UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended June 30, 2024
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number	Name of Registrant; State or Other Jurisdiction of Incorporation; Address of Principal Executive Offices; and Telephone Number	IRS Employer Identification Number
001-16169	EXELON CORPORATION (a Pennsylvania corporation) 10 South Dearborn Street P.O. Box 805379 Chicago, Illinois 60680-5379 (800) 483-3220	23-2990190
001-01839	COMMONWEALTH EDISON COMPANY (an Illinois corporation) 10 South Dearborn Street Chicago, Illinois 60603-2300 (312) 394-4321	36-0938600
000-16844	PECO ENERGY COMPANY (a Pennsylvania corporation) 2301 Market Street P.O. Box 8699 Philadelphia, Pennsylvania 19101-8699 (215) 841-4000	23-0970240
001-01910	BALTIMORE GAS AND ELECTRIC COMPANY (a Maryland corporation) 2 Center Plaza 110 West Fayette Street Baltimore, Maryland 21201-3708 (410) 234-5000	52-0280210
001-31403	PEPCO HOLDINGS LLC (a Delaware limited liability company) 701 Ninth Street, N.W. Washington, District of Columbia 20068-0001 (202) 872-2000	52-2297449
001-01072	POTOMAC ELECTRIC POWER COMPANY (a District of Columbia and Virginia corporation) 701 Ninth Street, N.W. Washington, District of Columbia 20068-0001 (202) 872-2000	53-0127880
001-01405	DELMARVA POWER & LIGHT COMPANY (a Delaware and Virginia corporation) 500 North Wakefield Drive Newark, Delaware 19702-5440 (202) 872-2000	51-0084283
001-03559	ATLANTIC CITY ELECTRIC COMPANY (a New Jersey corporation) 500 North Wakefield Drive Newark, Delaware 19702-5440 (202) 872-2000	21-0398280

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
EXELON CORPORATION:		
Common stock, without par value	EXC	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Exelon Corporation	Large Accelerated Filer ☒	Accelerated Filer ☐	Non-accelerated Filer ☐	Smaller Reporting Company ☐	Emerging Growth Company ☐
Commonwealth Edison Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
PECO Energy Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Baltimore Gas and Electric Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Pepco Holdings LLC	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Potomac Electric Power Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Delmarva Power & Light Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐
Atlantic City Electric Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-accelerated Filer ☒	Smaller Reporting Company ☐	Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The number of shares outstanding of each registrant’s common stock as of June 30, 2024 was:

Exelon Corporation Common Stock, without par value	1,000,498,207
Commonwealth Edison Company Common Stock, $12.50 par value	127,021,416
PECO Energy Company Common Stock, without par value	170,478,507
Baltimore Gas and Electric Company Common Stock, without par value	1,000
Pepco Holdings LLC	not applicable
Potomac Electric Power Company Common Stock, $0.01 par value	100
Delmarva Power & Light Company Common Stock, $2.25 par value	1,000
Atlantic City Electric Company Common Stock, $3.00 par value	8,546,017

TABLE OF CONTENTS

GLOSSARY OF TERMS AND ABBREVIATIONS

Exelon Corporation and Related Entities	
Exelon	Exelon Corporation
ComEd	Commonwealth Edison Company
PECO	PECO Energy Company
BGE	Baltimore Gas and Electric Company
Pepco Holdings or PHI	Pepco Holdings LLC
Pepco	Potomac Electric Power Company
DPL	Delmarva Power & Light Company
ACE	Atlantic City Electric Company
Registrants	Exelon, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE, collectively
Utility Registrants	ComEd, PECO, BGE, Pepco, DPL, and ACE, collectively
BSC	Exelon Business Services Company, LLC
Exelon Corporate	Exelon in its corporate capacity as a holding company
PCI	Potomac Capital Investment Corporation and its subsidiaries
PECO Trust III	PECO Energy Capital Trust III
PECO Trust IV	PECO Energy Capital Trust IV
PHI Corporate	PHI in its corporate capacity as a holding company
PHISCO	PHI Service Company
Former Related Entities	
Constellation	Constellation Energy Corporation
Generation	Constellation Energy Generation, LLC (formerly Exelon Generation Company, LLC, a subsidiary of Exelon prior to separation on February 1, 2022)

GLOSSARY OF TERMS AND ABBREVIATIONS

Other Terms and Abbreviations

Note - of the 2023 Form 10-K	Reference to specific Combined Note to Consolidated Financial Statements within Exelon's 2023 Annual Report on Form 10-K
ABO	Accumulated Benefit Obligation
AFUDC	Allowance for Funds Used During Construction
AMI	Advanced Metering Infrastructure
AOCI	Accumulated Other Comprehensive Income (Loss)
ARO	Asset Retirement Obligation
ATM	At the market
BGS	Basic Generation Service
BSA	Bill Stabilization Adjustment
CEJA	Climate and Equitable Jobs Act; Illinois Public Act 102-0662 signed into law on September 15, 2021
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended
CIP	Conservation Incentive Program
CMC	Carbon Mitigation Credit
CODMs	Chief Operating Decision Makers
DC PLUG	District of Columbia Power Line Undergrounding Initiative
DCPSC	Public Service Commission of the District of Columbia
DEPSC	Delaware Public Service Commission
DOEE	District of Columbia Department of Energy & Environment
DPA	Deferred Prosecution Agreement
DSIC	Distribution System Improvement Charge
EDIT	Excess Deferred Income Taxes
EIMA	Energy Infrastructure Modernization Act (Illinois Senate Bill 1652 and Illinois House Bill 3036)
EPA	United States Environmental Protection Agency
ERISA	Employee Retirement Income Security Act of 1974, as amended
ETAC	Energy Transition Assistance Charge
FERC	Federal Energy Regulatory Commission
GAAP	Generally Accepted Accounting Principles in the United States
GCR	Gas Cost Rate
GSA	Generation Supply Adjustment
GWhs	Gigawatt hours
ICC	Illinois Commerce Commission
IIJA	Infrastructure Investment and Jobs Act
Illinois Settlement Legislation	Legislation enacted in 2007 affecting electric utilities in Illinois
IPA	Illinois Power Agency
IRA	Inflation Reduction Act
IRC	Internal Revenue Code
IRS	Internal Revenue Service
MDPSC	Maryland Public Service Commission
MGP	Manufactured Gas Plant
mmcf	Million Cubic Feet
MRP	Multi-Year Rate Plan
MWh	Megawatt hour

GLOSSARY OF TERMS AND ABBREVIATIONS

Other Terms and Abbreviations	
N/A	Not applicable
NAV	Net Asset Value
NJBPU	New Jersey Board of Public Utilities
NOLC	Tax Net Operating Loss Carryforward
NPNS	Normal Purchase Normal Sale scope exception
NPS	National Park Service
NRD	Natural Resources Damages
OCI	Other Comprehensive Income
OPEB	Other Postretirement Employee Benefits
PAPUC	Pennsylvania Public Utility Commission
PGC	Purchased Gas Cost Clause
PJM	PJM Interconnection, LLC
POLR	Provider of Last Resort
PPA	Power Purchase Agreement
PRPs	Potentially Responsible Parties
REC	Renewable Energy Credit which is issued for each megawatt hour of generation from a qualified renewable energy source
Regulatory Agreement Units	Nuclear generating units or portions thereof whose decommissioning-related activities are subject to contractual elimination under regulatory accounting
Rider	Reconcilable Surcharge Recovery Mechanism
ROE	Return on equity
ROU	Right-of-use
RTO	Regional Transmission Organization
SEC	United States Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
SOS	Standard Offer Service
TCJA	Tax Cuts and Jobs Act
ZEC	Zero Emission Credit or Zero Emission Certificate

FILING FORMAT

This combined Form 10-Q is being filed separately by Exelon Corporation, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC, Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company (Registrants). Information contained herein relating to any individual Registrant is filed by such Registrant on its own behalf. No Registrant makes any representation as to information relating to any other Registrant.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Report contains certain forward-looking statements within the meaning of federal securities laws that are subject to risks and uncertainties. Words such as “could,” “may,” “expects,” “anticipates,” “will,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “predicts,” "should," and variations on such words, and similar expressions that reflect our current views with respect to future events and operational, economic, and financial performance, are intended to identify such forward-looking statements.

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 2023 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 18, Commitments and Contingencies; (2) this 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 11, Commitments and Contingencies; and (3) other factors discussed in filings with the SEC by the Registrants.

Investors are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this Report. None of the Registrants undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this Report.

