

Commonwealth Edison Company
Statement of Operating Income with Adjustments
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description | Company Pro Forma Present (Co. Ex 13.05 p. 18) | Adjustments (Sch 2 FY) | Pro Forma Present (Cols. b+c) | Company Proposed Increase (Co. Ex 13.05 p. 18) | Gross Revenue Conversion Factor | Proposed Rates With Adjustments (Cols. d+e+f) | Adjustment To Proposed Increase | Operating Statement With Adjustments (Cols. g+h) | Net Revenue Requirement (Sch. 8 FY, 9 FY) |
|----------|---|---|---------------------------|----------------------------------|---|---------------------------------|--|---------------------------------|---|--|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| 1 | Operating Revenues | \$ 2,187,317 | \$ - | \$ 2,187,317 | \$ 174,272 | \$ (1) | \$ 2,361,588 | \$ (19,933) | \$ 2,341,655 | \$ 2,341,655 |
| 2 | Other Revenues | 129,785 | - | 129,785 | - | - | 129,785 | - | 129,785 | - |
| 3 | Reconciliation Adjustment | - | - | - | - | - | - | - | - | 234,465 |
| 4 | Return on Equity Collar Adjustment | - | - | - | - | - | - | - | - | - |
| 5 | Total Operating Revenue | 2,317,102 | - | 2,317,102 | 174,272 | (1) | 2,491,373 | (19,933) | 2,471,440 | \$ 2,576,120 |
| 6 | Uncollectibles Expense | - | - | - | - | - | - | - | - | - |
| 7 | Distribution | 432,760 | (2,652) | 430,108 | - | - | 430,108 | - | 430,108 | - |
| 8 | Customer Accounts Expenses | 198,615 | (13,591) | 185,024 | - | - | 185,024 | - | 185,024 | - |
| 9 | Customer Services and Informational Exp. | 19,609 | - | 19,609 | - | - | 19,609 | - | 19,609 | - |
| 10 | Sales Expenses | - | - | - | - | - | - | - | - | - |
| 11 | Administrative and General Expense | 421,233 | (1,024) | 420,209 | - | - | 420,209 | - | 420,209 | - |
| 12 | Depreciation and Amortization Expense | 482,096 | (95) | 482,001 | - | - | 482,001 | - | 482,001 | - |
| 13 | Taxes Other Than Income | 147,950 | (428) | 147,522 | - | - | 147,522 | - | 147,522 | - |
| 14 | Reg Asset Amort. & Other Expense Adj | 10,718 | - | 10,718 | - | - | 10,718 | - | 10,718 | - |
| 15 | Pension Asset Funding Cost | 53,473 | - | 53,473 | - | - | 53,473 | - | 53,473 | - |
| 16 | Other Expenses | - | - | - | - | - | - | - | - | - |
| 17 | Total Operating Expense | - | - | - | - | - | - | - | - | - |
| 18 | Before Income Taxes | 1,766,454 | (17,790) | 1,748,664 | - | - | 1,748,664 | - | 1,748,664 | - |
| 19 | State Income Tax | 10,108 | 1,747 | 11,855 | 16,556 | - | 28,411 | (1,894) | 26,517 | - |
| 20 | Federal Income Tax | (29,523) | 5,825 | (23,698) | 55,201 | (1) | 31,502 | (6,314) | 25,188 | - |
| 21 | Deferred Taxes and ITCs Net | 152,346 | - | 152,346 | - | - | 152,346 | - | 152,346 | - |
| 22 | Total Operating Expenses | 1,899,385 | (10,218) | 1,889,167 | 71,757 | (1) | 1,960,923 | (8,208) | 1,952,715 | - |
| 23 | NET OPERATING INCOME | \$ 417,717 | \$ 10,218 | \$ 427,935 | \$ 102,515 | \$ - | \$ 530,450 | \$ (11,725) | \$ 518,725 | - |
| 24 | Rate Base (Sch 3 FY, column (d), line 24) | | | | | | | | \$ 7,347,374 | |
| 25 | Overall Rate of Return (ComEd Ex.13.05, p. 29) | | | | | | | | 7.06% | |
| 26 | Revenue Change (column (i), line 5 minus column (b), line 5) | | | | | | | | \$ 154,338 | |
| 27 | Percentage Change (column (i), line 26 divided by column (b), line 5) | | | | | | | | 6.66% | |

