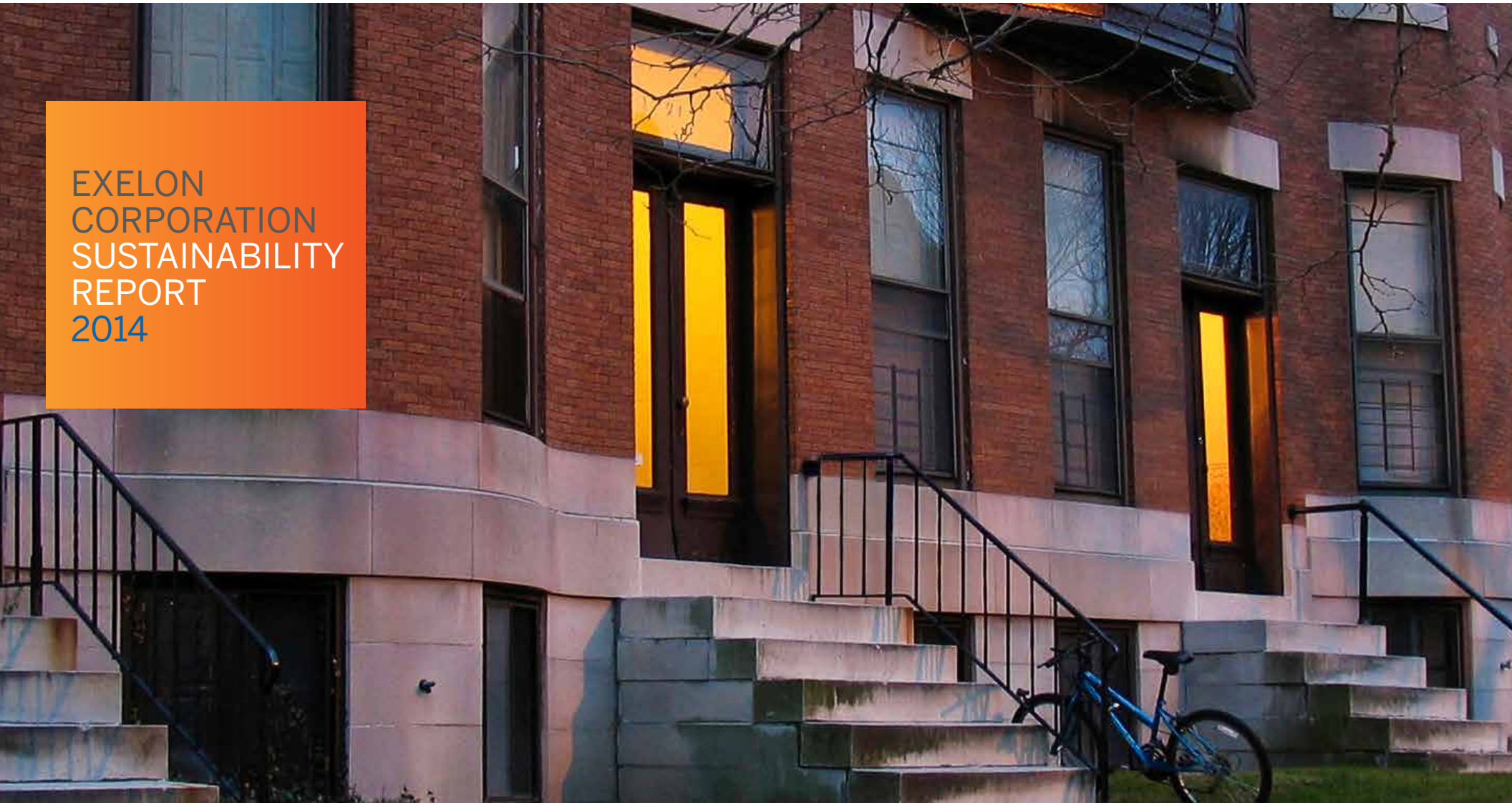
EXELON CORPORATION SUSTAINABILITY REPORT 2014



Exelon®

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CEO MESSAGE

The electric power sector is rapidly changing, and Exelon's future will be dictated by how well we capitalize on these changes to create value for our customers. As we look to the future, we envision a more dynamic and resilient system where customers will expect more choice and control over their energy use and emerging technologies will lead to new business models, energy products and services. We view this evolution as an opportunity to make our business more sustainable as we address evolving customer expectations, societal mandates and environmental considerations. Given our operations across the energy value chain, we are uniquely positioned to take advantage of these trends. Through continued improvements in operational excellence, we will extract additional value from our current assets while capitalizing on emerging trends and technologies to diversify into new growth areas in core and adjacent markets.

To capitalize on emerging trends and technologies, Exelon is making strategic investments across the energy value chain, including investments in fuel cells, microgrids, backup generation, battery storage and compressed natural gas transportation fueling. In partnership with Bloom Energy, Exelon's Constellation unit is co-marketing and financing fuel cell projects for commercial customers. We are in a partnership to build a first-of-its-kind demonstration power plant designed to produce pipeline-quality carbon dioxide (CO_2) that can be sequestered or used in various industrial processes, thereby releasing zero atmospheric emissions. We also acquired a 96 percent stake in a startup in the early stages of building a $1.3 billion liquefied natural gas export terminal. These investments allow us to test new innovative technologies and participate in emerging growth opportunities in core and adjacent markets.

In line with our strategy, we continue to invest in and grow our existing businesses: utilities, competitive retail and generation. Exelon maintains one of the lowest carbon generation fleets in the nation that provides highly reliable power to its customers as we maintain a culture of operational excellence. Exelon Nuclear achieved a 94.2 percent capacity factor in 2014, and Exelon Power closed the year with 96.5 percent fossil and hydro dispatch match and 95.2 percent wind and solar energy capture.

> "We are working to foster a culture of innovation and technological competence to ensure our ability to compete in the marketplace as it continues to evolve."

In 2014, we added 215 megawatts (MW) of new generation to our portfolio, comprising nuclear uprates, wind projects and solar. We also announced plans for two new quick-ramping combined cycle gas plants, representing approximately 2,200 MW of capacity, to come online in Texas by mid-2017 as part of our ongoing growth plan and strategy to match generation resources with Constellation's load profile. Pursuant to Exelon's consideration of water issues in investment decisions, these new plants will utilize air-cooled condenser systems to minimize water usage.

Within our regulated utilities, we continued our investment in smart grid technology and infrastructure, investing $3.1 billion across all three of our regulated utility systems. These innovations will allow Exelon to more easily respond to system outages and provide customers new ways to interconnect and manage their energy use. All three utilities also achieved outstanding performance in safety, reliability and customer satisfaction. Each was in the top decile for safety performance, and top quartile for outage frequency rate.

In June 2014, we announced our $6.8 billion merger with Pepco Holdings, parent of Atlantic City Electric, Delmarva Power and Pepco, that will allow us to expand our regulated utilities business to create the leading mid-Atlantic utility. Within competitive markets, we materially increased the size of our competitive retail business through the acquisition of Integrys and ProLiance, improving profitability while adding scale and providing a larger channel-to-market for our generation.

Sustained growth will require an innovative and entrepreneurial mindset. We are working to foster a culture of innovation and technological competence to ensure our ability to compete in the marketplace as it continues to evolve. Internally, our cross-functional TechEXChange and Emerging Technology Teams are actively investigating new technologies and determining how they might create value for our customers and new business opportunities for Exelon. Over the past year, hundreds of Exelon employees participated in several Innovation Expos to brainstorm new applications for data-driven decision-making and internet-connected devices. Externally, our Constellation Technology Ventures organization continues to invest in emerging technologies and venture-stage firms pursuing advancements in areas such as electric vehicles, distributed generation, energy storage, wind generation and intelligent buildings. We also launched a new executive development program in 2014 to equip the next round of senior leaders at Exelon with the skills necessary to lead us into the future.

As is the case throughout the energy industry, the value of Exelon's business is affected by federal and state policies and regulations. For that reason, Exelon is, and will remain, a leading voice in the discussion and debate of energy public policy. Our primary policy focus will continue to be on ensuring that customers have access to safe, affordable, reliable and clean energy resources, today and in the future.

During 2014, the U.S. Environmental Protection Agency proposed its Clean Power Plan to reduce CO_2 emissions from existing power plants as part of the federal government's plan to address climate change. We provided comments to ensure that the final plan recognizes and fairly values the benefits of emission-free nuclear energy as we continue to support measures to reduce national greenhouse gas emissions in order to deal with

> "Our achievements would not be possible without the dedication and commitment demonstrated by our workforce each and every day."

the adverse effects of climate change. In response to the January 2014 Polar Vortex events, we collaborated with PJM and other stakeholders to develop a capacity performance product that will recognize the value of reliable energy supply. That proposal is now awaiting approval. We are working with each of the regional transmission organizations in which we operate to build competitive market rules and practices that will support these fundamental concepts.

Despite the continued outstanding performance of our nuclear fleet, some of our plants face ongoing economic challenges. In early 2015, at the request of the Illinois House of Representatives, four State of Illinois agencies issued a report confirming the economic and environmental benefits of the state's nuclear plants and identifying policy options to address the issue. In March, legislation to establish a low-carbon portfolio standard in the state was introduced to enable all low-carbon energy sources to compete on an equal footing. Putting in place the right public policies that are in the best interests of our customers will enable us to maximize the value of existing assets and fulfill our obligation to our shareholders.

Our achievements would not be possible without the dedication and commitment demonstrated by our workforce each and every day. We strive to provide engaging opportunities and foster a dynamic workplace where employees feel valued. In 2014, we continued to invest in training and expanded resources to foster a diverse and inclusive workplace. We also launched new safety and health and wellness programs aimed at improving employee well-being both on and off the job. To build our talent pipeline, we continue to recruit employees through many channels including universities, national diversity organizations, military and veterans initiatives, and organizations serving people with disabilities.

We also have a responsibility to the communities where we operate. In 2014, approximately 94 percent of our revenues went back to local economies in the form of wages, dividends, payments to suppliers, taxes and philanthropic donations. Our employees volunteered more than 112,000 hours and pledged more than $6 million to nonprofit organizations across the Exelon service area.

I am proud of our accomplishments and confident in our strategy to grow our business while advancing our vision for the energy system of the future.

Christopher M. Crane
President and Chief Executive Officer

ABOUT EXELON

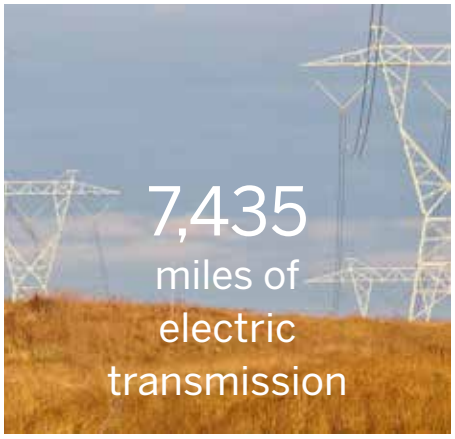
$27.4 billion
in operating revenues

15,800
square miles of combined utility service territory

6.7 million
electric utility customers

1.2 million
natural gas utility customers

HQ
Chicago, IL



7,435
miles of electric transmission

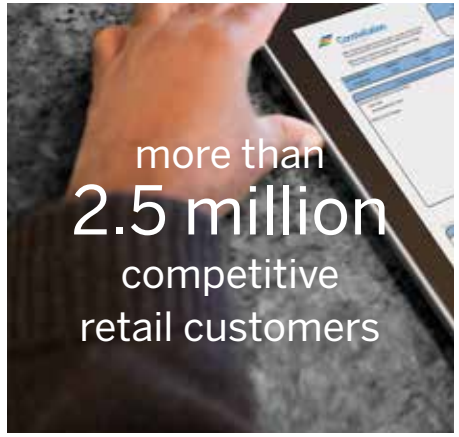
157
terawatt hours (electric) load served

198 billion
cubic feet (natural gas) load served

28,969
employees

32,753
megawatts owned U.S. generating capacity

$86.8 billion
in assets



more than
2.5 million
competitive retail customers

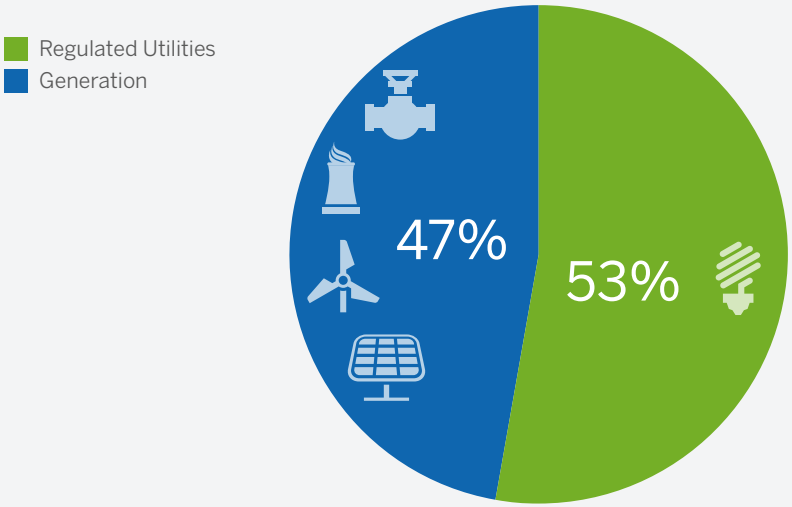
Exelon Corporation (Exelon) is the nation's leading competitive energy provider. Headquartered in Chicago, Exelon does business in 48 states, the District of Columbia and Canada. We participate in every stage of the energy value chain, from fuels production and conventional generation, to retail sales and energy management. Exelon is one of the largest competitive generators with approximately 32,750 MW of owned capacity, comprising one of the nation's cleanest power generation fleets. Our utilities deliver electricity and natural gas to more than 7.9 million customers in northern Illinois (ComEd), southeastern Pennsylvania (PECO) and central Maryland (BGE). The company's retail business unit, Constellation, provides energy products and services to more than 2.5 million residential, public sector and business customers. Of the $1.6 billion in GAAP earnings in 2014, approximately 47 percent was from our Generation business unit (including Constellation) and 53 percent was from our regulated utilities. Exelon is a publicly traded company listed on the New York Stock Exchange under the symbol EXC.

On April 1, 2014, following Nuclear Regulatory Commission (NRC) license transfer approval, Exelon integrated into our operations the three commercial nuclear power plants owned and previously operated by the Constellation Energy Nuclear Group (CENG), a joint venture between Exelon (formerly Constellation Energy) and Électricité de France (EDF), formed in 2009. Following this consolidation, Exelon Generation now operates 23 nuclear units, including Ft. Calhoun (operated under an agreement with the owner), with a total owned generating capacity of 19,316 MW.

In 2014, Exelon made or announced a number of significant investments, including the merger with Pepco Holdings, which, combined with PECO and BGE, will form the leading mid-Atlantic utility. A list of our major investments is included in the Energy System of the Future chapter. Exelon also divested the following generation assets: Fore River and West Valley. Exelon also retired Riverside Unit 6 on June 1. In addition, we sold our ownership shares in Safe Harbor, Keystone, Conemaugh and Colver.

Business Composition by GAAP Earnings

As of Dec. 31, 2014



Investment Grade Ratings

	Credit Ratings[1]		
	Moody's	**S&P**	**Fitch**[2]
Exelon	Baa2	BBB-	BBB+
ComEd	A2	A-	A-
PECO	Aa3	A-	A
BGE	A3	A-	A-
Generation	Baa2	BBB	BBB

1 Current senior unsecured ratings for Exelon, Exelon Generation and BGE; and senior secured ratings for ComEd and PECO as of April 30, 2015.

2 At Fitch, Exelon has a negative watch and ComEd has a positive outlook. All other ratings have a stable outlook.

Financial Performance[1]

dollars in millions, except for earnings and dividends per share

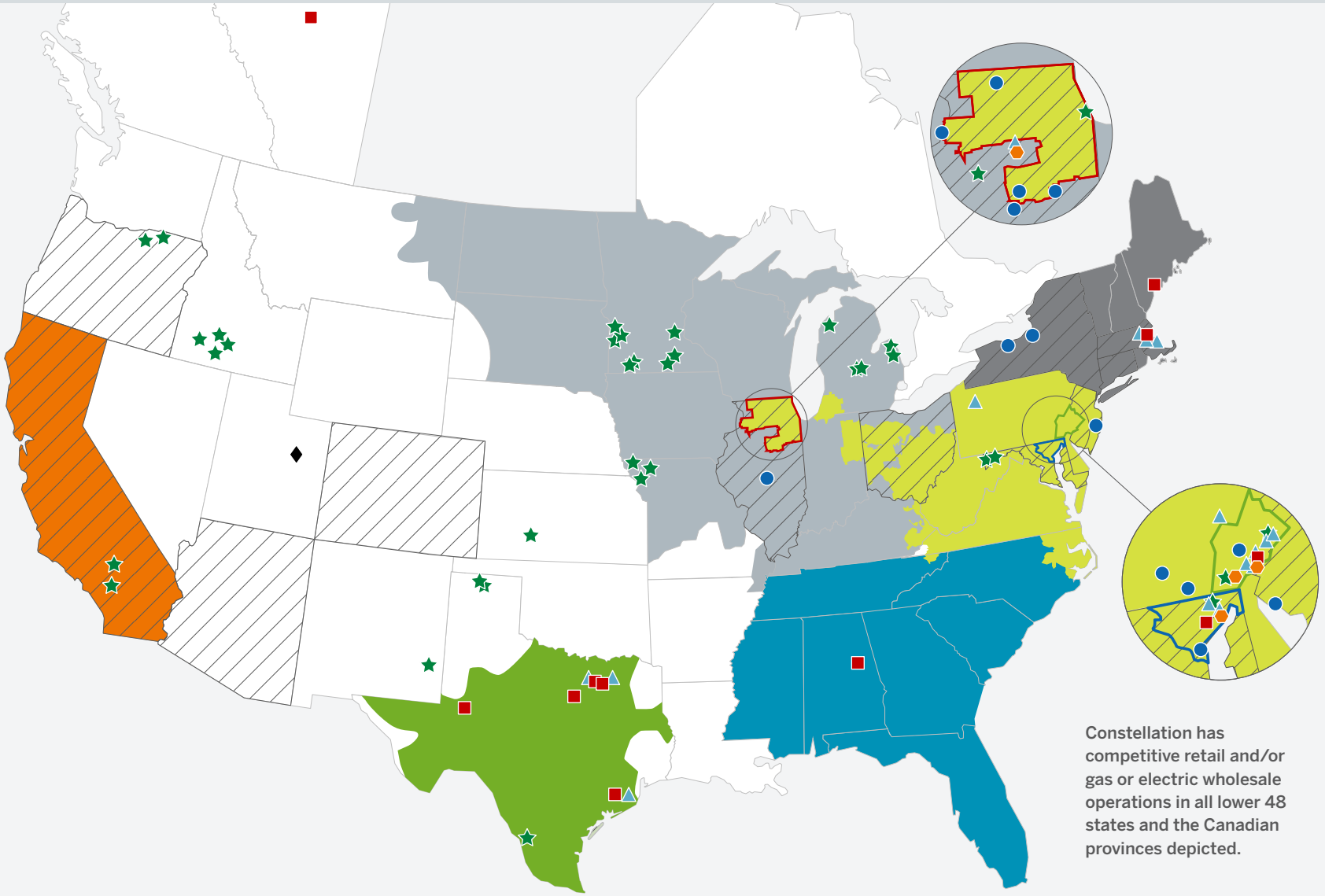
	2012	2013	2014
Revenues	$ 23,489	$ 24,888	$ 27,429
Operating expenses	21,018	21,242	25,039
Net income attributable to common shareholders	1,160	1,719	1,623
Total assets	78,561	79,924	86,814
Total liabilities	56,744	56,984	62681
Total equity (includes noncontrolling interests, preferred securities and preference stock)	21,817	22,940	24,133
Earnings per common share (diluted)[2]	1.42	2.00	1.88
Dividends per common share (diluted)	2.10	1.46	1.24
Cash flow from operations	6,131	6,343	4,457
Payments to capital providers and the government	2,306	2,227	2,319
Dividends paid on common stock	1,716	1,249	1,065
Interest (net of amount capitalized)	761	866	940
Income taxes paid (net of refunds)[3]	(171)	112	314

1 The 2012 financial results only include the operations of Constellation and BGE from the date of the merger with Constellation Energy, March 12, 2012, through December 31, 2012. The 2014 financial results include the operations of CENG from the date Generation assumed operational control of CENG's nuclear fleet, April 1, 2014 through December 31, 2014.

2 Earnings represented are in accordance with GAAP.

3 Taxes Other Than Income is not included. In 2012, the receipt of cash is primarily attributable to refunds received associated with legacy Constellation Energy and legacy Exelon Federal tax returns partially offset by payments to the IRS for various settlements.

Exelon Service Area and Selected Generation Assets as of Dec. 31, 2014[1]



Constellation has competitive retail and/or gas or electric wholesale operations in all lower 48 states and the Canadian provinces depicted.

EXELON ASSETS / HEADQUARTERS

- Nuclear
- Gas/Oil Intermediate
- Peakers
- Coal
- Renewable: Utility-scale (Hydro, Wind, Solar, Biomass)
- Headquarters Locations

REGIONAL TRANSMISSION ORGANIZATION (RTO)

CAISO | MISO | ISO-NE & NY | PJM | SERC | ERCOT

SERVICE AREAS

BGE | ComEd | PECO

CONSTELLATION SOLAR

Constellation has invested in over 150 MW of commercial-scale solar.

1 Generation assets divested by Exelon during 2014 are not depicted on this map: Fore River, Conemaugh, Keystone, West Valley, Safe Harbor, Colver. Assets with an in-service or acquisition date during 2014 have been added and include Beebe 1B Wind and Four Mile Wind.

SUSTAINABILITY GOVERNANCE

Named to the North America Dow Jones Sustainability Index for the ninth consecutive year

Included in the CDP's Global 500 Climate Disclosure Leadership Index for the fifth year in a row

Conducted a focused stakeholder engagement discussion with Ceres on the energy system of the future

Refreshed our sustainability materiality assessment

Sustainability considerations are central to our mission of providing reliable, clean, affordable and innovative energy products. From technology investments to siting new capital projects, we are committed to conducting our business in a way that minimizes environmental impacts and supports our employees and the communities in which we operate.

Sustainability Governance

Because sustainability considerations are so integral to our business success, we house our sustainability team within our corporate strategy function to help inform decision-making at the highest levels within the company. Our sustainability strategy and performance is led by our Chief Sustainability Officer and Senior Vice President of Corporate Strategy & Sustainability, with specific oversight from the Exelon Corporate Governance Committee of the Board of Directors. Sustainability is inextricably linked to our business strategy and decisions — generation investments, efficiency programs, climate risk mitigation, among others — so the entire Board is engaged in discussions that guide our strategy and approach to sustainability. The very nature of our business requires active participation from the Board to weigh in on pertinent sustainability challenges. A listing of Governance Committee members and the Governance Committee charter are available on the corporate website. To better understand the interconnections between sustainability and our business strategy, please see the Energy System of the Future section of this report.

OUR MISSION

Exelon's mission is to be the leading diversified energy company — by providing reliable, clean, affordable and innovative energy products.

OUR VISION

Performance that drives progress. At Exelon, we believe that reliable, clean and affordable energy is essential to a brighter, more sustainable future. That's why we're committed to providing innovation, best-in-class performance and thought leadership to help drive progress for our customers and the communities we serve.

Materiality

In preparing this report, we refreshed our sustainability materiality assessment to ensure that we identified those issues most important to our business and to our stakeholders. While most issues remain the same, we have made some changes based on our business strategy and evolving stakeholder interests.

We reviewed, consolidated and reframed a number of issues, which are now captured as the value of clean energy, fuel diversity and generation reliability, workforce planning and community development. We also added a new issue, cyber security/physical security, to capture growing concerns over data breaches and other potential security issues. Finally, we removed three issues that we felt were either no longer material or misclassified. We removed waste management, because we no longer produce large amounts of coal ash due to the divestiture of all major coal-fired assets. We also removed stakeholder engagement and sustainable supply chain as we view these more as programs or processes that include many different material issues. These two topics are still covered in the report, but have been removed from our list. The results are detailed on the following page.

VOLUNTARY REPORTING INITIATIVES

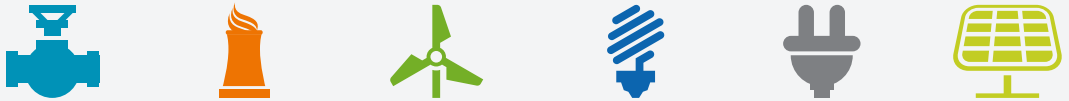
We are committed to publicly reporting our progress on key issues and participate in a number of voluntary reporting initiatives including the Dow Jones Sustainability Indices (DJSI) and the CDP Investor, Water and Supply Chain surveys. We are pleased to report that in 2014, Exelon was included in the DJSI North American Index for the ninth consecutive year. Exelon was also named to the CDP's Global 500 Climate Disclosure Leadership Index for the fifth year in a row. For additional information, view our response to the investor survey and water survey.

CDP CLIMATE DISCLOSURE LEADER 2014

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

Sustainability Material Issues Across Our Value Chain

"✓" indicates where the issue is most material in the value chain



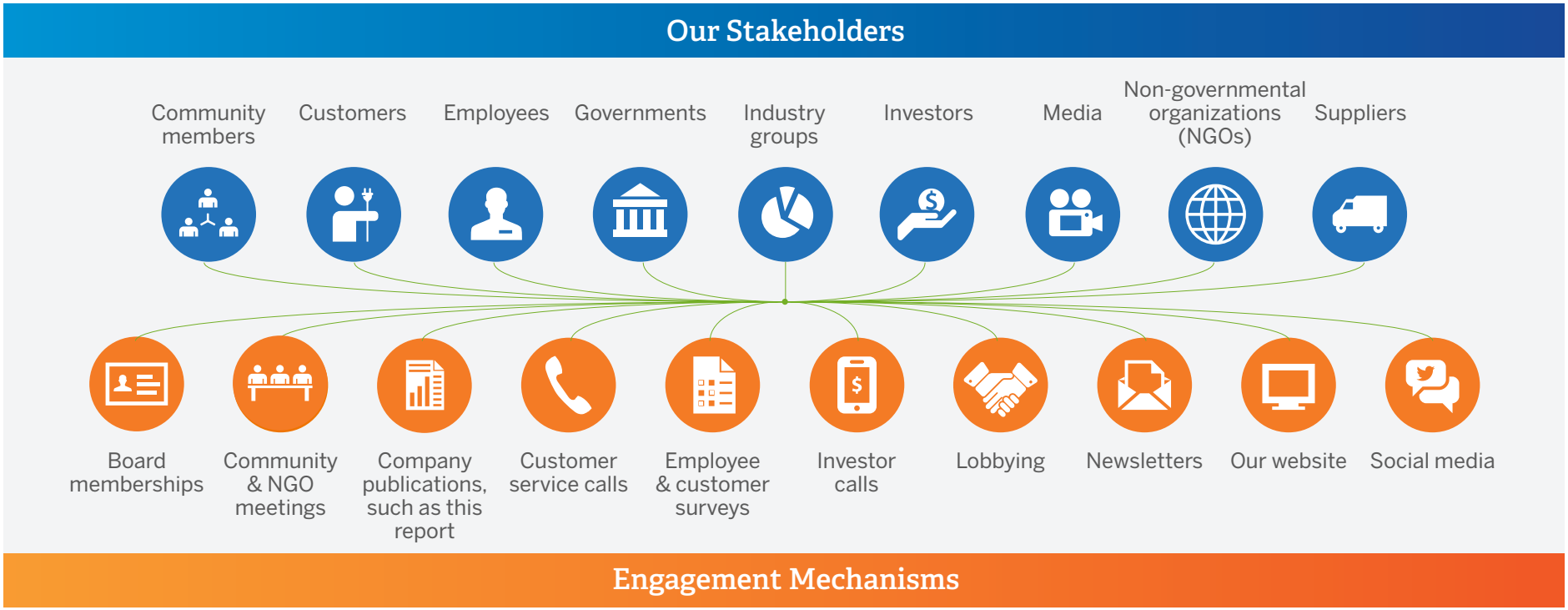
	FUELS	CONVENTIONAL GENERATION	RENEWABLE GENERATION	ELECTRIC AND GAS UTILITIES	RETAIL	BEYOND THE METER
THE ENERGY SYSTEM OF THE FUTURE						
Fuel Diversity and Generation Reliability	✓	✓	✓			
Generation Efficiency		✓	✓			
Investments in Energy Infrastructure	✓	✓	✓	✓	✓	✓
Value of Clean Energy		✓	✓			
BETTER SERVICE FOR CUSTOMERS						
Cyber Security/Physical Security	✓	✓	✓	✓	✓	✓
Energy Affordability				✓	✓	
Innovative Products and Services		✓	✓	✓	✓	✓
Service to Customers				✓	✓	✓
REDUCING OUR ENVIRONMENTAL IMPACTS						
Air Quality	✓	✓	✓			
Climate Adaptation/Resiliency	✓	✓	✓	✓	✓	✓
GHG Emissions	✓	✓		✓		
Habitat and Biodiversity		✓	✓	✓		
Nuclear Fuel Cycle		✓				
Water Management	✓	✓	✓	✓		
A SAFE, INNOVATIVE AND REWARDING WORKPLACE						
Diversity and Inclusion		✓	✓	✓	✓	✓
Employee Engagement		✓	✓	✓	✓	✓
Health, Safety and Wellness	✓	✓	✓	✓	✓	✓
Workforce Planning		✓	✓	✓	✓	✓
SUPPORT FOR COMMUNITIES						
Community Development		✓	✓	✓		
Public Health and Safety	✓	✓	✓	✓	✓	✓
EFFECTIVE GOVERNANCE						
Corporate Governance	✓	✓	✓	✓	✓	✓
Policy Engagement		✓	✓	✓	✓	✓

Stakeholder Engagement

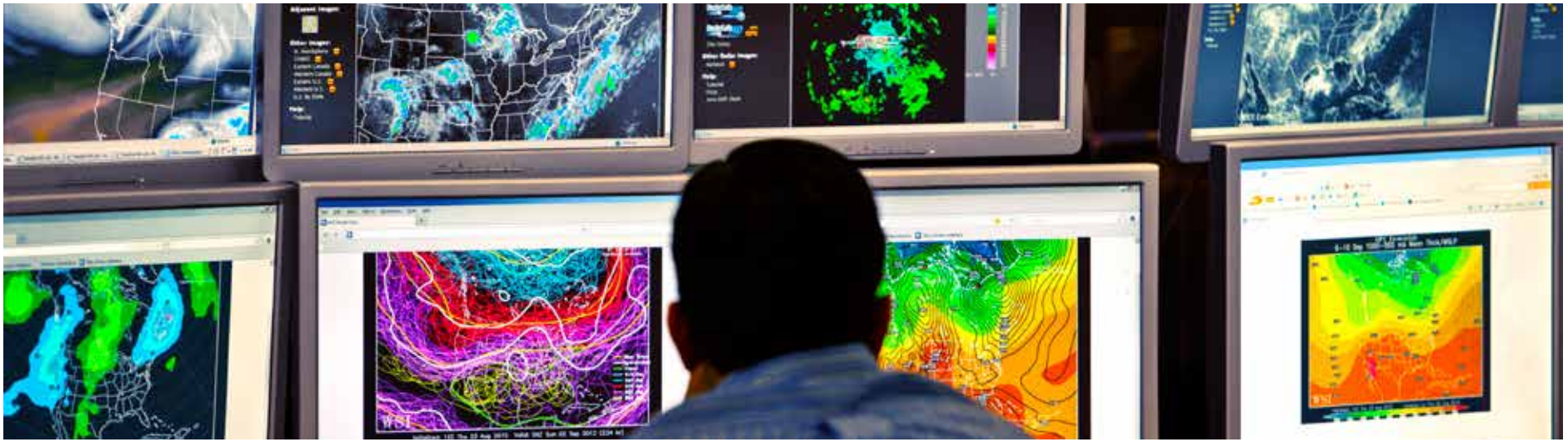
Stakeholder engagement is essential to our ability to understand emerging trends and to address stakeholder needs or concerns. We value the interests of all of our stakeholders and regularly engage with them through a number of business channels, as described throughout this report. The feedback we receive informs our sustainability strategy and business plans.

We also periodically hold specialized forums to delve more deeply into the sustainability concerns of individual stakeholder groups. Each year, we engage with Ceres, a nonprofit advocacy organization, to provide the company with outside perspectives on key material issues. In March 2015, we sought input on the sustainability aspects of our corporate strategic plan and our sustainability reporting efforts through a structured stakeholder feedback session. A summary of the resulting discussion is on our website.

> "Since becoming a Ceres network company in 2007, Exelon has demonstrated a strong commitment to stakeholder engagement and leading reporting practices that consider customer, environmental group, investor and other perspectives as we collectively work toward a more sustainable national energy system."
>
> *— Dan Bakal, Director of Ceres' Electric Power Program*



THE ENERGY SYSTEM OF THE FUTURE



Achieved a 94.2 percent nuclear capacity factor, 96.5 percent fossil and hydro dispatch match and 95.2 percent wind and solar energy capture rate

Added 215 megawatts of new generation, comprised of nuclear uprates, wind projects and solar

Completed strategic acquisitions to bolster our core offerings while investing in adjacent markets and new technologies

Advocated for policies that equally value all low-carbon generation to achieve clean, affordable and reliable power for the nation

We are at the beginning stages of an industry-wide transformation to the energy system of the future. This transformation is being driven by a number of factors, including technology and innovation, intelligent electric network equipment and systems, consumer interest in renewable energy and distributed generation options, and large supplies of relatively low-cost natural gas. It is also being influenced by environmental concerns, such as the continued need for low-carbon resources to meet the nation's climate change goals and consideration of water resource issues.

At Exelon, we see the energy system of the future over the next decade as one in which the current grid and central power generation systems coexist with distributed generation, renewables and energy efficiency, with natural gas playing a growing role in energy production. With operations across the full energy value chain, Exelon is uniquely positioned to identify, understand and adjust our investment portfolio to capture value as new technologies and opportunities emerge. As a fundamental aspect of our approach, we strive to create value for our customers, which ultimately creates value for our shareholders.

Innovating for the Future

As the energy sector continues to evolve, so too must our strategy for providing value to our customers by deploying technology and offering customers new products and services. Moving forward, utilizing the unique perspective afforded to us through our integrated business model, we will continue to be at the forefront of evaluating and piloting promising technological advancements. To this end, we are working to foster a culture of innovation and entrepreneurship throughout our company, including several key initiatives to inspire exploration of new business ideas. Internally, our TechEXChange and Emerging Technology Teams help us leverage knowledge and expertise from across the organization to identify new technologies that optimize operations and improve process efficiency and staff productivity. For example, in 2014, our technology teams brought together hundreds of employees in Innovation Expos to learn about new technologies affecting our industry and to share their ideas for how to apply them in our own operations. In addition to expos, the teams foster an agile and collaborative environment for employees to address key business challenges and harness entrepreneurial opportunities for the organization.

Antelope Valley Solar Ranch One, 242 megawatts, Lancaster, California.

THE EVOLVING ELECTRIC GRID

At its beginning, the modern electric system utilized large central power plants and a transmission and distribution (T&D) system that was designed to deliver power from power plants to customers. Technical, system and regulatory decisions were focused primarily on maintaining a reliable, diverse and reasonably priced supply of electric power. Over the past 20 years, the system has started to change as a result of technological innovation, industry restructuring and evolving consumer interests.

Today's grid still largely reflects a model where primarily conventional generation resources (coal, nuclear, oil, gas, hydro) produce power that is delivered to end users via the T&D system. This design provides a reliable, one-way flow of power from central plants to end consumers.

However, with advances in technology, new distributed generation resources and increased customer interest in energy management, the grid is evolving into a more complex, integrated structure. Under this new configuration, some customers are becoming suppliers through demand response programs and the deployment of distributed generation. Emerging technologies, such as battery storage, fuel cells and use of electric and natural gas power for alternative transportation will also increase, affecting available supply.

