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## **EXELON REPORTS FOURTH QUARTER AND FULL YEAR 2019 RESULTS AND INITIATES 2020 FINANCIAL OUTLOOK**

- Exelon's GAAP Net Income for the fourth quarter of 2019 increased to \$0.79 per share from \$0.16 per share in the fourth quarter of 2018. Adjusted (non-GAAP) Operating Earnings increased to \$0.83 per share in the fourth quarter of 2019 from \$0.58 per share in the fourth quarter of 2018
- Exelon introduces 2020 adjusted (non-GAAP) operating earnings guidance range of \$3.00-\$3.30 per share, reflecting growth in Utilities, offset by lower realized energy and capacity revenues
- Exelon Utilities project capital expenditures of \$26 billion over the next four years to benefit its customers, supporting 7.3% annual rate base growth
- All four utilities ended the year with their best performance ever on customer satisfaction
- ComEd had its best performance ever in SAIFI and CAIDI, performing in the top decile for both
- Generation's nuclear fleet capacity factor of 95.7% was the company's highest ever (owned and operated units)

**CHICAGO (Feb. 11, 2020)** — Exelon Corporation (Nasdaq: EXC) today reported its financial results for the fourth quarter and full year 2019.

“Each of our utilities achieved record-high customer satisfaction in 2019 as we continued to invest in infrastructure to increase reliability and prepare the grid to accommodate more renewable energy, electric vehicles and other technology necessary to meet the challenge of climate change,” said Christopher M. Crane, president and CEO of Exelon. “Our nuclear fleet achieved its highest capacity factor in company history, and our total generation output accounted for about 12 percent of all the carbon-free energy produced in the U.S., avoiding nearly 81 million metric tons of greenhouse gas emissions. We continued to support the communities we serve last year by volunteering a record-breaking 251,000 hours and donating nearly \$52 million to nonprofits.”

“We reported another strong year, with full-year adjusted (non-GAAP) earnings of \$3.22 per share coming in above our revised guidance of \$3.05 to \$3.20 per share,” said Joseph Nigro, senior executive vice president and CFO, Exelon. “Last year we invested \$5.5 billion in capital at the utilities - or about \$150 million more than originally planned - to modernize the electric grid, and we are on track to invest an additional \$6.5 billion in the year ahead as we work to provide our customers with more reliable service and help our states meet their environmental goals. With these investments and our continuing focus on reducing costs, we are providing 2020 adjusted (non-GAAP) earnings guidance of \$3.00 to \$3.30 per share.”

## Fourth Quarter 2019

Exelon's GAAP Net Income for the fourth quarter of 2019 increased to \$0.79 per share from \$0.16 per share in the fourth quarter of 2018. Adjusted (non-GAAP) Operating Earnings increased to \$0.83 per share in the fourth quarter of 2019 from \$0.58 per share in the fourth quarter of 2018. For the reconciliations of GAAP Net Income to Adjusted (non-GAAP) Operating Earnings, refer to the tables beginning on page 6.

Adjusted (non-GAAP) Operating Earnings in the fourth quarter of 2019 primarily reflect:

- Higher utility earnings due to regulatory rate increases at PECO, BGE and PHI; and
- Higher Generation earnings due to higher realized energy prices, decreased nuclear outage days, lower operating and maintenance expense and research and development income tax benefits, partially offset by lower capacity prices.

## Full Year 2019

Exelon's GAAP Net Income increased to \$3.01 per share from \$2.07 per share in 2018. Exelon's Adjusted (non-GAAP) Operating Earnings for 2019 increased to \$3.22 per share from \$3.12 per share in 2018.

Adjusted (non-GAAP) Operating Earnings for the full year 2019 primarily reflect:

- Higher utility earnings due to regulatory rate increases at PECO, BGE and PHI and higher electric distribution, transmission and energy efficiency earnings at ComEd; partially offset by,
- Lower Generation earnings due to lower realized energy and capacity prices, partially offset by lower operating and maintenance expense, decreased nuclear outage days and research and development income tax benefits.

## Operating Company Results<sup>1</sup>

### *ComEd*

ComEd's fourth quarter of 2019 GAAP Net Income and Adjusted (non-GAAP) Operating Earnings remained relatively consistent with the fourth quarter of 2018. Due to revenue decoupling, ComEd's distribution earnings are not affected by actual weather or customer usage patterns.

### *PECO*

PECO's fourth quarter of 2019 GAAP Net Income and Adjusted (non-GAAP) Operating Earnings remained relatively consistent with the fourth quarter of 2018. The favorable impacts of regulatory rate increases were offset by unfavorable weather conditions and volume and higher storm costs.

### *BGE*

BGE's fourth quarter of 2019 GAAP Net Income increased to \$99 million from \$71 million in the fourth quarter of 2018. BGE's Adjusted (non-GAAP) Operating Earnings for the fourth quarter of 2019 increased to \$101 million from \$72 million in the fourth quarter of 2018, primarily due to regulatory rate increases. Due to revenue decoupling, BGE's distribution earnings are not affected by actual weather or customer usage patterns.

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<sup>1</sup>Exelon's five business units include ComEd, which consists of electricity transmission and distribution operations in northern Illinois; PECO, which consists of electricity transmission and distribution operations and retail natural gas distribution operations in southeastern Pennsylvania; BGE, which consists of electricity transmission and distribution operations and retail natural gas distribution operations in central Maryland; PHI, which consists of electricity transmission and distribution operations in the District of Columbia and portions of Maryland, Delaware, and New Jersey and retail natural gas distribution operations in northern Delaware; and Generation, which consists of owned and contracted electric generating facilities and wholesale and retail customer supply of electric and natural gas products and services, including renewable energy products and risk management services.

## *PHI*

PHI's fourth quarter of 2019 GAAP Net Income and Adjusted (non-GAAP) Operating Earnings remained relatively consistent with the fourth quarter of 2018. The favorable impacts of regulatory rate increases were offset by an increase in various expenses. Due to revenue decoupling, PHI's distribution earnings related to Pepco Maryland, DPL Maryland and Pepco District of Columbia are not affected by actual weather or customer usage patterns.

## *Generation*

Generation had GAAP Net Income of \$397 million in the fourth quarter of 2019 compared with a GAAP Net Loss of \$178 million in the fourth quarter of 2018. Generation's Adjusted (non-GAAP) Operating Earnings for the fourth quarter of 2019 increased to \$427 million from \$221 million in the fourth quarter of 2018, primarily reflecting higher realized energy prices, decreased nuclear outage days, lower operating and maintenance expense and research and development income tax benefits, partially offset by lower capacity prices.

The proportion of expected generation hedged for the Mid-Atlantic, Midwest, New York and ERCOT reportable segments as of Dec. 31, 2019, was 91.0% to 94.0% for 2020 and 61.0% to 64.0% for 2021.

## **Initiates Annual Guidance for 2020**

Exelon introduced a guidance range for 2020 Adjusted (non-GAAP) Operating Earnings of \$3.00-\$3.30 per share. The outlook for 2020 Adjusted (non-GAAP) Operating Earnings for Exelon and its subsidiaries excludes the following items:

- Mark-to-market adjustments from economic hedging activities;
- Unrealized gains and losses from NDT funds to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements;
- Certain costs related to plant retirements;
- Certain costs incurred to achieve cost management program savings;
- Other items not directly related to the ongoing operations of the business; and
- Generation's noncontrolling interest related to exclusion items

## Recent Developments and Fourth Quarter Highlights

- **ComEd Distribution Formula Rate:** On Dec. 4, 2019, the Illinois Commerce Commission issued an order approving ComEd's 2019 annual distribution formula rate update. The final order resulted in a \$17 million decrease to the revenue requirement, reflecting a \$51 million increase for the initial revenue requirement for 2019 and a \$68 million decrease related to the annual reconciliation for 2018. The decrease was set using an allowed return on rate base of 6.51% for the initial revenue requirement and the annual reconciliation, inclusive of an allowed ROE of 8.91%. The rates were effective on Jan. 1, 2020.
- **PECO Transmission Formula Rate:** On Dec. 5, 2019, the Federal Energy Regulatory Commission (FERC) issued an order approving a settlement agreement related to PECO's May 2017 request to implement a formula rate. The settlement agreement provided for an increase of \$14 million with a return on base of 7.62% compared with PECO's initial formula rate filing and allows for an ROE of 10.35%, inclusive of a 50 basis point adder for being a member of a Regional Transmission Organization.
- **BGE Maryland Natural Gas and Electric Distribution Base Rate Case:** On Dec. 17, 2019, the Maryland Public Service Commission (MDPSC) issued an order approving a settlement under which BGE's annual electric and natural gas distribution revenues were increased by \$18 million and \$45 million, respectively. The rates were effective on Dec. 17, 2019. Under the settlement, the ROEs for purposes of calculating the Allowance for Funds Used During Construction and all authorized surcharges and regulatory asset carrying costs shall be 9.70% for electric and 9.75% for gas.
- **DPL Maryland Electric Distribution Rate Case:** On Dec. 5, 2019, DPL filed an application with the MDPSC to increase its annual electric distribution rates by \$19 million, reflecting a requested ROE of 10.3%. DPL currently expects a decision in the third quarter of 2020 but cannot predict if the MDPSC will approve the application as filed.
- **FERC Order on the PJM MOPR:** On Dec. 19, 2019, FERC issued an order directing PJM Interconnection, LLC (PJM) to extend the Minimum Offer Price Rule (MOPR) to include new and existing resources, including nuclear, that receive state subsidies, effective as of PJM's next capacity auction. Unless Illinois and New Jersey can implement a Fixed Resource Requirement (FRR) program in their PJM zones, the MOPR will apply to Generation's nuclear plants in those states receiving ZEC benefits, resulting in higher offers for those units that may not clear the capacity market. On Jan. 21, 2020, Exelon, PJM and a number of other entities submitted individual requests for rehearing. Exelon is currently working with PJM and other stakeholders to pursue the FRR option but cannot predict whether the legislative and regulatory changes can be implemented prior to the next capacity auction in PJM. If Generation's state-supported nuclear plants in PJM or NYISO are subjected to the MOPR without compensation under an FRR or similar program, it could have a material adverse impact on Exelon's and Generation's financial statements.
- **CENG Put Option:** On Nov. 20, 2019, Generation received notice of EDF's intention to exercise the put option to sell its 49.99% equity interest in CENG to Generation and the put automatically exercised on Jan. 19, 2020 at the end of the sixty-day advance notice period. Under the terms of the Put Option, the purchase price is to be determined by agreement of the parties, or absent such agreement, by a third-party arbitration process. Any resulting sale would be subject to the approval of the New York Public Service Commission, FERC and the Nuclear Regulatory Commission. The process and regulatory approvals could take one to two years or more to complete.

- **Nuclear Operations:** Generation's nuclear fleet, including its owned output from the Salem Generating Station and 100% of the CENG units, produced 44,647 gigawatt-hours (GWhs) in the fourth quarter of 2019, compared with 45,809 GWhs in the fourth quarter of 2018. Excluding Salem, the Exelon-operated nuclear plants at ownership achieved a 95.0% capacity factor for the fourth quarter of 2019, compared with 95.1% for the fourth quarter of 2018. Excluding Salem, the number of planned refueling outage days in the fourth quarter of 2019 totaled 64, compared with 76 in the fourth quarter of 2018. There were eight non-refueling outage days in the fourth quarter of 2019, compared with 18 in 2018 in the fourth quarter of 2018.
- **Fossil and Renewables Operations:** The Dispatch Match rate for Generation's gas and hydro fleet was 98.6% in the fourth quarter of 2019, compared with 99.3% in the fourth quarter of 2018.

Energy Capture for the wind and solar fleet was 96.2% in the fourth quarter of 2019, compared with 97.0% in the fourth quarter of 2018.

- **Financing Activities:**
  - On Nov. 12, 2019, ComEd issued \$300 million of its First Mortgage Bonds, 3.20% Series due Nov. 15, 2049. ComEd used the proceeds to repay a portion of outstanding commercial paper obligations and for general corporate purposes.
  - On Dec. 12, 2019, DPL issued \$75 million of its First Mortgage Bonds, 4.14% Series due Dec. 12, 2049. DPL used the proceeds to repay existing indebtedness and for general corporate purposes.

## GAAP/Adjusted (non-GAAP) Operating Earnings Reconciliations

Adjusted (non-GAAP) Operating Earnings for the fourth quarter of 2019 do not include the following items (after tax) that were included in reported GAAP Net Income:

| (in millions)  | Exelon<br>Earnings<br>per<br>Diluted<br>Share | Exelon        | ComEd         | PECO          | BGE           | PHI          | Generation    |
|--|---|---------------|---------------|---------------|---------------|--------------|---------------|
| <b>2019 GAAP Net Income (Loss)</b>   | <b>\$ 0.79</b>                                | <b>\$ 773</b> | <b>\$ 144</b> | <b>\$ 118</b> | <b>\$ 99</b>  | <b>\$ 65</b> | <b>\$ 397</b> |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$35 and \$32, respectively) | 0.10  | 101           | —             | —             | —             | —            | 95            |
| Unrealized Gains Related to Nuclear Decommissioning Trust (NDT) Funds (net of taxes of \$102)      | (0.12)  | (119)         | —             | —             | —             | —            | (119)         |
| Asset Impairments (net of taxes of \$1)  | —   | 4             | —             | —             | —             | —            | 4             |
| Plant Retirements and Divestitures (net of taxes of \$1)   | —   | 3             | —             | —             | —             | —            | 3             |
| Cost Management Program (net of taxes of \$6, \$0, \$0, \$1 and \$4, respectively)                 | 0.02  | 21            | —             | 1             | 2             | 3            | 13            |
| Change in Environmental Liabilities (net of taxes of \$1)  | —   | 4             | —             | —             | —             | —            | 4             |
| Income Tax-Related Adjustments (entire amount represents tax expense)                              | (0.01)  | (8)           | —             | —             | —             | —            | (2)           |
| Noncontrolling Interests (net of taxes of \$8)   | 0.03  | 33            | —             | —             | —             | —            | 33            |
| <b>2019 Adjusted (non-GAAP) Operating Earnings</b>   | <b>\$ 0.83</b>                                | <b>\$ 810</b> | <b>\$ 144</b> | <b>\$ 119</b> | <b>\$ 101</b> | <b>\$ 68</b> | <b>\$ 427</b> |

Adjusted (non-GAAP) Operating Earnings for the fourth quarter of 2018 do not include the following items (after tax) that were included in reported GAAP Net Income:

| (in millions)  | <b>Exelon<br/>Earnings<br/>per<br/>Diluted<br/>Share</b> | <b>Exelon</b> | <b>ComEd</b>  | <b>PECO</b>   | <b>BGE</b>   | <b>PHI</b>   | <b>Generation</b> |
|--|--|---------------|---------------|---------------|--------------|--------------|-------------------|
| <b>2018 GAAP Net Income</b>  | <b>\$ 0.16</b>   | <b>\$ 152</b> | <b>\$ 141</b> | <b>\$ 124</b> | <b>\$ 71</b> | <b>\$ 62</b> | <b>\$ (178)</b>   |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$63 and \$61, respectively) | 0.19   | 178           | —             | —             | —            | —            | 176               |
| Unrealized Losses Related to NDT Funds (net of taxes of \$172)                                     | 0.25   | 243           | —             | —             | —            | —            | 243               |
| Merger Commitments (net of taxes of \$0 and \$1, respectively)                                     | —  | —             | —             | —             | —            | 4            | —                 |
| Plant Retirements and Divestitures (net of taxes of \$32 and \$31, respectively)                   | 0.10   | 90            | —             | —             | —            | —            | 91                |
| Cost Management Program (net of taxes of \$6, \$0, \$0, \$1 and \$5, respectively)                 | 0.02   | 18            | —             | 1             | 1            | 2            | 14                |
| Asset Retirement Obligation (net of taxes of \$1)  | —  | 4             | —             | —             | —            | —            | 4                 |
| Change in Environmental Liabilities (net of taxes of \$1)  | —  | 3             | —             | —             | —            | —            | 3                 |
| Gain on Contract Settlement (net of taxes of \$20 and \$19, respectively)                          | (0.06)   | (55)          | —             | —             | —            | —            | (56)              |
| Reassessment of Deferred Income Taxes (entire amount represents tax expense)                       | —  | 3             | —             | —             | —            | —            | 1                 |
| Noncontrolling Interests (net of taxes of \$15)  | (0.08)   | (77)          | —             | —             | —            | —            | (77)              |
| <b>2018 Adjusted (non-GAAP) Operating Earnings</b>   | <b>\$ 0.58</b>   | <b>\$ 559</b> | <b>\$ 141</b> | <b>\$ 125</b> | <b>\$ 72</b> | <b>\$ 68</b> | <b>\$ 221</b>     |

Adjusted (non-GAAP) Operating Earnings for the full year 2019 do not include the following items (after tax) that were included in reported GAAP Net Income:

| (in millions)  | Exelon<br>Earnings<br>per<br>Diluted<br>Share | Exelon          | ComEd         | PECO          | BGE           | PHI           | Generation      |
|--|---|-----------------|---------------|---------------|---------------|---------------|-----------------|
| <b>2019 GAAP Net Income</b>  | \$ 3.01                                       | \$ 2,936        | \$ 688        | \$ 528        | \$ 360        | \$ 477        | \$ 1,125        |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$66 and \$58, respectively) | 0.20  | 197             | —             | —             | —             | —             | 175             |
| Unrealized Gains Related to NDT Funds (net of taxes of \$269)                                      | (0.31)  | (299)           | —             | —             | —             | —             | (299)           |
| Asset Impairments (net of taxes of \$56)   | 0.13  | 123             | —             | —             | —             | —             | 123             |
| Plant Retirements and Divestitures (net of taxes of \$9)   | 0.12  | 118             | —             | —             | —             | —             | 118             |
| Cost Management Program (net of taxes of \$17, \$1, \$1, \$3 and \$11, respectively)               | 0.05  | 51              | —             | 3             | 4             | 7             | 35              |
| Litigation Settlement Gain (net of taxes of \$7)   | (0.02)  | (19)            | —             | —             | —             | —             | (19)            |
| Asset Retirement Obligation (net of taxes of \$9)  | (0.09)  | (84)            | —             | —             | —             | —             | (84)            |
| Change in Environmental Liabilities (net of taxes of \$8, \$6 and \$2, respectively)               | 0.02  | 20              | —             | —             | —             | 16            | 4               |
| Income Tax-Related Adjustments (entire amount represents tax expense)                              | 0.01  | 5               | —             | —             | —             | 2             | 6               |
| Noncontrolling Interests (net of taxes of \$26)  | 0.09  | 90              | —             | —             | —             | —             | 90              |
| <b>2019 Adjusted (non-GAAP) Operating Earnings</b>   | <b>\$ 3.22</b>                                | <b>\$ 3,139</b> | <b>\$ 688</b> | <b>\$ 531</b> | <b>\$ 364</b> | <b>\$ 502</b> | <b>\$ 1,276</b> |

