> <tr><td style="text-align: center;">E05</td><td style="text-align: center;">25%</td></tr> <tr><td style="text-align: center;">E04</td><td style="text-align: center;">20%</td></tr> <tr><td style="text-align: center;">E03</td><td style="text-align: center;">15%</td></tr> <tr><td style="text-align: center;">E02</td><td style="text-align: center;">10%</td></tr> <tr><td style="text-align: center;">E01</td><td style="text-align: center;">7%</td></tr> <tr><td style="text-align: center;">Salaried Non-Exempt</td><td style="text-align: center;">7%</td></tr> </tbody> </table> <p><i>For exempt employees, your annual base salary in effect on December 31, 2010 generally applies for incentive award calculations. For employees who were non-exempt and/or part-time during any part of 2010, your incentive-eligible salary is based on your incentive-eligible earnings paid while working in each category during 2010 (e.g., includes eligible overtime and shift premium while non-exempt).</i></p>	Grade Level	Target % (of Employee's Salary)	E06	30%	E05	25%	E04	20%	E03	15%	E02	10%	E01	7%	Salaried Non-Exempt	7%				<p>The company performance multiplier (CPM) is based on the achievement of ComEd cost and operational Funding Key Performance Indicators (KPIs), and financial performance under the Net Income Limiter for 2010.</p> <p><i>(See breakout boxes for more information about the ComEd Funding and functional area Allocation KPIs)</i></p>		<p>Eligible employees will have an IPM (between 50 and 120 percent**) that is applied to the base award (incentive-eligible salary x target incentive opportunity percentage x CPM) to calculate the final award.</p> <p><i>*Certain employees designated by a business unit (e.g., bargaining unit) do not have an IPM. **The IPM range for Corporate and Senior Subsidiary Officers is 50 percent to 110 percent.</i></p>		
Grade Level	Target % (of Employee's Salary)																							
E06	30%																							
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E03	15%																							
E02	10%																							
E01	7%																							
Salaried Non-Exempt	7%																							

What is new for ComEd in 2010

The 2010 AIP design supports the Company's cost containment objectives established in response to the current economic environment. The Company is experiencing earnings pressure as a result of near-term economic challenges driven by reduced power prices and decreased demand for electricity. The funding available for payout based on our 2010 operating budget and business plan is approximately half the size that it was in 2009. If performance exceeds our business plan, the AIP continues to allow for a maximum payout of 200% of your target incentive opportunity. Following are highlights of the key changes for 2010.

- The basic structure of the AIP, the employee target opportunity percentages, and all of the "rules" remain the same but with a modified performance and payout scale, which impacts the company performance multiplier. In 2010, a performance level called "plan" is created and represents the performance required to achieve a 50% payout. The payout scale, recalibrated under the 2010 cost containment initiatives, is intended to apply to the AIP in 2010 only. Under the 2010 performance and payout scale:
 - Threshold performance leads to a 25% payout, providing the opportunity for some level of payout in a challenging year.
 - Performance between threshold and plan will lead to a payout between 25% and 50%.
 - Performance at plan will lead to a 50% payout, compared to 100% in 2009.
 - Achievement above plan will offer a payout above 50%, up to a maximum of 200%.
- The 2010 ComEd AIP includes a feature that is called the Net Income (NI) Limiter. Under the NI Limiter, payout above plan will be limited based on ComEd's operating net income. This means that to the extent the AIP KPI performance yields a payout percentage above 50 percent, the AIP payout may be limited by operating net income performance.
- All ComEd employees, including those at the senior vice president level and above, share the same goal structure (e.g., goals and weightings).
- The Focused Initiative KPI has been expanded to include Environmental and additional Customer Focused Initiatives along with the Operations Focused Initiatives introduced last year. These initiatives are key to maintaining or improving reliability, improving customer operations, and support our environmental commitments. With the addition of customer and environmental initiatives, the weighting for this goal and the Customer Satisfaction Index has been adjusted from 10% for each KPI in 2009 to 15% and 5% respectively in 2010.

How ComEd Performance is Measured

ComEd key performance indicators are an important component of your overall AIP award. The Company uses cost and operational KPIs to measure its relative performance. These KPIs are called *Funding KPIs*, because they fund the AIP and establish the potential AIP payout available.