To best manage increases in distributed generation sources, many of which provide intermittent generation into the system, as well as increases in stored energy, we will need to update supply and demand models and related policies to ensure that overall system reliability is maintained. For example, when customers deploy distributed generation, they spend less on electricity from the grid, but still want grid accessibility as a back-up energy source. In these cases, energy providers must maintain the T&D infrastructure, but do not receive the same level of revenue to upkeep the grid. This could force others without access to distributed generation systems to pay more. While we believe in the value of distributed generation systems and continue to invest in them, we recognize that we will also need to find a balanced approach where both can exist without unduly burdening traditional customers. We must also continuously assess the benefits of intelligent networks, including the millions of smart meters deployed by Exelon utilities, to optimize production and distribution. By evaluating new technology and carefully balancing competing demands, we can achieve greater reliability and efficiency, enable consumers to best manage their energy use and continue to improve the overall energy system for generations to come.

Diagram adapted from 'The Integrated Grid, Realizing the Full Value of Central and Distributed Resources,' EPRI, 2014.

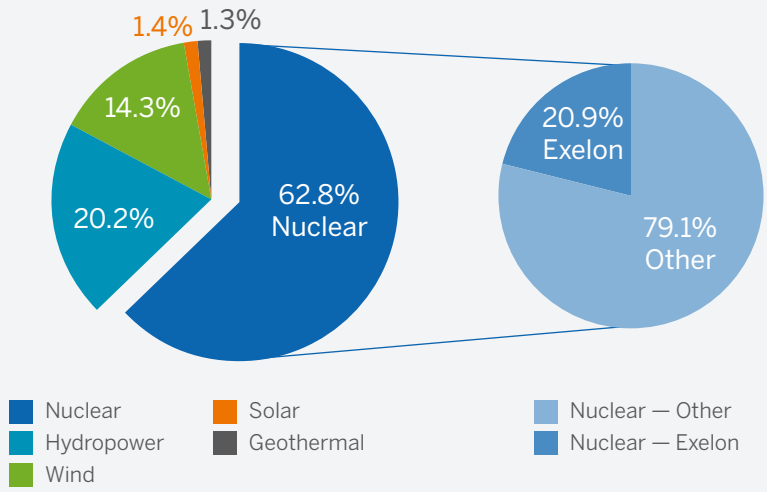
We are also collaborating with external partners to expand our knowledge and understanding of the evolving energy landscape. TechEXChange engages with a multitude of experts — from national labs to private equity firms — to unearth new innovations. We are also investing in venture-stage energy technology companies through our Constellation Technology Ventures (CTV) group, Exelon's venture capital fund. CTV invests in venture-stage technology companies representing innovations that complement, or may disrupt, Exelon's core businesses, with the goal of providing new solutions to Exelon and its customers. Investments through CTV comprise a wide range of new technologies, including electric vehicles, distributed generation, energy storage, renewable generation and intelligent buildings. Successful investments are placed into CTV's Innovation Accelerator where a specialized team facilitates commercialization of CTV investments and other new technologies within Exelon business units.

Maximizing Value of Existing Assets

In addition to new investments, we continue to improve the operational efficiency of existing assets. We are proud that Exelon continues to operate one of the nation's lowest carbon generation fleets in the United States. With its mix of nuclear, gas, hydro, solar and wind assets, our fleet is more than twice as clean on a carbon-intensity basis as any of the 20 largest generation fleets in the country[1], and provides unparalleled reliability to our customers. In 2014, our nuclear ownership share produced 157,099 gigawatt-hours (GWh), with a fleet capacity factor of 94.2 percent at the nuclear plants operated by Exelon (excludes CENG plants, which operated at a 92.6 percent capacity factor).

1 M.J. Bradley & Assoc. (2014), *Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the U.S.*

U.S. Sources of Low-Emission Electricity (2014)



Source: *EIA Electric Power Monthly*

CTV'S INVESTMENT IN BIOMASS ENERGY PRODUCTION TECHNOLOGY

In 2014, CTV became the lead investor in V-Grid Energy Systems, which is developing equipment to co-produce low-cost, on-demand renewable electricity and high-value carbon products. V-Grid's core gasification technology produces hydrogen from biomass and, optionally, from natural gas, to facilitate high-efficiency combustion. The co-produced carbons can be used for drinking water purification and can be upgraded to soil enhancers, which increase crop yields, particularly in arid environments. V-Grid's first product, a 100-kilowatt mobile server, can be arrayed to multiple megawatts. The technology can also upgrade existing large-scale thermal power plants. When the co-produced carbons are used in long life products, such as soil enhancers, the overall process can be carbon negative, even when co-firing with fossil fuel.

Our generation output was also increased in 2014 as a result of the addition of 215 MW of new generation added to the portfolio, comprised of nuclear uprates, wind projects and solar. Exelon's wind and solar portfolio had 95.2 percent energy capture rates, and our fossil and hydro units were available 96.5 percent of the time.

During 2014, we divested a number of generating plants to free up capital for strategic investments where we could achieve greater value, such as the Pepco Holdings merger. Divestures included: 1,245 MW of coal-fired generation (Exelon's shares of Keystone and Conemaugh), 688 MW of natural gas/oil generation (Fore River), 277 MW of hydro (Safe Harbor) and 200 MW of natural gas generation (West Valley).

Beyond generation, we made significant investments in smart grid technology and transmission and distribution networks. We continued our regulated utility investment in technology and infrastructure, investing $3.1 billion in 2014, including $500 million for smart grid and smart meter technologies across all three of our regulated utility systems. As of year-end, ComEd had made impressive progress on installation of smart meters throughout its service territory, and PECO and BGE were more than 80 percent complete on their smart meter projects. We view energy-efficiency gains through smart grid investments as a resource capable of yielding energy and demand savings that can displace electricity generation from fossil-based and other supply-side resources. ComEd received planning and regulatory approvals for the $260 million, 60-mile Grand Prairie Gateway Transmission Line Project in Illinois that will reduce energy congestion and improve reliability for customers in northern Illinois. PECO and BGE also continued their multi-year programs to replace older natural gas distribution system gas mains.

2014 Exelon-Owned Capacity and Generation

	Capacity[1]		Generation output[2]	
	MW	%	GWh	%
Nuclear[2]	19,316	59.0	157,099	82.6
Gas	6,994	21.4	17,224	9.1
Oil/Gas	1,918	5.9	367	0.2
Hydro	1,642	5.0	1,775	0.9
Wind	1,382	4.2	3,777	2.0
Coal	26	0.1	8,707	4.6
Oil	999	3.0	130	0.1
Solar	410	1.2	779	0.4
Landfill Gas	66	0.2	237	0.1
Total	**32,753**	**100.0**	**190,095**	**100.0**

1 Capacity as of Dec. 31, 2014. Assets divested on or before Dec. 31, 2014, are not included (Keystone, Conemaugh, Colver, Fore River, Safe Harbor).

2 Includes Exelon's 50.01 percent share of output from CENG facilities. Includes divested asset MWh for the period of ownership in 2014.

Optimizing Our Portfolio

	2012	2013	2014
Nuclear Capacity Factor[1]	92.7%	94.1%	94.2%
Dispatch Match[2]	97.0%	99.1%	96.5%
Fossil EFORd[3]	3.7%	1.5%	3.5%
Wind/Solar Energy Capture[4]	94.2%	93.7%	95.2%

1 Nuclear Capacity Factor: Capacity factor for the nuclear fleet excludes Salem and the three CENG nuclear plants. The three CENG nuclear plants operated at a 92.6 percent capacity factor in 2014.

2 Dispatch Match: Expressed as a percentage, Dispatch Match reflects the unit's revenue capture when it is called upon for generation. Factors that impact Dispatch Match adversely include forced outages, derates and failure to operate to the desired generation signal. Excludes Maryland Clean Coal, Eddystone 1 and 2, Schuylkill 1, and Riverside 4 and 6 for all years. Exelon no longer separately tracks Hydro Equivalent Availability Factor as it is included in Dispatch Match.

3 Fossil Equivalent Forced Outage Rate: Measure of the portion of time a unit is in demand but is unavailable due to a forced outage. Includes Maryland Clean Coal for 2012.

4 Wind/Solar Energy Capture: Ratio of energy produced by wind turbine generators or solar cells to the total wind or solar energy available at the site during that time period. Includes City Solar Chicago starting in 2013.

Exelon considers natural gas an interim "bridge fuel" to support continued national progress towards a low-carbon energy future, and we continue to expand its use in our generation portfolio and in natural gas-related investments across the value chain. In 2014, Exelon continued to procure natural gas for use in generation and to serve our competitive retail business. In 2014, we procured approximately 250 billion cubic feet (BCF) of natural gas for use in power plants and approximately 450 BCF of gas for retail customers. Use is expected to increase with the addition of the new combined cycle gas turbine power plants in Texas and integration of Integrys and ETC ProLiance. We also acquired a 96 percent stake in a startup in the early stages of building a $1.3 billion liquefied natural gas (LNG) export terminal in Brownsville, Texas. The company will refrigerate gas to shrink it to 1/600th of its normal volume so output can be shipped overseas in tankers. Unlike other terminals that seek to transport LNG aboard huge ocean-going vessels, the Annova complex will sell the fuel in smaller quantities to customers that lack the port facilities to handle large tankers.

Exelon also has financial investments in 12 non-operated upstream natural gas exploration and production projects located in seven states. These assets include partial ownership in approximately 800 wells, of which 61 percent are extracting from unconventional shale gas resources, with 60 percent of the wells stimulated via hydraulic fracturing. Unconventional shale gas accounts for approximately 51 percent of Exelon's total proved reserves, which are estimated to be approximately 152 BCF-equivalent, including natural gas, natural gas liquids and oil, as of December 31, 2014.

In addition, PECO and BGE natural gas distribution systems delivered more than 187 BCF of natural gas to customers. As part of our commitment to providing customers with safe and reliable natural gas service, both BGE and PECO are currently pursuing accelerated investment programs to replace existing outmoded pipe materials such as cast iron and bare steel with modern materials, such as plastic piping.

We recognize these investments hold some risks, including price volatility and potential environmental concerns, and work to mitigate those risks through a measured investment strategy. We mandate that all holdings comply with the environmental laws and regulations where they operate and we complete environmental due diligence work prior to acquiring new assets.

In 2014, Exelon utilities delivered more than 187 BCF of gas to customers.

Investing in Core and Adjacent Markets

Today's electricity grid is the product of decades of investment, influenced by changing regulatory, market and environmental factors. As we grow, we must look to appropriately balance these many considerations to maintain a reliable power supply at reasonable cost, with reduced environmental impacts. Together, our component businesses — regulated utilities, merchant generation and competitive retail services — give us a holistic view across the entire energy value chain and insight into the technologies that will make a difference going forward. This business model is a key advantage in identifying new investment opportunities.

In 2014, we took significant steps to diversify and grow our business by investing in utility infrastructure and technology, building new generating plants, expanding existing lines of business and moving into new technologies and markets. On a foundational basis, as a competitive integrated company, Exelon utilizes its investment-grade credit rating to deliver on our strategy.

Our financing strategy incorporates a broad range of financial products, from the standard approaches (such as corporate debt and equity), to alternative structures such as project financing, partnership structures and other arrangements. We employ a wide variety of financing tools that enable us to access capital to grow on both the regulated and unregulated sides of the business. Over the past three years, Exelon has raised nearly $3 billion through project financing. Additionally, proceeds from selling assets that are of greater value to others support the reinvestment of free cash flow and strategic diversification. In 2014 and 2015, Exelon asset sales raised between $1.0 and $1.5 billion in after-tax sales proceeds.

INVESTMENTS ACROSS THE VALUE CHAIN

In 2014, Exelon invested in a number of businesses to strengthen our core power generation and electric utility businesses. We also pursued new ventures that have the potential to change the energy landscape.

FUELS

- Annova: Texas LNG-export development project acquisition
- Natural Gas: Upstream investments in 12 assets in seven states ~ 152 BCFe proved reserves

CONVENTIONAL GENERATION

- Combined Cycle Gas Turbine Units: 2,000-MW air-cooled plants planned in Texas for 2017
- Natural Gas Plant: 120-MW expansion of our Maryland Perryman gas plant in 2015
- NET Power Demonstration Plant: Natural gas generation with the option for CO_2 sequestration
- Nuclear Uprates: 77 MW of new nuclear uprates in 2014

RENEWABLE GENERATION

- Utility-Scale Wind: 90 MW of new capacity at Fourmile and Beebe 1B. 108 MW of planned wind capacity at Fair Wind and Sendero
- Utility-Scale Solar: Final phase of 230-MW Antelope Valley Solar Ranch One completed
- V-Grid: Distributed biogas electricity generator

ELECTRIC AND GAS UTILITIES

- Pepco Holdings: Electric and gas utility in the mid-Atlantic
- Utilities: $3.1 billion invested in technology and infrastructure
- ComEd: $1.2 million grant from Department of Energy to develop master controller for microgrids

RETAIL

- Bloom Energy: Fuel cell generation energy service
- Distributed Generation: 200 MW of retail solar projects; 21 MW of new solar deployed in 2014
- ETC ProLiance: Purchased commercial gas business
- Integrys: Purchased commercial retail and gas business

BEYOND THE METER

- Aquion: Stationary aqueous ion energy storage for microgrid, renewables integration and energy management applications
- Charge Point: Electric vehicle charging equipment
- Cool Planet: Biomass alternative to conventional gasoline
- eCurv: Digital queueing for demand management and charge reduction
- Essess: Thermal imaging for energy efficiency audits
- Powerhouse Dynamics: Aggregation software for improved building and portfolio energy management
- Stem: Energy storage and predictive analytical software for efficient energy management

Growth Investments

To diversify and grow our business, we made a number of strategic investments across our value chain in 2014. Some, such as the merger with Pepco Holdings and the acquisition of Integrys and Proliance, significantly increase the size of our regulated utility and competitive retail businesses. Others allow us to pilot new game-changing technologies or gain entry into new markets. Key examples include:

- **Pepco Holdings — Regulated Utility:** Entered into an agreement to purchase Pepco Holdings' three electric and gas utilities, Atlantic City Electric, Delmarva Power and Pepco, which together with PECO and BGE will create the leading mid-Atlantic electric and gas utility.
- **Integrys Energy Services and ETC ProLiance Energy — Competitive Retail:** Acquired two companies that expand our retail electricity and natural gas customer base. Integrys Energy Services, a competitive retail electricity and natural gas subsidiary, serves approximately 1.2 million commercial, industrial, public sector and residential customers across 22 Midwest, mid-Atlantic and Northeastern states and the District of Columbia. ETC ProLiance Energy, a supplier of natural gas, serves commercial and industrial customers in eight Midwestern states — Indiana, Illinois, Ohio, Michigan, Iowa, Missouri, Tennessee and Kentucky.
- **Bloom Energy — Fuel Cells:** Partnered with Bloom Energy to co-market and to provide equity financing for fuel cell projects through Bloom Electrons™, a service that allows customers to buy power, rather than purchasing the equipment directly. In 2014, our partnership with Bloom originated 21 MW of fuel cell projects under deployment at 75 commercial facilities in California, Connecticut, New Jersey and New York.

ZERO EMISSIONS NET POWER DEMONSTRATION POWER PLANT

Recognizing the need to further decarbonize fossil fuels, Exelon joined with CB&I and 8 Rivers Capital in 2014 to build NET Power's first-of-its-kind demonstration power plant that will validate a new natural gas power system that produces zero atmospheric emissions, including CO_2. The plant uses CO_2 as a working fluid to drive a combustion turbine and ultimately produces pipeline-quality CO_2 that can be sequestered or used in various industrial processes, including enhanced oil recovery. The $140 million project, which includes technology development, plant design and construction and a full testing and operations program, is funded by a combination of cash and in-kind contributions from Exelon and CB&I. Exelon believes this process will help advance real-world technologies that allow us to generate power without releasing all of the carbon content of the fuel into the atmosphere.

"This partnership with Exelon demonstrates a significant commitment, as one of the largest and most important energy companies in the country commits to Bloom Energy's reliable, resilient and distributed power."

— KR Sridhar, principal co-founder and CEO of Bloom Energy

Aquion Energy Inc. and Stem Inc. — Energy Storage Technology: Invested in two companies that are capitalizing on the growing demand for energy storage technology. Aquion provides storage for long-duration stationary applications — such as capturing excess solar generated during daylight hours and releasing it overnight. Stem Inc. combines advanced energy storage and real-time data analysis to help businesses and utilities more effectively manage energy and costs. In this way, Stem is able to mitigate the need for utilities to draw on peaking power plants, helping to reduce costs and benefiting the environment.

ChargePoint — Electric Vehicle Charging Network: Invested in this developer of the largest electric charging network in the United States. ChargePoint technology allows charging station owners to see precisely where electric vehicle charging is drawing load, providing useful data for improved grid management. With flexible pricing, station owners can also incentivize drivers to plug in during off-peak hours, helping to reduce peak demand on the grid.

EXELON GENERATION DEVELOPMENT

Exelon Generation has created an expanded business development function within its organization that wraps the talent, expertise and experience from the Exelon Nuclear Partners (ENP) consulting division and technical disciplines from Exelon's power generation groups into a new Generation Development arm. Generation Development's core function is to grow Exelon's generation business through development of new utility-scale fossil, renewables and nuclear generating assets. Generation Development also examines new utility-scale generation technologies, and works with clients through ENP to license and implement the Exelon Nuclear Management Model for new-build, restart and degraded nuclear facilities.

Criterion Wind Project, Oakland, Maryland. 28 turbines, 70 megawatts.

Public Policy

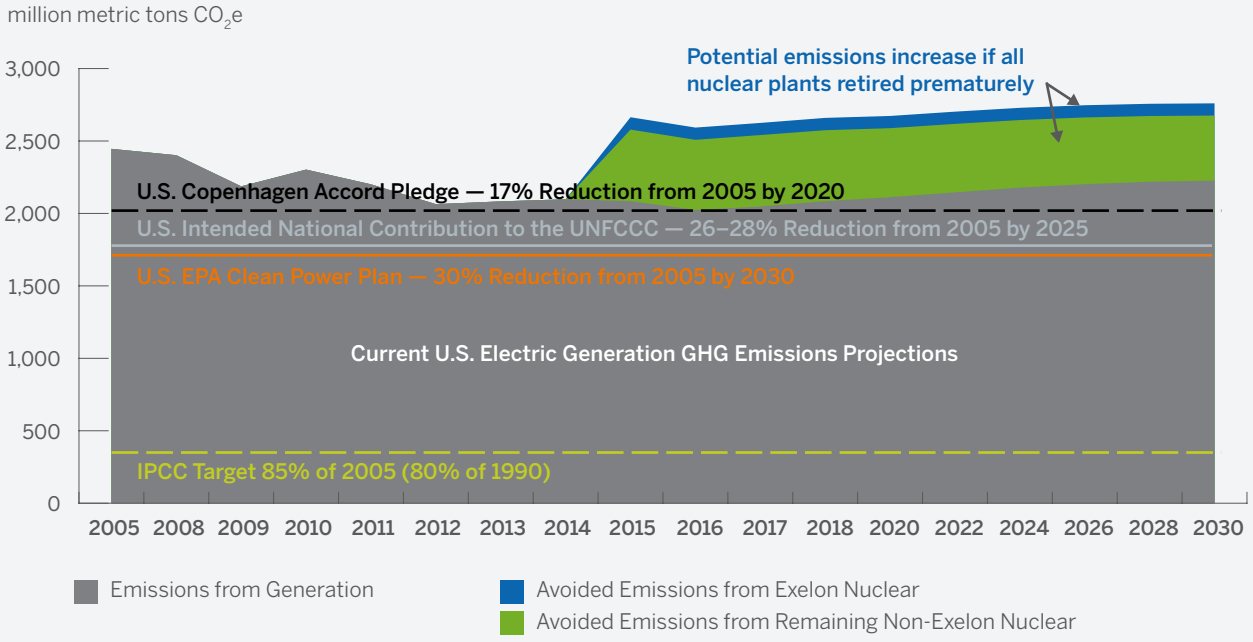
Public policy at the federal, state and local level has a significant impact on competitive markets, fuel diversity, energy costs and prices, reliability and the deployment and role of emerging technologies. As the industry is poised for transition, policies must consider how the integrated grid will function in the future, as well as address today's established infrastructure and society's expectations.

One aspect of the future that is clear is that the nation's sources of energy need to be cleaner and reduce emissions of greenhouse gases (GHGs). In addition, policies must recognize the value of all low-carbon generation, providing a level playing field to achieve the policy objective of clean, affordable and reliable power.

The Carbon Abatement Value of Nuclear Power

Continued operation of our nuclear fleet not only provides reliable, low-carbon electricity to millions of customers, but is also essential to maintaining progress toward our nation's climate change emission reduction targets.

Reductions Required to Meet U.S. and Global Climate Goals (Electric Power Sector)[1]



1 Emissions data prior to 2013 are based on the U.S. GHG Emissions Inventory dated April 2014. Emissions and nuclear generation projections 2013 and forward are based on the EIA Outlook 2014.

Nuclear power is critical to meeting national commitments for reducing GHG emissions. The gray portion of this graph displays forecasted GHG emissions from the electric power sector through 2030. GHG emissions are projected to decline through 2016, at which point the electric sector may briefly meet its share of the national Copenhagen Accord commitment before electric sector emissions rise again. The green and blue bars display the potential increase in emissions if the nation's nuclear fleet, including Exelon's plants, were replaced by other existing generation. This gap becomes even wider when compared to U.S. national and international commitments for GHG reductions.

In 2014 alone, power sector GHG emissions could have been more than 575 million metric tons, or nearly 27 percent, higher if all nuclear generation in the United States were replaced by generation at the national average emission rate as estimated in the 2014 EIA Energy Outlook. This includes approximately 87 million metric tons in avoided emissions from the Exelon-owned nuclear fleet. With the 13 percent expected rise in power sector emissions from 2016 through 2030, early retirement of any of these plants would hinder the nation's ability to meet its targets set under the Copenhagen Accord (17 percent below 2005 levels by 2020), the U.S.-Intended National Contribution to the United Nations Framework Convention on Climate Change (26 to 28 percent below 2005 levels by 2025) and the proposed U.S. EPA Clean Power Plan (CPP) (30 percent below 2005 levels by 2030). Because of nuclear power's significant role in providing large quantities of low-carbon, "always on" baseload power, Exelon has continued to advocate for market rules and policies that appropriately reflect the value of low-carbon generation to society.

THE NEED FOR A BALANCED APPROACH: UNINTENDED CONSEQUENCES IN GERMANY[1]

As one of the nation's largest integrated utilities, we face a number of competing demands, all of which must be carefully balanced to ensure that we can continue to provide reliable, affordable and clean generation. If we swing too much toward one priority, we may threaten the others. "Picking winners" through government direction may result in outcomes that cannot achieve the desired objective. For example, quickly ramping up distributed generation resources can inadvertently undermine reliability, affordability and carbon reduction itself, as has recently happened in Germany.

As Germany has moved to reduce CO_2 emissions to provide 80 percent of its electricity generation from renewables by 2050 and to phase out nuclear power by 2022, the country has introduced significant subsidies. To finance the subsidy, consumers pay a surcharge, which has grown over time. In 2012, the surcharge amounted to almost 15 percent of a customer's electricity bill. Taxpayers are also funding a large investment in T&D infrastructure to connect new resources, attracted by the subsidy, to the grid.

Subsidized energy, in turn, has eroded margins for other power generators, forcing some generation, primarily natural gas plants, to exit the market.

The reduction in conventional generation has contributed to higher energy prices. Since the renewable energy tariff program started in the early 2000s, electricity prices have more than doubled. In 2013, electricity in Germany averaged 37 cents per kilowatt-hour compared to 10 cents in the United States. Conventional baseload generators, however, are still needed to supply electricity when output from intermittent generation sources is low, such as at night and on hot, windless afternoons. Lost generation is being replaced by the cheapest conventional generation option currently available in Germany — coal — and, as a result, emissions are going up. In 2013, German electricity-related CO_2 emissions were estimated to increase for the second straight year, by about 20 million metric tons.

As we look to the energy system of the future, Exelon is working to balance the needs of our customers, communities, shareholders and the environment. Given the pace of technological developments, we believe regulatory solutions should focus on sending the right price signals to markets and regulated utilities that appropriately value all clean energy, maintain the reliability of the T&D system and promote affordability for our customers.

1 Summarized from "Out of Balance" by Jeffrey Altman in Electric Perspectives, January/February 2014. Pp. 29–35.

Policy Engagement — Valuing Low-Carbon and Reliable Generation

To ensure that policymakers and regulators properly recognize the value of all forms of low-carbon and reliable generation technologies, we engaged with stakeholders on a number of policy issues during 2014, including the proposed U.S. EPA Clean Power Plan; Illinois state agencies' review of the economic, environmental and social benefits of nuclear power; and the PJM Capacity Performance proposal.

U.S. EPA Clean Power Plan

In June 2014, the U.S. EPA proposed the CPP to reduce CO_2 emissions from existing power plants. The U.S. EPA estimated implementation of the proposal would reduce CO_2 emissions from the sector by 30 percent from 2005 levels by 2030. While Exelon expressed our overall support for the targets and timing associated with the CPP, our comments focused on several areas of improvement that should be made in the final rule to ensure it truly results in emissions reductions, and does so as cost-effectively as possible. Specifically, we offered comments on changes to the regulations that would allow states to meet reduction goals with any zero-carbon resources that make sense for them, rather than artificially counting some and not others. We also offered comments in response to industry criticism that the interim compliance period start date was too soon, including outlining an approach the U.S. EPA should adopt to minimize compliance risk in the interim period from 2020 to 2029. This program, which we term Reliability Dispatch Safe Harbor, would allow states the option of using a carbon cost (or "adder") in generator energy bids, establishing a price signal for a lower-carbon generation mix. The U.S. EPA would set the cost at a level expected to result in necessary reductions nationwide. Using the existing regulatory framework, the carbon proceeds could be rebated back to utility customers. This approach would provide a mechanism to support a smooth industry transition to meet the U.S. EPA's final 2030 emission targets, without delaying the start of carbon emission reductions in 2020. It also provides states and industry with compliance certainty and customers with cost certainty. Exelon's comments on the CPP, along with comments and testimony on other policy issues, are available on Exelon's website.

Illinois HR 1146

In May 2014, the Illinois General Assembly passed Resolution 1146 that directed several state agencies to develop a report on the potential impacts of premature nuclear plant retirements in Illinois and to provide potential market-based solutions. On January 7, 2015, the state agencies issued their report "Potential Nuclear Power Plant Closings in Illinois: Impacts and Market-Based Solutions." This report identified significant economic, environmental and reliability value to Illinois residents related to preventing the premature retirement of nuclear power units currently operating in the state. The report also identified five market-based pathways available to Illinois to maintain the current benefits of the state's nuclear power industry.

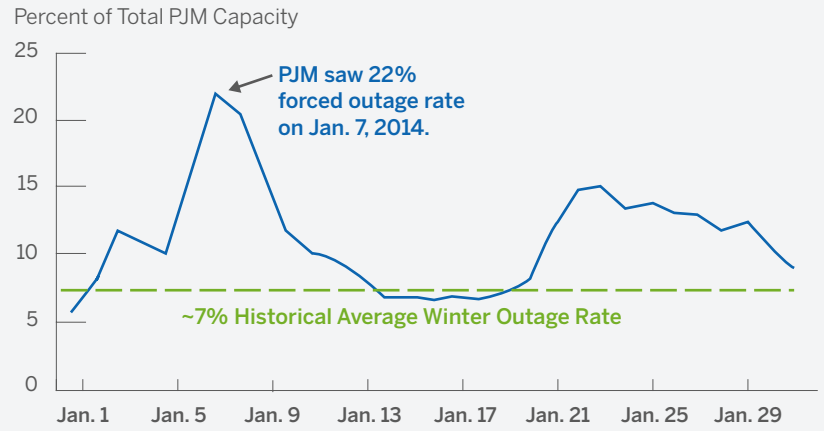
> "Illinois' continued economic success depends on maintaining low and stable electricity prices — and those low and stable prices depend on the continued operation of all nuclear generating stations located in Illinois."
>
> *— Illinois Department of Commerce & Economic Opportunity, Potential Nuclear Power Plant Closings in Illinois: Impacts and Market-Based Solutions*

On March 26, 2015, the Illinois Senate Energy and Public Utilities Committee passed Senate Bill 1585, legislation to establish a Low Carbon Portfolio Standard (LCPS) that would bolster Illinois' clean energy leadership, support the state's nuclear energy facilities and protect jobs, consumers and a reliable electricity supply. Exelon supports this solution, one of the five proposed pathways from the report, as it is technology-neutral, meaning it allows all low-carbon energy sources — including wind, solar, hydro, clean coal, nuclear and any new emerging technologies — to compete on equal footing. The LCPS proposal also includes strong consumer protections, including a consumer price cap that would limit the impact to a 2.015 percent increase, or about $2 per month for the average ComEd residential electricity customer — less than the costs customers would face if the nuclear plants close early. It also includes a unique reimbursement mechanism that would refund monies paid under the program if energy prices rise to a certain point during the term of the LCPS. Learn more about the LCPS and Illinois' nuclear energy facilities at nuclearpowersillinois.com.

Polar Vortex and PJM Reliability Pricing Model

In January 2014, the PJM power pool that serves 13 states from Illinois through the mid-Atlantic region experienced extreme and prolonged cold temperatures that challenged the system's ability to meet peak electricity demand with an adequate margin of safety. In total, 22 percent of the region's generating capacity (40,200 MW) was out of service during the peak demand hour on January 7, 2014. While the system ultimately performed to meet customer electricity demand, the Polar Vortex brought into focus a number of reliability challenges that needed to be addressed by PJM and the region's power generators. Disruptions leading to out-of-service conditions included frozen equipment, interrupted gas supplies (gas diverted to space heating) and frozen coal piles, among many contributing factors.

PJM System Generator Outage Rate — January 2014



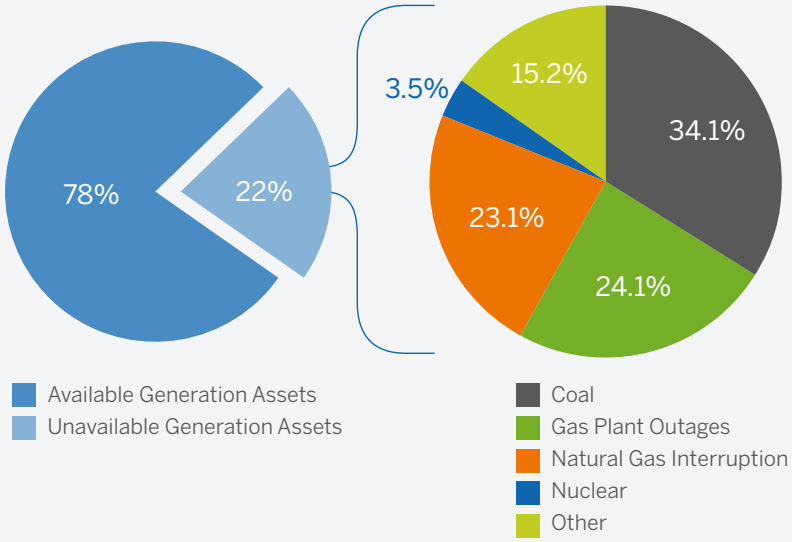
Source: PJM "Analysis of Operational Events and Market Impacts During the January 2014 Cold Weather Events," May 2014, p. 24.

Exelon is focused on operational excellence under all weather and power demand conditions. Control room operator at Limerick Generating Station, Sanatoga, Pennsylvania.

In response to concerns about meeting future winter peak electricity demand conditions, PJM proposed to update its Reliability Pricing Model (RPM) market by changing the definition of the capacity product that is procured in that market. This reform provides new incentives for producers to improve performance, operational availability and fuel diversity during peak-demand periods. This proposal was also structured to consider the implications of demand response and intermittent generation in the context of responding to winter peak-demand conditions. The proposal was submitted to the FERC with a decision expected in summer 2015. Exelon was active in the stakeholder review process as PJM developed its proposal. A copy of Exelon's comments can be viewed on the PJM website.

PJM System Out-of-Service Assets During Peak Load, January 7, 2014

During the all-time-record peak demand hour of the Polar Vortex (7 p.m. on January 7, 2014), 40,200 MW, or 22 percent of capacity, was out of service. The following pie charts show the breakdown of unavailable generation by type. During the all-time peak demand hour, nuclear power was the least impacted by Polar Vortex conditions. As an "always on" source with 18 months of fuel on site and designed to operate year-round under all conditions, nuclear power in PJM continued to provide reliable power to millions of customers, even under the extreme weather conditions that sidelined a significant number of other generating resources in PJM.



Source: PJM "Analysis of Operational Events and Market Impacts During the January 2014 Cold Weather Events," May 2014, p. 26.

BETTER SERVICE FOR CUSTOMERS

Invested $3.1 billion in infrastructure at our utilities, including $500 million on smart grid and smart meters

Helped utility customers save more than 7.6 million MWh through energy efficiency programs

Provided service to more than 2.5 million competitive residential, business and public sector customers, including more than two-thirds of the Fortune 100

Had more than 400 MWs of distributed energy assets in operation, under contract or under development through Constellation

Across the energy value chain, we strive to deliver innovative energy products and services that allow our customers to efficiently buy, manage and use energy. Through efficiency and reliability initiatives, tailored customer programs and a focus on customer service, we are working to meet customers' energy needs while minimizing costs to customers and the environmental footprint of our operations.

Improving Operational Excellence and Service at Our Utilities

Our utility companies — ComEd, PECO and BGE — deliver electricity to approximately 6.7 million customers in Illinois, Pennsylvania and Maryland, with BGE and PECO also serving 1.2 million natural gas customers. We are fully committed to modernizing the physical grid to improve service reliability to customers.

Creating a Smarter Grid

A smart grid is a modernized electrical gas and natural gas system that uses information and communications technology to improve the efficiency and reliability of energy delivery and use. Smart meters, installed at customer properties throughout the distribution network, help to improve customer service and operations by transmitting data to local utilities.

In terms of customer benefits, the new meters and related technology help customers manage their energy use by providing access to detailed energy usage information, which is supplemented by programs to encourage conservation and customized energy savings tips. The new meters enable utilities to remotely connect or disconnect service, eliminating the need to send a crew to customer properties for many requests, and providing faster service to customers. In 2014, we avoided more than 190,000 service calls through the use of advanced meters, reducing fuel consumption, lowering GHG emissions and reducing labor costs. In addition, the enhanced outage information provided by the new metering technology significantly aids response and restoration work during storms.

Exelon's three utilities are in the process of installing over 7 million electric smart meters.

Exelon invested $3.1 billion in technology and infrastructure across our three regulated utilities in 2014, including $500 million on smart meter and smart grid expenditures. Through December 2014, we have upgraded more than 4 million smart electric and gas meters at Exelon utilities. Highlights include the following:

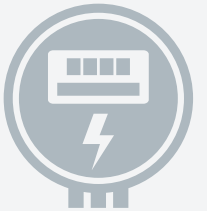
ComEd. Through the end of 2014, ComEd installed 739,000 smart meters of the total 4.2 million planned. ComEd's smart meter installation will be complete by 2018, three years ahead of the original completion date, following the Illinois Commerce Commission's approval of the Meter Acceleration Plan on June 11, 2014. Deployment acceleration will allow many customers to realize smart meter benefits sooner than originally expected and will provide customers with more reliable service and better control over their energy use. In October 2014, we launched an opt-in residential demand response program that will pay customers for reducing energy use on select summer Peak Time Savings Hours. Approximately 20,000 customers had already signed up before the end of the year.

PECO. By the end of 2014, PECO had installed approximately 1.6 million new advanced electric meters. As part of the company's plan, PECO will install a total of 1.73 million meters by the end of 2015. PECO received 100 percent of the $200 million Department of Energy (DOE) Smart Grid Investment Grant to help offset the cost of its program. PECO also is in the process of upgrading approximately 525,000 existing natural gas meters with new modules to enhance functionality. PECO's investment in advanced metering technology continues to provide significant benefits to customers, including faster and more convenient service and assistance to first responders because of the ability to remotely connect and disconnect service. Our new meters also provide more information to help our customers make informed energy decisions. This information also enables more efficient restoration efforts during storms. For example, our new meters helped us restore service approximately two to three days faster during the 2014 ice storm.