WHERE TO FIND MORE INFORMATION

The SEC maintains an Internet site at www.sec.gov that contains reports, proxy and information statements, and other information that the Registrants file electronically with the SEC. These documents are also available to the public from commercial document retrieval services and free of charge at the Registrants' website at www.exeloncorp.com. Information contained on the Registrants' website shall not be deemed incorporated into, or to be a part of, this Report.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions, except per share data)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating revenues				
Electric operating revenues	$ 5,169	$ 4,434	$ 10,367	$ 8,896
Natural gas operating revenues	272	258	1,011	1,080
Revenues from alternative revenue programs	(80)	126	25	404
Total operating revenues	5,361	4,818	11,403	10,380
Operating expenses				
Purchased power	1,938	1,669	4,134	3,402
Purchased fuel	54	58	267	416
Operating and maintenance	1,209	1,197	2,481	2,347
Depreciation and amortization	894	866	1,773	1,727
Taxes other than income taxes	360	324	731	679
Total operating expenses	4,455	4,114	9,386	8,571
Gain on sale of assets	7	—	9	—
Operating income	913	704	2,026	1,809
Other income and (deductions)				
Interest expense, net	(476)	(421)	(938)	(828)
Interest expense to affiliates	(7)	(6)	(12)	(12)
Other, net	64	139	139	249
Total other income and (deductions)	(419)	(288)	(811)	(591)
Income before income taxes	494	416	1,215	1,218
Income taxes	46	73	109	206
Net income attributable to common shareholders	$ 448	$ 343	$ 1,106	$ 1,012
Comprehensive income, net of income taxes				
Net income	$ 448	$ 343	$ 1,106	$ 1,012
Other comprehensive income, net of income taxes				
Pension and non-pension postretirement benefit plans:				
Actuarial losses reclassified to periodic benefit cost	5	3	10	6
Pension and non-pension postretirement benefit plans valuation adjustments	(2)	(3)	(26)	(13)
Unrealized (loss) gain on cash flow hedges	(3)	9	30	15
Other comprehensive income	—	9	14	8
Comprehensive income attributable to common shareholders	$ 448	$ 352	$ 1,120	$ 1,020
Average shares of common stock outstanding:				
Basic	1,001	995	1,001	995
Assumed exercise and/or distributions of stock-based awards[(a)]	—	1	—	1
Diluted	1,001	996	1,001	996
Earnings per average common share				
Basic	$ 0.45	$ 0.34	$ 1.11	$ 1.02
Diluted	$ 0.45	$ 0.34	$ 1.10	$ 1.02

(a) The dilutive effects of stock-based compensation awards are calculated using the treasury stock method for all periods presented.

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	2023
Cash flows from operating activities		
Net income	$ 1,106	$ 1,012
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation, amortization, and accretion	1,774	1,727
Gain on sales of assets	(9)	—
Deferred income taxes and amortization of investment tax credits	72	94
Net fair value changes related to derivatives	—	4
Other non-cash operating activities	246	(222)
Changes in assets and liabilities:		
Accounts receivable	(443)	387
Inventories	(25)	44
Accounts payable and accrued expenses	(120)	(734)
Collateral received (paid), net	13	(187)
Income taxes	(39)	97
Regulatory assets and liabilities, net	265	(516)
Pension and non-pension postretirement benefit contributions	(125)	(85)
Other assets and liabilities	(261)	140
Net cash flows provided by operating activities	2,454	1,761
Cash flows from investing activities		
Capital expenditures	(3,466)	(3,685)
Other investing activities	(1)	10
Net cash flows used in investing activities	(3,467)	(3,675)
Cash flows from financing activities		
Changes in short-term borrowings	(670)	(1,600)
Proceeds from short-term borrowings with maturities greater than 90 days	150	400
Repayments on short-term borrowings with maturities greater than 90 days	(549)	(150)
Issuance of long-term debt	4,225	5,200
Retirement of long-term debt	(903)	(1,209)
Dividends paid on common stock	(761)	(717)
Proceeds from employee stock plans	22	19
Other financing activities	(67)	(84)
Net cash flows provided by financing activities	1,447	1,859
Increase (decrease) in cash, restricted cash, and cash equivalents	434	(55)
Cash, restricted cash, and cash equivalents at beginning of period	1,101	1,090
Cash, restricted cash, and cash equivalents at end of period	$ 1,535	$ 1,035
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (74)	$ (164)

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	934	$	445
Restricted cash and cash equivalents		530		482
Accounts receivable				
Customer accounts receivable	3,053		2,659	
Customer allowance for credit losses	(372)		(317)	
Customer accounts receivable, net		2,681		2,342
Other accounts receivable	1,136		1,101	
Other allowance for credit losses	(108)		(82)	
Other accounts receivable, net		1,028		1,019
Inventories, net				
Fossil fuel		53		94
Materials and supplies		771		707
Regulatory assets		1,945		2,215
Other		615		473
Total current assets		8,557		7,777
Property, plant, and equipment (net of accumulated depreciation and amortization of $18,160 and $17,251 as of June 30, 2024 and December 31, 2023, respectively)		75,646		73,593
Deferred debits and other assets				
Regulatory assets		8,703		8,698
Goodwill		6,630		6,630
Receivable related to Regulatory Agreement Units		3,840		3,232
Investments		270		251
Other		1,467		1,365
Total deferred debits and other assets		20,910		20,176
Total assets	$	105,113	$	101,546

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 1,454	$ 2,523
Long-term debt due within one year	1,308	1,403
Accounts payable	2,810	2,846
Accrued expenses	1,241	1,375
Payables to affiliates	5	5
Customer deposits	425	411
Regulatory liabilities	433	389
Mark-to-market derivative liabilities	23	74
Unamortized energy contract liabilities	7	8
Other	569	557
Total current liabilities	8,275	9,591
Long-term debt	43,039	39,692
Long-term debt to financing trusts	390	390
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	12,358	11,956
Regulatory liabilities	10,198	9,576
Pension obligations	1,562	1,571
Non-pension postretirement benefit obligations	524	527
Asset retirement obligations	272	267
Mark-to-market derivative liabilities	121	106
Unamortized energy contract liabilities	23	27
Other	2,199	2,088
Total deferred credits and other liabilities	27,257	26,118
Total liabilities	78,961	75,791
Commitments and contingencies		
Shareholders' equity		
Common stock (No par value, 2,000 shares authorized, 1,000 shares and 999 shares outstanding as of June 30, 2024 and December 31, 2023, respectively)	21,152	21,114
Treasury stock, at cost (2 shares as of June 30, 2024 and December 31, 2023)	(123)	(123)
Retained earnings	5,835	5,490
Accumulated other comprehensive loss, net	(712)	(726)
Total shareholders' equity	26,152	25,755
Total liabilities and shareholders' equity	$ 105,113	$ 101,546

See the Combined Notes to Consolidated Financial Statements

EXELON CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

	Six Months Ended June 30, 2024					
(In millions, shares in thousands)	Issued Shares	Common Stock	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss, net	Total Shareholders' Equity
Balance at December 31, 2023	1,001,249	$ 21,114	$ (123)	$ 5,490	$ (726)	$ 25,755
Net income	—	—	—	658	—	658
Long-term incentive plan activity	333	2	—	—	—	2
Employee stock purchase plan issuances	276	13	—	—	—	13
Common stock dividends ($0.38/common share)	—	—	—	(381)		(381)
Other comprehensive income, net of income taxes	—	—	—	—	14	14
Balance at March 31, 2024	1,001,858	$ 21,129	$ (123)	$ 5,767	$ (712)	$ 26,061
Net income	—	—	—	448	—	448
Long-term incentive plan activity	76	11	—	—	—	11
Employee stock purchase plan issuances	396	12	—	—	—	12
Common stock dividends ($0.38/common share)	—	—	—	(380)	—	(380)
Balance at June 30, 2024	1,002,330	$ 21,152	$ (123)	$ 5,835	$ (712)	$ 26,152

	Six Months Ended June 30, 2023					
(In millions, shares in thousands)	Issued Shares	Common Stock	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss, net	Total Shareholders' Equity
Balance at December 31, 2022	995,830	$ 20,908	$ (123)	$ 4,597	$ (638)	$ 24,744
Net income	—	—	—	669	—	669
Long-term incentive plan activity	306	1	—	—	—	1
Employee stock purchase plan issuances	266	12	—	—	—	12
Common stock dividends ($0.36/common share)	—	—	—	(359)	—	(359)
Other comprehensive loss, net of income taxes	—	—	—	—	(1)	(1)
Balance at March 31, 2023	996,402	$ 20,921	$ (123)	$ 4,907	$ (639)	$ 25,066
Net income	—	—	—	343	—	343
Long-term incentive plan activity	372	9	—	—	—	9
Employee stock purchase plan issuances	278	11	—	—	—	11
Common stock dividends ($0.36/common share)	—	—	—	(359)	—	(359)
Other comprehensive income, net of income taxes	—	—	—	—	9	9
Balance at June 30, 2023	997,052	$ 20,941	$ (123)	$ 4,891	$ (630)	$ 25,079

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating revenues				
Electric operating revenues	$ 2,120	$ 1,781	$ 4,194	$ 3,293
Revenues from alternative revenue programs	(43)	118	(24)	270
Operating revenues from affiliates	2	2	4	5
Total operating revenues	2,079	1,901	4,174	3,568
Operating expenses				
Purchased power	763	685	1,670	1,172
Operating and maintenance	345	267	663	521
Operating and maintenance from affiliates	104	88	204	171
Depreciation and amortization	374	350	737	688
Taxes other than income taxes	94	88	188	182
Total operating expenses	1,680	1,478	3,462	2,734
Gain on sale of assets	5	—	5	—
Operating income	404	423	717	834
Other income and (deductions)				
Interest expense, net	(120)	(117)	(239)	(230)
Interest expense to affiliates	(3)	(3)	(7)	(7)
Other, net	20	17	41	34
Total other income and (deductions)	(103)	(103)	(205)	(203)
Income before income taxes	301	320	512	631
Income taxes	31	71	49	142
Net income	$ 270	$ 249	$ 463	$ 489
Comprehensive income	$ 270	$ 249	$ 463	$ 489

