

REBUTTAL TESTIMONY

of

SCOTT TOLSDORF
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. 8.0

Witness Scott Tolsdorf

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 Scott Tolsdorf. My business address is 527 East Capitol
4 Avenue, Springfield, Illinois 62701.

5 **Q. Are you the same Scott Tolsdorf who previously provided direct
6 testimony in this proceeding?**

7 A. Yes. My direct testimony is Staff Exhibit 3.0.

8 **Purpose of Testimony**

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. I am presenting rebuttal testimony regarding my proposed adjustments for
11 Charitable Contributions and Rate Case Expense of Commonwealth
12 Edison Company ("ComEd" or the "Company") that I proposed in my direct
13 testimony (Staff Ex. 3.0). My testimony responds specifically to the
14 testimony offered by the Company's witness Martin G. Fruehe (ComEd
15 Ex. 13.0).

16 **Q. Please identify any adjustments from your direct testimony that you
17 are withdrawing.**

18 A. For reasons discussed later, I am withdrawing the following adjustments
19 from my direct testimony:

20 Schedule 3.02 Lobbying Costs

21 Schedule 3.03 Merger Costs

22

23 **Schedule Identification**

24 Q. **Are you sponsoring any schedules as part of ICC Staff Exhibit 8.0?**

25 A. Yes. I am sponsoring the following schedules that show data as of, or for
26 the year ending December 31, 2011 that impacts: 1) the pro forma 2012
27 revenue requirement; 2) the reconciliation of the 2011 revenue
28 requirement; and 3) the return on equity ("ROE") collar calculation:

29 Schedule 8.01 Charitable Contributions Adjustment

30 Schedule 8.02 Article IX Rate Case Expense Adjustment

31 **Charitable Contributions**

32 Q. **Please explain Schedule 8.01, Charitable Contributions Adjustment.**

33 A. Schedule 8.01 presents my adjustment to disallow donations made to
34 organizations outside of ComEd's service territory, donations made to
35 political organizations, and donations made to non-charitable
36 organizations.

37 Q. **Is this the same adjustment you proposed in direct testimony?**

38 A. Yes. The reasons for the adjustment are the same as set forth in my
39 direct testimony; however, some of the donations I proposed to disallow in
40 my direct testimony I no longer contest. Also, the Company in its rebuttal
41 testimony has itself removed from consideration from cost recovery
42 several donations, negating the need for these donations to be included in
43 my adjustment.

44 Q. **Which donations from your direct testimony has the Company**
45 **withdrawn?**

46 A. The Company has withdrawn the following donations: The Baltimore City
47 Foundation, The Baltimore Community Foundation, Morgan State
48 University, Democratic Governor's Association, and the City Club of
49 Chicago. The Company stated that the donations to the Baltimore City
50 Foundation, Baltimore Community Foundation, and Morgan State
51 University "were conditions of the Exelon merger with Constellation
52 Energy and as such, should not have been included with ComEd's
53 charitable donations." (ComEd Ex. 13.0, p. 19) The donations to the
54 Democratic Governor's Association and the City Club of Chicago were
55 removed by the Company after further review of the donations, and in
56 order to limit the issues in this docket. (ComEd Ex. 13.0, p. 14)

57 **Q. Which donations from your direct testimony have you withdrawn**
58 **from your adjustment?**

59 A. I have withdrawn from my adjustment donations made to the Illinois
60 Legislative Latino Caucus Foundation, the National Museum of Mexican
61 Art,¹ and the Congressional Black Caucus Foundation. The Illinois
62 Legislative Latino Caucus Foundation is a Section 501(c)(3) organization
63 and, therefore, precluded from participating in political activity, which was
64 the basis for the original disallowance. The National Museum of Mexican
65 Art is also a Section 501(c)(3) organization, but its tax status was not
66 known at the time of my direct testimony. The donation to the
67 Congressional Black Caucus Foundation I proposed to disallow originally

¹ The donation to the National Museum of Mexican Art was incorrectly listed as paid to the National Museum of American Jewish History on ComEd's Sch. C-7, Line 263. (ComEd DR Response ST 3.02 SUPP_Attach 1)

68 because of its political activities; however, the Foundation's website states
69 in part that:

70 The Congressional Black Caucus Foundation, Inc. (CBCF) is a
71 nonprofit, nonpartisan public policy, research and educational
72 institute that aims to help improve the socioeconomic
73 circumstances of African Americans and other underserved
74 communities.