BGE. By the end of 2014, BGE had upgraded 479,000 gas smart meters and nearly 1.1 million electric smart meters of its total 1.9 million smart meters. It also received the full $200 million DOE grant to offset program costs. Additionally, BGE installed an advanced data analytics product focused on revenue protection, smart meter operations and ad-hoc reporting to reduce theft of energy and energy use on inactive accounts and more efficiently identify defective metering equipment and network problems. BGE also deployed enhancements to BGE Smart Energy Rewards®, its customer peak time rebate bill credit program. In 2015, BGE will complete the vast majority of its smart meter installations and will pilot smart street lights to develop a business case for a potential expansion of smart street lighting in 2016 and beyond. Finally, BGE started the deployment of field devices in support of the Conservation Voltage Reduction (CVR) project in 2014. The CVR system is expected to be operational in the first half of 2015, with the expansion of CVR program across BGE's system to extend through 2019.

Advanced Meter Deployment Across Exelon Utilities as of Dec. 31, 2014

	ComEd	PECO	BGE	Total
Total electric smart meters (thousands) planned	4,157	1,730	1,283	7,190
Deployed	18%	90%	82%	47%
Remaining	82%	10%	18%	53%
Department of Energy grant status (million $ reimbursed)	N/A	$200	$200	$400
Estimated completion date to complete installation	Dec. 31, 2018	June 30, 2015[1]	May 31, 2015[2]	N/A
Natural gas meter modules deployed (thousands)	N/A	200	479	679
Estimated completion date to complete installation	N/A	Dec. 31, 2015[1]	July 31, 2015[2]	N/A



1 This date acknowledges that remaining work will be related to harder-to-access meters, which will require additional support beyond the Advanced Metering Infrastructure (AMI) Deployment Program.

2 This date represents the likely end of the AMI Deployment Project. Remaining AMI meters will be installed as possible for harder-to-reach customers over time.

Customer Service and Reliability

ComEd, PECO and BGE are committed to providing cost-effective, reliable service while delivering a high level of customer attention. We aim to be courteous, respectful, helpful and efficient in every customer interaction.

In 2014, we continued to reduce the average number of interruptions per customer, with BGE achieving its best-ever performance and ComEd achieving its second-best year on record. Additionally, PECO achieved one of the lowest number of customer outages in the company's history. Similarly, the average length of each outage decreased for PECO and BGE, with BGE achieving its best performance ever, ComEd achieving its second-best performance ever, and PECO posting its best performance since 2009. Improvements are due to a number of factors including:

- Use of advanced distribution automation systems to make real-time adjustment in generation loads and distribution;
- Installation of new reclosers for improved feeder sectionalizing;
- Targeted reliability upgrades to address some of the worst-performing feeders;
- Replacement of overhead wires with underground cable;
- Underground distribution cable replacement and remediation programs; and
- Ongoing vegetation management to keep overhead lines and other assets free from falling trees and limbs.

HELPING COMED CUSTOMERS MANAGE ENERGY USE

In 2009, ComEd began engaging with residential customers on managing their energy usage. Through the ComEd Smart Ideas® program, the utility is able to deliver real-time energy management information to customers throughout its service territory, saving more than 250,000 MWh in 2014. PECO and BGE also implement similar programs in conjunction with the PECO Smart Ideas® and BGE Smart Energy Savers Program®.

Home Energy Report. A home energy usage report is mailed to customers approximately every other month and includes neighbor comparison information, personalized energy efficiency tips and information on additional ComEd programs. This report leverages social norms to drive customer adoption of energy-efficient behaviors. In 2014, ComEd sent reports to more than 1.5 million residential customers.

My Energy Tools. All ComEd residential customers can access personalized energy management tools online. For example, customers may track usage over time on easy-to-read monthly energy usage charts, compare their home's energy use to that of other homes in their neighborhood, and view personalized energy-saving tips that are tailored to their home. Customers with smart meters can further manage their energy through hourly usage displays and projected usage. In April 2015, energy tools will be fully integrated into comed.com/myaccount.

Power Smart Report. In 2014, ComEd began working with C3 Energy, an enterprise software company, to engage customers. Approximately 200,000 residential customers received a paper report highlighting their home's energy use, energy-saving tips and usage comparisons. Additionally, these customers are encouraged to access an online portal, comed.com/powersmart, for additional energy-management information and to earn reward points redeemable for retailer gift cards by taking actions such as completing an online home energy audit and using less energy compared to last year.

Reliability

	2012	2013	2014
SAIFI[1]			
ComEd	0.84	0.76	0.81
PECO	0.70	0.68	0.77
BGE	0.97	0.87	0.77
CAIDI[2]			
ComEd	87	81	84
PECO	95	94	90
BGE	136	96	92

1 SAIFI = Average number of interruptions per customer (total interruptions), excluding major events, per IEEE definition 1366

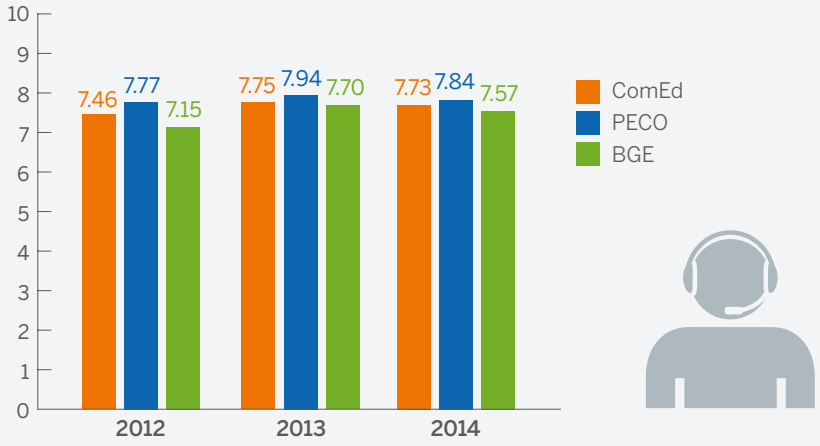
2 CAIDI = Average outage duration (in minutes), excluding major events, per IEEE definition 1366

Our utilities also remain steadfast in the implementation of a broad set of initiatives designed to enhance the customer experience. These include:

- Providing innovative service options that enable a variety of channels (e.g., mobile apps, social media, website, text) to communicate relevant and important information to customers;
- Improving the accuracy and timeliness of information during storm outages, including restoration estimates;
- Continuing to improve power reliability and service restoration performance; and
- Helping customers manage energy use and lower costs through implementation of a growing portfolio of energy efficiency and demand response programs.

We track our progress through the Customer Satisfaction Index, which captures our performance in three survey measures: overall satisfaction, meeting expectations and overall favorability. Declining slightly from the record highs set in 2013, our Customer Satisfaction Index scores in 2014 were the second-best on record for all three utilities. Weather-related events, such as the polar vortex and seasonal storm outages, and increases in competitive supply prices combined to temporarily stall our continued year-over-year improvement in our Customer Satisfaction Index scores in 2014.

Customer Satisfaction Index



PECO'S RESPONSE TO ICE STORM NIKA

On February 5, 2014, Ice Storm Nika descended on the PECO service territory, knocking out power to more than 715,000 customers. The storm was the second-worst storm in company history in terms of total customer outages next to Superstorm Sandy. Working 12- to 16-hour shifts around the clock, more than 6,800 PECO employees, contractors and utility personnel — from as far away as Georgia, Massachusetts, Maine, New York, Ohio, Canada and from BGE and ComEd — came together to repair severe damage and restore service.

The damage from the storm was so severe that in some cases entire portions of PECO's electric system needed to be completely rebuilt. One example was of a job near Valley Forge Mountain, where 26 crews from PECO, ComEd and BGE worked side by side for nearly two days to replace 20 poles to restore service to about 100 customers. Through the employees' hard work, and the utilization of enhanced outage information provided by PECO's new electric meters, PECO was able to restore service to 91 percent of all customers in less than 72 hours and to all customers within seven days. In March 2015, the Edison Electric Institute awarded PECO its Emergency Recovery Award for outstanding efforts in restoring electric service during the storm.

Ice Storm Nika by the numbers:

95 miles of wire replaced · 14,422 fuses replaced
2,505 cross arms replaced · 520 poles replaced
302 transformers replaced · 1.1 million customer calls handled
1.2 million visits to peco.com and 4.6 million page views

Energy Efficiency

Exelon is helping customers save energy and reduce their monthly bills through energy efficiency, real-time pricing and demand response programs. These tools allow customers to make energy choices that will make their homes and businesses more efficient, helping to reduce both costs and energy usage. Additionally, these energy efficiency programs act as a resource, effectively displacing electricity generation from fossil-based and other supply-side resources that would have otherwise been required if these programs did not exist.

Energy Efficiency Programs

Over the past three years, our utilities have helped customers save more than 18 million MWh of energy through the ComEd and PECO Smart Ideas® programs and similar BGE Smart Energy Savers Program®. These programs encourage customer savings through home energy audits, lighting discounts, appliance recycling, home improvement rebates, equipment upgrade incentives, new construction design, and optimizing building operations and industrial processes.

Real-Time Pricing and Demand Response Programs

ComEd, PECO and BGE each offer real-time pricing or demand response programs so that customers are able to manage their costs and reduce load during peak times.

ComEd. The Residential Real-Time Pricing (RRTP) program offered by ComEd allows residential customers who are enrolled to pay a rate based on real-time market electricity prices, which vary from hour to hour. Customers can potentially save money and help reduce peak load demand by shifting some of their electricity usage to lower-priced off-peak hours. In 2014, approximately 9,800 customers participated in the ComEd RRTP program and participants since its inception have saved an average of 19.4 percent on electricity supply costs compared with what they would have paid on the ComEd fixed-price rate.

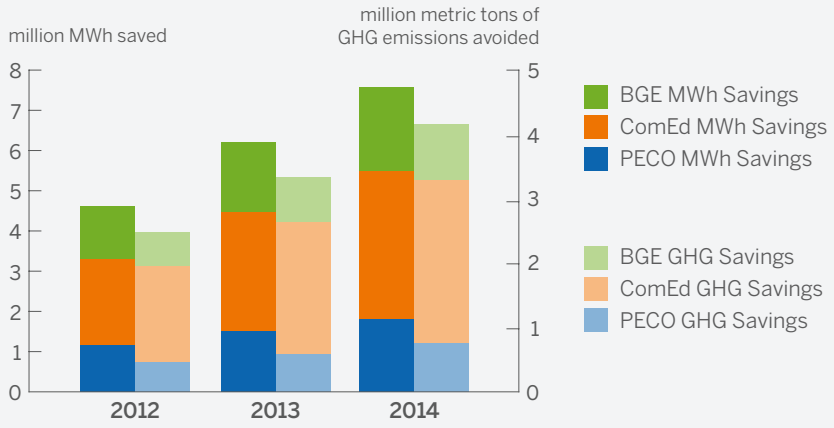
PECO. In 2014, PECO completed the PECO Smart Time Pricing pilot, a one-year program where customers pay less for the electricity they use during times of the day when the demand for electricity is lower. Nearly 4,800 customers participated in the program, saving $382,600. PECO was also granted approval to extend Smart A/C Saver, PECO's summer demand response program in 2014 and 2015. The program cycles central air conditioners during times of peak demand for more than 86,000 participating residential and small business customers who receive $20 per month from June through September.

BGE. PeakRewards℠, BGE's demand response program, offers residential electricity customers with central air conditioning the choice of a programmable thermostat or outdoor switch, which allows the utility to control usage during times of summer peak demand. In 2014, 315,000 customers with 348,000 devices participated in the program and continued to report high satisfaction with respect to demand response programs. J.D. Power affirmed that BGE PeakRewards is one of the top programs in the nation in terms of customer awareness. Last year, BGE also had a successful second season of BGE Smart Energy Rewards®, a program that enables customers to earn credits on electricity bills for taking voluntary actions to reduce electricity usage during summer peak hours. Over the course of the last two summers, more than 860,000 customers were eligible to participate in the program and earned nearly $13 million in bill credits.

COMED'S SMART IDEAS® BUSINESS ENERGY ANALYZER

Roundy's, a retail grocery company headquartered in Milwaukee, Wisconsin, is utilizing ComEd's Smart Ideas® Business Energy Analyzer (BEA) to help the chain better understand how and when the company is using energy. From the BEA Dashboard, Roundy's is able to access charts and graphs to pinpoint high-use periods, review year-over-year comparisons and benchmark performance against similar businesses. These insights help identify several key measures for reducing energy consumption. After implementing these measures, an analysis of six Roundy's locations found that five out of the six locations realized energy savings of 2 to 6 percent annually.

Annual Utility Savings from Customer Programs



Clean Energy Products

ComEd and PECO purchase excess electricity produced from residential and commercial customers' renewable energy equipment, such as solar photovoltaic units, through net metering programs. In 2014, ComEd's total program included more than 400 customers providing more than 6 MW of renewable generation, while PECO had more than 2,600 customers with approximately 58 MW in renewable resources.

State Renewable and Alternative Energy Requirements

All three utilities are required to invest in renewable and alternative energy, and continue to manage compliance with their states' legislative requirements.

ComEd. In 2014, the ComEd renewable energy credit (REC) energy supply mix included approximately 2 million MWh of generation from wind and other renewable energy resources located in Illinois and adjoining states to meet the Illinois Renewable Energy Portfolio standard. ComEd's renewable supply requirement for this year was 9 percent, increasing to 25 percent in 2025.

PECO. PECO is meeting Pennsylvania's Alternative Energy Portfolio Standards compliance, whose requirements increase through 2021. Over 2013 and 2014, PECO retired more than 1.2 million alternative energy credits to satisfy the requirement of 10.7 percent renewable energy. This requirement is set to increase on a yearly basis until it hits 18 percent in 2021.

RECOGNITION FOR ENERGY EFFICIENCY PROGRAMS

All three Exelon utilities were named 2015 ENERGY STAR® Partners of the Year for their commitment to providing energy-saving products, programs and services to our nearly 8 million customers.

ComEd: For the second consecutive year, ComEd received the Sustained Excellence Award, making 2014 the sixth consecutive year of recognition from the U.S. EPA for its delivery of energy efficiency programs.

PECO: PECO received the Energy Champion Award from the Keystone Energy Efficiency Alliance for helping customers save energy and money through energy efficiency programs.

BGE: BGE received the U.S. EPA ENERGY STAR® New Homes — Certified Homes Marketing Leader Award and U.S. EPA ENERGY STAR® Partner of the Year Sustained Excellence Award — Energy Efficiency Program Delivery.

BGE. Almost 1.6 million RECs were required to satisfy Maryland RPS requirements at BGE in 2014 for default Standard Offer Service (SOS) and large Hourly Priced Service (HPS) customers. BGE purchased RECs for HPS customers while REC requirements for residential and small and medium commercial SOS customers were met by winning wholesale energy suppliers under Full Requirements contracts in PSC-approved auctions. The requirement at BGE was 12.8 percent in 2014, increasing to 20 percent in 2022.

Low-Income Assistance

Each of our three utilities has programs in place to provide financial assistance to low-income households as part of Exelon's efforts to make energy more affordable for the low-income population in our service areas.

As part of the Energy Infrastructure Modernization Act enacted in 2011, ComEd agreed to set aside $10 million per year to fund customer assistance programs over a five-year period, starting in 2012. In 2014, more than 14,000 customers were enrolled in CARE programs or received energy management information. Since 2007, ComEd's CARE programs have provided more than $90 million in grant assistance and educational programs for residential, small business and nonprofit organizations and have assisted more than 1 million customers. In addition, more than 37,000 customers were enrolled in the state-sponsored Percentage of Income Payment Plan. This program allows low-income customers to pay 6 percent of their income toward utility bills while providing an arrearage reduction credit in exchange for on-time bill payment. ComEd worked closely with the State of Illinois to develop and implement the program.

PECO's Universal Services is recognized as the largest and most comprehensive low-income program portfolio in the state of Pennsylvania, and one of the largest in the nation. The portfolio includes the Customer Assistance Program (CAP), which enrolled approximately 140,000 customers in 2014. This program provides a discounted residential tariff rate and forgives the total arrearage of all customers enrolled in CAP Rate at the time of their initial enrollment. Additionally, PECO's hardship program, the Matching Energy Assistance Fund (MEAF), provides grants for low-income customers whose service is terminated or in threat of termination, while the Low-Income Usage Reduction Program (LIURP) provides energy audits and usage reduction remediation measures for low-income, high-usage customers. PECO also has a Customer Assistance Referral and Evaluation Services (CARES) program where we provide one-on-one support for low-income customers with special needs. Finally, PECO participates in the state-sponsored Low-Income Home Energy Assistance Program (LIHEAP) and offers additional benefits to customers that receive LIHEAP Crisis grants. The total value of all of PECO's Universal Services' programs is more than $100 million annually.

BGE's partnership with the Fuel Fund of Maryland is one example of a number of programs BGE provides to assist customers throughout its service area. The Fuel Fund is an independent nonprofit organization that provides energy assistance to help pay heating and utility bills for low-income customers. In 2014, BGE's customers provided matching credits to leverage grants for almost 29,000 Maryland individuals who received help from the Fuel Fund of Maryland. Resulting from the Exelon-Constellation Energy merger, the Fuel Fund, the City of Baltimore, the State of Maryland and others were among the organizations who shared a $113 million Customer Investment Fund created to provide lasting benefits to BGE customers, including low-income households. Additionally, in 2014, BGE helped launch the Power of Home program, along with the City of Baltimore and the Fuel Fund, to help Baltimore City residents retire outstanding utility debts and remove a final barrier to ending homelessness.

ENSURING INFORMATION ACCESSIBILITY

Our utilities provide selected materials and information associated with safety and home energy assistance in Spanish or Polish on their websites. ComEd provides a toll-free Telecommunications Device for the Deaf (TDD) service available 24/7 for hearing-impaired callers. In addition, PECO provides interpreters for customers to enhance accessibility. For more information, see ComEd Customer Assistance Programs, PECO Customer Assistance Programs and BGE Customer Assistance Programs.

Improving Sustainability and System Resiliency in Competitive Markets

Constellation believes that competition drives choice, innovation and savings, while providing more environmentally sustainable options. As a leading competitive retail supplier of power, natural gas and energy products and services for homes and businesses across the continental United States, Constellation serves more than 2.5 million competitive residential, business and public sector customers, including more than two-thirds of the Fortune 100. Our wholesale team provides reliable and cost-competitive energy supply and risk management services to utilities and municipal cooperatives nationwide.

In 2014, we greatly expanded our reach through the acquisition of Integrys Energy Services and ETC ProLiance Energy. Integrys Energy Services served commercial, industrial, public sector and residential customers across 22 Midwest, mid-Atlantic and Northeastern states and the District of Columbia. Constellation's purchase of ETC ProLiance Energy, a supplier of natural gas to commercial and industrial customers, grew our customer base in eight Midwestern states. These acquisitions allow Constellation to reach more customers and scale our business in key competitive markets. We also spun off our demand response business, partnering with Comverge to combine our commercial and industrial demand response businesses into a new entity called CPower. We believe that CPower will provide the best possible service to customers by meeting increasing technical demands and changing market conditions, and Constellation continues to offer demand response services to power and gas customers through CPower.

PLANT FOR THE CITY OF LOS ANGELES

In 2014, Constellation signed an agreement with the City of Los Angeles (L.A.) to develop a 27-MW biogas cogeneration power plant at L.A. Sanitation's Hyperion Treatment Plant. The new power plant will use a class 1 renewable fuel generated during the wastewater treatment process at Hyperion, known as digester gas, as its primary fuel source. The power plant, which will cost approximately $130 million and is expected to be online by the end of 2016, will produce steam and electricity that will be used to operate Hyperion's treatment operations. Constellation's affiliate Exelon Generation will operate the cogeneration facility for 10 years, with an option to extend the agreement for five additional years.

Solar panels over a car park at the Maryland Science Center.

Providing Tailored Solutions

Traditionally, Constellation's focus has been on providing low-carbon electricity and helping customers improve energy efficiency to reduce overall consumption. Today, with increasing concerns about service disruptions and environmental impacts, many customers are seeking more tailored energy solutions that deliver the right energy mix — from a percentage of renewable energy to distributed energy platforms — while improving reliability. With our diverse fleet of generation assets and distributed energy capabilities, we are able to match supply to requirements of retail and wholesale power customers. We also offer load management strategies to help customers save money by improving energy efficiency and reducing their peak energy usage.

"Our partnership with Constellation advances our commitment to promoting responsible energy use by the NHL, including our teams, our venues and our fans. Our sport was born on frozen ponds and relies on winter weather. Everyone who loves our game will benefit by taking an active role in preserving the environment and the roots of the game."

— Gary Bettman, NHL Commissioner

CONSTELLATION NAMED OFFICIAL ENERGY PROVIDER OF THE NHL

In 2014, the National Hockey League (NHL) named Constellation its official energy provider. Constellation will provide renewable energy certificates and carbon offsets to match the League's estimated total carbon footprint — 550,000 metric tons — for the 2014 through 2015 season. Additionally, Constellation will work with the NHL to conduct energy efficiency analyses and recommend energy management strategies for the League's facilities. The NHL and Constellation will also promote efficient energy use throughout the League and at key events throughout the season. The agreement advances the objectives under NHL Green — a comprehensive sustainability initiative created by the League in 2010 to address the effects of climate change and freshwater scarcity on the sport of hockey.

Constellation supports the NHL's sustainability initiatives.

Focus on Distributed Energy

Constellation offers a number of technology solutions including solar, cogeneration, fuel cells, CNG fueling stations, battery storage and backup generation to help customers more efficiently and reliably meet their energy needs. These assets allow companies to remain operational in the event of broader electricity grid disruptions. They can also help reduce their GHG emissions through installation of low-carbon or renewable assets.

As these assets may be complex to finance, install and manage, Constellation provides up-front capital as well as develops, owns and operates the assets. This model allows customers to receive full system operational benefits without the financial burden of needed infrastructure. In turn, Constellation recovers investments through power-purchase agreements or long-term power/gas contracts and optimizing the assets in the wholesale energy and demand response markets. In 2014, Constellation had more than 300 MW of distributed energy assets in operation or under development.

"This agreement with Constellation allows us to walk our talk as a conservation organization. Now, a significant percent of our electricity will come from clean, renewable energy. We hope this will help set a precedent and inspire others to take action."

— John Racanelli, CEO of the National Aquarium

RENEWABLE POWER AT THE NATIONAL AQUARIUM

In 2014, Constellation and the National Aquarium in Baltimore, Maryland, signed an innovative 25-year electricity supply agreement that will help the Aquarium better manage energy costs and also support the development of renewable power in Maryland. Constellation will own and operate the 4.3-MW, grid-connected solar generation project on Maryland's Eastern Shore. Scheduled for completion in 2015, the system is designed to generate an estimated 5.8 million kWh during its first year of operation, which is equivalent to 40 percent of the Aquarium's annual electricity needs. The Aquarium will also receive renewable energy credits for a portion of the term of its electricity supply agreement. The electricity generated by the system is expected to avoid the release of 4,409 short tons of CO_2 annually, the equivalent emissions from 842 passenger vehicles according to U.S. EPA data.

National Aquarium, Baltimore, Maryland.

Expanded Natural Gas Services

Constellation is already one of the 10 largest natural gas marketers in the United States, delivering more than 2 trillion cubic feet of gas annually to homes, businesses, regulated utilities and municipal co-ops. In 2014, Constellation deepened its retail natural gas supply footprint in Indiana and Ohio through the acquisitions of ETC ProLiance Energy and Integrys Energy Services.

In recent years, vehicle conversion and infrastructure development has expanded throughout the United States, driven by expectations of long-term low price volatility in natural gas, corporate sustainability initiatives and potential additional incentives via developing carbon markets. Leveraging our scale and expertise in the natural gas market, Constellation has also made investments in LNG infrastructure, and has developed a business strategy for development of compressed natural gas (CNG) fueling stations for regional and interstate transportation fleets.

Exelon continues to develop business opportunities related to natural gas, including liquefied natural gas.

REDUCING OUR ENVIRONMENTAL IMPACTS

Implemented a new Climate Change Policy and joined the Department of Energy's Partnership for Energy Sector Climate Resilience

Considered water scarcity in decision to invest in air-cooled, instead of water-cooled, new combined cycle gas turbine assets in Texas

Issued a Biodiversity Policy to guide our business approach to promoting and enhancing biodiversity

Increased our company-wide recycling rate to nearly 70 percent

From siting of new capital projects to helping our customers conserve energy, we are committed to embedding environmental sustainability throughout our operations. Our ISO:14001 environmental management program focused on continuous improvement helps us achieve operational efficiencies, maintain our license to operate and enhance our competitive position in the energy marketplace. We continue to share best practices across our organization, as well as with local communities and the industry at large for the benefit of all.

Responding to Climate Change

Exelon continues to maintain a strategic focus on addressing the issue of climate change. We collaborate with climate experts to help refine our strategic approach, set annual performance goals for our direct GHG emissions and work with customers to find innovative ways to reduce their emissions. We also recognize that our response to the issue of climate change must evolve beyond basic emission-reduction efforts to include technology innovation, climate change resilience, fuel diversity, grid reliability, government policies and market design considerations, as all of these factors combine to drive outcomes that affect our ability to address this important issue. By balancing all of these factors, we are able to contribute to a reliable and affordable electric power system while helping customers reduce the emissions associated with their energy consumption. To ensure a sustained focus on climate change, Exelon issued a corporate-level Climate Change Policy formalizing our position and orienting our business to create value through meaningful action to reduce GHG emissions and build system resilience.

Approach to GHG Mitigation

Since 2001, Exelon has maintained a complete, third party-verified accounting of our GHG inventory. We track and verify our absolute emissions in accordance with The Climate Registry, World Resources Institute GHG protocol and ISO 14064 standards. We are proud that we took early action to reduce GHG emissions under the U.S. EPA Climate Leaders Program, reducing 35 percent by 2008 from its 2001 baseline, and subsequently in meeting our *Exelon 2020* goal by reducing, abating or displacing 18.1 million metric tons of GHG emissions in 2013. Through our *Exelon 2020* program, we were able to achieve one of the lowest carbon intensities of all investor-owned U.S. generating companies.

Our approach for further mitigating GHG emissions considers both the emissions that we control directly through our activities as well as those associated with market demand for power and our customers' use of energy. As we studied the drivers that affect the emissions sources within our GHG inventory, it became apparent that in order to have the greatest impact, different segments of our inventory needed to be managed in different ways. This division between market-driven and operations-driven emissions allows us to track emissions reductions from direct operations while working to influence overall grid emissions reductions.

EXELON CLIMATE CHANGE POLICY

Climate change is an issue that affects our customers, shareholders and other stakeholders, and it is strategically important to our ability to create value sustainably. It is Exelon's position that there is compelling scientific evidence that increasing GHG concentrations from human activity in the atmosphere are causing climatic changes and that the energy industry has a significant role to play in addressing this issue. As one of the nation's largest producers of low-carbon energy, Exelon is uniquely positioned to meet the needs of its customers and create value for its shareholders while taking meaningful action to mitigate GHG emissions in the energy sector, providing innovative solutions to help customers reduce their carbon footprints and maintaining reliable and resilient energy delivery systems.

Exelon GHG Emissions Inventory[1]

Internal Operations-Driven Emissions

- Tied to directly controlled internal processes
- Focuses on internal energy efficiency and GHG reductions
- Leverages employee innovation to achieve continuous improvement

Market-Driven Emissions

- Directly linked to customer demand
- Requires holistic solutions that consider energy sector impacts
- Impacted by market trends and fuel prices
- Contributes to lowering electric sector GHG emissions

Internal Operations-Driven Emissions

thousand metric tons CO_2e	2012[2]	2013	2014
Scope 1 — Direct Emissions			
Stationary Combustion - Support Operations	108	97	117
Natural Gas Distribution (Fugitive Methane)	379	416	406
Electrical Equipment (Fugitive SF_6)	78	103	137
Fugitive Refrigerants, Bulk CO_2, Coal Pile	107	86	73
Vehicle Fleet Operations	72	78	83
Total Operations-Driven Scope 1	**744**	**780**	**816**
Scope 2 — Indirect Emissions			
Building Electric, District Heating and Cooling	359	356	363
Total Operations-Driven Scope 2	**359**	**356**	**363**
Total Operations-Driven Scope 1 & 2 Emissions	**1,109**	**1,136**	**1,179**
Supplemental Biomass (Mobile)	6	6	6

Market-Driven Emissions

thousand metric tons CO_2e	2012[2]	2013	2014
Scope 1 — Direct Emissions			
Stationary Combustion from Generation	21,795	17,964	15,654
Upstream Gas (Combustion & Fugitive)	39	64	316
Total Market-Driven Scope 1	**21,834**	**18,028**	**15,970**
Scope 2 — Indirect Emissions			
T&D Line Losses	5,112	5,776	5,840
Muddy Run Pumping Power	120	159	162
Upstream Gas (Purchased Electric)	85	137	154
Total Market-Driven Scope 2	**5,317**	**6,072**	**6,156**
Total Market-Driven Scope 1 & 2 Emissions	**27,151**	**24,101**	**22,127**
Supplemental Biomass (Generation)	480	310	290

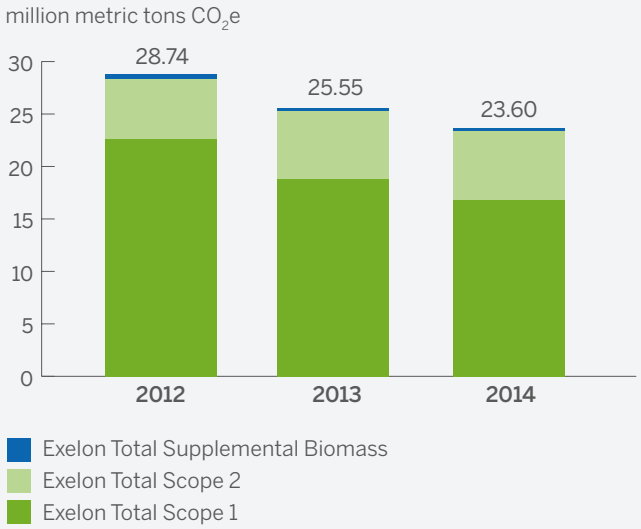
Total Exelon GHG Emissions (Internal Operations-Driven + Market-Driven)

thousand metric tons CO_2e	2012[2]	2013	2014
Total	**28,740**	**25,553**	**23,601**

1 A table detailing our complete 2014 GHG third party-verified inventory can be found in the Exelon GHG Accounting Appendix.

2 2012 emissions adjusted to include the full year for Constellation assets that remained in Exelon control after the merger.

Exelon GHG Emissions



1 A table detailing our complete 2014 GHG third party-verified inventory can be found in the Exelon GHG Accounting Appendix.

Exelon's strategic response to the issue of climate change focuses on taking action in three primary areas:

1. **Continued GHG Emission Reductions from Operations** — maintain an ongoing focus on reducing GHG emissions from Exelon operations.
2. **Contributing to Lower Electric Sector GHG Emissions** — support reducing U.S. GHG emissions and developing integrated solutions that advance the nation towards to a clean energy future while maintaining expected levels of reliability and affordability for electricity supply.
3. **Addressing Infrastructure Resiliency** — ensure that acceptable levels of customer service are maintained in response to shifting weather patterns.

OFFSETTING BUSINESS TRAVEL

In 2014, Exelon's business-related travel, including employee-reimbursed mileage, rental cars, air travel, Amtrak and hotel stays, generated approximately 39,000 metric tons CO_2e. While this is down 11 percent from 2013, Exelon chose to offset the environmental impact of these GHG emissions through the purchase and retirement of 39,000 Climate Reserve Tonnes (CRTs). One CRT is equal to one metric ton of GHG emissions reduced or sequestered through qualified projects.

GHG REDUCTION INITIATIVE: ENERGY TREASURE HUNT

In 2014, Exelon partnered with Staples — both an Exelon supplier and customer — to pilot the U.S. EPA Energy Star Energy Treasure Hunt program at the Exelon Generation headquarters in Kennett Square, Pennsylvania. With several years of experience using the program, Staples' Energy Management Team worked with Exelon employees from across the corporation to learn the treasure hunt protocol and determine how to best integrate it into Exelon's own energy management program. The pilot program identified several opportunities for energy use reductions of up to 27 percent and annual operational savings of $190,000. Focused on internalizing our energy expertise, and building on the success of the pilot, Exelon has more Energy Treasure Hunt activities planned for 2015.

Continued GHG Emissions Reductions from Operations

Building on the efforts we have taken already to minimize GHG emissions from our own operations, Exelon sets an annual target for net GHG emissions from our controllable operations. Our operational emissions program focuses on the energy used in our own buildings and auxiliary operations, our fleet vehicle operations, management practices for sulfur hexafluoride (SF_6) use and leakage control, and fugitive emissions from natural gas distribution systems, all over which we have a more direct control through our processes or procedures. This program also captures specific GHG offsets from waste reduction, recycling and other project-based reduction initiatives associated with employee engagement.

While our 2014 GHG emissions performance from internal operations was challenged by increases in certain areas of our inventory, we did implement a number of initiatives to reduce or control these emissions across the company. These reduction initiatives included commercial space consolidation, building energy efficiency improvements and continued expansion of our alternative fuel vehicle fleet. PECO and BGE have also expanded their proactive natural gas pipe replacement plan, which reduces fugitive methane emissions. Some initiatives that will reduce emissions over the long term increased our emissions in the short term, such as increased fleet use as a result of the advanced meter deployment underway in all three utility service territories, as well as SF_6 emissions increases attributable to the first-generation breaker change-outs within PECO. Other challenges to our GHG performance include increased emergency stationary combustion equipment at our nuclear sites in response to post-Fukushima resilience planning, as well as operational impacts and system recovery efforts during the extreme cold in the first quarter of 2014. Nonetheless, we continue to maintain a strong focus on GHG emissions management, and, for 2015, have targeted maintaining net emissions from our internal operations at 1.1 million metric tons or less.

GOING LED FOR EXTERIOR LIGHTING

In 2014, Exelon's Colorado Bend Generation Station in Wharton, Texas, initiated a project to replace nearly 300 exterior lights with LEDs. Once completed, the project has estimated energy savings of approximately 144,000 kWh per year and a reduction in GHG emissions of 175,000 pounds per year. In addition to reducing energy costs at the station and making more power available for sale, the extended life of the LEDs will reduce maintenance costs and safety hazards by eliminating high-lift work to replace failing bulbs — a regular occurrence. A similar project is planned for 2015 at the Exelon Handley Station in Fort Worth, Texas.

GHG REDUCTION INITIATIVE: SF_6 BREAKER REPLACEMENTS

SF_6 is a highly effective insulator used in high-voltage equipment, but it has a global warming potential 23,900 times greater than CO_2 if released to the atmosphere. To reduce our emissions of SF_6, we are working to replace first-generation circuit breakers with new models that require much less SF_6 gas as an insulator. ComEd has completed removal of all first-generation breakers and maintains one of the lowest leak rates in the industry at less than 1 percent. Balancing customer cost and system reliability, PECO removed 17 first-generation breakers in 2014, with 55 remaining breakers targeted for removal by 2029. BGE has three first-generation breakers remaining, which are scheduled to be retired by 2017.