Commonwealth Edison Company
Adjustments to Operating Income
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description | Interest Synchronization (Sch 6 FY) | Customer Care Costs (ComEd Ex. 16.03) | Depreciation Rate Change (14-0316) | Collection Agency Costs (Sch 8.01) | Credit Card Expenditures (Sch 8.02) | AIP Incentive Compensation (ComEd Ex. 25.01) | LTPSAP Incentive Compensation (Per Order) | Total Operating Statement Adjustments |
|----------|--|-------------------------------------|---------------------------------------|------------------------------------|------------------------------------|-------------------------------------|--|---|---------------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Operating Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Other Revenues | - | - | - | - | - | - | - | - |
| 3 | Reconciliation Adjustment | - | - | - | - | - | - | - | - |
| 4 | Return on Equity Collar Adjustment | - | - | - | - | - | - | - | - |
| 5 | Total Operating Revenue | - | - | - | - | - | - | - | - |
| 6 | Uncollectibles Expense | - | - | - | - | - | - | - | - |
| 7 | Distribution | - | - | - | - | (254) | (2,398) | - | (2,652) |
| 8 | Customer Accounts Expenses | - | (10,927) | - | (505) | - | (2,159) | - | (13,591) |
| 9 | Customer Services and Informational Exp. | - | - | - | - | - | - | - | - |
| 10 | Sales Expenses | - | - | - | - | - | - | - | - |
| 11 | Administrative and General Expense | - | - | - | - | - | (1,024) | - | (1,024) |
| 12 | Depreciation and Amortization Expense | - | - | - | - | - | (95) | - | (95) |
| 13 | Taxes Other Than Income | - | - | - | - | - | (428) | - | (428) |
| 14 | Reg Asset Amort. & Other Expense Adj | - | - | - | - | - | - | - | - |
| 15 | Pension Asset Funding Cost | - | - | - | - | - | - | - | - |
| 16 | | - | - | - | - | - | - | - | - |
| 17 | Total Operating Expense | - | - | - | - | - | - | - | - |
| 18 | Before Income Taxes | - | (10,927) | - | (505) | (254) | (6,104) | - | (17,790) |
| 19 | State Income Tax | 57 | 1,038 | - | 48 | 24 | 580 | - | 1,747 |
| 20 | Federal Income Tax | 191 | 3,461 | - | 160 | 80 | 1,933 | - | 5,825 |
| 21 | Deferred Taxes and ITCs Net | - | - | - | - | - | - | - | - |
| 22 | Total Operating Expenses | 248 | (6,428) | - | (297) | (150) | (3,591) | - | (10,218) |
| 23 | NET OPERATING INCOME | \$ (248) | \$ 6,428 | \$ - | \$ 297 | \$ 150 | \$ 3,591 | \$ - | \$ 10,218 |

Commonwealth Edison Company
Rate Base
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description | Company Pro Forma Jurisdictional Rate Base (Co. Ex. 13.05, p. 11) | Adjustments (Sch 4 FY) | Adjusted Rate Base (Col. b+c) |
|----------|--|---|---------------------------|-------------------------------------|
| | (a) | (b) | (c) | (d) |
| 1 | Distribution Plant | \$ 15,724,799 | \$ (4,126) | \$ 15,720,673 |
| 2 | G & I Plant | 1,767,538 | - | 1,767,538 |
| 3 | Accumulated Depreciation on Distribution Plant | (5,877,576) | 95 | (5,877,481) |
| 4 | Accumulated Depreciation on G & I Plant | <u>(863,268)</u> | <u>-</u> | <u>(863,268)</u> |
| 5 | Net Plant | 10,751,493 | (4,031) | 10,747,462 |
| 6 | Construction Work in Progress | - | | |
| 7 | Cash Working Capital | (8,576) | (17,365) | (25,941) |
| 8 | Materials & Supplies Inventories | 41,057 | - | 41,057 |
| 9 | Accumulated Deferred Income Taxes | (2,833,725) | 25 | (2,833,700) |
| 10 | Regulatory Assets & Liabilities, Net | 132,646 | - | 132,646 |
| 11 | Deferred Costs | 32,762 | - | 32,762 |
| 12 | Operating Reserves | (429,569) | - | (429,569) |
| 13 | Asset Retirement Obligation | (21,832) | - | (21,832) |
| 14 | Deferred Liabilities | (94,401) | - | (94,401) |
| 15 | Customer Deposits | (133,094) | - | (133,094) |
| 16 | Customer Advances | (68,016) | - | (68,016) |
| 17 | | | | |
| 18 | | - | - | - |
| 19 | | - | - | - |
| 20 | | - | - | - |
| 21 | | - | - | - |
| 22 | | - | - | - |
| 23 | | <u>-</u> | <u>-</u> | <u>-</u> |
| 24 | Rate Base | <u>\$ 7,368,745</u> | <u>\$ (21,371)</u> | <u>\$ 7,347,374</u> |