75 It is the policy of the Congressional Black Caucus Foundation NOT
76 to advocate or support either directly or indirectly, the election or
77 defeat of any candidate for public or political office. The CBCF does
78 not donate or contribute to any candidate's campaign, nor does it
79 participate or engage in political fundraising events nor otherwise
80 solicit contributions, nor endorse or oppose a candidate.
81 (<http://www.cbcfinc.org/aboutus.html>)

82 Given that, the mission of the CBCF appears to be for other than political
83 purposes and, therefore, the reason for my original disallowance is no
84 longer valid.

85 **Q. As part of your adjustment, you have disallowed donations made to**
86 **organizations outside of ComEd's service territory consistent with**
87 **the Commission's Final Order in ComEd's previous two rate**
88 **proceedings, Docket Nos. 10-0467 and 11-0721. Has the Company**
89 **accepted these disallowances?**

90 A. No. Company witness Mr. Fruehe argues that the Commission's decision
91 in the Final Order in Docket No. 11-0721 to disallow donations made
92 outside of the Company's service territory applied only to the University of
93 Wisconsin, which was specifically identified in the Final Order. Mr. Fruehe
94 states in his rebuttal testimony:

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Q. Do you agree with Mr. Tolsdorf's recommendation to disallow the donations made to organizations outside of ComEd's service territory?

A. No. ComEd has already applied the holding of the Commission's Final Order in ICC Docket No. 11-0721 by removing the 2011 donation of \$677,000 made to the University of Wisconsin from its revenue requirement. (ComEd Ex. 13.0, p. 13)

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The Commission's decision in its Final Order in Docket No. 11-0721 is far more reaching as to ComEd than the Company's interpretation. The Final Order states:

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Section 9-227 of the Public Utilities Act provides that a public utility may recover (from rates) its charitable contributions made for the public welfare or for charitable scientific, religious or educational purposes, provided that such donations are reasonable in amount. (220 ILCS 5/9-227). **Logically, the term "public" includes only the rate-paying public, which is ComEd's service territory.** (Order, Docket No. 11-0721, May 29, 2012, p. 98) **(Emphasis added)**

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This decision in the Company's initial formula rate case is consistent with past Commission practice as to ComEd as evidenced by the Final Order in the Company's previous rate case, Docket No. 10-0467, which states:

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The Commission concurs with Staff's proposal to disallow charitable contributions made by ComEd to organizations outside of the Company's service territory. There is no evidence that these contributions provide any benefit to ratepayers in ComEd's service territory. The Commission agrees with Staff that it is not reasonable to require ComEd ratepayers to bear the cost of such contributions. Accordingly, Staff's adjustment is adopted. (Final Order, Docket No. 10-0467, May 24, 2011, p. 108)

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128

Based on these Commission decisions, it is clear that donations made to organizations outside of ComEd's service territory are not recoverable

129 from ratepayers and, therefore, should be disallowed from the Company's
130 revenue requirement in the instant proceeding.

131 **Q. Mr. Fruehe suggests that ComEd has been allowed recovery of out-**
132 **of-state donations in the past. (ComEd Ex. 13.0, p. 14) How do you**
133 **respond?**

134 A. Mr. Fruehe uses the example of a donation to Harvard University,
135 recovered through the revenue requirement established in Docket No. 11-
136 0721, as evidence that the Company has previously recovered donations
137 to out-of-state organizations. (ComEd Ex. 13.0, p. 14) What Mr. Fruehe
138 fails to address is whether any party took issue with the donation to
139 Harvard University and recommended to the Commission that an
140 adjustment be made for the donation. My review of the May 29, 2012
141 order in docket 11-0721 and the testimony filed by interveners and Staff
142 shows that no party raised the issue in testimony.