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Net income	$ 463	$ 489
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	737	688
Gain on sales of assets	(5)	—
Deferred income taxes and amortization of investment tax credits	(8)	106
Other non-cash operating activities	69	(260)
Changes in assets and liabilities:		
Accounts receivable	(278)	(30)
Receivables from and payables to affiliates, net	3	(3)
Inventories	(16)	(43)
Accounts payable and accrued expenses	(73)	(311)
Collateral received, net	12	25
Income taxes	(108)	16
Regulatory assets and liabilities, net	446	(459)
Pension and non-pension postretirement benefit contributions	(10)	(24)
Other assets and liabilities	70	110
Net cash flows provided by operating activities	1,302	304
Cash flows from investing activities		
Capital expenditures	(1,111)	(1,262)
Other investing activities	11	3
Net cash flows used in investing activities	(1,100)	(1,259)
Cash flows from financing activities		
Changes in short-term borrowings	(124)	(130)
Proceeds from short-term borrowings with maturities greater than 90 days	—	400
Repayments on short-term borrowings with maturities greater than 90 days	(400)	(150)
Issuance of long-term debt	800	975
Dividends paid on common stock	(388)	(374)
Contributions from parent	78	372
Other financing activities	(11)	(13)
Net cash flows (used in) provided by financing activities	(45)	1,080
Increase in cash, restricted cash, and cash equivalents	157	125
Cash, restricted cash, and cash equivalents at beginning of period	686	511
Cash, restricted cash, and cash equivalents at end of period	$ 843	$ 636
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (70)	$ (7)

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	326	$	110
Restricted cash and cash equivalents		446		402
Accounts receivable				
Customer accounts receivable	1,132		860	
Customer allowance for credit losses	(112)		(69)	
Customer accounts receivable, net		1,020		791
Other accounts receivable	251		242	
Other allowance for credit losses	(29)		(17)	
Other accounts receivable, net		222		225
Receivables from affiliates		4		3
Inventories, net		294		279
Regulatory assets		1,089		1,335
Other		147		123
Total current assets		3,548		3,268
Property, plant, and equipment (net of accumulated depreciation and amortization of $7,577 and $7,222 as of June 30, 2024 and December 31, 2023, respectively)		29,642		29,088
Deferred debits and other assets				
Regulatory assets		2,701		2,794
Goodwill		2,625		2,625
Receivable related to Regulatory Agreement Units		3,566		2,954
Investments		6		6
Prepaid pension asset		1,194		1,217
Other		966		875
Total deferred debits and other assets		11,058		10,471
Total assets	$	44,248	$	42,827

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 78	$ 602
Long-term debt due within one year	250	250
Accounts payable	806	867
Accrued expenses	393	576
Payables to affiliates	76	72
Customer deposits	123	118
Regulatory liabilities	241	191
Mark-to-market derivative liabilities	23	27
Other	251	219
Total current liabilities	2,241	2,922
Long-term debt	12,026	11,236
Long-term debt to financing trust	206	205
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	5,453	5,327
Regulatory liabilities	8,245	7,493
Asset retirement obligations	152	149
Non-pension postretirement benefits obligations	164	161
Mark-to-market derivative liabilities	116	106
Other	1,129	865
Total deferred credits and other liabilities	15,259	14,101
Total liabilities	29,732	28,464
Commitments and contingencies		
Shareholders' equity		
Common stock	1,588	1,588
Other paid-in capital	10,479	10,401
Retained earnings	2,449	2,374
Total shareholders' equity	14,516	14,363
Total liabilities and shareholders' equity	$ 44,248	$ 42,827

See the Combined Notes to Consolidated Financial Statements

COMMONWEALTH EDISON COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

	Six Months Ended June 30, 2024			
(In millions)	Common Stock	Other Paid-In Capital	Retained Earnings	Total Shareholders' Equity
Balance at December 31, 2023	$ 1,588	$ 10,401	$ 2,374	$ 14,363
Net income	—	—	193	193
Common stock dividends	—	—	(194)	(194)
Contributions from parent	—	39	—	39
Balance at March 31, 2024	$ 1,588	$ 10,440	$ 2,373	$ 14,401
Net income	—	—	270	270
Common stock dividends	—	—	(194)	(194)
Contributions from parent	—	39	—	39
Balance at June 30, 2024	$ 1,588	$ 10,479	$ 2,449	$ 14,516

	Six Months Ended June 30, 2023			
(In millions)	Common Stock	Other Paid-In Capital	Retained Earnings	Total Shareholders' Equity
Balance at December 31, 2022	$ 1,588	$ 9,746	$ 2,030	$ 13,364
Net income	—	—	241	241
Common stock dividends	—	—	(187)	(187)
Contributions from parent	—	186	—	186
Balance at March 31, 2023	$ 1,588	$ 9,932	$ 2,084	$ 13,604
Net income	—	—	249	249
Common stock dividends	—	—	(187)	(187)
Contributions from parent	—	186	—	186
Balance at June 30, 2023	$ 1,588	$ 10,118	$ 2,146	$ 13,852

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	2024	2023	2024	2023
Operating revenues				
Electric operating revenues	$ 795	$ 723	$ 1,576	$ 1,521
Natural gas operating revenues	94	108	367	425
Revenues from alternative revenue programs	—	(5)	(2)	(10)
Operating revenues from affiliates	2	2	4	4
Total operating revenues	891	828	1,945	1,940
Operating expenses				
Purchased power	298	267	604	597
Purchased fuel	25	35	123	189
Operating and maintenance	209	186	444	405
Operating and maintenance from affiliates	61	53	119	105
Depreciation and amortization	107	99	210	197
Taxes other than income taxes	52	47	103	97
Total operating expenses	752	687	1,603	1,590
Gain on sales of assets	2	—	4	—
Operating income	141	141	346	350
Other income and (deductions)				
Interest expense, net	(54)	(45)	(106)	(90)
Interest expense to affiliates	(3)	(3)	(6)	(7)
Other, net	9	6	18	15
Total other income and (deductions)	(48)	(42)	(94)	(82)
Income before income taxes	93	99	252	268
Income taxes	3	2	13	5
Net income	$ 90	$ 97	$ 239	$ 263
Comprehensive income	$ 90	$ 97	$ 239	$ 263

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Net income	$ 239	$ 263
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	210	197
Gain on sales of assets	(4)	—
Deferred income taxes and amortization of investment tax credits	(14)	(26)
Other non-cash operating activities	37	12
Changes in assets and liabilities:		
Accounts receivable	(83)	182
Receivables from and payables to affiliates, net	1	(3)
Inventories	13	52
Accounts payable and accrued expenses	(57)	(167)
Income taxes	(19)	56
Regulatory assets and liabilities, net	(15)	14
Pension and non-pension postretirement benefit contributions	(3)	(1)
Other assets and liabilities	(65)	(34)
Net cash flows provided by operating activities	240	545
Cash flows from investing activities		
Capital expenditures	(743)	(707)
Changes in Exelon intercompany money pool	—	(225)
Other investing activities	5	—
Net cash flows used in investing activities	(738)	(932)
Cash flows from financing activities		
Changes in short-term borrowings	95	(239)
Issuance of long-term debt	—	575
Retirement of long-term debt	—	(50)
Dividends paid on common stock	(200)	(202)
Contributions from parent	580	330
Other financing activities	—	(4)
Net cash flows provided by financing activities	475	410
(Decrease) increase in cash, restricted cash, and cash equivalents	(23)	23
Cash, restricted cash, and cash equivalents at beginning of period	51	68
Cash, restricted cash, and cash equivalents at end of period	$ 28	$ 91
Supplemental cash flow information		
Increase in capital expenditures not paid	$ 21	$ 3

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	19	$	42
Restricted cash and cash equivalents		9		9
Accounts receivable				
Customer accounts receivable	578		527	
Customer allowance for credit losses	(112)		(95)	
Customer accounts receivable, net		466		432
Other accounts receivable	143		117	
Other allowance for credit losses	(20)		(8)	
Other accounts receivable, net		123		109
Receivables from affiliates		1		2
Inventories, net				
Fossil fuel		27		50
Materials and supplies		77		67
Prepaid utility taxes		90		2
Regulatory assets		115		127
Other		93		63
Total current assets		1,020		903
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,189 and $4,097 as of June 30, 2024 and December 31, 2023, respectively)		13,699		13,128
Deferred debits and other assets				
Regulatory assets		861		793
Receivable related to Regulatory Agreement Units		274		278
Investments		37		35
Prepaid pension asset		433		429
Other		30		29
Total deferred debits and other assets		1,635		1,564
Total assets	$	16,354	$	15,595