Adjusted (non-GAAP) Operating Earnings for the full year 2018 do not include the following items (after tax) that were included in reported GAAP Net Income:

| (in millions)  | <b>Exelon<br/>Earnings<br/>per<br/>Diluted<br/>Share</b> | <b>Exelon<sup>(a)</sup></b> | <b>ComEd</b>  | <b>PECO</b>   | <b>BGE</b>    | <b>PHI<sup>(a)</sup></b> | <b>Generation</b> |
|--|--|-----------------------------|---------------|---------------|---------------|--------------------------|-------------------|
| <b>2018 GAAP Net Income</b>  | <b>\$ 2.07</b>   | <b>\$ 2,005</b>             | <b>\$ 664</b> | <b>\$ 460</b> | <b>\$ 313</b> | <b>\$ 393</b>            | <b>\$ 370</b>     |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$89 and \$84, respectively) | 0.26   | 252                         | —             | —             | —             | —                        | 241               |
| Unrealized Losses Related to NDT Funds (net of taxes of \$289)                                     | 0.35   | 337                         | —             | —             | —             | —                        | 337               |
| Merger and Integration Costs (net of taxes of \$2)   | —  | 3                           | —             | —             | —             | —                        | 3                 |
| Merger Commitments (net of taxes of \$0 and \$1, respectively)                                     | —  | —                           | —             | —             | —             | 4                        | —                 |
| Asset Impairments (net of taxes of \$13)   | 0.04   | 35                          | —             | —             | —             | —                        | 35                |
| Plant Retirements and Divestitures (net of taxes of \$181 and \$178, respectively)                 | 0.53   | 512                         | —             | —             | —             | —                        | 514               |
| Cost Management Program (net of taxes of \$16, \$1, \$1, \$2, and \$12, respectively)              | 0.05   | 48                          | —             | 3             | 3             | 4                        | 37                |
| Asset Retirement Obligation (net of taxes of \$7, \$6 and \$1, respectively)                       | 0.02   | 20                          | —             | —             | —             | 16                       | 4                 |
| Change in Environmental Liabilities (net of taxes of \$0)  | —  | (1)                         | —             | —             | —             | —                        | (1)               |
| Gain on Contract Settlement (net of taxes of \$20 and \$19, respectively)                          | (0.06)   | (55)                        | —             | —             | —             | —                        | (56)              |
| Income Tax-Related Adjustments (entire amount represents tax expense)                              | (0.02)   | (22)                        | —             | —             | —             | (7)                      | (28)              |
| Noncontrolling Interests (net of taxes of \$24)  | (0.12)   | (113)                       | —             | —             | —             | —                        | (113)             |
| <b>2018 Adjusted (non-GAAP) Operating Earnings</b>   | <b>\$ 3.12</b>   | <b>\$ 3,021</b>             | <b>\$ 664</b> | <b>\$ 463</b> | <b>\$ 316</b> | <b>\$ 410</b>            | <b>\$ 1,343</b>   |

(a) Exelon's and PHI's amounts have been revised to reflect the correction of an error.

Note:

Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net Income and Adjusted (non-GAAP) Operating Earnings is based on the marginal statutory federal and state income tax rates for each Registrant, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. For all items except the unrealized gains and losses related to NDT funds, the marginal statutory income tax rates for 2019 and 2018 ranged from 26.0% to 29.0%. Under IRS regulations, NDT fund returns are taxed at different rates for investments if they are in qualified or non-qualified funds. The effective tax rates for the unrealized gains and losses related to NDT funds were 46.1% and 41.4% for the three months ended Dec. 31, 2019 and 2018, respectively; and were 47.3% and 46.2% for the twelve months ended Dec. 31, 2019 and 2018, respectively.

## **Webcast Information**

Exelon will discuss fourth quarter 2019 earnings in a one-hour conference call scheduled for today at 9 a.m. Central Time (10 a.m. Eastern Time). The webcast and associated materials can be accessed at [www.exeloncorp.com/investor-relations](http://www.exeloncorp.com/investor-relations).

## **About Exelon**

Exelon Corporation (Nasdaq: EXC) is a Fortune 100 energy company with the largest number of electricity and natural gas customers in the U.S. Exelon does business in 48 states, the District of Columbia and Canada and had 2019 revenue of \$34 billion. Exelon serves approximately 10 million customers in Delaware, the District of Columbia, Illinois, Maryland, New Jersey and Pennsylvania through its Atlantic City Electric, BGE, ComEd, Delmarva Power, PECO and Pepco subsidiaries. Exelon is one of the largest competitive U.S. power generators, with more than 31,000 megawatts of nuclear, gas, wind, solar and hydroelectric generating capacity comprising one of the nation's cleanest and lowest-cost power generation fleets. The company's Constellation business unit provides energy products and services to approximately 2 million residential, public sector and business customers, including three fourths of the Fortune 100. Follow Exelon on Twitter @Exelon.

## **Non-GAAP Financial Measures**

In addition to net income as determined under generally accepted accounting principles in the United States (GAAP), Exelon evaluates its operating performance using the measure of Adjusted (non-GAAP) Operating Earnings because management believes it represents earnings directly related to the ongoing operations of the business. Adjusted (non-GAAP) Operating Earnings exclude certain costs, expenses, gains and losses and other specified items. This measure is intended to enhance an investor's overall understanding of period over period operating results and provide an indication of Exelon's baseline operating performance excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this measure is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets and planning and forecasting of future periods. Adjusted (non-GAAP) Operating Earnings is not a presentation defined under GAAP and may not be comparable to other companies' presentation. The Company has provided the non-GAAP financial measure as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. Adjusted (non-GAAP) Operating Earnings should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP Net Income measures provided in this earnings release and attachments. This press release and earnings release attachments provide reconciliations of adjusted (non-GAAP) Operating Earnings to the most directly comparable financial measures calculated and presented in accordance with GAAP, are posted on Exelon's website: [www.exeloncorp.com](http://www.exeloncorp.com), and have been furnished to the Securities and Exchange Commission on Form 8-K on Feb. 11, 2020.

## **Cautionary Statements Regarding Forward-Looking Information**

This press release 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 the Registrants include those factors discussed herein, as well as the items discussed in (1) the Registrants' 2018 Annual Report on Form 10-K in (a) Part I, ITEM 1A. Risk Factors, (b) Part II, ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part II, ITEM 8. Financial Statements and Supplementary Data: Note 22, Commitments and Contingencies; (2) the Registrant's Third Quarter 2019 Quarterly Report on Form 10-Q in (a) Part II, ITEM 1A. Risk Factors, (b) Part I, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part I, ITEM 1. Financial Statements: Note 16,

Commitments and Contingencies; 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 press release. 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 press release.

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**Consolidating Statements of Operations**  
(unaudited)  
(in millions)

|   | ComEd         | PECO          | BGE          | PHI (a)      | Generation      | Other (b)      | Exelon (a)    |
|---|---------------|---------------|--------------|--------------|-----------------|----------------|---------------|
| <b>Three Months Ended December 31, 2019</b>                     |               |               |              |              |                 |                |               |
| <b>Operating revenues</b>                                       | \$ 1,405      | \$ 766        | \$ 779       | \$ 1,107     | \$ 4,644        | \$ (358)       | \$ 8,343      |
| <b>Operating expenses</b>                                       |               |               |              |              |                 |                |               |
| Purchased power and fuel  | 474           | 260           | 248          | 406          | 2,708           | (330)          | 3,766         |
| Operating and maintenance                                       | 337           | 219           | 192          | 272          | 1,147           | 29             | 2,196         |
| Depreciation and amortization                                   | 266           | 85            | 133          | 192          | 314             | 25             | 1,015         |
| Taxes other than income taxes                                   | 73            | 40            | 64           | 109          | 125             | 6              | 417           |
| <b>Total operating expenses</b>                                 | <b>1,150</b>  | <b>604</b>    | <b>637</b>   | <b>979</b>   | <b>4,294</b>    | <b>(270)</b>   | <b>7,394</b>  |
| <b>Gain (loss) on sales of assets and businesses</b>            | <b>—</b>      | <b>—</b>      | <b>—</b>     | <b>—</b>     | <b>12</b>       | <b>(1)</b>     | <b>11</b>     |
| <b>Operating income (loss)</b>                                  | <b>255</b>    | <b>162</b>    | <b>142</b>   | <b>128</b>   | <b>362</b>      | <b>(89)</b>    | <b>960</b>    |
| <b>Other income and (deductions)</b>                            |               |               |              |              |                 |                |               |
| Interest expense, net   | (90)          | (36)          | (32)         | (65)         | (93)            | (79)           | (395)         |
| Other, net  | 12            | 5             | 9            | 15           | 293             | 57             | 391           |
| <b>Total other income and (deductions)</b>                      | <b>(78)</b>   | <b>(31)</b>   | <b>(23)</b>  | <b>(50)</b>  | <b>200</b>      | <b>(22)</b>    | <b>(4)</b>    |
| <b>Income (loss) before income taxes</b>                        | <b>177</b>    | <b>131</b>    | <b>119</b>   | <b>78</b>    | <b>562</b>      | <b>(111)</b>   | <b>956</b>    |
| <b>Income taxes</b>   | <b>33</b>     | <b>13</b>     | <b>20</b>    | <b>13</b>    | <b>128</b>      | <b>(60)</b>    | <b>147</b>    |
| <b>Equity in (losses) earnings of unconsolidated affiliates</b> | <b>—</b>      | <b>—</b>      | <b>—</b>     | <b>—</b>     | <b>(2)</b>      | <b>1</b>       | <b>(1)</b>    |
| <b>Net income (loss)</b>  | <b>144</b>    | <b>118</b>    | <b>99</b>    | <b>65</b>    | <b>432</b>      | <b>(50)</b>    | <b>808</b>    |
| <b>Net income attributable to noncontrolling interests</b>      | <b>—</b>      | <b>—</b>      | <b>—</b>     | <b>—</b>     | <b>35</b>       | <b>—</b>       | <b>35</b>     |
| <b>Net income (loss) attributable to common shareholders</b>    | <b>\$ 144</b> | <b>\$ 118</b> | <b>\$ 99</b> | <b>\$ 65</b> | <b>\$ 397</b>   | <b>\$ (50)</b> | <b>\$ 773</b> |
| <b>Three Months Ended December 31, 2018</b>                     |               |               |              |              |                 |                |               |
| <b>Operating revenues</b>                                       | \$ 1,373      | \$ 765        | \$ 799       | \$ 1,115     | \$ 5,069        | \$ (309)       | \$ 8,812      |
| <b>Operating expenses</b>                                       |               |               |              |              |                 |                |               |
| Purchased power and fuel  | 454           | 273           | 300          | 422          | 3,140           | (293)          | 4,296         |
| Operating and maintenance                                       | 360           | 212           | 199          | 274          | 1,337           | (80)           | 2,302         |
| Depreciation and amortization                                   | 244           | 77            | 125          | 184          | 415             | 23             | 1,068         |
| Taxes other than income taxes                                   | 73            | 38            | 66           | 112          | 142             | 10             | 441           |
| <b>Total operating expenses</b>                                 | <b>1,131</b>  | <b>600</b>    | <b>690</b>   | <b>992</b>   | <b>5,034</b>    | <b>(340)</b>   | <b>8,107</b>  |
| <b>Gain on sales of assets and businesses</b>                   | <b>—</b>      | <b>—</b>      | <b>—</b>     | <b>1</b>     | <b>—</b>        | <b>—</b>       | <b>1</b>      |
| <b>Operating income</b>   | <b>242</b>    | <b>165</b>    | <b>109</b>   | <b>124</b>   | <b>35</b>       | <b>31</b>      | <b>706</b>    |
| <b>Other income and (deductions)</b>                            |               |               |              |              |                 |                |               |
| Interest expense, net   | (87)          | (33)          | (28)         | (67)         | (128)           | (73)           | (416)         |
| Other, net  | 13            | 3             | 5            | 10           | (342)           | (12)           | (323)         |
| <b>Total other income and (deductions)</b>                      | <b>(74)</b>   | <b>(30)</b>   | <b>(23)</b>  | <b>(57)</b>  | <b>(470)</b>    | <b>(85)</b>    | <b>(739)</b>  |
| <b>Income (loss) before income taxes</b>                        | <b>168</b>    | <b>135</b>    | <b>86</b>    | <b>67</b>    | <b>(435)</b>    | <b>(54)</b>    | <b>(33)</b>   |
| <b>Income taxes</b>   | <b>27</b>     | <b>11</b>     | <b>15</b>    | <b>5</b>     | <b>(217)</b>    | <b>15</b>      | <b>(144)</b>  |
| <b>Equity in (losses) earnings of unconsolidated affiliates</b> | <b>—</b>      | <b>—</b>      | <b>—</b>     | <b>—</b>     | <b>(7)</b>      | <b>1</b>       | <b>(6)</b>    |
| <b>Net income (loss)</b>  | <b>141</b>    | <b>124</b>    | <b>71</b>    | <b>62</b>    | <b>(225)</b>    | <b>(68)</b>    | <b>105</b>    |
| <b>Net loss attributable to noncontrolling interests</b>        | <b>—</b>      | <b>—</b>      | <b>—</b>     | <b>—</b>     | <b>(47)</b>     | <b>—</b>       | <b>(47)</b>   |
| <b>Net income (loss) attributable to common shareholders</b>    | <b>\$ 141</b> | <b>\$ 124</b> | <b>\$ 71</b> | <b>\$ 62</b> | <b>\$ (178)</b> | <b>\$ (68)</b> | <b>\$ 152</b> |
| <b>Change in Net Income from 2018 to 2019</b>                   | <b>\$ 3</b>   | <b>\$ (6)</b> | <b>\$ 28</b> | <b>\$ 3</b>  | <b>\$ 575</b>   | <b>\$ 18</b>   | <b>\$ 621</b> |

(a) Certain prior year amounts have been revised to reflect the correction of an error.

(b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

**Consolidating Statements of Operations**  
(unaudited)  
(in millions)

|   | ComEd    | PECO     | BGE      | PHI (a)  | Generation | Other (b)  | Exelon (a) |
|---|----------|----------|----------|----------|------------|------------|------------|
| <b>Twelve Months Ended December 31, 2019</b>                    |          |          |          |          |            |            |            |
| <b>Operating revenues</b>                                       | \$ 5,747 | \$ 3,100 | \$ 3,106 | \$ 4,806 | \$ 18,924  | \$ (1,245) | \$ 34,438  |
| <b>Operating expenses</b>                                       |          |          |          |          |            |            |            |
| Purchased power and fuel  | 1,941    | 1,029    | 1,052    | 1,798    | 10,856     | (1,179)    | 15,497     |
| Operating and maintenance                                       | 1,305    | 861      | 760      | 1,082    | 4,718      | (111)      | 8,615      |
| Depreciation and amortization                                   | 1,033    | 333      | 502      | 754      | 1,535      | 95         | 4,252      |
| Taxes other than income taxes                                   | 301      | 165      | 260      | 450      | 519        | 37         | 1,732      |
| <b>Total operating expenses</b>                                 | 4,580    | 2,388    | 2,574    | 4,084    | 17,628     | (1,158)    | 30,096     |
| <b>Gain (loss) on sales of assets and businesses</b>            | 4        | 1        | —        | —        | 27         | (1)        | 31         |
| <b>Gain on deconsolidation of business</b>                      | —        | —        | —        | —        | —          | 1          | 1          |
| <b>Operating income (loss)</b>                                  | 1,171    | 713      | 532      | 722      | 1,323      | (87)       | 4,374      |
| <b>Other income and (deductions)</b>                            |          |          |          |          |            |            |            |
| Interest expense, net   | (359)    | (136)    | (121)    | (263)    | (429)      | (308)      | (1,616)    |
| Other, net  | 39       | 16       | 28       | 55       | 1,023      | 66         | 1,227      |
| <b>Total other income and (deductions)</b>                      | (320)    | (120)    | (93)     | (208)    | 594        | (242)      | (389)      |
| <b>Income (loss) before income taxes</b>                        | 851      | 593      | 439      | 514      | 1,917      | (329)      | 3,985      |
| <b>Income taxes</b>   | 163      | 65       | 79       | 38       | 516        | (87)       | 774        |
| <b>Equity in earnings (losses) of unconsolidated affiliates</b> | —        | —        | —        | 1        | (184)      | —          | (183)      |
| <b>Net income (loss)</b>  | 688      | 528      | 360      | 477      | 1,217      | (242)      | 3,028      |
| <b>Net income attributable to noncontrolling interests</b>      | —        | —        | —        | —        | 92         | —          | 92         |
| <b>Net income (loss) attributable to common shareholders</b>    | \$ 688   | \$ 528   | \$ 360   | \$ 477   | \$ 1,125   | \$ (242)   | \$ 2,936   |
| <b>Twelve Months Ended December 31, 2018</b>                    |          |          |          |          |            |            |            |
| <b>Operating revenues</b>                                       | \$ 5,882 | \$ 3,038 | \$ 3,169 | \$ 4,798 | \$ 20,437  | \$ (1,346) | \$ 35,978  |
| <b>Operating expenses</b>                                       |          |          |          |          |            |            |            |
| Purchased power and fuel  | 2,155    | 1,090    | 1,182    | 1,831    | 11,693     | (1,281)    | 16,670     |
| Operating and maintenance                                       | 1,335    | 898      | 777      | 1,130    | 5,464      | (267)      | 9,337      |
| Depreciation and amortization                                   | 940      | 301      | 483      | 740      | 1,797      | 92         | 4,353      |
| Taxes other than income taxes                                   | 311      | 163      | 254      | 455      | 556        | 44         | 1,783      |
| <b>Total operating expenses</b>                                 | 4,741    | 2,452    | 2,696    | 4,156    | 19,510     | (1,412)    | 32,143     |
| <b>Gain on sales of assets and businesses</b>                   | 5        | 1        | 1        | 1        | 48         | —          | 56         |
| <b>Operating income</b>   | 1,146    | 587      | 474      | 643      | 975        | 66         | 3,891      |
| <b>Other income and (deductions)</b>                            |          |          |          |          |            |            |            |
| Interest expense, net   | (347)    | (129)    | (106)    | (261)    | (432)      | (279)      | (1,554)    |
| Other, net  | 33       | 8        | 19       | 43       | (178)      | (37)       | (112)      |
| <b>Total other income and (deductions)</b>                      | (314)    | (121)    | (87)     | (218)    | (610)      | (316)      | (1,666)    |
| <b>Income (loss) before income taxes</b>                        | 832      | 466      | 387      | 425      | 365        | (250)      | 2,225      |
| <b>Income taxes</b>   | 168      | 6        | 74       | 33       | (108)      | (55)       | 118        |
| <b>Equity in earnings (losses) of unconsolidated affiliates</b> | —        | —        | —        | 1        | (30)       | 1          | (28)       |
| <b>Net income (loss)</b>  | 664      | 460      | 313      | 393      | 443        | (194)      | 2,079      |
| <b>Net income attributable to noncontrolling interests</b>      | —        | —        | —        | —        | 73         | 1          | 74         |
| <b>Net income (loss) attributable to common shareholders</b>    | \$ 664   | \$ 460   | \$ 313   | \$ 393   | \$ 370     | \$ (195)   | \$ 2,005   |
| <b>Change in Net Income from 2018 to 2019</b>                   | \$ 24    | \$ 68    | \$ 47    | \$ 84    | \$ 755     | \$ (47)    | \$ 931     |

(a) Certain prior year amounts have been revised to reflect the correction of an error.