Commonwealth Edison Company
Adjustments to Rate Base
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description | Cash Working Capital (Sch 10 FY) | Depreciation Rate Change (14-0316) | AIP Incentive Compensation (ComEd Ex. 25.01) | (Source) | (Source) | (Source) | (Source) | Total Rate Base Adjustments |
|----------|--|----------------------------------|------------------------------------|--|-------------|-------------|-------------|-------------|-----------------------------|
| | (a) | (b) | (c) | (c) | (e) | (f) | (g) | (h) | (i) |
| 1 | Distribution Plant | \$ - | - | \$ (4,126) | \$ - | - | \$ - | \$ - | \$ (4,126) |
| 2 | G & I Plant | - | - | - | - | - | - | - | - |
| 3 | Accumulated Depreciation on Distribution Plant | - | - | 95 | - | - | - | - | 95 |
| 4 | Accumulated Depreciation on G & I Plant | - | - | - | - | - | - | - | - |
| 5 | Net Plant | - | - | (4,031) | - | - | - | - | (4,031) |
| 6 | Construction Work in Progress | - | - | - | - | - | - | - | - |
| 7 | Cash Working Capital | (17,365) | - | - | - | - | - | - | (17,365) |
| 8 | Materials & Supplies Inventories | - | - | - | - | - | - | - | - |
| 9 | Accumulated Deferred Income Taxes | - | - | 25 | - | - | - | - | 25 |
| 10 | Regulatory Assets & Liabilities, Net | - | - | - | - | - | - | - | - |
| 11 | Deferred Costs | - | - | - | - | - | - | - | - |
| 12 | Operating Reserves | - | - | - | - | - | - | - | - |
| 13 | Asset Retirement Obligation | - | - | - | - | - | - | - | - |
| 14 | Deferred Liabilities | - | - | - | - | - | - | - | - |
| 15 | Customer Deposits | - | - | - | - | - | - | - | - |
| 16 | Customer Advances | - | - | - | - | - | - | - | - |
| 17 | - | - | - | - | - | - | - | - | - |
| 18 | - | - | - | - | - | - | - | - | - |
| 19 | - | - | - | - | - | - | - | - | - |
| 20 | - | - | - | - | - | - | - | - | - |
| 21 | - | - | - | - | - | - | - | - | - |
| 22 | - | - | - | - | - | - | - | - | - |
| 23 | - | - | - | - | - | - | - | - | - |
| 24 | Rate Base | <u>\$ (17,365)</u> | <u>\$ -</u> | <u>\$ (4,006)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (21,371)</u> |

Commonwealth Edison Company
Revenue Effect of Adjustments
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description (a) | Per Company (b) | Adjustments (c) | Per Order (d) |
|----------|---|-------------------------------|--------------------------------|-------------------------------|
| 1 | Present Revenues | \$ 2,317,102 ⁽¹⁾ | \$ - | \$ 2,317,102 ⁽²⁾ |
| 2 | Increase | <u>174,272 ⁽³⁾</u> | <u>(19,934) ⁽⁴⁾</u> | <u>154,338 ⁽⁵⁾</u> |
| 3 | Revenues | <u>\$ 2,491,374</u> | <u>\$ (19,934)</u> | <u>\$ 2,471,440</u> |
| 4 | % Increase | 7.52% | | 6.66% |
| 5 | Adjustments: | | | |
| 6 | Credit Card Charges | | (255) | |
| 7 | Cash Working Capital | | (1,745) | |
| 8 | Depreciation Rate Change | | - | |
| 9 | - | | - | |
| 10 | Customer Care Costs | | (10,927) | |
| 11 | - | | - | |
| 12 | - | | - | |
| 13 | AIP Incentive Comp | | (6,508) | |
| 14 | - | | - | |
| 15 | - | | - | |
| 16 | Collection Agency Costs | | (505) | |
| 17 | - | | - | |
| 18 | - | | - | |
| 19 | - | | - | |
| 20 | LTPSAP Incentive Comp | | - | |
| 21 | - | | - | |
| 22 | - | | - | |
| 23 | - | | - | |
| 24 | - | | - | |
| 25 | - | | - | |
| 26 | - | | - | |
| 27 | Interest Synchronization | | 5 | |
| 28 | Rate of Return (Applied to Company Rate Base) | | 3 | |
| 29 | Gross Revenue Conversion Factor | | (1) | |
| 30 | Rounding | | <u>(1)</u> | |
| 31 | Total Revenue Effect of Adjustments | | <u>\$ (19,934)</u> | |