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ 260	$ 165
Accounts payable	522	512
Accrued expenses	184	236
Payables to affiliates	39	39
Customer deposits	78	79
Renewable energy credit obligation	72	36
Regulatory liabilities	79	92
Other	34	23
Total current liabilities	1,268	1,182
Long-term debt	5,135	5,134
Long-term debt to financing trusts	184	184
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	2,367	2,321
Regulatory liabilities	311	314
Asset retirement obligations	27	26
Non-pension postretirement benefits obligations	287	286
Other	87	79
Total deferred credits and other liabilities	3,079	3,026
Total liabilities	9,666	9,526
Commitments and contingencies		
Shareholder’s equity		
Common stock	4,630	4,050
Retained earnings	2,058	2,019
Total shareholder’s equity	6,688	6,069
Total liabilities and shareholder's equity	$ 16,354	$ 15,595

See the Combined Notes to Consolidated Financial Statements

PECO ENERGY COMPANY AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Six Months Ended June 30, 2024		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2023	$ 4,050	$ 2,019	$ 6,069
Net income	—	149	149
Common stock dividends	—	(100)	(100)
Contributions from parent	580	—	580
Balance at March 31, 2024	$ 4,630	$ 2,068	$ 6,698
Net income	—	90	90
Common stock dividends	—	(100)	(100)
Balance at June 30, 2024	$ 4,630	$ 2,058	$ 6,688

	Six Months Ended June 30, 2023		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2022	$ 3,702	$ 1,861	$ 5,563
Net income	—	166	166
Common stock dividends	—	(101)	(101)
Contributions from parent	330	—	330
Balance at March 31, 2023	$ 4,032	$ 1,926	$ 5,958
Net income	—	97	97
Common stock dividends	—	(101)	(101)
Balance at June 30, 2023	$ 4,032	$ 1,922	$ 5,954

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating revenues				
Electric operating revenues	$ 799	$ 670	$ 1,656	$ 1,449
Natural gas operating revenues	150	121	545	530
Revenues from alternative revenue programs	(23)	4	19	70
Operating revenues from affiliates	2	2	5	4
Total operating revenues	928	797	2,225	2,053
Operating expenses				
Purchased power	323	261	700	604
Purchased fuel	20	11	107	160
Operating and maintenance	188	144	392	311
Operating and maintenance from affiliates	62	54	122	108
Depreciation and amortization	162	158	312	325
Taxes other than income taxes	80	76	169	159
Total operating expenses	835	704	1,802	1,667
Operating income	93	93	423	386
Other income and (deductions)				
Interest expense, net	(53)	(44)	(103)	(88)
Other, net	8	5	16	8
Total other income and (deductions)	(45)	(39)	(87)	(80)
Income before income taxes	48	54	336	306
Income taxes	4	12	28	65
Net income	$ 44	$ 42	$ 308	$ 241
Comprehensive income	$ 44	$ 42	$ 308	$ 241

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	2023
Cash flows from operating activities		
Net income	$ 308	$ 241
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	312	325
Deferred income taxes and amortization of investment tax credits	(4)	38
Other non-cash operating activities	15	(36)
Changes in assets and liabilities:		
Accounts receivable	(20)	185
Receivables from and payables to affiliates, net	3	(8)
Inventories	3	51
Accounts payable and accrued expenses	5	(114)
Collateral paid, net	—	(22)
Income taxes	(43)	8
Regulatory assets and liabilities, net	(32)	(83)
Pension and non-pension postretirement benefit contributions	(30)	(11)
Other assets and liabilities	53	37
Net cash flows provided by operating activities	570	611
Cash flows from investing activities		
Capital expenditures	(668)	(656)
Other investing activities	9	4
Net cash flows used in investing activities	(659)	(652)
Cash flows from financing activities		
Changes in short-term borrowings	(336)	(408)
Issuance of long-term debt	800	700
Retirement of long-term debt	—	(300)
Dividends paid on common stock	(184)	(158)
Contributions from parent	197	237
Other financing activities	(8)	(7)
Net cash flows provided by financing activities	469	64
Increase in cash, restricted cash, and cash equivalents	380	23
Cash, restricted cash, and cash equivalents at beginning of period	48	67
Cash, restricted cash, and cash equivalents at end of period	$ 428	$ 90
Supplemental cash flow information		
Increase (decrease) in capital expenditures not paid	$ 32	$ (60)

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	428	$	47
Restricted cash and cash equivalents		—		1
Accounts receivable				
Customer accounts receivable	539		527	
Customer allowance for credit losses	(45)		(46)	
Customer accounts receivable, net		494		481
Other accounts receivable	100		106	
Other allowance for credit losses	(5)		(7)	
Other accounts receivable, net		95		99
Inventories, net				
Fossil fuel		22		35
Materials and supplies		84		74
Prepaid utility taxes		—		56
Regulatory assets		208		229
Other		20		25
Total current assets		1,351		1,047
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,905 and $4,744 as of June 30, 2024 and December 31, 2023, respectively)		12,544		12,102
Deferred debits and other assets				
Regulatory assets		751		727
Investments		9		9
Prepaid pension asset		241		248
Other		49		51
Total deferred debits and other assets		1,050		1,035
Total assets	$	14,945	$	14,184

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 336
Accounts payable	395	344
Accrued expenses	144	203
Payables to affiliates	37	35
Customer deposits	117	114
Regulatory liabilities	21	27
Other	31	34
Total current liabilities	745	1,093
Long-term debt	5,394	4,602
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	2,029	1,945
Regulatory liabilities	690	773
Asset retirement obligations	32	32
Non-pension postretirement benefits obligations	152	158
Other	92	91
Total deferred credits and other liabilities	2,995	2,999
Total liabilities	9,134	8,694
Commitments and contingencies		
Shareholder's equity		
Common stock	3,443	3,246
Retained earnings	2,368	2,244
Total shareholder's equity	5,811	5,490
Total liabilities and shareholder's equity	$ 14,945	$ 14,184

See the Combined Notes to Consolidated Financial Statements

BALTIMORE GAS AND ELECTRIC COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Six Months Ended June 30, 2024		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2023	$ 3,246	$ 2,244	$ 5,490
Net income	—	264	264
Common stock dividends	—	(92)	(92)
Balance at March 31, 2024	$ 3,246	$ 2,416	$ 5,662
Net income	—	44	44
Common stock dividends	—	(92)	(92)
Contributions from parent	197	—	197
Balance at June 30, 2024	$ 3,443	$ 2,368	$ 5,811

	Six Months Ended June 30, 2023		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2022	$ 2,861	$ 2,075	$ 4,936
Net income	—	200	200
Common stock dividends	—	(80)	(80)
Contributions from parent	237	—	237
Balance at March 31, 2023	$ 3,098	$ 2,195	$ 5,293
Net income	—	42	42
Common stock dividends	—	(79)	(79)
Balance at June 30, 2023	$ 3,098	$ 2,158	$ 5,256

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating revenues				
Electric operating revenues	$ 1,455	$ 1,265	$ 2,941	$ 2,637
Natural gas operating revenues	28	29	100	126
Revenues from alternative revenue programs	(14)	9	32	74
Operating revenues from affiliates	2	2	4	4
Total operating revenues	1,471	1,305	3,077	2,841
Operating expenses				
Purchased power	553	455	1,160	1,027
Purchased fuel	9	12	37	67
Operating and maintenance	231	260	506	527
Operating and maintenance from affiliates	50	44	101	86
Depreciation and amortization	235	243	481	484
Taxes other than income taxes	126	112	254	232
Total operating expenses	1,204	1,126	2,539	2,423
Operating income	267	179	538	418
Other income and (deductions)				
Interest expense, net	(92)	(81)	(183)	(157)
Other, net	29	25	57	51
Total other income and (deductions)	(63)	(56)	(126)	(106)
Income before income taxes	204	123	412	312
Income taxes	46	20	86	54
Net income	$ 158	$ 103	$ 326	$ 258
Comprehensive income	$ 158	$ 103	$ 326	$ 258

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Net income	$ 326	$ 258
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	481	484
Deferred income taxes and amortization of investment tax credits	26	26
Other non-cash operating activities	47	20
Changes in assets and liabilities:		
Accounts receivable	(77)	55
Receivables from and payables to affiliates, net	3	(8)
Inventories	(25)	(14)
Accounts payable and accrued expenses	90	(25)
Collateral received (paid), net	2	(191)
Income taxes	(54)	6
Regulatory assets and liabilities, net	(126)	8
Pension and non-pension postretirement benefit contributions	(75)	(11)
Other assets and liabilities	(81)	(80)
Net cash flows provided by operating activities	537	528
Cash flows from investing activities		
Capital expenditures	(903)	(1,022)
Other investing activities	—	8
Net cash flows used in investing activities	(903)	(1,014)
Cash flows from financing activities		
Changes in short-term borrowings	(394)	(377)
Issuance of long-term debt	925	450
Retirement of long-term debt	(400)	—
Changes in Exelon intercompany money pool	(8)	8
Distributions to member	(282)	(212)
Contributions from member	487	405
Other financing activities	(25)	(25)
Net cash flows provided by financing activities	303	249
Decrease in cash, restricted cash, and cash equivalents	(63)	(237)
Cash, restricted cash, and cash equivalents at beginning of period	204	373
Cash, restricted cash, and cash equivalents at end of period	$ 141	$ 136
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (25)	$ (91)