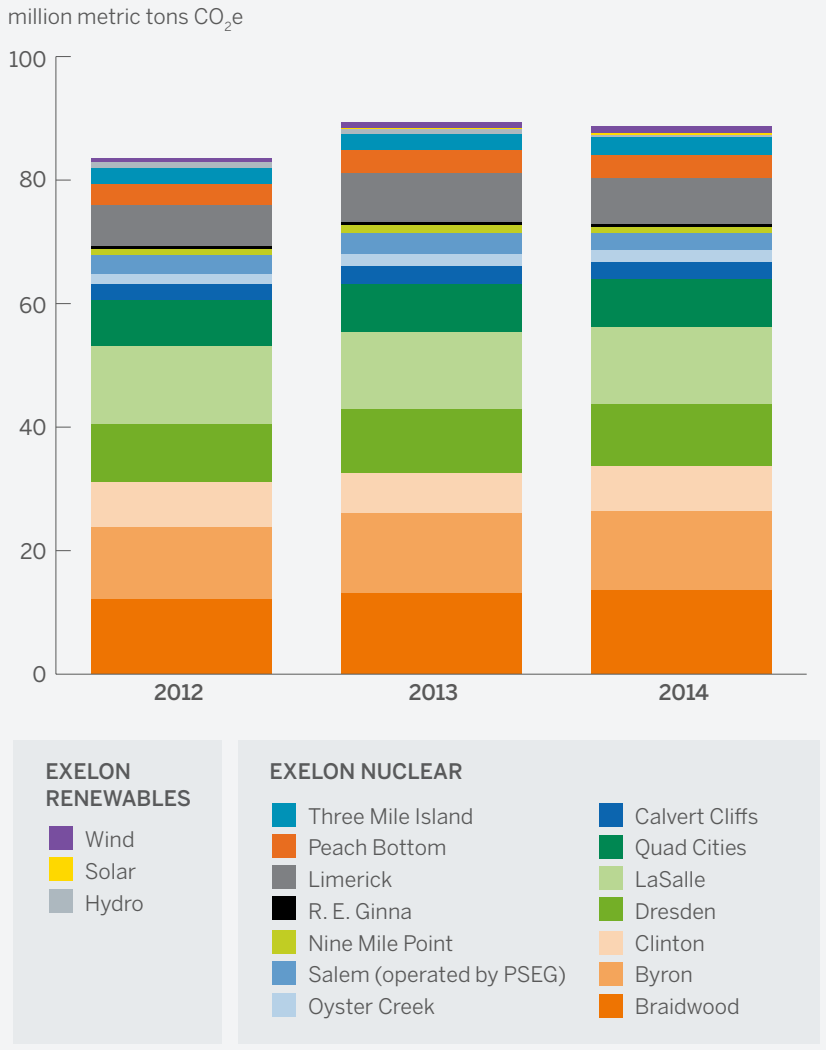
Contributing to Lower Electric Sector GHG Emissions

By far the largest segment of our GHG inventory is emissions associated with power generation and distribution of that power to our customers. These market-driven emissions are directly tied to consumer demand and vary widely from year to year as a result of weather and the economy. Economic factors include fuel prices, the market price of power, generation station availability and performance factors, which affect when and for how long grid operators call on particular stations to generate supply. To this end, we work to ensure that our low-carbon generating plants are efficient and available as needed to meet consumer demand. We are also focused on identifying opportunities that provide customers with greater opportunity for connecting distributed generation to the system, improving their efficiency to reduce overall demand and ensuring infrastructure resiliency. Through continued investments in clean energy resources, transmission and distribution systems, and customer programs, we are building a sustainable energy system for the future and responding to climate change issues in a way that maintains a reliable and affordable energy system while working to reduce grid-level GHG emissions throughout the United States. See the Reducing Air Emissions section of this report for more information.

Today, Exelon has the lowest CO_2 emission rate of the largest 20 investor-owned producers in the United States. In 2014, our fleet of nuclear and renewable assets produced almost 160 million MWh of energy, which abated more than 88 million metric tons of GHG emissions (nearly 87 million from nuclear and more than 1 million from renewables) had the same energy been produced at the plant's regional average emission rate.

In addition to advancing the production and delivery of clean, reliable and competitively priced forms of energy across the energy value chain, we are working with our industry peers, communities and regulators to establish market rules and structures that ensure fair treatment of clean, competitive,

Emissions Avoided by Exelon Nuclear and Renewable Generation Assets



reliable generation options, which is essential to driving real progress toward a clean energy economy. We are also exploring a variety of new technologies as we seek to most efficiently and effectively meet future electricity demand. For a detailed discussion of our investment strategy, see the Energy System of the Future section.

Through our regulated utilities, we are focused on improving efficiency and access to clean energy supply. ComEd, PECO and BGE each maintain award-winning customer programs, which achieved cumulative annualized savings of more than 7.6 million MWh. In 2014 alone, these programs realized an additional 1.8 million MWh in new efficiency measures that abated more than 1 million metric tons of GHG emissions. Exelon utilities also support the expansion of clean energy through their execution of alternative and renewable portfolio standards requirements set for their areas. In 2014, Exelon utilities retired almost 5 million alternative and renewable energy credits to meet their state requirements. For a detailed discussion of our utility customer programs, see the Improving Operational Excellence and Service at Our Utilities section.

Constellation, our competitive business, also provides customers with innovative energy efficiency solutions and opportunities for accessing renewable energy. Through our Efficiency Made Easy and Performance-Based Contracting programs, Constellation helped its customers avoid more than 148,000 MWh of electricity use, equivalent to approximately 60,000 metric tons of GHG emissions. Through the sale of distributed solar photovoltaic systems and RECs for voluntary retirement, Constellation customers avoided an additional 900,000 metric tons of GHG emissions. Constellation is also developing partnerships and expanding into adjacent markets to further bring low-carbon energy solutions to our customers and communities. To learn more about its efforts involving distributed fuel cell deployment, biomass generation stations, natural gas fueling stations and other competitive retail advancements, see the Improving Sustainability and System Resiliency in Competitive Markets section.

IMPROVING ACCESS TO LOW-CARBON SOLUTIONS

With increased supplies of natural gas available in certain regions of the United States, Constellation is investing in natural gas fueling station infrastructure to afford better access for the public to this alternative fuel vehicle technology. Switching vehicle fuels from diesel or gasoline to CNG can reduce driving emissions by more than 90 percent. Constellation plans to complete two new CNG fueling stations, one in St. Joseph, Missouri, and one in Dunmore, Pennsylvania, in 2015. Both stations will be open to the public, but also will be set up to serve as a common fueling location for multiple anchor fleets. Estimated customer GHG emissions reductions from switching from gasoline or diesel to CNG at these two new fueling stations are estimated at more than 4,000 metric tons of CO_2e each year, or the equivalent of removing more than 800 cars from the road.

Addressing Infrastructure Resilience

Infrastructure resilience refers to the ability of the energy system to continue operation at desirable levels during adverse weather events and to resume operations as quickly as possible in the event of a disruption. The issue of resilience is critical to Exelon for two primary reasons:

1) The climate within the United States is shifting and physical changes in the environment will likely present challenges to our customers, assets and operations; and

2) Actions taken by others to reduce GHG emissions or adapt to physical environmental changes, such as deployment of new technologies, are impacting electricity demand and energy markets key to Exelon's business.

The physical effects of climate change on electric generators and electric utilities include potential impacts to generation station efficiency due to extreme temperatures, growing and shifting demand resulting from changing regional temperature averages and potential disruptions to the transmission and delivery systems due to storms or other weather-related challenges. None of these issues are new to the industry; however, they are taking on a new significance when considered in the context of a more rapidly changing climate and increased weather severity.

Based on the preponderance of scientific research and the consensus of the scientific community regarding climate change, historical weather patterns are expected to continue to change with increasing frequency and volatility of extreme weather events in the coming decades. Exelon continues to account for these issues as part of our infrastructure asset management and operations plans and will continue to evolve our management model and strategy as actionable data and projections become available.

In 2014, Exelon looked across the corporation to identify departments and job functions already involved in the use of weather forecasting, long-term load planning, facility siting and acquisition, and storm response and recovery. With the issuance of our corporate Climate Change Policy, we have laid the foundation for considering climate change in business decision-making and developing a consistent position on engaging with stakeholders and communities to understand how climate change will affect the economy, communities and Exelon operations. By engaging with climate change stakeholders and implementing best practices, including training and communications associated with climate change issues and future projections, our objective is to further develop and evolve our strategy to ensure continued safe, clean, reliable and affordable delivery of energy.

To build alignment across our corporation and with the broader electric industry, Exelon has also joined the DOE's Partnership for Energy Sector Climate Resilience in April 2015. This initiative is designed to enhance U.S. energy security by improving the resilience of energy infrastructure in the face of extreme weather and climate change impacts. The goal is to accelerate investment in technologies, practices and policies that will enable a resilient energy system. Through the partnership, Exelon will be identifying climate change vulnerabilities, developing and pursuing a resilience strategy, and measuring and reporting on progress. Working with DOE and other partners, we will help identify sector-specific priorities, develop climate change resilience metrics and explore opportunities for collaboration. Exelon is proud to be a part of this new initiative that will not only inform how we strengthen our own resilience strategy, but also shape the overall evolution of the electric system.

Conowingo Hydroelectric Generating Station, 572 MW, Darlington, Maryland.

Improving Watershed Management

Access to affordable, reliable and adequate water supplies is critical for the success of our business. Water is essential for Exelon's production of electricity: water drives our hydroelectric facilities and cools our nuclear and fossil fuel power plants. At the same time, we recognize that water is a shared resource, critical to economic development, communities and wildlife in the areas where we operate.

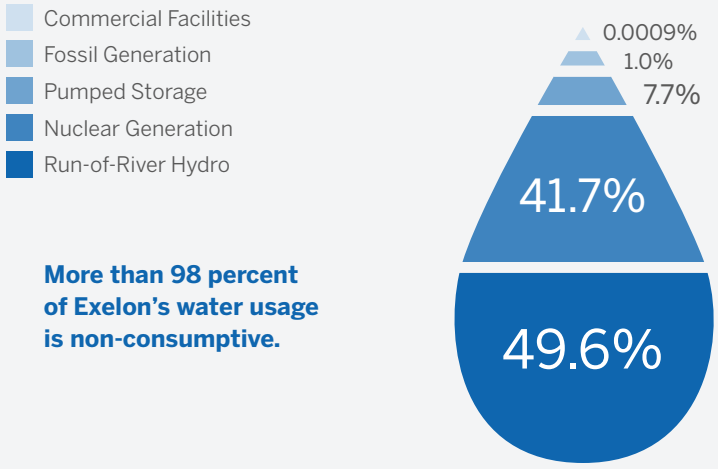
Water use is a key challenge for the future, as well; with changing weather patterns and increases in competing water uses, the need for effective water management will continue to grow. Water scarcity is a critical risk factor for the electric power industry in particular, and Exelon is working to define the scope of the issue and continues to refine our practical and effective management strategies.

Exelon is committed to preserving long-term viability of the water resources upon which we all rely and is addressing site-specific water-related opportunities and risks. We recognize that working with relevant stakeholders at local levels is the most effective approach to addressing specific water challenges. Due to the importance of this issue, Exelon recently issued a corporate-wide Water Resource Management Policy to guide our ongoing operations as well as future investment decisions.

Water Withdrawals and Consumption

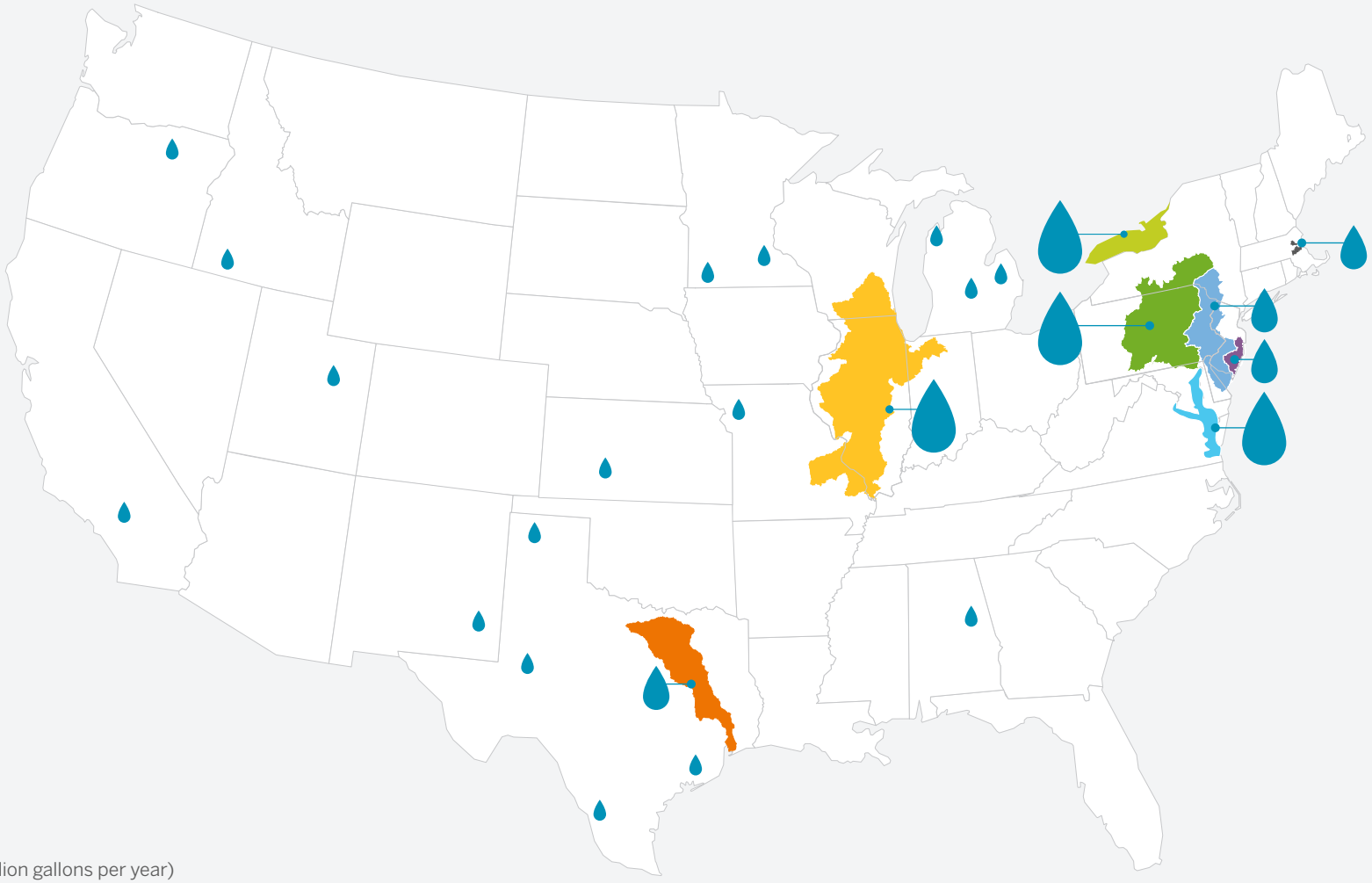
In 2014, Exelon-operated facilities used approximately 37.9 billion gallons of water per day (144 million cubic meters per day), more than 98 percent of which was directly returned to the source. A significant portion of our overall water use is attributed to our fossil and nuclear thermal power plants, which require cooling water to condense steam after it has passed through turbine generators. Cooling water flows through either an open- or closed-cycle cooling system. More than 60 percent of our thermal generating capacity used closed-cycle systems that evaporate water in a recirculating tower or a pond to achieve cooling in 2014. The balance of our thermal plants used open-cycle cooling systems, where water is drawn from a river, pond or bay for cooling and is then returned to the same water body. For information on the types of cooling systems used at each of our generating stations, please see the Generation Station Appendix.

2014 Water Usage by Operational Activity



More than 98 percent of Exelon's water usage is non-consumptive.

Exelon Generation Water Use by Location and Watershed



(million gallons per year)

Watershed Zone	Consumptive Use	Non-Consumptive Use	Total Use
Boston Harbor	72	29,499	29,571
Barnegat Bay	4,911	484,760	489,671
Delaware	13,409	155,880	169,289
Chesapeake Bay	154,268	1,209,940	1,364,208
Susquehanna	11,843	8,898,099	8,909,942
Upper Mississippi	41,977	2,495,265	2,537,242
Texas-Gulf	2,910	29,953	32,863
Lake Ontario	4,018	312,771	316,789
	233,408	**13,616,166**	**13,849,574**

Major water usage

Moderate water usage

Minimal water usage

This figure illustrates the U.S. watershed regions where the generating facilities that we operated in 2014 are located. The size of the water droplets indicate areas where we depend upon local water supplies; the smallest water droplets indicate clusters of wind or solar power facilities where water requirements are minimal.

Calvert Cliffs Generating Station, 1,756 MW, Lusby, Maryland.

Addressing Water Supply Risks

Climate change poses a significant threat to water supplies critical to our ongoing operations and community and wildlife use. As part of our efforts with the DOE's Partnership for Energy Sector Climate Resilience, we are closely monitoring drought risk and changing precipitation patterns that have the potential to impact our production of electricity. Water-related climate change risks may affect our fleet by:

- Disrupting cooling water supplies at thermal generation stations;
- Restricting cooling water discharges due to lower water levels and warmer ambient temperatures; and
- Limiting production levels in water-scarce areas to ensure compliance with water supply and discharge permit limits.

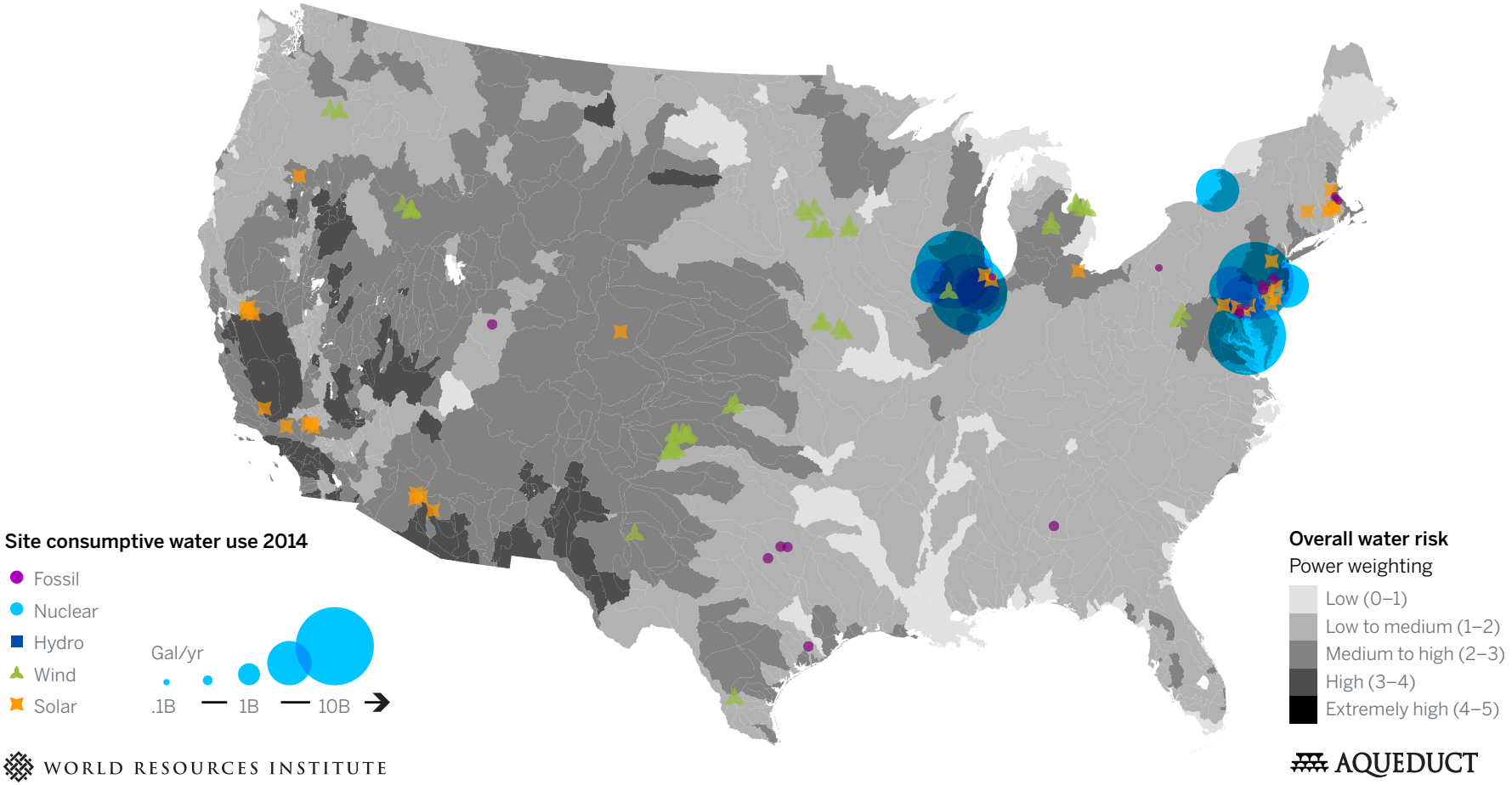
We are working to address these projected changes in a variety of ways. As heat waves — periods when electricity demand is highest — become more prominent, we are investing in a variety of programs at our utilities to help customers manage and reduce their overall demand, allowing us to reduce our impacts on local water resources. We are also evaluating a suite of advanced cooling technologies in our existing generation fleet to prepare for higher ambient air and water temperatures. Finally, we continue to invest in cutting-edge research to better understand potential water impacts due to climate change.

We have also begun to integrate water scarcity projections into our investment decisions. In 2014, we announced our plans to build two combined-cycle gas turbine units at two sites in Texas. These turbines are specifically designed to be air-cooled rather than water-cooled to reduce the need for water in this water-scarce region. Though the initial capital investment of this type of cooling system is higher, we expect the air-cooled turbines to experience fewer interruptions and greatly minimize our impacts on the local watershed over the assets' operating life. This new technology is also able to ramp up or down quickly, which will be imperative for managing supply when more intermittent energy such as wind becomes available.

WATER CONSUMPTION AND REGIONAL WATER RISK LEVELS AT EXELON FACILITIES

Exelon uses a variety of tools to identify water risk. One of these tools is the World Resources Institute's (WRI) Aqueduct global water risk mapping tool. This map presents the WRI's composite water risk assessment of the United States as an aggregated measure of 12 global water stress indicators weighted according to use factors for the power industry, including water quantity and quality, as well as regulatory and reputational risks. The risk analysis is based on historic trends over the past half-century and does not currently consider forward-looking modeling of climate change effects.

The map shows Exelon generation facilities overlaid on the WRI default map, with the size of Exelon facilities scaled based on consumptive water use. This overlay reveals that some of our facilities with the largest consumptive use are located in areas of medium risk in the Northeast and upper Midwest. The only facilities we operate in areas of the country with high water risk are those with small or negligible consumptive water use, such as solar and wind power installations. For more information on the WRI Aqueduct mapping tool, please visit: aqueduct.wri.org.



Mitigating Our Impacts on Water Resources

To mitigate our impacts, we work to identify the specific uses of water in our operations and address any potential negative impacts. Our power plant cooling water systems affect water resources in three primary ways:

Consumptive Use. Unlike water that is used and then returned to the same source, consumptive use removes water so it is not available for further use in that watershed or for supporting aquatic habitats. Closed-cycle cooling systems require adequate supplies of make-up water to replace water lost to evaporation or discharged periodically from the cooling tower reservoir ("blowdown" discharge). Evaporative losses from our cooling towers are by far the largest component of what we report as "consumptive use" across our operations (639.5 million gallons per day for Exelon-operated facilities in 2014). For our plants located in Illinois and Pennsylvania, we also estimate the amount of water lost to evaporation in the river due to the increased temperatures of the cooling water discharged from once-through cooling systems, and report that as consumptive use as required by environmental regulations.

Entrainment and Impingement of Aquatic Organisms. In any large withdrawal from surface water, aquatic organisms can become entrained in the intake flow (drawn in with the water) or trapped on intake screens. To minimize these occurrences, power plants implement a variety of measures, including reducing the flow velocity of the cooling water withdrawal and installing equipment to capture aquatic organisms at the intake structure and return them safely to the water body.

On October 14, 2014, the U.S. EPA's final Clean Water Act Section 316(b) rule went into effect. The purpose of the rule is to minimize the impacts of power plant cooling water intake structures on aquatic life. Exelon believes that the final rule strikes a careful balance between meaningful environmental improvements and the need to maintain electric reliability and reasonably priced power by means of cost-effective regulatory requirements. Under the rule, operators select from a variety of pre-approved environmentally effective measures to minimize impacts to aquatic life. Alternatively, the operator may develop site-specific technologies or operating practices that need approval by the state permitting director. The rule also requires that a series of studies and analyses be performed to ensure selected measures are effective. There is no fixed compliance schedule since the timing for each facility is related to the status of its current NPDES permit and the subsequent renewal period. Certain parties are pursuing legal challenges to the final rule in the federal court system.

Thermal Discharge from Cooling Systems. Since cooling water systems release heat to the receiving water body, facilities must operate within strict temperature limits to avoid thermal shock to fish and to protect the aquatic ecosystem. As responsible stewards of water resources, we take actions to mitigate adverse impacts and strive to operate in balance with aquatic ecosystems. Each facility's water management strategy accounts for the specific characteristics of its watershed and the regional nature of water resource regulation.

MANHOLE WATER MANAGEMENT

Removal of water from subsurface manholes for completing electrical T&D work is an ongoing issue for Exelon's utilities. Typically, manhole water is discharged to storm sewers after being field-filtered for contaminants. At PECO, small volumes of water are transported via tanker truck to a central wastewater treatment plant where multi-stage filtration is completed prior to discharge to the Philadelphia Water Department system. This treatment plant recently received a Silver Award from the Philadelphia Water Department for three consecutive years of 100 percent compliance. Currently, PECO is constructing a mobile wastewater treatment plant that will be used to field-filter manhole water to reduce the amount of truck traffic transporting water to the centralized water treatment plant.

Habitat and Biodiversity

Our operational footprint stretches over large tracts of land and is adjacent to a variety of water bodies, both of which are home to diverse flora and fauna. We take seriously our responsibility to reduce our impacts on wildlife and enhance habitats wherever possible. We work to improve understanding of biodiversity through partnerships with biodiversity experts and regulatory agencies on a variety of studies and by providing educational opportunities for employees and community members through our WHC-certified sites.

To strengthen our commitment to promoting and enhancing biodiversity, we established a corporate Biodiversity and Habitat Policy in January 2015.

Protecting Aquatic Ecosystems

Some of our generating stations require large amounts of water for continued operations and uninterrupted service to customers. We are committed to operating in a way that reduces potential impacts on fish, other aquatic species and their habitats.

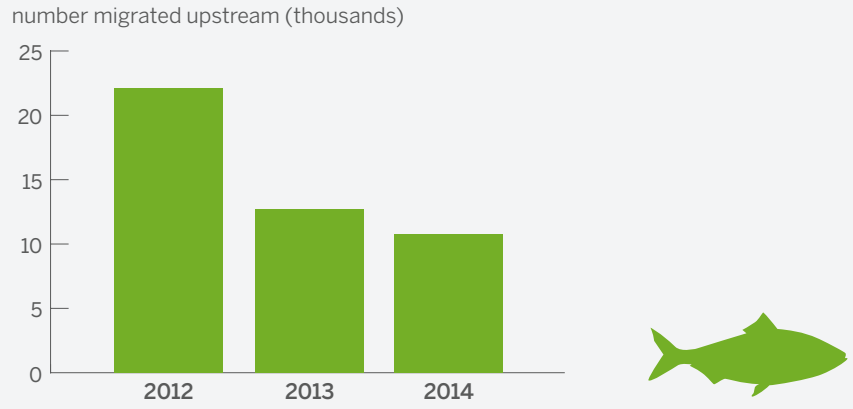
Migratory Fish Passage

For our facilities with dams in active fish migration areas, we have evaluated and installed lifts or ladders, depending on the need, to allow migrating fish to travel upstream in a way that bypasses our generating equipment. Across our operations, we have implemented procedures and taken action to protect a number of species.

American Shad. American shad are a species of concern for resource agencies due to a decline in the population that has been occurring since the late 1800s. This decline has been observed in rivers both with and without dams. Since the early 1970s, Exelon and our predecessor companies have contributed to efforts to facilitate migration of American shad within the Susquehanna River Basin via the Conowingo Hydroelectric Project in Maryland. Today, Conowingo's east fish lift has a design capacity to support upriver migration of approximately 2 million migratory fish per year. During the 2014 migratory season, Conowingo passed 10,744 American shad via its east fish lift. Through 2014, this lift has passed a total of 1,341,264 American shad. The east lift also passes many other species of fish, such as river herring, striped bass, small- and large-mouth bass, walleye and gizzard shad. Over the past five years, an annual average of more than 850,000 of these other species has been passed through the lift.

The smaller fish lift on the western side of the dam continues to support U.S. FWS activities related to the study and protection of American shad. In 2015, Exelon Nuclear is in its final year of contributing $50,000 per year since 2011 to a Pennsylvania Fish and Boat Commission project to increase egg viability of American shad in the river.

Conowingo Fish Lift — American Shad



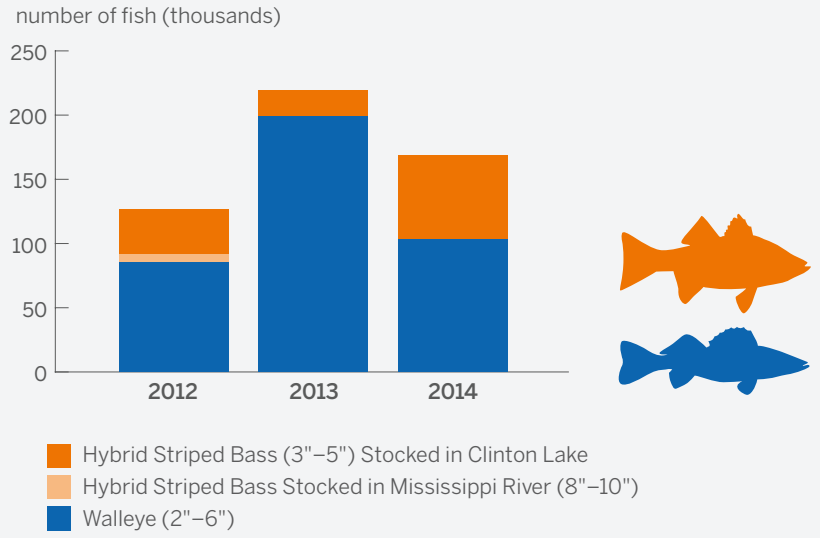
American Eel. In 2014, Exelon continued to support the U.S. FWS in its studies of American eel in the Susquehanna River. In May 2014, Exelon coordinated the formation of an Eel Passage Advisory Group (EPAG) in support of the commitments established in the Eel Management Plan as part of the Pennsylvania 401 Water Quality Certification finalized in December 2014 for the Muddy Run Pumped Storage Project. The EPAG provides oversight to commitments regarding eel research and trap and transport objectives. In addition to monthly calls and meetings of the EPAG, Exelon conducted a study to evaluate potential locations in Octoraro Creek to locate a temporary eel-trapping facility. With approval from the EPAG, Exelon selected a site within the watershed to develop plans for such a facility. This facility will collect and count eels migrating upstream in the Octoraro Creek watershed. From there, a portion of the eels will be relocated upstream in the Susquehanna River watershed in support of resource agency efforts to increase the abundance of American eel and biodiversity throughout the watershed.

QUAD CITIES FISH HATCHERY

We are proud to own and operate a major aquaculture facility at the Quad Cities Nuclear Station in Illinois, in partnership with Southern Illinois University, to enhance stocks of several aquatic species in the area. The Quad Cities hatchery celebrated its 31st year of operation and 10th year in its current facility in 2014. The hatchery produced more than 103,000 healthy walleye advanced fingerlings and nearly 66,000 fingerling and yearling hybrid striped bass for the Mississippi River, Clinton Lake and Braidwood Lake. The hatchery also produced nearly 3,000 harvestable-sized blue catfish for Clinton Lake in 2014. All of these programs were conceived and conducted in cooperation with Illinois Department of Natural Resources (DNR), Iowa DNR and U.S. FWS. These entities have all requested additional stockings in 2015. The hybrid striped bass and blue catfish programs are just a few of the cooperative projects with both the Clinton and Braidwood Nuclear Stations conducted from the Quad Cities hatchery. The hatchery also partners with the U.S. FWS to grow freshwater mussels on site using local mussel beds for brood stock, including the federally endangered Higgin's Eye Mussel.

In addition to helping offset ecological impacts from withdrawals of large volumes of river water, the aquaculture program is a valuable community and regional resource, offering many tours each year for school groups, local neighbors, fishing clubs and other resource-oriented groups with an interest in Mississippi River fisheries. The high quality of the local bass, walleye and catfish fisheries draw national attention to the Quad Cities area on a regular basis.

Quad Cities Fish Hatchery



Sediment Control

Exelon served as a participant in the Lower Susquehanna River Watershed Assessment (LSRWA), led jointly by the Maryland Department of the Environment (MDE) and the U.S. Army Corps of Engineers. The objective of the three-year LSRWA was to evaluate sediment and associated nutrient loading and transport in the Lower Susquehanna River to the Chesapeake Bay, as well as evaluate sediment and nutrient load reduction strategies. The study found that nutrients have a larger impact on Chesapeake Bay water quality than sediment; additionally, the study determined that upstream sources of nutrients and sediments have a larger impact on Chesapeake Bay water quality than those contributed by the Conowingo Pond during scour events. A final report is anticipated in summer 2015.

In order to better understand the effects of nutrient and sediment transport, Exelon will contribute up to $3.5 million to conduct additional studies involving nutrient and sediment transport in the Lower Susquehanna River in response to Maryland's request for additional information regarding Exelon's application for a Clean Water Act Section 401 Water Quality Certification for Conowingo.

Species Management Plans in Relicensing Efforts

Both Conowingo and nearby Muddy Run are undergoing relicensing with the Federal Energy Regulatory Commission (FERC). During 2014, Exelon continued engagement with interested stakeholders on topics such as fish and eel passage, management of species of concern, and recreation and shoreline management. On March 11, 2015, FERC issued its Final Environmental Impact Statement (FEIS) for the Susquehanna River projects including Conowingo and Muddy Run. The FEIS addresses natural resource impacts from project operations, and Exelon is working with interested stakeholders regarding the recommendations of the FEIS.

Previously in 2013, Exelon Generation filed an application for a Water Quality Certification for Muddy Run with the Pennsylvania Department of Environmental Protection (PA DEP). In December 2014, the PA DEP issued the final certification for Muddy Run, noting that the facility meets all applicable requirements and that Exelon had agreed to substantial commitments to mitigate impacts to aquatic resources. In advance of the final FERC license being issued for Muddy Run, Exelon conducted eel trap and transport studies and provided monetary contributions to Lancaster and York Counties and the Pennsylvania Fish and Boat Commission for habitat improvement project efforts in accordance with the requirements of the Water Quality Certification.

In January 2014, Exelon filed an application with MDE for a Water Quality Certification for Conowingo. Representatives from the State of Maryland subsequently indicated that MDE believed it had insufficient information to process Exelon's application. As a result, Exelon entered into an agreement with MDE to work with state agencies in Maryland, the U.S. Army Corps of Engineers, the U.S. Geological Survey, the University of Maryland Center for Environmental Science and the U.S. EPA to design and conduct a multi-year sediment study that will provide additional information to MDE. The goals of the sediment study are to quantify the amount of suspended sediment concentration, associated nutrients, suspended sediment load and nutrient load present in the major entry points to the Lower Susquehanna River Reservoir System and the upper Chesapeake Bay. During 2015, Exelon will continue to engage with interested parties and respond to any additional information requests as part of the Water Quality Certification and FERC relicensing processes.

Protecting Terrestrial Habitats and Wildlife

Our generating stations and ROWs traverse thousands of acres of land, which we carefully manage to protect habitats of a wide range of plant and animal species.

Right-of-Way Management

Vegetation on transmission line ROW must be managed on a regular basis to ensure system reliability. This ongoing upkeep presents an opportunity for instituting management practices that benefit plants and wildlife that require open, low-growing habitats. We undertake a number of initiatives to promote diverse habitats in our ROWs.

- In ComEd's territory, most of the 30,000 acres of transmission ROW are natural green space, including almost 300 acres of native prairie grass.
- PECO maintains natural conditions and native species on 2,211 of its total 13,500 acres of ROW under management. In the past five years, PECO has planted 155 acres of native grass meadows on these ROWs.
- BGE actively manages approximately 7,000 acres of its total 10,500 acres of ROW to control tall-growing vegetation. Of the 7,000 acres, approximately 600 acres are sustainably managed using Integrated Vegetation Management (IVM) techniques to encourage low-growing indigenous plants that create favorable conditions for native pollinators and other fauna. Research is being conducted at three sites to evaluate the impacts to pollinators and document the transition of the plant communities that are resulting from the IVM practices.

INTEGRATED VEGETATION MANAGEMENT BY BGE

The U.S. FWS recently recognized BGE's efforts on the IVM pilot project in the South River Greenway in Maryland. Since 2010, BGE has collaborated with the U.S. FWS and other groups to conduct long-term monitoring of a variety of bird, bee and butterfly species in the ROW. BGE will continue to work with the U.S. FWS to implement IVM techniques in other ROW areas throughout its territory.