(b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

**Exelon**  
**Consolidated Balance Sheets**  
(unaudited)  
(in millions)

|  | <u>December 31, 2019</u> | <u>December 31, 2018 (a)</u> |
|--|--------------------------|------------------------------|
| <b>Assets</b>  |                          |                              |
| <b>Current assets</b>  |                          |                              |
| Cash and cash equivalents                                    | \$ 587                   | \$ 1,349                     |
| Restricted cash and cash equivalents                         | 358                      | 247                          |
| Accounts receivable, net                                     |                          |                              |
| Customer   | 4,592                    | 4,607                        |
| Other  | 1,583                    | 1,256                        |
| Mark-to-market derivative assets                             | 679                      | 804                          |
| Unamortized energy contract assets                           | 47                       | 48                           |
| Inventories, net   |                          |                              |
| Fossil fuel and emission allowances                          | 312                      | 334                          |
| Materials and supplies                                       | 1,456                    | 1,351                        |
| Regulatory assets  | 1,170                    | 1,190                        |
| Assets held for sale   | —                        | 904                          |
| Other  | 1,253                    | 1,238                        |
| <b>Total current assets</b>                                  | <b>12,037</b>            | <b>13,328</b>                |
| <b>Property, plant and equipment, net</b>                    | <b>80,233</b>            | <b>76,707</b>                |
| <b>Deferred debits and other assets</b>                      |                          |                              |
| Regulatory assets  | 8,335                    | 8,237                        |
| Nuclear decommissioning trust funds                          | 13,190                   | 11,661                       |
| Investments  | 464                      | 625                          |
| Goodwill   | 6,677                    | 6,677                        |
| Mark-to-market derivative assets                             | 508                      | 452                          |
| Unamortized energy contract assets                           | 336                      | 372                          |
| Other  | 3,197                    | 1,575                        |
| <b>Total deferred debits and other assets</b>                | <b>32,707</b>            | <b>29,599</b>                |
| <b>Total assets</b>  | <b>\$ 124,977</b>        | <b>\$ 119,634</b>            |
| <b>Liabilities and shareholders' equity</b>                  |                          |                              |
| <b>Current liabilities</b>                                   |                          |                              |
| Short-term borrowings  | \$ 1,370                 | \$ 714                       |
| Long-term debt due within one year                           | 4,710                    | 1,349                        |
| Accounts payable   | 3,560                    | 3,800                        |
| Accrued expenses   | 1,981                    | 2,112                        |
| Payables to affiliates                                       | 5                        | 5                            |
| Regulatory liabilities                                       | 406                      | 644                          |
| Mark-to-market derivative liabilities                        | 247                      | 475                          |
| Unamortized energy contract liabilities                      | 132                      | 149                          |
| Renewable energy credit obligation                           | 443                      | 344                          |
| Liabilities held for sale                                    | —                        | 777                          |
| Other  | 1,331                    | 1,035                        |
| <b>Total current liabilities</b>                             | <b>14,185</b>            | <b>11,404</b>                |
| <b>Long-term debt</b>  | <b>31,329</b>            | <b>34,075</b>                |
| <b>Long-term debt to financing trusts</b>                    | <b>390</b>               | <b>390</b>                   |
| <b>Deferred credits and other liabilities</b>                |                          |                              |
| Deferred income taxes and unamortized investment tax credits | 12,351                   | 11,321                       |
| Asset retirement obligations                                 | 10,846                   | 9,679                        |
| Pension obligations  | 4,247                    | 3,988                        |
| Non-pension postretirement benefit obligations               | 2,076                    | 1,928                        |
| Spent nuclear fuel obligation                                | 1,199                    | 1,171                        |
| Regulatory liabilities                                       | 9,986                    | 9,559                        |
| Mark-to-market derivative liabilities                        | 393                      | 479                          |
| Unamortized energy contract liabilities                      | 338                      | 463                          |
| Other  | 3,064                    | 2,130                        |
| <b>Total deferred credits and other liabilities</b>          | <b>44,500</b>            | <b>40,718</b>                |
| <b>Total liabilities</b>                                     | <b>90,404</b>            | <b>86,587</b>                |
| <b>Commitments and contingencies</b>                         |                          |                              |
| <b>Shareholders' equity</b>                                  |                          |                              |
| Common stock   | 19,274                   | 19,116                       |
| Treasury stock, at cost                                      | (123)                    | (123)                        |
| Retained earnings  | 16,267                   | 14,743                       |
| Accumulated other comprehensive loss, net                    | (3,194)                  | (2,995)                      |
| <b>Total shareholders' equity</b>                            | <b>32,224</b>            | <b>30,741</b>                |
| Noncontrolling interests                                     | 2,349                    | 2,306                        |
| <b>Total equity</b>  | <b>34,573</b>            | <b>33,047</b>                |
| <b>Total liabilities and shareholders' equity</b>            | <b>\$ 124,977</b>        | <b>\$ 119,634</b>            |

**Exelon**  
**Consolidated Statements of Cash Flows**  
(unaudited)  
(in millions)

|  | <b>Twelve Months Ended December 31,</b> |                 |
|--|---|-----------------|
|  | <b>2019</b>                             | <b>2018</b>     |
| <b>Cash flows from operating activities</b>  |   |                 |
| Net income   | \$ 3,028                                | \$ 2,079        |
| Adjustments to reconcile net income to net cash flows provided by operating activities:            |   |                 |
| Depreciation, amortization, and accretion, including nuclear fuel and energy contract amortization | 5,780                                   | 5,971           |
| Assets on Impairments  | 201                                     | 50              |
| Gain on sales of assets and businesses   | (27)                                    | (56)            |
| Deferred income taxes and amortization of investment tax credits                                   | 681                                     | (108)           |
| Net fair value changes related to derivatives  | 222                                     | 294             |
| Net realized and unrealized (gains) losses on NDT funds  | (663)                                   | 303             |
| Other non-cash operating activities  | 613                                     | 1,131           |
| Changes in assets and liabilities:   |   |                 |
| Accounts receivable  | (243)                                   | (565)           |
| Inventories  | (87)                                    | (37)            |
| Accounts payable and accrued expenses  | (425)                                   | 551             |
| Option premiums paid, net  | (29)                                    | (43)            |
| Collateral (posted) received, net  | (438)                                   | 82              |
| Income taxes   | (64)                                    | 340             |
| Pension and non-pension postretirement benefit contributions                                       | (408)                                   | (383)           |
| Other assets and liabilities   | (1,482)                                 | (965)           |
| Net cash flows provided by operating activities  | <u>6,659</u>                            | <u>8,644</u>    |
| <b>Cash flows from investing activities</b>  |   |                 |
| Capital expenditures   | (7,248)                                 | (7,594)         |
| Proceeds from NDT fund sales   | 10,051                                  | 8,762           |
| Investment in NDT funds  | (10,087)                                | (8,997)         |
| Acquisition of assets and businesses, net  | (41)                                    | (154)           |
| Proceeds from sales of assets and businesses   | 53                                      | 91              |
| Other investing activities   | 12                                      | 58              |
| Net cash flows used in investing activities  | <u>(7,260)</u>                          | <u>(7,834)</u>  |
| <b>Cash flows from financing activities</b>  |   |                 |
| Changes in short-term borrowings   | 781                                     | (338)           |
| Proceeds from short-term borrowings with maturities greater than 90 days                           | —                                       | 126             |
| Repayments on short-term borrowings with maturities greater than 90 days                           | (125)                                   | (1)             |
| Issuance of long-term debt   | 1,951                                   | 3,115           |
| Retirement of long-term debt   | (1,287)                                 | (1,786)         |
| Dividends paid on common stock   | (1,408)                                 | (1,332)         |
| Proceeds from employee stock plans   | 112                                     | 105             |
| Other financing activities   | (82)                                    | (108)           |
| Net cash flows used in financing activities  | <u>(58)</u>                             | <u>(219)</u>    |
| <b>(Decrease) increase in cash, cash equivalents and restricted cash</b>                           | <u>(659)</u>                            | <u>591</u>      |
| <b>Cash, cash equivalents and restricted cash at beginning of period</b>                           | 1,781                                   | 1,190           |
| <b>Cash, cash equivalents and restricted cash at end of period</b>                                 | <u>\$ 1,122</u>                         | <u>\$ 1,781</u> |

**Exelon**  
**Reconciliation of GAAP Net Income to Adjusted (non-GAAP) Operating Earnings and Analysis of Earnings**

Three Months Ended December 31, 2019 and 2018

(unaudited)

(in millions, except per share data)

|   | Exelon<br>Earnings per<br>Diluted Share | ComEd         | PECO          | BGE           | PHI          | Generation      | Other (a)      | Exelon        |
|---|---|---------------|---------------|---------------|--------------|-----------------|----------------|---------------|
| <b>2018 GAAP Net Income (Loss)</b>  | <b>\$ 0.16</b>                          | <b>\$ 141</b> | <b>\$ 124</b> | <b>\$ 71</b>  | <b>\$ 62</b> | <b>\$ (178)</b> | <b>\$ (68)</b> | <b>\$ 152</b> |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$61, \$2 and \$63, respectively) | 0.19                                    | —             | —             | —             | —            | 176             | 2              | 178           |
| Unrealized Losses Related to NDT Funds (net of taxes of \$172) (1)                                      | 0.25                                    | —             | —             | —             | —            | 243             | —              | 243           |
| PHI Merger Commitments (net of taxes of \$1 and \$1, respectively)                                      | —                                       | —             | —             | —             | 4            | —               | (4)            | —             |
| Plant Retirements and Divestitures (net of taxes of \$31, \$1 and \$32, respectively) (2)               | 0.10                                    | —             | —             | —             | —            | 91              | (1)            | 90            |
| Cost Management Program (net of taxes of \$0, \$0, \$1, \$5 and \$6, respectively) (3)                  | 0.02                                    | —             | 1             | 1             | 2            | 14              | —              | 18            |
| Asset Retirement Obligations (net of taxes of \$1)  | —                                       | —             | —             | —             | —            | 4               | —              | 4             |
| Change in Environmental Liabilities (net of taxes of \$1)   | —                                       | —             | —             | —             | —            | 3               | —              | 3             |
| Gain on Contract Settlement (net of taxes of \$19, \$1 and \$20, respectively) (4)                      | (0.06)                                  | —             | —             | —             | —            | (56)            | 1              | (55)          |
| Income Tax-Related Adjustments (entire amount represents tax expense) (5)                               | —                                       | —             | —             | —             | —            | 1               | 2              | 3             |
| Noncontrolling Interests (net of taxes of \$15) (6)   | (0.08)                                  | —             | —             | —             | —            | (77)            | —              | (77)          |
| <b>2018 Adjusted (non-GAAP) Operating Earnings (Loss)</b>   | <b>0.58</b>                             | <b>141</b>    | <b>125</b>    | <b>72</b>     | <b>68</b>    | <b>221</b>      | <b>(68)</b>    | <b>559</b>    |
| <b>Year Over Year Effects on Adjusted (non-GAAP) Operating Earnings:</b>                                |   |               |               |               |              |                 |                |               |
| ComEd, PECO, BGE and PHI Margins:   |   |               |               |               |              |                 |                |               |
| Weather   | (0.01)                                  | — (b)         | (4)           | — (b)         | (4) (b)      | —               | —              | (8)           |
| Load  | (0.01)                                  | — (b)         | (8)           | — (b)         | 2 (b)        | —               | —              | (6)           |
| Other Energy Delivery (7)   | 0.06                                    | 9 (c)         | 21 (c)        | 24 (c)        | 8 (c)        | —               | —              | 62            |
| Generation Energy Margins, Excluding Mark-to-Market:  |   |               |               |               |              |                 |                |               |
| Nuclear Volume (8)  | (0.03)                                  | —             | —             | —             | —            | (29)            | —              | (29)          |
| Nuclear Fuel Cost (9)   | 0.01                                    | —             | —             | —             | —            | 10              | —              | 10            |
| Capacity Pricing (10)   | (0.12)                                  | —             | —             | —             | —            | (113)           | —              | (113)         |
| Zero Emission Credit Revenue (11)   | 0.03                                    | —             | —             | —             | —            | 34              | —              | 34            |
| Market and Portfolio Conditions (12)  | 0.10                                    | —             | —             | —             | —            | 95              | —              | 95            |
| Operating and Maintenance Expense:  |   |               |               |               |              |                 |                |               |
| Labor, Contracting and Materials (13)   | 0.06                                    | 14            | 3             | 5             | 4            | 31              | —              | 57            |
| Planned Nuclear Refueling Outages (14)  | 0.01                                    | —             | —             | —             | —            | 10              | —              | 10            |
| Pension and Non-Pension Postretirement Benefits (15)  | 0.02                                    | 6             | 1             | (1)           | (4)          | 13              | 2              | 17            |
| Other Operating and Maintenance (16)  | —                                       | (4)           | (8)           | 1             | (3)          | 81              | (71)           | (4)           |
| Depreciation and Amortization Expense (17)  | (0.03)                                  | (16)          | (6)           | (7)           | (6)          | 6               | (1)            | (30)          |
| Interest Expense, Net (18)  | 0.03                                    | (1)           | (1)           | —             | 1            | 9               | 22             | 30            |
| Income Taxes (19)   | 0.09                                    | (3)           | (3)           | 5             | (3)          | 34              | 58             | 88            |
| Noncontrolling Interests (20)   | 0.02                                    | —             | —             | —             | —            | 19              | —              | 19            |
| Other   | 0.02                                    | (2)           | (1)           | 2             | 5            | 6               | 10             | 20            |
| <b>Total Year Over Year Effects on Adjusted (non-GAAP) Operating Earnings</b>                           | <b>0.25</b>                             | <b>3</b>      | <b>(6)</b>    | <b>29</b>     | <b>—</b>     | <b>206</b>      | <b>20</b>      | <b>251</b>    |
| <b>2019 GAAP Net Income (Loss)</b>  | <b>0.79</b>                             | <b>144</b>    | <b>118</b>    | <b>99</b>     | <b>65</b>    | <b>397</b>      | <b>(50)</b>    | <b>773</b>    |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$32, \$3 and \$35, respectively) | 0.10                                    | —             | —             | —             | —            | 95              | 6              | 101           |
| Unrealized Gains Related to NDT Funds (net of taxes of \$102) (1)                                       | (0.12)                                  | —             | —             | —             | —            | (119)           | —              | (119)         |
| Asset Impairments (net of taxes of \$1)   | —                                       | —             | —             | —             | —            | 4               | —              | 4             |
| Plant Retirements and Divestitures (net of taxes of \$1) (2)  | —                                       | —             | —             | —             | —            | 3               | —              | 3             |
| Cost Management Program (net of taxes of \$0, \$0, \$1, \$4, \$1 and \$6, respectively) (3)             | 0.02                                    | —             | 1             | 2             | 3            | 13              | 2              | 21            |
| Change in Environmental Liabilities (net of taxes of \$1)   | —                                       | —             | —             | —             | —            | 4               | —              | 4             |
| Income Tax-Related Adjustments (entire amount represents tax expense) (5)                               | (0.01)                                  | —             | —             | —             | —            | (2)             | (6)            | (8)           |
| Noncontrolling Interests (net of taxes of \$8) (6)  | 0.03                                    | —             | —             | —             | —            | 33              | —              | 33            |
| <b>2019 Adjusted (non-GAAP) Operating Earnings (Loss)</b>   | <b>\$ 0.83</b>                          | <b>\$ 144</b> | <b>\$ 119</b> | <b>\$ 101</b> | <b>\$ 68</b> | <b>\$ 427</b>   | <b>\$ (48)</b> | <b>\$ 810</b> |

Note:

Amounts may not sum due to rounding.

Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net Income and Adjusted (non-GAAP) Operating Earnings is based on the marginal statutory federal and state income tax rates for each Registrant, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. For all items except the unrealized gains and losses related to NDT funds, the marginal statutory income tax rates for 2019 and 2018 ranged from 26.0 percent to 29.0 percent. Under IRS regulations, NDT fund returns are taxed at different rates for investments if they are in qualified or non-qualified funds. The effective tax rates for the unrealized gains and losses related to NDT funds were 46.1 percent and 41.4 percent for the three months ended December 31, 2019 and 2018, respectively.

- (a) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (b) For ComEd, BGE, Pepco and DPL Maryland, customer rates are adjusted to eliminate the impacts of weather and customer usage on distribution volumes.
- (c) For regulatory recovery mechanisms, including ComEd's distribution formula rate, ComEd, PECO, BGE and PHI utilities transmission formula rates, and riders across all utilities, revenues increase and decrease i) as fully recoverable costs fluctuate (with no impact on net earnings), and ii) pursuant to changes in rate base, capital structure and ROE (which impact net earnings).
- (1) Reflects the impact of net unrealized gains and losses on Generation's NDT fund investments for Non-Regulatory and Regulatory Agreement Units. The impacts of the Regulatory Agreement Units, including the associated income taxes, are contractually eliminated, resulting in no earnings impact.
- (2) In 2018, primarily reflects accelerated depreciation and amortization expense associated with Generation's decision to early retire the Oyster Creek and Three Mile Island (TMI) nuclear facilities. In 2019, primarily reflects accelerated depreciation and amortization expenses associated with the early retirement of certain fossil sites.
- (3) Primarily represents severance and reorganization costs related to cost management programs.
- (4) Represents the gain on the settlement of a long-term gas supply agreement at Generation.
- (5) In 2018, reflects an adjustment to the remeasurement of deferred income taxes as a result of the TCJA. In 2019, primarily reflects the adjustment to deferred income taxes due to changes in forecasted apportionment.
- (6) Represents elimination from Generation's results of the noncontrolling interests related to certain exclusion items, primarily related to unrealized gains on NDT fund investments for CENG units.
- (7) For ComEd, primarily reflects increased energy efficiency and transmission revenues due to higher fully recoverable costs. For PECO, BGE, and PHI, primarily reflects increased revenue as a result of rate increases.
- (8) Primarily reflects the permanent cease of generation operations at TMI in September 2019, partially offset by a decrease in nuclear outage days.
- (9) Primarily reflects a decrease in fuel prices and decreased nuclear output as a result of the permanent cease of generation operations at TMI.
- (10) Reflects decreased capacity prices in the Mid-Atlantic, Midwest, New York, and Other power regions.
- (11) Primarily reflects an increase in New York ZEC prices and the approval of the New Jersey ZEC Program in the second quarter of 2019.
- (12) Primarily reflects higher realized energy prices.
- (13) For ComEd, primarily reflects decreased contracting costs. For Generation, primarily reflects decreased costs related to the permanent cease of generation operations at TMI and lower labor costs resulting from previous cost management programs.
- (14) Primarily reflects a decrease in the number of nuclear outage days in 2019, excluding Salem.
- (15) Primarily reflects an increase in discount rates and the favorable impacts of the merger of two of Exelon's pension plans effective in January 2019, partially offset by lower than expected asset returns in 2018.
- (16) For Generation, primarily reflects a higher NEIL insurance distribution and a decrease in planned nuclear outage days at Salem in 2019. For PECO, primarily reflects increased storm costs. For Corporate, includes a charitable contribution to the Exelon Foundation.
- (17) Reflects ongoing capital expenditures across all utilities. For ComEd, also reflects higher depreciation rates effective January 2019. For PHI, the impact of ongoing capital expenditures is partially offset by decreased regulatory asset amortization.
- (18) For Corporate, includes an interest benefit related to research and development refund claims.
- (19) For Generation, primarily reflects research and development refund claims and renewable tax credits, partially offset by one-time adjustments. For Corporate, primarily reflects research and development refund claims and one-time adjustments.
- (20) Reflects elimination from Generation's results of activity attributable to noncontrolling interests, primarily for CENG.

