

REBUTTAL TESTIMONY

of

RICHARD W. BRIDAL II
Accountant

Accounting Department
Financial Analysis Division
Illinois Commerce Commission

Annual formula rate update and revenue requirement reconciliation authorized
by Section 16-108.5 of the Public Utilities Act

Commonwealth Edison Company

Docket No. 12-0321

September 11, 2012

OFFICIAL FILE

I.C.C. DOCKET NO. 12-0321

Staff Exhibit No. 7.0

Witness Richard Bridal

Date 9/25/12 Reporter _____

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1 **Witness Identification**

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

3 A. My name is Richard W. Bridal II. My business address is 527 East Capitol
4 Avenue, Springfield, Illinois 62701.

5 **Q. Have you previously testified in this proceeding?**

6 A. Yes. My direct testimony is ICC Staff Exhibit 2.0.

7 **Q. What is the purpose of your rebuttal testimony in this proceeding?**

8 A. The purpose of my rebuttal testimony is to:

- 9 1. Discuss how the rehearing in Docket No. 11-0721 regarding the issue of
10 Average Year Rate Base vs. Year-End Rate Base relates to this proceeding;
- 11 2. Respond to the rebuttal testimony of Commonwealth Edison Company
12 ("ComEd" or "the Company") witnesses Dr. Hemphill, Mr. Fruehe, and Mr.
13 Trpik regarding my direct testimony recommendations;
- 14 3. Make certain recommendations regarding the identification of costs incurred
15 by the Company in compliance with or in meeting the commitments and
16 obligations of Sections 16-108.5(b) and 16-108.5(b-10) of the Public Utilities
17 Act ("Act");
- 18 4. Update my recommendation that the Commission order an original cost
19 determination; and
- 20 5. Respond to recommendations set forth in the direct testimony of the People
21 of the State of Illinois and AARP ("AG/AARP") witness Mr. Efron and the

22 Citizens Utility Board ("CUB") witness Mr. Smith regarding deferred taxes on
23 the accrued vacation pay deferred debit amount.

24 **Average Year Rate Base vs. Year-End Rate Base**

25 **Q. Does your rebuttal testimony include an adjustment related to the Average**
26 **Year Rate Base vs. Year-End Rate Base issue that was litigated in ComEd's**
27 **previous formula rate proceeding, Docket No. 11-0721?**

28 A. No. Consistent with my direct testimony, Staff Ex. 2.0, Staff is using as the
29 starting point for its adjustments a Company position that includes the
30 determination from the May 29, 2012 order in Docket No. 11-0721, which
31 adopted the use of an average 2011 rate base for purposes of calculating the
32 reconciliation rate base. As such, no Staff adjustment is necessary for this issue.

33 **Q. As stated in your direct testimony, the issue of Average Year Rate Base vs.**
34 **Year-End Rate Base is currently being litigated on rehearing in Docket No.**
35 **11-0721. What is the status of that proceeding?**

36 A. As of the writing of this testimony, a Proposed Order On Rehearing has been
37 issued in Docket No. 11-0721, but a Final Order has not yet been issued. The
38 Proposed Order On Rehearing affirmed the Commission's original determination
39 to adopt the use of Average Year Rate Base for purposes of calculating the
40 reconciliation rate base.

41 **Q. How will the outcome of the rehearing impact the issue in this proceeding?**

42 A. As indicated in my direct testimony, my non-attorney understanding of
43 Subsection 16-108.5(d) of the Act is that the formula rate structure and protocols

44 applicable to this proceeding are bound by the Commission's final decision in
45 Docket No. 11-0721. With respect to the issue of Average Year Rate Base vs.
46 Year-End Rate Base, the Commission's Final Order will either affirm its May 29,
47 2012 order (to use average rate base for purposes of calculating the
48 reconciliation revenue requirement), or accept the Company's year-end rate base
49 proposal, or order some other determination. Regardless of the outcome of the
50 rehearing, the Commission and parties will be bound by that rehearing outcome
51 in this proceeding. As such, the outcome of that rehearing decision would need
52 to be applied to the determination of a reconciliation revenue requirement in this
53 proceeding.

54 **Responses to the Company**

55 **Company Statements Regarding the Impact of the Commission's Order in**
56 **Docket No. 11-0721 on ComEd's Smart Grid Advanced Metering**
57 **Infrastructure ("AMI") Deployment Plan and 2012 Projected Plant Additions**

58 **Q. Did the Company respond to your recommendation that it provide updated**
59 **estimates of its 2012 projected plant additions and related accumulated**
60 **depreciation, depreciation expense, and accumulated deferred income**
61 **taxes which incorporate the impact of the steps ComEd has taken with**
62 **respect to its AMI deployment plan since the Commission issued its Order**
63 **in Docket No. 11-0721?**

64 **A. Yes. Company witnesses Dr. Hemphill (ComEd Ex. 11.0, pp. 8-9); Mr. Fruehe**
65 **(ComEd Ex. 13.0, pp. 8-9), and Mr. Trpik (ComEd Ex. 14.0, pp. 12-13) each**
66 **respond to my recommendation. As discussed in ComEd Ex. 13.0, ComEd has**
67 **updated its 2012 projected plant additions and related accumulated depreciation,**

68 depreciation expense and accumulated deferred income taxes to incorporate the
69 impact of the steps ComEd has taken with respect to its AMI deployment plan. I
70 accept the Company's updates without further adjustment.

71 **Commitments and Obligations under Subsections 16-108.5(b) and 16-**
72 **108.5(b-10) of the Act**

73 **Q. Did the Company respond to your recommendation that it should be**
74 **required by the Commission to identify in each formula rate filing the costs**
75 **that were incurred in compliance with or in meeting the infrastructure**
76 **investment requirements of Section 16-108.5(b) and the contributions for**
77 **an energy low-income and support program as required by Section 16-**
78 **108.5(b-10) of the Act?**

79 A. Yes. Dr. Hemphill states that my proposal should not be adopted. (ComEd Ex.
80 11.0, p. 11)

81 **Q. Has the Company rebuttal testimony on this issue caused you to change**
82 **your recommendation?**

83 A. No. I continue to recommend that the Commission require the Company to
84 identify in each formula rate filing the costs that were incurred in compliance with
85 or in meeting the infrastructure investment requirements of Section 16-108.5(b)
86 and the requirements for contributions to energy low-income and support
87 programs of Subsection 16-108.5(b-10) of the Act. Although such information
88 could indeed be obtained via Staff and Intervenor data requests as mentioned by
89 Dr. Hemphill in his rebuttal testimony (ComEd Ex. 11.0, p. 11), requiring the
90 Company to provide the data up front rather than in response to Staff data

91 requests would allow for a more timely and in-depth review of the data as well as
92 provide greater transparency on the part of the Company.

93 **Q. How do you respond to the Company's statements concerning your**
94 **recommendation regarding the infrastructure investment requirements of**
95 **Section 16-108.5(b) of the Act?**

96 A. My non-attorney understanding of Section 16-108.5(b) of the Act is that the
97 Company is required to annually provide the Commission no later than April 1
98 each year a report that indicates, among other things, how it is satisfying its
99 infrastructure investment program commitments pursuant to this section.
100 However, it seems to me that this report would not necessarily indicate which
101 costs were included in the subsequent May 1 formula rate update filing that
102 reflects the actual costs for the prior rate year plus the next year's projected plant
103 additions. The costs requested for recovery in the annual formula rate filing
104 represent actual and projected costs; the costs reported in the April 1 annual
105 report would only indicate the actual costs incurred through a certain date. The
106 different costs reflected in the formula rate filing and the annual report need to be
107 easily reconciled and explained. The costs related to the infrastructure
108 investment program required by Section 16-108.5(b) of the Act need to be
109 transparent.

110 It is important for the Commission to know how much of the total actual plant
111 investment costs for the year are due to the Company's compliance with or in

112 meeting the requirements of Subsection 16-108.6(c) of the Act due to the fact
113 that the Section states in part that:

114 A participating utility's decision to invest pursuant to an AMI Plan
115 approved by the Commission shall not be subject to prudence reviews in
116 subsequent Commission proceedings. Nothing in this subsection (c) is
117 intended to limit the Commission's ability to review the reasonableness of
118 the costs incurred under the AMI Plan. (220 ILCS 5/16-108.6(c))

119 Although I am not an attorney, my understanding of this Section of the Act is that
120 investments pursuant to an AMI Plan approved by the Commission are not
121 subject to subsequent reviews of decisional prudence but are subject to
122 reasonableness reviews. Thus, it is important that the Company provide and the
123 Commission identify in its Order in each formula rate filing the costs that were
124 incurred in compliance with or in meeting the requirements of Section 16-
125 108.5(b) of the Act.

126 **Q. How do you respond to the Company's statements concerning your**
127 **recommendation regarding the contributions to energy low-income and**
128 **support programs required by Section 16-108.5(b-10) of the Act?**

129 A. My non-attorney understanding of Subsection 16-108.5(b-10) of the Act is that
130 the Company is required to file with the Commission annual reports documenting
131 the disbursement of funds to energy low-income and support programs.
132 Subsection 16-108.5(b-10) also states that payments made by the Company
133 pursuant to this subsection are not recoverable expenses. Finally, this
134 subsection gives the Commission authority to audit disbursement of the funds to
135 ensure they were disbursed consistently with this subsection. It is important for

136 the Commission to be informed of the amount of funds disbursed in the prior year
137 pursuant to this section during the formula rate process because the Commission
138 must ensure those costs are not included in the actual cost amounts that
139 populate the Company's annual formula rate updates and reconciliation as
140 required under the Act. As there is no required filing date for the annual reports
141 required by this Subsection, there is no guarantee that this information would be
142 available in a timely manner to the Commission without requiring its submission
143 with the annual formula rate update and reconciliation filings.