Exelon's three utilities manage over 54,000 acres of ROWs.

Wildlife Habitat

Exelon Corporation has a longstanding partnership with the WHC to restore and enhance wildlife habitats at our facilities and on our ROW. Exelon has been a member of the WHC for more than 10 years and has accrued a total of 29 certifications through the end of 2014, which includes five Corporate Lands for Learning and 24 Wildlife at Work. In 2014, Exelon facilities earned four new certifications for Wildlife at Work at the following facilities: Greene Valley Prairie, Kennett Square Campus, Lake Forest Prairie and Morton Wetland. The WHC Certification Program provides us with a guidance tool and objective oversight for creating and maintaining high-quality wildlife habitats, as well as implementing environmental education programs. To learn more about the WHC, visit www.wildlifehc.org.

Company	Program Name	Wildlife at Work and/or Corp. Lands for Learning	City, State
BGE	BGE - Patuxent National Research Refuge ROW Partnership	Wildlife at Work	Laurel, MD
BGE	Dasher Court BGE Rights-of-Way Environmental Stewardship Program	Corp. Lands for Learning and Wildlife at Work	Columbia, MD
BGE	Spring Gardens Facility	Corp. Lands for Learning and Wildlife at Work	Baltimore, MD
ComEd	Buffalo Grove Prairie	Wildlife at Work	Buffalo Grove, IL
ComEd	Cherry Valley ROW Prairie	Wildlife at Work	Cherry Valley, IL
ComEd	Greene Valley Prairie	Wildlife at Work	Naperville, IL
ComEd	Kloempken Prairie	Wildlife at Work	Des Plaines, IL
ComEd	Lake Forest Prairie	Wildlife at Work	Lake Forest, IL
ComEd	Superior Street Prairie	Wildlife at Work	Calumet City, IL
ComEd	West Chicago Prairie	Wildlife at Work	West Chicago, IL
Exelon Generation	Kennett Square Campus	Wildlife at Work	Kennett Square, PA
Exelon Nuclear	Calvert Cliffs Nuclear Power Plant	Wildlife at Work	Lusby, MD
Exelon Nuclear	Braidwood Generating Station	Wildlife at Work	Braceville, IL
Exelon Nuclear	Byron Generating Station	Wildlife at Work	Byron, IL
Exelon Nuclear	Clinton Power Station	Corp. Lands for Learning and Wildlife at Work	Clinton, IL
Exelon Nuclear	Dresden Generating Station	Wildlife at Work	Morris, IL
Exelon Nuclear	Limerick Generating Station	Corp. Lands for Learning and Wildlife at Work	Pottstown, PA
Exelon Nuclear	Oyster Creek Generating Station	Corp. Lands for Learning and Wildlife at Work	Forked River, NJ
Exelon Nuclear	Three Mile Island Generating Station	Wildlife at Work	Middletown, PA
Exelon Nuclear	LaSalle County Generating Station	Wildlife at Work	Marseilles, IL
Exelon Nuclear	Peach Bottom Atomic Power Station	Wildlife at Work	Delta, PA
Exelon Nuclear	Quad Cities Generation Station	Wildlife at Work	Cordova, IL
PECO	Manor Road ROW	Wildlife at Work	Whitemarsh Township, PA
PECO	Morton Wetland	Wildlife at Work	Morton, PA

Eleven Exelon Nuclear-operated generating stations have WHC Wildlife at Work certifications.

Nuclear power plants in particular tend to include significant buffer areas within their boundaries, making them ideal locations for habitat conservation efforts. Our 11 nuclear plants undertook several initiatives to manage environmental stewardship issues in four focus areas:

- **Biodiversity.** Establishing and maintaining ecology programs on and off site that support the maintenance of a healthy ecosystem where organisms and natural systems are in balance to clean the air and water and moderate global temperatures.
- **Education and Outreach.** Conducting education and outreach to convey the importance of environmental stewardship and to persuade others to take actions in support of achieving environmental excellence.
- **Resource Conservation.** Improving the management of the human use of natural resources to maximize benefits to current and future generations.
- **Pollution Prevention.** Identifying, evaluating and modifying processes and programs to reduce, reuse, eliminate and/or replace the use of products or chemicals to minimize the generation of pollutants.

KENNETT SQUARE POLLINATOR GARDEN

Exelon Generation headquarters in Kennett Square, Pennsylvania, won WHC's 2014 Pollinator Advocate Award for its pollinator garden and ongoing environmental education efforts at the site. The Kennett Square campus has two large open meadows. In 2014, we worked to enhance these meadow areas with newly planted and horticulturist-approved plant species to support the Monarch butterfly population. The seed planting was completed in conjunction with our Take Your Child to Work Day. Nearly 100 participants of all ages planted more than 800 plants and two pounds of seed across the two meadows. Additionally, the children participating attended workshops on energy conservation, climate change, and nuclear, wind and solar energy. We will continue to monitor species growth over time to find ways to enhance this program in the future.

2015 GOVERNOR'S AWARD FOR ENVIRONMENTAL EXCELLENCE

Exelon Nuclear and Power together were selected to receive a 2015 Governor's Award for Environmental Excellence in the state of Pennsylvania. Exelon's Kennett Square Environmental Council Stewardship and Outreach project has been recognized for its dedication to promoting the protection of the natural resources in Pennsylvania. Each year, projects that encourage and promote environmental stewardship are selected to be recognized for their accomplishments and contributions to the conservation of Pennsylvania's environment.

Protected Species Management

In upholding our Biodiversity Policy, we maintain special management plans to protect biodiversity on our sites and ROWs. For example, our utilities each have a detailed Avian Protection Plan to manage interactions of birds and power lines. Where threatened or endangered species are located on or near our sites, we work with regulatory agencies to develop and implement agreed-upon management plans or special mitigations to reduce impacts on wildlife as part of the permitting process. Recent mitigations have included ComEd's development of a Low-Effect Habitat Conservation Plan for the Des Plaines River Valley in Illinois to protect several threatened and endangered species as well as Exelon Generation's protection of a cave hibernaculum for the Indiana bat as part of our incidental take permit for our Criterion Wind Farm in Maryland.

Exelon Environmental Awards

In 2013, we initiated an Exelon Environmental Achievement Awards program, providing a way to honor employees who are working on innovative projects to benefit the environment. The first-ever winners, announced in May 2014, implemented a diverse number of initiatives designed to enhance biodiversity and wildlife habitats across a number of sites.

Osprey in flight.

EXELON 2013 ENVIRONMENTAL ACHIEVEMENT AWARD-WINNING PROJECTS

Limerick Generating Station Environmental Stewardship. The Limerick Generating Station Environmental Stewardship Committee (ESC), which obtained both Wildlife at Work and Corporate Lands for Learning Certification from WHC, completed 47 total stewardship projects with school and local environmental groups in communities surrounding the plant throughout 2013. The Limerick team also maintains 27 artificial avian nesting structures, two wildlife cameras and an amphibian barrier fence for enhanced on-site biodiversity. New activities in 2013 included completion of a plant and animal identification inventory for Limerick's 640 acres, which was then used to create a fish and wildlife preservation plan for the site. In May 2013, ESC team members worked with East Coventry Township to support tours at Fricks Locks Village, an abandoned Revolutionary War-era village along the Schuylkill Canal that was restored by the station as part of an effort to preserve the village for its historical, cultural and educational value.

Osprey Restoration in Illinois. When it was recognized that osprey were making dangerous nesting attempts in the station's high-voltage yard, station personnel took action to research and build nesting platforms on site at our Dresden Generating Station. The project expanded as station personnel partnered with the Illinois DNR Endangered Species Manager to find additional areas needing platforms along the Illinois River. Contributing both financial and manpower resources, the station installed 14 platforms for osprey, spanning approximately 220 miles. Dresden station has also received a WHC Wildlife at Work certification.

In 2014 and early 2015, the osprey restoration effort continued in coordination with the Illinois DNR's Illinois Osprey Recovery Project. Efforts included the installation of a hacking tower with our partners at Anderson Lake to facilitate the introduction of young osprey into the wild and the addition of seven new nesting platforms at five locations, two of which were coordinated with ComEd.

Waste Management

A key priority of our waste management efforts is to prevent waste before it happens. When waste generation is unavoidable, we seek to safely dispose of it, as in the case of nuclear waste, or find recycling or beneficial reuse options for other types of wastes. Through the efforts of our employees and contractors, we are pleased to have achieved a best-ever company-wide recycling rate of nearly 70 percent in 2014.

Managing Our Nuclear Fuel Cycle

Nothing is of greater importance to our company than ensuring the safety of our nuclear operations. We are diligent in our approach to safely and securely managing the end of our nuclear fuel cycle — that includes low-level radioactive waste and spent nuclear fuel, to protect both the environment and public health.

Low-level Nuclear Waste

Most low-level nuclear waste is dry, inert matter that has been processed into a solid state before being placed in specially designed, high-integrity containers for storage. Typical low-level waste includes materials and equipment such as filters, tools, rags and equipment that have come into contact with varying degrees of radioactivity. More than 90 percent of the low-level waste generated at nuclear stations is designated as Class A, which is the least radioactive. This waste is disposed of at EnergySolutions' disposal site in Clive, Utah.

Class B and C wastes — which have higher levels of radioactivity and include items such as core components, filters and ion exchange resins — are able to be stored on site. Waste from Oyster Creek station is shipped to the Barnwell disposal facility in South Carolina. In 2014, we shipped some Class B and C wastes from all of our facilities to Waste Control Specialists facility in Andrews, Texas. Over the next several years, we plan to further reduce our backlog of low-level nuclear waste materials from our storage facilities by sending it to the disposal facility in Andrews.

Spent Nuclear Fuel

The federal government has yet to establish facilities for the permanent storage or disposal of spent nuclear fuel (SNF) in the United States, so Exelon Generation safely stores SNF from our nuclear generating facilities on site in storage pools and dry cask long-term storage facilities. As of the end of December 2014, Exelon Generation had approximately 73,800 SNF assemblies — or 18,300 short tons — stored on site. This includes 52,100 assemblies in pools and 21,700 assemblies in 425 dry cask storage systems. Using this combination of storage methods, we project that we will have adequate storage for SNF produced through the decommissioning of our plants. The total volume of SNF produced by Exelon's entire fleet of nuclear plants since 1969 could fit in approximately three Olympic-sized swimming pools. One hundred percent of this SNF is packaged, numbered, catalogued, tracked and isolated from the environment.

Dry cask storage of spent nuclear fuel.

Managing Waste from Conventional Generation Units

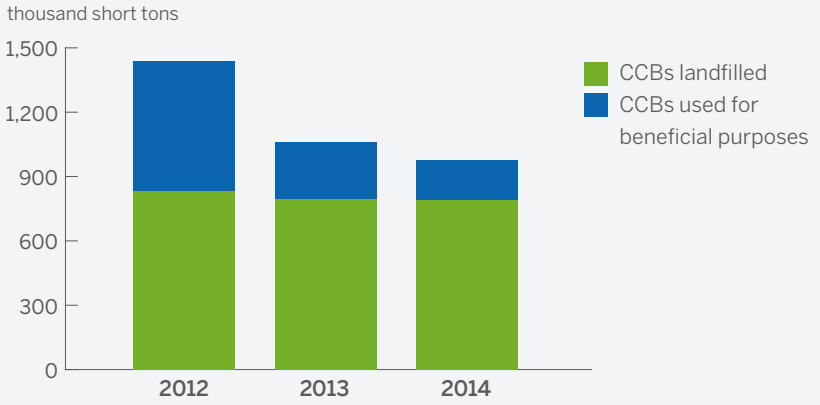
Burning coal to produce electricity results in the creation of by-products — ash and gypsum — that must be properly managed to prevent environmental damage. Management alternatives for these materials may include raw-material substitution in products like cement and wallboard, land reclamation projects or containment in tightly controlled landfill units where no other alternatives exist. Although Exelon did not operate any large coal-fired power plants in 2014, we did account for our ownership interest share of coal combustion by-products at the Keystone and Conemaugh generating plants in western Pennsylvania. Likewise, Exelon held equity interests in the Sunnyside Cogeneration and Colver waste coal facilities located in Utah and Pennsylvania. Located on former mine sites, these plants convert low-grade coal to energy while using the by-products, in part, to the reclaim the surrounding landscape and reduce the impacts of acid-mine drainage. Collectively, Exelon's share of by-products from these facilities was 976,000 short tons. Of this amount, approximately 188,000 short tons, or 20 percent, were diverted away from landfills and into beneficial uses. With the divestiture of the Keystone, Conemaugh and Colver plants from our portfolio in 2014, Exelon will cease reporting coal ash statistics in future reports since it will no longer be a material issue for the company.

Reducing Waste from Operations

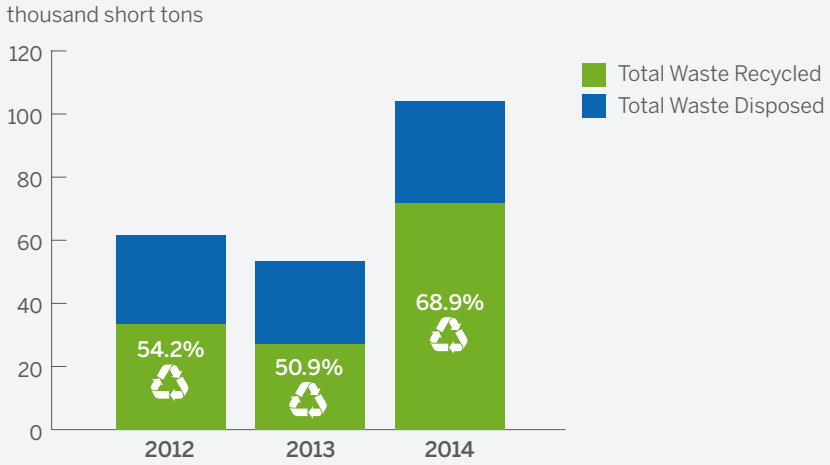
Through the efforts of our employees and contractors, we accomplished a company-wide recycling rate of nearly 70 percent during 2014. These efforts not only keep waste out of landfills, but they also conserve natural resources and reduce GHG emissions.

Across Exelon's businesses, we are working to ensure that the best management practices are in place to reduce, reuse and recycle the waste we generate. In addition to robust recycling operations, we place an equally strong focus on identifying opportunities to prevent waste or bring new

Coal Combustion By-Product (CCB) Disposition



Waste Generated and Recycled 2012 – 2014[1]



1 Prior year data updated to reflect current information on the amount and type of recycled materials as well as additional reporting facilities. CENG data are included in 2014.

life to materials that might otherwise be discarded. Exelon is continually improving our materials management by applying life-cycle analysis to identify better-performing products that result in less waste.

Exelon's Project H.E.R.E. (Helping the Environment by Recycling at Exelon) helps to raise awareness of recyclable materials in the workplace and encourage work and lifestyle changes that reduce waste generation and increase recycling when waste cannot be avoided. Likewise, our Information Technology department manages a corporate-wide asset recovery program to reuse and recycle obsolete electronic assets. Through domestic vendors, Exelon ensures that all of its electronic waste is de-manufactured for reuse or reclamation in a responsible manner.

Investment Recovery, a division of Exelon's supply chain organization, manages the coordinated reclamation of industrial materials generated across the corporation. These materials may include a wide variety of scrap metal such as electrical equipment, wire, cable and hardware, as well as utility poles, vehicles and oils. Other initiatives to reduce waste include a contractor take-back program for instrument test gas cylinders, recycling of rubber insulating gloves and sleeves, and efforts to find responsible end-of-life alternatives for wooden utility poles.

2014 AWARDS

ComEd was one of only four businesses nationally to receive the 2014 U.S. EPA WasteWise Partner of the Year award. This award recognizes ComEd for outstanding leadership in waste prevention and diversion.

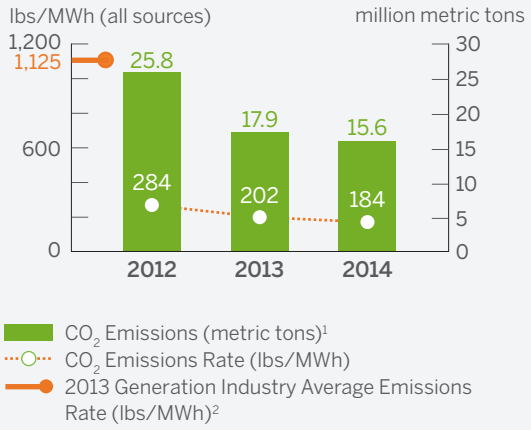
BGE continues to be in the WasteWise Hall of Fame for its recycling work.

Reducing Air Emissions

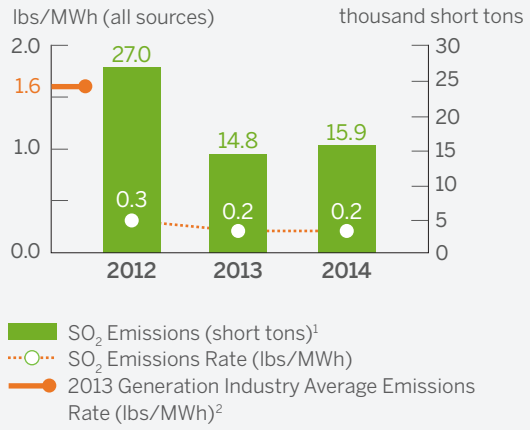
We understand the environmental impacts of air emissions, and we are committed to continued investment in our low-emission energy portfolio to keep the company's air emission rates well below industry averages. In 2014, Exelon's power supply operations showed sustained performance in delivering low-emissions electricity in a challenging deregulated marketplace. Emissions rates of the criteria pollutants nitrogen oxides (NO_x) and sulfur dioxide (SO_2) remained relatively constant at approximately 0.2 pounds per MWh while our rate of CO_2 emissions fell approximately 9 percent to 184 pounds per MWh. Compared to the industry, Exelon's owned-generation all-source NO_x, SO_2 and CO_2 emission rates were 78, 88 and 84 percent lower than the latest-available 2013 generation industry emission rate averages, respectively.

We also continue to monitor and provide guidance on a number of important air quality regulations issued by the U.S. EPA for the power generation sector. In July 2011, the U.S. EPA issued the final Cross-State Air Pollution Rule (CSAPR) to require NO_x and SO_2 emission reductions in the eastern United States to support regional attainment of ozone and fine particulate matter national ambient air quality standards. The CSAPR was challenged by some states and industry groups and was litigated in the D.C. Circuit Court and the U.S. Supreme Court; Exelon filed briefs and argued in support of the U.S. EPA in both courts. The Supreme Court ultimately decided that the rules were proper and the CSAPR went into effect on January 1, 2015. Oral arguments to address certain residual litigation issues were heard by the D.C. Circuit Court in February 2015. Exelon expects to continue to play a constructive role in supporting needed regional air pollution emission reduction regulations as the U.S. EPA continues to periodically evaluate and implement additional air pollutant reduction regulations for NO_x and SO_2.

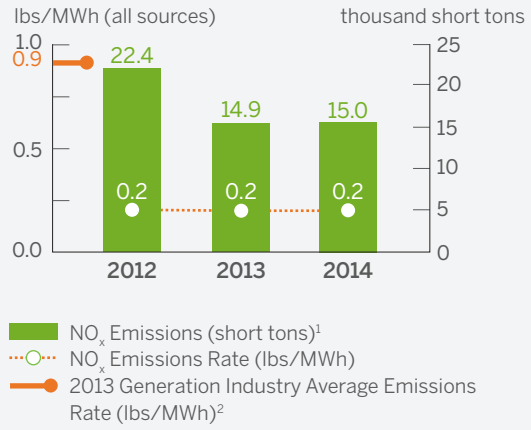
CO_2 Emissions



SO_2 Emissions



NO_x Emissions



1 Exelon emissions data include emissions of now-divested coal and other fossil assets for period of ownership in 2014.

2 Source: M.J. Bradley & Associates (2015), Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States.

With regard to GHG emissions, in December 2014, Exelon commented on the U.S. EPA's proposed CPP to reduce CO_2 emissions from power plants. The proposed regulations were issued in response to the President's June 2013 Climate Action Plan and previous Supreme Court directives regarding Clean Air Act mandates. Overall, Exelon supports the U.S. EPA's efforts to create appropriately structured GHG regulations for new and existing power generation facilities and our comments to the U.S. EPA proposed a number of substantive improvements to its proposed regulations as detailed in the Energy System of the Future chapter.

EXELON'S INDUSTRY-LEADING EMISSIONS PERFORMANCE

To learn more about Exelon's low-emission profile compared to our industry peer companies, please view the June 2015 report Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States that is available on the Ceres website www.ceres.org.

Reducing Toxic Releases

The U.S. EPA's Toxics Release Inventory (TRI) reporting program plays a significant role in providing emergency planners, first responders and the community at large with valuable information on the annual release and transfer of certain chemical substances, including releases to air, land and water, and materials sent to other facilities for further waste management.

Electric utility TRI emissions are associated with the use of coal and oil to generate electricity. Over the past several years, our fossil-fueled generation portfolio has changed significantly with the retirement or sale of all legacy Exelon and Constellation coal-fueled assets. At the end of 2014, Exelon sold our remaining shares of two large coal-fired plants in central Pennsylvania, as well as our ownership share of the Colver waste coal plant. With the divestiture of nearly all coal-fired generation assets, Exelon's future year TRI emissions will be limited to a number of low capacity-factor oil-fired units and are expected to total less than 10 percent of the 2013 Exelon generation portfolio TRI emissions. For more information on TRI emissions, please visit www.epa.gov/tri.

With regard to further hazardous air pollutant (HAP) emissions regulations, the U.S. EPA issued the final Mercury and Air Toxics Standards (MATS) on December 16, 2011. This rule sets standards designed to reduce mercury, acid gas and other HAP emissions from coal- and oil-fired power plants. The rule was litigated, and upheld, in the D.C. Circuit Court, and compliance with the rule was required starting April 16, 2015. While allowing the rule to go into effect as scheduled, the U.S. Supreme Court granted three petitions for *certiorari* on November 25, 2014 to review the limited question of whether the U.S. EPA had appropriately considered costs in pursuing the MATS regulation. No challenges were granted with regard to the standards themselves. A decision is expected by early summer 2015. Exelon has been supportive of the rule and has been a leading industry intervener in support of the MATS, including the Supreme Court. At the same time, at the end of 2014, all Exelon-operated plants subject to the standards were compliant with these important public health protections.

Toxics Release Inventory Reported Total Releases and Off-Site Transfers from 2011 to 2013 (All Sources)[1]

in pounds

Chemical	2011	2012	2013
Ammonia	38,405	78,281	64,818
Arsenic	91,297	105,004	120,772
Barium	276,065	254,793	225,791
Chromium	28,159	18,974	38,976
Cobalt	10,752	9,006	0
Copper	59,150	57,044	59,031
Hydrochloric Acid	1,638,801	935,027	150,792
Hydrogen Fluoride	165,732	94,254	13,524
Lead	31,338	33,042	30,539
Manganese	204,849	578,709	742,943
Mercury	1,801	1,816	2,026
Napthalene	0	65	26
Nickel	32,137	31,459	42,123
Selenium	11,244	6,147	0
Sulfuric Acid	1,381,940	984,133	1,057,664
Vanadium	196,993	202,929	228,642
Zinc	63,200	63,688	77,154
Other	26	9	0
Total	**4,231,889**	**3,454,380**	**2,854,821**

1 Exelon Power is the only Exelon operating company with facilities that meet TRI reporting obligations.

TRI data include Exelon's ownership share of co-owned fossil-generating units.

Data include emissions of now-divested coal assets through the date of sale.

"Zero" may indicate "zero" releases and/or that the reporting threshold was not triggered for the reporting year.

2014 TRI releases are due to be reported to the U.S. EPA on July 1, 2015, after the publication of this report.

Managing Environmental Risks

Throughout our value chain, we are constantly assessing potential impacts our operations may have on the environment. Guided by our Environmental Policy, we strive for full compliance with applicable legal requirements, and we ensure our actions and the actions of those working on our behalf meet this commitment. We are incorporating risk management into siting of new facilities, minimizing impacts at existing facilities and working with local communities and regulators to ensure stakeholders are informed of our activities. Improving risk management across our company is an ongoing priority.

Improving Compliance Performance

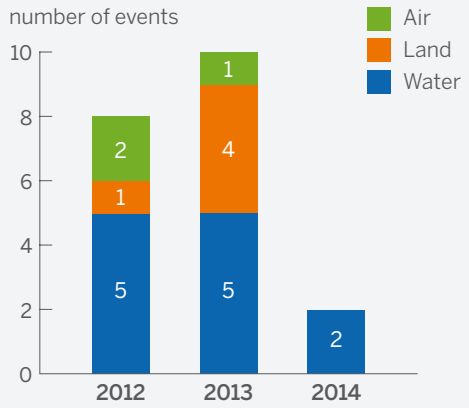
Exelon's environmental management system (EMS), designed to conform to ISO 14001:2004, lays out the necessary steps to maintain responsible operations and has helped to improve the company's compliance performance greatly over the past several years. All of Exelon's operations have established ISO 14001-conformant EMSs and approximately 57 percent have been independently certified by NSF International Strategic Registrations as conforming to the ISO 14001 standard. We have set a goal to achieve 69 percent conformance by the end of 2015. We also conduct regular internal and external compliance audits of our environmental programs.

In 2014, Exelon received two Notices of Violation (NOVs) from regulatory agencies for the year:

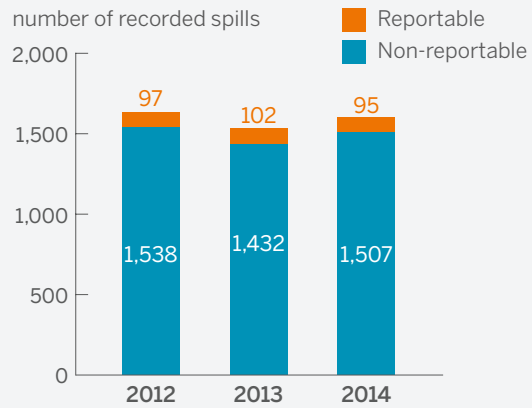
Limerick Nuclear Power Plant. A broken sight-glass caused a sodium hypochlorite leak that entered a drain and discharged to the Schuylkill River. No monetary penalty was assessed.

BGE. Numerous inadvertent returns of drilling fluids during directional drilling beneath a non-tidal wetland, related to natural gas main replacement, led to the discharge of approximately 500 gallons of fluid. A monetary penalty of $43,000 was imposed and paid by the contractor.

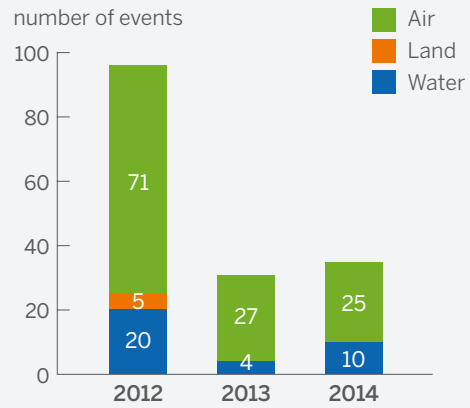
Notices of Violation[1]



Spills[1]



Permit Non-Compliances (PNCs)[1]



1 Exelon tracks compliance metrics for facilities that we operate. In 2014, Exelon took operational control of the CENG facilities. We have updated the presented 2012–2014 compliance metrics to include these additional assets in which we have an equity interest.

We also track permit non-compliance events and environmental spills as a measure of our environmental performance. In 2014, we reported 35 permit non-compliance events — self-identified instances where a permit condition or administrative requirement was not satisfied. Reportable spills require regulatory notification either by telephone or by written report to an agency on the quantity of spilled material or other potential environmental impact. Non-reportable spills typically involve small quantities of material that can be quickly contained and will not result in significant environmental impact. All three Exelon utilities track preventable reportable spills or spills where Exelon believes we could have prevented the release to the environment. We have implemented an employee and contractor spill intervention plan that includes increased communication, monthly performance reporting and audits to continue to limit spills to the environment. In 2014, our utilities recorded only one preventable reportable spill, our best-ever performance in this area.

Eliminating Equipment with PCBs

We are actively working to manage the risk posed by equipment containing polychlorinated biphenyls (PCBs). During repair and servicing efforts, we continue to eliminate equipment containing PCBs greater than 50 parts per million (ppm) at our substations. For example, all three Exelon utilities have removed all PCB capacitors from their substations. Additionally, Exelon Power facilities no longer have any oil-filled electrical equipment that contains PCBs in excess of 50 ppm. Exelon Nuclear removed its last PCB transformer from legacy Exelon plants during 2012. Since taking operational control of the CENG sites in 2014, Exelon is actively developing a long-range plan for these sites to manage the few remaining pieces of PCB equipment. BGE has been working to voluntarily and proactively target unknown distribution transformers and remove them if they are likely to be contaminated. This best practice is being expanded to both ComEd and PECO. These reduction efforts, combined with voluntary retrofill and reclassification programs, are resulting in the continued reduction of PCB-containing equipment across the company and are therefore reducing environmental risk.

Managing Remediation at Historic Manufactured Gas Plants

ComEd, PECO and BGE also continue to remediate former manufactured gas plant (MGP) sites that were used — primarily by predecessor companies in Illinois, Pennsylvania and Maryland between 1850 and the 1950s — to manufacture gas for lighting and other purposes. The utilities anticipate that the majority of remediation at remaining sites will continue for several more years. In 2014, ComEd and PECO continued remediation efforts at some of their largest MGP sites, and ComEd received a "no further remediation" letter from the Illinois EPA at one of its MGP sites for site closure.

RECOGNITION FOR EXEMPLARY REMEDIATION PRACTICES

Electric Power Research Institute's Technology Transfer Award. PECO was honored for its research and development work by the Electric Power Research Institute (EPRI) in 2014, receiving the Technology Transfer Award. This award is given annually to EPRI members who explore and implement innovative technologies on behalf of the company and the industry. PECO received the award for leading the company's remediation work at a former MGP site in Norristown, Pennsylvania. The project examined the use of injecting environmentally friendly chemical surfactants to aid in the restoration and cleanup of the site.

2015 Governor's Award for Environmental Excellence. PECO was selected to receive a 2015 Governor's Award for Environmental Excellence in the state of Pennsylvania. PECO's Norristown MGP Site Remediation project has been recognized for its dedication to promoting the protection of the natural resources in Pennsylvania. Each year, projects that encourage and promote environmental stewardship are selected to be recognized for their accomplishments and contributions to the conservation of Pennsylvania's environment.

A SAFE, INNOVATIVE AND REWARDING WORKPLACE

Achieved best-ever safety performance — OSHA Recordable, DART and Severity Rates

Innovation Expos brought together more than 1,200 employees from across the company to learn about new technologies

Launched new training and leadership development programs

Recognized as a top employer for recent graduates; military veterans; Hispanics; and lesbian, gay, bisexual and transgender (LGBT) employees

Exelon employs a talented, dedicated and diverse workforce, totaling more than 29,000 employees at the end of 2014. Our first priority is to ensure their safety, and we continue to evolve programs to maintain a robust safety culture. We also strive to provide rewarding growth opportunities. As we envision the energy system of the future, successfully growing our business will require nimbleness, an entrepreneurial mindset and an ability to adapt to new business models. To this end, we have launched new training programs to foster an innovative workplace and continue to bring together diverse perspectives that will help us set our course for the future.

Safety, Health and Wellness

From electricity generation to smart meter installation, our employees perform many different operations, sometimes under potentially hazardous conditions. To protect the safety and health of our employees, contractors, customers and communities, we have implemented a number of initiatives to promote safe behaviors both on and off the job. While we are proud that, in 2014, we achieved our best-ever safety performance for OSHA recordable rate, days restricted or away case rate and severity rate, we know that we must be ever vigilant to prevent injuries. We were able to affect safety performance improvements across almost every business unit, indicating the focus employees across the company place on safety every day.

Our Safety Programs

We attribute our improvement in health and safety performance to our comprehensive safety behavior observation program and focused initiatives on areas of high risk. Through peer-to-peer and manager safety observations, we are able to reinforce safe work practices or identify potential risks before an incident occurs. We also offer a wide array of safety training programs through our Learning Information Management System that assigns and tracks completion of safety training on a per-employee basis. Safety training is also integrated into our leadership development programs for supervisors and managers, as well as our new employee orientation, to foster a corporate-wide safety culture.

Additionally, we conduct risk assessments, track and investigate incidents and implement corrective action programs through safety management systems based on OHSAS and ANSI standards. By recording safety observations and "near-misses" and tracking incident trends, we are able to identify systemic issues and pinpoint improvement opportunities. Results are reviewed by the executive-level Safety Council and Safety Peer Group, consisting of each business unit's safety managers, which in turn recommends development of focused safety initiatives. In 2014, we continued our efforts to improve industrial hygiene practices, driver safety, ergonomics and safety practices within our corporate office space. We also added a new initiative on travel safety. In addition, we report progress on a monthly basis to each business unit president and quarterly to the Exelon Executive Committee.

Last year, OSHA issued new regulations for electrical transmission, distribution and generation safety (OSHA 1910.269 and OSHA 1926). Exelon worked closely with the Edison Electric Institute to obtain needed clarification of the new rules to ensure compliance. In most cases, our existing policies and procedures already incorporated the new guidance. However, we did make some updates, such as minimum approach distance calculations for energized work, as well as the manner in which we transfer safety information to our vendors.

Beyond the workplace, we encourage our employees to practice safety at home and in the community. For example, we utilize safety messages that have both a workplace standard or requirement and a home application, such as using hearing protection or safe snow removal. We have also improved our health and wellness offerings for employees to encourage them to make healthy lifestyle choices.

Our Safety Performance

In 2014, we achieved our best safety performance to date, with an OSHA recordable rate of 0.40, down from 0.52 in 2013; an OSHA Days Away, Restricted and Transfer (DART) rate of 0.23, down from 0.31; and an OSHA severity rate of 5.30, down from 9.02. In total, Exelon experienced 125 OSHA recordable incidents, down from 148 in 2013. Of particular note, legacy Constellation Energy business units continue to show great improvements, capitalizing on best practices from across Exelon. For 2015, Exelon has continued setting goals to meet or improve on our best-ever performance levels.

Safety Performance[1]

	2012	2013	2014
OSHA Recordable Rate[2]	0.64	0.52	0.40
OSHA DART Rate[3]	0.41	0.31	0.23
OSHA Severity Rate[4]	9.85	9.02	5.30

1 Includes CENG asset performance.

2 The number of work-related injuries or illnesses requiring more than first-aid treatment, per 100 employees.

3 The number of work-related injuries or illnesses that result in days away from work, restricted work or transfer, per 100 employees.

4 The number of days away from work per 100 employees as a result of work-related injuries or illnesses.

Our driver safety performance also improved with a fleet-responsible vehicle accident rate of 2.55, down from 2.62 in 2013. In 2014, Exelon employees drove nearly 89 million miles between Exelon-owned, employee-owned and rental vehicles. We achieved strong performance despite operation in some of the country's most accident-prone cities. According to the 2014 Allstate America's Best Drivers Report, Baltimore ranked number 6 and Philadelphia ranked number 9 in terms of car collision frequency. Most accidents involving Exelon vehicles are caused by vehicles being

SAFETY INNOVATION

Across Exelon, our business units are often testing new and innovative methods for improving safety performance. The Safety Peer Group works to identify successful pilot programs or new practices that can then be adopted by the entire corporation. For example, PECO employs a driver monitoring system to track vehicle speed and idling times. Money saved through reduced fuel use has already paid for the cost of system. PECO is also now able to verify compliance with Pennsylvania anti-idling laws for diesel engines. Similarly, BGE is testing an in-field, mobile app for recording safety behavior observations that has proven easier to use than other systems and allows for real-time monitoring. Exelon Power has adopted a new ergonomics program that includes stretching and has shown promise in reducing strains and sprains. Exelon Nuclear began experimenting with digital wearable technology, which allows for remote inspections of some activities, thereby eliminating employee exposure to radiation. Similarly ComEd sought and received approval from the Federal Aviation Administration for a pilot project to use unmanned aircraft for inspections of transmission lines, thus enabling ComEd to inspect more miles of line and improve reliability while reducing risk to employees. By leveraging the safety innovations happening across the company, we are able to find effective corporate-wide solutions while controlling costs.

operated by members of the public. Where Exelon is at fault, the leading cause continues to striking stationary objects at low speeds, such as when backing up. We continue to work to prevent accidents and near-misses that occur due to these types of incidents.