**Exelon**  
**Reconciliation of GAAP Net Income to Adjusted (non-GAAP) Operating Earnings and Analysis of Earnings**

Twelve Months Ended December 31, 2019 and 2018

(unaudited)

(in millions, except per share data)

|   | Exelon<br>Earnings per<br>Diluted Share | ComEd         | PECO          | BGE           | PHI (a)       | Generation    | Other (b)       | Exelon (a)      |
|---|---|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|
| <b>2018 GAAP Net Income (Loss)</b>  | <b>\$ 2.07</b>                          | <b>\$ 664</b> | <b>\$ 460</b> | <b>\$ 313</b> | <b>\$ 393</b> | <b>\$ 370</b> | <b>\$ (195)</b> | <b>\$ 2,005</b> |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$84, \$5 and \$89, respectively) | 0.26                                    | —             | —             | —             | —             | 241           | 11              | 252             |
| Unrealized Losses Related to NDT Funds (net of taxes of \$289) (1)                                      | 0.35                                    | —             | —             | —             | —             | 337           | —               | 337             |
| PHI Merger and Integration Costs (net of taxes of \$2)  | —                                       | —             | —             | —             | —             | 3             | —               | 3               |
| PHI Merger Commitments (net of taxes of \$1 and \$1, respectively)                                      | —                                       | —             | —             | —             | 4             | —             | (4)             | —               |
| Asset Impairments (net of taxes of \$13) (2)  | 0.04                                    | —             | —             | —             | —             | 35            | —               | 35              |
| Plant Retirements and Divestitures (net of taxes of \$178, \$2, and \$181, respectively) (3)            | 0.53                                    | —             | —             | —             | —             | 514           | (2)             | 512             |
| Cost Management Program (net of taxes of \$1, \$1, \$2, \$0, \$12, and \$16, respectively) (4)          | 0.05                                    | —             | 3             | 3             | 4             | 37            | 1               | 48              |
| Asset Retirement Obligation (net of taxes of \$6, \$1 and \$7, respectively) (5)                        | 0.02                                    | —             | —             | —             | 16            | 4             | —               | 20              |
| Change in Environmental Liabilities (net of taxes of \$0)   | —                                       | —             | —             | —             | —             | (1)           | —               | (1)             |
| Gain on Contract Settlement (net of taxes of \$19, \$1 and \$20, respectively) (6)                      | (0.06)                                  | —             | —             | —             | —             | (56)          | 1               | (55)            |
| Income Tax-Related Adjustments (entire amount represents tax expense) (7)                               | (0.02)                                  | —             | —             | —             | (7)           | (28)          | 13              | (22)            |
| Noncontrolling Interests (net of taxes of \$24) (8)   | (0.12)                                  | —             | —             | —             | —             | (113)         | —               | (113)           |
| <b>2018 Adjusted (non-GAAP) Operating Earnings (Loss)</b>   | <b>3.12</b>                             | <b>664</b>    | <b>463</b>    | <b>316</b>    | <b>410</b>    | <b>1,343</b>  | <b>(175)</b>    | <b>3,021</b>    |
| <b>Year Over Year Effects on Adjusted (non-GAAP) Operating Earnings:</b>                                |   |               |               |               |               |               |                 |                 |
| ComEd, PECO, BGE and PHI Margins:   |   |               |               |               |               |               |                 |                 |
| Weather   | (0.02)                                  | — (c)         | (14)          | — (c)         | (9) (c)       | —             | —               | (23)            |
| Load  | (0.01)                                  | — (c)         | (11)          | — (c)         | 3 (c)         | —             | —               | (8)             |
| Other Energy Delivery (9)   | 0.26                                    | 56 (d)        | 112 (d)       | 49 (d)        | 36 (d)        | —             | —               | 253             |
| Generation Energy Margins, Excluding Mark-to-Market:  |   |               |               |               |               |               |                 |                 |
| Nuclear Volume (10)   | (0.11)                                  | —             | —             | —             | —             | (111)         | —               | (111)           |
| Nuclear Fuel Cost (11)  | 0.04                                    | —             | —             | —             | —             | 39            | —               | 39              |
| Capacity Pricing (12)   | (0.22)                                  | —             | —             | —             | —             | (218)         | —               | (218)           |
| Zero Emission Credit Revenue (13)   | (0.01)                                  | —             | —             | —             | —             | (7)           | —               | (7)             |
| Market and Portfolio Conditions (14)  | (0.27)                                  | —             | —             | —             | —             | (261)         | —               | (261)           |
| Operating and Maintenance Expense:  |   |               |               |               |               |               |                 |                 |
| Labor, Contracting and Materials (15)   | 0.17                                    | 19            | (1)           | (6)           | 28            | 130           | —               | 170             |
| Planned Nuclear Refueling Outages (16)  | 0.08                                    | —             | —             | —             | —             | 74            | —               | 74              |
| Pension and Non-Pension Postretirement Benefits (17)  | 0.08                                    | 26            | 4             | (1)           | (10)          | 46            | 12              | 77              |
| Other Operating and Maintenance (18)  | 0.03                                    | (23)          | 23            | 19            | 15            | 80            | (84)            | 30              |
| Depreciation and Amortization Expense (19)  | (0.10)                                  | (66)          | (23)          | (14)          | (10)          | 19            | (4)             | (98)            |
| Interest Expense, Net (20)  | —                                       | (6)           | (4)           | (7)           | (2)           | 16            | 7               | 4               |
| Income Taxes (21)   | 0.06                                    | 10            | (22)          | 9             | 29            | 16            | 14              | 56              |
| Noncontrolling Interests (22)   | 0.16                                    | —             | —             | —             | —             | 156           | —               | 156             |
| Other (23)  | (0.02)                                  | 8             | 4             | (1)           | 12            | (46)          | 8               | (15)            |
| <b>Total Year Over Year Effects on Adjusted (non-GAAP) Operating Earnings</b>                           | <b>0.10</b>                             | <b>24</b>     | <b>68</b>     | <b>48</b>     | <b>92</b>     | <b>(67)</b>   | <b>(47)</b>     | <b>118</b>      |
| <b>2019 GAAP Net Income (Loss)</b>  | <b>3.01</b>                             | <b>688</b>    | <b>528</b>    | <b>360</b>    | <b>477</b>    | <b>1,125</b>  | <b>(242)</b>    | <b>2,936</b>    |
| Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$58, \$8 and \$66, respectively) | 0.20                                    | —             | —             | —             | —             | 175           | 22              | 197             |
| Unrealized Gains Related to NDT Funds (net of taxes of \$269) (1)                                       | (0.31)                                  | —             | —             | —             | —             | (299)         | —               | (299)           |
| Asset Impairments (net of taxes of \$56) (2)  | 0.13                                    | —             | —             | —             | —             | 123           | —               | 123             |
| Plant Retirements and Divestitures (net of taxes of \$9) (3)  | 0.12                                    | —             | —             | —             | —             | 118           | —               | 118             |
| Cost Management Program (net of taxes of \$1, \$1, \$3, \$11, \$1, and \$17, respectively) (4)          | 0.05                                    | —             | 3             | 4             | 7             | 35            | 2               | 51              |
| Litigation Settlement Gain (net of taxes of \$7)  | (0.02)                                  | —             | —             | —             | —             | (19)          | —               | (19)            |
| Asset Retirement Obligation (net of taxes of \$9) (5)   | (0.09)                                  | —             | —             | —             | —             | (84)          | —               | (84)            |
| Change in Environmental Liabilities (net of taxes of \$6, \$2 and \$8, respectively)                    | 0.02                                    | —             | —             | —             | 16            | 4             | —               | 20              |
| Income Tax-Related Adjustments (entire amount represents tax expense) (7)                               | 0.01                                    | —             | —             | —             | 2             | 6             | (3)             | 5               |
| Non Controlling Interests (net of taxes of \$26) (8)  | 0.09                                    | —             | —             | —             | —             | 90            | —               | 90              |
| <b>2019 Adjusted (non-GAAP) Operating Earnings (Loss)</b>   | <b>3.22</b>                             | <b>688</b>    | <b>531</b>    | <b>364</b>    | <b>502</b>    | <b>1,276</b>  | <b>(222)</b>    | <b>3,139</b>    |

Note:

Amounts may not sum due to rounding.

Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net Income and Adjusted (non-GAAP) Operating Earnings is based on the marginal statutory federal and state income tax rates for each Registrant, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. For all items except the unrealized gains and losses related to NDT funds, the marginal statutory income tax rates for 2019 and 2018 ranged from 26.0 percent to 29.0 percent. Under IRS regulations, NDT fund returns are taxed at different rates for investments if they are in qualified or non-qualified funds. The effective tax rates for the unrealized gains and losses related to NDT funds were 47.3 percent and 46.2 percent for the twelve months ended December 31, 2019 and 2018, respectively.

- (a) Exelon's and PHI's amounts have been revised to reflect the correction of an error.
- (b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (c) For ComEd, BGE, Pepco and DPL Maryland, customer rates are adjusted to eliminate the impacts of weather and customer usage on distribution volumes.
- (d) For regulatory recovery mechanisms, including ComEd's distribution formula rate, ComEd, PECO, BGE and PHI utilities transmission formula rates, and riders across all utilities, revenues increase and decrease i) as fully recoverable costs fluctuate (with no impact on net earnings), and ii) pursuant to changes in rate base, capital structure and ROE (which impact net earnings).
- (1) Reflects the impact of net unrealized gains and losses on Generation's NDT fund investments for Non-Regulatory and Regulatory Agreement Units. The impacts of the Regulatory Agreement Units, including the associated income taxes, are contractually eliminated, resulting in no earnings impact.
- (2) In 2018, primarily reflects the impairment of certain wind projects at Generation. In 2019, primarily reflects the impairment of equity method investments in certain distributed energy companies. The impact of such impairment net of noncontrolling interest is \$0.02.
- (3) In 2018, primarily reflects accelerated depreciation and amortization expenses and one-time charges associated with Generation's decision to early retire the Oyster Creek and TMI nuclear facilities, a charge associated with a remeasurement of the Oyster Creek ARO, partially offset by a gain associated with Generation's sale of its electrical contracting business. In 2019, primarily reflects accelerated depreciation and amortization expenses associated with the early retirement of the TMI nuclear facility and certain fossil sites and the loss on the sale of Oyster Creek to Holtec, partially offset by net realized gains related to Oyster Creek's NDT fund investments, a net benefit associated with remeasurements of the TMI ARO and a gain on the sale of certain wind assets.
- (4) Primarily represents severance and reorganization costs related to cost management programs.
- (5) In 2018, reflects an increase at Pepco related primarily to asbestos identified at its Buzzard Point property. In 2019, reflects a benefit related to Generation's annual nuclear ARO update for non-regulatory units.
- (6) Represents the gain on the settlement of a long-term gas supply agreement at Generation.
- (7) In 2018, reflects an adjustment to the remeasurement of deferred income taxes as a result of the TCJA. In 2019, primarily reflects the adjustment to deferred income taxes due to changes in forecasted apportionment.
- (8) Represents elimination from Generation's results of the noncontrolling interests related to certain exclusion items. In 2018, primarily related to the impact of unrealized losses on NDT fund investments for CENG units. In 2019, primarily related to the impact of unrealized gains on NDT fund investments and the impact of the Generation's annual nuclear ARO update for CENG units, partially offset by the impairment of certain equity investments in distributed energy companies.
- (9) For ComEd, reflects increased electric distribution, energy efficiency and transmission revenues (due to higher rate base and fully recoverable costs, partially offset by lower electric distribution ROE due to decreased treasury rates). Additionally, for ComEd, reflects decreased mutual assistance revenues. For PECO, BGE, and PHI, reflects increased revenue as a result of rate increases. For PECO, also reflects increased revenue as a result of the absence in 2019 of the 2010 and 2011 electric and gas distribution tax repair credits fully refunded in 2018. For PHI, the rate increases were partially offset by the accelerated amortization of certain deferred income tax regulatory liabilities established upon the enactment of TCJA as the result of regulatory settlements.
- (10) Primarily reflects the permanent cease of generation operations at Oyster Creek in September 2018 and TMI in September 2019, partially offset by a decrease in nuclear outage days.
- (11) Primarily reflects a decrease in fuel prices and decreased nuclear output as a result of the permanent cease of generation operations at Oyster Creek and TMI.
- (12) Reflects decreased capacity prices in the Mid-Atlantic, Midwest, New York, and Other Power Regions.
- (13) Primarily reflects the absence of the revenue recognized in the first quarter 2018 related to zero emissions credits generated in Illinois from June through December 2017, partially offset by an increase in New York ZEC prices and the approval of the New Jersey ZEC Program in the second quarter of 2019.
- (14) Primarily reflects lower realized energy prices.
- (15) For Generation, primarily reflects decreased costs related to the permanent cease of generation operations at Oyster Creek and TMI and lower labor costs resulting from previous cost management programs. For PHI, primarily reflects decreased contracting costs. For ComEd, primarily reflects decreased mutual assistance expenses.
- (16) Primarily reflects a decrease in the number of nuclear outage days in 2019, excluding Salem.
- (17) Primarily reflects an increase in discount rates and the favorable impacts of the merger of two of Exelon's pension plans effective in January 2019, partially offset by lower than expected asset returns in 2018.
- (18) For Generation, primarily reflects higher NEIL insurance distributions, partially offset by an increase in planned nuclear outage days at Salem in 2019. For ComEd, primarily reflects increased storm costs. For PECO and BGE, primarily reflects decreased storm costs related primarily to the March 2018 winter storms. For PHI, primarily reflects a decrease in uncollectible accounts expense. For Corporate, includes a charitable contribution to the Exelon Foundation.
- (19) Reflects ongoing capital expenditures across all utilities. For ComEd, also reflects higher depreciation rates effective January 2019 and increased amortization of deferred energy efficiency costs pursuant to FEJA. For PHI, the impact of ongoing capital expenditures is partially offset by decreased regulatory asset amortization.
- (20) For Corporate, includes an interest benefit related to research and development refund claims.
- (21) For Generation, primarily reflects research and development refund claims, partially offset by renewable tax credits and one-time adjustments. For PECO, primarily reflects decreased amortization of income tax regulatory liabilities established in 2010 and 2011 for electric and gas repair deductions that were fully refunded to customers in 2018. For PHI, primarily reflects the accelerated amortization of certain deferred income tax regulatory liabilities established upon the enactment of TCJA as the result of regulatory settlements. For Corporate, primarily reflects research and development refund claims.
- (22) Reflects elimination from Generation's results of activity attributable to noncontrolling interests, primarily for CENG.
- (23) For Generation, primarily reflects lower realized NDT fund gains.

**Exelon**  
**GAAP Consolidated Statements of Operations and**  
**Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments**  
(unaudited)  
(in millions, except per share data)

|   | Three Months Ended<br>December 31, 2019 |                         |                             | Three Months Ended<br>December 31, 2018 (b) |                         |   |
|---|---|-------------------------|-----------------------------|---|-------------------------|---|
|   | GAAP (a)                                | Non-GAAP<br>Adjustments |                             | GAAP (a)                                    | Non-GAAP<br>Adjustments |   |
| <b>Operating revenues</b>   | \$ 8,343                                | \$ 67                   | (c)                         | \$ 8,812                                    | \$ 166                  | (c)   |
| <b>Operating expenses</b>   |   |                         |                             |   |                         |   |
| Purchased power and fuel  | 3,766                                   | (64)                    | (c)                         | 4,296                                       | 21                      | (c),(e),(j)                                 |
| Operating and maintenance   | 2,196                                   | (32)                    | (d),(e),(f),(g)             | 2,302                                       | (38)                    | (d),(e),(f),(g),<br>(k)                     |
| Depreciation and amortization                                     | 1,015                                   | (20)                    | (e)                         | 1,068                                       | (112)                   | (e)   |
| Taxes other than income taxes                                     | 417                                     | —                       |                             | 441   | (1)                     | (d)   |
| <b>Total operating expenses</b>                                   | <u>7,394</u>                            |                         |                             | <u>8,107</u>                                |                         |   |
| <b>Gain on sales of assets and businesses</b>                     | 11                                      | (11)                    | (e)                         | 1   | —                       |   |
| <b>Operating income</b>   | <u>960</u>                              |                         |                             | <u>706</u>                                  |                         |   |
| <b>Other income and (deductions)</b>                              |   |                         |                             |   |                         |   |
| Interest expense, net   | (395)                                   | (5)                     | (c)                         | (416)                                       | 15                      | (c)   |
| Other, net  | 391                                     | (221)                   | (i)                         | (323)                                       | 425                     | (c),(i)                                     |
| <b>Total other income and (deductions)</b>                        | <u>(4)</u>                              |                         |                             | <u>(739)</u>                                |                         |   |
| <b>Income (loss) before income taxes</b>                          | 956                                     |                         |                             | (33)  |                         |   |
| <b>Income taxes</b>   | 147                                     | (61)                    | (c),(d),(f),(g),<br>(h),(i) | (144)                                       | 252                     | (c),(d),(e),(f),<br>(g),(h),(i),(j),<br>(k) |
| <b>Equity in losses of unconsolidated affiliates</b>              | (1)                                     | —                       |                             | (6)   | —                       |   |
| <b>Net income</b>   | <u>808</u>                              |                         |                             | <u>105</u>                                  |                         |   |
| <b>Net income (loss) attributable to noncontrolling interests</b> | 35                                      | (33)                    | (l)                         | (47)  | 77                      | (l)   |
| <b>Net income attributable to common shareholders</b>             | <u>\$ 773</u>                           |                         |                             | <u>\$ 152</u>                               |                         |   |
| <b>Effective tax rate<sup>(m)</sup></b>                           | 15.4%                                   |                         |                             | 436.4%                                      |                         |   |
| <b>Earnings per average common share</b>                          |   |                         |                             |   |                         |   |
| Basic   | \$ 0.79                                 |                         |                             | \$ 0.16                                     |                         |   |
| Diluted   | <u>\$ 0.79</u>                          |                         |                             | <u>\$ 0.16</u>                              |                         |   |
| <b>Average common shares outstanding</b>                          |   |                         |                             |   |                         |   |
| Basic   | 974                                     |                         |                             | 969   |                         |   |
| Diluted   | 975                                     |                         |                             | 971   |                         |   |

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) Certain immaterial prior year amounts in Exelon's Consolidated Statements of Operations and Comprehensive Income have been revised to reflect the corrections of an error.
- (c) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (d) Adjustment to exclude severance and reorganization costs related to cost management programs.
- (e) In 2019, adjustment to exclude accelerated depreciation and amortization expenses associated with the early retirement of certain fossil sites. In 2018, adjustment to exclude accelerated depreciation and amortization expense associated with Generation's decision to early retire the Oyster Creek and Three Mile Island (TMI) nuclear facilities.
- (f) Adjustment to exclude a change in environmental liabilities.
- (g) Adjustment to exclude asset impairments.
- (h) In 2019, adjustment to primarily exclude deferred income taxes due to changes in forecasted apportionment. In 2018, adjustment to exclude an adjustment to the remeasurement of deferred income taxes as a result of the TCJA.
- (i) Adjustment to exclude impact of net unrealized gains and losses on Generation's NDT funds for Non-Regulatory and Regulatory Agreement Units. The impacts of the Regulatory Agreement Units, including the associated income taxes, are contractually eliminated, resulting in no earnings impact.
- (j) Adjustment to exclude the gain on the settlement of a long-term gas supply agreement at Generation.
- (k) Adjustment to exclude annual asset retirement obligation update.
- (l) Adjustment to exclude the elimination from Generation's results of the noncontrolling interest related to certain exclusion items, primarily related to the impact of unrealized gains and losses on NDT funds at CENG.
- (m) The effective tax rate related to Adjusted (non-GAAP) Operating Earnings is 9.5% and 15.4% for the three months ended December 31, 2019 and 2018, respectively.