143 **Q. The Company has withdrawn a donation to the Democratic**
144 **Governor's Association. Are there any donations to political**
145 **organizations for which the Company is still seeking recovery?**

146 A. Yes. The Company made a donation to the Metropolitan Mayors Caucus,
147 which is a political organization. The Mission Statement for the caucus
148 states, in part:

149 The Mayors Caucus develops consensus positions on a broad
150 range of key issues facing the Chicago region and is a strong
151 advocate for their adoption at the federal, state, and local levels of
152 government.
153 ([http://www.mayorscaucus.org/pages/Home/About the Caucus/Mi](http://www.mayorscaucus.org/pages/Home/About%20the%20Caucus/Mission%20History.html)
154 [ssion History.html](http://www.mayorscaucus.org/pages/Home/About the Caucus/Mission History.html))

155 While I am not an attorney, that statement clearly indicates to me that the
156 Mayors Caucus is involved in political activity. Therefore, recovery of
157 these expenses through rates would be in violation of Section 9-224 of the
158 Public Utilities Act ("Act"). As pointed out in my direct testimony, Section
159 9-224 of the Act states:

160 The Commission shall not consider as an expense of any public
161 utility company, for the purposes of determining any rate or charge,
162 any amount expended for political activity or lobbying as defined in
163 the "Lobbyist Registration Act". (220 ILCS 5/9-224) (emphasis
164 added)

165 Pursuant to the Lobbyist Registration Act, lobby and lobbying means "any
166 communication with an official of the executive or legislative branch of
167 State government as defined in subsection (c) for the ultimate purpose of
168 influencing any executive, legislative, or administrative action" (25 ILCS
169 170/2(e)) and influencing means "any communication, action, reportable
170 expenditure as prescribed in Section 6 or other means used to promote,
171 support, affect, modify, oppose or delay any executive, legislative or
172 administrative action or to promote goodwill with officials as defined in
173 subsection (c)." (25 ILCS 170/2(f))

174
175 Based upon the above, donations to an organization like the Metropolitan
176 Mayors Caucus, which clearly is involved in political activity, is not an
177 eligible expense for recovery through rates.

178 **Q. In his rebuttal testimony, Mr. Fruehe claims that 29 of the**
179 **organizations that you recommend for disallowance are actually**
180 **501(c)(3) organizations. (ComEd Ex. 13.0, pp. 16-17) Do you agree?**

181 A. No. Mr. Fruehe has presented Schedule 13.10 with his rebuttal testimony,
182 which shows several of the organizations to which ComEd has made
183 donations and the tax status of the organizations. There are indeed
184 twenty-nine Section 501(c)(3) organizations listed on the schedule.
185 However, twenty-one of those organizations were not even included in my
186 proposed disallowance. Furthermore, seven of the remaining
187 organizations were outside of ComEd's service territory and their tax
188 status was not a basis for disallowance. The only organization presented
189 by Mr. Fruehe in ComEd Ex. 13.10 that I had previously disallowed
190 because of its tax status was the National Museum of Mexican Art. As
191 mentioned earlier, the tax status of that organization was unknown to Staff
192 at the time of direct testimony.