Beyond our own employees, we expect our contractors to meet our high standards for safety. When selecting contractors, we evaluate their safety and environmental performance. We also conduct contractor safety training as well as employ human performance error reduction tools to minimize incidents. We track and review quarterly contractor OSHA Recordable Rates and set a safety performance goal to match or improve 2014 performance for all major contractors. We also conduct internal audits and self-assessments on a periodic basis to ensure that our contractors are adhering to the safety program requirements.

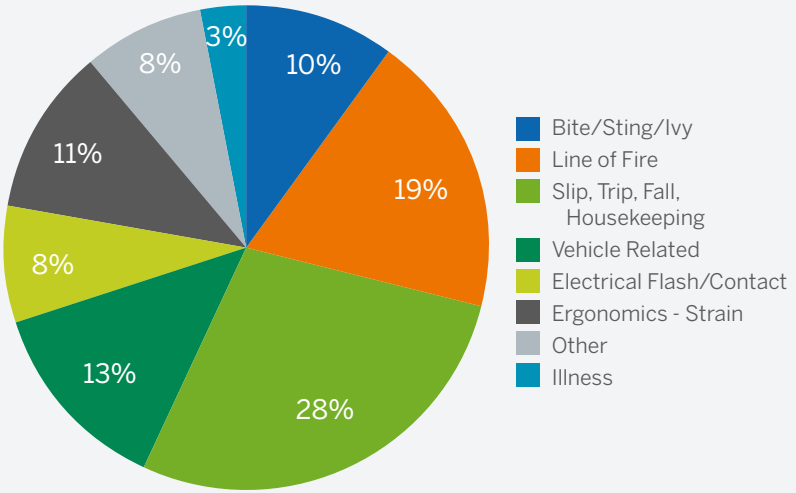
CONTRACTOR SAFETY PERFORMANCE

Many Exelon employees work side-by-side with contractors on a daily basis. While we do not have direct oversight over these individuals, we work to promote contractor safety and well-being while they are on the job. In addition to requiring contractors to meet our safety standards, we track performance of major contractors to identify opportunities for improvement. In 2014, our contractor OSHA Recordable Rate was 0.85, more than double the rate for Exelon employees. For contractors with higher recordable rates, we enhance oversight of their work and, in some cases, terminate contracts for poor performance. As construction projects are one of the highest-risk activities contractors undertake, we also worked to put in place additional safety measures to ensure construction site safety. For example, in 2014 Exelon Generation created a safety manager position to provide oversight and ensure the safety of contractors working on new generation projects. Moving forward, Exelon will continue to partner with contractors to build a shared safety culture and improve overall performance.

ELIMINATING SEVERE INJURIES

Part of our success is due to our continued efforts to prevent severe injuries and fatalities. As a member of Edison Electric Institute, we are participating in the Serious Injury and Fatality Project and Critical Incident Program, which collects best practices and develops tools for preventing severe injuries and fatalities. In 2014, we expanded the use of our revised process for soft tissue injury prevention in our utilities and completed additional situational awareness training around cases where serious injuries could occur. By focusing our efforts on the most frequent and most severe types of injuries, we believe we will make the greatest impact on the lives of our employees.

2014 Exelon OSHA Recordable Injuries by Cause



Health and Wellness

In 2014, Exelon continued our commitment to employee wellness through our Power Through Health Program. The program provides eligible employees with reimbursements for fitness programs, weight management programs, health and nutrition coaching as well as an incentive program called Health Steps. The Health Steps program incorporates a biometric screening, personal health assessment and a selection of health challenges and e-courses to promote healthy behaviors. Last year, more than 13,000 employees participated in Health Steps, and nearly 1,000 participants identified an important health risk factor against which they may now take preventative action.

In recognition of our work in this area, the Illinois Department of Public Health honored Exelon with the Illinois Healthy Worksite Designation. Exelon was recognized as a gold employer, the highest level, for our efforts to make employee health a priority. Exelon met criteria that included promoting nutrition and physical activity at work, communicating and promoting health throughout the year, committing to employee well-being by making it part of the company's goals and operations, and by offering and measuring the success of lifestyle and chronic condition management services.

THE FITBIT® INITIATIVE

In 2014, Exelon expanded our Health Steps Program to include a Fitbit activity tracker for walking challenges. A record 7,060 employees participated in one or both of the walking challenges, with more than two-thirds of the participants electing to purchase the company-subsidized Fitbit activity tracker. A major feature of the Fitbit is its ability to automatically upload user information without employees having to manually track steps. Employees who participated in the walking challenges logged almost 3.3 billion steps, which is equivalent to 1.6 million miles.

More than 13,000 Exelon employees participated in the Health Steps program last year.

Fostering a Culture of Innovation

To keep ahead of emerging trends and new technologies, we recognize that our talent pool also needs to evolve to meet the growing needs of a dynamic energy marketplace. We are constantly working to find new ways to encourage performance excellence, inspire creativity and reward innovation. These efforts create a vibrant, collaborative and rewarding workplace and help us achieve our consistently low employee turnover rate of 7.8 percent, which is on par with the industry rate of 7.7 percent.

We believe that the best ideas emerge when individuals from diverse backgrounds work together, sharing ideas and insights, to tackle our biggest business challenges. To this end, we have formed a number of teams that bring together passionate employees and external experts to help find practical solutions to advance the future of energy. These teams are fostering a culture of innovation that is driving operational excellence and accelerating adoption of new technologies, products and services.

Emerging Technology Team. The Emerging Technology Team is charged with identifying technology that has the potential to improve productivity and efficiencies within our existing businesses. The team applies Exelon's innovation framework to identify opportunities, pilot emerging technologies and implement them quickly. The team has facilitated a series of Innovation Expos that brought together more than 1,200 employees from across the company to learn about new technologies impacting our industry and to share their own ideas for how to leverage innovation and technology to improve service and efficiency. In addition to expert panel discussions, each Expo features an employee innovation contest in which employees have presented a total of more than 125 of their own ideas.

TechEXChange. TechEXChange is charged with exploring technology that has the potential to form the basis of new businesses. This 60-person team, composed of individuals from throughout the company, collaborates with government and industry associations, national labs, top universities, technology companies, and venture capital and private equity firms to unearth innovations that will drive the energy system of the future. In 2014, the team identified more than 25 opportunities within its five focus areas of battery storage, fuel cells, vehicles powered by alternative fuels, water and hydrogen. These innovations have the potential to upend energy markets and create new value channels for Exelon and our customers.

Constellation Technology Ventures (CTV). CTV invests in venture-stage energy technology companies representing innovations that complement — or may disrupt — Exelon's core businesses, with the goal of providing new solutions to Exelon's customers. CTV focuses on finding opportunities in the energy technology and sustainability spaces that will make Exelon's existing businesses more competitive or open new markets and solutions for growth. Investments through CTV have touched on a wide range of new technologies, including electric vehicles, distributed generation, energy storage, wind generation and intelligent buildings. Once investments are made, CTV's Innovation Accelerator team then works with the Exelon business units to deploy these new technologies throughout the energy value chain, from upstream energy exploration and production through end-user applications.

"We rolled out a robust innovation program and framework to drive a culture of innovation. Changing the culture starts with inspiring people and getting them excited about the opportunity to get involved in innovation. The program's goals are to embrace emerging technology to drive productivity, efficiency and cost savings."

— Sonny Garg, Exelon Senior Vice President and Chief Information & Innovation Officer

Cultivating Talent

We are committed to rewarding employees for performance excellence and providing them with the skills and training they need to successfully do their jobs and advance their careers. We tailor development and training plans to each individual to help employees achieve their career aspirations while advancing corporate business objectives.

Rewarding Performance

Exelon offers competitive benefits packages designed to reward employees for achieving high levels of operational and financial performance. Packages include base and incentive pay, comprehensive benefits and career development opportunities.

Every year, all of our full-time management employees develop performance goals and receive an annual performance review. To develop and maintain a top-tier workforce, we take a long-term, sustainable view of performance. Compensation of senior leadership, including the CEO, is linked to many of the key performance metrics on the company's corporate scorecard, including financial, operational, environmental, safety, customer satisfaction and employee engagement. All individual contributors, specialist management employees and first-line and middle managers are compensated based on an individual performance multiplier, as well as on business unit and company multipliers. We also recognize exemplary performance from our management employees through an awards program that aligns with their performance metrics. Management employees are also eligible for spot performance awards or cash awards. Many units support a quarterly or annual award to reward strong leadership by first-line supervisors. Craft employees participate in various spot recognition programs with non-monetary and annual monetary awards.

EMPLOYEE INNOVATION: COMED AND THE METER READER APP

ComEd employees Victor Beltran and Jerald Fitzpatrick identified an opportunity to improve the speed and safety of daily electricity meter readings. Together, they developed a mobile meter reading app for smartphones. The app serves as a powerful tool for meter readers in the field, displaying all meter reader routes, as well as turn-by-turn instructions via Google Maps. The app also packs in relevant information about homes and businesses along the route, such as the location of the meter or whether there is a dog on site and, most importantly, whether the dog bites. It also supplies direct links to every police department in the service territory and even offers multiple language translations for the phrase, "I am from ComEd and here to read your meter."

Training and Development

We offer a wide array of training programs to ensure that our workforce has the necessary skills to compete today and in the future. In 2014, we developed training programs on innovation, developing future leaders and helping those who supervise staff be more effective people managers.

Innovation Training and Awareness Programs. In 2014, Exelon's Talent Management Center of Expertise (COE) partnered with Exelon's Innovation Peer Group to develop an approach for integrating Exelon's innovation framework and methodology more deeply into the organization. The approach involves various solutions that differ by leadership level and/or group membership. In addition, plans are in place to incorporate our innovation point of view into Exelon's existing training programs as appropriate. The goal will be to entrench this point of view so deeply into our mindset that innovative processes and behaviors become inseparable from our culture.

Leadership Training Programs. In 2014, our Talent Management COE added three new COE-sponsored programs: Emerging Leaders, Managers Essentials and the Senior Leadership Experience. The new Emerging Leaders program standardizes the identification and development of high-potential individual contributors in order to build the leadership pipeline across the organization. Manager Essentials prepares new managers to execute in critical focus areas by providing just-in-time content through E-Learning and in-person solutions. This program focuses on foundations of management like HR and the Law, giving feedback and the performance management process. Finally, the new Senior Leadership Experience provides ongoing coaching, residential learning and team-based learning for executives in a cutting-edge design that leverages faculty from Exelon, professional training organizations and world-renowned speakers.

Employee Training Programs. In addition to corporate-wide training programs, each operating company maintains specific training programs tailored to ensure safe operations and appropriate skill development.

ComEd. ComEd provides leadership training to management employees, field supervisors and crew leaders through its expanded HR leadership development program, First-Line Supervisor Cornerstone Program and Crew Leader Academy. In 2014, ComEd launched EngineeringU, a technical training program for engineers that offers more than 200 courses and resources for self-directed and instructor-led learning. ComEd also launched the Emerging Leaders Program in 2014, which is an expanded Manager Essentials Program offered to all new managers. To facilitate smart grid training, ComEd provides training on distribution automation (DA) equipment for field crews, and has DA equipment mockups at four ComEd field training centers to further build employee skills on new technology. This training function also continues to grow and, in 2014, the line schools reached their highest enrollment level in 15 years. More than 500 employees received DA and leadership training. ComEd also broke new ground on a new Chicago Training Center, which will train 4,000 ComEd employees annually in skills needed to maintain the smart grid of the future. Looking forward, ComEd plans to expand its offerings to include communication skills, financial acumen and customer interaction skills.

Exelon utilities' training focuses on skills needed to support the grid of the future.

PECO. PECO provides training to its Gas and Electric Field Organizations, as well as its Customer Operations groups. During 2014, PECO delivered 40,853 hours of training, both instructor-led and web-based, to 4,936 employees. Specifically, there was a 52 percent increase in the training for gas operators in support of PECO's Accelerated Gas Infrastructure Modernization Plan, Gas Along the Mains and Bare Steel Replacement projects. In September 2014, PECO opened its new Line School Facility, which prepares field employees for work in electric construction and maintenance and distribution system operations. This flexible training space includes areas to set up utility poles indoors to allow PECO to train employees even during inclement weather. In continuing with its mission to modernize and enhance training experiences for all its employees, PECO continues to make investments in hands-on hazard recognition programs for electric and gas employees.

BGE. At BGE, each employee receives continuing education in leadership, interpersonal skills and technical training. In 2014, BGE provided focused training sessions on event-free performance tools, field risk identification and mitigation, and energy source control qualifications. More than 1,000 employees attended these sessions, which were designed to improve safety performance and eliminate human errors on the job. All BGE leaders also received just culture training, which is a risk management approach that facilitates better outcomes by focusing on how we design our physical and organizational systems and how we manage behavioral choices.

To hone technical skills, BGE maintains a centralized training center, located in White Marsh, Maryland. The center is certified and accredited by the National Center for Construction Education and Research (NCCER) and Mobile Crane Endorsement Center. The NCCER core curriculum is utilized to provide basic training to new trainees that are placed in one of the 13 specialization programs for more advanced training. The training center also provides automated meter reader installation classroom training and hands-on verification training to hundreds of BGE employees and contractors; this is done in an effort to facilitate the installation of new meters as part of the smart grid program. The facility also conducts Department of Transportation Operator Qualification training and verification for all gas employees and contractors who work on the gas system. BGE attributes its best-ever OSHA recordable rates to the efforts put into and the behavioral changes that come out of its training programs.

Generation. Exelon Generation provides specialized training to help employees safely and efficiently operate our plants. In addition to providing training on a number of compliance topics, Exelon Power is developing a comprehensive technical training program for its craft personnel based on a diverse mix of power plant technologies. This in-depth training and qualification program will ensure Operations and Maintenance personnel have the knowledge and skills required to perform their daily tasks, such as welding, plant operations, maintenance and equipment operation. Training methods include a blended approach to learning with instructor-led classroom sessions and online training offerings. This program will help ensure work is performed in a safe, confident and skillful manner while creating a consistent set of training and performance expectations between our technicians across different generation technologies. Exelon Generation is also a certified and accredited NCCER Training and Assessment Center, as well as a Mobile Crane and Rigging-Signal Person Endorsement Center. In addition to training, recent enhancements to the Corrective Action Program help us ensure lessons learned are captured and shared across the fleet while increasing the opportunity for trending and proactively addressing potential human performance issues.

Constellation. Constellation provides a variety of leadership and employee development opportunities. Leadership development courses are available to help ensure a robust pipeline of leaders with the skills, competencies and experiences necessary to drive teams forward. Constellation also offers competency-specific training to all employees, such as presentation skills, influencing and technical training. Beyond classroom solutions, we encourage employees and managers to engage in job rotations, mentoring, special projects and other creative approaches to professional development. The goal of all of these offerings is to build a skilled and cohesive cohort of leaders who can drive business performance.

Nuclear Training. Exelon Nuclear conducts training to maintain and improve the performance and knowledge of its highly skilled and professional workforce. Nuclear training is conducted at each of our 13 Exelon-operated nuclear sites, two centralized training facilities (one in Pennsylvania and one in Illinois), and a fire training academy located in the Midwest.

Exelon is committed to technical training and new skills development.

Every new employee at a nuclear power plant receives orientation and initial training. Our instructional staff receives initial training from the Institute of Nuclear Power Operations' Instructor Certification Program, and are also equipped with company-specific training and knowledge of requirements. Certified instructors must take mandatory "continuing training" and technical training, as well as record in-plant hours, annually.

Line department employees, supervisors and work groups attend discipline-specific initial training that is valid for up to nine months for skilled tradespeople (i.e., mechanics or electricians) and 1.5 years for Nuclear Regulatory Commission-licensed nuclear Control Room Operators. In 2014, we completed training and licensing of 57 new Control Room Operators. Exelon Nuclear trains nearly 100 new mechanics, electricians, radiation protection technicians, chemistry technicians and instrument technicians per year. Continuing training is provided to members of training programs accredited by the National Academy for Nuclear Training. The amount of training required varies between disciplines; for instance, nuclear Control Room Operators receive close to 200 hours of training each year while maintenance and technical staff receive approximately 60 hours of annual training in their respective disciplines.

Exelon's Introduction to Power Plant Operation Computer-Based Training course was awarded 2014 Training Course of the Year in the Short Course category by Nuclear Engineering International Magazine. The course is an interactive 3D plant training tour that was developed to improve employee engagement related to plant activities and day-to-day operations. It is required for all nuclear plant employees who do not otherwise receive formal systems training. The course takes approximately four hours to complete, and includes interactive and narrated content on generic boiling water reactor and pressurized water reactor plants, which is written for non-technical staff.

Tuition and Education Reimbursement Program. We believe in the value of continued education and learning throughout one's career. By supporting our employees who seek this continued growth, we guarantee that we will attract a workforce committed to innovation and continual improvement, both personal and professional. We reimburse employees pursuing professional credentials up to $10,000 for undergraduate or certificate courses and up to $15,000 for graduate courses annually. In 2014, 715 employees took advantage of the reimbursement program.

CREATING JOB OPPORTUNITIES THROUGH TRAINING PARTNERSHIPS AT COMED

In 2014, ComEd continued to support CONSTRUCT, an initiative with Nicor Gas, 20 construction industry companies and six social service agencies, to support the construction industry's overall need to increase the pool of qualified minority candidates for construction jobs in Illinois. Originally launched in May 2013 out of a partnership between ComEd, Intren and several labor unions, CONSTRUCT is an 11-week program that offers participants the training, information and guidance needed to compete for entry-level jobs in construction-related fields. The curriculum, which combines classroom instruction, presentations by company representatives and opportunities for job shadowing, provides participants with career guidance, life skills training and practical education about the construction industry to help them find employment in the field. Of the program's 88 graduates, approximately 80 percent have already found employment.

Engaging Employees

In order to foster a stimulating and dynamic workplace for our people, it is important that they are engaged and have a say in shaping the future of our company. Every two years, we complete an employee engagement survey. Our 2013 overall Employee Engagement Index score, which is a barometer of our employees' commitment to our company, was at 70 percent, up 1 percent over our 2011 survey results. Individual business units have used the results to identify specific areas for improvement. In March 2015, we launched our latest employee engagement survey in our continuing effort to understand employee views on the state of the company, its leadership, our work environment and how we can continue to improve our performance.

We seek to have a constructive and productive relationship with our employees represented by labor unions. In 2014, approximately 32 percent of our employees were covered by collective bargaining agreements. We engage in good faith bargaining with labor representatives, and constructively engage our unions by seeking to resolve disputes during the course of contract administration. During the past year, three of our utility union contracts (one at ComEd and two at PECO) were successfully ratified, including a six-year extension on each contract. In addition, a total of three Generation union contracts were successfully ratified: two contracts each for a five-year extension and one contract for a six-year extension. Lastly, five Nuclear Security union contracts were also successfully bargained and ratified this year for a three-year extension on each. All of our labor agreements generally require a minimum 60-day notice before expiration to amend or terminate the agreement.

Exelon is focused on building its leadership pipeline.

Improving Succession Planning through Integrated Talent Management

As our business strategy evolved in 2014, we continued to focus on building the strength of our leadership pipeline across the enterprise. We leverage a rigorous business talent review process to identify high-potential leaders. This process leverages consistent leadership assessment tools to assist in workforce planning and to ensure consistency in reviews of individuals from different business units. We have embedded enhanced development planning into our talent review and succession management process. We launched a series of leadership development solutions targeting managers and executives. Our Senior Leadership Experience focuses on building leaders with a focus on strategic thinking, optionality, innovation, dialogue and storytelling. This strategy will improve our ability to place the right people in the right roles at the right time.

CONSTELLATION EMPLOYEE ENGAGEMENT INITIATIVES 2013–2014

Based on feedback from Exelon's 2013 Employee Engagement Survey, Constellation identified four areas for improvement that it felt were critical to creating a healthy, vibrant corporate culture. As a result, the company formed four Action Learning Teams (ALTs), composed of 80 employees, to help drive overall engagement and inclusion.

Leadership: The Leadership ALT launched a series of initiatives aimed at improving employee trust in management. The team introduced the Leadership Playbook, which provides leaders with a set of clear expectations and guidelines for shaping Constellation's culture and establishes what employees should expect from their managers.

Development: Constellation's Development ALT created guidelines, tools and an overall infrastructure for employee growth and development. One specific area of focus was Individual Development Plans (IDPs). Ninety-five percent of Constellation employees have a complete IDP.

Diversity and Inclusion (D&I): The D&I ALT focused on establishing an environment of trust and creativity in which all employees can succeed. To encourage employees to commit to the ideas of inclusion, respect and diversity in a positive and public way, the team established the Constellation D&I Pledge. They also launched a speaker series to provide an open and candid forum for regular discussion on topics such as gender issues and generational differences in the workplace.

Communications: In an effort to communicate openly and transparently throughout the organization, the Communications ALT created Inside Constellation, a quarterly employee e-newsletter, and At-a-Glance, a bi-weekly e-mail that helps organize and prioritize recent organizational messages.

Attracting Top Talent

We are committed to attracting and developing a talented workforce that reflects the vibrancy and diversity found within the communities we serve. We employ a multi-faceted recruitment strategy and are especially proud of our ongoing recruiting commitments in the following areas.

Early Career Awareness. To foster early interest in science, technology, engineering and mathematics (STEM) fields, Exelon supports state-level career awareness and education programs that help students gain exposure to the many career opportunities within the STEM fields, including the energy sector. These initiatives, aimed at building a career-ready talent pipeline of diverse engineers and skilled technicians, include targeted high school-level STEM programs that Exelon is launching with university partners in key geographic areas.

University Recruitment. Exelon's intern program — through which the company hires approximately 400 professional and technical interns each summer — helps build our talent pipeline by attracting young, diverse candidates to our company. Our intern program emphasizes a partnership between Exelon's hiring managers and students, which provides students an opportunity to gain valuable applied experience, make personal connections with Exelon employees, and develop understanding of career paths within the energy industry. The intern program also functions as a cost-effective screening process for new, full-time talent by providing a mutual assessment period for both the intern and the company. Ultimately, this process leads to greater job satisfaction and retention among newly hired entry-level employees who participated in the intern program.

Disability Outreach. We are continuing to strengthen our partnerships with organizations that support recruiting and hiring of individuals with disabilities. In 2014, Exelon continued our relationship with GettingHired.com, a talent acquisition site that enables all of Exelon's job postings to be fully accessible to individuals with disabilities. Exelon also attended *CAREERS & the disABLED Magazine's* career fair, one of the largest career fairs specifically for individuals with disabilities. Additionally, Exelon sponsored the Career Opportunities for Students with Disabilities Conference and Full Access Student Summit. This event brings together more than 60 college students and recent alumni with disabilities and 11 select employers for a direct networking and education summit. To reach disabled veterans, Exelon partners with Veteran Recruiting Services and the Wounded Warrior Project's Warriors to Work. In 2014, 45 new hires self-identified as disabled veterans; enterprise-wide, we currently have 380 disabled veterans working in our organization.

> "The approach Exelon has taken to incorporating people with disabilities into its workforce should serve as a model for all businesses in America. By creating awareness, regularly engaging with its employees and stepping up to support National Organization on Disability's mission of inclusion, Exelon is helping close the hiring gap between employers and people with disabilities."
>
> *— Carol Glazer, National Organization on Disability President*

National Diversity Programs. We partner with a number of national diversity organizations, including the Society of Women Engineers (SWE), the Society of Hispanic Professional Engineers (SHPE) and the Black Engineer of the Year Awards (BEYA). In 2014, Exelon also began working with the National Association of Black Accountants. Over the course of the year, we sponsored conferences, participated on boards and panels, and conducted workshops. For example, in 2014, Exelon held a presentation at the SWE Conference on Inspiring Careers in STEM. Exelon also offered presentations on Transformations in the Energy Sector and Exelon's Intern & New Grad Survivor Toolkit at the SHPE Conference in 2014, and we had seven employees sit on panels at the 2014 BEYA Conference. Our involvement with these organizations resulted in 16 hires and helped us better understand and manage recruitment, retention and advancement issues related to D&I. Through these partnerships, Exelon also looks to celebrate our employees by nominating individuals who have made outstanding contributions to our organization. In 2014, 16 employees were honored, including one with SWE Emerging Leader Award, one with the SHPE Junipero Serra Award, and 14 with BEYA Conference awards, including a Career Achievement Award.

Military and Veterans Initiatives. Exelon actively recruits military veterans, as many veterans are uniquely qualified for the work that we do. In 2014, we attended 47 military recruiting events and added an Interview Tips Tool specifically for candidates with military experience to our career site to provide military personnel with the tools to succeed in the hiring process. We also support a number of recruiting initiatives, including the 100,000 Jobs Mission, Hiring 500,000 Heroes, and Michelle Obama and Jill Biden's Joining Forces initiative. We are proud that we are exceeding our ongoing commitment to fill at least 10 percent of open positions posted with military personnel. In 2014, military veterans made up 10.4 percent of Exelon's total new hires.

2014 Awards

Military Times Best for Vets (2013–2014): Military Times named Exelon #21 on the 2014 Best for Vets Employers List, up from #40 in 2013. Military Times EDGE surveyed more than 1,000 major companies and top government contractors with a detailed questionnaire about their recruiting and hiring policies, social recognition for veterans, and pay and benefits for reservists to compile the annual list.

CivilianJobs.com Most Valuable Employer for Military (2013–2014): Exelon was named a winner for the CivilianJobs.com 2014 Most Valuable Employers (MVE) for Military for the second consecutive year. Exelon was among the 88 companies recognized on the MVE list in the May issue of Military Transition News, a worldwide military base newspaper.

U.S. Veterans Magazine's Best of the Best (2013–2014): Out of the hundreds of Fortune 1000 companies U.S. Veterans Magazine polled for "Best of the Best" status, Exelon was one of 121 employers nationwide to place on its Top Veteran-Friendly Companies list. The list honors businesses with military-friendly policies and programs to actively recruit and hire veterans.

Exelon recognizes that a diverse and inclusive workforce contributes to the success of our business.

Diversity and Inclusion

Exelon recognizes that an inclusive culture and diverse workforce contributes to the success of our business by fostering employee engagement, driving innovation and improving performance. We value diversity — in race, ethnicity, gender, age, sexual orientation or expression, disability, military status, religious affiliation, experience and thought — and strive to provide a workplace where every employee is valued and can contribute at his or her greatest potential. We believe that a working environment that engages all employees and enables them to do their best work is essential for our success. As part of our commitment to the economic prosperity of the diverse communities we serve, Exelon also utilizes an array of diversity-certified suppliers.

In 2014, the focus was on providing employees at all levels within the company with increased learning and development opportunities on D&I including:

24-hour Access to D&I Resources. All employees have one-click access to tools and information regarding D&I via a dedicated intranet site. This site provides information on Exelon D&I Partner Organizations, Employee Resource Groups, event calendars, articles, webinars and E-Learning modules.

D&I Toolkit. The D&I Toolkit, launched in 2014, provides practical guidance, based on the latest thinking, on how to educate and equip leaders to more effectively lead diverse teams, maximize talent and foster innovation. The Toolkit provides access to real-time business-relevant tools, news and resources to help leaders enhance their skills, lead their teams and drive accountability into the organization.

PECO'S INCLUSIVE RECRUITING EFFORTS

In 2014, PECO adopted numerous recruiting strategies to staff more than 170 critical positions associated with "Keeping the Lights On and the Gas Flowing." Through this effort, PECO hired 60 customer service representatives, 30 aerial line mechanics and 12 engineers. In addition to using traditional recruiting methods (i.e., LinkedIn, CareerBuilder, Indeed and the corporate website), it partnered with community groups, state and local governments, and education institutions to amplify its efforts. An information session was held for these partners to review open positions and the PECO application process. PECO representatives also attended numerous career fairs, both in person and virtually, which focused on diverse populations including women, the LGBT community and veterans. Successful implementation and execution of these recruiting strategies allowed PECO to reach and hire a broad and diverse applicant pool that mirrors the community that it serves.

D&I Quarterly Webinar. More than 2,200 employees participated in the live D&I quarterly webinar series, making it one of the most highly attended voluntary learning and development offerings in 2014. Participants were given the opportunity to explore such topics as generational differences, gender bias and disability awareness. For those employees who are not able to attend the live webinars, a recorded version is available to them. The D&I Quarterly Webinar series continues in 2015.

Employee Resource Groups. The number of Employee Resource Groups (ERG) grew to nine with the successful launch of Families with Special Needs. Additionally, Developing Young Professionals added chapters in our Boston and Chicago locations. More than 7,500 Exelon employees are involved with one or more of Exelon's nine ERGs.

Employee Diversity

Employees[1]	2012	2013	2014	2014%
Female	5,669	5,587	6,280	21.5%
Minority	5,604	5,610	6,225	21.3%
Aged <30	3,169	2,645	3,698	12.7%
Aged 30–50	12,194	12,803	14,364	49.1%
Aged >50	10,694	10,367	11,170	38.2%
Full-time	25,763	25,538	28,969	99.1%
Part-time	294	277	263	0.9%
Total Employees	**26,057**	**25,815**	**29,232**	

1 Employee totals as of December 31 of each reported year. CENG employees are now included in the presented totals.

Management Diversity

Employees in Management[2]	2012	2013	2014	2014%
Female	842	841	882	18.3%
Minority	691	686	744	15.5%
Aged <30	108	108	137	2.9%
Aged 30–50	2,261	2,304	2,519	52.3%
Aged >50	1,913	1,859	2,157	44.8%
Within 10 Years of Retirement Eligibility	2,444	2,521	3,004	62.4%
Total Employees in Management	**4,282**	**4,271**	**4,813**	

2 Management is defined by EEO-1 job categories "1-Executive/Senior Managers" and "1.2 First/Mid-level Managers."

2014 Diversity and Inclusion Awards

DiversityInc Top 7 Utilities (2014): Exelon was named to DiversityInc's list of the top seven utilities for diversity. Employers were assessed on more than 180 factors, including workforce demographics, employee resource group participation and procurement spend with diverse suppliers.

Disability Matters Honoree (2014): Exelon was selected as an honoree in the Workforce category at the eighth Annual Disability Matters Conference. The award honors companies that are committed to taking the required actions to successfully mainstream disability in the workforce, workplace and marketplace.

Human Rights Campaign Best Places to Work (2011–2015): Exelon was named one of the best places to work by the Human Rights Campaign, the nation's largest LGBT civil rights organization.

Best Places to Work for Recent Grads (2013–2014): Exelon was one of 25 employers nationwide to be recognized as the best place for recent college graduates to work. Employers were evaluated based on their career advancement opportunities, company cultures, compensation and benefits, and work-life balance. The list was compiled by Experience, the largest university-endorsed career network.

Top 50 Best Overall Internship Program (2014): Exelon's intern program was named as a Top 50 Best Overall Internship Program by Vault and was ranked third among the top five Best Energy Internship Programs. Vault surveyed thousands of current and former interns about their internship programs to determine the annual list.

G.I. Jobs Top Military Friendly Employers (2008–2014): G.I. Jobs named Exelon #46 on the most military-friendly employers list for recruiting talent exiting the military, up from #56 in 2013. This is the seventh consecutive time Exelon has been awarded the honor. The ranking validates Exelon's strong military recruiting and retention efforts, high percentage of new hires with military experience, and favorable policies on National Guard and Reserve service.

SUPPORT FOR COMMUNITIES

Continued efforts to engage the community on safety around our power plants

Returned approximately 94 percent of net revenue to the economy

Made more than $31.4 million in corporate contributions to nonprofit organizations for a total of $91.4 million in donations over the past three years

Volunteered a total of 112,691 hours of time for 983 projects through the work of 4,874 Exelon employees

Exelon has a longstanding commitment to support the communities in which we operate. As we engage with members of the community, we work to be a considerate and responsive neighbor, while contributing to local economic growth. Our company and passionate employee base also make substantial monetary donations and generously give their time to further enhance the prosperity and vibrancy of local communities.

Engaging with Communities on Issues of Concern

We prioritize community safety and have systems and procedures in place to protect the public during the course of normal business operations as well as in the unlikely event of an emergency. As members of the communities we serve, we conduct regular outreach and work to address local concerns promptly.

Disaster Preparedness and Awareness

In order to ensure the safety of our communities, we prepare for unanticipated events that may occur so that we can respond swiftly and effectively. Each of our operating companies maintains an educational outreach and preparedness program to protect the communities surrounding our operations in the unlikely event of a disaster. Activities at our operating companies include tabletop exercises, drills and exercises in preparation for potential emergencies — both independently and, in many cases, with local, state and/or federal emergency response organizations. They may also include:

- Direct mailings containing details about emergency warning systems, evacuation routes and other safety issues to residents living within each station's emergency response area;
- Community Information Nights to answer questions from local residents;
- Educational programs at schools to teach children about energy safety;
- Training for contractors, excavators and first responders working in operational vicinities; and
- Online information on disaster preparedness.

All of our utilities provide extensive safety information on their websites. There, customers can find tips for how to protect themselves and their families during power outages or when power lines are down, and information on natural gas safety. The Exelon companies also use social media to communicate directly with their customers and communities. Our utilities use a range of platforms, such as Twitter, Facebook and Pinterest, to provide safety tips and real-time outage information and to respond to customer inquiries or concerns. Please visit their websites at ComEd Safety, PECO Safety and BGE Safety for more information.

Continued Efforts to Increase Nuclear Plant Safety

To ensure the safety of our nuclear operations, we employ an additional level of oversight. Exelon uses a proven, proprietary fleet-wide Exelon Nuclear Management Model (ENMM) for managing all aspects of nuclear plant operations, and the Exelon Board's Generation Oversight Committee rigorously monitors and evaluates nuclear performance.

In addition to internal oversight, the NRC, which has federal regulatory authority for commercial nuclear plant safety, performs ongoing oversight and review of our nuclear plants in the areas of operations, maintenance, emergency planning, security and environmental and radiological impacts. The NRC may modify, suspend or revoke operating licenses and impose civil penalties for compliance failure. As of December 31, 2014, performance indicator results from the NRC's 2014 Reactor Oversight Process (ROP) verify that 22 of the 23 nuclear generating units operated by Exelon Nuclear in 2014 are in the highest performance group, indicated by their "green" band classification. Fort Calhoun, now operated by Exelon, recommenced commercial operation in December 2013 and remained in enhanced NRC oversight throughout 2014. In April 2015, the NRC removed Fort Calhoun from enhanced oversight due to enhanced oversight due to the performance improvements achieved by the Ft. Calhoun team during its first year after restart. NRC ROP performance indicators, including radiation dose, are available on the NRC website.

Over the past year, we also continued to make safety upgrades to our facilities based on the lessons learned from the 2011 events at the Fukushima Daiichi nuclear facility in Japan. In 2014, Exelon completed specific actions including:

External Flooding Re-analysis. Exelon's 13 nuclear facilities are well-defended against flooding events based on current analysis to date. Exelon's flood hazard re-evaluation confirmed that Braidwood, Byron, Clinton and Limerick fully meet the new, expanded flood criteria, and that Calvert Cliffs, Dresden, Ginna, LaSalle, Nine Mile Point, Oyster Creek, Quad Cities and Three Mile Island currently meet some, but not all, of the criteria. Peach Bottom will complete its flood hazard reevaluation in August 2015. For those sites that did not meet all of the expanded criteria, additional evaluations will be performed following NRC issuance of the guidance for completing these assessments. Exelon's flooding re-evaluation does not indicate that any of our stations are at higher risk for flooding, only that a number of additional strategies could be employed to meet the NRC's expanded criteria.

Seismic Re-analysis. In 2010, the NRC concluded that nuclear power plants have a significant safety margin to protect against earthquakes, including those with greater ground motion than the earthquakes used in the original reactor design parameters. Over the past few decades, the NRC and the industry have re-evaluated seismic safety at nuclear facilities. This work is a continuation of ongoing evaluations of this kind. The seismic screening process was completed for all Exelon sites at the end of March 2014, and determined which nuclear facilities will need more in-depth analyses performed. It confirmed that most of the Exelon sites have lower risk profiles based on the new information when compared to previous site evaluations. The few sites with slightly increased risk profiles are still well within NRC-established risk goals. Additional evaluations for sites requiring further analysis are beginning in 2015.