**Exelon**  
**GAAP Consolidated Statements of Operations and**  
**Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments**  
(unaudited)  
(in millions, except per share data)

|  | Twelve Months Ended<br>December 31, 2019 |                         |   | Twelve Months Ended<br>December 31, 2018 (b) |                         |   |
|--|--|-------------------------|---|--|-------------------------|---|
|  | GAAP (a)                                 | Non-GAAP<br>Adjustments |   | GAAP (a)                                     | Non-GAAP<br>Adjustments |   |
| <b>Operating revenues</b>                                  | \$ 34,438                                | \$ 3                    | (c)   | \$ 35,978                                    | \$ 263                  | (c)   |
| <b>Operating expenses</b>                                  |  |                         |   |  |                         |   |
| Purchased power and fuel                                   | 15,497                                   | (224)                   | (c),(d)                                     | 16,670                                       | (38)                    | (c),(d),(m)                                 |
| Operating and maintenance                                  | 8,615                                    | 37                      | (d),(e),(f),(g),<br>(h),(j)                 | 9,337  | (272)                   | (d),(e),(f),(h),<br>(j),(l)                 |
| Depreciation and amortization                              | 4,252                                    | (314)                   | (d)   | 4,353  | (553)                   | (d)   |
| Taxes other than income taxes                              | 1,732                                    | —                       |   | 1,783  | (1)                     | (e)   |
| <b>Total operating expenses</b>                            | <b>30,096</b>                            |                         |   | <b>32,143</b>                                |                         |   |
| <b>Gain on sales of assets and businesses</b>              | 31                                       | (27)                    | (d)   | 56   | (48)                    | (d)   |
| <b>Gain on deconsolidation of business</b>                 | 1  | —                       |   | —  | —                       |   |
| <b>Operating income</b>                                    | <b>4,374</b>                             |                         |   | <b>3,891</b>                                 |                         |   |
| <b>Other income and (deductions)</b>                       |  |                         |   |  |                         |   |
| Interest expense, net                                      | (1,616)                                  | 38                      | (c)   | (1,554)                                      | 25                      | (c)   |
| Other, net   | 1,227                                    | (722)                   | (c),(d),(k)                                 | (112)  | 625                     | (c),(k)                                     |
| <b>Total other income and (deductions)</b>                 | <b>(389)</b>                             |                         |   | <b>(1,666)</b>                               |                         |   |
| <b>Income before income taxes</b>                          | <b>3,985</b>                             |                         |   | <b>2,225</b>                                 |                         |   |
| <b>Income taxes</b>  | 774                                      | (156)                   | (c),(d),(e),(f),<br>(g),(h),(i),(j),<br>(k) | 118  | 600                     | (c),(d),(e),(f),<br>(i),(j),(k),(l),<br>(m) |
| <b>Equity in losses of unconsolidated affiliates</b>       | (183)                                    | 164                     | (j)   | (28)   | —                       |   |
| <b>Net income</b>  | <b>3,028</b>                             |                         |   | <b>2,079</b>                                 |                         |   |
| <b>Net income attributable to noncontrolling interests</b> | 92                                       | (91)                    | (n)   | 74   | 113                     | (n)   |
| <b>Net income attributable to common shareholders</b>      | <b>\$ 2,936</b>                          |                         |   | <b>\$ 2,005</b>                              |                         |   |
| <b>Effective tax rate<sup>(a)</sup></b>                    | <b>19.4%</b>                             |                         |   | <b>5.3%</b>                                  |                         |   |
| <b>Earnings per average common share</b>                   |  |                         |   |  |                         |   |
| Basic  | \$ 3.02                                  |                         |   | \$ 2.07                                      |                         |   |
| Diluted  | \$ 3.01                                  |                         |   | \$ 2.07                                      |                         |   |
| <b>Average common shares outstanding</b>                   |  |                         |   |  |                         |   |
| Basic  | 973                                      |                         |   | 967  |                         |   |
| Diluted  | 974                                      |                         |   | 969  |                         |   |

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) Certain immaterial prior year amounts in Exelon's Consolidated Statements of Operations and Comprehensive Income have been revised to reflect the correction of an error.
- (c) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (d) In 2019, adjustment to exclude accelerated depreciation and amortization expenses associated with the early retirement of the TMI nuclear facility and certain fossil sites and the loss on the sale of Oyster Creek to Holtec, partially offset by net realized gains related to Oyster Creek's NDT fund investments, a net benefit associated with remeasurements of the TMI ARO and a gain on the sale of certain wind assets. In 2018, adjustment to exclude accelerated depreciation and amortization expenses and one-time charges associated with Generation's decision to early retire the Oyster Creek and TMI nuclear facilities, a charge associated with a remeasurement of the Oyster Creek ARO, partially offset by a gain associated with Generation's sale of its electrical contracting business.
- (e) Adjustment to exclude severance and reorganization costs related to cost management programs.
- (f) In 2019, adjustment to exclude a benefit related to Generation's annual nuclear ARO update for non-regulatory units. In 2018, adjustment to exclude an increase at Pepco related primarily to asbestos identified at its Buzzard Point property.
- (g) Adjustment to exclude a gain related to a litigation settlement.
- (h) Adjustment to exclude a change in environmental liabilities.
- (i) In 2019, adjustment to primarily exclude the adjustment to deferred income taxes due to changes in forecasted apportionment. In 2018, adjustment to exclude the remeasurement of deferred income taxes as a result of the TCJA.
- (j) In 2019, adjustment to primarily exclude the impairment of equity method investments in certain distributed energy companies. In 2018, adjustment to exclude the impairment of certain wind projects at Generation.
- (k) Adjustment to exclude impact of net unrealized gains and losses on Generation's NDT funds for Non-Regulatory and Regulatory Agreement Units. The impacts of the Regulatory Agreement Units, including the associated income taxes, are contractually eliminated, resulting in no earnings impact.
- (l) Adjustment to exclude costs related to the PHI acquisition.
- (m) Adjustment to exclude the gain on the settlement of a long-term gas supply agreement at Generation.
- (n) Adjustment to exclude from Generation's results of the noncontrolling interests related to certain exclusion items. In 2019, primarily related to the impact of unrealized gains on NDT fund investments and the impact of the Generation's annual nuclear ARO update for CENG units, partially offset by the impairment

of certain equity investments in distributed energy companies. In 2018, primarily related to the impact of unrealized losses on NDT fund investments for CENG units.

- (o) The effective tax rate related to Adjusted (non-GAAP) Operating Earnings is 16.4% and 18.2% for the twelve months ended December 31, 2019 and 2018, respectively.

**ComEd**  
**GAAP Consolidated Statements of Operations and**  
**Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments**  
(unaudited)  
(in millions)

|  | Three Months Ended<br>December 31, 2019 |                         | Three Months Ended<br>December 31, 2018 |                         |
|--|---|-------------------------|---|-------------------------|
|  | GAAP (a)                                | Non-GAAP<br>Adjustments | GAAP (a)                                | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                  | \$ 1,405                                | \$ —                    | \$ 1,373                                | \$ —                    |
| <b>Operating expenses</b>                  |   |                         |   |                         |
| Purchased power and fuel                   | 474                                     | —                       | 454                                     | —                       |
| Operating and maintenance                  | 337                                     | —                       | 360                                     | —                       |
| Depreciation and amortization              | 266                                     | —                       | 244                                     | —                       |
| Taxes other than income taxes              | 73                                      | —                       | 73                                      | —                       |
| <b>Total operating expenses</b>            | <u>1,150</u>                            |                         | <u>1,131</u>                            |                         |
| <b>Operating income</b>                    | <u>255</u>                              |                         | <u>242</u>                              |                         |
| <b>Other income and (deductions)</b>       |   |                         |   |                         |
| Interest expense, net                      | (90)                                    | —                       | (87)                                    | —                       |
| Other, net                                 | 12                                      | —                       | 13                                      | —                       |
| <b>Total other income and (deductions)</b> | <u>(78)</u>                             |                         | <u>(74)</u>                             |                         |
| <b>Income before income taxes</b>          | <u>177</u>                              |                         | <u>168</u>                              |                         |
| <b>Income taxes</b>                        | 33                                      | —                       | 27                                      | —                       |
| <b>Net income</b>                          | <u>\$ 144</u>                           |                         | <u>\$ 141</u>                           |                         |

|  | Twelve Months Ended<br>December 31, 2019 |                         | Twelve Months Ended<br>December 31, 2018 |                         |
|--|--|-------------------------|--|-------------------------|
|  | GAAP (a)                                 | Non-GAAP<br>Adjustments | GAAP (a)                                 | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                  | \$ 5,747                                 | \$ —                    | \$ 5,882                                 | \$ —                    |
| <b>Operating expenses</b>                  |  |                         |  |                         |
| Purchased power and fuel                   | 1,941                                    | —                       | 2,155                                    | —                       |
| Operating and maintenance                  | 1,305                                    | —                       | 1,335                                    | —                       |
| Depreciation and amortization              | 1,033                                    | —                       | 940                                      | —                       |
| Taxes other than income taxes              | 301                                      | —                       | 311                                      | —                       |
| <b>Total operating expenses</b>            | <u>4,580</u>                             |                         | <u>4,741</u>                             |                         |
| <b>Gain on sales of assets</b>             | <u>4</u>                                 | —                       | <u>5</u>                                 | —                       |
| <b>Operating income</b>                    | <u>1,171</u>                             |                         | <u>1,146</u>                             |                         |
| <b>Other income and (deductions)</b>       |  |                         |  |                         |
| Interest expense, net                      | (359)                                    | —                       | (347)                                    | —                       |
| Other, net                                 | 39                                       | —                       | 33                                       | —                       |
| <b>Total other income and (deductions)</b> | <u>(320)</u>                             |                         | <u>(314)</u>                             |                         |
| <b>Income before income taxes</b>          | <u>851</u>                               |                         | <u>832</u>                               |                         |
| <b>Income taxes</b>                        | 163                                      | —                       | 168                                      | —                       |
| <b>Net income</b>                          | <u>\$ 688</u>                            |                         | <u>\$ 664</u>                            |                         |

(a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).

**PECO**  
**GAAP Consolidated Statements of Operations and**  
**Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments**  
(unaudited)  
(in millions)

|  | Three Months Ended<br>December 31, 2019 |                         | Three Months Ended<br>December 31, 2018 |                         |
|--|---|-------------------------|---|-------------------------|
|  | GAAP (a)                                | Non-GAAP<br>Adjustments | GAAP (a)                                | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                  | \$ 766                                  | \$ —                    | \$ 765                                  | \$ —                    |
| <b>Operating expenses</b>                  |   |                         |   |                         |
| Purchased power and fuel                   | 260                                     | —                       | 273                                     | —                       |
| Operating and maintenance                  | 219                                     | (1) (c)                 | 212                                     | (1) (c)                 |
| Depreciation and amortization              | 85                                      | —                       | 77                                      | —                       |
| Taxes other than income taxes              | 40                                      | —                       | 38                                      | —                       |
| <b>Total operating expenses</b>            | <u>604</u>                              |                         | <u>600</u>                              |                         |
| <b>Operating income</b>                    | <u>162</u>                              |                         | <u>165</u>                              |                         |
| <b>Other income and (deductions)</b>       |   |                         |   |                         |
| Interest expense, net                      | (36)                                    | —                       | (33)                                    | —                       |
| Other, net                                 | 5                                       | —                       | 3                                       | —                       |
| <b>Total other income and (deductions)</b> | <u>(31)</u>                             |                         | <u>(30)</u>                             |                         |
| <b>Income before income taxes</b>          | <u>131</u>                              |                         | <u>135</u>                              |                         |
| <b>Income taxes</b>                        | 13                                      | —                       | 11                                      | —                       |
| <b>Net income</b>                          | <u>\$ 118</u>                           |                         | <u>\$ 124</u>                           |                         |

|  | Twelve Months Ended<br>December 31, 2019 |                         | Twelve Months Ended<br>December 31, 2018 |                         |
|--|--|-------------------------|--|-------------------------|
|  | GAAP (a)                                 | Non-GAAP<br>Adjustments | GAAP (a)                                 | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                  | \$ 3,100                                 | \$ —                    | \$ 3,038                                 | \$ —                    |
| <b>Operating expenses</b>                  |  |                         |  |                         |
| Purchased power and fuel                   | 1,029                                    | —                       | 1,090                                    | —                       |
| Operating and maintenance                  | 861                                      | (4) (c)                 | 898                                      | (4) (b),(c)             |
| Depreciation and amortization              | 333                                      | —                       | 301                                      | —                       |
| Taxes other than income taxes              | 165                                      | —                       | 163                                      | —                       |
| <b>Total operating expenses</b>            | <u>2,388</u>                             |                         | <u>2,452</u>                             |                         |
| <b>Gain on sales of assets</b>             | <u>1</u>                                 | —                       | <u>1</u>                                 | —                       |
| <b>Operating income</b>                    | <u>713</u>                               |                         | <u>587</u>                               |                         |
| <b>Other income and (deductions)</b>       |  |                         |  |                         |
| Interest expense, net                      | (136)                                    | —                       | (129)                                    | —                       |
| Other, net                                 | 16                                       | —                       | 8  | —                       |
| <b>Total other income and (deductions)</b> | <u>(120)</u>                             |                         | <u>(121)</u>                             |                         |
| <b>Income before income taxes</b>          | <u>593</u>                               |                         | <u>466</u>                               |                         |
| <b>Income taxes</b>                        | 65                                       | 1 (c)                   | 6  | 1 (b),(c)               |
| <b>Net income</b>                          | <u>\$ 528</u>                            |                         | <u>\$ 460</u>                            |                         |

(a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).

(b) Adjustment to exclude costs related to the PHI acquisition.

(c) Adjustment to exclude severance and reorganization costs related to cost management programs.

**BGE**  
**GAAP Consolidated Statements of Operations and**  
**Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments**  
(unaudited)  
(in millions)

|  | Three Months Ended<br>December 31, 2019 |                         | Three Months Ended<br>December 31, 2018 |                         |
|--|---|-------------------------|---|-------------------------|
|  | GAAP (a)                                | Non-GAAP<br>Adjustments | GAAP (a)                                | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                  | \$ 779                                  | \$ —                    | \$ 799                                  | \$ —                    |
| <b>Operating expenses</b>                  |   |                         |   |                         |
| Purchased power and fuel                   | 248                                     | —                       | 300                                     | —                       |
| Operating and maintenance                  | 192                                     | (2) (c)                 | 199                                     | (1) (c)                 |
| Depreciation and amortization              | 133                                     | —                       | 125                                     | —                       |
| Taxes other than income taxes              | 64                                      | —                       | 66                                      | —                       |
| <b>Total operating expenses</b>            | <u>637</u>                              |                         | <u>690</u>                              |                         |
| <b>Operating income</b>                    | <u>142</u>                              |                         | <u>109</u>                              |                         |
| <b>Other income and (deductions)</b>       |   |                         |   |                         |
| Interest expense, net                      | (32)                                    | —                       | (28)                                    | —                       |
| Other, net                                 | 9                                       | —                       | 5                                       | —                       |
| <b>Total other income and (deductions)</b> | <u>(23)</u>                             |                         | <u>(23)</u>                             |                         |
| <b>Income before income taxes</b>          | <u>119</u>                              |                         | <u>86</u>                               |                         |
| <b>Income taxes</b>                        | 20                                      | —                       | 15                                      | —                       |
| <b>Net income</b>                          | <u>\$ 99</u>                            |                         | <u>\$ 71</u>                            |                         |

|  | Twelve Months Ended<br>December 31, 2019 |                         | Twelve Months Ended<br>December 31, 2018 |                         |
|--|--|-------------------------|--|-------------------------|
|  | GAAP (a)                                 | Non-GAAP<br>Adjustments | GAAP (a)                                 | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                  | \$ 3,106                                 | \$ —                    | \$ 3,169                                 | \$ —                    |
| <b>Operating expenses</b>                  |  |                         |  |                         |
| Purchased power and fuel                   | 1,052                                    | —                       | 1,182                                    | —                       |
| Operating and maintenance                  | 760                                      | (5) (c)                 | 777                                      | (4) (b),(c)             |
| Depreciation and amortization              | 502                                      | —                       | 483                                      | —                       |
| Taxes other than income taxes              | 260                                      | —                       | 254                                      | —                       |
| <b>Total operating expenses</b>            | <u>2,574</u>                             |                         | <u>2,696</u>                             |                         |
| <b>Gain on sales of assets</b>             | <u>—</u>                                 | <u>—</u>                | <u>1</u>                                 | <u>—</u>                |
| <b>Operating income</b>                    | <u>532</u>                               |                         | <u>474</u>                               |                         |
| <b>Other income and (deductions)</b>       |  |                         |  |                         |
| Interest expense, net                      | (121)                                    | —                       | (106)                                    | —                       |
| Other, net                                 | 28                                       | —                       | 19                                       | —                       |
| <b>Total other income and (deductions)</b> | <u>(93)</u>                              |                         | <u>(87)</u>                              |                         |
| <b>Income before income taxes</b>          | <u>439</u>                               |                         | <u>387</u>                               |                         |
| <b>Income taxes</b>                        | 79                                       | 1 (c)                   | 74                                       | 1 (b),(c)               |
| <b>Net income</b>                          | <u>\$ 360</u>                            |                         | <u>\$ 313</u>                            |                         |

(a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).