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	119	$	180
Restricted cash and cash equivalents		22		24
Accounts receivable				
Customer accounts receivable	805		745	
Customer allowance for credit losses	(103)		(107)	
Customer accounts receivable, net		702		638
Other accounts receivable	302		310	
Other allowance for credit losses	(54)		(50)	
Other accounts receivable, net		248		260
Receivables from affiliates		3		3
Inventories, net				
Fossil fuel		5		9
Materials and supplies		316		287
Regulatory assets		343		337
Other		95		100
Total current assets		1,853		1,838
Property, plant, and equipment (net of accumulated depreciation and amortization of $3,443 and $3,175 as of June 30, 2024 and December 31, 2023, respectively)		19,379		18,851
Deferred debits and other assets				
Regulatory assets		1,620		1,587
Goodwill		4,005		4,005
Investments		149		143
Prepaid pension asset		293		268
Other		202		211
Total deferred debits and other assets		6,269		6,214
Total assets	$	27,501	$	26,903

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 394
Long-term debt due within one year	244	644
Accounts payable	716	683
Accrued expenses	309	338
Payables to affiliates	62	59
Borrowings from Exelon intercompany money pool	57	65
Customer deposits	107	100
Regulatory liabilities	82	71
Unamortized energy contract liabilities	6	8
PPA termination obligation	20	49
Other	106	138
Total current liabilities	1,709	2,549
Long-term debt	8,904	8,004
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	3,100	3,031
Regulatory liabilities	863	904
Asset retirement obligations	57	55
Non-pension postretirement benefit obligations	36	40
Unamortized energy contract liabilities	23	27
Other	496	511
Total deferred credits and other liabilities	4,575	4,568
Total liabilities	15,188	15,121
Commitments and contingencies		
Member's equity		
Membership interest	12,544	12,057
Undistributed losses	(231)	(275)
Total member's equity	12,313	11,782
Total liabilities and member's equity	$ 27,501	$ 26,903

See the Combined Notes to Consolidated Financial Statements

PEPCO HOLDINGS LLC AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CHANGES IN MEMBER'S EQUITY
(Unaudited)

	Six Months Ended June 30, 2024		
(In millions)	Membership Interest	Undistributed (Losses)/Gains	Total Member's Equity
Balance at December 31, 2023	$ 12,057	$ (275)	$ 11,782
Net income	—	168	168
Distributions to member	—	(118)	(118)
Contributions from member	487	—	487
Balance at March 31, 2024	$ 12,544	$ (225)	$ 12,319
Net income	—	158	158
Distributions to member	—	(164)	(164)
Balance at June 30, 2024	$ 12,544	$ (231)	$ 12,313

	Six Months Ended June 30, 2023		
(In millions)	Membership Interest	Undistributed (Losses)/Gains	Total Member's Equity
Balance at December 31, 2022	$ 11,582	$ (352)	$ 11,230
Net income	—	155	155
Distributions to member	—	(112)	(112)
Contributions from member	405	—	405
Balance at March 31, 2023	$ 11,987	$ (309)	$ 11,678
Net income	—	103	103
Distributions to member	—	(100)	(100)
Balance at June 30, 2023	$ 11,987	$ (306)	$ 11,681

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating revenues				
Electric operating revenues	$ 691	$ 633	$ 1,419	$ 1,302
Revenues from alternative revenue programs	7	7	37	46
Operating revenues from affiliates	2	2	3	3
Total operating revenues	700	642	1,459	1,351
Operating expenses				
Purchased power	234	204	514	462
Operating and maintenance	37	82	123	175
Operating and maintenance from affiliates	65	58	129	115
Depreciation and amortization	98	109	205	216
Taxes other than income taxes	100	88	203	183
Total operating expenses	534	541	1,174	1,151
Operating income	166	101	285	200
Other income and (deductions)				
Interest expense, net	(46)	(43)	(92)	(81)
Other, net	16	16	32	33
Total other income and (deductions)	(30)	(27)	(60)	(48)
Income before income taxes	136	74	225	152
Income taxes	28	10	42	22
Net income	$ 108	$ 64	$ 183	$ 130
Comprehensive income	$ 108	$ 64	$ 183	$ 130

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Net income	$ 183	$ 130
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	205	216
Deferred income taxes and amortization of investment tax credits	10	12
Other non-cash operating activities	(23)	3
Changes in assets and liabilities:		
Accounts receivable	(30)	12
Receivables from and payables to affiliates, net	7	(2)
Inventories	(12)	(10)
Accounts payable and accrued expenses	47	(21)
Collateral paid, net	—	(26)
Income taxes	(45)	(1)
Regulatory assets and liabilities, net	(48)	(6)
Pension and non-pension postretirement benefit contributions	(5)	(8)
Other assets and liabilities	(34)	7
Net cash flows provided by operating activities	255	306
Cash flows from investing activities		
Capital expenditures	(454)	(483)
Changes in PHI intercompany money pool	(57)	—
Other investing activities	—	8
Net cash flows used in investing activities	(511)	(475)
Cash flows from financing activities		
Changes in short-term borrowings	(132)	(299)
Issuance of long-term debt	675	250
Retirement of long-term debt	(400)	—
Changes in PHI intercompany money pool	—	52
Dividends paid on common stock	(153)	(115)
Contributions from parent	251	243
Other financing activities	(17)	(19)
Net cash flows provided by financing activities	224	112
Decrease in cash, restricted cash, and cash equivalents	(32)	(57)
Cash, restricted cash, and cash equivalents at beginning of period	72	99
Cash, restricted cash, and cash equivalents at end of period	$ 40	$ 42
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (18)	$ (43)

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	19	$	48
Restricted cash and cash equivalents		21		24
Accounts receivable				
Customer accounts receivable	392		369	
Customer allowance for credit losses	(53)		(52)	
Customer accounts receivable, net		339		317
Other accounts receivable	164		166	
Other allowance for credit losses	(34)		(28)	
Other accounts receivable, net		130		138
Receivables from affiliates		—		2
Receivable from PHI intercompany money pool		57		—
Inventories, net		171		159
Regulatory assets		151		150
Other		17		51
Total current assets		905		889
Property, plant, and equipment (net of accumulated depreciation and amortization of $4,399 and $4,284 as of June 30, 2024 and December 31, 2023, respectively)		9,730		9,430
Deferred debits and other assets				
Regulatory assets		488		450
Investments		130		124
Prepaid pension asset		234		246
Other		55		55
Total deferred debits and other assets		907		875
Total assets	$	11,542	$	11,194

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 132
Long-term debt due within one year	6	405
Accounts payable	309	321
Accrued expenses	174	191
Payables to affiliates	37	32
Customer deposits	52	47
Regulatory liabilities	16	15
Merger related obligation	22	25
Other	39	61
Total current liabilities	655	1,229
Long-term debt	4,356	3,691
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	1,468	1,431
Regulatory liabilities	354	382
Asset retirement obligations	38	37
Other	246	280
Total deferred credits and other liabilities	2,106	2,130
Total liabilities	7,117	7,050
Commitments and contingencies		
Shareholder's equity		
Common stock	3,326	3,075
Retained earnings	1,099	1,069
Total shareholder's equity	4,425	4,144
Total liabilities and shareholder's equity	$ 11,542	$ 11,194

See the Combined Notes to Consolidated Financial Statements

POTOMAC ELECTRIC POWER COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

(In millions)	Six Months Ended June 30, 2024		
	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2023	$ 3,075	$ 1,069	$ 4,144
Net income	—	75	75
Common stock dividends	—	(51)	(51)
Contributions from parent	251	—	251
Balance at March 31, 2024	$ 3,326	$ 1,093	$ 4,419
Net income	—	108	108
Common stock dividends	—	(102)	(102)
Balance at June 30, 2024	$ 3,326	$ 1,099	$ 4,425

(In millions)	Six Months Ended June 30, 2023		
	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2022	$ 2,767	$ 1,015	$ 3,782
Net income	—	65	65
Common stock dividends	—	(48)	(48)
Contributions from parent	243	—	243
Balance at March 31, 2023	$ 3,010	$ 1,032	$ 4,042
Net income	—	64	64
Common stock dividends	—	(67)	(67)
Balance at June 30, 2023	$ 3,010	$ 1,029	$ 4,039

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	2024	2023	2024	2023
Operating revenues				
Electric operating revenues	$ 361	$ 315	$ 773	$ 682
Natural gas operating revenues	28	29	100	126
Revenues from alternative revenue programs	—	3	4	12
Operating revenues from affiliates	1	2	3	3
Total operating revenues	390	349	880	823
Operating expenses				
Purchased power	147	127	333	293
Purchased fuel	9	12	37	67
Operating and maintenance	50	45	101	91
Operating and maintenance from affiliates	46	43	91	84
Depreciation and amortization	61	60	122	121
Taxes other than income taxes	19	18	39	37
Total operating expenses	332	305	723	693
Operating income	58	44	157	130
Other income and (deductions)				
Interest expense, net	(24)	(18)	(46)	(36)
Other, net	8	4	15	8
Total other income and (deductions)	(16)	(14)	(31)	(28)
Income before income taxes	42	30	126	102
Income taxes	8	5	25	17
Net income	$ 34	$ 25	$ 101	$ 85
Comprehensive income	$ 34	$ 25	$ 101	$ 85