Funding KPIs

- Funding KPIs are made up of ComEd cost and operational KPIs. The AIP for all ComEd employees is equally weighted between cost and operational measures.
- Cost performance is measured through two KPIs: Operating & Maintenance (O&M) Expense and Capital Expenditures
- There are five operational KPIs: SAIFI, which measures the average frequency of customer outages, CAIDI, measuring the average duration of customer outages, OSHA Recordable Rate, measuring ComEd employee safety,

Focused Initiatives & Environmental Index, measuring productivity and environmental commitment, and the Customer Satisfaction Index, measuring overall customer satisfaction.

Position ⁽¹⁾	Example	Corporate (Exelon)	Operating Company and Business Unit KPIs		
		Earnings Per Share	Operating Company Financial Measure	Cost Measure	Business Unit Operational/Financial Measures
ComEd	All Employees	-	ComEd Operating Net Income Limiter	25% ComEd O&M 25% ComEd Capital	10% ComEd SAIFI 10% ComEd CAIDI 10% ComEd OSHA Recordable Rate 15% Focused Initiatives & Environmental Index 5% Customer Satisfaction Index

⁽¹⁾ ComEd Annual Incentive Program subject to review and approval by ComEd Board of Directors

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Funding KPI Performance Levels

There are three levels of performance associated with each AIP Funding KPI. These levels are:

- **Threshold:** The minimum acceptable level of performance that must be achieved for employees to receive any payout (i.e., 25 percent payout) on a Funding KPI. No payout will occur on a KPI that does not achieve a threshold level of performance.
- **Plan:** The required performance level in order to achieve 50 percent payout on a Funding KPI.
- **Distinguished:** The required performance level in order to achieve 200 percent payout (i.e., two times your target incentive opportunity) and the highest payout level available under the AIP.

Funding KPIs ¹	Threshold	Plan	Distinguished	Goal Weight
	25%	50%	200%	
Total O&M Expense (\$M)	\$679.8	\$647.4	\$582.7	25%
Total Capital Expenditures (\$M)	\$718.6	\$684.4	\$616.0	25%
SAIFI 2.5 Beta Method Outage Frequency ²	1.09	0.97	0.90	10%
CAIDI 2.5 Beta Method Outage Duration ²	95	86	83	10%
OSHA Recordable Rate	1.25	1.04	0.99	10%
Focused Initiatives & Environmental Index ³	90%	100%	110%	15%
Customer Satisfaction Index	78	80	82	5%

¹ KPI performance scale is rounded for illustrative purposes. Performance goals and actual achievement may be carried out to additional decimal places to determine final AIP award payout.

² Threshold, Plan and Distinguished levels weather normalized.

³ Performance is based on productivity level achieved, generally calculated as the percentage of actual work completed and dollars spent versus 100% of the work planned and dollars budgeted. At a minimum, 90% of each planned initiative work scope must be achieved before any incentive will be earned for this metric.

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Net Income Limiter

- The AIP includes a feature called the Net Income Limiter that may limit payout on the AIP based on ComEd's operating net income performance. This feature ensures that any payout above plan is aligned with the company's financial performance.
- To the extent that performance on ComEd's funding KPIs yield a payout percentage greater than 50 percent, the payout will be limited by the 2010 net income as follows:

Operating Net Income	Payout %
\$429M	50%
\$450M	100%
\$472M	150%
\$496M	200%

- For operating net income amounts between payout percentages, the payout percentage will be determined by the relative distance between the two points based on operating net income.

See Examples of how the Net Income Limiter works in the chart below:

Payout Percentage				Impact of Net Income Limiter
Before Net Income Limiter Applied	Operating Net Income		After Net Income Limiter Applied	
Composite Payout of ComEd Funding KPIs	Actual Performance	Payout % Limit	Composite Payout of ComEd Funding KPIs	
0% (Below Threshold)	Not Applicable		0%	NI Limiter does not apply because composite payout % is \leq 50%
30%	Not Applicable		30%	NI Limiter does not apply because composite payout % is $<$ 50%
60%	\$ 429 M	50%	50%	Payout Limited by Net Income Performance
60%	\$ 450 M	100%	60%	NI Limiter does not apply because actual composite payout \leq NI Payout Limit
110%	\$ 450 M	100%	100%	Payout Limited by Net Income Performance
110%	\$ 461 M	125%	110%	NI Limiter does not apply because actual composite payout \leq NI Payout Limit
160%	\$ 472 M	150%	150%	Payout Limited by Net Income Performance
160%	\$ 484 M	175%	160%	NI Limiter does not apply because actual composite payout \leq NI Payout Limit
200%	\$ 496 M	200%	200%	NI Limiter does not apply because actual composite payout \leq NI Payout Limit
200%	\$ 420 M	50%	50%	Payout Limited by Net Income Performance

Significant Event Curtailment

To ensure continued focus on critical business issues, your AIP payout may be subject to reduction if a significant adverse business event occurs. If ComEd has a Significant Event in 2010, payout on your AIP KPIs will be reviewed in light of the event and paid at zero percent to 150 percent.

A significant event is defined as a single high profile outage caused by a failure of ComEd owned or managed equipment and determined ultimately to have been caused by a human performance error or poor management attention to maintenance or upkeep of the system. An event in this category will result in negative customer and media impact, as well as significant adverse government and/or regulatory intervention or have a material adverse impact on earnings. The Significant Event gate determination will be made by the ComEd President in concert with the ComEd Chief Executive Officer, by recommendation to the ComEd Board of Directors.

Goal Weighting

- Generally, your Company Performance Multiplier (CPM) is calculated based on the financial, cost and operational KPI performance of the Operating Company/Business Unit in which you are employed on December 31, 2010.

Individual Performance Multiplier and Award Range

Once ComEd performance is determined, the amount of your individual award is determined based on your target incentive opportunity and your individual performance multiplier.

- The annual performance review process determines your individual performance multiplier (IPM) based on your individual performance and personal contribution to your team during the year. The IPM can range from 50 percent to 120 percent ⁽¹⁾ or zero percent, relative to your annual performance rating on a five-point rating scale (A, B+, B, B-, C).
- Your total AIP award, after application of ComEd Funding KPIs, individual multipliers and all other adjustments, can range from zero to 200 percent of your individual target incentive opportunity.
- You will not receive an award if your year-end performance rating is "does not meet expectations" (or its equivalent), or you are placed on but do not successfully complete a performance improvement plan by year end.
- The aggregate payment of individual awards cannot exceed the total funding for all participants' awards, as generated by Corporate and Operating Company/Business Unit performance. ⁽²⁾

⁽¹⁾ The IPM range for Exelon officers and certain senior subsidiary officers is 50% to 110%.

⁽²⁾ This provision does not apply to Exelon officers and certain senior subsidiary officers, since the Compensation Committee of the Board of Directors approves their awards.

When You Will Receive Your Award

You will receive your AIP award, less applicable federal, state and local tax withholding, no later than March 15, 2011.

What Happens if Your Status Changes During 2010

Status change	Impact on your award
New participant	A prorated award ⁽¹⁾ will be calculated subject to your eligible classification on the Company's payroll for at least 31 days.
Promotion, voluntary demotion, and involuntary performance-related demotion	Your award is calculated based on the level you are in as of December 31, 2010.
Involuntary demotion that is not performance-related (e.g., organizational restructuring)	Your current year AIP award is calculated based on the level you were in prior to the demotion. Your AIP target opportunity reverts to that of your new level the following year.
Approved Leave of Absence (e.g., Family Medical Leave, qualifying military leave, paid leave of absence, or short-term disability)	Your award will not be prorated for any period of approved leave of absence while you are receiving pay on the Company's payroll, but will be prorated ⁽¹⁾ for any unpaid leave.
Retirement (age 50 or older with 10 or more years of pension service) with no severance plan eligibility, commencement of benefits under a long-term disability plan ⁽²⁾ and/or unpaid leave ⁽³⁾ , or death	A prorated award ^{(1), (4)} will be calculated subject to your eligible classification on the Company's payroll for at least 31 days.
Change in department or Business Unit or Operating Company	Your award is calculated based on the department or Operating Company/Business Unit you are in on December 31, 2010. In the case of a Company and/or pay cycle change that occurs during the final pay period of the year, your award will be calculated based on the department and Operating Company/Business Unit you were in prior to the change.
Termination for cause or resignation	You will not be eligible for any award.
Transfer or change to/from a non-exempt and/or part-time position in the organization	Your award will be calculated using your incentive-eligible earnings in each position for the period you were in that position (e.g., eligible overtime and shift premium) for 2010.
Involuntary separation or qualifying voluntary separation pursuant to a severance plan including retirement eligible employees	Eligibility and amount of award determined under applicable severance plan. Exelon Corp. Severance Benefit Plan generally provides prorated award ^{(1), (4)} , subject to elimination if employee is rated "off track" or "does not meet expectations" or has been placed on but has not successfully completed a performance improvement plan (PIP).