Sources:

- (1) Schedule 1 FY, column (b), line 5
- (2) Schedule 1 FY, column (d), line 5
- (3) Schedule 1 FY, column (e), line 5
- (4) Schedule 1 FY, columns (f) + (h), line 5
- (5) Schedule 1 FY, column (i), line 26

Commonwealth Edison Company
Interest Synchronization Adjustment
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description (a) | Amount (b) |
|----------|---|--------------------|
| 1 | Rate Base | \$ 7,347,374 (1) |
| 2 | Weighted Cost of Debt | 2.83% (2) |
| 3 | Synchronized Interest Per Order | 207,931 |
| 4 | Company Interest Expense | <u>208,535 (3)</u> |
| 5 | Increase (Decrease) in Interest Expense | <u>(604)</u> |
| 6 | Increase (Decrease) in State Income Tax Expense | |
| 7 | at 9.500% | <u>\$ 57</u> |
| 8 | Increase (Decrease) in Federal Income Tax Expense | |
| 9 | at 35.000% | <u>\$ 191</u> |

(1) Source: Sch. 3 FY, column (d), line 24.

(2) Source: ComEd Ex. 13.05, p. 28, line 2.

(3) Source: ComEd Ex. 13.05, p. 28, line 3.

Commonwealth Edison Company
Gross Revenue Conversion Factor
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description | Rate | With Bad Debts | Without Bad Debts |
|----------|---|----------|-----------------|-------------------|
| | (a) | (b) | (c) | (d) |
| 1 | Revenues | | 1.000000 | |
| 2 | Uncollectibles | 0.0000% | <u>0.000000</u> | |
| 3 | State Taxable Income | | 1.000000 | 1.000000 |
| 4 | State Income Tax | 9.5000% | <u>0.095000</u> | <u>0.095000</u> |
| 5 | Federal Taxable Income | | 0.905000 | 0.905000 |
| 6 | Federal Income Tax | 35.0000% | <u>0.316750</u> | <u>0.316750</u> |
| 7 | Operating Income | | <u>0.588250</u> | <u>0.588250</u> |
| 8 | Gross Revenue Conversion Factor Per Order | | <u>1.699958</u> | <u>1.699958</u> |