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Net income	$ 101	$ 85
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	122	121
Deferred income taxes and amortization of investment tax credits	7	3
Other non-cash operating activities	15	2
Changes in assets and liabilities:		
Accounts receivable	4	48
Receivables from and payables to affiliates, net	2	1
Inventories	(10)	5
Accounts payable and accrued expenses	38	(9)
Collateral paid, net	—	(121)
Income taxes	(24)	11
Regulatory assets and liabilities, net	(26)	25
Other assets and liabilities	21	10
Net cash flows provided by operating activities	250	181
Cash flows from investing activities		
Capital expenditures	(268)	(258)
Changes in PHI intercompany money pool	(125)	(102)
Net cash flows used in investing activities	(393)	(360)
Cash flows from financing activities		
Changes in short-term borrowings	(63)	(115)
Issuance of long-term debt	175	125
Dividends paid on common stock	(84)	(60)
Contributions from parent	154	99
Other financing activities	(4)	(4)
Net cash flows provided by financing activities	178	45
Increase (decrease) in cash, restricted cash, and cash equivalents	35	(134)
Cash, restricted cash, and cash equivalents at beginning of period	16	152
Cash, restricted cash, and cash equivalents at end of period	$ 51	$ 18
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (2)	$ (3)

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	50	$	16
Restricted cash and cash equivalents		1		—
Accounts receivable				
Customer accounts receivable	172		183	
Customer allowance for credit losses	(16)		(19)	
Customer accounts receivable, net		156		164
Other accounts receivable	53		52	
Other allowance for credit losses	(7)		(8)	
Other accounts receivable, net		46		44
Receivables from affiliates		—		1
Receivable from PHI intercompany pool		125		—
Inventories, net				
Fossil fuel		5		9
Materials and supplies		86		72
Prepaid utility taxes		—		24
Regulatory assets		69		54
Other		25		14
Total current assets		563		398
Property, plant, and equipment (net of accumulated depreciation and amortization of $2,003 and $1,925 as of June 30, 2024 and December 31, 2023, respectively)		5,324		5,165
Deferred debits and other assets				
Regulatory assets		214		218
Prepaid pension asset		128		135
Other		48		50
Total deferred debits and other assets		390		403
Total assets	$	6,277	$	5,966

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 63
Long-term debt due within one year	85	84
Accounts payable	191	159
Accrued expenses	45	64
Payables to affiliates	26	25
Customer deposits	33	31
Regulatory liabilities	60	50
Other	18	21
Total current liabilities	458	497
Long-term debt	2,169	1,996
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	923	904
Regulatory liabilities	343	365
Asset retirement obligations	13	12
Non-pension postretirement benefits obligations	6	6
Other	102	93
Total deferred credits and other liabilities	1,387	1,380
Total liabilities	4,014	3,873
Commitments and contingencies		
Shareholder's equity		
Common stock	1,609	1,455
Retained earnings	654	638
Total shareholder's equity	2,263	2,093
Total liabilities and shareholder's equity	$ 6,277	$ 5,966

See the Combined Notes to Consolidated Financial Statements

DELMARVA POWER & LIGHT COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Six Months Ended June 30, 2024		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2023	$ 1,455	$ 638	$ 2,093
Net income	—	66	66
Common stock dividends	—	(45)	(45)
Contributions from parent	154	—	154
Balance at March 31, 2024	$ 1,609	$ 659	$ 2,268
Net income	—	34	34
Common stock dividends	—	(39)	(39)
Balance at June 30, 2024	$ 1,609	$ 654	$ 2,263

	Six Months Ended June 30, 2023		
(In millions)	Common Stock	Retained Earnings	Total Shareholder's Equity
Balance at December 31, 2022	$ 1,356	$ 594	$ 1,950
Net income	—	60	60
Common stock dividends	—	(42)	(42)
Contributions from parent	99	—	99
Balance at March 31, 2023	$ 1,455	$ 612	$ 2,067
Net income	—	25	25
Common stock dividends	—	(18)	(18)
Balance at June 30, 2023	$ 1,455	$ 619	$ 2,074

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions)	2024	2023	2024	2023
Operating revenues				
Electric operating revenues	$ 403	$ 317	$ 748	$ 653
Revenues from alternative revenue programs	(21)	(1)	(9)	16
Operating revenues from affiliates	1	1	1	1
Total operating revenues	383	317	740	670
Operating expenses				
Purchased power	172	124	312	273
Operating and maintenance	50	48	97	91
Operating and maintenance from affiliates	42	37	81	74
Depreciation and amortization	72	68	146	135
Taxes other than income taxes	2	3	5	4
Total operating expenses	338	280	641	577
Operating income	45	37	99	93
Other income and (deductions)				
Interest expense, net	(20)	(17)	(39)	(34)
Other, net	4	4	8	9
Total other income and (deductions)	(16)	(13)	(31)	(25)
Income before income taxes	29	24	68	68
Income taxes	8	6	18	17
Net income	$ 21	$ 18	$ 50	$ 51
Comprehensive income	$ 21	$ 18	$ 50	$ 51

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cash flows from operating activities		
Net income	$ 50	$ 51
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	146	135
Deferred income taxes and amortization of investment tax credits	12	12
Other non-cash operating activities	30	(3)
Changes in assets and liabilities:		
Accounts receivable	(50)	(5)
Receivables from and payables to affiliates, net	(2)	(5)
Inventories	(3)	(9)
Accounts payable and accrued expenses	26	15
Collateral received (paid), net	2	(45)
Income taxes	(10)	(4)
Regulatory assets and liabilities, net	(51)	(12)
Pension and non-pension postretirement benefit contributions	(8)	—
Other assets and liabilities	(60)	(89)
Net cash flows provided by operating activities	82	41
Cash flows from investing activities		
Capital expenditures	(180)	(275)
Net cash flows used in investing activities	(180)	(275)
Cash flows from financing activities		
Changes in short-term borrowings	(199)	37
Issuance of long-term debt	75	75
Changes in PHI intercompany money pool	182	50
Dividends paid on common stock	(44)	(36)
Contributions from parent	81	63
Other financing activities	(3)	(3)
Net cash flows provided by financing activities	92	186
Decrease in cash and cash equivalents	(6)	(48)
Cash and cash equivalents at beginning of period	21	72
Cash and cash equivalents at end of period	$ 15	$ 24
Supplemental cash flow information		
Decrease in capital expenditures not paid	$ (5)	$ (44)

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024		December 31, 2023	
ASSETS				
Current assets				
Cash and cash equivalents	$	15	$	21
Accounts receivable				
Customer accounts receivable	241		194	
Customer allowance for credit losses	(34)		(36)	
Customer accounts receivable, net		207		158
Other accounts receivable	92		92	
Other allowance for credit losses	(13)		(14)	
Other accounts receivable, net		79		78
Receivables from affiliates		3		3
Inventories, net		58		55
Prepaid utility taxes		41		—
Regulatory assets		116		125
Other		7		5
Total current assets		526		445
Property, plant, and equipment (net of accumulated depreciation and amortization of $1,728 and $1,684 as of June 30, 2024 and December 31, 2023, respectively)		4,268		4,192
Deferred debits and other assets				
Regulatory assets		497		483
Prepaid pension asset		2		3
Other		34		34
Total deferred debits and other assets		533		520
Total assets	$	5,327	$	5,157

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions)	June 30, 2024	December 31, 2023
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings	$ —	$ 199
Long-term debt due within one year	154	154
Accounts payable	206	192
Accrued expenses	45	42
Payables to affiliates	24	25
Borrowings from PHI intercompany money pool	182	—
Customer deposits	22	23
Regulatory liabilities	6	6
PPA termination obligation	20	49
Other	10	12
Total current liabilities	669	702
Long-term debt	1,755	1,679
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	785	771
Regulatory liabilities	150	140
Non-pension postretirement benefit obligations	2	4
Other	67	49
Total deferred credits and other liabilities	1,004	964
Total liabilities	3,428	3,345
Commitments and contingencies		
Shareholder's equity		
Common stock	1,911	1,830
Retained deficit	(12)	(18)
Total shareholder's equity	1,899	1,812
Total liabilities and shareholder's equity	$ 5,327	$ 5,157

See the Combined Notes to Consolidated Financial Statements

ATLANTIC CITY ELECTRIC COMPANY AND SUBSIDIARY COMPANY
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Unaudited)

	Six Months Ended June 30, 2024		
(In millions)	Common Stock	Retained (Deficit)	Total Shareholder's Equity
Balance at December 31, 2023	$ 1,830	$ (18)	$ 1,812
Net income	—	29	29
Common stock dividends	—	(22)	(22)
Contributions from parent	81	—	81
Balance at March 31, 2024	$ 1,911	$ (11)	$ 1,900
Net income	—	21	21
Common stock dividends	—	(22)	(22)
Balance at June 30, 2024	$ 1,911	$ (12)	$ 1,899

	Six Months Ended June 30, 2023		
(In millions)	Common Stock	Retained (Deficit) Earnings	Total Shareholder's Equity
Balance at December 31, 2022	$ 1,765	$ (12)	$ 1,753
Net income	—	33	33
Common stock dividends	—	(21)	(21)
Contributions from parent	63	—	63
Balance at March 31, 2023	$ 1,828	$ —	$ 1,828
Net income	—	18	18
Common stock dividends	—	(15)	(15)
Balance at June 30, 2023	$ 1,828	$ 3	$ 1,831

See the Combined Notes to Consolidated Financial Statements

(Dollars in millions, except per share data, unless otherwise noted)

1. Significant Accounting Policies (All Registrants)

Description of Business

Exelon is a utility services holding company engaged in the energy transmission and distribution businesses through ComEd, PECO, BGE, Pepco, DPL, and ACE.