144 **Q. What are your final recommendations regarding the identification of costs**
145 **incurred by the Company in compliance with or in meeting the**
146 **infrastructure investment requirement under Subsection 16-108.5(b) and**
147 **the contributions to energy low-income and support programs required by**
148 **Subsection 16-108.5(b-10) of the Act?**

149 A. My final recommendations are as follows:

150 1. The Commission should require ComEd, the participating utility, in each
151 formula rate proceeding to identify in direct testimony the costs included in the
152 rate year revenue requirement that are:

153 a) Incurred or projected to be incurred in compliance with or in meeting the
154 infrastructure investment requirements of Subsection 16-108.5(b) of
155 the Act; and

156 b) incurred in the applicable year in compliance with or in meeting the
157 requirements for contributions to energy low-income and support
158 programs in Subsection 16-108.5(b-10) of the Act and that were

159 excluded from the requested revenue requirement, and to provide
160 evidence that the costs were excluded;

161 2. in each Order establishing the rates resulting from a formula rate proceeding,
162 the Commission should clearly identify in its Order:

- 163 a) The costs included in the rate year revenue requirement that the
164 participating utility incurred or projected to be incurred in complying
165 with or in meeting the infrastructure investment requirements of
166 Subsection 16-108.5(b) and of the Act; and
- 167 b) The costs which the participating utility incurred in the applicable year
168 in complying with or in meeting the requirements for contributions to
169 energy low-income and support programs of Subsection 16-108.5(b-
170 10) of the Act and to indicate that those specific costs were properly
171 excluded from the approved revenue requirement.

172 3. The Commission should include the following language in the Findings and
173 Orderings paragraphs of its Order in this proceeding:

174 (#) The Commission, based on the record in this proceeding,
175 finds that the approved revenue requirement includes
176 \$269,474 million of projected 2012 plant additions to be
177 incurred by the utility in compliance with or in meeting the
178 infrastructure investment requirements of Subsection 16-
179 108.5(b) of the Act. These are projected costs and will be
180 reconciled to actual costs in the Company's next formula
181 rate filing. The detail of these projected plant additions in the
182 categories as required by Section 16-108.5(b)(1) are as
183 follows (in Millions):

184	Distribution infrastructure improvements	\$ 128,888
185	Training facility construction or upgrade projects	2,551
186	Wood pole inspection, treatment, and replacement	11,110
187	Reducing the susceptibility of storm-related damage	<u>23,447</u>
188		

189	Total electric system upgrades, modernization	
190	projects, and training facilities	\$ 165,996
191		
192	Additional smart meters	52,246
193	Distribution automation and associated	
194	cyber secure data communication network	50,957
195	Substation micro-processor relay upgrades	<u>275</u>
196		
197	Total upgrade and modernization of transmission	
198	and distribution infrastructure and Smart Grid	
199	electric system upgrades	\$ <u>103,478</u>
200		
201	Total projected incremental 2012 plant additions	
202	In compliance with Section 16-108.5(b)(1) of the	
203	Act (Staff Ex. 7.0, Attachment B)	<u>\$269,474</u>

204 and

205 (#) The Commission, based on the record in this proceeding,
206 finds that the utility incurred in 2011 \$0 in compliance with or
207 in meeting the requirements for contributions to energy low-
208 income and support programs of Subsection 16-108.5(b-10)
209 of the Act, and that said costs have been properly excluded
210 from the approved revenue requirement. (Staff Ex. 7.0,
211 Attachment C)

212 **Original Cost Determination**

213 **Q. Did the Company revise its request for an original cost determination in**
214 **rebuttal testimony?**

215 A. Yes. ComEd now requests that the Commission approve the original cost of
216 plant in service as of December 31, 2011, after adjustments, of \$14,996,019,000.
217 (ComEd Ex. 13.0, p. 10) ComEd witness Mr. Fruehe stated that the Company's
218 initial request for an initial cost finding has been updated based on the changes
219 resulting from ComEd's compliance filing.

220 **Q. Do you agree with the updated original cost determination requested by**
221 **ComEd?**

222 A. Yes.

223 **Q. What is your recommendation for the original cost of plant in service as of**
224 **December 31, 2011?**

225 A. I recommend the Commission unconditionally approve \$14,996,019,000 as the
226 original cost of plant as of December 31, 2011, as presented on ComEd Ex.
227 13.06. Should the Commission make any additional adjustments to plant, those
228 additional adjustments should also be considered in the original cost
229 determination. Further, I recommend that the Commission include the following
230 language in the Findings and Orderings paragraphs of its Order in this
231 proceeding:

232 (#) the Commission, based on ComEd's proposed original cost
233 of plant in service as of December 31, 2011, before
234 adjustments, of \$15,036,912,000, and reflecting the
235 Commission's determination adjusting that figure,
236 unconditionally approves \$14,996,019,000 as the composite
237 original cost of jurisdictional distribution services plant in
238 service as of December 31, 2011.

239 **Other Outstanding Issues from Staff Direct Testimony**

240 **Q. In your direct testimony, Staff Ex. 2.0, you stated that you were awaiting the**
241 **Company's responses to several data requests, and that depending on the**
242 **information presented in the Company's responses to those data requests,**
243 **supplemental direct testimony and further adjustments may be necessary.**

244 **Q. Did the Company respond to those data requests?**

245 A. Yes.

246 **Q. Did you file any supplemental direct testimony?**

247 A. No. The Company's responses did not cause me to file any supplemental direct
248 testimony or further adjustments.

249 **Responses to Intervenors**

250 **Docket No. 11-0721 Rehearing Issues**

251 **Q. Starting at page 15 of his direct testimony, AG/AARP Ex. 1.0, Mr. Brosch**
252 **discusses various issues which are the subject of rehearing in Docket No.**
253 **11-0721. Do you have any comments regarding that section of Mr.**
254 **Brosch's testimony?**

255 A. Yes. As I stated in direct testimony and in my rebuttal testimony regarding
256 Average Year Rate Base, the Commission's Order On Rehearing in Docket No.
257 11-0721 will be either an affirmation of its original decisions, an acceptance of
258 the Company proposals, or some other determination. Regardless of the
259 outcome of the rehearing, the Commission and parties will be bound by that
260 rehearing outcome in this proceeding. As such, the outcome of that rehearing
261 decision would need to be applied to the Order in this proceeding.

262 **Deferred Debit Related to Accrued Vacation Pay**

263 **Q. Did any party take issue with the Company's inclusion in rate base of a**
264 **deferred debit related to capitalized vacation pay or recommend an**

265 **adjustment to fully reflect Accumulated Deferred Income Tax ("ADIT") on**
266 **the deferred debit related to capitalized vacation pay?**

267 A. Yes. AG/AARP witness Mr. Effron (AG/AARP Ex. 2.0, pp. 3-5) and CUB witness
268 Mr. Smith (CUB Ex. 1.0, pp. 8-11) each note that the Company has included in
269 rate base a deferred debit related to capitalized vacation pay, and each
270 recommends the same adjustment to fully reflect in rate base the deferred taxes
271 associated with the deferred debit amount.

272 **Q. Did ComEd respond to the intervenors' recommendations in its rebuttal**
273 **testimony?**

274 A. Yes. In ComEd Ex. 13.0, pp. 6-8, Mr. Fruehe rejects the Intervenor arguments,
275 stating that the intervenors have imputed a deferred tax liability related to the
276 accrued vacation pay deferred debit where none exists. Mr. Fruehe avers that
277 there is no related deferred tax liability because the capitalized portion of accrued
278 vacation pay was not recognized as a reduction to expense for either book or tax
279 purposes, and that because the costs had not been distributed to capital projects
280 as of December 31, 2011, they could not be deducted for income tax purposes;
281 thus, no tax benefit existed at the time.

282 **Q. What is your opinion regarding the question of whether ADIT related to the**
283 **accrued vacation pay deferred debit should be included in rate base?**

284 A. As an initial matter, I agree with Mr. Effron's statement that "to the extent that
285 accrued vacation has not been included in operating expenses and is not
286 included in the plant that is either in rate base or accruing AFUDC, that portion of

287 accrued vacation pay should not be included in the operating reserves that are
288 deducted from rate base.” (AG/AARP Ex. 2.0, p. 4) ComEd’s inclusion in rate
289 base of the accrued vacation pay deferred debit, whether stated separately or
290 netted against the vacation pay reserve, correctly recognizes the remainder of
291 the transaction to account for the Company’s vacation pay accrual (Debit:
292 Accrued Vacation Pay Expense; Debit: Accrued Vacation Pay Deferred Debit;
293 Credit: Vacation Pay Reserve). (Attachment A, pp. 27, 31) The Intervenors’
294 proposal to include in rate base the deferred taxes believed to be associated with
295 the accrued vacation pay deferred debit is valid only if said deferred taxes
296 actually exist. At this point in time, it is unclear if there is a basis for a deferred
297 tax liability related to the accrued vacation pay deferred debit to exist. ComEd
298 should provide in its surrebuttal testimony a detailed additional explanation of
299 why it believes there is no deferred tax liability related to the accrued vacation
300 pay deferred debit.

301 **Conclusion**

302 **Q. Does this conclude your prepared rebuttal testimony?**

303 **A. Yes.**

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 7, 2012

REQUEST NO. RWB 2.01:

Please provide a copy of ComEd's vacation policy in effect in 2011 and state how long it has been in effect. Identify any significant changes to the policy since 2001.

RESPONSE:

ComEd's vacation policies in effect in 2011 are attached hereto as RWB 2.01_Attach 1, RWB 2.01_Attach 2, and RWB 2.01_Attach 3.

The policy reflected in the attachment labeled as RWB 2.01_Attach 1 has been in place since 2001. The document was written in 2005 without any significant change to existing policies. The attachment labeled as RWB 2.01_Attach 2 is an excerpt from ComEd's Collective Bargaining Agreement with IBEW Local 15. Beginning in August of 2007, IBEW Local 15 Union Employees were allowed to take their vacations in ½ day increments, see the attachment labeled as RWB 2.01_Attach 3. No other significant changes to the policies have been made.

Corporate Policy
Human Resources

HR-AC-35
Revision 1
Page 1 of 8
Effective: 1/1/05

VACATION PRACTICES

Applicability

This policy applies to all employees of an Exelon Corporation subsidiary, affiliate or related company.

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

No Alteration of Terms of Employment

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

No exceptions to the policy will be allowed without the approval of the Senior Vice President, Human Resource Operations.

1. **Guidelines**

Vacation allows an employee appropriate time away from the job for rest, recreation, and relaxation. The time away from work should allow them to return to their jobs refreshed and more relaxed thereby leading to better job performance. Employees should ensure they are managing their time appropriately by scheduling and taking vacation within the current calendar year.

- A. Vacation days are granted at the beginning of the year and not earned for past service (includes employees on Family Medical Leave).***
- B. Employees not actively working at the beginning of the year (e.g., on a personal leave of absence, or on a suspension) shall be granted vacation days upon return to active employment.***

Effective January 1, 2002, Exelon implemented the following vacation schedule.