193 **Q. Mr. Fruehe discusses other tax-exempt organizations such as**
194 **Section 501(c)(6) and 501(c)(19) type organizations. How do you**
195 **respond?**

196 A. Both of these types of organizations are tax-exempt, as Mr. Fruehe points
197 out, however Mr. Fruehe fails to disclose that they are not given
198 "charitable" status by the IRS in part because of their ability to participate
199 in political activities. For example, the American Legion is a Section
200 501(c)(19) organization and, therefore, tax-exempt, but not considered

201 "charitable" by the IRS. The American Legion's mission statement reads,
202 in part:

203 The American Legion is a nonpartisan, not-for-profit organization
204 with great **political influence** perpetuated by its grass-roots
205 involvement in the legislation process from local districts to Capitol
206 Hill. (<http://www.legion.org/mission>) (**emphasis added**)
207

208 As mentioned earlier, the Act prohibits the recovery of expenses for
209 political activity or lobbying. Because cash is fungible, any donation given
210 to an organization that participates in political activity is effectively
211 supporting that political activity.

212 **Q. Are Section 501(c)(3) organizations permitted to participate in**
213 **political activities?**

214 A. No. While I am not an attorney, it is my understanding that according to
215 the IRS:

216 To be tax-exempt under section 501(c)(3) of the Internal Revenue
217 Code, an organization must be organized and operated exclusively
218 for exempt purposes set forth in section 501(c)(3), and none of its
219 earnings may inure to any private shareholder or individual. In
220 addition, it may not be an action organization, i.e., it may not
221 attempt to influence legislation as a substantial part of its activities
222 and it may not participate in any campaign activity for or against
223 political candidates. ([http://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations/Exemption-Requirements---Section-501\(c\)\(3\)-Organizations](http://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations/Exemption-Requirements---Section-501(c)(3)-Organizations))
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225

226 **Q. What is your recommendation in this proceeding concerning the**
227 **treatment of donations made for the public welfare?**

228 A. I recommend that when donations are made by a utility, presumably for
229 the purposes of promoting the public welfare, that recovery of such
230 donations be limited to organizations that are considered charitable by the

231 IRS and tax-exempt under Section 501(c)(3) of the Internal Revenue
232 Code.

233 **Article IX Rate Case Expense**

234 **Q. Please explain Schedule 8.02, Article IX Rate Case Expense**

235 **Adjustment.**

236 A. Schedule 8.02 presents my adjustment to remove rate case expense from
237 the Company's revenue requirement that is associated with an Article IX
238 rate case that was never filed by the Company. It is unreasonable for
239 customers to pay for the preparation of a rate case which the Company
240 never filed while also paying for the preparation and filing of a formula rate
241 case that was filed.

242 **Q. Why was the Company preparing an Article IX traditional rate case?**

243 A. The Company has stated that the reason for preparing an Article IX rate
244 case in 2011 was:

245 For most of 2011, EIMA was not in effect. Public Act 97-0616 was
246 initially vetoed by the Governor on September 12, 2011 and his veto
247 was not overridden until October 26, 2011. Public Act 97-0646 was
248 not passed by the state legislature until November and eventually
249 signed by the Governor in late December. Accordingly, ComEd was
250 not sure whether or not the legislation would eventually become law
251 or what requirements the final legislation would include, and
252 undertook efforts to prepare traditional rate case based upon
253 existing Part 285 requirements, a filing that would have been
254 necessary if EIMA did not take effect. Preparation of a traditional
255 article IX rate case typically takes a minimum of six months lead
256 time. (ComEd Ex. 13.0, pp. 12-13)

257 **Q. Was the Company required to become a participating utility under**
258 **EIMA?**

259 A. No. According to Section 16-108.5 of the Act:

260 For purposes of this Section, "participating utility" means an electric
261 utility or a combination utility serving more than 1,000,000
262 customers in Illinois that **voluntarily elects and commits** to
263 undertake (i) the infrastructure investment program consisting of
264 the commitments and obligations described in this subsection (b)
265 and (ii) the customer assistance program consisting of the
266 commitments and obligations described in subsection (b-10) of this
267 Section, notwithstanding any other provisions of this Act and
268 without obtaining any approvals from the Commission or any other
269 agency other than as set forth in this Section, regardless of whether
270 any such approval would otherwise be required. (220 ILCS 5/16-
271 108.5(b)) (*Emphasis added*)

272 **Q. Is it reasonable to expect customers to pay for a rate case that was**
273 **never filed?**

274 A. No. The Company was under no obligation to become a participating
275 utility under EIMA. The decision to do so was at the discretion of the
276 Company's management. It was also the Company's management's
277 decision to simultaneously prepare a traditional Article IX rate case and a
278 formula rate case. It is not reasonable to expect customers to pay for
279 both.