Name of Registrant	Business	Service Territories
Commonwealth Edison Company	Purchase and regulated retail sale of electricity	Northern Illinois, including the City of Chicago
	Transmission and distribution of electricity to retail customers	
PECO Energy Company	Purchase and regulated retail sale of electricity and natural gas	Southeastern Pennsylvania, including the City of Philadelphia (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Pennsylvania counties surrounding the City of Philadelphia (natural gas)
Baltimore Gas and Electric Company	Purchase and regulated retail sale of electricity and natural gas	Central Maryland, including the City of Baltimore (electricity and natural gas)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	
Pepco Holdings LLC	Utility services holding company engaged, through its reportable segments Pepco, DPL, and ACE	Service Territories of Pepco, DPL, and ACE
Potomac Electric Power Company	Purchase and regulated retail sale of electricity	District of Columbia, and major portions of Montgomery and Prince George's Counties, Maryland
	Transmission and distribution of electricity to retail customers	
Delmarva Power & Light Company	Purchase and regulated retail sale of electricity and natural gas	Portions of Delaware and Maryland (electricity)
	Transmission and distribution of electricity and distribution of natural gas to retail customers	Portions of New Castle County, Delaware (natural gas)
Atlantic City Electric Company	Purchase and regulated retail sale of electricity	Portions of Southern New Jersey
	Transmission and distribution of electricity to retail customers	

Basis of Presentation

This is a combined quarterly report of all Registrants. The Notes to the Consolidated Financial Statements apply to the Registrants as indicated parenthetically next to each corresponding disclosure. When appropriate, the Registrants are named specifically for their related activities and disclosures. Each of the Registrant's Consolidated Financial Statements includes the accounts of its subsidiaries. All intercompany transactions have been eliminated.

Through its business services subsidiary, BSC, Exelon provides its subsidiaries with a variety of support services at cost, including legal, human resources, financial, information technology, and supply management services. PHI also has a business services subsidiary, PHISCO, which provides a variety of support services at cost, including legal, finance, engineering, customer operations, distribution and transmission planning, asset management, system operations, and power procurement, to PHI operating companies. The costs of BSC and PHISCO are directly charged or allocated to the applicable subsidiaries. The results of Exelon's corporate operations are presented as "Other" in the consolidated financial statements and include intercompany eliminations unless otherwise disclosed.

The accompanying consolidated financial statements as of June 30, 2024 and for the three and six months ended June 30, 2024 and 2023 are unaudited but, in the opinion of each Registrant's management, the Registrants include all adjustments that are considered necessary for a fair statement of the Registrants' respective financial statements in accordance with GAAP. All adjustments are of a normal, recurring nature, except as otherwise disclosed. The December 31, 2023 Consolidated Balance Sheets were derived from audited financial statements. The interim financial statements are to be read in conjunction with prior annual financial statements and notes. Additionally, financial results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the fiscal year ending December 31, 2024. These Combined Notes to Consolidated Financial Statements have been prepared pursuant to the rules and regulations of the SEC for Quarterly Reports on Form 10-Q. Certain information and note disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations.

New Accounting Standards (All Registrants)

New Accounting Standards Issued and Not Yet Adopted as of June 30, 2024: The following new authoritative accounting guidance issued by the FASB has not yet been adopted and reflected by the Registrants in their consolidated financial statements as of June 30, 2024. Unless otherwise indicated, the Registrants are currently assessing the impacts such guidance may have (which could be material) in their Consolidated Balance Sheets, Consolidated Statements of Operations and Comprehensive Income, Consolidated Statements of Cash Flows and disclosures, as well as the potential to early adopt where applicable. The Registrants have assessed other FASB issuances of new standards which are not listed below given the current expectation that such standards will not significantly impact the Registrants' financial reporting.

Segment Reporting (Issued November 2023). Improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The objective of the revised guidance is to introduce a new requirement to disclose significant segment expenses regularly provided to the CODM, extend certain annual disclosures to interim periods, clarify single reportable segment entities must apply ASC 280 in its entirety, permit more than one measure of segment profit or loss to be reported under certain conditions, and require disclosure of the title and position of the CODM. The standard is effective for annual periods beginning January 1, 2024 and interim periods beginning January 1, 2025, with early adoption permitted. The standard will be applied retrospectively.

Improvement to Income Tax Disclosures (Issued December 2023). Provides additional disclosure requirements related to the effective tax rate reconciliation and income taxes paid. Under the revised guidance for the effective tax reconciliations, entities would be required to disclose: (1) eight specific categories in the effective tax rate reconciliation in both percentages and reporting currency amount, (2) additional information for reconciling items over a certain threshold, (3) explanation of individual reconciling items disclosed, and (4) provide a qualitative description of the state and local jurisdictions that contribute to the majority of the state income tax expense. For each annual period presented, the new standard requires disclosure of the year-to-date amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign. It also requires additional disaggregated information on income taxes paid (net of refunds received) to an individual jurisdiction equal to or greater than 5% of total income taxes paid (net of refunds received). The standard is effective January 1, 2025, with early adoption permitted.

2. Regulatory Matters (All Registrants)

As discussed in Note 3 — Regulatory Matters of the 2023 Form 10-K, the Registrants are involved in rate and regulatory proceedings at FERC and their state commissions. The following discusses developments in 2024 and updates to the 2023 Form 10-K.

(Dollars in millions, except per share data, unless otherwise noted)

Distribution Base Rate Case Proceedings

The following tables show the completed and pending distribution base rate case proceedings in 2024.

Completed Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Approved Revenue Requirement Increase	Approved ROE	Approval Date	Rate Effective Date
ComEd - Illinois	January 17, 2023	Electric	$ 1,487	$ 501	8.905%	December 14, 2023[(a)]	January 1, 2024
			$ 838	$ 810	8.905%	April 18, 2024[(b)]	May 1, 2024
	April 21, 2023[(c)]	Electric	$ 247	$ 259	8.91%	November 30, 2023	January 1, 2024
BGE - Maryland[(d)]	February 17, 2023	Electric	$ 313	$ 179	9.50%	December 14, 2023	January 1, 2024
		Natural Gas	$ 289	$ 229	9.45%		
Pepco - Maryland	October 26, 2020 (amended March 31, 2021)[(e)]	Electric	$ 104	$ 52	9.55%	June 28, 2021	June 28, 2021
	May 16, 2023 (amended February 23, 2024)[(f)]	Electric	$ 111	$ 45	9.50%	June 10, 2024	April 1, 2024
DPL - Maryland[(g)]	May 19, 2022	Electric	$ 38	$ 29	9.60%	December 14, 2022	January 1, 2023
DPL - Delaware[(h)]	December 15, 2022 (amended September 29, 2023)	Electric	$ 39	$ 28	9.60%	April 18, 2024	July 15, 2023
ACE - New Jersey[(i)]	February 15, 2023 (amended August 21, 2023)	Electric	$ 92	$ 45	9.60%	November 17, 2023	December 1, 2023

(a) Reflects a four-year cumulative multi-year rate plan for January 1, 2024 to December 31, 2027. On December 14, 2023, the ICC approved year-over-year distribution revenue requirement increases in 2024-2027, with an amendatory order on January 10, 2024, of approximately $451 million effective January 1, 2024, $14 million effective January 1, 2025, $6 million effective January 1, 2026, and $30 million effective January 1, 2027, based on an ROE of 8.905%, an equity ratio of 50%, and year end 2022 rate base. The ICC rejected ComEd's Grid Plan, requiring ComEd to file a revised Grid Plan by March 13, 2024, 90 days after the issuance of the December final order. The ICC also directed that the revised Grid Plan would be reviewed through further formal proceedings in that docket. On January 10, 2024, the ICC granted one portion of ComEd's application for rehearing of the December 14, 2023 final order, and directed that a rehearing process extending no more than 150 days reconsider certain components of the revenue requirements for the test years (2024-2027), absent an approved Grid Plan. On January 10, 2024, ComEd also filed with the Illinois appellate court an appeal of various aspects of the ICC's final order on which rehearing was denied, including the 8.905% ROE and 50% equity ratio and denial of any return on ComEd's pension asset. On March 13, 2024, ComEd filed its revised Grid Plan (Refiled Grid Plan) with supporting testimony and schedules with the ICC. On March 15, 2024, ComEd filed a petition to adjust its MRP to authorize increased rates consistent with the Refiled Grid Plan.