- (1) In the case of exempt full-time positions, prorated awards are calculated using the number of days you are an active employee on the payroll, divided by 365. For non-exempt and/or part-time positions, a prorated award is calculated using your incentive-eligible earnings (e.g., base pay, and eligible overtime and shift premium) for the period that you are eligible during the year.
- (2) Does not include receipt of partial benefits under a long-term disability plan while continuing to work on a reduced schedule and receive pay as an active employee.
- (3) Family Medical Leave and qualifying military leave are not used to prorate or otherwise reduce your annual award.
- (4) Prorated award is based on a 100 percent IPM, if applicable.

Glossary of Terms

CAIDI (IEEE - 2.5 BETA METHOD) - Customer Average Interruption Duration Index (CAIDI) represents the average time in minutes required to restore service to those customers who experience a sustained outage interruption. A sustained interruption is defined as an outage greater than five minutes. This metric includes secondary and service interruptions while excluding major events, interruptions lasting 5 minutes or less in duration, and planned interruptions. Major events are defined as any day where the SAIDI, which is the product of SAIFI and CAIDI, is greater than or equal to a threshold value. The threshold value is computed using 2.5 standard deviations (beta) above the mean (alpha), based on 5 years of historic SAIDI per day data.

CUSTOMER SATISFACTION INDEX - The customer satisfaction goal will be based on ComEd's performance on the following three equally-weighted customer satisfaction metrics: ACSI Proxy, Contact Center Satisfaction and New

Business Satisfaction. The ACSI Proxy is a combined measure of residential, small business and large business customer satisfaction. The residential component of the ACSI Proxy is the University of Michigan ACSI. The small business and large business components are based on telephone and web-administered surveys conducted by ComEd's research supplier. The score for each customer segment is based on the results from three survey questions: overall satisfaction, meeting expectations, and closeness to the ideal energy utility company. The score for ComEd and for each customer segment represents an index on a 0-100 scale; it is not a percentage. This metric is reported quarterly. Under the 2010 AIP, ACSI Proxy scores will be computed quarterly and based on the results of surveys conducted during the twelve-month period ending December 31, 2010.

Contact Center Satisfaction is the percent of customers satisfied with the service received during a call to the ComEd Customer Care Centers. The score is based on the results of telephone-administered surveys of randomly-selected residential and small business customers who recently phoned the company. It is measured as the percent of survey respondents who are "satisfied" (% 6-10 ratings) on a 0-10 scale, where 0 is "extremely dissatisfied" and 10 is "extremely satisfied." The surveys include all types of transactions (e.g., billing, credit, outage, turn on/off) handled by the Voice Response Unit or a Customer Service Representative. The score for each quarter is the average of the residential and small business scores, weighted by each segment's percent of total calls during the quarter. This metric is reported quarterly. Under the 2010 AIP, Contact Center Satisfaction scores will be computed quarterly and based on the results of surveys for the twelve-month period ending December 31, 2010.

New Business Satisfaction is the percent of customers satisfied overall with ComEd's performance on projects completed by New Business. The score is based on the results of a mail-administered survey. It is measured as the percent of survey respondents who are "somewhat satisfied" and "very satisfied" using a 5-point scale, ranging from "very dissatisfied" to "very satisfied." This metric is tracked monthly. Under the 2010 AIP, New Business Satisfaction scores will be computed every three months and based on the results of surveys for the twelve-month period beginning December 1, 2009 and ending November 30, 2010.

