

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY :
:
Annual formula rate update and revenue : No. 13-0318
requirement reconciliation under :
Section 16-108.5 of the Public Utilities Act :

JOINT BRIEF OUTLINE

By direction of the Administrative Law Judges, the parties hereby submit the following Joint Brief Outline.¹ Not all parties could agree on including specific calendar years in certain headings. As a result, while all briefs will use a common structure, some parties may specify in the headings the specific rate year to which their argument relates. Those locations are marked with “[YEAR].”

I. INTRODUCTION / STATEMENT OF THE CASE

II. OVERALL REVENUE REQUIREMENT

- A. [YEAR] Initial Rate Year Revenue Requirement
- B. [YEAR] Reconciliation Adjustment
- C. ROE Collar
- D. [YEAR] Net Rate Year Revenue Requirement

III. SCOPE OF PROCEEDING

- A. Changes the Structure or Protocols of the Performance-Based Formula Rate
- B. The Definition of Rate Year and the Reconciliation Cycle
- C. Original Cost Finding
- D. Issues Pending on Appeal

¹ This outline is filed by counsel for ComEd, who acted as scrivener for the group. The position of ComEd on each particular issue is stated in its own testimony and filings.

IV. RATE BASE

A. Overview

1. [YEAR] Reconciliation Rate Base
2. [YEAR] Initial Rate Year Rate Base

B. Potentially Uncontested Issues

1. Plant in Service
 - a. Distribution Plant
 - b. General and Intangible Plant
 - c. Functionalization / Use of W&S Allocator
 - d. Plant Additions
2. Materials & Supplies
3. Construction Work In Progress
4. Regulatory Assets and Liabilities
5. Deferred Debits
6. Other Deferred Charges
7. Accumulated Provisions for Depreciation and Amortization
8. Accumulated Miscellaneous Operating Provisions
9. Asset Retirement Obligation
10. Customer Advances
11. Customer Deposits
12. Other

C. Potentially Contested Issues

1. Accumulated Deferred Income Taxes (ADIT) Adjustment on Vacation Pay
2. Cash Working Capital

3. Other (including derivative adjustments)

V. **OPERATING EXPENSES**

- A. Overview
- B. Potentially Uncontested Issues
 1. Distribution O&M Expenses
 2. Customer-Related O&M Expenses
 3. Administrative and General Expense
 4. Charitable Contributions
 5. Chicago Forward Sponsorship
 6. Outside Services Employed
 7. Transmission Legal Fees
 8. 2012 Merger Expense
 9. Uncollectibles Expenses
 10. Advertising Expenses
 11. Sales and Marketing Expense
 12. Depreciation and Amortization Expense
 13. Regulatory Asset Amortization
 14. Operating Cost Management Efforts
 15. Storm Damage Repair Expense
 16. Interest Expense
 17. Lobbying Expense
 18. Gross Revenue Conversion Factor

C. Potentially Contested Issues

1. Rate Case Expenses

- a. Appeal & Remand
- b. Attorneys
- c. Experts
- d. Other

2. Incentive Compensation Program Expenses

- a. Long-Term Performance Share Awards Program (“LTPSAP”)
- b. Energy Efficiency/Rider EDA

3. Employee Stock Purchase Plan (“ESPP”)

- a. Stock Price Issue
- b. Income Tax Issue

4. Payroll taxes

5. Pension Costs

VI. RATE OF RETURN

A. Overview

B. Capital Structure

C. Cost of Capital Components

VII. RECONCILIATION

A. Overview

B. Potential contested Issues

1. Deferred Income Taxes on Reconciliation Balance

2. WACC Gross-Up

VIII. ROE COLLAR

- A. Overview
- B. Potential contested Issues
 - 1. Rate Base for ROE Collar Calculation

IX. REVENUES

- A. Overview
- B. Potentially Uncontested Issues
 - 1. Allocation of PORCB LPCs to Delivery Services
 - 2. Other Revenues
 - 3. Other
- C. Potentially Contested Issues
 - 1. Late Payment Revenues related to Transmission
 - 2. Other

X. COST OF SERVICE AND RATE DESIGN

- A. Overview
- B. Potentially Uncontested Issues
 - 1. Embedded Cost of Service Study
 - 2. Distribution System Loss Factor Study
 - 3. Rider PE – Purchased Electricity
- C. Potentially Contested Issues
 - 1. Billing Determinants

XI. OTHER

- A. Overview

- B. Potentially Uncontested Issues
 - 1. Staff Investigation into BSC
 - 2. Reporting Requirements
 - a. EIMA Investments
 - b. Reconciliation Year Plant Additions
 - a. Contributions to energy low-income and support programs
- C. Potentially Contested Issues
 - 1. Use of Rate Formula Template / Traditional Schedules for Analysis of Adjustments / Disallowances

XII. CONCLUSION