(b) Adjustment to exclude costs related to the PHI acquisition.

(c) Adjustment to exclude severance and reorganization costs related to cost management programs.

**PHI**  
**GAAP Consolidated Statements of Operations and**  
**Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments**  
(unaudited)  
(in millions)

|  | Three Months Ended<br>December 31, 2019 |                         | Three Months Ended<br>December 31, 2018 (b) |                         |
|--|---|-------------------------|---|-------------------------|
|  | GAAP (a)                                | Non-GAAP<br>Adjustments | GAAP (a)                                    | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                  | \$ 1,107                                | \$ —                    | \$ 1,115                                    | \$ —                    |
| <b>Operating expenses</b>                  |   |                         |   |                         |
| Purchased power and fuel                   | 406                                     | —                       | 422   | —                       |
| Operating and maintenance                  | 272                                     | (3) (e)                 | 274   | (8) (e),(f)             |
| Depreciation and amortization              | 192                                     | —                       | 184   | —                       |
| Taxes other than income taxes              | 109                                     | —                       | 112   | —                       |
| <b>Total operating expenses</b>            | <u>979</u>                              |                         | <u>992</u>                                  |                         |
| <b>Gain on sales of assets</b>             | —                                       | —                       | 1   | —                       |
| <b>Operating income</b>                    | <u>128</u>                              |                         | <u>124</u>                                  |                         |
| <b>Other income and (deductions)</b>       |   |                         |   |                         |
| Interest expense, net                      | (65)                                    | —                       | (67)  | —                       |
| Other, net                                 | 15                                      | —                       | 10  | —                       |
| <b>Total other income and (deductions)</b> | <u>(50)</u>                             |                         | <u>(57)</u>                                 |                         |
| <b>Income before income taxes</b>          | 78                                      |                         | 67  |                         |
| <b>Income taxes</b>                        | 13                                      | —                       | 5   | 2 (e),(f)               |
| <b>Net income</b>                          | <u>\$ 65</u>                            |                         | <u>\$ 62</u>                                |                         |

|  | Twelve Months Ended<br>December 31, 2019 |                         | Twelve Months Ended<br>December 31, 2018 (b) |                         |
|--|--|-------------------------|--|-------------------------|
|  | GAAP (a)                                 | Non-GAAP<br>Adjustments | GAAP (a)                                     | Non-GAAP<br>Adjustments |
| <b>Operating revenues</b>                              | \$ 4,806                                 | \$ —                    | \$ 4,798                                     | \$ —                    |
| <b>Operating expenses</b>                              |  |                         |  |                         |
| Purchased power and fuel                               | 1,798                                    | —                       | 1,831  | —                       |
| Operating and maintenance                              | 1,082                                    | (32) (d),(e)            | 1,130  | (33) (c),(e),(f)        |
| Depreciation and amortization                          | 754                                      | —                       | 740  | —                       |
| Taxes other than income taxes                          | 450                                      | —                       | 455  | —                       |
| <b>Total operating expenses</b>                        | <u>4,084</u>                             |                         | <u>4,156</u>                                 |                         |
| <b>Gain on sales of assets</b>                         | —  | —                       | 1  | —                       |
| <b>Operating income</b>                                | <u>722</u>                               |                         | <u>643</u>                                   |                         |
| <b>Other income and (deductions)</b>                   |  |                         |  |                         |
| Interest expense, net                                  | (263)                                    | —                       | (261)  | —                       |
| Other, net   | 55                                       | —                       | 43   | —                       |
| <b>Total other income and (deductions)</b>             | <u>(208)</u>                             |                         | <u>(218)</u>                                 |                         |
| <b>Income before income taxes</b>                      | 514                                      |                         | 425  |                         |
| <b>Income taxes</b>                                    | 38                                       | 7 (d),(e)               | 33   | 16 (c),(e),(f)          |
| <b>Equity in earnings of unconsolidated affiliates</b> | 1  |                         | 1  |                         |
| <b>Net income</b>                                      | <u>\$ 477</u>                            |                         | <u>\$ 393</u>                                |                         |

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).  
(b) Certain immaterial prior year amounts in PHI's Consolidated Statements of Operations and Comprehensive Income have been revised to reflect the correction of an error.  
(c) Adjustment to exclude an increase at Pepco related primarily to asbestos identified at its Buzzard Point property.  
(d) Adjustment to exclude an increase at Pepco related primarily to an increase in environmental liabilities.  
(e) Adjustment to exclude severance and reorganization costs related to cost management programs.  
(f) Adjustment to exclude a decrease in reserves for uncertain tax positions related to the deductibility of certain merger commitments associated with the 2016 PHI acquisitions



- (d) Adjustment to exclude severance and reorganization costs related to cost management programs.
- (e) In 2019, adjustment to exclude accelerated depreciation and amortization expenses associated with the early retirement of the TMI nuclear facility and certain fossil sites and the loss on the sale of Oyster Creek to Holtec, partially offset by net realized gains related to Oyster Creek's NDT fund investments, a net benefit associated with remeasurements of the TMI ARO and a gain on the sale of certain wind assets. In 2018, adjustment to exclude accelerated depreciation and amortization expense and one-time charges associated with Generation's decision to early retire the Oyster Creek and Three Mile Island (TMI) nuclear facilities, a charge associated with a remeasurement of the Oyster Creek ARO and accelerated depreciation and amortization expenses, partially offset by a gain associated with Generation's sale of its electrical contracting business.
- (f) Adjustment to exclude a change in environmental liabilities.
- (g) In 2019, adjustment primarily to exclude the impairment of equity method investments in certain distributed energy companies. In 2018, adjustment to exclude the impairment of certain wind projects at Generation.
- (h) In 2019, adjustment to primarily exclude deferred income taxes due to changes in forecasted apportionment. In 2018, adjustment to exclude the remeasurement of deferred income taxes as a result of the TCJA.
- (i) Adjustment to exclude the gain on the settlement of a long-term gas supply agreement at Generation.
- (j) Adjustment to exclude from Generation's results of the noncontrolling interests related to certain exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments for CENG units. For the twelve months ended December 31, 2019, adjustment also excluded the impact of the Generation's annual nuclear ARO update for CENG units and was also partially offset by the impairment of certain equity investments in distributed energy companies.
- (k) Adjustment to exclude Generation's annual nuclear ARO update for non-regulatory units.
- (l) Adjustment to exclude costs related to the PHI acquisition.
- (m) Adjustment to exclude a gain related to a litigation settlement.

**Other (a)**  
**GAAP Consolidated Statements of Operations and**  
**Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments**  
(unaudited)  
(in millions)

|  | Three Months Ended<br>December 31, 2019 |                         | Three Months Ended<br>December 31, 2018 |                             |
|--|---|-------------------------|---|-----------------------------|
|  | GAAP (b)                                | Non-GAAP<br>Adjustments | GAAP (b)                                | Non-GAAP<br>Adjustments     |
| <b>Operating revenues</b>                                  | \$ (358)                                | \$ —                    | \$ (309)                                | \$ —                        |
| <b>Operating expenses</b>                                  |   |                         |   |                             |
| Purchased power and fuel                                   | (330)                                   | —                       | (293)                                   | —                           |
| Operating and maintenance                                  | 29                                      | (3) (c)                 | (80)                                    | 5 (c),(g)                   |
| Depreciation and amortization                              | 25                                      | —                       | 23                                      | —                           |
| Taxes other than income taxes                              | 6                                       | —                       | 10                                      | —                           |
| <b>Total operating expenses</b>                            | <u>(270)</u>                            |                         | <u>(340)</u>                            |                             |
| <b>Loss on sales of assets</b>                             | (1)                                     | —                       | —                                       | —                           |
| <b>Operating income</b>                                    | <u>(89)</u>                             |                         | <u>31</u>                               |                             |
| <b>Other income and (deductions)</b>                       |   |                         |   |                             |
| Interest expense, net                                      | (79)                                    | (1) (d)                 | (73)                                    | 4 (d)                       |
| Other, net   | 57                                      | —                       | (12)                                    |                             |
| <b>Total other income and (deductions)</b>                 | <u>(22)</u>                             |                         | <u>(85)</u>                             |                             |
| <b>Loss before income taxes</b>                            | (111)                                   |                         | (54)                                    |                             |
| <b>Income taxes</b>  | (60)                                    | (1) (c),(d),(e)         | 15                                      | (1) (d),(e),(f),(g),<br>(h) |
| <b>Equity in earnings of unconsolidated affiliates</b>     | 1                                       | —                       | 1                                       | —                           |
| <b>Net loss</b>  | <u>(50)</u>                             |                         | <u>(68)</u>                             |                             |
| <b>Net income attributable to noncontrolling interests</b> | —                                       | —                       | —                                       | —                           |
| <b>Net loss attributable to common shareholders</b>        | <u>\$ (50)</u>                          |                         | <u>\$ (68)</u>                          |                             |

|  | Twelve Months Ended<br>December 31, 2019 |                         | Twelve Months Ended<br>December 31, 2018 |                             |
|--|--|-------------------------|--|-----------------------------|
|  | GAAP (b)                                 | Non-GAAP<br>Adjustments | GAAP (b)                                 | Non-GAAP<br>Adjustments     |
| <b>Operating revenues</b>                                  | \$ (1,245)                               | \$ —                    | \$ (1,346)                               | \$ —                        |
| <b>Operating expenses</b>                                  |  |                         |  |                             |
| Purchased power and fuel                                   | (1,179)                                  | —                       | (1,281)                                  | —                           |
| Operating and maintenance                                  | (111)                                    | 9 (c)                   | (267)                                    | 4 (c),(g)                   |
| Depreciation and amortization                              | 95                                       | —                       | 92                                       | —                           |
| Taxes other than income taxes                              | 37                                       | —                       | 44                                       | —                           |
| <b>Total operating expenses</b>                            | <u>(1,158)</u>                           |                         | <u>(1,412)</u>                           |                             |
| <b>Loss on sales of assets</b>                             | (1)                                      | —                       | —  | —                           |
| <b>Gain on deconsolidation of business</b>                 | 1  | —                       | —  | —                           |
| <b>Operating income</b>                                    | <u>(87)</u>                              |                         | <u>66</u>                                |                             |
| <b>Other income and (deductions)</b>                       |  |                         |  |                             |
| Interest expense, net                                      | (308)                                    | 21 (d)                  | (279)                                    | 18 (d)                      |
| Other, net   | 66                                       | —                       | (37)                                     | —                           |
| <b>Total other income and (deductions)</b>                 | <u>(242)</u>                             |                         | <u>(316)</u>                             |                             |
| <b>Loss before income taxes</b>                            | (329)                                    |                         | (250)                                    |                             |
| <b>Income taxes</b>  | (87)                                     | (9) (c),(d),(e)         | (55)                                     | (6) (d),(e),(f),(g),<br>(h) |
| <b>Equity in earnings of unconsolidated affiliates</b>     | —  | —                       | 1  | —                           |
| <b>Net loss</b>  | <u>(242)</u>                             |                         | <u>(194)</u>                             |                             |
| <b>Net income attributable to noncontrolling interests</b> | —  | —                       | 1  | —                           |
| <b>Net loss attributable to common shareholders</b>        | <u>\$ (242)</u>                          |                         | <u>\$ (195)</u>                          |                             |

(a) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

- (b) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (c) Adjustment to exclude severance and reorganization costs related to cost management programs.
- (d) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (e) In 2019, adjustment to exclude primarily deferred income taxes due to changes in forecasted apportionment. In 2018, adjustment to exclude the remeasurement of deferred income taxes as a result of TCJA.
- (f) Adjustment to exclude accelerated depreciation and amortization expenses and one-time charges associated with Generation's decision to early retire the Oyster Creek and TMI nuclear facilities, a charge associated with a remeasurement of the Oyster Creek ARO, partially offset by a gain associated with Generation's sale of its electrical contracting business.
- (g) Adjustment to exclude costs related to the PHI acquisition.
- (h) Adjustment to exclude the gain on the settlement of a long-term gas supply agreement at Generation.

**ComEd Statistics**  
**Three Months Ended December 31, 2019 and 2018**

|  | Electric Deliveries (in GWhs) |        |          |                           | Revenue (in millions) |          |          |
|--|-------------------------------|--------|----------|---------------------------|-----------------------|----------|----------|
|  | 2019                          | 2018   | % Change | Weather - Normal % Change | 2019                  | 2018     | % Change |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                               |        |          |                           |                       |          |          |
| Residential  | 6,076                         | 6,172  | (1.6)%   | 0.2 %                     | \$ 696                | \$ 664   | 4.8 %    |
| Small commercial & industrial                            | 7,417                         | 7,606  | (2.5)%   | (2.2)%                    | 360                   | 355      | 1.4 %    |
| Large commercial & industrial                            | 6,799                         | 6,768  | 0.5 %    | 0.6 %                     | 140                   | 126      | 11.1 %   |
| Public authorities & electric railroads                  | 295                           | 325    | (9.2)%   | (9.2)%                    | 13                    | 11       | 18.2 %   |
| Other <sup>(b)</sup>                                     | —                             | —      | n/a      | n/a                       | 226                   | 212      | 6.6 %    |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 20,587                        | 20,871 | (1.4)%   | (0.7)%                    | 1,435                 | 1,368    | 4.9 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                               |        |          |                           | (30)                  | 5        | (700.0)% |
| Total Electric Revenues                                  |                               |        |          |                           | \$ 1,405              | \$ 1,373 | 2.3 %    |
| <b>Purchased Power</b>                                   |                               |        |          |                           | \$ 474                | \$ 454   | 4.4 %    |

|  | 2019  | 2018  | Normal | % Change  |             |
|--|-------|-------|--------|-----------|-------------|
|  |       |       |        | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b> |       |       |        |           |             |
| Heating Degree-Days                    | 2,297 | 2,288 | 2,226  | 0.4 %     | 3.2%        |
| Cooling Degree-Days                    | 12    | 31    | 11     | (61.3)%   | 9.1%        |

**Twelve Months Ended December 31, 2019 and 2018**

|  | Electric Deliveries (in GWhs) |        |          |                           | Revenue (in millions) |          |             |
|--|-------------------------------|--------|----------|---------------------------|-----------------------|----------|-------------|
|  | 2019                          | 2018   | % Change | Weather - Normal % Change | 2019                  | 2018     | % Change    |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                               |        |          |                           |                       |          |             |
| Residential  | 26,813                        | 28,192 | (4.9)%   | 0.4%                      | \$ 2,916              | \$ 2,942 | (0.9)%      |
| Small commercial & industrial                            | 30,934                        | 31,811 | (2.8)%   | (1.9)%                    | 1,463                 | 1,487    | (1.6)%      |
| Large commercial & industrial                            | 27,658                        | 28,166 | (1.8)%   | (1.2)%                    | 540                   | 538      | 0.4 %       |
| Public authorities & electric railroads                  | 1,202                         | 1,272  | (5.5)%   | (5.8)%                    | 47                    | 47       | — %         |
| Other <sup>(b)</sup>                                     | —                             | —      | n/a      | n/a                       | 888                   | 867      | 2.4 %       |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 86,607                        | 89,441 | (3.2)%   | (1.1)%                    | 5,854                 | 5,881    | (0.5)%      |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                               |        |          |                           | (107)                 | 1        | (10,800.0)% |
| Total Electric Revenues                                  |                               |        |          |                           | \$ 5,747              | \$ 5,882 | (2.3)%      |
| <b>Purchased Power</b>                                   |                               |        |          |                           | \$ 1,941              | \$ 2,155 | (9.9)%      |

|  | 2019  | 2018  | Normal | % Change  |             |
|--|-------|-------|--------|-----------|-------------|
|  |       |       |        | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b> |       |       |        |           |             |
| Heating Degree-Days                    | 6,429 | 6,281 | 6,198  | 2.4 %     | 3.7%        |
| Cooling Degree-Days                    | 960   | 1,290 | 893    | (25.6)%   | 7.5%        |

|   | 2019      | 2018      |
|---|-----------|-----------|
| <b>Number of Electric Customers</b>     |           |           |
| Residential                             | 3,669,957 | 3,647,752 |
| Small Commercial & Industrial           | 385,373   | 382,069   |
| Large Commercial & Industrial           | 1,980     | 1,986     |
| Public Authorities & Electric Railroads | 4,854     | 4,769     |
| Total                                   | 4,062,164 | 4,036,576 |

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from ComEd and customers purchasing electricity from a competitive electric generation supplier, as all customers are assessed delivery charges. For customers purchasing electricity from ComEd, revenue also reflects the cost of energy and transmission.
- (b) Includes revenues from transmission revenue from PJM, wholesale electric revenue and revenue from other utilities for mutual assistance programs.
- (c) Includes operating revenues from affiliates totaling \$17 million and \$4 million for the three months ended December 31, 2019 and 2018, respectively, and \$30 million and \$27 million for the twelve months ended December 31, 2019 and 2018, respectively.
- (d) Includes alternative revenue programs and late payment charges.