FOCUSED INITIATIVES & ENVIRONMENTAL INDEX - These are the collection of specific work plan objectives that are either key to maintaining or improving reliability, are key to improving customer operations or support our environmental commitments. The Focused Initiatives and Environmental Index include: 2010 Summer Critical Program, Top Priority Circuit Program, Underground (URD) Cable Program, Distribution Automation, Substation Transformer Maintenance Template Program, Vegetation Management for Distribution and Transmission Program, Revenue Protection Initiative, Smart Meter Customer Satisfaction, Customer Service Technology Improvements, GHG Net Emissions, Net MWhs Saved (EEPS) and Dollars/KWh (EEPS).

A productivity measure for the Operations and Revenue Protection Initiatives will be calculated for each initiative to compare the percentage of work completed and dollars expended versus 100% of the work planned and the dollars budgeted. In addition, a threshold completion level of 90% of planned work for each initiative separately will be imposed before incentives apply to ensure that requisite levels of work are completed during the year on all initiatives. Budgeted and actual spend will be based on the Direct costs attributable to each initiative {i.e. General & Administrative (WFR), Capitalized Overheads (A&G), Department Overhead (DOV), etc.}.

Achievement of the Customer Focused Initiatives and Environmental Index is measured as a simple average of the percent of each goal to Plan.

OPERATING NET INCOME - Generally Accepted Accounting Principles (GAAP) Net Income, excluding other exclusions determined by Exelon Corporate Finance.

OSHA RECORDABLE RATE - The criteria for measurement is recordable incidents, including every occupational death and every non-fatal occupational injury which involves one or more of the following: loss of consciousness, restriction of work or motion, transfer to another job, or medical treatment (not first aid). This metric is calculated based on the exposure of 100 full-time workers, using 200,000 hours as the equivalent. (Total of OSHA cases X 200,000 / Total Hours Worked).

SAIFI (IEEE 2.5 BETA METHOD) - System Average Interruption Frequency Index (SAIFI) indicates how often the average customer experiences a sustained interruption over a predefined period of time. A sustained interruption is defined as an outage greater than five minutes. This metric includes secondary and service interruptions while excluding major events, interruptions lasting 5 minutes or less in duration, and planned interruptions. Major events are defined as any day where the SAIDI, which is the product of SAIFI and CAIDI, is greater than or equal to a threshold value. The

threshold value is computed using 2.5 standard deviation (beta) above the mean (alpha), based on 5 years of historic SAIDI per day data.

TOTAL CAPITAL EXPENDITURES - Capital expenditures, as defined in the capitalization policy. This metric includes functional group costs for embedded functions and BSC transactional costs, but excludes BSC corporate allocation costs (i.e. Supply), pensions, other post-retirement employee benefits (OPEB), fringe employee benefits (including incentive payments and severance), and incremental weather-related restoration costs incurred for major storms wherein 10% or more of the System-wide customers are affected, as defined by Procedure OP-ED 1114. The exclusion for storm costs may be denied by recommendation of the ComEd CEO to the Exelon CEO within 30 days of completion of the storm if the restoration response is deemed to be inadequate.

This metric will also exclude costs within Capital that are cash-flow neutral to ComEd, including but not limited to: AFUDC, etc. In addition it will exclude \$83M of incremental transmission spend approved at the 1/12/10 EC Meeting.

TOTAL OPERATING AND MAINTENANCE (O&M) EXPENSE - This metric includes functional group costs for embedded functions and BSC transactional costs, but excludes BSC corporate allocation costs (i.e. Executive Services), pensions, other post-retirement employee benefits (OPEB), fringe employee benefits (including incentive payments and severance), bad debt expenses, incremental weather-related restoration expenses incurred for major storms wherein 10% or more of the System-wide customers are affected, as defined by Procedure OP-ED 1114, and other exclusions from GAAP Net Income that originated in O&M, as determined by Exelon Corporate Finance. The exclusion for storm costs may be denied by recommendation of the ComEd CEO to the Exelon CEO within 30 days of completion of the storm if the restoration response is deemed to be inadequate.