Exelon Vacation Schedule (Table 1)	
Years of Service	Vacation Days
1 – 4	15
5 – 9	17
10 – 14	20
15 – 19	22
20 – 24	25
25+	30

Employees will be charged in increments of either a full day or half-day (as determined by the number of scheduled hours divided by two). If the employee has hours remaining that cannot be scheduled as a half-day, they must carry over the hours into the next year. Under no circumstances will an exempt employee receive less than a full day reduction in pay if the employee takes time off after his/her vacation days have been exhausted.

2. **New Hires**

Full time Employees

Newly hired employees will be granted pro-rated vacation days on their 91st day of employment based upon his/her start date in accordance with this table:

NEW HIRE VACATION PRO-RATION SCHEDULE

<u>MONTH OF HIRE</u>	Vacation Days in Calendar Year of Hire (Granted on the 91st calendar day of service)
January	12
February	11
March	10
April	9
May	8
June	7
July	6
August	5
September	4
October	0
November	0
December	0

On each January 1 thereafter (or the 91st day employment, if later), the employee will be granted the employee's full allotment of vacation days for the following year.

Rehired employees will be granted vacation days based on the "New Hire Vacation Pro-Ration Schedule" chart above. Upon having served one year from the date of their rehire, their previous service will count toward their total years of service, and they will be granted vacation days in accordance with Exelon Vacation Schedule, Table 1.

Part-time Employees hired after January 1, 2005

Exempt, part-time employees will be granted on their 91st day of service a pro-rated vacation allotment based on their standard scheduled hours and rounded up to the nearest whole hour.

Non-exempt, part-time employees hired before July of any calendar year will be granted 5 vacation days on their 91st day of service. They will receive 5 vacation days in each succeeding year.

Non-exempt, part-time employees hired in July or after will be granted on January 1 (or on the 91st day after their start date, whichever is later) 5 vacation days for the following year; they, too, will receive 5 vacation days in each succeeding year.

3. Full Time/Part-Time Status Changes

If a non-exempt employee moves from full-time to part-time, the employee's allotment for the remainder of the year will be reduced on a pro-rated basis based on the number of hours scheduled, rounded to the nearest whole hour. In the following calendar year they will receive 5 vacation days. If an exempt employee moves from full-time to part-time, the employee will have his / her vacation days reduced and pro-rated based on the number of hours scheduled, rounded to the nearest whole hour.

If an employee goes from part-time to full-time, the allotment goes up on a prorated basis. The following calendar year they will receive a full-time allotment.

4. Carryover

An employee can carry over only up to ten vacation days into the following year. Any employee who has more than ten unused vacation days at the end of a year will be granted a number of vacation days in the following year so that the total number of vacation days shall be no more than the employee's normal allotment of vacation days plus ten additional days.

Example one: An employee with a normal yearly allotment of 15 vacation days who ends the year with eight unused vacation days will begin the following year with a total of 23 vacation days.

Example two: An employee with a normal yearly allotment of 15 vacation days who ends the year with 12 unused vacation days will begin the following year with a total of 25 vacation days.

Exception: Those employees hired before January 1, 2002 who were authorized to carry over 20 unused vacation days will continue to be able to carry over up to 10 unused vacation days from the previous year and 10 from the current year to the next year.

Non-exempt, part-time employees hired after January 1, 2005, are not eligible to carryover unused vacation days.

5. Upon Termination

Those employees who resign or are terminated will be paid for granted but unused vacation days in accordance with the practices in effect at their respective locations as of December 31, 2004. The termination date will be the last day worked. Those employees who retire are paid all granted but unused vacation as of their last day worked, regardless of their location.

6. Compensation For Vacation

Vacation time is paid at an employee's current base salary or hourly wage. Exelon does not pay employees unused vacation days that cannot be carried over to the next year.

7. Approval of Vacation Time

An employee's manager must approve all vacation in advance. Each Business Unit has its own guidelines on scheduling and advance notice of vacation time. Approval of vacation time is contingent upon the needs of the business.

There are certain exceptions to the vacation schedule as follows:

8. Exelon East Vacation Exceptions

All Exelon East employees in Salary Band 5 and above with less than ten years of service will continue to receive vacation days under the schedule below, until they reach ten years of service. After 10 years of service, the vacation allotment is the same as the plan outlined in Table 1 above.

Note: After January 1, 2002, no new employees entered this class. Exelon East Employee with less than 10 Yrs Service in Salary Band 5 or Above	
Years of Service	Vacation Days
1 – 9	20

9. Exelon West Vacation Exceptions

All Exelon West employees hired before January 1, 1977 will continue to receive vacation days under the schedule below.

Exelon West Employees Hired Before 1/1/1977	
Years of Service	Vacation Days
25+	35

10. Executive Vacation Exceptions

Exelon executives will continue to receive vacation days under the schedule below. All executives with less than ten years of service will continue to receive vacation days under the current schedule, until they reach ten years of service. After 10 years of service, the vacation allotment is the same as the plan outlined in Table 1 above.

Years of Service	Vacation Days
1 – 9	20

11. Attachments

- A. New Hire Vacation Grant Examples
- B. Full Time/Part-Time Status Change Sample Calculations

Approved: /s/ S. Gary Snodgrass 1/1/2005
Executive Vice President & Date
Chief Human Resources Officer

Attachment A

New Hire Vacation Grant Examples

<u>Employee Start Dates</u>			
Date	1/1/20xx	4/1/20xx	1/1/of the next year (20xx+1)
Vacation Days	0 days	12 days	15 days
Employee Starts On March 15, 20xx			
Date	3/15/20xx	6/15/20xx	1/1/ of the next year
Vacation Days	0 days	10 days	15 days
Employee Starts On September 10, 20xx			
Date	9/10/20xx	12/10/20xx	1/1/of the next year
Vacation Days	0 days	4 days	15 days
Employee Starts On October 30, 20xx			
Date	10/30/20XX	1/1/of the next year	1/30/ of that year
Vacation Days	0 days	0 days	15 days

Attachment B

Full Time/Part-Time Status Change Sample Calculations

A part-time exempt employee with 4 years of service working 20 hours per week from January 1, 2005 thru April 12th, 2005. Effective April 13, 2005 the employee goes full time. The pro-rated calculation is as follows:

		Pro-Ration
Part-Time Pro-ration		
Part-Time Entitlement	60 Hrs	
Part-Time Pro-ration	$(60 \text{ Hrs}/12 \text{ months}) \times 3 \text{ months} = 90$	15 Hrs
Full Time Pro-ration		
Full Time Entitlement	120 Hours	
Full Time Pro-ration	$(120 \text{ Hr}/12 \text{ months}) \times 9 \text{ months} = 90$	90 Hrs
New Entitlement		105 Hrs

Employee would receive an additional 45 hours (105 - 60).

The next example is an exempt full time employee moving to exempt part time with the same transfer dates as the example above.

		Pro-Ration
Full Time Pro-ration		
Full Time Entitlement	120 hours	
Full Time Pro-ration	$(120 \text{ Hrs}/12 \text{ months}) \times 9 \text{ months} = 90$	90 Hrs
Part Time Pro-ration		
Part-Time Entitlement	60 Hrs	
Part-Time Pro-ration	$(60 \text{ Hrs} / 12 \text{ months}) \times 3 \text{ months} = 15$	15 Hrs
New Entitlement		105 Hrs

Employee would have their current year entitlement decreased from the original 120 Hours to the new number of 105 Hours.

ARTICLE VI
Vacations-Leaves of Absence

1. In each calendar year, all regular employees who were on the payroll at the close of the last day of the preceding calendar year, shall be entitled to vacations with pay in accordance with the provisions of this Article.

2. A regular employee will be granted a regular vacation of two (2) calendar weeks and one (1) extra basic workday of vacation after the employee has completed their first year of service. Thereafter, the employee will be allowed a regular vacation of two (2) calendar weeks in each calendar year and extra basic workdays of vacation in accordance with the following:

Calendar Year in Which an Employee Completes the Following Years of Service	Days of Vacation Allowed		
	Regular	Extra	Total
1 to 4 inclusive	10	1	11
5 to 10 inclusive	10	5	15
11 to 14 inclusive	10	7	17
15 to 19 inclusive	10	10	20
20	10	11	21
21	10	12	22
22	10	13	23
23	10	14	24
24	10	15	25
25 and over	10	20	30

In the calendar year in which an employee retires, the employee will be eligible for five (5) extra vacation days.

If an employee is permitted to split their regular or extra vacation, the employee shall be paid for the same number of working days as the employee would have received if the employee had taken their regular and extra vacation continuously.

3. In case a holiday is observed on any day during a full week of an employee's regular vacation, an additional day off with pay shall be allowed for each such holiday. The provisions of Section 24 of Article IV shall apply to all other holidays observed while an employee is on vacation.

4. Regular and extra vacation must be completed during the calendar year in which they are due. However, if an employee is hospitalized for forty-eight (48) hours or more while on a scheduled vacation, the remainder of that vacation beginning with the date of hospitalization, may be rescheduled later in that calendar year upon proper notification to the Company.

Should such hospitalization occur during a December vacation which was approved in accordance with Section 6 of Article VI, and cannot be rescheduled in that calendar year, the employee will be permitted to reschedule a maximum of one (1) week of the remaining vacation provided such vacation is taken during the first two (2) months of the succeeding calendar year.

5. An employee will be paid at their basic hourly rate of pay for the employee's scheduled basic workdays during their regular and extra vacation.

6. Provided the conditions of work are such that the employee's services can be spared, and with the understanding that they are subject to change to meet operating conditions and work requirements, the regular and extra vacation shall be selected, in each work group, in accordance with service except that no extra vacation may be scheduled which would interfere with any employee's choice of their regular vacation.

The vacation period shall be from March 1st to November 30th, inclusive, except that for regular vacations the vacation period shall be from April 1st to October 31st, inclusive. However, an employee, at their own request, may be granted a vacation outside the vacation periods specified above.

Vacation schedules shall be posted on the appropriate bulletin boards not less than thirty days in advance of the vacation period defined above.

7. For vacation purposes, a calendar week shall normally begin and end at midnight, Sunday night.

VI

8. An employee's eligibility for vacation shall not be affected by a prolonged absence on account of illness, but only an employee on the payroll may be given a vacation.

No extra time will be allowed because of illness during vacation, except as provided by Section 4 of this Article.

9. No unit of time less than one day shall be counted as vacation time, except as provided in Attachment E of the Nuclear Memorandum of Agreement dated August 27, 2007, and subsequent letter dated November 5, 2008.

10. A regular employee who is retiring will be granted the full vacation and unused floating holidays for which the employee is eligible during the current year before the employee is added to the Service Annuity Roll.