Commonwealth Edison Company
Reconciliation Computation for the Reconciliation Year Ending December 31, 2013
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description (a) | Source (b) | Amt (c) | (d) | (e) | (f) | (g) |
|----------|--|------------------------------|---------------------------------|---------------------------------|---------------|------------------------------------|---|
| 1a | Actual Revenue Requirement Revenue Requirement in effect during | Sch 1 RY, column (i), line 1 | \$ 2,231,243 | | | | |
| 1b | Reconciliation Year | ComEd Ex. 3.01, line 1b | \$ 2,027,500 | | | | |
| 1c | Variance - Reconciliation Before Interest | (Ln 1a) - (Ln 1b) | \$ 203,743 | | | | |
| 1d | ROE Collar Adjustment | Sch 9 FY, column b, line 36 | \$ - | | | | |
| 1e | Variance With Collar | (Ln 1c) + (Ln 1d) | \$ 203,743 | | | | |
| 2 | Overall Rate of Return (%) | ComEd Ex. 3.03, p. 327. | 7.04% | | | | |
| | | | <u>Variance</u> (Ln 1e) / 12 | <u>Interest Rate</u> Ln 2/12 | <u>Months</u> | <u>Interest</u> (c) * (d) * (e) | <u>Surcharge (Refund)</u> (c) + (f) |
| 2013 | | | | | | | |
| 3 | Jan | | \$ 16,979 | 0.5867% | 11.5 | \$ 1,145 | \$ 18,124 |
| 4 | Feb | | \$ 16,979 | 0.5867% | 10.5 | \$ 1,046 | \$ 18,024 |
| 5 | Mar | | \$ 16,979 | 0.5867% | 9.5 | \$ 946 | \$ 17,925 |
| 6 | Apr | | \$ 16,979 | 0.5867% | 8.5 | \$ 847 | \$ 17,825 |
| 7 | May | | \$ 16,979 | 0.5867% | 7.5 | \$ 747 | \$ 17,726 |
| 8 | Jun | | \$ 16,979 | 0.5867% | 6.5 | \$ 647 | \$ 17,626 |
| 9 | Jul | | \$ 16,979 | 0.5867% | 5.5 | \$ 548 | \$ 17,526 |
| 10 | Aug | | \$ 16,979 | 0.5867% | 4.5 | \$ 448 | \$ 17,427 |
| 11 | Sep | | \$ 16,979 | 0.5867% | 3.5 | \$ 349 | \$ 17,327 |
| 12 | Oct | | \$ 16,979 | 0.5867% | 2.5 | \$ 249 | \$ 17,228 |
| 13 | Nov | | \$ 16,979 | 0.5867% | 1.5 | \$ 149 | \$ 17,128 |
| 14 | Dec | | \$ 16,979 | 0.5867% | 0.5 | \$ 50 | \$ 17,028 |
| 15 | Total | Sum of (Ln 5) thru (Ln 16) | <u>\$ 203,743</u> | | | <u>\$ 7,172</u> | <u>\$ 210,915</u> |
| | | | <u>Balance</u> | <u>Interest Rate</u> Ln 4/12 | <u>Months</u> | <u>Interest</u> (c) * (d) * (e) | <u>Balance</u> (c) + (f) |
| 2014 | | | | | | | |
| 16 | Jan - Dec | Col G Ln 15 | <u>\$ 210,915</u> | 0.5867% | 12 | <u>\$ 14,848</u> | <u>\$ 225,763</u> |
| | | | <u>Balance</u> | <u>Interest Rate</u> Ln 4/12 | | <u>Amort</u> (2') | <u>Balance</u> (c) + (c) * (d) - (f) |
| 2015 | | | | | | | |
| 17 | Jan | Col G Ln 16 | \$ 225,763 | 0.5867% | | \$ 19,539 | \$ 207,549 |
| 18 | Feb | Col G Ln 17 | \$ 207,549 | 0.5867% | | \$ 19,539 | \$ 189,228 |
| 19 | Mar | Col G Ln 18 | \$ 189,228 | 0.5867% | | \$ 19,539 | \$ 170,799 |
| 20 | Apr | Col G Ln 19 | \$ 170,799 | 0.5867% | | \$ 19,539 | \$ 152,263 |
| 21 | May | Col G Ln 20 | \$ 152,263 | 0.5867% | | \$ 19,539 | \$ 133,617 |
| 22 | Jun | Col G Ln 21 | \$ 133,617 | 0.5867% | | \$ 19,539 | \$ 114,862 |
| 23 | Jul | Col G Ln 22 | \$ 114,862 | 0.5867% | | \$ 19,539 | \$ 95,997 |
| 24 | Aug | Col G Ln 23 | \$ 95,997 | 0.5867% | | \$ 19,539 | \$ 77,022 |
| 25 | Sep | Col G Ln 24 | \$ 77,022 | 0.5867% | | \$ 19,539 | \$ 57,935 |
| 26 | Oct | Col G Ln 25 | \$ 57,935 | 0.5867% | | \$ 19,539 | \$ 38,736 |
| 27 | Nov | Col G Ln 26 | \$ 38,736 | 0.5867% | | \$ 19,539 | \$ 19,425 |
| 28 | Dec | Col G Ln 27 | \$ 19,425 | 0.5867% | | \$ 19,539 | \$ - |
| 29 | Variance with Interest | Sum of (Ln 17) thru (Ln 28) | | | | <u>\$ 234,465</u> | |
| 30 | Remove ROE Collar Adjustment (3') | Col C Ln 1d | | | | <u>\$ -</u> | To Sch 1 FY, col (i), line 4 |
| 31 | Reconciliation with Interest | (Ln 29) - (Ln 30) | | | | <u>\$ 234,465</u> | To Sch 1 FY, col (i), line 3 |