This metric will also exclude costs within O&M that are offset elsewhere within net income for ComEd, including but not limited to: Energy Efficiency and Demand Response Adjustment Rider (Rider EDA), Supply Administration Charge Rider (Rider SAC-PE), Temporary Services, IPP Interconnection studies, mutual assistance provided to another company for storm restoration, consulting fees related to tax and legal settlements.

Important Information:

- This informational guide is intended to provide an overview of the 2010 ComEd Annual Incentive Program. In the event of any inconsistency between this guide and the formal program document, the formal document will control.
- The ComEd CEO and Board of Directors, in the exercise of their sole discretion, reserve the right to adjust the amount of awards payable or make modifications to the program, if business circumstances warrant an adjustment. In addition, the program may be amended at any time by action of the CEO or the Board of Directors and may be terminated at any time by action of the Board of Directors.
- No portion of an award shall be considered earned prior to the last day of the year.

Questions?

Contact your Human Resources Generalist.

Award Calculation – For Illustrative Purposes Only

Refer to the following page for an example of an AIP calculation for an exempt employee who has an incentive-eligible salary of \$70,000 and a target incentive opportunity of 15 percent. The target incentive opportunity amount is \$10,500 (\$70,000 x 15 percent). The example assumes that the Significant Event Curtailment does not apply. This sample provides three examples of the Individual Performance Multiplier (IPM) application, under Step 3 of the calculation.

Sample 2010 Award Calculation

Step 1: Determine the company performance multiplier (CPM):

Step 1A - Calculate the performance of ComEd Funding KPIs

- 25% Funding on ComEd O&M Expense KPI
- 25% Funding on ComEd Capital Spend KPI
- 50% Funding on ComEd Operational KPIs

ComEd Funding KPIs	Goal Weight	X	KPI Performance / Payout %	=	Preliminary Weighted Payout % (Goal Weight x Payout %)
ComEd O&M Expense	25%		50.0%		12.5%
ComEd Capital Expenditures	25%		60.0%		15.0%
ComEd Operational KPIs					
ComEd SAIFI (outages per customer)	10%		55.0%		5.5%
ComEd CAIDI (minutes)	10%		55.0%		5.5%
ComEd OSHA Recordable Rate	10%		75.0%		7.5%
Focused Initiatives & Environmental Index	15%		60.0%		9.0%
Customer Satisfaction Index	5%		60.0%		3.0%
Total ComEd Funding KPI Performance	100%				58.0%

Step 1B - Apply Significant Event Curtailment, if applicable, to the Total Funding KPI Payout. In this case, no curtailment has occurred.

Company Performance Multiplier (CPM)

Company Performance Multiplier

58.0%

Step 1C - Apply Net Income (NI) Limiter. In this example, the ComEd Funding KPI performance is greater than the 60% payout level and Operating Net Income is \$39.6M, limiting the payout to 75%.

Apply NI Limiter

In this example, the NI Limiter does not impact the payout, because the actual ComEd payout % is less than the NI Payout Limit.

Net Income Payout Limit
75.0%

ComEd Funding KPI Payout % before NI Limiter
58.0%

ComEd Funding KPI Payout % After Application of NI Limiter
58.0%

Step 2: Calculate the base award:

Step 2 - Multiply the target incentive opportunity of \$10,500 by the Final CPM

Preliminary AIP Award

Example: Employee's AIP eligible earnings is \$70,000 with a 15% target incentive opportunity. The target incentive opportunity amount is \$70,000 x 15% = \$10,500.

Target Incentive Opportunity
\$10,500

X CPM
58.0%

= Preliminary AIP Award
\$6,090

Step 3: Apply the individual performance multiplier (IPM) to the base award to determine the final AIP award:

Step 3 - Multiply the base award by the IPM. The IPM can range between 60% and 120%.

IPM Example 1 - Final AIP Award

IPM Example 1 - the employee's IPM is 90%

Preliminary AIP Award
\$6,090

X IPM
90%

= Final AIP Award
\$5,481

IPM Example 2 - Final AIP Award

IPM Example 2 - the employee's IPM is 100%

Preliminary AIP Award
\$6,090

X IPM
100%

= Final AIP Award
\$6,090

IPM Example 3 - Final AIP Award

IPM Example 3 - the employee's IPM is 110%

Preliminary AIP Award
\$6,090

X IPM
110%

= Final AIP Award
\$6,699