11. A regular employee, eligible for a vacation with pay, whose employment by the Company is terminated before the employee has the entire vacation to which the employee is eligible during the current calendar year, shall receive a vacation allowance equal to their basic hourly rate for the number of days for which the employee is eligible in excess of the number of days of vacation the employee has already taken during the current calendar year, and in the event of termination by death, such vacation allowance shall be paid to the beneficiary of the deceased employee's Group Life Insurance Policy.

The vacation allowance provided in Article VI shall be reduced by any payment under similar or equivalent conditions by reason of any legislation or government orders providing for the payment of allowances to employees who leave the Company.

12. Upon proper notification, reasonable time off as required shall be granted to a regular employee in case of the death of the employee's father, mother, sister, brother, wife, husband, child, grandchild, grandmother, grandfather, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, or daughter-in-law. Normally not more than three (3) days of such time off between the death and burial will be granted without loss of basic hourly rate of pay or scheduled vacation time.

Additionally, upon proper notification reasonable time off as required shall be granted to a regular employee in case of the death of the employee's stepfather, stepmother, stepson, stepdaughter, grandfather-in-law, or grandmother-in-law. Normally not more than one (1) day of such time off between the death and burial will be granted without loss of basic hourly rate of pay or scheduled vacation time.

13. A regular employee will be paid at their basic hourly rate of pay while performing jury service during the employee's basic workweek, but such pay shall not be allowed more than once in each calendar year. All fees received for jury service will be retained by the employee.

While on jury service, an employee shall be assigned to work on the day shift from Monday to Friday, inclusive, and shall be at work during such working hours when not on jury duty.

14. A regular employee performing court service, other than jury service, under summons or subpoena will, upon notice to the Company, be paid at their basic hourly rate of pay for only the first day of such absence which occurs in the employee's basic workweek and will retain all court fees.

15. If a regular employee, upon notice to the Company, is absent during their basic workweek to serve as Judge or Clerk in a public election, under the jurisdiction of election officials, the employee will be paid the difference between their basic hourly rate of pay for that day and election pay, provided the former is the larger, and will retain all fees received.

16. A regular employee may, for justifiable reasons, be granted a leave of absence without pay after reasonable notice to the Company, provided the conditions of work are such that the employee's service can be spared. During these leaves of absence seniority shall accumulate. If an employee overstays such leave, or if an employee accepts employment elsewhere during such leave without consent of the Company, the employee shall be considered to have resigned.

17. The Company will provide two (2) weeks of paid parental leave for the adoption or birth of a child. This leave will be available for both mothers and fathers and will run concurrent with FMLA leave.

18. Employees who are elected by the Union to serve as delegates to Union conventions or similar Union meetings shall, after reasonable notice to the Company, be granted leaves of absence without pay for sufficient time for this purpose.



Attachment E
August 27, 2007

August 27, 2007

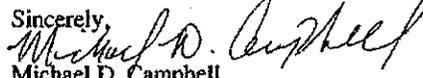
Mr. Dean Apple
President and Business Manager
Local Union 15, I.B.E.W.
6330 Belmont Road, Suite 1
Downers Grove, IL 60516

Subject: Half -Day Vacation increments

Dear Dean,

Vacations shall be allowed in ½ shift increments for a trial period of one (1) year. Employees shall have the opportunity to schedule up to two (2) extra vacation days in ½ shift increments during this trial period. All provisions of the normal vacation selection and eligibility provisions of the CBA shall apply except Article VI Section 9 for this period.

Both Parties shall review this Agreement after the one (1) year trial period to determine its continuation or suspension. Continuation of this agreement must be by mutual agreement for the duration of this agreement. Either Party may terminate this agreement after the one (1) year trial period.

Sincerely,

Michael D. Campbell
Director
Employee, Labor Relations
Exelon Business Services Company



Exelon Corporation
Labor Relations Department
4301 Winfield Rd.
Warrenville, IL 60555

November 5, 2008

Mr. Dean Apple
President, Business Manager
I.B.E.W., Local Union 15
6330 Belmont Road, Suite 1
Downers Grove, IL 60516

Re: Extension of Half-Day Vacation increments

Dear Dean,

During Nuclear bargaining sessions in August of 2007 we agreed to allow vacation in 1/2 shift increments for a trial period of one (1) year. Under those terms employees would have the opportunity to schedule up to two (2) existing extra vacation days in 1/2 shift increments during the trial period and after the one-year trial period it would be determined whether or not to continue the practice. This letter is to inform you that we have agreed to extend this practice through the existing contract period and any ratified extension of the Nuclear contract as a result of the tentative agreement reached on October 31, 2008.

As initially agreed to in the August 27, 2007 letter on this subject, all provisions of the normal vacation selection and eligibility provisions of the CBA shall apply except Article VI, Section 9 during this period.

Sincerely,

A handwritten signature in black ink that reads "Michael D. Campbell". The signature is written in a cursive style.

Michael D. Campbell
Director, Labor Relations
Exelon

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.02:

Please provide the balance of accrued vacation pay as of the end of each month of 2011.

RESPONSE:

The accrued vacation liability debit/credit balances at the end of each month of 2011 are as follows:

January	(51,189,841)
February	(51,189,841)
March	(51,189,841)
April	(51,189,841)
May	(51,189,841)
June	(51,189,841)
July	(51,189,841)
August	(51,189,841)
September	(51,189,841)
October	(51,189,841)
November	(51,189,841)
December	(52,591,605)

This liability is updated annually in December of each year. Please see ComEd's Response to Staff Data Request RWB 2.04 and RWB 2.05 for additional information regarding this process.

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 11, 2012**

REQUEST NO. RWB 2.03:

Please provide the cost of vacation pay accrued during 2011 and as of December 31, 2011.

RESPONSE:

The cost of vacation pay accrued during 2011 was \$1.4 million, which represents the increase in the balance in the accrued vacation liability shown on ComEd's Response to Staff Data Request RWB 2.11 from \$51.2 million as of December 31, 2010 to \$52.6 million as of December 31, 2011.

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.04:

Please explain generally how ComEd determines the appropriate balance for the vacation reserve as of December 31 of any given year.

RESPONSE:

At the end of a given year Exelon's payroll system generates vacation reports that calculate the estimated cost of vacation for the following year. Components of the calculation include individual wage rates, individual annual vacation days, and forecasted pay increases. This estimated cost of vacation for the following year is recorded as the accrued vacation liability as of the end of the given year.

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

RWB 2.01 – 2.23

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.05:

Using the methodology described in the response to RWB 2.04, please illustrate how it was determined that the vacation accrual at December 31, 2011 should be the amount set forth in response to RWB 2.03.

RESPONSE:

See the attachments labeled as RWB 2.05_Attach 1, RWB 2.05_Attach 2, and RWB 2.05_Attach 3 for the reports used to calculate the December 31, 2011 vacation accrual. ComEd management and non-management employees receive a vacation entitlement each year and management employees are also allowed to carryover days from previous years, subject to a cumulative cap of ten to twenty days. These attachments contain both excerpted pages from the reports that calculate the expected vacation pay by individual and the summary totals of the individual calculations. The separate reports are summarized by Exelon Accounting on a spreadsheet labeled as RWB 2.05_Attach 4, which consolidates the results of the vacation entitlement reports and vacation carryover reports, calculates a general wage increase, and thereby determines the total estimate for the 2012 ComEd vacation liability.

The total of \$52,591,605 shown as the December 31, 2011 Estimate on the attachment labeled as RWB 2.05_Attach 4 equals the liability on the ledger as shown in ComEd's Response to Staff Data Request RWB 2.02 and Staff Data Request RWB 2.11.

EXELON
2012 Vacation Entitlement
Exelon - West Management
(As of 01/04/2012)

Employees Days Dollars

REDACTED

ComEd

EDOPSCWE	1,484	34,159.00	12,669,155.26
EDSC	73	1,437.00	588,242.89
EDSC+MCWE	660	14,909.00	5,978,991.95
<u>Co Totals = CWE</u>	<u>2,217</u>	<u>50,505.00</u>	<u>19,236,390.10</u>

REDACTED

EXELON
 2012 Vacation Entitlement
 Exelon - West Management
 (As of 01/04/2012)

<u>Plan</u>	<u>Hrly Rt</u>	<u>Days</u>	<u>Dollars</u>
VACWST	34.48	25.00	6,895.11
VACWST	35.44	25.00	7,088.90
VACWST	35.58	25.00	7,115.38
VACWST	36.89	25.00	7,378.25
VACWST	37.17	25.00	7,433.49
VACWST	37.67	25.00	7,534.62
VACWST	37.84	25.00	7,567.56
VACWST	40.87	25.00	8,174.04
VACWST	47.81	25.00	9,562.96
VACWST	79.42	25.00	15,883.18
VACWST	29.64	30.00	7,112.69
VACWST	32.66	30.00	7,838.73
VACWST	33.85	30.00	8,124.90
VACWST	35.32	30.00	8,476.54
VACWST	37.50	30.00	9,000.00
VACWST	37.63	30.00	9,032.00
VACWST	38.03	30.00	9,178.27
VACWST	38.84	30.00	9,321.06
VACWST	38.95	30.00	9,348.85
VACWST	39.42	30.00	9,461.54
VACWST	39.93	30.00	9,583.29
VACWST	41.36	30.00	9,927.54
VACWST	43.27	30.00	10,384.62
VACWST	43.44	30.00	10,426.04
VACWST	44.21	30.00	10,611.56
VACWST	44.26	30.00	10,621.79
VACWST	44.56	30.00	10,695.46
VACWST	44.71	30.00	10,729.99
VACWST	44.96	30.00	10,791.50
VACWST	45.04	30.00	10,810.01
VACWST	45.65	30.00	10,956.20
VACWST	47.47	30.00	11,392.50
VACWST	50.22	30.00	12,053.19
VACWST	51.48	30.00	12,355.20
VACWST	59.91	30.00	16,777.61
VACWST	69.98	30.00	16,795.85
WVACPT	45.88	20.00	7,341.57
WVACPT	35.23	30.00	6,455.98
	660	14,909.00	5,978,993.95
	2,217	50,505.00	19,236,390.10

EDSC+MCWE
 Co Totals = CHE

REDACTED

EXELON
 2012 Vacation Carryover
 Exelon - West Management
 (As of 01/04/2012)