280 **Initial Formula Rate Case Expense**

281 **Q. Please explain the status of your adjustment to disallow rate case**
282 **expenses associated with Docket No. 11-0721, the initial formula rate**
283 **case that you proposed in direct testimony.**

284 A. In direct testimony, I disallowed rate case expense that appeared to have
285 been associated with the initial formula rate case because I presumed that
286 the rate case expense was being recovered in an expense account and a

287 regulatory asset account. However, these costs, as well as additional
288 costs which the Company has since identified, were instead related to an
289 Article IX traditional rate case that the Company was preparing but never
290 filed. As discussed above, I am recommending disallowance of rate case
291 expense costs associated with the rate case that was never filed.

292 **Q. Does your adjustment impact the rate case expense associated with**
293 **the initial formula rate case Docket No. 11-0721 and recorded as a**
294 **regulatory asset?**

295 A. No. My adjustment removes only the costs associated with the Article IX
296 traditional rate case that was never filed but were recorded in
297 Administrative and General expense accounts.

298 **Q. At the time of your direct testimony you had not made a**
299 **recommendation on rate case expense with regards to Section 9-229**
300 **(Consideration of Attorney and Expert Compensation as an Expense)**
301 **of the Act due to some outstanding discovery requests. Has**
302 **anything come to your attention as a result of responses to those**
303 **discovery requests?**

304 A. Yes. During the review of invoices included in the regulatory asset
305 associated with the initial formula rate, it was noted that the Company
306 reimbursed an external legal firm for the cost of several meals. In
307 response to Staff Data Request ("DR") ST-7.01 the Company explained
308 these meals as follows:

309 Due to the very short amount of time ComEd had to prepare and
310 file it first rate case under the Energy Infrastructure and
311 Modernization Act (EIMA), ComEd employees and the staff of
312 outside counsel worked significant amounts of overtime to complete
313 the filing within the allotted time. The charges detailed above were
314 incurred over the five days leading up to the filing of this rate case.
315 Over the course of these days, many ComEd Legal and Regulatory
316 staff members worked with ComEd's outside attorneys and their
317 staff, at the premises of Rooney, Rippie & Ratnaswamy, to finalize
318 and assemble all the documents required for the filing. As shown
319 on the invoices referenced above, this involved 14-16 hour
320 workdays, and included a Saturday and Sunday. On these days,
321 coffee, donuts, sandwiches and pizza were provided for all of the
322 individuals as working meals. ComEd considers these costs to be
323 reasonable business expenses incurred to prepare the filing.
324 (ComEd Response to Staff DR ST-7.01)

325 **Q. Is it the Company's policy to reimburse outside legal firms for the**
326 **cost of meals?**

327 A. No. The outside legal counsel with which ComEd contracts is required to
328 review and accept Exelon Corporation's Billing and Procedural Guidelines
329 for Outside Counsel. These guidelines clearly indicate that the Company
330 will not pay for meals unless related to long distance travel. (ComEd DR
331 Response ST 12.01_Attach 1, p. 11) The meals in question were at the
332 external counsel's premises, so no travel was involved and, therefore,
333 should not have been reimbursed.