**PECO Statistics**  
**Three Months Ended December 31, 2019 and 2018**

|   | Electric and Natural Gas Deliveries |             |               |                         | Revenue (in millions) |        |          |
|---|-------------------------------------|-------------|---------------|-------------------------|-----------------------|--------|----------|
|   | 2019                                | 2018        | % Change      | Weather-Normal % Change | 2019                  | 2018   | % Change |
| <b>Electric (in GWhs)</b>                                 |                                     |             |               |                         |                       |        |          |
| <b>Rate-Regulated Deliveries and Sales <sup>(a)</sup></b> |                                     |             |               |                         |                       |        |          |
| Residential   | 3,082                               | 3,264       | (5.6)%        | (4.7)%                  | \$ 365                | \$ 367 | (0.5)%   |
| Small commercial & industrial                             | 1,890                               | 1,904       | (0.7)%        | 0.3 %                   | 100                   | 98     | 2.0 %    |
| Large commercial & industrial                             | 3,509                               | 3,624       | (3.2)%        | (1.9)%                  | 56                    | 49     | 14.3 %   |
| Public authorities & electric railroads                   | 165                                 | 193         | (14.5)%       | (14.2)%                 | 6                     | 7      | (14.3)%  |
| Other <sup>(b)</sup>                                      | —                                   | —           | n/a           | n/a                     | 63                    | 62     | 1.6 %    |
| Total rate-regulated electric revenues <sup>(c)</sup>     | 8,646                               | 8,985       | (3.8)%        | (2.7)%                  | 590                   | 583    | 1.2 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>         |                                     |             |               |                         | (2)                   | (5)    | (60.0)%  |
| Total Electric Revenue                                    |                                     |             |               |                         | 588                   | 578    | 1.7 %    |
| <b>Natural Gas (in mmcfs)</b>                             |                                     |             |               |                         |                       |        |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(e)</sup></b>  |                                     |             |               |                         |                       |        |          |
| Residential   | 13,518                              | 14,888      | (9.2)%        | 0.5 %                   | 124                   | 136    | (8.8)%   |
| Small commercial & industrial                             | 7,243                               | 6,205       | 16.7 %        | 1.9 %                   | 47                    | 41     | 14.6 %   |
| Large commercial & industrial                             | 4                                   | 7           | (42.9)%       | 12.2 %                  | —                     | —      | n/a      |
| Transportation  | 6,735                               | 7,353       | (8.4)%        | (7.9)%                  | 7                     | 7      | — %      |
| Other <sup>(f)</sup>                                      | —                                   | —           | n/a           | n/a                     | 1                     | 2      | (50.0)%  |
| Total rate-regulated natural gas revenues <sup>(g)</sup>  | 27,500                              | 28,453      | (3.4)%        | (1.3)%                  | 179                   | 186    | (3.8)%   |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>         |                                     |             |               |                         | —                     | 1      | (100.0)% |
| Total Natural Gas Revenues                                |                                     |             |               |                         | 179                   | 187    | (4.3)%   |
| Total Electric and Natural Gas Revenues                   |                                     |             |               |                         | \$ 767                | \$ 765 | 0.3 %    |
| <b>Purchased Power and Fuel</b>                           |                                     |             |               |                         | \$ 260                | \$ 273 | (4.8)%   |
| <b>% Change</b>   |                                     |             |               |                         |                       |        |          |
| <b>Heating and Cooling Degree-Days</b>                    | <b>2019</b>                         | <b>2018</b> | <b>Normal</b> | <b>From 2018</b>        | <b>From Normal</b>    |        |          |
| Heating Degree-Days                                       | 1,603                               | 1,647       | 1,568         | (2.7)%                  | 2.2%                  |        |          |
| Cooling Degree-Days                                       | 40                                  | 78          | 30            | (48.7)%                 | 33.3%                 |        |          |

**Twelve Months Ended December 31, 2019 and 2018**

|  | Electric and Natural Gas Deliveries |        |          |                         | Revenue (in millions) |          |          |
|--|-------------------------------------|--------|----------|-------------------------|-----------------------|----------|----------|
|  | 2019                                | 2018   | % Change | Weather-Normal % Change | 2019                  | 2018     | % Change |
| <b>Electric (in GWhs)</b>                                |                                     |        |          |                         |                       |          |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                                     |        |          |                         |                       |          |          |
| Residential  | 13,650                              | 14,005 | (2.5)%   | (1.4)%                  | \$ 1,596              | \$ 1,566 | 1.9 %    |
| Small commercial & industrial                            | 7,983                               | 8,177  | (2.4)%   | (1.2)%                  | 404                   | 404      | — %      |
| Large commercial & industrial                            | 14,958                              | 15,516 | (3.6)%   | (3.4)%                  | 219                   | 223      | (1.8)%   |
| Public authorities & electric railroads                  | 725                                 | 761    | (4.7)%   | (5.0)%                  | 29                    | 28       | 3.6 %    |
| Other <sup>(b)</sup>                                     | —                                   | —      | n/a      | n/a                     | 249                   | 243      | 2.5 %    |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 37,316                              | 38,459 | (3.0)%   | (2.3)%                  | 2,497                 | 2,464    | 1.3 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |        |          |                         | (7)                   | 6        | (216.7)% |
| Total Electric Revenues                                  |                                     |        |          |                         | 2,490                 | 2,470    | 0.8 %    |
| <b>Natural Gas (in mmcfs)</b>                            |                                     |        |          |                         |                       |          |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(e)</sup></b> |                                     |        |          |                         |                       |          |          |
| Residential  | 40,196                              | 43,450 | (7.5)%   | 0.9 %                   | 409                   | 395      | 3.5 %    |
| Small commercial & industrial                            | 23,828                              | 21,997 | 8.3 %    | 1.4 %                   | 169                   | 143      | 18.2 %   |
| Large commercial & industrial                            | 50                                  | 65     | (23.1)%  | 7.4 %                   | 1                     | 1        | — %      |
| Transportation   | 25,822                              | 26,595 | (2.9)%   | (1.3)%                  | 25                    | 23       | 8.7 %    |
| Other <sup>(f)</sup>                                     | —                                   | —      | n/a      | n/a                     | 6                     | 6        | — %      |
| Total rate-regulated gas revenues <sup>(g)</sup>         | 89,896                              | 92,107 | (2.4)%   | 0.4 %                   | 610                   | 568      | 7.4 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |        |          |                         | —                     | —        | — %      |
| Total Natural Gas Revenues                               |                                     |        |          |                         | 610                   | 568      | 7.4 %    |
| Total Electric and Natural Gas Revenues                  |                                     |        |          |                         | \$ 3,100              | \$ 3,038 | 2.0 %    |
| <b>Purchased Power and Fuel</b>                          |                                     |        |          |                         | \$ 1,029              | \$ 1,090 | (5.6)%   |

|   | 2019      | 2018      | Normal                                 | % Change  |             |
|---|-----------|-----------|--|-----------|-------------|
|   |           |           |  | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b>  |           |           |  |           |             |
| Heating Degree-Days                     | 4,307     | 4,539     | 4,458                                  | (5.1)%    | (3.4)%      |
| Cooling Degree-Days                     | 1,610     | 1,584     | 1,415                                  | 1.6 %     | 13.8 %      |
| <b>Number of Electric Customers</b>     |           |           |  |           |             |
|   | 2019      | 2018      | <b>Number of Natural Gas Customers</b> |           |             |
| Residential                             | 1,494,462 | 1,480,925 | Residential                            | 487,337   | 482,255     |
| Small Commercial & Industrial           | 154,000   | 152,797   | Small Commercial & Industrial          | 44,374    | 44,170      |
| Large Commercial & Industrial           | 3,104     | 3,118     | Large Commercial & Industrial          | 2         | 1           |
| Public Authorities & Electric Railroads | 10,039    | 9,565     | Transportation                         | 730       | 754         |
| Total                                   | 1,661,605 | 1,646,405 | Total                                  | 532,443   | 527,180     |

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from PECO and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from PECO, revenue also reflects the cost of energy and transmission.
- (b) Includes revenues from transmission revenue from PJM, wholesale electric revenue and revenue from other utilities for mutual assistance programs.
- (c) Includes operating revenues from affiliates totaling \$1 million and \$2 million for the three months ended December 31, 2019 and 2018, respectively, and \$5 million and \$7 million for the twelve months ended December 31, 2019 and 2018, respectively.
- (d) Includes alternative revenue programs and late payment charges.
- (e) Reflects delivery volumes and revenues from customers purchasing natural gas directly from PECO and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges. For customers purchasing natural gas from PECO, revenue also reflects the cost of natural gas.
- (f) Includes revenues primarily from off-system sales.
- (g) Includes operating revenues from affiliates totaling less than \$1 million for both the three months ended December 31, 2019 and 2018, and \$1 million for both the twelve months ended December 31, 2019 and 2018.

**BGE Statistics**  
**Three Months Ended December 31, 2019 and 2018**

|  | Electric and Natural Gas Deliveries |        |          |                         | Revenue (in millions) |        |          |
|--|-------------------------------------|--------|----------|-------------------------|-----------------------|--------|----------|
|  | 2019                                | 2018   | % Change | Weather-Normal % Change | 2019                  | 2018   | % Change |
| <b>Electric (in GWhs)</b>                                |                                     |        |          |                         |                       |        |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                                     |        |          |                         |                       |        |          |
| Residential  | 2,908                               | 2,988  | (2.7)%   | 0.1 %                   | \$ 307                | \$ 328 | (6.4)%   |
| Small commercial & industrial                            | 697                                 | 708    | (1.6)%   | 0.6 %                   | 60                    | 61     | (1.6)%   |
| Large commercial & industrial                            | 3,213                               | 3,334  | (3.6)%   | (1.5)%                  | 101                   | 104    | (2.9)%   |
| Public authorities & electric railroads                  | 65                                  | 63     | 3.2 %    | (0.8)%                  | 7                     | 7      | — %      |
| Other <sup>(b)</sup>                                     | —                                   | —      | n/a      | n/a                     | 79                    | 81     | (2.5)%   |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 6,883                               | 7,093  | (3.0)%   | (0.6)%                  | 554                   | 581    | (4.6)%   |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |        |          |                         | 3                     | (3)    | (200.0)% |
| Total Electric Revenues                                  |                                     |        |          |                         | 557                   | 578    | (3.6)%   |
| <b>Natural Gas (in mmcfs)</b>                            |                                     |        |          |                         |                       |        |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(e)</sup></b> |                                     |        |          |                         |                       |        |          |
| Residential  | 13,145                              | 13,836 | (5.0)%   | 3.0 %                   | 147                   | 146    | 0.7 %    |
| Small commercial & industrial                            | 2,834                               | 3,268  | (13.3)%  | (9.8)%                  | 23                    | 22     | 4.5 %    |
| Large commercial & industrial                            | 13,529                              | 12,353 | 9.5 %    | 12.0 %                  | 38                    | 36     | 5.6 %    |
| Other <sup>(f)</sup>                                     | 3,300                               | 2,766  | 19.3 %   | n/a                     | 12                    | 14     | (14.3)%  |
| Total rate-regulated gas revenues <sup>(g)</sup>         | 32,808                              | 32,223 | 1.8 %    | 5.4 %                   | 220                   | 218    | 0.9 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |        |          |                         | 2                     | 3      | (33.3)%  |
| Total Natural Gas Revenues                               |                                     |        |          |                         | 222                   | 221    | 0.5 %    |
| Total Electric and Natural Gas Revenues                  |                                     |        |          |                         | \$ 779                | \$ 799 | (2.5)%   |
| <b>Purchased Power and Fuel</b>                          |                                     |        |          |                         | \$ 248                | \$ 300 | (17.3)%  |

  

|  | 2019  | 2018  | Normal | % Change  |             |
|--|-------|-------|--------|-----------|-------------|
|  |       |       |        | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b> |       |       |        |           |             |
| Heating Degree-Days                    | 1,570 | 1,689 | 1,667  | (7.0)%    | (5.8)%      |
| Cooling Degree-Days                    | 45    | 74    | 27     | (39.2)%   | 66.7 %      |

**Twelve Months Ended December 31, 2019 and 2018**

|  | Electric and Natural Gas Deliveries |         |          |                         | Revenue (in millions) |          |          |
|--|-------------------------------------|---------|----------|-------------------------|-----------------------|----------|----------|
|  | 2019                                | 2018    | % Change | Weather-Normal % Change | 2019                  | 2018     | % Change |
| <b>Electric (in GWhs)</b>                                |                                     |         |          |                         |                       |          |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                                     |         |          |                         |                       |          |          |
| Residential  | 12,712                              | 12,948  | (1.8)%   | (1.1)%                  | \$ 1,326              | \$ 1,382 | (4.1)%   |
| Small commercial & industrial                            | 2,935                               | 3,017   | (2.7)%   | (2.1)%                  | 254                   | 257      | (1.2)%   |
| Large commercial & industrial                            | 13,780                              | 13,995  | (1.5)%   | (0.6)%                  | 436                   | 429      | 1.6 %    |
| Public authorities & electric railroads                  | 257                                 | 263     | (2.3)%   | (1.6)%                  | 27                    | 28       | (3.6)%   |
| Other <sup>(b)</sup>                                     | —                                   | —       | n/a      | n/a                     | 321                   | 327      | (1.8)%   |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 29,684                              | 30,223  | (1.8)%   | (1.0)%                  | 2,364                 | 2,423    | (2.4)%   |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |         |          |                         | 15                    | 5        | 200.0 %  |
| Total Electric Revenues                                  |                                     |         |          |                         | 2,379                 | 2,428    | (2.0)%   |
| <b>Natural Gas (in mmcfs)</b>                            |                                     |         |          |                         |                       |          |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(e)</sup></b> |                                     |         |          |                         |                       |          |          |
| Residential  | 41,315                              | 43,127  | (4.2)%   | 2.7 %                   | 474                   | 491      | (3.5)%   |
| Small commercial & industrial                            | 9,252                               | 10,288  | (10.1)%  | (6.5)%                  | 77                    | 77       | — %      |
| Large commercial & industrial                            | 46,776                              | 46,398  | 0.8 %    | 2.1 %                   | 132                   | 124      | 6.5 %    |
| Other <sup>(f)</sup>                                     | 7,359                               | 13,949  | (47.2)%  | n/a                     | 31                    | 63       | (50.8)%  |
| Total rate-regulated natural gas revenues <sup>(g)</sup> | 104,702                             | 113,762 | (8.0)%   | 1.5 %                   | 714                   | 755      | (5.4)%   |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |         |          |                         | 13                    | (14)     | (192.9)% |
| Total Natural Gas Revenues                               |                                     |         |          |                         | 727                   | 741      | (1.9)%   |
| Total Electric and Natural Gas Revenues                  |                                     |         |          |                         | \$ 3,106              | \$ 3,169 | (2.0)%   |
| <b>Purchased Power and Fuel</b>                          |                                     |         |          |                         | \$ 1,052              | \$ 1,182 | (11.0)%  |

| Heating and Cooling Degree-Days | 2019  | 2018  | Normal | % Change  |             |
|---------------------------------|-------|-------|--------|-----------|-------------|
|                                 |       |       |        | From 2018 | From Normal |
| Heating Degree-Days             | 4,320 | 4,658 | 4,635  | (7.3)%    | (6.8)%      |
| Cooling Degree-Days             | 1,118 | 1,106 | 883    | 1.1 %     | 26.6 %      |

  

| Number of Electric Customers            | 2019             | 2018             | Number of Natural Gas Customers | 2019    | 2018    |
|---|------------------|------------------|---------------------------------|---------|---------|
| Residential                             | 1,177,333        | 1,168,372        | Residential                     | 639,426 | 633,757 |
| Small Commercial & Industrial           | 114,504          | 113,915          | Small Commercial & Industrial   | 38,345  | 38,332  |
| Large Commercial & Industrial           | 12,322           | 12,253           | Large Commercial & Industrial   | 6,037   | 5,954   |
| Public Authorities & Electric Railroads | 268              | 262              | Total                           | 683,808 | 678,043 |
| Total                                   | <u>1,304,427</u> | <u>1,294,802</u> |                                 |         |         |

- (a) Reflects delivery volumes and revenue from customers purchasing electricity directly from BGE and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from BGE, revenue also reflects the cost of energy and transmission.
- (b) Includes revenues from transmission revenue from PJM, wholesale electric revenue and revenue from other utilities for mutual assistance programs.
- (c) Includes operating revenues from affiliates totaling \$3 million for both the three months ended December 31, 2019 and 2018 and \$8 million for both the twelve months ended December 31, 2019 and 2018.
- (d) Includes alternative revenue programs and late payment charges.
- (e) Reflects delivery volumes and revenues from customers purchasing natural gas directly from BGE and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges. For customers purchasing natural gas from BGE, revenue also reflects the cost of natural gas.
- (f) Includes revenues primarily from off-system sales.
- (g) Includes operating revenues from affiliates totaling \$5 million and \$8 million for the three months ended December 31, 2019 and 2018, respectively, and \$18 million and \$21 million for the twelve months ended December 31, 2019 and 2018, respectively.

**Pepco Statistics**  
**Three Months Ended December 31, 2019 and 2018**

|  | Electric Deliveries (in GWhs) |       |          |                           | Revenue (in millions) |        |          |
|--|-------------------------------|-------|----------|---------------------------|-----------------------|--------|----------|
|  | 2019                          | 2018  | % Change | Weather - Normal % Change | 2019                  | 2018   | % Change |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                               |       |          |                           |                       |        |          |
| Residential  | 1,801                         | 1,906 | —        | (1.9)%                    | \$ 221                | \$ 229 | (3.5)%   |
| Small commercial & industrial                            | 292                           | 316   | (7.6)%   | (6.5)%                    | 35                    | 37     | (5.4)%   |
| Large commercial & industrial                            | 3,505                         | 3,712 | (5.6)%   | (4.6)%                    | 200                   | 214    | (6.5)%   |
| Public authorities & electric railroads                  | 149                           | 202   | (26.2)%  | (26.1)%                   | 7                     | 9      | (22.2)%  |
| Other <sup>(b)</sup>                                     | —                             | —     | n/a      | n/a                       | 61                    | 46     | 32.6 %   |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 5,747                         | 6,136 | (6.3)%   | (4.6)%                    | 524                   | 535    | (2.1)%   |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                               |       |          |                           | (11)                  | (6)    | 83.3 %   |
| Total Electric Revenues                                  |                               |       |          |                           | \$ 513                | \$ 529 | (3.0)%   |
| <b>Purchased Power</b>                                   |                               |       |          |                           | \$ 152                | \$ 156 | (2.6)%   |

  

|  | 2019  | 2018  | Normal | % Change  |             |
|--|-------|-------|--------|-----------|-------------|
|  |       |       |        | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b> |       |       |        |           |             |
| Heating Degree-Days                    | 1,368 | 1,408 | 1,367  | (2.8)%    | 0.1%        |
| Cooling Degree-Days                    | 68    | 117   | 48     | (41.9)%   | 41.7%       |

**Twelve Months Ended December 31, 2019 and 2018**

|  | Electric Deliveries (in GWhs) |        |          |                           | Revenue (in millions) |          |          |
|--|-------------------------------|--------|----------|---------------------------|-----------------------|----------|----------|
|  | 2019                          | 2018   | % Change | Weather - Normal % Change | 2019                  | 2018     | % Change |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                               |        |          |                           |                       |          |          |
| Residential  | 8,225                         | 8,434  | —        | (0.7)%                    | \$ 1,012              | \$ 1,021 | (0.9)%   |
| Small commercial & industrial                            | 1,306                         | 1,298  | 0.6 %    | 1.2 %                     | 149                   | 140      | 6.4 %    |
| Large commercial & industrial                            | 14,731                        | 15,373 | (4.2)%   | (3.4)%                    | 833                   | 846      | (1.5)%   |
| Public authorities & electric railroads                  | 778                           | 733    | 6.1 %    | 5.7 %                     | 34                    | 32       | 6.3 %    |
| Other <sup>(b)</sup>                                     | —                             | —      | n/a      | n/a                       | 227                   | 193      | 17.6 %   |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 25,040                        | 25,838 | (3.1)%   | (2.0)%                    | 2,255                 | 2,232    | 1.0 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                               |        |          |                           | 5                     | —        | 100.0 %  |
| Total Electric Revenues                                  |                               |        |          |                           | \$ 2,260              | \$ 2,232 | 1.3 %    |
| <b>Purchased Power</b>                                   |                               |        |          |                           | \$ 665                | \$ 654   | 1.7 %    |

  

|  | 2019  | 2018  | Normal | % Change  |             |
|--|-------|-------|--------|-----------|-------------|
|  |       |       |        | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b> |       |       |        |           |             |
| Heating Degree-Days                    | 3,603 | 3,866 | 3,829  | (6.8)%    | (5.9)%      |
| Cooling Degree-Days                    | 2,001 | 1,978 | 1,685  | 1.2 %     | 18.8 %      |

  

|   | 2019                                | 2018    |
|---|-------------------------------------|---------|
|   | <b>Number of Electric Customers</b> |         |
| Residential                             | 817,770                             | 807,442 |
| Small Commercial & Industrial           | 54,265                              | 54,306  |
| Large Commercial & Industrial           | 22,271                              | 22,022  |
| Public Authorities & Electric Railroads | 160                                 | 150     |
| Total                                   | 894,466                             | 883,920 |

- (a) Reflects revenues from customers purchasing electricity directly from Pepco and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from Pepco, revenue also reflects the cost of energy and transmission.
- (b) Includes revenues from transmission revenue from PJM, wholesale electric revenue and revenue from other utilities for mutual assistance programs.
- (c) Includes operating revenues from affiliates totaling \$1 million for both the three months ended December 31, 2019 and 2018 and \$5 million and \$6 million for the twelve months ended December 31, 2019 and 2018, respectively.
- (d) Includes alternative revenue programs and late payment changes.