REDACTED

Employees	Prccd Days Remaining	Unprccd Days in TEL	Carryover Days	Dollars	Lost Days	Dollars
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Company	Employees	Prccd Days Remaining	Unprccd Days in TEL	Carryover Days	Dollars	Lost Days	Dollars
EDORS/CWE	1,484	19,255.44	3,867.25	11,428.50	5,543,284.05	939.09	401,278.53
EDSC	73	987.94	168.50	756.56	338,117.60	62.98	32,906.98
EDSC/MCWE	660	9,457.38	2,067.13	6,617.44	2,924,875.30	572.91	322,191.35
Co Totals = CWE	2,217	29,700.75	6,122.88	22,002.50	8,806,276.95	1,575.08	756,376.85

EXELON
2012 Vacation Entitlement
Exelon - West (Non-Management)
(As of 01/04/2012)

Employees Days Dollars

REDACTED

ComEd

EDOPSCWE	2,158	51,760.00	16,873,444.40
EDS1-MCWE	1,215	22,817.00	6,251,941.20
SSG	31	465.00	112,491.60
<u>Co Totals = CME</u>	3,404	75,042.00	<u>23,237,877.20</u>

REDACTED

2012 Vacation Liability Estimate

		COMED 10601
<u>WEST ESTIMATE</u>		
Mgmt Employees	Entitlement	19,236,390
	Carryover	8,806,277
	SubTotal	<u>28,042,667</u>
	10-M Pay Inc 2.50%	<u>701,067</u>
	Total	<u><u>28,743,734</u></u>
Non-Mgmt Employees	Entitlement	23,237,877
	Carryover	██████████
	SubTotal	<u>23,237,877</u>
	9-M Pay Inc 2.625%	<u>609,994</u>
	Total	<u><u>23,847,871</u></u>
12/31/11 West Estimate		52,591,605
Total Vacation Liability		<u>52,591,605</u>
West Vacation Liability Balance as of 12/31/11 Before Adj		<u>51,189,841</u>
Diff / Adj Needed to vacation liability		<u><u>1,401,764</u></u>
Cap Rate		42%
Adjustments (Cap 42% for ComEd)		<u>588,741</u>
Pre-Tax Adj Needed to vacation liability		813,023
Tax (preliminary tax rates for analysis only)		37.6%
		<u>305,697</u>
After-Cap and After-Tax Adj Required		<u><u>507,327</u></u>
Payroll tax on adjustment		<u><u>93,935</u></u>

Color Legend

Adjustment to be recorded by OpCos

N/A

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 11, 2012**

REQUEST NO. RWB 2.06:

Please identify the account(s) debited and credited when an entry is made to accrue vacation pay.

RESPONSE:

The vacation liability is a credit balance in FERC Account 242. This account is adjusted annually in December to reflect the appropriate liability for vacation granted to ComEd employees for the coming year as discussed in ComEd's Response to Staff Data Request RWB 2.04 and Staff Data Request RWB 2.05.

The offset to the liability entry is an adjustment split based on estimated distribution of labor between capital and expense. The expense portion is recorded in FERC Account 930.2, Miscellaneous General Expenses, and the capitalizable portion is recorded in FERC Account 186, Deferred Debit. See ComEd's Response to Staff Data Request RWB 2.08 and Staff Data Request RWB 2.09 for actual amounts recorded for 2010 and 2011, respectively.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 14, 2012

REQUEST NO. RWB 2.07:

Referring to the Company's response to RWB 2.06, please identify where the debit and credit amounts of the entry to accrue vacation pay are reflected in the formula rate schedules, appendices, or work papers.

SUPPLEMENTAL RESPONSE:

On June 13, 2012 ComEd filed ComEd Ex. 10.3 in compliance with the Final Order in ICC Docket No. 11-0721. ComEd Ex. 10.3 includes a reduction to rate base for the vacation pay liability recorded in FERC Account 242 (Sch. FR B-1, line 23) and the offsetting deferred debit recorded in FERC Account 186 (Sch. FR B-1, line 20). *See* also ComEd Ex. 10.3, WP 5, page 5.

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 11, 2012**

REQUEST NO. RWB 2.07:

Referring to the Company's response to RWB 2.06, please identify where the debit and credit amounts of the entry to accrue vacation pay are reflected in the formula rate schedules, appendices, or work papers.

RESPONSE:

The debit to vacation pay expense of \$1,161,000 for 2011 recorded in FERC Account 930.2 is included on ComEd Ex. 3.1, Schedule FR C-1, line 16. The deferred debits and credits related to vacation pay were not included in the initial filing in ICC Docket No. 12-0321 because, other than the \$1,161,000 recorded in FERC Account 930.2, the remainder of the vacation pay liability recorded as of the end of 2011 represents 2012 vacation pay expense which is not included in expense in this proceeding, and there has been no past Commission practice of including the liability in rate base calculations. ComEd will file revised revenue requirement formula schedules reflecting the Commission May 29, 2012 Order in ICC Dkt. No. 11-0721, which reduced rate base for the vacation pay liability. The revised schedules will reflect the vacation pay liability recorded in FERC Account 242 and the offsetting deferred debit recorded in FERC Account 186 on ComEd Ex. 3.1, App 5 and in ComEd Ex. 3.2 (PUBLIC), WP 5.

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.08:

Please provide the journal entries posted to the general ledger in 2010 to accrue vacation pay.

RESPONSE:

The 2010 Accrued Vacation entry (in \$ thousands) is summarized below:

Debit/(Credit)	FERC Account
\$ (1,725)	242- Misc Current & Accrued Liabilities
1,600	186- Misc Deferred Debits
125	930.2- Misc General Expenses

An accrual for associated payroll taxes was made as part of the accrued vacation entry:

\$ (1,309)	236- Accrued Taxes
591	186- Misc Deferred Debits
718	930.2- Misc General Expenses

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.09:

Please provide the journal entries posted to the general ledger in 2011 to accrue vacation pay.

RESPONSE:

The 2011 Accrued Vacation entry (in \$ thousands) is summarized below:

Debit/(Credit)	FERC Account
\$ (1,402)	242- Misc Current & Accrued Liabilities
241	186- Misc Deferred Debits
1,161	930.2- Misc General Expenses

An accrual for associated payroll taxes was made as part of the accrued vacation entry:

\$ (94)	236- Accrued Taxes
16	186- Misc Deferred Debits
78	930.2- Misc General Expenses

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.10:

Please provide the total annual incremental amount of vacation pay accrued for ComEd for each year 2001 through 2011.

RESPONSE:

The annual incremental amount debited/(credited) to the accrued vacation liability balance and the cost debited/(credited) to expense FERC Account 930.2 are shown below:

	Incremental Debit/(Credit) to Liability	Expense/(Credit)
2001	4,219,653	(2,710,125)
2002	958,578	(345,093)
2003	1,898,083	(1,181,367)
2004	5,943,143	(3,234,791)
2005	(817,615)	2,852,821
2006	(908,736)	167,608
2007	(3,486,363)	2,100,043
2008	(5,146,253)	1,258,570
2009	(538,413)	(288,978)
2010	(1,725,426)	125,170
2011	(1,401,764)	1,239,331

The expense/(credit) amounts are disclosed on page 335 of FERC Form 1. In 2011 the amount disclosed as Miscellaneous General Expenses for Accrued Vacation Pay on FERC Form 1 included the associated accrual for payroll taxes.

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.11:

Please provide the balance of accrued vacation pay as of December 31 for each year 2001 through 2011.

RESPONSE:

The accrued vacation liability debit/(credit) balances at December 31 of each year requested are as follows:

2001	\$(47,366,839)
2002	(46,408,261)
2003	(44,510,178)
2004	(38,567,035)
2005	(39,384,650)
2006	(40,293,386)
2007	(43,779,749)
2008	(48,926,002)
2009	(49,464,415)
2010	(51,189,841)
2011	(52,591,605)

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.12:

Please provide the balance of accrued incentive pay as of the end of each month of 2011.

RESPONSE:

The accrued incentive pay current liability debit / (credit) balances in FERC Account 242 at the end of each month of 2011 are as follows:

Jan	(60,029,274)
Feb	(10,137,368)
March	(14,624,417)
April	(18,884,721)
May	(23,365,023)
June	(27,874,626)
July	(32,144,229)
Aug	(36,689,571)
Sept	(40,904,102)
Oct	(52,535,830)
Nov	(61,539,563)
Dec	(71,868,113)

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

RWB 2.01 – 2.23

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.13:

Please provide the cost of incentive pay accrued during 2011 and as of December 31, 2011.

RESPONSE:

In 2011 the cost for the Annual Incentive Plan ("AIP") was \$65.7 million (see ComEd Ex. 3.7, page 1) and the AIP current liability balance in FERC Account 242 at December 31, 2011 was \$65.9 million. The cost of the 2011 Long Term Incentive Program ("LTIP") was \$6.5 million (see ComEd Ex. 3.7, page 2).

The 2011 liability balances for the LTIP are shown below:

<u>LTIP Liability</u>		
<u>2011 Accrual</u>	<u>12/31/11 Balance</u>	<u>FERC Account</u>
\$4.1 Million	\$5.2 Million	242- Misc Current & Accrued Liabilities
<u>\$2.4 Million</u>	<u>\$2.4 Million</u>	228.2- Non-Current Pensions & Benefits Liabilities
\$6.5 Million	\$7.6 Million	

The LTIP liability balance in FERC Account 242 includes amounts accrued in prior years that will be paid out in 2012. In addition to the AIP and LTIP balances at December 31, 2011, FERC Account 242 included a \$0.7 million balance for other compensation.

ICC Docket No. 12-0321

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

RWB 2.01 – 2.23

Date Received: May 24, 2012

Date Served: June 12, 2012

REQUEST NO. RWB 2.14:

Please explain generally how ComEd determines the appropriate balance for the incentive pay reserve as of December 31 of any given year.

RESPONSE:

Every calendar year ComEd establishes a series of targets and goals for its Annual Incentive Plan ("AIP"). The achievement of the various goals equates to percentages of base pay for all participating employees. Actual and forecast results are monitored and analyzed throughout the year to track the progress toward achieving the AIP goals. Through the company's forecasting process the progress toward goals is updated and the resulting estimated payout percentages are multiplied by base salaries to calculate a forecasted annual incentive payout. Based on these analyses a monthly accrual is recorded so the quarterly incentive liability balance is proportionate to the forecast annual incentive cost. The final accrual is recorded to adjust the liability to reflect the actual annual cost based on goals achieved as determined during the year-end financial close. Final payouts to employees are generally made in February of the following year.