334 **Q. Are you making an adjustment for these meal costs?**

335 A. No. The amount of these meals was approximately \$1,100 and included
336 as initial formula rate case expense, which is being amortized over three
337 years per EIMA. Because the revenue requirement schedules are in
338 thousands, removing the amortized amount of these expenses would have
339 no impact on the schedules. Regardless of the dollar impact, the

340 Company should be more diligent in complying with its own internal
341 policies, especially when these policies directly involve costs recovered
342 from ratepayers. Thus, I recommend that the Order in this proceeding
343 remind the Company to be more diligent in complying with Exelon
344 Corporation's Billing and Procedural Guidelines for Outside Counsel.

345 **Q. Do you have a recommendation concerning Section 9-229 related to**
346 **Docket No. 11-0721?**

347 A. Yes. I recommend the Commission make the following conclusion in its
348 Final Order:

349 The Commission finds that the amounts of compensation for
350 attorneys and technical experts incurred in 2011 to prepare and
351 litigate the initial formula rate Docket No. 11-0721 in the amount of
352 \$1,544,161 are just and reasonable pursuant to Section 9-229 of
353 the Act. (220 ILCS 5/9-229) However, the Commission will be
354 reviewing the bills from outside counsel in future cases to insure
355 that the Company is diligent in insuring compliance with Exelon
356 Corporation's Billing and Procedural Guidelines for Outside
357 Counsel.

358 **Withdrawn Adjustments**

359 **Q. Please explain why you have withdrawn your adjustment to**
360 **Lobbying Costs, Schedule 3.02.**

361 A. In response to Staff DR ST-2.06, the Company provided a list of invoices
362 to support the amount reported in Account 928, Regulatory Commission
363 Expenses. Several of the invoices were for political and legislative
364 counseling, which is an unrecoverable expense according to Section 9-
365 224 of the Act. After Staff filed direct testimony, the Company provided a
366 supplemental response to Staff DR ST-2.06 which indicates that the

367 invoices relating to political and legislative activities were reclassified to a
368 below the line account and, therefore, not included in Account 928 on the
369 FERC Form 1. These invoices have not been included in the formula rate
370 so no adjustment is necessary.

371 **Q. Please explain why you have withdrawn your adjustment to Merger**
372 **Costs, Schedule 3.03.**

373 A. At the time of Staff and intervener direct testimony, the Company had
374 provided no evidence of any future synergy savings for ComEd's
375 customers associated with the merger of Exelon and Constellation
376 Energy. The Company has since provided information that demonstrates
377 the amount of synergy savings between 2011 and 2015 will exceed that of
378 the costs to achieve those savings and, therefore, benefit ComEd's
379 customers over that same period. Assuming the projected savings are
380 realized, it is reasonable for the Company to seek recovery of the costs to
381 achieve those savings.

382 **Conclusion**

383 **Q. Does this end your prepared rebuttal testimony?**

384 A. Yes.

Commonwealth Edison Company
Charitable Contributions Adjustment
 For the Year Ending December 31, 2011
 (In Thousands)

Line No.	Description (a)	Amount (b)	Source (c)
1	Charitable Contributions per Staff	\$ 6,170	Line 2 + Line 3
2	Charitable Contributions per ComEd	<u>6,862</u>	ComEd Ex. 10.2, App. 7, Line 5, Column F
3	Staff Adjustment to Formula Rate A&G	<u>\$ (692)</u>	Staff Exhibit 3.0, Schedule 3.01, p. 3, Line 25
4	2011 Salary and Wages Allocator	89.71%	ComEd Ex. 10.2, Sch FR A-2, Line 8
5	Staff Adjustment to Revenue Requirement A&G	<u><u>\$ (620)</u></u>	Line 3 * line 4

Commonwealth Edison Company
 Charitable Contributions Adjustment
 For the Year Ending December 31, 2011
 (In Thousands)