FLEX Mitigating Strategies. In response to the 2011 Fukushima accident, the industry established a flexible and diverse (FLEX) safety strategy to address the key lessons learned from Japan, including the loss of electrical power needed to maintain effective cooling. By the end of 2015, Clinton and Three Mile Island will have completed all FLEX modifications recommended by the NRC. The remaining sites will have all FLEX modifications in place by the end of 2016.

NEW NATIONAL RESPONSE CENTERS FOR INDUSTRY

As part of the industry's FLEX program response to lessons learned from the Fukushima accident, Exelon partnered with the Nuclear Energy Institute and other Nuclear Generators in 2014 to establish two national response centers, one in Memphis, Tennessee, and one in Phoenix, Arizona. The centers are capable of delivering complete sets of emergency equipment to help facilities respond safely to extreme events no matter what the cause. Equipment at the response centers supplements permanent safety systems built into nuclear energy facilities and multiple sets of portable, backup safety equipment already positioned at the facilities. Companies also have protocols in place to share backup safety equipment already stored at nuclear power plants. The startup cost for each facility is about $40 million, with annual operating costs of about $4 million. The costs will be shared by companies operating 100 reactors that generate one-fifth of America's electricity. Please visit the Nuclear Energy Institute website and an Exelon video for additional information.

Reliable Severe Accident Capable Vents. While the NRC rulemaking process to finalize containment venting actions continues, we hold that filtering radiological releases outside the reactor vessel containment is not the best strategy. By effectively managing the core and containment conditions, we can mitigate or eliminate the potential for a release. Filtered vents would require an additional $15 million to $20 million investment per unit. Exelon is in the process of developing detailed designs for Phase I of the NRC's Severe Accident Capable Vent Order for the BWR Mark I and BWR Mark II containments, which are similar in design to the containment structures at the Fukushima Daiichi units. Phase II of the order will be released by the NRC in mid-2015.

Spent Fuel Pool Level Instrumentation. As part of our post-Fukushima analysis, we evaluated our storage of spent fuel, which is kept in spent fuel pools until it can be placed in dry casks and stored on site. A recent NRC study confirmed our analysis that both methods of storage adequately protect spent fuel from extreme events and that there is no need to accelerate the removal of spent rods from the water-covered pools and into the dry casks. We are completing installations of spent fuel pool level instrumentation across the fleet. Each site will have two independent monitoring instruments installed in each spent fuel pool.

Exelon Generation is committed to keeping the communities in which its facilities are located informed about overall plant safety, including updates on the company's activities following the events at Fukushima. In 2014, we reached nearly 30,000 individuals, talking with them about plant operations and safety during plant tours, speakers' bureau events and plant open houses.

For additional information on Exelon nuclear safety and community issues, please see the Safety at Nuclear Power Plants section of our corporate website.

Maryland Science Center, an Exelon partner.

Local Economic Impacts

The vitality of our business and that of the communities in which we work are interconnected; when Exelon prospers, we are able to share our successes with the communities we serve. In 2014, Exelon returned an estimated 94 percent of our approximately $27.4 billion of revenues to the economy, including:

- $17.8 billion for materials, goods and services[1]
- $6.1 billion for employee compensation, benefits and contracting expense[2]
- $1.9 billion in interest and taxes[3]

We retained the remaining 6 percent of revenues, or approximately $1.6 billion, for reinvestment in our business. In 2014, Exelon also returned $7.2 billion to the economy through $6.1 billion of capital expenditures and $1.1. billion of dividends paid to shareholders.

1 Includes purchased power and fuel expense, depreciation and amortization expense, taxes other than income taxes, operating and maintenance expense excluding employee compensation expense, charges for impairment of long-lived assets, gains on sales of assets and gains on sales of consolidations and acquisitions of businesses.

2 Includes salaries and wages, contracting expense, pension and non-pension post-retirement benefits expense and other employee benefits.

3 Includes interest and income tax expense, preferred security and preference dividends, equity in losses of unconsolidated affiliates, and net income attributable to noncontrolling interests.

BGE's Contributions to the Local Economy

In 2014, the Economic Alliance of Greater Baltimore Foundation conducted a study to estimate BGE's economic contributions to the region in 2013. The study found that its operations generated a total economic impact of $3.81 billion of output, equivalent to more than 2 percent of the entire economic output of the BGE service area in central Maryland. To learn more, see the full study on BGE's website.

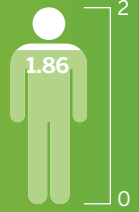
BGE
An Exelon Company

2013 Energy Management Programs

More than **330,000** customers chose to participate in BGE's Customer Energy Management programs.

- **Jobs:** 764
- **Labor Income:** $40.13 million
- **Output:** $209.11 million
- **State & Local Taxes:** $6.01 million

General Operations



Increase of **1.86** jobs for every direct job supported.

- **Jobs:** 8,686
- **Labor Income:** $624.34 million
- **Output:** $3.81 billion
- **State & Local Taxes:** $371.17 million

Charitable Giving

Every dollar given creates another **53** cents and supports the areas of education, environment, community development, and arts & culture.

- **Labor Income:** $1.17 million
- **Output:** $5.46 million
- **State & Local Taxes:** $107,000

Exelon Corporation and Subsidiaries—2014 Taxes Paid[1]

in millions of dollars	Paid by Exelon Entity	Collected and Remitted by Exelon Entity on Behalf of Government Agencies	Total Taxes Paid or Collected and Remitted by Exelon Entity
Federal Income and Payroll	435	879	1,314
State and Local Taxes[2]			
Illinois	459	590	1,048
Maryland	263	179	442
New York	48	38	86
Pennsylvania	251	95	346
Texas	31	34	64
Other States and Washington D.C.	67	113	180
Total 2014 Taxes Paid	**$1,553**	**$1,929**	**$3,482**

1 Numbers reported on a tax basis and rounded to the nearest million dollars, which may affect row and column totals.

2 State and local taxes include: Income and franchise; payroll; property; sales and use; and/or utility as applicable in each jurisdiction.

Taxes we pay support federal, state and local governments and the services they provide. In 2014, Exelon paid $1.6 billion in federal income and payroll taxes and state income, payroll, property, trust and other taxes directly related to our business operations. In addition, Exelon collected and remitted to federal and state governments an additional $1.9 billion in taxes, such as employee payroll, utility and other taxes.

Local Economic Development Work

As a provider of essential services, we not only work to meet the energy needs of the communities we serve, but also to promote increased investment and jobs in our service territories. Teams at each of our utilities work with local economic development groups to draw new businesses to the regions we serve. For example, in suburban Philadelphia, PECO is working with Sunoco Logistics to provide the electric capacity necessary to help transform the former refinery site in Delaware County into a hub for processing and shipping natural gas liquids from the Marcellus Shale region via the Mariner East pipeline. The Mariner East project is one of several energy-related projects expected to create opportunities for economic growth by leveraging the region's proximity to the Marcellus Shale. In Maryland, the Maryland Department of Business and Economic Development packaged BGE incentives as part of the state's offerings to recruit Amazon's new 1 million-square-foot warehouse and fulfillment center to Baltimore City. Located at the former General Motors factory site, the new facility is expected to provide more than 1,000 full-time jobs — a significant addition to Baltimore's workforce and economic potential. In Harford County, Maryland, BGE's Economic Development team also worked with Sephora USA, a global cosmetic retailer, to ensure safe and reliable power delivery to a new 650,000-square-foot, state-of-the art distribution warehouse to help meet the demands of the holiday season. The facility employees 400 people with an anticipated additional 200 jobs over the next few years.

HONORING COMED'S DEDICATION TO ECONOMIC DEVELOPMENT IN ILLINOIS

ComEd Economic and Business Development's strategic alliances are helping fuel the growth of the Illinois economy. In 2014, ComEd, together with its 18 Regional Economic Development partners, supported the addition of 22,000 jobs, 23 million square feet in facilities and $3 billion in capital investments. ComEd and Exelon were jointly recognized by World Business Chicago (WBC), the City's economic development agency, with the inaugural Corporate Ambassador award, which is due in part to our long-term strategic relationship with WBC. In addition, ComEd's Economic Development Department was awarded an honorable mention for the second straight year in Site Selection Magazine's annual top utility guide.

Giving Back to Our Communities

We are committed to supporting the communities in which we live and work and strive to make a tangible impact in four focus areas:

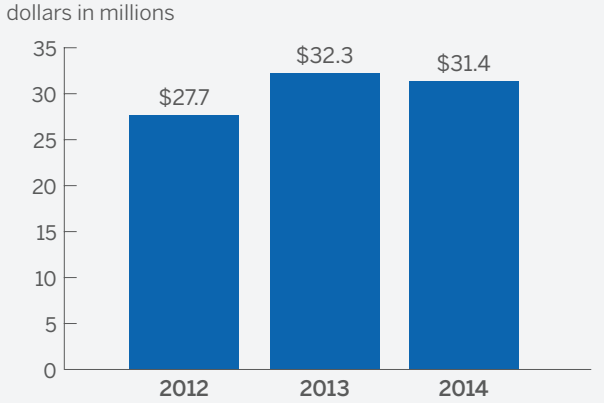
- Education programs that promote STEM or that encourage students to stay in school;
- Environmental programs that improve the quality of our environment and promote energy efficiency;
- Neighborhood development partnerships with local civic organizations that improve the quality of life in our service areas; and
- Arts and cultural institutions with broad public exposure and programs designed to make arts more accessible to a wider audience.

Corporate Giving

Every year, we give back a portion of our revenues to the communities we serve. In 2014, Exelon gave $31.4 million in corporate contributions to both national and local nonprofit causes, for a total of $91.4 million over the past three years. In 2014, $18.8 million, or 60 percent of our giving, went to organizations serving the needs of diverse populations or to support specific diversity and inclusion programs and initiatives. In addition, the Exelon Foundation provided $3.9 million in contributions last year, for a total of $10.5 million over the past three years.

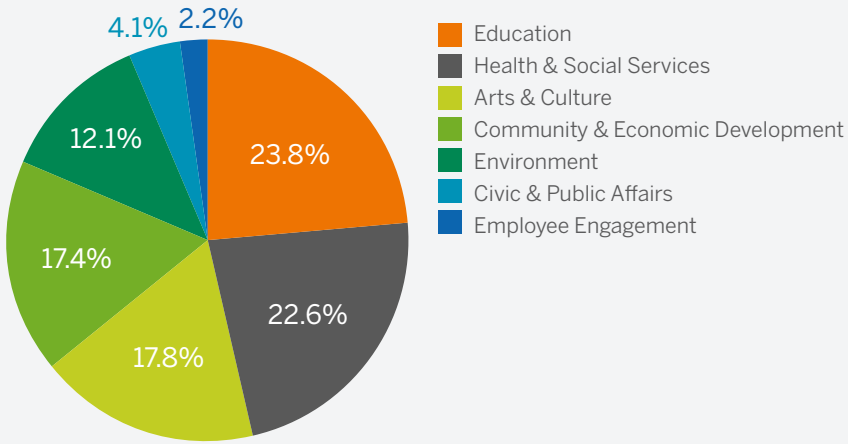
Constellation helping educate children about the technology that enables the smart grid.

Corporate Giving[1]



1 Data do not include Exelon Foundation giving.

2014 Contributions by Program Area



"Our partnership with Exelon is an example of corporate philanthropy at its best. Because of their support, we are able to offer students from disadvantaged backgrounds distinctive programs and scholarships in science, engineering and other professional disciplines."

— John L. Anderson, President of Illinois Institute of Technology

GIVING TUESDAY

On December 2, 2014, Exelon participated in #GivingTuesday, which takes place on the first Tuesday after Thanksgiving. #GivingTuesday was initiated as a response to commercialization and consumerism in the post-Thanksgiving season and encourages individuals to give back through charity. The Exelon Foundation pledged an additional $100 per employee contribution made on #GivingTuesday, which resulted in employees contributing $275,000 on #GivingTuesday.

Volunteerism

In 2014, more than 4,800 employees — and almost 1,300 of their family members and friends — volunteered more than 112,000 hours of their time to community service projects. Volunteers worked on 983 different projects that support our giving focus areas. Employees also participated in number of structured philanthropic initiatives and programs including:

National Volunteer Week. From April 13–19, 2014, Exelon employees participated in this annual event, which puts a national spotlight on volunteerism and community service. More than 2,000 employees volunteered almost 10,000 hours on 167 projects.

Employee Volunteer Awards Program. On an annual basis, we award grants to nonprofits where Exelon employees volunteer at least 50 hours of their time. In 2014, we gave 18 awards, totaling $145,000; grants ranged from $5,000 to $20,000.

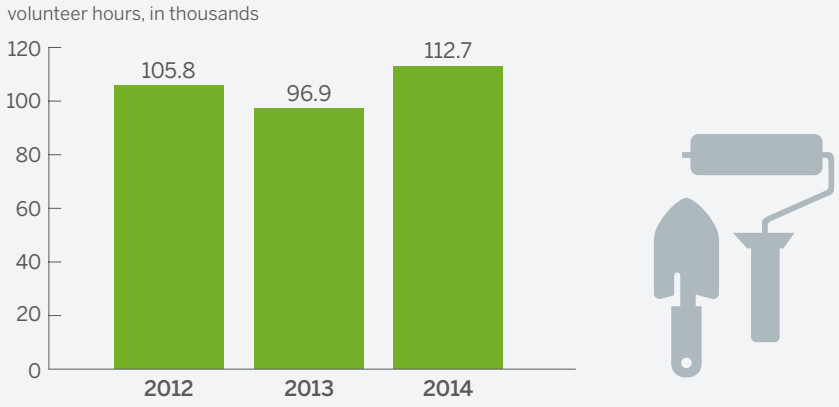
Dollars for Doers Program. Exelon provides $100, $200 and $400 grants to nonprofits in honor of employees' volunteer service of 10, 20 and 40 hours, respectively. In 2014, 1,167 employees participated in the program, which resulted in the distribution of 2,007 grants, totaling $366,300.

Employee Giving Campaigns. Each year, we conduct annual giving campaigns that encourage employees to give to local nonprofit organizations across Exelon service areas. In 2014, 48 percent of our employees donated funds to the campaign. Together, corporate contributions of $3 million combined with donations from employees and retirees of more than $6 million raised $9.25 million for charity.

Exelon Foundation Matching Gifts. Exelon pledges to match any qualifying employee philanthropic gifts. In 2014, 2,206 employees participated and had matching gifts of more than $1.32 million provided primarily by the Exelon Foundation to support more than 1,300 eligible 501(c)3 organizations that received contributions from Exelon employees.

Board Placements and Fundraising. Exelon is currently represented by executives and key managers on more than 540 nonprofit boards that support the company's giving strategy.

Volunteer Hours



EXELON EMPLOYEES GIVE BACK TO COMMUNITIES

Employees from across all Exelon business units take part in volunteerism activities in their service areas to give back to the community. In 2014, some of these projects included:

ComEd. ComEd volunteers raised more than $130,000 for Special Olympics Chicago through the annual Polar Plunge event. ComEd had the largest team, made up of more than 500 plungers, who braved freezing conditions to make a difference in the lives of individuals with special needs.

PECO. PECO employees built a playground and partnered with KaBoom, Raising the Bar, Bristol Borough School District and Habitat for Humanity of Bucks County. More than 150 PECO employees and 75 community members built a safe playground in less than eight hours.

BGE. BGE employees logged more than 200 volunteer hours over three days of events, in which participants upgraded building lighting, replaced landscaping, created art projects and remodeled four education spaces at the Boys and Girls Club of Edgewood.

Constellation. Constellation employees have built a lasting relationship with Living Classrooms Crossroads School in which every two weeks, 60 employees mentor Crossroads students. Additionally, 120 employees participated in the Crossroads School makeover project.

Exelon Generation. Generation partnered with the United Way to rehabilitate homes of neighbors in need around the LaSalle Station. Additionally, the Station contributes $15,000 to the United Way annually.

Exelon. The Exelon-ComEd-United Way Stay in School initiative reached 3,000 at-risk students through after-school activities, monthly employee mentor workshops, summer internships and parent-focused activities. Last year, 100 percent of eligible seniors graduated high school and 100 percent of the students stayed in school.

EFFECTIVE GOVERNANCE

Evolved our risk management program to include a risk appetite statement, risk policy and new risk framework to identify and mitigate risks across the company

Adopted an intelligence-driven "Defense-In-Depth" approach to ensure our ability to prevent, detect, respond to and recover from cyber and physical security incidents

Enhanced our business impact analysis process, which assesses the reputational, regulatory and financial impacts of disruptions

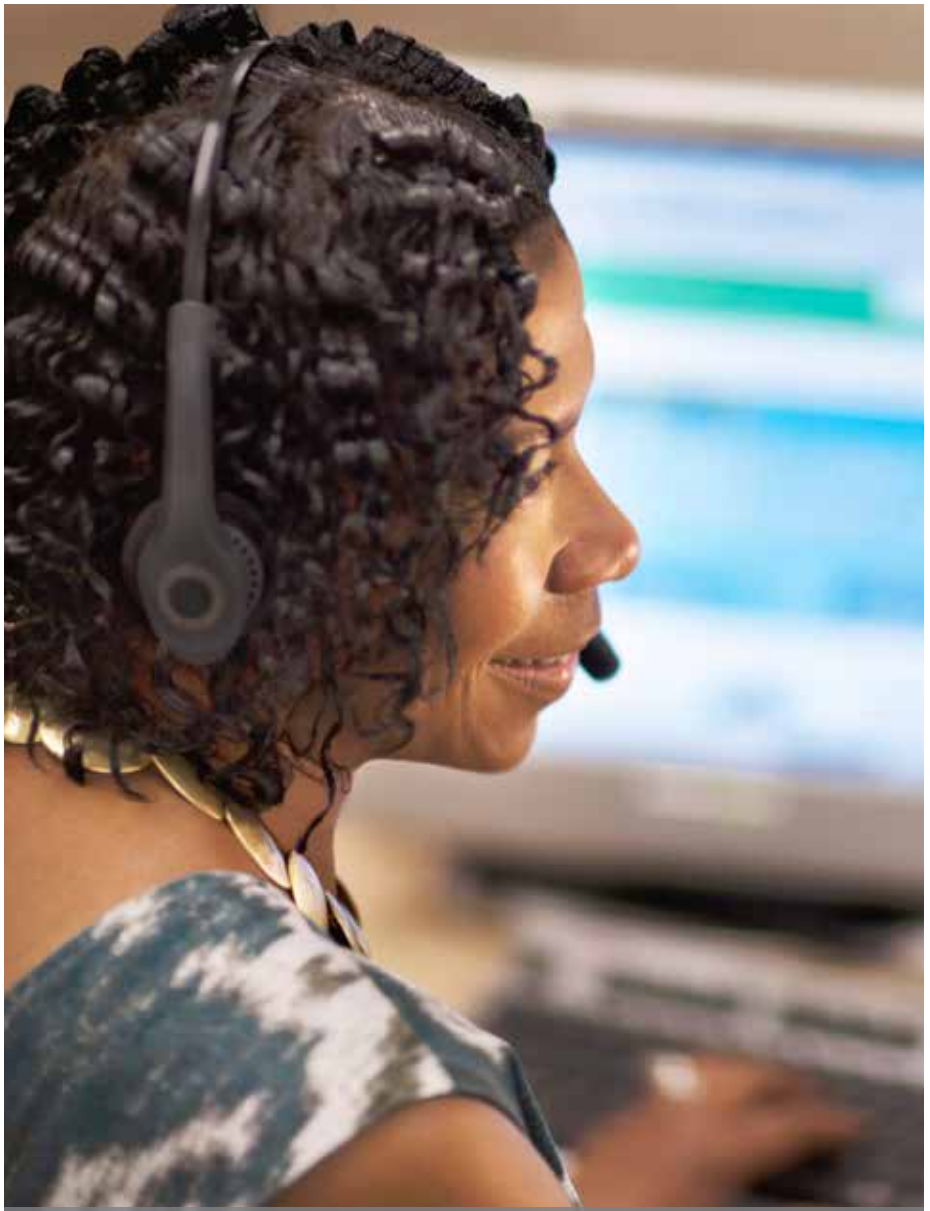
Spent approximately $1.07 billion sourcing from diversity-certified suppliers, exceeding our goal by $7 million

Good governance and ethics are fundamental to our success as a business and our ability to deliver high-quality service to our customers. Our commitment to acting with integrity is grounded in our vision and values, which underpin our Code of Business Conduct and guide us in our daily operations.

Ethics and Corporate Governance

Every employee must adhere to Exelon's Code of Business Conduct, which is overseen by our Board of Directors. We develop policies and procedures — and conduct a variety of training sessions — to ensure its effective implementation throughout the company. We update the Code as needed to reflect new requirements based on changes in regulation and leading practices. We also maintain a 24-hour helpline available for stakeholders to report potential ethical, compliance or legal violations. Helpline reports are actively monitored by the compliance and ethics practice area of Corporate Governance, a division of the Legal Department. Ethics personnel oversee investigations conducted by seasoned, trained investigation departments. Exelon takes appropriate action — up to and including dismissal — when any wrongdoing is substantiated. In 2014, Exelon was not involved in any legal actions related to anti-competitive or anti-trust behavior.

Our Board of Directors oversees our performance. All members of the Exelon Board, with the exception of the Chairman and the Chief Executive Officer, are independent directors under criteria established by the New York Stock Exchange. As of January 1, 2015, the Board comprises six committees (Audit, Compensation and Leadership Development, Corporate Governance, Generation Oversight, Finance and Risk, and Investment Oversight), responsible for specific aspects of our performance and operations. As of April 28, 2015, our 13-member Board includes one woman and two minorities. For more information on Exelon's governance structure, please see the corporate governance section of our website.



To support Exelon's Code of Business Conduct, the company provides multiple means for employees to communicate and resolve issues.

Risk Management

Exelon's Enterprise Risk Management (ERM) organization's vision is to be a strategic partner to Exelon in our business pursuits, enabling better decisions and minimizing the unexpected in a world of uncertainty. In 2014, our risk management team continued its work toward building a best-in-class ERM framework at Exelon. We developed a risk management maturity model that charts the path for the ERM organization to evolve from quarterly risk assessments and reporting to a continuous, systematic and dynamic risk assessment process that involves regular interaction with and feedback from the business. We implemented a risk appetite statement, a suite of enterprise risk policies and an overarching risk framework for identifying, measuring, monitoring and mitigating risks across the company. Our risk assessment framework looks at strategic, financial, operational, regulatory/compliance and reputational risks to Exelon. We regularly discuss the various risks to Exelon and its operating companies, as well as the effectiveness of our mitigation plans, through Risk Management Committees at the corporate level and within each business unit. We also engage in quarterly dialogue on relevant risk topics with the Finance and Risk Committee of the Board of Directors.

Cyber and Physical Security

Exelon recognizes security as an important part of our commitment to ensuring a safe and reliable energy supply. In order to stay ahead of the evolving threat, Exelon has adopted the intelligence-driven "Defense-In-Depth" approach to ensure our ability to prevent, detect, respond to and recover from cyber and physical security incidents when they happen.

MANAGING RISK

Exelon regularly completes enterprise-wide and operating company-specific risk assessments to identify and focus on the top risks facing our company. Additionally, Exelon also employs various market, credit, liquidity and operational risk assessment tools to identify financial and business risk exposures across the company. For example, in the Constellation commercial business, we employ a robust suite of market and credit risk tools for managing exposures. To evaluate market risks, we conduct position reporting, various "at-risk" calculations, market and portfolio evaluation, and market stress scenario analyses, among others.

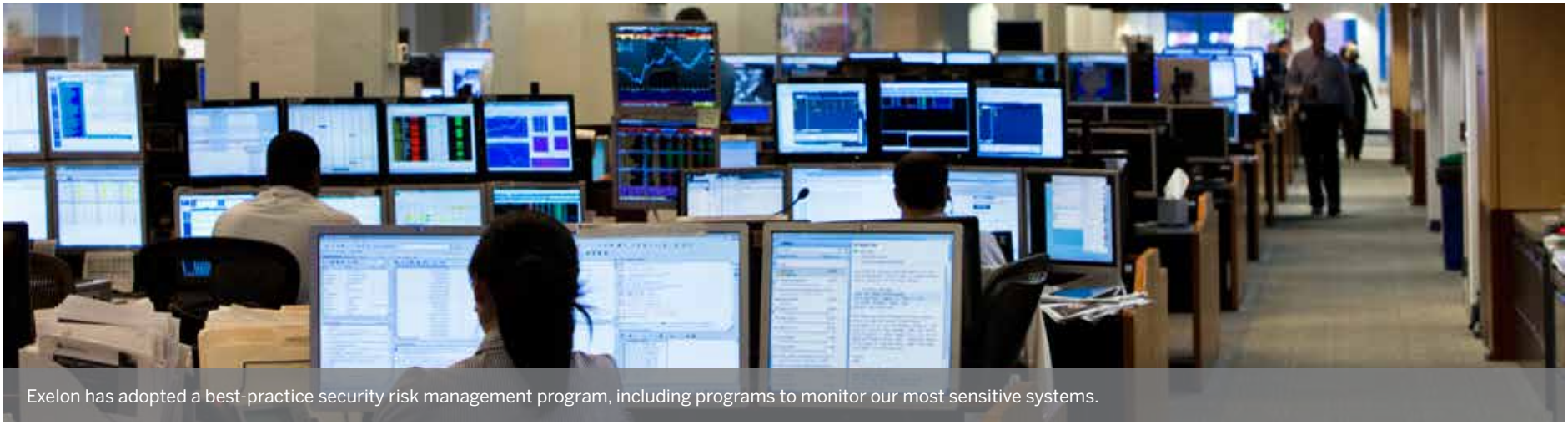
"Exelon's Enterprise Risk Management framework is based on the risk management organization having a strategic partnership with the business whereby we continuously assess, measure, monitor and mitigate risks in a robust and disciplined manner to enable better decisions and ensure our actions are in line with the organization's risk appetite."

— Paymon Aliabadi, Exelon Executive Vice President and Chief Risk Officer

During 2014, Exelon developed and adopted a best-practice security risk management program, designed to identify and protect against the greatest risks to our enterprise. Exelon instituted programs to improve the monitoring of our most sensitive systems, reducing the risk of prolonged attacks on supervisory control and data acquisition systems and of significant physical security incidents. Exelon's commitment to protecting customer data resulted in new governance for the protection of systems, and security architectural standards designed to improve data security. We also committed resources to drive security awareness by testing our own susceptibility to phishing, delivering security awareness information and training personnel in personal safety through workplace violence prevention. Exelon conducted more than 40 vulnerability assessments to assess our exposure to issues like Heartbleed, a cyber-security bug. Exelon also assessed the most innovative companies in the security space through the Dancing with Start-ups initiative, where small start-up companies presented the newest security capabilities for opportunities in venture capital and new adoption. Through these and other initiatives, we are working to identify threats, reduce vulnerabilities and limit the impact of an attack on our infrastructure, our customers and our shareholders.

Business Continuity Planning

We recognize the importance of building standardized protocols into our business continuity processes to ensure that, should a situation emerge, our leaders can take control as quickly and seamlessly as possible. Within the Corporate & Information Security Services organization, the Business Continuity Services program comprises certified business continuity professionals who offer subject matter expertise in the resumption of critical business operations and crisis management. The program follows an "all-hazards" planning approach, which enables leadership, employees and contractors to be prepared for the full spectrum of threats that may cause a business disruption. Enhancements such as standardized loss of personnel planning and reporting and a targeted Business Impact Analysis identifying both quantitative and qualitative impacts to critical business processes, provide Exelon leadership with access to enhanced recovery strategies in an evolved program. Through corresponding tools and training designed to aid leadership, employees and contractors quickly receive information and respond in a consistent manner regardless of operating unit. The program maintains a consistent and coordinated approach to recovering business operations.



Exelon has adopted a best-practice security risk management program, including programs to monitor our most sensitive systems.

Public Policy

Exelon advocates for sound policies at the federal, regional, state and local levels to ensure affordable electric and gas services for our customers and the communities we serve, while minimizing environmental impacts. We discuss our positions on specific legislation throughout this report and on our website.

We are also members of various trade organizations that advocate on behalf of the industry. In many cases, we are in alignment with the advocacy positions of these organizations; however, in instances where our views diverge, we find alternative avenues to voice our positions. Exelon also contributes to political candidates and organizations as part of our engagement in policy dialogue. We do so in accordance with our Corporate Political Contributions Guidelines, which can be found on our website along with the semiannual disclosures of our political and trade associations contributions.

Sustainable Supply Chain

To maintain our operations, Exelon depends on a network of contractors and suppliers. We work to manage our supply chain by ensuring environmentally responsible purchasing decisions, sourcing from local businesses and promoting supplier diversity.

Greening Our Supply Chain

Exelon is active in industry and government efforts to improve supply chain operations and cognizant of the influence we can have toward sustainable practices given our position as a large purchaser. We aim to reduce the potential impacts of the materials and services we procure and encourage our suppliers to improve their operational performance. To that end, we provide our supply chain managers with a list of 40 environmental criteria to use in evaluating products and services during the procurement process.

When any supplier is invited for a bid, they must answer the screening questions on our e-sourcing tool. Based on their answers, suppliers receive a score weighted by price, quality, safety, diversity and environmental performance. We have also implemented a number of best practices and communicate high-level environmental expectations in contract language and in a suppliers' code of conduct. For example, when applicable, we specify in contracts that vendors take back recyclable materials and properly dispose of waste products.

REDUCING PACKAGING WASTE

Exelon employees are always looking for ways to reduce environmental impacts and safety risks throughout our operations. Several of our procurement employees took the initiative to reduce the amount of packaging a supplier used when shipping viper reclosers to our utilities. Initially, the shipper was sending the product in a bulky wooden crate that used excessive packaging, was difficult to open and store, and generated unnecessary waste. Our employees worked with the utilities to evaluate a new, optimized packaging design, and then collaborated with the supplier to implement the changes. The products are now shipped on a flat wooden pallet. This initiative provided the utilities with $170,000 in savings by reducing the packaging size, while also improving employee safety and reducing waste.

Before

After

As a founding member of the Electric Utility Industry Sustainable Supply Chain Alliance (www.euissca.org), we have helped develop a sustainability framework that identifies best practices for embedding sustainability into an organization's supply chain operations, products and services, and supplier performance. Over the next three years, Exelon and other members have committed to improving their performance in each of those three areas. Exelon has also contributed to the development of industry standards for evaluating the environmental impacts of key materials and services, such as wood poles, transformers, and wire and cable; these standards will be used to procure more sustainable materials.

Exelon's utilities spent more than $3 billion on infrastructure and technology in 2014.

As a leading responder of the CDP Investor Survey on Climate Change, Exelon has also encouraged its top suppliers to voluntarily disclose their GHG emissions and energy consumption as part of our overall climate change strategy and commitment to the environment. To continually improve our relations with suppliers and overall performance, we held the Exelon 2014 Supplier Summit in Chicago, Illinois, in October 2014. The summit was attended by more than 200 companies supporting each of Exelon's business units. The theme of the Summit was "Performance That Drives Progress," which embodies Exelon's belief that reliable, clean and affordable energy is essential to a brighter, more sustainable future. Our CEO, Chris Crane, was the keynote speaker and spoke to participants about the company's strategy and key business drivers. Breakout sessions for four practice areas — Utilities, Nuclear, Power and IT/Corporate Services — were led by executive leadership teams. These provided opportunities to share best practices and ways for improving operations from both an efficiency and sustainability perspective. In each session, select suppliers were bestowed Exelon Awards in recognition of their exemplary performance and support of Exelon.

Local Sourcing Efforts

Exelon sources materials, goods and services from thousands of large and small businesses across the country. In 2014, Exelon spent nearly $8 billion with suppliers, excluding fossil and nuclear fuel purchases. Approximately 45 percent of this was spent locally in our key operating states — Illinois, Pennsylvania, Maryland, New Jersey, Delaware and Texas — where our business is most heavily concentrated.

Promoting Supplier Diversity

We strive to support suppliers as diverse as the communities we serve across all of our operating companies and business units. In 2014, we spent approximately $1.07 billion dollars on diversity-certified suppliers, far exceeding our goal of $1 billion. For example, in Chicago, ComEd has committed to the Chicago United Five Forward Initiative that asks mid- to large-sized corporations in the area to establish or expand business relationships with five current or new local minority-owned firms. Our spending through this program increased from $1.1 million annually in 2009 to $6.2 million annually in 2014. The National Minority Supplier Development Council has recognized Exelon for our corporate supplier diversity success for aligning our total spending with nationally calibrated benchmarks and also for local action in Philadelphia.

Beyond increasing our spending with diversity-certified suppliers, we work to support supplier development programs. Through these programs, participants are exposed to concepts in field safety, just-in-time delivery, lowering cost and other best practices that foster business growth through innovation. For instance, BGE's Focus 25 initiative provides suppliers with an in-depth look at BGE's business processes as well as access to company executives, to provide guidance on the components of a successful partnership. In 2014, BGE was recognized as the Capital Region Minority Supplier Diversity Council's 'Corporation of the Year' for its efforts to develop relationships with minority- and women-owned businesses. More recently, Exelon expanded our efforts in our mid-Atlantic region through PECO's Diverse Supplier Development Institute. By providing tailored support, we are working to help these businesses be more competitive and prosper in an increasingly rigorous sourcing environment.

RECOGNITION FROM THE MINORITY SUPPLIER DEVELOPMENT COUNCIL

Exelon is proud that our diverse business empowerment efforts have been recognized by several regional supplier diversity advocacy organizations. A regional Minority Supplier Development Council's Corporation of the Year award acknowledges a company's dedication to improving the overall participation of Asian, African-American, Hispanic and Native American suppliers in the corporate supply chain. In 2014, the Exelon family of companies was the rare recipient of three regional Corporations of the Year honors for ComEd, PECO and BGE.

First, the Capital Region Minority Supplier Development Council named BGE the Corporation of the Year for its efforts to develop relationships with minority- and women-owned businesses. Second, the Eastern Region Minority Supplier development Council named PECO its Corporation of the Year, for its forward-thinking procurement principles. Finally, ComEd has received the Corporation of the Year award from the Chicago Minority Supplier Development Council for its unwavering commitment to integrate supplier diversity into its procurement process.

Conflict Minerals

We also work to adhere to all regulatory requirements related to our supply chain practices. In alignment with Section 1502 of the Dodd-Frank Act and the SEC's conflict mineral reporting requirements, Exelon reviewed whether conflict minerals — including tin, tantalum, tungsten and gold, and other minerals determined by the U.S. government to be financing conflict in the Democratic Republic of the Congo or its neighboring countries — were necessary to the production or functionality of any product manufactured or contracted for manufacture by the company. After a review of the products we sell, we found that we did not have any reporting requirements under the rule.