Commonwealth Edison Company
ROE Collar Computation for the Reconciliation Year Ending December 31, 2013
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line No. | Description (a) | Per Staff (b) | Source (c) |
|----------|--|------------------|---------------------------------------|
| 1 | DS Rate Base | \$ 6,574,279 | Sch 3 RY, Column (d), Ln 24 |
| | Capital Structure | | |
| 2 | Common Equity % | 45.77% | ComEd Schedule D-1 FY |
| 3 | Short-Term Debt % | 0.22% | ComEd Schedule D-1 FY |
| 4 | Long-Term Debt % | 54.01% | ComEd Schedule D-1 FY |
| 5 | DS Equity Balance | \$ 3,009,047 | Ln 1 x Ln 2 |
| 6 | DS Short-Term Debt Balance | \$ 14,463 | Ln 1 x Ln 3 |
| 7 | DS Long-Term Debt Balance | \$ 3,550,768 | Ln 1 x Ln 4 |
| 8 | Cost of Short-Term Debt (%) | 0.40% | ComEd Schedule D-1 FY |
| 9 | Cost of Long-Term Debt (%) | 5.16% | ComEd Schedule D-1 FY |
| 10 | DS Operating Revenue | \$ 2,320,635 | FERC Fm 1 Pg 300 |
| 11 | Accrued Reconciliation & Collar Revenues | \$ 230,000 | FERC Fm 1 Pg 300 |
| 12 | Updated Reconciliation Amount (Var. bef. Collar) | \$ 203,743 | Sch. 8 FY, col (c), Ln 1c |
| 13 | LIHEAP & Uncollectibles Revenue | \$ 46,023 | ComEd Schedule FR A-3 |
| 14 | Other Revenue | \$ 129,785 | Sch. 1 RY, col (j), Ln. 2 |
| 15 | DS Applicable Operating Revenue | \$ 2,378,140 | Ln 10 - Ln 11 + Ln 12 - Ln 13 + Ln 14 |
| 16 | Total DS Operating Expenses | \$ 1,718,156 | Sch 1 RY, Column (d), Ln 18 |
| 17 | DS Operating Income Before Interest & Taxes | \$ 659,984 | Ln 15 - Ln 16 |
| 18 | DS Short-Term Interest Expense | \$ 58 | Ln 6 x Ln 8 |
| 19 | DS Long-Term Interest Expense | \$ 183,220 | Ln 7 x Ln 9 |
| 20 | Credit Facilities Expense | \$ 2,630 | Ln 1 x Credit Facilities % from ROR |
| 21 | DS Operating Income before Taxes | \$ 474,076 | Ln 17 - Ln 18 - Ln 19 - Ln 20 |
| 22 | Income Tax Rate (%) | 41.175% | |
| 23 | DS Income Taxes | \$ 195,201 | Ln 21 x Ln 22 |
| 24 | Impact of ITCs & Permanent Tax Differences | \$ (7,757) | |
| 25 | DS Net Income | \$ 286,632 | Ln 21 - Ln 23 - Ln 24 |
| 26 | DS ROE (%) | 9.53% | Ln 25 / Ln 5 |
| | ROE Collar | | |
| 27 | Allowed ROE (%) | 9.20% | ComEd Schedule FR A-3 |
| 28 | Maximum Allowed ROE (%) | 9.70% | Ln 27 + .5% |
| 29 | Minimum Allowed ROE (%) | 8.70% | Ln 27 - .5% |
| 30 | Percent Above Maximum Allowed ROE (%) | 0.00% | |
| 31 | Amount Above Allowed ROE Collar | \$ - | Ln 5 x Ln 30 |
| 32 | Percent Below Minimum Allowed ROE (%) | 0.00% | Ln 29 - Ln 26 |
| 33 | Amount Below Allowed ROE Collar | \$ - | Ln 5 x Ln 32 |
| 34 | ROE Collar Adj After Tax | \$ - | Ln 31 + Ln 33 |
| 35 | ROE Collar Tax Gross-up | \$ - | Ln 34 x Ln 22/(1- Ln 22) |
| 36 | ROE Collar Adj | \$ - | Ln 34 + Ln 35 |

Commonwealth Edison Company
Cash Working Capital Adjustment
For the Filing Year Ending December 31, 2014
(In Thousands)