Line No.	Organization (a)	Organization Program Area (b)	Amount (c)	Source (d)
	<u>Outside of Service Territory</u>			
1	Archdiocese Of Philadelphia	Religious/Community Outreach Programs	29	ComEd DR Response ST 3.02_Attach 1
2	Bishop England High School	Education/High School	15	ComEd DR Response ST 3.02_Attach 1
3	Citadel Foundation	Education/Colleges and Universities	12	ComEd DR Response ST 3.02_Attach 1
4	Drexel University	Education/Colleges & Universities	29	ComEd DR Response ST 3.02_Attach 1
5	Harvard University	Education	15	ComEd DR Response ST 3.02_Attach 1
6	Pennsylvania State University	Education/Colleges and Universities	44	ComEd DR Response ST 3.02_Attach 1
7	St. Joseph University	Education/Colleges and Universities	15	ComEd DR Response ST 3.02_Attach 1
8	University Of Pennsylvania	Education/Colleges/Universities	74	ComEd DR Response ST 3.02_Attach 1
9	Univerity Of South Carolina	Education/Colleges/Universities	29	ComEd DR Response ST 3.02_Attach 1
10	Ymca Of Phila & Vicinity	Community and Neighborhood Development	44	ComEd DR Response ST 3.02_Attach 1
	<u>Political/ Legislative</u>			
11	Metropolitan Mayors Caucus	Community and Neighborhood Development/Economic Development	10	ComEd DR Response ST 3.02_Attach 1
	<u>Public Welfare Non 501(C)(3)</u>			
12	Chicagoland Chamber Of Commerce	Community and Neighborhood Development	42	ComEd DR Response ST 3.02_Attach 1
13	American Legion - Commonwealth Edison Post 118	Community and Neighborhood Development	17	ComEd DR Response ST 3.02_Attach 1
14	Hacia	Community and Neighborhood Development	15	ComEd DR Response ST 3.02_Attach 1
15	Italian American Chamber Of Commerce-Midwest	Community and Neighborhood Development	7	ComEd DR Response ST 3.02_Attach 1

Commonwealth Edison Company
 Charitable Contributions Adjustment
 For the Year Ending December 31, 2011
 (In Thousands)

Line No.	Organization (a)	Organization Program Area (b)	Amount (c)	Source (d)
	<u>Public Welfare Un-known Tax Status</u>			
16	Commercial Club Foundation	Community Service	15	ComEd DR Response ST 3.02_Attach 1
17	Downers Grove Park District	Neighborhood/Community Development	10	ComEd DR Response ST 3.02_Attach 1
18	Galliard Performance Hall Foundation	Arts and Culture/Performing Arts	29	ComEd DR Response ST 3.02_Attach 1
19	Hubbard Street Dance Chicago	Arts and Culture/Performing Arts	7	ComEd DR Response ST 3.02_Attach 1
20	Institute For Positive Living	Community and Neighborhood Development	10	ComEd DR Response ST 3.02_Attach 1
21	Project Brotherhood, A Black Men's Clinic	Community and Neighborhood Development	8	ComEd DR Response ST 3.02_Attach 1
22	Thomas Alva Edison Foundation	Community and Neighborhood Development	10	ComEd DR Response ST 3.02_Attach 1
23	Truist	Community Involvement	156	ComEd DR Response ST 3.02_Attach 1
24	United Negro College Fund	Community and Neighborhood Development	50	ComEd DR Response ST 3.02_Attach 1
25	Total Staff Disallowed Contributions		<u>\$ 692</u>	Sum of Lines 1 - 24

Commonwealth Edison Company
Article IX Rate Case Expense Adjustment
 For the Year Ending December 31, 2011
 (In Thousands)

<u>Line No.</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Source</u> (c)
1	Article IX Rate Case Expense per Staff	\$ -	
2	Article IX Rate Case Expense per Company	<u>272</u>	ComEd DR Response ST-11.02_Attach 1
3	Staff Adjustment to Formula Rate A&G	<u>\$ (272)</u>	Line 1 - Line 2
4	2011 Salary and Wages Allocator	89.71%	ComEd Ex. 13.01, Sch FR A-2, Line 8
5	Staff Adjustment to Revenue Requirement A&G	<u><u>\$ (244)</u></u>	Line 3 * line 4