APPENDIX

2014 Electric Generation By Major Station[1,2]

FOSSIL	Location *Water Body*	Net Operational Capacity (MW)[3]	GENERATION (GWh)[4] 2012	2013	2014	EMISSIONS (thousand short tons)[5] Type	2012	2013	2014	TECHNOLOGY Current Air Pollution Control	Cooling Water[6]
Colorado Bend Energy Center 4 gas 2X1 combined cycle turbines & 2 steam generators (intermediate)	Wharton, Texas *Colorado River*	498	1,644	1,739	1,591	SO_2 NO_x CO_2	* 0.1 830	* 0.1 861	* 0.1 784	SCR, low-NO_x burners	Closed
Conemaugh[7] 2 coal units (baseload) 31.28%	New Florence, Pa. *Conemaugh River*	532	3,324	3,678	3,442	SO_2 NO_x CO_2	2.0 5.1 3,368	2.0 5.7 3,624	2.3 5.6 3,382	SCR, SO_2 scrubbers and low-NO_x burners with separated overfire air	Closed
Eddystone 2 coal units (intermediate) — retired 2 oil/gas steam units (intermediate) 4 combustion turbines (peaking)	Eddystone, Pa. *Delaware River*	820	46	138	65	SO_2 NO_x CO_2	0.1 0.1 99	* 0.1 74	0.1 0.1 114	Coal-utilized SO_2 scrubbers, NO_x SNCR, and low-NO_x burners with separated overfire air	Open
Fore River[8] Combined cycle: 4 gas 2X1 turbines & 3 steam generators (intermediate)	North Weymouth, Mass. *Town River*	726	4,048	3,818	3,477	SO_2 NO_x CO_2	* 0.1 1,733	* 0.1 1,640	* 0.1 1,440	SCR, low-NO_x burners	Closed
Gould Street 1 gas steam unit (peaking)	Baltimore, Md. *Patapsco River*	97	40	19	19	SO_2 NO_x CO_2	* * 29	* * 13	* * 85	Low-NO_x burners	Open
Handley 3 gas steam units (2 peaking and 1 intermediate)	Fort Worth, Texas *Lake Arlington*	1,265	858	343	274	SO_2 NO_x CO_2	* 0.1 601	* * 251	* * 208	NO_x SCR	Open
Handsome Lake 5 combustion turbines (peaking)	Kennerdell, Pa. *Ground Water*	268	117	143	131	SO_x NO_x CO_2	* 0.1 82.0	0.5 0.1 99.7	* * 69.0	Water injection	

2014 Electric Generation By Major Station[1,2] (continued)

FOSSIL (continued)	Location *Water Body*	Net Operational Capacity (MW)[3]	GENERATION (GWh)[4] 2012	2013	2014	EMISSIONS (thousand short tons)[5] Type	2012	2013	2014	TECHNOLOGY Current Air Pollution Control	Cooling Water[6]
Hillabee Energy Center Combined cycle: 2 gas 2X1 turbines & 1 steam generator (intermediate)	Alexander City, Ala. *Municipal Supply*	695	5,007	3,557	5,028	SO_x NO_x CO_2	* 0.2 2,123	* 0.1 1,520	* 0.2 2,172	SCR	Closed
Keystone[7] 2 coal units (baseload) 41.98%	Shelocta, Pa. *Keystone Lake*	714	3,998	5,229	4,838	SO_2 NO_x CO_2	12.4 7.3 4,121	11.1 7.0 5,195	11.9 7.0 4,839	SO_2 scrubbers, NO_x SCR and low-NO_x burners	Closed
Mountain Creek 3 gas steam units (2 peaking and 1 intermediate)	Dallas, Texas *Mountain Creek Cooling Pond*	805	847	285	206	SO_2 NO_x CO_2	* 0.2 571	* 0.1 208	* * 185	Units 6 and 7 utilize NO_x-induced flue gas recirculation; Unit 8 utilizes NO_x SCR	Open
Mystic & Mystic Jet Combined cycle: 4 gas 2X1 turbines, 3 steam generators & 1 combustion turbine (intermediate)	Charlestown, Mass. *Mystic River*	2,002	8,627	7,054	1,840	SO_x NO_x CO_2	* 0.3 3,735	0.8 0.4 3,138	0.9 0.2 921	SCR, low-NO_x burners	Closed
Quail Run Energy Center Combined cycle: 4 gas 2X1 turbines & 2 steam generators (intermediate)	Odessa, Texas *Municipal*	488	416	680	618	SO_x NO_x CO_2	* 0.1 245	* 0.1 385	* * 323	SCR, low-NO_x burners	Closed
Riverside[9] 1 gas steam unit & 3 gas/oil combustion turbines (peaking)	Baltimore, Md. *Patapsco River*	113	27	21	22	SO_x NO_x CO_2	* * 21	* * 16	* * 21		Open
Wolf Hollow Combined cycle: 2 gas turbines & 1 steam generator (intermediate)	Granbury, Texas *Lake Granbury*	704	2,604	2,936	3,865	SO_2 NO_x CO_2	* 0.4 1,231	* 0.3 1,411	* 0.3 1,791	SCR	Closed

2014 Electric Generation By Major Station[1,2] (continued)

RENEWABLE	Location *Water Body*	Net Operational Capacity (MW)[3]	GENERATION (GWh)[4] 2012	2013	2014	EMISSIONS (thousand short tons)[5] Type	2012	2013	2014	TECHNOLOGY Current Air Pollution Control	Cooling Water[6]
Conowingo[10] 11 hydro units (baseload)	Harford County, Md. *Susquehanna River*	572	1,639	1,699	1,642						Run-of-river
Fairless Hills[11] 2 landfill gas units (peaking)	Falls Township, Pa. *Delaware River*	60	247	240	248	SO_2 NO_x CO_2	0.1 0.1 7	0.1 0.1 5	0.1 0.1 6		Open
Muddy Run[10] 8 pumped-storage units (intermediate)	Drumore, Pa. *Susquehanna River*	1,070	1,097	1,467	1,475						Pumped storage
Safe Harbor[12] 12 hydraulic turbines (baseload) 66.7%	Safe Harbor, Pa. *Susquehanna River*	278	631	674	542						Run-of-river
Exelon Wind[13] 758 units 94 – 100%		1,298	2,646	3,638	3,760						
Solar[13] 140 units 4.2 – 100%		410	156	620	822						

2014 Electric Generation By Major Station[1,2] (continued)

NUCLEAR[14]	Location *Water Body*	Net Capacity (MW)[3]	GENERATION (GWh)[4] 2012	2013	2014	TECHNOLOGY Cooling Water[6]	NUCLEAR OPERATIONS DATA Unit	Commercial Ops. Began	Current License Expiration[15]	Spent Fuel Pool Capacity Reached[16,17]
Braidwood 2 PWR units (baseload)	Braidwood, Ill. *Kankakee River*	2,378	18,806	19,662	20,274	Closed (dedicated pond)	1 2	1988 1988	2026 2027	Dry cask storage in operation
Byron 2 PWR units (baseload)	Byron, Ill. *Rock River*	2,344	18,318	19,547	19,252	Closed	1 2	1985 1987	2024 2026	Dry cask storage in operation
Calvert Cliffs 2 PWR units (baseload) 50.01%	Lusby, Md. *Chesapeake Bay*	878	6,783	7,134	7,163	Open	1 2	1975 1977	**2034** **2036**	Dry cask storage in operation
Clinton 1 BWR unit (baseload)	Clinton, Ill. *Clinton Lake*	1,069	9,375	8,196	9,100	Closed	1	1987	2026	2015; Dry cask storage will be in operation in 2015
Dresden[18] 2 BWR units (baseload)	Morris, Ill. *Kankakee River*	1,845	14,802	15,413	15,129	Open	2 3	1970 1971	**2029** **2031**	Dry cask storage in operation
LaSalle 2 BWR units (baseload)	Seneca, Ill. *Illinois River*	2,327	19,595	18,760	18,755	Closed	1 2	1984 1984	2022 2023	Dry cask storage in operation
Limerick 2 BWR units (baseload)	Sanatoga, Pa. *Schuylkill River*[16]	2,317	18,156	19,542	19,077	Closed	1 2	1986 1990	**2044** **2049**	Dry cask storage in operation
Nine Mile Point 1 PWR & 1 BWR (baseload) 50.01%	Scriba, N.Y. *Lake Erie*	835	5,866	6,941	6,016	Open/Closed	1 2	1969 1986	**2029** **2046**	Dry cask storage in operation
Oyster Creek[20] 1 BWR unit (baseload)	Forked River, N.J. *Barnegat Bay*	625	4,715	5,102	4,834	Open	1	1969	**2029**	Dry cask storage in operation
Peach Bottom[21] 2 BWR units (baseload) 50.00%	Peach Bottom Township, Pa. *Susquehanna River*	1,165	9,403	9,397	9,386	Open	2 3	1974 1974	**2033** **2034**	Dry cask storage in operation
Quad Cities 2 BWR units (baseload) 75.00%	Cordova, Ill. *Mississippi River*	1,403	11,630	11,668	11,540	Open	1 2	1973 1973	**2032** **2032**	Dry cask storage in operation

2014 Electric Generation By Major Station[1,2] (continued)

NUCLEAR[14] (continued)	Location *Water Body*	Net Capacity (MW)[3]	GENERATION (GWh)[4] 2012	2013	2014	TECHNOLOGY Cooling Water[6]	NUCLEAR OPERATIONS DATA Unit	Commercial Ops. Began	Current License Expiration[15]	Spent Fuel Pool Capacity Reached[16,17]
R.E. Ginna 1 PWR (baseload) 50.01%	Ontario, N.Y. *Lake Ontario*	288	2,301	2,497	2,378	Open	1	1970	**2029**	Dry cask storage in operation
Salem 2 PWR units (baseload) 42.59%	Lower Alloways Creek Twp., N.J. *Delaware Estuary*	1,005	8,026	8,181	6,935	Open	1 2	1977 1981	**2036** **2040**	Dry cask storage in operation
Three Mile Island 1 PWR unit (baseload)	Middletown, Pa. *Susquehanna River*	837	7,038	6,659	7,309	Closed	1	1974	**2034**	2023; Dry cask storage expected when spent fuel pool capacity reached

1 Owned generation as of Dec. 31, 2014. Table does not include station auxiliary equipment, plants comprised solely of peaking combustion turbines or joint-owned plants where Exelon owned less than 100 MW. However, the corporate emission and intensity totals presented in the Reducing Air Emissions section of this report include emissions and generation from all equity owned generation. Further, the emissions and intensities shown in the Reducing Air Emissions section of the report include retired and divested fossil unit emissions for the time periods in 2012–2014 during which Exelon had an ownership interest in these units. Numbers have been rounded.

2 Percentages listed under station name reflect Exelon's fractional ownership. Data are reflected as ownership interest.

3 For nuclear stations, capacity reflects the annual mean rating. Fossil stations reflect a summer rating. Wind and solar facilities reflect nameplate capacity. Depicted capacity is operational only and does not include retired unit capacity.

4 Net generation.

5 * Indicates emissions less than 50 short tons.

6 Open — a system that circulates cooling water withdrawn from the environment, returning it at a higher temperature to its source.
Closed — a system that recirculates cooling water with waste heat dissipated to the atmosphere through evaporation.

7 Exelon divested our equity interest in the Keystone and Conemaugh Generating Stations on Dec. 31, 2014. Capacity presented is as of Dec. 31, 2013.

8 Exelon divested our equity interest in the Fore River Generating Station on Nov. 7, 2014. Capacity presented is as of Dec. 31, 2013.

9 Exelon ceased generation operations at the Riverside 6 unit effective June 1, 2014.

10 On Aug. 29, 2012 and Aug. 30, 2012, Exelon Generation submitted hydroelectric license applications to the FERC for 46-year licenses for the Conowingo Hydroelectric Project and the Muddy Run Pumped Storage Facility Project, respectively. Based on the FERC procedural schedule, the FERC licensing process was not completed prior to the expiration of Muddy Run's license on Aug. 31, 2014, and the expiration of Conowingo's license on Sept. 1, 2014. FERC is required to issue annual licenses for the facilities until the new licenses are issued. On Sept. 10, 2014, FERC issued annual licenses for Conowingo and Muddy Run, effective as of the expiration of the previous licenses. If FERC does not issue new licenses prior to the expiration of annual licenses, the annual licenses will renew automatically.

11 Fairless Hills CO_2 emissions are those related to fossil fuel combustion and exclude landfill gas CO_2 emissions.

12 Exelon divested our equity interest in the Safe Harbor Hydroelectric Generating Station on Aug. 8, 2014. Capacity presented is as of Dec. 31, 2013.

13 Ownership may vary with each asset.

14 BWR — boiling water reactor; PWR — pressurized water reactor.

15 Dates in bold indicate that NRC license renewals have been received. Generation is in various stages of the process of pursuing license extensions on the six operating nuclear units for which an extension has not yet been granted.

16 Dry cask storage will be in operation at all sites prior to the closing of on-site storage pools.

17 Zion Station, a two-unit site in Illinois, has ceased power generation; its SNF is currently stored in on-site storage pools.

18 Dresden Unit 1 has ceased power generation; its SNF is stored in dry casks.

19 Supplemented with water from the Wadesville Mine Pool and the Still Creek Reservoir at Tamaqua via the Schuylkill River, and the Delaware River via the Bradshaw Reservoir, and Perkiomen Creek.

20 On Dec. 8, 2010, in connection with an Administrative Consent Order with the NJDEP, Exelon announced that Generation will permanently cease generation operations at Oyster Creek by Dec. 31, 2019.

21 Peach Bottom Unit 1 has ceased power generation; its SNF has been transferred to the DOE and is stored in Idaho.

About This Report

The Exelon 2014 Sustainability Report details our company's sustainability performance, including economic, governance, environmental and social initiatives. Exelon is committed to reporting on our sustainability performance annually, and this report follows our 2013 Sustainability Report. This report was developed using the Global Reporting Initiative (GRI) G4 Sustainability Reporting Framework with the Electric Utilities Sector Supplement and with reference to the Ceres 21st Century Roadmap for Sustainability. This section details where specific GRI indicators appear in this report. This report was prepared in accordance with the GRI G4 "core" report requirements.

Data cover years 2012 through 2014, with an emphasis on activities in the reporting period of January 1, 2014 through December 31, 2014. Where it may be helpful to the reader to understand relative trends over time, this report presents graphs or tables covering three years of activity or performance. Data reflect all wholly or partially owned generating units unless otherwise noted. Contracted power (i.e., purchases for trading or resale) is outside of the scope of this report.

Additionally, Lloyd's Register Quality Assurance, Inc. (LRQA), an American National Standards Institute-accredited GHG verifier, provided third-party verification of Exelon's 2014 GHG emission inventory to a reasonable assurance level pursuant to The Climate Registry (TCR) and International Organization for Standardization (ISO) 14064 standards. View Exelon's verification statement on our website.

For additional information, please see the Cautionary Statements Regarding Forward-Looking Information on the last page of this report.

GRI Index

The indicators below are from GRI G4 and the Electric Utilities Sector Supplement, and fulfill the GRI G4 Core In Accordance model. Indicators with an asterisk (*) indicate they have been externally assured.

General Standard Disclosures *Indicator*		*Report Section*
Strategy and Analysis		
G4-1	CEO message	CEO Message
Organizational Profile		
G4-3	Name of organization	About Exelon
G4-4	Primary brands, products, services	About Exelon
G4-5	Location of headquarters	About Exelon
G4-6	Number of countries	About Exelon
G4-7	Ownership and legal form	About Exelon
G4-8	Markets served	About Exelon
G4-9	Scale of organization	About Exelon
G4-10	Total workforce	Diversity and Inclusion; Statistics on contractor workforce not collected at this time
G4-11	Workforce covered by collective bargaining agreements	Engaging Employees; Statistics on contractor workforce not collected at this time

General Standard Disclosures (continued) *Indicator*		*Report Section*
Organizational Profile (continued)		
G4-12	Organization's supply chain	Materiality; Sustainable Supply Chain
G4-13	Significant changes in organization	About Exelon; Energy System of the Future
G4-14	Precautionary approach	Exelon 10-K
G4-15	External initiatives	Stakeholder Engagement; Greening Our Supply Chain
G4-16	Memberships in associations	Exelon website
EU1	Installed capacity	Maximizing Value of Existing Assets; Electric Generation by Major Station
EU2	Net energy output	Maximizing Value of Existing Assets; Electric Generation by Major Station
EU3	Number of customers	About Exelon
EU4	Transmission and distribution mileage	About Exelon
EU5	CO_2e emissions allowances	Not applicable in areas where we operate
Identified Material Aspects and Boundaries		
G4-17	Operational structure	About Exelon; Electric Generation by Major Station
G4-18	Process for defining report content	Materiality
G4-19	Material aspects	Materiality; About This Report
G4-20	Aspect boundaries — within organization	Materiality; About This Report
G4-21	Aspect boundaries — outside organization	Materiality; About This Report
G4-22	Restatements of information	Throughout report
G4-23	Significant changes in scope and boundaries	About This Report
Stakeholder Engagement		
G4-24	Stakeholder groups	Stakeholder Engagement
G4-25	Identification of stakeholders	Stakeholder Engagement
G4-26	Approaches to engagement	Stakeholder Engagement
G4-27	Response to stakeholder concerns	Stakeholder Engagement
Report Profile		
G4-28	Reporting period	About This Report
G4-29	Date of previous report	About This Report
G4-30	Reporting cycle	About This Report
G4-31	Contact point	Back Cover
G4-32	GRI index	About This Report
G4-33	External assurance	About This Report
Governance		
G4-34	Governance structure	Sustainability Governance; Ethics and Corporate Governance
Ethics and Integrity		
G4-56	Values, principles, standards	Sustainability Governance; Ethics and Corporate Governance

Specific Standard Disclosures *Material Aspect*	*Indicator*		*Report Section*
Economic			
Economic performance	G4-DMA	Economic performance	Energy System of the Future
	G4-EC1	Direct economic value	About Exelon; Support for Communities
	G4-EC2	Climate change financial implications	Energy System of the Future; Stakeholder Engagement; CDP response
	G4-EC3	Benefit plan obligations	Cultivating Talent
Indirect economic impacts	G4-DMA	Indirect economic impacts	Support for Communities
	G4-EC7	Infrastructure investments	Local Economic Impacts
	G4-EC8	Indirect economic impacts	Local Economic Impacts
Procurement practices	G4-DMA	Procurement practices	Sustainable Supply Chain
	G4-EC9	Local suppliers	Sustainable Supply Chain
Availability and reliability	G4-DMA	Availability and reliability	Energy System of the Future; Better Service for Customers
	EU10	Capacity and demand	Energy System of the Future; Better Service for Customers
Demand-side management	G4-DMA	Demand-side management	Energy Efficiency
Research and development	G4-DMA	Research and development	Energy System of the Future
Plant decommissioning	G4-DMA	Plant decommissioning	Exelon 10-K
System efficiency	EU11	Generation efficiency	Maximizing Value of Existing Assets
Environmental			
Energy	G4-DMA	Energy	CDP response
	G4-EN3	Energy consumption — within organization	CDP response
	G4-EN6	Reduction of energy consumption	CDP response
	G4-EN7	Reduction of energy of products/services	The Carbon Abatement Value of Nuclear Power
Water	G4-DMA	Water	Improving Watershed Management
	G4-EN8	Total water withdrawal by source	Water Withdrawals and Consumption; CDP Water response
	G4-EN9	Water sources affected	Water Withdrawals and Consumption; CDP Water response
	G4-EN10	Water recycled and reused	Water Withdrawals and Consumption; CDP Water response
Biodiversity	G4-DMA	Biodiversity	Habitat and Biodiversity
	G4-EN11	Sites near high biodiversity areas	Habitat and Biodiversity
	G4-EN12	Impacts on biodiversity	Habitat and Biodiversity
	G4-EN13	Habitats Protected or Restored	Protecting Terrestrial Habitats and Wildlife
Emissions	G4-DMA	Emissions	Responding to Climate Change; CDP response
	G4-EN15	Direct GHG emissions*	Responding to Climate Change; CDP response
	G4-EN16	Indirect GHG emissions*	Responding to Climate Change; CDP response
	G4-EN17	Other indirect GHG emissions*	Responding to Climate Change; CDP response
	G4-EN19	Reduction of GHG emissions*	Responding to Climate Change; CDP response
	G4-EN21	NO_x, SO_x and other air emissions	Reducing Air Emissions
Effluents and waste	G4-DMA	Effluents and waste	Waste Management
	G4-EN22	Total water discharge	Improving Watershed Management
	G4-EN23	Waste by type and disposal	Waste Management
	G4-EN24	Significant spills	Managing Environmental Risks
	G4-EN26	Water and runoff discharges	Water Withdrawals and Consumption

Specific Standard Disclosures (continued) *Material Aspect*	*Indicator*		*Report Section*
Environmental (continued)			
Products and services	G4-DMA	Products and services	Managing Environmental Risks
	G4-EN27	Initiatives to mitigate environmental impacts	Managing Environmental Risks; Energy Efficiency
Supplier environmental assessment	G4-DMA	Supplier environmental assessment	Sustainable Supply Chain
	G4-EN32	Percentage of new suppliers screened	Sustainable Supply Chain
Labor Practices and Decent Work			
Employment	G4-DMA	Employment	A Safe, Innovative and Rewarding Workplace
	G4-LA1	Total number and employee rates	A Safe, Innovative and Rewarding Workplace
	EU15	Employees eligible to retire in 5-10 years	Diversity and Inclusion
Labor/management relations	G4-DMA	Labor/management relations	Engaging Employees
	G4-LA4	Minimum notice periods in agreements	Engaging Employees
Occupational health and safety	G4-DMA	Occupational health and safety	Our Safety Programs
	G4-LA6	Injury and absenteeism rates	Our Safety Performance
Training and education	G4-DMA	Training and education	Training and Development
	G4-LA10	Programs for skills management	Training and Development
	G4-LA11	Performance reviews	Rewarding Performance
Diversity and equal opportunity	G4-DMA	Diversity and equal opportunity	Diversity and Inclusion
	G4-LA12	Employee diversity	Diversity and Inclusion
Human Rights			
Non-discrimination	G4-DMA	Non-discrimination	Diversity and Inclusion
	G4-HR3	Incidents of discrimination	In 2014, Exelon had no substantiated legal claims of discrimination in our company.
Freedom of association and collective bargaining	G4-DMA	Freedom of association and collective bargaining	Engaging Employees
	G4-HR4	Right to freedom of association	Engaging Employees
Society			
Local communities	G4-DMA	Local communities	Engaging with Communities on Issues of Concern
	G4-SO1	Local community engagement	Engaging with Communities on Issues of Concern
	G4-SO2	Significant community impacts	Engaging with Communities on Issues of Concern
	EU22	Displacement and compensation	Not applicable to Exelon
Anti-corruption	G4-DMA	Anti-corruption	Ethics and Corporate Governance
	G4-SO4	Anti-corruption training	Ethics and Corporate Governance
Public Policy	G4-DMA	Public policy	Public Policy
	G4-SO6	Political contributions	Public Policy; Exelon Website
Anti-competitive behavior	G4-DMA	Anti-competitive behavior	Ethics and Corporate Governance
	G4-SO7	Legal actions for anti-competitive behavior	Ethics and Corporate Governance
Compliance	G4-DMA	Compliance	Ethics and Corporate Governance
	G4-SO8	Significant fines and sanctions	Managing Environmental Risks; Exelon 10-K
Disaster/emergency planning and response	G4-DMA	Disaster/emergency planning and response	Engaging with Communities on Issues of Concern

Specific Standard Disclosures (continued) *Material Aspect*	*Indicator*		*Report Section*
Product Responsibility			
Customer health and safety	G4-DMA	Customer health and safety	Engaging with Communities on Issues of Concern
	G4-PR1	Percentage of products reviewed	Engaging with Communities on Issues of Concern
	EU25	Injuries and fatalities to the public	Confidential information; Exelon does not disclose information that may relate to potential litigation
Product and service labeling	G4-DMA	Product and service labeling	Better Service for Customers
	G4-PR5	Customer satisfaction	Customer Service and Reliability
Access	G4-DMA	Access	Low-Income Assistance
	EU28	Power outage frequency	Customer Service and Reliability
	EU29	Average power outage duration	Customer Service and Reliability
	EU30	Average plant availability factor	Maximizing Value of Existing Assets
Provision of information	G4-DMA	Provision of information	Low-Income Assistance

Exelon GHG Inventory Summary[1]

Ownership Equity Share
thousand metric tons CO_2e

	2012[2]	2013	2014
Scope 1 — Direct Emissions — Total	**22,578**	**18,809**	**16,786**
Scope 1 Market-Driven Emissions:	**21,834**	**18,028**	**15,970**
Stationary Combustion from Generation	21,795	17,964	15,654
Upstream Gas Production and Development (combustion and fugitive)	39	64	316
Scope 1 Internal Operational Emissions:	**744**	**780**	**817**
Stationary Combustion from Support Operations	108	97	117
Natural Gas Distribution (Fugitive Methane)	379	416	406
Electrical Equipment (Fugitive SF_6)	78	103	137
Miscellaneous Fugitive (Refrigerants, Bulk CO_2, Coal Pile)	107	86	73
Vehicle Fleet Operations	72	78	83
Scope 2 — Indirect Emissions — Total	**5,676**	**6,428**	**6,519**
Scope 2 Market-Driven Emissions:	**5,317**	**6,072**	**6,157**
T&D Line Losses	5,112	5,776	5,840
Muddy Run Pumping Power	120	159	162
Upstream Gas Production and Development (purchased electric)	85	137	154
Scope 2 Internal Operational Emissions:	**359**	**356**	**363**
Building Electricity, District Heating and Cooling (includes leased space)	359	356	363
Supplemental Emissions	**486**	**316**	**295**
Supplemental Biomass Emissions (Generation)	480	310	290
Supplemental Biomass Emissions (Vehicle Fleet)	6	6	6
Total Scope 1 and 2 Emissions	**28,740**	**25,553**	**23,601**
Scope 1 and 2 Market-driven Emissions (tied to customer demand)	**27,151**	**24,101**	**22,127**
Scope 1 and 2 Internal Operations (tied to employee performance)	**1,104**	**1,136**	**1,179**

continued on following page

Exelon GHG Inventory Summary (continued)

Ownership Equity Share
thousand metric tons CO_2e

	2012[2]	2013	2014
Scope 3 — Supply Chain Emissions			
Employee Business Travel	34	44	36
Long-term and Spot Market Power Purchases For Resale — Fossil	47,996	17,127	18,572
Long-term Power Purchases For Resale — Biomass	24	419	1,459
Electricity distributed by our Utilities (includes that generated by Exelon)	69,822	75,755	75,711
Heating and Cooling Equipment Operated for Others (Scope 1 and 2)	194	246	382
RECs and Offsets			
RECs purchased for Corporate Buildings	(7)	(14)	(14)
Verified Offsets Retired		(44)	(36)
EPA Natural Gas Star Reduction	(11)	(8)	(8)
Project-based Reductions			
Investment Recovery	(68)	(66)	(96)
Office Recycling	(14)	(9)	(10)
Used Oil Reclamation and Reuse	(8)	(6)	(9)
Prairie Grass Sequestration	(4)	(4)	(4)
Customer Abatement and Avoided Emissions			
Mandated Utility Customer Programs	(2,497)	(3,360)	(4,210)
Utility Renewable Portfolio Obligations	(1,761)	(1,729)	(1,375)
Competitive Retail Customer Energy Efficiency Programs	(25)	(54)	(59)
Competitive Retail Voluntary REC Sales	(1,175)	(897)	(829)
Competitive Retail Distributed Generation	(52)	(71)	(87)
Avoided Emissions — Wholesale Renewable Generation[3]	(1,613)	(11,260)	(8,857)
Avoided Emissions — Wholesale Nuclear Generation	(81,946)	(87,470)	(86,890)

1 Exelon has migrated our inventory to use the IPCC AR4 global warming potentials to align with U.S. EPA regulations. Emission totals presented for all years in this table have been adjusted to incorporate this change.

2 2012 emissions have been adjusted from what was previously reported to remove Constellation Energy assets subsequently divested in 2012 following the merger and to incorporate the full calendar year (Constellation Energy operations prior to the March 2012 merger date).

3 Includes Owned and PPA Renewables for which attributes may have been sold as RECs or Retired for RPS obligations.

Exelon GHG Accounting Protocols

In order to maintain a strong focus on GHG management, each Exelon Operating Company establishes a Not-to-Exceed Net GHG target on an annual basis. The Net GHG target captures direct Scope 1 and Scope 2 emissions from all sources contributing to our operations, less offsets and project-based reductions, which result in a GHG benefit. The Net GHG target excludes emissions from sources, which are considered market-driven, such as electric generation and electric distribution. Market-driven emissions are excluded from the Not-to-Exceed Targets because they swing significantly with customer demand, which makes it difficult to see the initiatives within our more direct control that result in real GHG reductions. Market-driven emissions are still tracked and reported separately from this operations-driven emissions target.

Exelon also reports on GHG impacts associated with our customer programs, products and services. These impacts are referred to as Customer Abatement, Emissions Displacement and Avoided Emissions — each of which relate to overall GHG emissions reductions associated with grid-level electric generation and distribution. While these customer programs do result in real GHG benefit, they may not relate back solely on Exelon's own Scope 1 and 2 emissions from electric generation and distribution as they apply to the broader grid level of which Exelon's generation is one of many contributors.

Direct and Indirect Emission Reductions

All Scope 1 and Scope 2 GHG emissions are calculated and third party-verified annually in conformance with The Climate Registry General Reporting Protocol, which allows for the use of U.S. EPA Mandatory Reporting Rule (40 CFR Part 98) requirements where applicable, and is based on the World Resource Institute GHG Protocol. Emissions include stationary and mobile combustion of fossil fuels, fugitive emissions of GHGs (e.g., CO_2, CH_4, SF_6, N_2O, HFCs, PFCs, and NF_3) and indirect emissions associated with T&D line losses and the purchase of electricity, and district heating and cooling from external sources. Exelon also calculated biomass emissions and emissions from ozone-depleting substances in accordance with TCR standards. For calendar year 2014, Scope 2 emissions were calculated using eGRID2012, as the 2010 data set eGRID was not issued until after the calendar year reporting had begun.

Starting with this 2014 report, Exelon has begun to use the global warming potentials (GWPs) from the Fourth IPCC Assessment Report (AR4) to align with the November 2013 regulatory revisions to U.S. EPA GHG regulations (40 CFR Part 98), which changed GWPs from SAR factors to AR4 factors. Inventory totals reported for prior years have similarly been revised to reflect these AR4 GWPs. The change in the GWPs was prompted by an international agreement between the United States and other developing countries to ensure consistency in reporting to the United Nations Framework Convention on Climate Change (UNFCCC) using these updated values.

Exelon has also adjusted our Scope 2 accounting to incorporate pumping power from our Muddy Run pumped storage facility. In the past, pumping power has been assumed to have a zero emissions factor, as it acquires power from the Exelon Peach Bottom nuclear station when it operated its pumps at night. However, in order to prepare for the new WRI Scope 2 accounting, which requires separation of location-based emissions using grid rate from contractual-based emissions using how electricity is purchased, Exelon is incorporating the power consumed from the pumped storage facility (that used which is not returned to the grid following storage) in our Scope 2 accounting at the grid emissions rate. Emissions reporting for 2012 and 2013 have been adjusted to include these emissions, as well.

Offsets

Exelon procures and retires Green-e certified Renewable Energy Credits (RECs) as part of the electricity supply for certain facilities, including some that have been LEED-certified. These offsets have been identified in our annual GHG disclosure and the emissions equivalent is accounted for as a reduction in our net GHG tracking program. The factors (pounds/MWh) used for estimating the avoided fossil generation GHG emissions associated with RECs for 2014 are based on the U.S. EPA eGRID factors from 2010 data Issued in February 2014. These factors have been adjusted to exclude Exelon's generation on the grid in an attempt to avoid double-counting of emission and/or reductions already captured in our generation emissions accounting. Exelon also retires Climate Reserve Tonnes (CRTs) to offset our carbon footprint associated with our business travel, and Emissions Free Energy Credits (EFECs) associated with our nuclear generation to cover the total electric use for pumping power at our Muddy Run pumped storage facility. CRTs for business travel and EFECs for our pumped storage facility are not included in our Net GHG tracking program.

Project-based Reductions

Reductions related to changes in operations that are considered Scope 3 and outside of Exelon's Climate Registry conformant GHG inventory for direct and indirect emissions are considered project-based reductions and incorporated in our annual net GHG tracking. These include material recycling and sequestration projects, which improve operational efficiencies and encourage employee engagement. Including these activities enables us to account for their real contributions to global GHG emission reductions and promote the value of engaging in these activities, spurs employee involvement and ensures all aspects of our business have the opportunity to participate in our GHG program. The U.S. EPA Waste Reduction Model methodology is used as the basis for estimating our commercial facility material recycling and investment recovery activities. A methodology for waste oil recycling was developed with our oil recycling vendor, which recycles this material for reuse, thereby avoiding the incremental emissions associated with producing virgin product for our use. Our GHG reduction estimates for oil recycling and reuse are based on 23 pounds CO_2e per gallon for transformer oil. Accounting for other project-based reductions is developed on a case-by-case basis using the best available emissions documentation to align with the specific activity. Accounting practicing and factors are documented and applied consistently. These project-based reductions are for our internal environmental performance program only, and are not formally verified for sale in existing carbon markets.

Customer Abatement

Through the ComEd and PECO Smart Ideas[SM] programs, Exelon is helping our customers reduce their electricity use through energy efficiency measures, in conformance with Illinois and Pennsylvania state-mandated requirements. Exelon also is procuring and retiring RECs for retail customer supply, in compliance with state-mandated renewable supply requirements. The customer energy efficiency estimates for GHG abatement are based on the megawatt hours reported to the Illinois Commerce Commission by ComEd, to the Pennsylvania Public Utility Commission by PECO, and to the Energy Smart Savers in Maryland for BGE. The factors (pounds/MWh) used for estimating the avoided fossil generation GHG emissions for both energy efficiency and REC purchases are based on U.S. EPA eGRID factors from 2010 data issued in February 2014 as adjusted to exclude Exelon Generation Scope 1 emissions on the grid to avoid any potential for double-counting of Exelon fossil plant emission reductions and customer energy efficiency abatement. The methodology for this customer abatement accounting was detailed and documented to the Voluntary Carbon Standard (VCS) 2007.1 (version November 18, 2008) and VCS Project Description Template (version November 19, 2007) by a third-party consultant early on during the program.

Constellations retail energy efficiency and green products sales are also accounted for as customer abatement. Estimated MWh reduced as a result of Constellation efforts are those associated with estimated savings in their Efficiency Made Easy contracts and actual performance as measured in their performance-based contracting. Distributed solar performance is based on actual solar generation captured from distributed solar systems using eGRID factors associated with the region of generation. Voluntary REC sales are based on actual annual sales volumes for Wind RECs estimating emissions abatement using the eGRID factor for RFC-East.

GHG Displacement from Low-Carbon Generation

Through the addition of new low-carbon generating capacity from uprates at existing nuclear plants, Exelon is able to displace marginal, more carbon-intensive fossil generation, thereby reducing the GHG emissions from generation in our operating regions. PJM Interconnection develops marginal CO_2 emissions factors each year, based on actual marginal operating plant emissions. Utilizing the average marginal emissions rates for on-peak and off-peak periods during the applicable year, the displaced CO_2 emissions are estimated for the generation produced from Exelon's equity share of the nuclear capacity uprates. To avoid any potential for double-counting Exelon fossil plant emission reductions and nuclear displacement, the potential interaction between increased nuclear generation in the vicinity of Exelon fossil generation, which could result in reduced fossil plant capacity factors, was addressed by discounting the estimated displacement by 2 percent (the percent impact of new Exelon nuclear capacity on Exelon PJM fossil plant emissions). The methodology for this nuclear displacement accounting was detailed and documented to the Voluntary Carbon Standard (VCS) 2007.1 (version November 18, 2008) and VCS Project Description Template (version November 19, 2007) by a third-party consultant early on during the program.

Avoided Emissions from Nuclear and Renewable

Exelon presents projections for avoided emissions associated with their low- and no-carbon generation (including nuclear and renewable sources). Avoided emissions during past years are calculated based on the actual generation and an emissions per MWh factor based on the U.S. GHG Inventory, Electric Sector, and the EIA Net Generation report for each year. Projected avoided emissions for current and future years are based on the EIA Outlook Report 2014, pulling emission rates from regional data that includes both generation and emissions projections. Avoided emissions are estimates designed to give a sense (order of magnitude) of the amount of additional emissions that would be created if that amount of generation was no longer provided by a low-/no-carbon source and thus replaced by the remaining grid mix. This projection is one possible outcome, as actual replacement of generation would ultimately be driven by market function, fuel prices and viable and available technologies at a given time.

Comments

We welcome your comments and questions regarding this report. Please e-mail us at responsibility@exeloncorp.com or write to: Bruce Alexander, Senior Manager, Strategic Environmental Analysis, 2301 Market Street, Floor S23-3, Philadelphia, PA 19101.

Cautionary Statements Regarding Forward-Looking Information

This report contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, that are subject to risks and uncertainties. The factors that could cause actual results to differ materially from the forward-looking statements made by Exelon Corporation, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company and Exelon Generation Company, LLC (Registrants) include those factors discussed herein, as well as the items discussed in (1) Exelon's 2014 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 22; (2) Exelon's First Quarter 2015 Quarterly Report on Form 10-Q in (a) Part II, Other Information, ITEM 1A. Risk Factors; (b) Part 1, Financial Information, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, Financial Information, ITEM 1. Financial Statements: Note 17; and (3) other factors discussed in filings with the SEC by the Registrants. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this report. None of the Registrants undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this report.

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