| Line | Description (a) | Amount (b) | Lag (Lead) (c) | CWC Factor (d) (c/365) | CWC Requirement (e) (b*d) | Column b Source (f) |
|------|--|---------------------|-------------------|------------------------------|---------------------------------|---|
| 1 | Revenues | \$ 1,435,370 | 49.54 | 0.13573 | \$ 194,817 | Schedule 10 FY, Page 2, Column b, Line 9 |
| 2 | Collections of Pass-through Taxes: | | | | | |
| 3 | Energy Assistance/Renewable Energy | 46,037 | 0.00 | 0.00000 | - | Line 32 below |
| 4 | Gross Receipts/Municipal Utility Tax | 251,439 | 0.00 | 0.00000 | - | Line 33 below |
| 5 | Illinois Excise Tax | 259,399 | 34.33 | 0.09405 | 24,398 | Line 34 below |
| 6 | City of Chicago Infrastructure Maintenance Fee | 90,337 | 34.33 | 0.09405 | 8,497 | Line 35 below |
| 7 | Total Receipts | <u>\$ 2,082,582</u> | | | <u>\$ 227,712</u> | Sum of Lines 1 through 6 |
| 8 | Base Payroll and Withholdings | \$ 283,545 | (16.19) | (0.04436) | \$ (12,577) | Schedule 10 FY, Page 2, Column b, Line 31 |
| 9 | Vacation Pay Expense | - | (16.19) | (0.04436) | - | |
| 10 | Incentive Pay Expense | 33,413 | (239.50) | (0.65616) | (21,924) | ComEd Ex. 3.01, APP 3, Line 10 |
| 11 | Employee Benefits - Pension & Benefits | 153,456 | 0.00 | 0.00000 | - | ComEd Ex. 3.01, APP 3, Line 11; per Order |
| 12 | Employee Benefits - Other | 51,234 | (4.19) | (0.01148) | (588) | ComEd Ex. 3.01, APP 3, Line 12 |
| 13 | Inter-Company billings - Less Pass-throughs | 84,552 | (45.21) | (0.12386) | (10,473) | ComEd Ex. 3.01, APP 3, Line 13 |
| 14 | Inter-Company billings - Pass-throughs | 40,214 | (45.21) | (0.12386) | (4,981) | ComEd Ex. 3.01, APP 3, Line 14 |
| 15 | Property Leases | 27,001 | (2.91) | (0.00797) | (215) | ComEd Ex. 3.01, APP 3, Line 15 |
| 16 | Other Operations and Maintenance Expenses | 354,349 | (87.33) | (0.23926) | (84,782) | Schedule 10 FY, Page 2, Column b, Line 25 |
| 17 | Property/Real Estate Tax | 14,446 | (336.37) | (0.92156) | (13,313) | ComEd Ex. 3.01, APP 3, Line 17 |
| 18 | FICA Tax | 21,752 | (16.19) | (0.04436) | (965) | ComEd Ex. 3.01, APP 3, Line 18 |
| 19 | Federal Unemployment Tax | 199 | (76.38) | (0.20926) | (42) | ComEd Ex. 3.01, APP 3, Line 19 |
| 20 | State Unemployment Tax | 442 | (76.38) | (0.20926) | (92) | ComEd Ex. 3.01, APP 3, Line 20 |
| 21 | Electricity Distribution Tax | 104,958 | (31.13) | (0.08529) | (8,952) | ComEd Ex. 3.01, APP 3, Line 21 |
| 22 | State Franchise Tax | 1,671 | (191.64) | (0.52504) | (877) | ComEd Ex. 3.01, APP 3, Line 22 |
| 23 | City of Chicago Dark Fiber Tax | - | 0.00 | 0.00000 | - | ComEd Ex. 3.01, APP 3, Line 23 |
| 24 | 401K Match | - | 0.00 | 0.00000 | - | ComEd Ex. 3.01, APP 3, Line 24 |
| 25 | State Public Utility Fund Tax | 3,828 | (38.64) | (0.10586) | (405) | ComEd Ex. 3.01, APP 3, Line 25 |
| 26 | Illinois Sales and Use Tax | 639 | (2.51) | (0.00688) | (4) | ComEd Ex. 3.01, APP 3, Line 26 |
| 27 | Chicago Sales and Use Tax | 35 | (228.50) | (0.62603) | (22) | ComEd Ex. 3.01, APP 3, Line 27 |
| 28 | Interest Expense | 207,931 | (90.88) | (0.24899) | (51,772) | Schedule 6 FY, Column b, Line 3 |
| 29 | State Income Tax | 26,517 | (37.88) | (0.10378) | (2,752) | Schedule 1 FY, Column i, Line 19 |
| 30 | Federal Income Tax | 25,188 | (37.88) | (0.10378) | (2,614) | Schedule 1 FY, Column i, Line 20 |
| 31 | Payments of Pass-through Taxes | | | | | |
| 32 | Energy Assistance/Renewable Energy | 46,037 | (31.46) | (0.08619) | (3,968) | ComEd Ex. 13.01, APP 3, Line 72 |
| 33 | Gross Receipts/Municipal Utility Tax | 251,439 | (37.35) | (0.10233) | (25,729) | ComEd Ex. 13.01, APP 3, Line 73 |
| 34 | Illinois Excise Tax | 259,399 | (0.24) | (0.00066) | (171) | ComEd Ex. 13.01, APP 3, Line 74 |
| 35 | City of Chicago Infrastructure Maintenance Fee | 90,337 | (26.00) | (0.07123) | (6,435) | ComEd Ex. 13.01, APP 3, Line 75 |
| 36 | | | | | | |
| 37 | Total Outlays | <u>\$ 2,082,582</u> | | | <u>\$ (253,653)</u> | Sum of Lines 8 through 36 |
| 38 | Cash Working Capital per Order | | | | \$ (25,941) | Line 7 plus line 37 |
| 39 | Cash Working Capital per Company | | | | (8,576) | ComEd Ex. 13.05, p. 11 |
| 40 | Difference -- Adjustment per Order | | | | <u>\$ (17,365)</u> | Line 38 minus Line 39 |