The process for the Long Term Incentive Program (LTIP) is similar to the AIP process, in that goals and achievements are monitored and analyzed throughout the year and accruals are adjusted accordingly. The LTIP accrual in a given year includes amounts from previous 'Plan Years' because the awards for a plan year vest and are paid out over three years. The amount of award is determined as of the end of the plan year so accruals in subsequent years for prior plan years are not subject to quarterly adjustments. The LTIP awards for retirement eligible employees are fully vested as of the end of the plan year or as of the date of retirement eligibility if that date occurs after the end of the plan year but before the end of the three year vesting period. The fully vested awards for retirement eligible employees are paid out over three years unless the employee retires within the three year payout period, at which time the remaining balance is paid out to the retiring employee. Due to the vesting and accrual for retirement eligible employees, a liability balance for LTIP awards carries over each year. At the end of a given year the achievement levels for that plan year are measured against that year's performance indicators and the amount of award for the plan year is determined. An accrual is made to reflect the final award amount. The year-end balance therefore includes the amount for the just-ended plan year plus any vested amounts from previous plan years for retirement eligible employees. Final payouts of vested amounts are generally made in February of each calendar year.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 12, 2012

REQUEST NO. RWB 2.15:

Using the methodology described in the response to RWB 2.14, please illustrate how it was determined that the incentive pay accrual at December 31, 2011 should be the amount set forth in response to RWB 2.13.

RESPONSE:

The December 31, 2011 balance for the AIP liability is \$65.9 million as noted in ComEd's Response to Staff Data Request RWB 2.13. The calculation of the \$65,919,780 is attached and labeled as RWB 2.15_Attach 1.

The attachment labeled as RWB 2.15_Attach 2 shows the results of the 2011 ComEd LTIP. The total payout percentage based on these results was 115% of target. The attachment labeled as RWB 2.15_Attach 3 is a spreadsheet that shows the total awards for the 2009 plan and the 2011 plan. There were no awards granted in the 2010 plan. The 2009 plan had a payout rate of 100% of target. The 2009 plan year had payouts in 2010 and 2011, with the final payout in February 2012. The spreadsheet shows the award amount, the amount paid out in 2010 and 2011, forfeitures, and the remaining liability at December 31, 2011. The 2011 plan had an award of 115% as explained above. The plan vests over three years, with the first payout in February 2012. Because retirement eligible participants vest in the first year, or upon attaining retirement age, the total liability as of December 31, 2011 on the 2011 plan contains balances that will not payout until 2013 and 2014. These balances are recorded in a non-current liability in FERC Account 228. The entire 2009 plan year remaining liability is recorded in FERC Account 242 as a current liability.

AIP PAYOUT ESTIMATE DETAILS

ComEd - All Employees							
	December	Threshold	Target	Distinguished	Performance	Weight	Estimated Payout
ComEd O&M Expense*	\$695.4	\$715.3	\$681.2	\$613.1	79.18%	25.0%	19.79%
ComEd Capital Expenditures	\$843.9	\$884.3	\$842.2	\$758.0	97.98%	25.0%	24.50%
ComEd CAIDI	88	95	89	85	125.00%	10.0%	12.50%
ComEd SAIFI	0.84	1.09	0.94	0.9	200.00%	10.0%	20.00%
ComEd OSHA	0.98	1.54	1.04	0.99	200.00%	10.0%	20.00%
ComEd Customer Satisfaction Index	81.1	79	81	83	105.00%	5.0%	5.25%
Focused Initiatives and Environment	113%	90%	100%	110%	200.00%	15.0%	30.00%
						100%	132.04%
Payout after Net Income Limiter							132.04%
					Target Dollars:		\$49,313,638
					Total Estimate:		\$65,113,713

133.00%
 \$49,313,638 Change
\$65,587,138 \$473,425.32

BSC tied to Exelon-wide							
	December	Threshold	Target	Distinguished	Performance	Weight	Estimated Payout
Exelon EPS	\$4.16	\$3.60	\$4.05	\$4.40	131.40%	75%	98.55%
BSC Total Cost	98%	105%	100%	90%	118.70%	25%	29.68%
						100%	128.23%
					Target Dollars:		\$259,421
					Total Estimate:		\$332,642

\$259,421
 \$ 332,642

Exelon EPS component of accrual:
 Target dollars \$259,421
 Payout 98.55%
 EPS component of accrual \$255,659
 Non-EPS component of accrual \$65,190,696
 Total accrual estimate \$65,446,355

\$259,421
 98.55%
 \$255,659 \$0.00
 \$65,664,121.00 \$473,425.00
\$65,919,780.00 \$473,425.00

2011 ComEd Long-Term Incentive Program

Long-Term Incentive Program Goals	Weight	Performance Cycle Target	Year 2 Milestones	2011 Actual	2011 Actual versus Target
ComEd Total Cost (O&M and Capital)	25.0%	ComEd will manage its costs such that controllable Total Costs remain relatively flat year over year out to 2013.	ComEd Total Cost ¹ at \$1,523.4M (Threshold: \$1,599.6 / Distinguished: \$1,371.1)	\$1,535.8M	Below Target / Above Threshold
ComEd SAIFI, CAIDI, and OSHA Recordable	25.0%	By year-end 2012 ComEd actual SAIFI should be within 1st quartile performance. Actual ComEd CAIDI should be within 2nd quartile while striving towards 1st quartile performance. ComEd OSHA actual should be within 1st quartile performance.	ComEd SAIFI 2.5 Beta Method ² - 0.94 (Threshold: 1.09 / Distinguished: 0.90)	0.84	Distinguished
			ComEd CAIDI 2.5 Beta Method ² - 89 (Threshold: 95 / Distinguished: 85)	88	Above Target / Below Distinguished
			OSHA Recordable - 1.04 (Threshold: 1.54 / Distinguished: 0.99)	0.91	Distinguished
Operational Performance Index	15.0%	Implement OPI by year-end 2011 and fully integrate into our operational and financial processes for unit cost management and efficiencies by year-end 2012.	Validate defined 2010 OPI codes and establish baseline performance levels. Identify and target specific areas for improvement by Centers of Excellence and Front Line Engine teams	OPI codes remained consistent during 2011. 2011 YTD performance against codes was validated and reviewed to establish baseline performance levels by code. Centers of Excellence were identified for targeted areas of improvement. Performance reports were developed and will carry over for use during 2012.	On Target
Employee Engagement Index / Employee Communication Index	10.0%	Increase Employee Engagement 2% each year / Develop Employee Communication Index, establish baseline and stretch goals each year.	Employee Engagement Index - 66% / Employee Communication Index - 48%	<ul style="list-style-type: none"> Employee Engagement Index - 64% Employee Communication Index - 49% 	On Target
Meet ComEd Goals related to Exelon 2020	25.0%	By 2013, ComEd will meet or exceed each of its annual commitments to support Exelon 2020.	<ul style="list-style-type: none"> Achieve GHG Net Emissions of 60,298 metric tons 2011 Maintain ISO 14001 Certification in 2011 	<ul style="list-style-type: none"> GHG Net Emissions: 594 metric tons ISO 14001 Certification: Maintained ISO 14001 Certification for ComEd's Environmental Management System: On Target. 	Above Target / Below Distinguished

¹ As defined in the AIP plan

² Consistent with the Annual Incentive Program (AIP), CAIDI and SAIFI goal targets were established using the IEEE 2.5 Beta Method. ComEd (and IEEE) believes the 2.5 Beta Method is a better indicator of normal operations.

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An Exelon Company

CFRC 0021271

ComEd LTIP - 2009 Plan												
A	LTIP Percentage		100%		F	G	H	I	J	K	L	M
(1)	(1) * 100%	(2)	(3)	(4)	(5)	(6)	(7) = (4)+(5)+(6)	(8)	(9) = (2)-(7)-(8)			
Target Award	Total Award Value at 100%	Target Award Accrual as of 12/31/2011	Adjusts.	Feb 2010 Payment	Feb 2011 Payment	Future Payment	Total LTIP Payment as of 12/31/11	Revoked / Transferred Grants	Liability Bal 12/31/2011	242210 Current	228295 Non-Current	
7,204,951.00	7,204,951.00	7,204,951.00		3,426,958.70	1,757,373.14		5,184,331.84	380,858.78	1,639,760.69	1,639,760.69		

ComEd LTIP - 2011 Plan												
(1)	LTIP Percentage		115%		(4)	(5)	(6)	(7) = (4)+(5)+(6)	(8)	(9) = (2)-(7)-(8)		
(1)	(1) * 115%	(2)	(3)	(4)	(5)	(6)	(7) = (4)+(5)+(6)	(8)	(9) = (2)-(7)-(8)			
Target Award	Total Award Value at 115%	Target Award Accrual as of 12/31/2011	Adjusts.	Future Payment	Future Payment	Future Payment	Total LTIP Payment as of 12/31/11	Revoked / Transferred Grants	Liability Bal 12/31/2011	242210 Current	228295 Non-Current	
6,503,123.29	7,478,591.78	5,990,137.04		-	-	-	-	-	5,990,137.04	3,589,197.26	2,400,939.78	

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 12, 2012

REQUEST NO. RWB 2.16:

Please identify the account(s) debited and credited when an entry is recorded to accrue incentive pay.

RESPONSE:

The monthly entry to accrue the incentive pay liability is a credit to FERC Account 242, Miscellaneous Current and Accrued Liabilities, and costs are recorded as a debit to FERC Account 184, Clearing Accounts. The costs are cleared from the FERC Account 184 in the monthly close process and allocated to various capital projects and Operating and Maintenance ("O&M") accounts based on the distribution of regular salary and wages.

The monthly accrual for the Long Term Incentive Program ("LTIP") is a credit to FERC Account 242, Miscellaneous Current and Accrued Liabilities for the portion of the LTIP that is paid out in the following calendar year, and a credit to FERC Account 228 – Operating Reserves, for the portion of the liability that will be paid out in more than one year. The LTIP costs are debited to FERC Account 920, Administrative and General Payroll Expense, and FERC Account 107, Construction Work In Progress ("CWIP") based on an analysis of the capital to expense ratio of the departments incurring LTIP costs.

The monthly accrual entry also records the estimated payroll taxes associated with incentive pay as a credit to FERC Account 236, Taxes Accrued, and a debit to FERC Account 184, Clearing Accounts. The costs are then cleared from FERC Account 184 and allocated to various capital projects and O&M accounts based on the distribution of regular salaries and wages.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 14, 2012**

REQUEST NO. RWB 2.17:

Referring to the Company's response to RWB 2.16, please identify where the debit and credit amounts of the entry to accrue incentive pay are reflected in the formula rate schedules, appendices, or work papers.