**DPL Statistics**  
**Three Months Ended December 31, 2019 and 2018**

|  | Electric and Natural Gas Deliveries |       |          |                           | Revenue (in millions) |        |          |
|--|-------------------------------------|-------|----------|---------------------------|-----------------------|--------|----------|
|  | 2019                                | 2018  | % Change | Weather - Normal % Change | 2019                  | 2018   | % Change |
| <b>Electric (in GWhs)</b>                                |                                     |       |          |                           |                       |        |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                                     |       |          |                           |                       |        |          |
| Residential  | 1,177                               | 1,220 | (3.5)%   | (0.6)%                    | \$ 147                | \$ 156 | (5.8)%   |
| Small commercial & industrial                            | 522                                 | 541   | (3.5)%   | (2.5)%                    | 45                    | 48     | (6.3)%   |
| Large commercial & industrial                            | 1,108                               | 1,185 | (6.5)%   | (5.7)%                    | 24                    | 26     | (7.7)%   |
| Public authorities & electric railroads                  | 12                                  | 12    | — %      | (1.1)%                    | 3                     | 3      | — %      |
| Other <sup>(b)</sup>                                     | —                                   | —     | n/a      | n/a                       | 53                    | 46     | 15.2 %   |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 2,819                               | 2,958 | (4.7)%   | (2.5)%                    | 272                   | 279    | (2.5)%   |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |       |          |                           | (5)                   | —      | n/a      |
| Total Electric Revenues                                  |                                     |       |          |                           | 267                   | 279    | (4.3)%   |
| <b>Natural Gas (in mmcfs)</b>                            |                                     |       |          |                           |                       |        |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(e)</sup></b> |                                     |       |          |                           |                       |        |          |
| Residential  | 2,862                               | 2,832 | 1.1 %    | 5.2 %                     | 32                    | 31     | 3.2 %    |
| Small commercial & industrial                            | 1,314                               | 1,303 | 0.8 %    | 5.1 %                     | 14                    | 14     | — %      |
| Large commercial & industrial                            | 439                                 | 514   | (14.6)%  | (14.5)%                   | 1                     | 2      | (50.0)%  |
| Transportation   | 1,829                               | 1,938 | (5.6)%   | (4.6)%                    | 4                     | 4      | — %      |
| Other <sup>(f)</sup>                                     | —                                   | —     | n/a      | n/a                       | 1                     | 1      | — %      |
| Total rate-regulated gas revenues                        | 6,444                               | 6,587 | (2.2)%   | 0.7 %                     | 52                    | 52     | — %      |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |       |          |                           | —                     | —      | n/a      |
| Total Natural Gas Revenues                               |                                     |       |          |                           | 52                    | 52     | — %      |
| Total Electric and Natural Gas Revenues                  |                                     |       |          |                           | \$ 319                | \$ 331 | (3.6)%   |
| <b>Purchased Power and Fuel</b>                          |                                     |       |          |                           | \$ 127                | \$ 137 | (7.3)%   |
| <b>Electric Service Territory</b>                        |                                     |       |          |                           |                       |        |          |
| <b>Heating and Cooling Degree-Days</b>                   |                                     |       |          |                           |                       |        |          |
|  | 2019                                | 2018  | Normal   | % Change                  |                       |        |          |
|  |                                     |       |          | From 2018                 | From Normal           |        |          |
| Heating Degree-Days                                      | 1,569                               | 1,641 | 1,588    | (4.4)%                    | (1.2)%                |        |          |
| Cooling Degree-Days                                      | 49                                  | 90    | 31       | (45.6)%                   | 58.1 %                |        |          |
| <b>Natural Gas Service Territory</b>                     |                                     |       |          |                           |                       |        |          |
| <b>Heating Degree-Days</b>                               |                                     |       |          |                           |                       |        |          |
|  | 2019                                | 2018  | Normal   | % Change                  |                       |        |          |
|  |                                     |       |          | From 2018                 | From Normal           |        |          |
| Heating Degree-Days                                      | 1,647                               | 1,718 | 1,667    | (4.1)%                    | (1.2)%                |        |          |

**Twelve Months Ended December 31, 2019 and 2018**

|  | Electric and Natural Gas Deliveries |             |  |                           | Revenue (in millions) |             |          |
|--|-------------------------------------|-------------|--|---------------------------|-----------------------|-------------|----------|
|  | 2019                                | 2018        | % Change                               | Weather - Normal % Change | 2019                  | 2018        | % Change |
| <b>Electric (in GWhs)</b>                                |                                     |             |  |                           |                       |             |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                                     |             |  |                           |                       |             |          |
| Residential  | 5,287                               | 5,423       | (2.5)%                                 | (0.4)%                    | \$ 645                | \$ 669      | (3.6)%   |
| Small commercial & industrial                            | 2,257                               | 2,297       | (1.7)%                                 | (1.4)%                    | 186                   | 186         | — %      |
| Large commercial & industrial                            | 4,515                               | 4,733       | (4.6)%                                 | (4.4)%                    | 99                    | 100         | (1.0)%   |
| Public authorities & electric railroads                  | 45                                  | 45          | — %                                    | 0.3%                      | 14                    | 14          | — %      |
| Other <sup>(b)</sup>                                     | —                                   | —           | n/a                                    | n/a                       | 204                   | 175         | 16.6 %   |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 12,104                              | 12,498      | (3.2)%                                 | (2.1)%                    | 1,148                 | 1,144       | 0.3 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |             |  |                           | (9)                   | 7           | (228.6)% |
| Total Electric Revenues                                  |                                     |             |  |                           | 1,139                 | 1,151       | (1.0)%   |
| <b>Natural Gas (in mmcf)</b>                             |                                     |             |  |                           |                       |             |          |
| <b>Rate-Regulated Deliveries and Sales<sup>(e)</sup></b> |                                     |             |  |                           |                       |             |          |
| Residential  | 8,613                               | 8,633       | (0.2)%                                 | 4.2 %                     | 96                    | 99          | (3.0)%   |
| Small commercial & industrial                            | 4,287                               | 4,134       | 3.7 %                                  | 7.8 %                     | 45                    | 44          | 2.3 %    |
| Large commercial & industrial                            | 1,811                               | 1,952       | (7.2)%                                 | (7.1)%                    | 5                     | 8           | (37.5)%  |
| Transportation   | 6,733                               | 6,831       | (1.4)%                                 | (0.2)%                    | 14                    | 16          | (12.5)%  |
| Other <sup>(f)</sup>                                     | —                                   | —           | n/a                                    | n/a                       | 7                     | 13          | (46.2)%  |
| Total rate-regulated gas revenues                        | 21,444                              | 21,550      | (0.5)%                                 | 2.5 %                     | 167                   | 180         | (7.2)%   |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                                     |             |  |                           | —                     | 1           | (100.0)% |
| Total Natural Gas Revenues                               |                                     |             |  |                           | 167                   | 181         | (7.7)%   |
| Total Electric and Natural Gas Revenues                  |                                     |             |  |                           | \$ 1,306              | \$ 1,332    | (2.0)%   |
| <b>Purchased Power and Fuel</b>                          |                                     |             |  |                           | \$ 526                | \$ 561      | (6.2)%   |
| <b>Electric Service Territory</b>                        |                                     |             |  |                           |                       |             |          |
| <b>Heating and Cooling Degree-Days</b>                   | <b>2019</b>                         | <b>2018</b> | <b>Normal</b>                          | <b>% Change</b>           |                       |             |          |
|  |                                     |             |  | <b>From 2018</b>          | <b>From Normal</b>    |             |          |
| Heating Degree-Days                                      | 4,284                               | 4,523       | 4,513                                  | (5.3)%                    | (5.1)%                |             |          |
| Cooling Degree-Days                                      | 1,513                               | 1,515       | 1,240                                  | (0.1)%                    | 22.0 %                |             |          |
| <b>Natural Gas Service Territory</b>                     |                                     |             |  |                           |                       |             |          |
| <b>Heating Degree-Days</b>                               | <b>2019</b>                         | <b>2018</b> | <b>Normal</b>                          | <b>% Change</b>           |                       |             |          |
|  |                                     |             |  | <b>From 2018</b>          | <b>From Normal</b>    |             |          |
| Heating Degree-Days                                      | 4,475                               | 4,713       | 4,698                                  | (5.0)%                    | (4.7)%                |             |          |
| <b>Number of Electric Customers</b>                      |                                     |             |  |                           |                       |             |          |
|  | <b>2019</b>                         | <b>2018</b> | <b>Number of Natural Gas Customers</b> |                           | <b>2019</b>           | <b>2018</b> |          |
| Residential  | 468,162                             | 463,670     | Residential                            |                           | 125,873               | 124,183     |          |
| Small Commercial & Industrial                            | 61,721                              | 61,381      | Small Commercial & Industrial          |                           | 9,999                 | 9,986       |          |
| Large Commercial & Industrial                            | 1,411                               | 1,406       | Large Commercial & Industrial          |                           | 17                    | 18          |          |
| Public Authorities & Electric Railroads                  | 613                                 | 621         | Transportation                         |                           | 159                   | 156         |          |
| Total  | 531,907                             | 527,078     | Total                                  |                           | 136,048               | 134,343     |          |

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from DPL and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from DPL, revenue also reflects the cost of energy and transmission.
- (b) Includes revenues from transmission revenue from PJM, wholesale electric revenue and revenue from other utilities for mutual assistance programs.
- (c) Includes operating revenues from affiliates totaling \$2 million for both the three months ended December 31, 2019 and 2018 and \$7 million and \$8 million for the twelve months ended December 31, 2019 and 2018, respectively.
- (d) Includes alternative revenue programs and late payment charges.
- (e) Reflects delivery volumes and revenues from customers purchasing natural gas directly from DPL and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges. For customers purchasing natural gas from DPL, revenue also reflects the cost of natural gas.
- (f) Includes revenues primarily from off-system sales.

**ACE Statistics**  
**Three Months Ended December 31, 2019 and 2018**

|  | Electric Deliveries (in GWhs) |       |          |                           | Revenue (in millions) |        |          |
|--|-------------------------------|-------|----------|---------------------------|-----------------------|--------|----------|
|  | 2019                          | 2018  | % Change | Weather - Normal % Change | 2019                  | 2018   | % Change |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                               |       |          |                           |                       |        |          |
| Residential  | 784                           | 823   | (4.7)%   | (2.0)%                    | \$ 133                | \$ 126 | 5.6 %    |
| Small commercial & industrial                            | 291                           | 296   | (1.7)%   | 0.1 %                     | 38                    | 34     | 11.8 %   |
| Large commercial & industrial                            | 828                           | 839   | (1.3)%   | (0.8)%                    | 46                    | 40     | 15.0 %   |
| Public authorities & electric railroads                  | 13                            | 12    | 8.3 %    | 5.6 %                     | 3                     | 2      | 50.0 %   |
| Other <sup>(b)</sup>                                     | —                             | —     | n/a      | n/a                       | 53                    | 52     | 1.9 %    |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 1,916                         | 1,970 | (2.7)%   | (1.1)%                    | 273                   | 254    | 7.5 %    |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                               |       |          |                           | 1                     | —      | n/a      |
| Total Electric Revenues                                  |                               |       |          |                           | \$ 274                | \$ 254 | 7.9 %    |
| <b>Purchased Power</b>                                   |                               |       |          |                           | \$ 128                | \$ 130 | (1.5)%   |

|  | 2019  | 2018  | Normal | % Change  |             |
|--|-------|-------|--------|-----------|-------------|
|  |       |       |        | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b> |       |       |        |           |             |
| Heating Degree-Days                    | 1,569 | 1,595 | 1,597  | (1.6)%    | (1.8)%      |
| Cooling Degree-Days                    | 44    | 88    | 30     | (50.0)%   | 46.7 %      |

**Twelve Months Ended December 31, 2019 and 2018**

|  | Electric Deliveries (in GWhs) |       |          |                           | Revenue (in millions) |          |          |
|--|-------------------------------|-------|----------|---------------------------|-----------------------|----------|----------|
|  | 2019                          | 2018  | % Change | Weather - Normal % Change | 2019                  | 2018     | % Change |
| <b>Rate-Regulated Deliveries and Sales<sup>(a)</sup></b> |                               |       |          |                           |                       |          |          |
| Residential  | 3,966                         | 4,185 | (5.2)%   | (3.5)%                    | \$ 659                | \$ 661   | (0.3)%   |
| Small commercial & industrial                            | 1,346                         | 1,361 | (1.1)%   | 0.1 %                     | 170                   | 162      | 4.9 %    |
| Large commercial & industrial                            | 3,429                         | 3,565 | (3.8)%   | (3.4)%                    | 180                   | 178      | 1.1 %    |
| Public authorities & electric railroads                  | 47                            | 49    | (4.1)%   | (2.9)%                    | 13                    | 12       | 8.3 %    |
| Other <sup>(b)</sup>                                     | —                             | —     | n/a      | n/a                       | 218                   | 227      | (4.0)%   |
| Total rate-regulated electric revenues <sup>(c)</sup>    | 8,788                         | 9,160 | (4.1)%   | (2.9)%                    | 1,240                 | 1,240    | — %      |
| <b>Other Rate-Regulated Revenue<sup>(d)</sup></b>        |                               |       |          |                           | —                     | (4)      | (100.0)% |
| Total Electric Revenues                                  |                               |       |          |                           | \$ 1,240              | \$ 1,236 | 0.3 %    |
| <b>Purchased Power</b>                                   |                               |       |          |                           | \$ 608                | \$ 616   | (1.3)%   |

|  | 2019  | 2018  | Normal | % Change  |             |
|--|-------|-------|--------|-----------|-------------|
|  |       |       |        | From 2018 | From Normal |
| <b>Heating and Cooling Degree-Days</b> |       |       |        |           |             |
| Heating Degree-Days                    | 4,467 | 4,523 | 4,676  | (1.2)%    | (4.5)%      |
| Cooling Degree-Days                    | 1,374 | 1,535 | 1,158  | (10.5)%   | 18.7 %      |

|   | 2019    | 2018    |
|---|---------|---------|
| <b>Number of Electric Customers</b>     |         |         |
| Residential                             | 494,596 | 490,975 |
| Small Commercial & Industrial           | 61,497  | 61,386  |
| Large Commercial & Industrial           | 3,392   | 3,515   |
| Public Authorities & Electric Railroads | 679     | 656     |
| Total                                   | 560,164 | 556,532 |

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from ACE and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from ACE, revenue also reflects the cost of energy and transmission.
- (b) Includes revenues from transmission revenue from PJM, wholesale electric revenue and revenue from other utilities for mutual assistance programs.
- (c) Includes operating revenues from affiliates totaling less than \$1 million for both the three months ended December 31, 2019 and 2018, and \$3 million for both the twelve months ended December 31, 2019 and 2018.
- (d) Includes alternative revenue programs and late payment charges.

## Generation Statistics

|                                     | Three Months Ended   |                      | Twelve Months Ended  |                      |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                     | December 31,<br>2019 | December 31,<br>2018 | December 31,<br>2019 | December 31,<br>2018 |
| <b>Supply (in GWhs)</b>             |                      |                      |                      |                      |
| Nuclear Generation <sup>(a)</sup>   |                      |                      |                      |                      |
| Mid-Atlantic                        | 13,911               | 15,175               | 58,347               | 64,099               |
| Midwest                             | 23,431               | 23,752               | 94,890               | 94,283               |
| New York                            | 7,305                | 6,882                | 28,088               | 26,640               |
| Total Nuclear Generation            | 44,647               | 45,809               | 181,325              | 185,022              |
| Fossil and Renewables               |                      |                      |                      |                      |
| Mid-Atlantic                        | 533                  | 1,010                | 2,884                | 3,670                |
| Midwest                             | 394                  | 353                  | 1,374                | 1,373                |
| New York                            | 1                    | —                    | 5                    | 3                    |
| ERCOT                               | 2,928                | 2,791                | 13,572               | 11,180               |
| Other Power Regions <sup>(b)</sup>  | 2,687                | 2,563                | 11,476               | 13,256               |
| Total Fossil and Renewables         | 6,543                | 6,717                | 29,311               | 29,482               |
| Purchased Power                     |                      |                      |                      |                      |
| Mid-Atlantic                        | 4,431                | 1,678                | 14,790               | 6,506                |
| Midwest                             | 762                  | 263                  | 1,424                | 996                  |
| ERCOT                               | 1,236                | 1,046                | 4,821                | 6,550                |
| Other Power Regions <sup>(b)</sup>  | 11,980               | 12,268               | 48,673               | 44,998               |
| Total Purchased Power               | 18,409               | 15,255               | 69,708               | 59,050               |
| Total Supply/Sales by Region        |                      |                      |                      |                      |
| Mid-Atlantic <sup>(c)</sup>         | 18,875               | 17,863               | 76,021               | 74,275               |
| Midwest <sup>(c)</sup>              | 24,587               | 24,368               | 97,688               | 96,652               |
| New York                            | 7,306                | 6,882                | 28,093               | 26,643               |
| ERCOT                               | 4,164                | 3,837                | 18,393               | 17,730               |
| Other Power Regions <sup>(b)</sup>  | 14,667               | 14,831               | 60,149               | 58,254               |
| <b>Total Supply/Sales by Region</b> | <b>69,599</b>        | <b>67,781</b>        | <b>280,344</b>       | <b>273,554</b>       |
|                                     | Three Months Ended   |                      | Twelve Months Ended  |                      |
|                                     | December 31,<br>2019 | December 31,<br>2018 | December 31,<br>2019 | December 31,<br>2018 |
| <b>Outage Days<sup>(d)</sup></b>    |                      |                      |                      |                      |
| Refueling                           | 64                   | 76                   | 209                  | 274                  |
| Non-refueling                       | 8                    | 18                   | 51                   | 38                   |
| <b>Total Outage Days</b>            | <b>72</b>            | <b>94</b>            | <b>260</b>           | <b>312</b>           |

- (a) Includes the proportionate share of output where Generation has an undivided ownership interest in jointly-owned generating plants and includes the total output of plants that are fully consolidated (e.g. CENG).
- (b) Other Power Regions includes New England, South, West and Canada.
- (c) Includes affiliate sales to PECO, BGE, Pepco, DPL and ACE in the Mid-Atlantic region and affiliate sales to ComEd in the Midwest region.
- (d) Outage days exclude Salem.