Commonwealth Edison Company
Cash Working Capital Adjustment
For the Filing Year Ending December 31, 2014
(In Thousands)

| <u>Line</u> | <u>Description</u> (a) | <u>Amount</u> (b) | <u>Source</u> (c) |
|-------------|--|----------------------|--|
| 1 | Total Operating Revenues | \$ 2,471,440 | Schedule 1 FY , Column i, Line 5 |
| 2 | Uncollectible Accounts | - | Schedule 1 FY , Column i, Line 6 |
| 3 | Depreciation & Amortization | (482,001) | Schedule 1 FY , Column i, Line 12 |
| 4 | Regulatory Debits | (37,456) | ComEd Ex. 3.02, WP 3, Line 4 |
| 5 | Less: Pension Asset Cost Funding | (53,473) | ComEd Ex. 3.02, WP 3, Line 5 |
| 6 | Less Deferred Taxes and ITC | (152,346) | Schedule 1 FY , Column i, Line 21 |
| 7 | City of Chicago Dark Fiber Tax | - | ComEd Ex. 14.02, WP 3, Line 7 |
| 8 | Return on Equity | (310,794) | Line 12 below |
| 9 | Total Revenues for CWC calculation | <u>\$ 1,435,370</u> | Sum of Lines 1 through 8 |
| 10 | Total Rate Base | \$ 7,347,374 | Schedule 3 FY , Column d, Line 24 |
| 11 | Weighted Cost of Capital | 4.23% | ComEd Ex. 3.02, WP 3, Line 11 |
| 12 | Return on Equity | <u>\$ 310,794</u> | Line 10 times Line 11 |
| 13 | Operating Expense Before Income Taxes | \$ 1,748,664 | Schedule 1 FY , Column i, Line 18 |
| 14 | Payroll Expense | (316,958) | ComEd Ex. 3.02, WP 3, Line 14 |
| 15 | Intercompany billings - Less Pass-throughs | (84,552) | ComEd Ex. 3.02, WP 3, Line 15 |
| 16 | Intercompany billings - Pass-throughs | (40,214) | ComEd Ex. 3.02, WP 3, Line 16 |
| 17 | Employee Benefits Expense - Pension and OPEB | (153,456) | ComEd Ex. 3.02, WP 3, Line 17 |
| 18 | Employee Benefits Expense - Other | (51,234) | ComEd Ex. 3.02, WP 3, Line 18 |
| 19 | Uncollectible Accounts | - | Schedule 1 FY , Column i, Line 6 |
| 20 | Depreciation & Amortization | (482,001) | Schedule 1 FY , Column i, Line 12 |
| 21 | Regulatory Debits | (37,456) | ComEd Ex. 3.02, WP 3, Line 4 |
| 22 | Pension Asset Funding Cost | (53,473) | ComEd Ex. 3.02, WP 3, Line 5 |
| 23 | Taxes Other Than Income | (147,970) | Schedule 10 FY, p. 1, Column b, sum line 17 through 27 |
| 24 | Property Leases | (27,001) | ComEd Ex. 3.02, WP 3, Line 24 |
| 25 | Other Operations & Maintenance for CWC Calculation | <u>\$ 354,349</u> | Sum of Lines 13 through 24 |
| 26 | Direct O & M Payroll per Company | \$ 353,988 | ComEd Ex. 3.02, WP 3, Line 26 |
| 27 | less: Power Production Payroll | (1,389) | ComEd Ex. 3.02, WP 3, Line 27 |
| 28 | less: Transmission Payroll | (35,527) | ComEd Ex. 3.02, WP 3, Line 28 |
| 29 | less: Payroll Taxes on Supply | (114) | ComEd Ex. 3.02, WP 3, Line 29 |
| 30 | less: Incentive Pay Expense | (33,413) | ComEd Ex. 3.02, WP 3, Line 30 |
| 31 | Direct Payroll | <u>\$ 283,545</u> | Sum of Lines 26 through 30 |