SUPPLEMENTAL RESPONSE:

On June 13, 2012 ComEd filed ComEd Ex. 10.3 in compliance with the Final Order in ICC Docket No. 11-0721. ComEd Ex. 10.3, WP 5, page 6, reflects a reduction to rate base for the incentive compensation liability.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 12, 2012**

REQUEST NO. RWB 2.17:

Referring to the Company's response to RWB 2.16, please identify where the debit and credit amounts of the entry to accrue incentive pay are reflected in the formula rate schedules, appendices, or work papers.

RESPONSE:

ComEd Ex. 3.7, Pages 1 and 2, provide the incentive pay expense (AIP and LTIP) cleared from FERC Account 184 and included in ComEd's revenue requirement by FERC account. The line items identified as Distribution/Customer are included in ComEd Ex. 3.1, Sch. FR C-1, Line 1 Columns (C), (D), and (E). The line items identified as Administrative and General ("A&G") are included ComEd Ex. 3.1, Sch. FR C-1, Line 1, Column (F). The accrued liability for incentive pay (FERC Account 242) was not included in rate base in the initial filing because ComEd believes the timing lag associated with the expense accruals is fully captured in the cash working capital analysis, and the remainder of the liability relates to capitalized amounts that will not have been recovered through rates and do not provide a source of funds to finance rate base. However, ComEd will update this response when it makes its compliance filing to reflect the May 29, 2012 Order in ICC Docket No. 11-0721 which reduces rate base for the incentive compensation reserve. The operating reserves associated with LTIP recorded in FERC Account 228 are included in ComEd Ex. 3.1, Sch. FR B-1, Line 42, and the supporting App 5, Line 19.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 12, 2012**

REQUEST NO. RWB 2.18:

Please provide the journal entries posted to the general ledger in 2010 to accrue incentive pay.

RESPONSE:

The journal entries posted to the general ledger in 2010 to accrue incentive pay are included as the attachment labeled as RWB 2.18_Attach 1.

The monthly AIP entries record debits to FERC Account 184. As described in ComEd's Response to Staff Data Request RWB 2.16, the costs are cleared from FERC Account 184 in the monthly close process and allocated to various capital projects and O&M accounts based on the distribution of regular salary and wages. The LTIP entries debit O&M and capital directly.

NOTE: RWB 2.18_Attach 1 has been intentionally omitted from Staff Ex. 7.0, Attachment A as the document is very voluminous and not necessary for inclusion in this exhibit.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 12, 2012**

REQUEST NO. RWB 2.19:

Please provide the journal entries posted to the general ledger in 2011 to accrue incentive pay.

RESPONSE:

The journal entries posted to the general ledger in 2011 to accrue incentive pay are included as the attachment labeled as RWB 2.19_Attach 1.

The monthly AIP entries record debits to FERC Account 184. As described in ComEd's Response to Staff Data Request RWB 2.16, the costs are cleared from FERC Account 184 in the monthly close process and allocated to various capital projects and O&M accounts based on the distribution of regular salary and wages. The LTIP entries debit O&M and capital directly.

NOTE: RWB 2.19_Attach 1 has been intentionally omitted from Staff Ex. 7.0, Attachment A as the document is very voluminous and not necessary for inclusion in this exhibit.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 12, 2012**

REQUEST NO. RWB 2.20:

Please provide a spreadsheet that identifies the total annual incremental amount of incentive pay accrued for ComEd for each year 2001 through 2011.

RESPONSE:

Please see the attachment labeled as RWB 2.20_Attach 1 for annual incentive pay accruals for each year 2003 through 2011. ComEd cannot reasonably obtain such data from its general ledger for 2001 and 2002 due to a change in accounting systems that occurred and the subsequent unavailability of certain data in prior periods.

Commonwealth Edison Company
 Total Accrued Costs of Incentive Pay
 (In Thousands)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Line #	2011	2010	2009	2008	2007	2006	2005	2004	2003
1	\$ 65,664	\$ 53,234	\$ 46,393	\$ 57,876	\$ 40,553	\$ 30,819	\$ 34,750	\$ 29,545	\$ 37,701
2	10,247	4,350	6,038	4,203	7,853	9,496	2,004	2,350	1,473
	<u>\$ 75,911</u>	<u>\$ 57,584</u>	<u>\$ 52,431</u>	<u>\$ 62,079</u>	<u>\$ 48,406</u>	<u>\$ 40,315</u>	<u>\$ 36,754</u>	<u>\$ 31,895</u>	<u>\$ 39,174</u>

Notes

- (1) Amounts include Executive LTIP and Key Manager Restricted Stock.
- (2) Amounts represent total amounts of incentive pay accrued each year, including amounts capitalized and expensed, and do not reflect any jurisdictional adjustments or ratemaking exclusions.

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 11, 2012

REQUEST NO. RWB 2.21:

Please provide the balance of accrued incentive pay as of December 31 for each year 2001 through 2011.

RESPONSE:

The accrued incentive pay current liability debit/(credit) balances in FERC Account 242 as of December 31, 2001 through December 31, 2011 are shown below:

2001	(59,807,000)
2002	(55,434,330)
2003	(37,700,872)
2004	(29,545,099)
2005	(34,750,340)
2006	(30,819,257)
2007	(43,942,466)
2008	(64,210,924)
2009	(56,240,565)
2010	(57,303,749)
2011	(71,868,113)

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 14, 2012**

REQUEST NO. RWB 2.22:

Referring to ComEd Ex. 3.3, Schedule C-21, page 1 of 2, Line 3, ComEd reports that 2011 Actual Miscellaneous General Expenses includes on a jurisdictional basis \$1,117 thousand of Accrued Vacation Pay expense (\$1,239 thousand gross per FERC Form 1). Regarding this amount, please respond to the following:

- a) Does the Accrued Vacation Pay expense of \$1,117 thousand flow through to the ultimate Total Operating Expenses included in the revenue requirement?
- b) Please provide a detailed explanation of what the Accrued Vacation Pay expense represents.
- c) Please provide the journal entries which led to the creation of the Accrued Vacation Pay expense.
- d) Please provide the corresponding amount of Accrued Vacation Pay expense included in ComEd's operating statement for each year 2004 through 2011.

SUPPLEMENTAL RESPONSE:

On June 13, 2012 ComEd filed ComEd Ex. 10.2 in compliance with the Final Order in ICC Docket No. 11-0721. As a result, the wages and salaries allocator changed resulting in a change in the jurisdictional amount from \$1,117,000 to \$1,112,000.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23
Date Received: May 24, 2012
Date Served: June 12, 2012**

REQUEST NO. RWB 2.22:

Referring to ComEd Ex. 3.3, Schedule C-21, page 1 of 2, Line 3, ComEd reports that 2011 Actual Miscellaneous General Expenses includes on a jurisdictional basis \$1,117 thousand of Accrued Vacation Pay expense (\$1,239 thousand gross per FERC Form 1). Regarding this amount, please respond to the following:

- a) Does the Accrued Vacation Pay expense of \$1,117 thousand flow through to the ultimate Total Operating Expenses included in the revenue requirement?
- b) Please provide a detailed explanation of what the Accrued Vacation Pay expense represents.
- c) Please provide the journal entries which led to the creation of the Accrued Vacation Pay expense.
- d) Please provide the corresponding amount of Accrued Vacation Pay expense included in ComEd's operating statement for each year 2004 through 2011.

RESPONSE:

- a) The vacation pay expense (including payroll taxes) of \$1,117,000 (\$1,239,000 gross) is included in A&G Expense on ComEd Ex. 3.1, Sch. FR C-1, Line 1, Column F and flows through to Operating Expense on ComEd Ex. 3.1, Sch. FR A-1, Line 4.
- b) As described in ComEd's Response to Staff Data Request RWB 2.06, the vacation pay liability is adjusted each December to reflect the liability for vacation pay to be granted to employees in the coming year. The charge is split between capital and expense based on estimated labor distribution in the coming year. The 2011 accrued vacation pay expense of \$1,239,000 (including \$78,000 for payroll taxes), represents the expense portion of the increase in the liability recorded at year end 2011 to reflect the increased liability for 2012 vacation pay.
- c) Please see ComEd's Response to Staff Data Request RWB 2.09.
- d) Please see ComEd's Response to Staff Data Request RWB 2.10.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 2.01 – 2.23**

Date Received: May 24, 2012

Date Served: June 12, 2012

REQUEST NO. RWB 2.23:

Referring to ComEd Ex. 3.3, Schedule C-21:

- a) Is an expense for Accrued Incentive Pay also included in this schedule?
- b) If the response to part (a) is affirmative, please provide a detailed illustration of where Accrued Incentive Pay expense is included in the schedule.
- c) If the response to part (a) is negative, please provide a detailed illustration of where within the formula rate schedules, appendices, and supporting work papers Accrued Incentive Pay expense is included.
- d) If the response to part (a) is negative, please provide a detailed illustration of where within the Part 285 schedules and supporting work papers Accrued Incentive Pay expense is included.

RESPONSE:

- a) No. Incentive pay expense is not included in ComEd Ex. 3.3, Sch. C-21.
- b) NA
- c) Accrued Incentive Pay expense is accrued throughout the year based on estimated goal achievement levels, and distributed to departmental Operating and Maintenance ("O&M") and capital accounts consistent with the underlying labor costs. Therefore, Accrued Incentive Pay expense is included in each of the functional O&M accounts on ComEd Ex. 3.1, Sch. FR C-1, Line 1. See ComEd Ex. 3.7, Page 1 for the amounts distributed to each account for 2011. The adjustments on ComEd Ex. 3.1, Sch. FR C-1, Line 2 include adjustments to remove some incentive pay expense. The adjustments are shown on ComEd Ex. 3.1, App. 7, Line 12 and ComEd Ex. 3.2 (PUBLIC) WP 7, Page 16.
- d) Accrued Incentive Pay expense is included but not shown separately in ComEd Ex. 3.3, Sch. C-1 RY as part of functional operating expenses. See ComEd Ex. 3.7, Page 1 for the amounts distributed to each account for 2011. ComEd Ex. 3.3, Sch. C-2.4 calculates the removal of incentive compensation related to net income goals.

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 9.01 – 9.16
Date Received: July 9, 2012
Date Served: July 20, 2012**

REQUEST NO. RWB 9.08:

Regarding the requirements of Subsection 16-108.5(b)(1) of the Act, please provide a schedule which sets forth the amount of projected 2012 investment in electric system upgrades, modernization projects, and training facilities including but not limited to:

- a) Distribution infrastructure improvements,
- b) Training facility construction or upgrade projects,
- c) Wood pole inspection, treatment, and replacement programs,
- d) An estimated \$200,000,000 for reducing the susceptibility of certain circuits to storm-related damage,
- e) Additional smart meters,
- f) Distribution automation, associated cyber secure data communication network, and
- g) Substation microprocessor relay upgrades.

Please provide a cross reference from this schedule to the corresponding 2012 projected plant additions set forth in ComEd Ex. 6.2.

RESPONSE:

ComEd objects to this request because it is neither relevant nor likely to lead to the discovery of admissible evidence in this docket. ComEd further objects to this data request to the extent it suggests, infers, or implies that ComEd's investment commitments under Section 16-108.5(b) of the Act are: (i) to be specifically assessed and applied, with respect to the commitments contained in ComEd's Infrastructure Investment Plan, on an annual basis rather than over the applicable multi-year investment periods set forth in the Act and ComEd's Infrastructure Investment Plan; (ii) assessed based on investments placed in service rather than on ComEd's capital expenditures; or (iii) limited to expenditures for investments in plant additions for distribution plant rather than investments for transmission and distribution plant. Section 16-108.5(b) (1) (B) specifically refers to investments in "*transmission* and distribution infrastructure" 220 ILCS 5/16-108.5(b) (1) (B). ComEd further objects to this data request to the extent it seeks information on the projected 2012 capital spend regarding investments that are not expected to be placed in service during 2012 because such expenditures are irrelevant to the issues in this proceeding and are not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objections or its General Objections, ComEd responds as follows:

For a schedule showing the DST 2012 projected plant additions broken out by the above listed categories, please see the attachment labeled as RWB 9.08_Attach 1.

Commonwealth Edison Company
 2012 Proposed Plant Additions - IEMA (L1)
 (in Dollars)

(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M)

Line #	Category	IEMA Category	LTN	LTN Name	Additions	Removal	Line %	Justification Additions	Depn % (J)	Depn Expense (K)	Accumulated Reserve (L)	Justification Reserve (M)
1	Distribution	Infrastructure Improvements	41016	10766 - RidgeGate Cable - Replace PULLER/FIT HY Drive Cable	1,290,138	178,218	100.00%	1,290,138	2.47%	7,542	(31,542)	(47,787)
2	Distribution	Infrastructure Improvements	41231	41231 - RidgeGate Cable - Replace 98V LV 19502V	5,971,216	474,469	100.00%	5,971,216	2.47%	73,338	(73,338)	(1,101,148)
3	Distribution	Infrastructure Improvements	41231	41231 - RidgeGate Cable - Replace 98V LV 19502V	16,073,611	2,882,932	100.00%	16,073,611	2.47%	445,534	(445,534)	(1,232,618)
4	Distribution	Infrastructure Improvements	41231	41231 - RidgeGate Cable - Replace 98V LV 19502V	56,716,152	4,672,250	100.00%	56,716,152	2.47%	695,011	(695,011)	(1,179,827)
5	Distribution	Infrastructure Improvements	41238	41238 - Variable Redefinition	18,505,861	1,830,250	100.00%	18,505,861	2.47%	238,548	(238,548)	(3,715,290)
6	General	Training Facilities	41299	41299 - Redwood Training Center - SR 1653 Region	2,551,230	2,268,208	89.71%	2,268,208	4.96%	56,760	(56,760)	(437,617)
7	Distribution	Wood Pole Inspection	41239	41239 - CE-Redwood Report Dist Poles	218,577	71,167	100.00%	218,577	2.47%	8,887	(8,887)	(144,481)
8	Distribution	Wood Pole Inspection	41240	41240 - CE-Redwood Report Dist Poles	9,590,720	928,522	100.00%	9,590,720	2.47%	115,976	(115,976)	(1,186,523)
9	Distribution	System Performance	41242	41242 - Smart Headings	21,711,944	1,735,080	100.00%	21,711,944	2.47%	268,142	(268,142)	(4,336,520)
10	Distribution	Customer Operations	41260	41260 - AMI Expansion Meter & Management - Capital	37,301,456	500,434	100.00%	37,301,456	2.47%	371,173	(371,173)	(5,481,850)
11	Distribution	Customer Operations	41262	41262 - AMI Expansion IT - Capital	21,174,051	-	100.00%	21,174,051	2.47%	261,549	(261,549)	(4,252,138)
12	Distribution	Customer Operations	41264	41264 - AMI Expansion Communications - Capital	3,207,016	58,784	100.00%	3,207,016	2.47%	39,607	(39,607)	(641,926)
13	Distribution	System Performance	41231	41231 - 47.12KV DX - Circuit Reducers	2,233,696	1,936,682	100.00%	2,233,696	2.47%	296,299	(296,299)	(4,866,481)
14	Distribution	System Performance	41232	41232 - 34KV DX - Circuit Reducers	1,499,855	119,859	100.00%	1,499,855	2.47%	18,533	(18,533)	(301,150)
15	Distribution	System Performance	41236	41236 - Radio Replacement	7,282,853	582,079	100.00%	7,282,853	2.47%	89,566	(89,566)	(1,462,531)
16	Distribution	System Performance	41237	41237 - IT - 10 to 23 Conversion	3,567,364	285,081	100.00%	3,567,364	2.47%	44,057	(44,057)	(716,297)
17	Distribution	System Performance	41237	41237 - Intelligent Substation - Budget	10,601,120	847,093	100.00%	10,601,120	2.47%	130,912	(130,912)	(2,128,371)
18	General	Sub Station Upgrades	41256	41256 - IT - Intelligent Substation Pool	375,000	-	89.71%	375,000	11.75%	14,469	(14,469)	(44,832)
19					252,545,878	16,928,111		252,545,861		3,155,267	(3,155,267)	(50,633,829)

Line #s	Additions	Removal	Total	Depreciation Expense	Accumulated Reserve	ADRT
1-5	119,025,038	5,865,099	124,890,137	1,469,960	(1,469,960)	(23,899,022)
6	2,551,230	2,268,208	283,022	58,784	(58,784)	(447,817)
7-8	10,110,296	999,920	11,110,216	138,863	(138,863)	(2,020,045)
9	21,711,844	1,735,080	23,446,924	268,143	(268,143)	(4,336,523)
10-12	51,686,955	599,218	52,286,173	638,328	(638,328)	(10,378,125)
13-17	47,185,888	3,770,794	50,956,682	582,746	(582,746)	(9,474,449)
18	215,000	-	215,000	14,469	(14,469)	(44,832)
Total	252,545,878	16,928,111	269,473,989	3,155,267	(3,155,267)	(50,633,829)

(1) Lines 1 - 18 represent the individual line items projected to be placed in service in 2012. All line items coincide with the projected plant additions in ComFD Ex. 10.2, Schedule B-1, Lines 29 and 31, which map to the details in ComFD Ex. 10.3, WP 19.
 (2) ComFD Ex. 10.2, App 8, Lines 13-16
 (3) For 2012, the first year these additions are projected to be placed in depreciation, the depreciation expense equals the credit to the accumulated reserve
 (4) Tax depreciation * (Col (I)) + 50% Bonus Depreciation for Taxes) - (Col (K)) * Tax Rate of 39.24%

ICC Docket No. 12-0321

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("STAFF") Data Requests
RWB 9.01 – 9.16
Date Received: July 9, 2012
Date Served: July 23, 2012**

REQUEST NO. RWB 9.11:

Has the utility made a contribution to an energy low-income and support program in accordance with Subsection 16-108.5(b-10) of the Act? If so, provide the date paid, the amount paid, the name of the payee, and a detailed description of the program that was funded. Please provide evidence that the amount is not included in a requested revenue requirement. If the payment has not been paid, provide the rationale for not making the payment.

RESPONSE:

ComEd objects to this data request on the grounds that under the cited statutory provision the payment(s) required of ComEd are not required to be made until after January 1, 2012, and thus are not relevant to this case, which is based on 2011 costs. Subject to and without waiving this objection, and subject to the further objection that the identity of any individual recipient is confidential and will not be divulged, ComEd responds to this data request as follows.

In accordance with the formula rate legislation ComEd offers the following assistance programs to customers:

Residential Special Hardship – Available to customer who qualify at or below 250% of poverty level and customers must not have received the same grant within two (2) years. Customers must be able to demonstrate a financial hardship such as senior hardship or disability etc. PIPP (Percentage of Income Payment Plan) participants are not eligible. Customers that are approved will receive a grant of up to \$500 toward arrearages. Grant amount may change based on funding. Funds are provided to customers in the form of bill credits, which are recorded as a reduction to revenue and not included in operating expense.

CHAMP - Available to deployed military personal or disabled veterans that have been honorably discharged and served a minimum of two (2) years. Customers must also have fallen behind on their utility bill. Customers that qualify will receive a grant of up to \$1,000 toward arrearage and may also choose a variety of other benefits such as deposit refund, waiving late payment charges or a deferred payment plan. Funds are provided to customers in the form of bill credits, which are recorded as a reduction to revenue and not included in operating expense.

Non Profit Special Hardship – Available to 501 (c) (3) non-profit organizations that support basic human needs such as center for homeless, senior centers and supportive living facilities. Non profits must demonstrate a financial hardship and complete an energy management workshop. Non profits that qualify will receive up to \$2,000 toward arrearages. Funds are provided to customers in the form of bill credits, which are recorded as a reduction to revenue and not included in operating expense.

Energy Management Workshops – Energy Management classes are offered to first time home buyers. Classes are offered through Chicago Urban League and LUCHA (Latin United Community Housing Organization). CARE programs are reviewed, participants are engaged in an energy management discussion and low cost/no cost tips are provided.

Please see the attachment labeled as RWB 9.11_Attach 1 for a summary of the assistance provided through month end June 2012. Customer specific information is not provided. None of these costs were incurred in 2011 and none have been included in the revenue requirement in this proceeding.

Commonwealth Edison Company
 EIMA Rate Relief Summary
 (Amounts shown in dollars)

Program	March	April	May	June	Total 2012 Program Credits/Cost	Total Number of customers receiving Credits
Special Hardship Programs Residential	\$ 9,837	\$ 435,826	\$ 323,683	\$ 563,596	\$ 1,332,943	3,719
Non Profit Program	-	-	-	5,030	5,030	4
Energy Management Classes (a)	-	-	900	900	1,800	N/A
C.H.A.M.P.	-	-	-	-	-	-
Total	\$ 9,837	\$ 435,826	\$ 324,583	\$ 569,527	\$ 1,339,773	3,723

Note:

(a) Classes facilitated by Management Innovations.