(b) Reflects four-year cumulative increase to the revenue requirement approved on December 14, 2023 and amended on January 10, 2024 of $810 million for January 1, 2024 to December 31, 2027 resulting from the rehearing on certain components of the rate plan. On February 16, 2024, ComEd filed a revised revenue request for an $838 million increase in its 2024-2027 revenue requirements based on the ICC's limited scope for rehearing which included the value of the 2023 forecasted year-end rate base. On April 18, 2024, the ICC issued an order on the rehearing filing which increased the revenue requirements previously approved by the ICC in its January 10, 2024, amendatory order by $150 million in 2024, $186 million in 2025, $221 million in 2026 and $253 million in 2027. ComEd anticipates that the revenue requirements determined during the rehearing process will be further adjusted upon approval of the Refiled Grid Plan and the pending petition to adjust rates.

(c) On November 30, 2023, the Delivery Reconciliation Amount for 2022 defined in Rider Delivery Service Pricing Reconciliation (Rider DSPR) was approved. The delivery reconciliation amount allows for the reconciliation of the revenue requirement in effect in the final years in which formula rates are determined and until such time as new rates are established under ComEd's approved MRP. The 2023 filing reconciled the delivery service rates in effect in 2022 with the actual delivery service costs incurred in 2022. The reconciliation revenue requirement provides for a weighted average debt and equity return on distribution rate base of 6.48%, inclusive of an allowed ROE of 8.91%, reflecting the monthly yields on 30-year treasury bonds plus 580 basis points.

(d) Reflects a three-year cumulative multi-year plan for January 1, 2024 through December 31, 2026. The MDPSC awarded BGE electric revenue requirement increases of $41 million, $113 million, and $25 million in 2024, 2025, and 2026, respectively, and natural gas revenue requirement increases of $126 million, $62 million, and $41 million in 2024, 2025, and 2026, respectively. Requested revenue requirement increases will be used to recover capital investments designed to increase the resilience of the electric and gas distribution systems and support Maryland's climate and regulatory initiatives. The MDPSC also approved a portion of the requested 2021 and 2022 reconciliation amounts, which will be recovered through separate electric and gas riders between March 2024 through February 2025. As such, the reconciliation amounts are not included in the approved revenue requirement increases. The 2021 reconciliation amounts are $13 million and $7 million for electric and gas, respectively, and the 2022 reconciliation amounts are $39 million and $15 million for electric and gas, respectively. In April 2024, BGE filed with the MDPSC its request for recovery of the 2023 reconciliation amounts of $79 million and $73 million for electric and gas, respectively, with supporting testimony and schedules.

(e) Reflects a three-year cumulative multi-year plan for April 1, 2021 through March 31, 2024. The MDPSC awarded Pepco electric incremental revenue requirement increases of $21 million, $16 million, and $15 million, before offsets, for the 12-month periods ending March 31, 2022, 2023, and 2024, respectively. Pepco proposed to utilize certain tax benefits to fully offset the increase through 2023 and partially offset customer rate increases in 2024. However, the MDPSC only utilized the acceleration of refunds for certain tax benefits to fully offset the increases such that customer rates remain unchanged through March 31, 2022. On February 23, 2022, the MDPSC chose to offset 25% of the cumulative revenue requirement increase for the 12-month period ending March 31, 2023. In 2021, the MDPSC deferred a decision on whether to use certain tax benefits to offset the revenue requirement increases for the 12-month period ending March 31, 2024. In December 2022 Pepco proposed that tax benefits not be used to offset the revenue requirement increases for this period. On January 25, 2023, the MDPSC accepted Pepco's recommendations not to use tax benefits to offset revenue requirement increases for the 12-month period ending March 31, 2024.

(f) Reflects the amounts requested (before offsets) and awarded for a one-year multi-year plan for April 1, 2024 through March 31, 2025. The MDPSC awarded Pepco an electric incremental revenue requirement increase of $45 million for the 12-month period ending March 31, 2025. The MDPSC did not adopt the requested revenue requirement increases of $80 million (before offsets), $51 million, and $14 million as filed for 2025, 2026, and the 2027 nine-month extension period, respectively. The order allows for Pepco to perform an annual reconciliation after the 2024 rate year. The MDPSC also approved the requested reconciliation amounts for the 12-month periods ending March 31, 2022, and March 31, 2023, which will be recovered through a rider between August 2024 through March 2026. As such, the reconciliation amounts are not included in the approved revenue requirement increases. The reconciliation amounts are $1 million, and $7 million, for the 12-month periods ending March 31, 2022, and March 31, 2023, respectively. In July 2024, Pepco filed its request with the MDPSC for recovery of $31 million for the 12-month period ended March 31, 2024, with supporting testimony and schedules.

(g) Reflects a three-year cumulative multi-year plan for January 1, 2023 through December 31, 2025. The MDPSC awarded DPL electric incremental revenue requirement increases of $17 million, $6 million, and $6 million for 2023, 2024, and 2025, respectively.

(h) On April 18, 2024, the DEPSC approved the Significant Storm Expense Rate Rider (Rider SSER) which will allow DPL to recover expenses associated with qualified storms. A qualified storm will be an individual storm for which DPL incurs expenses between $5 million and $15 million. The Rider SSER allows DPL to recover significant storm damage expenses for the previous 12-month period over a future 24-month period. For individual storm events for which DPL incurs expenses of more than $15 million, the future recovery period will be evaluated on a case-by-case basis and the unamortized balance will earn a return at DPL's authorized long-term cost of debt. The Rider SSER will have an annual true-up filing, subject to DEPSC review and approval.

(i) Requested and approved increases are before New Jersey sales and use tax. The NJBPU awarded ACE electric revenue requirement increases of $36 million and $9 million effective December 1, 2023 and February 1, 2024, respectively.

(Dollars in millions, except per share data, unless otherwise noted)

Pending Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Requested ROE	Expected Approval Timing
ComEd - Illinois	March 15, 2024 (amended June 20, 2024)	Electric[(a)]	$ 682	8.905%	December 2024
	April 26, 2024	Electric[(b)]	$ 627	9.89%	December 2024
PECO - Pennsylvania	March 28, 2024	Electric[(c)]	$ 464	10.95%	Fourth quarter of 2024
		Natural Gas	$ 111	11.15%	
Pepco - District of Columbia[(d)]	April 13, 2023 (amended February 27, 2024)	Electric	$ 186	10.50%	Fourth quarter of 2024

____

(a) On March 13, 2024, ComEd filed its Refiled Grid Plan with the ICC and on March 15, 2024, ComEd filed a petition to adjust its multi-year rate plan to be aligned with ComEd's Refiled Grid Plan. The adjusted rate plan incorporates changes in the Refiled Grid Plan, which was updated in ComEd's rebuttal testimony on June 20, 2024, to request a $682 million increase in revenue requirements over four years above those granted in the ICC's January 10, 2024, amendatory order. The requested year-over-year increases are $308 million in 2024, $96 million in 2025, $135 million in 2026, and $143 million in 2027. A final order on both the Refiled Grid Plan and the adjusted rate plan petition is expected by December 2024 with new rates effective on or before January 1, 2025.
(b) On April 26, 2024, ComEd filed its proposed Delivery Reconciliation Amount of $627 million under Rider DSPR which allows for the reconciliation of the revenue requirement in effect. The 2024 filing reconciles those rates with the actual delivery service costs incurred in 2023. The final order is expected by December 2024 and the reconciliation amount will adjust customer rates in 2025.
(c) PECO requested an annual electric revenue requirement increase of $464 million, which is partially offset by a one-time credit of $64 million in 2025.
(d) Reflects a three-year cumulative multi-year plan for January 1, 2024 through December 31, 2026 submitted to the DCPSC. Pepco requested total electric revenue requirement increases of $116 million, $35 million, and $35 million in 2024, 2025, and 2026, respectively. Requested revenue requirement increases will be used to recover capital investments designed to advance system-readiness and support the District of Columbia's climate and clean energy goals.

Transmission Formula Rates

The Utility Registrants' transmission rates are each established based on a FERC-approved formula. ComEd, BGE, Pepco, DPL, and ACE are required to file an annual update to the FERC-approved formula on or before May 15, and PECO is required to file on or before May 31, with the resulting rates effective on June 1 of the same year. The annual update for ComEd is based on prior year actual costs and current year projected capital additions (initial year revenue requirement). The update for ComEd also reconciles any differences between the revenue requirement in effect beginning June 1 of the prior year and actual costs incurred for that year (annual reconciliation). The annual update for PECO is based on prior year actual costs and current year projected capital additions, accumulated depreciation and accumulated deferred income taxes. The annual update for BGE, Pepco, DPL, and ACE is based on prior year actual costs and current year projected capital additions, accumulated depreciation, depreciation and amortization expense, and accumulated deferred income taxes. The update for PECO, BGE, Pepco, DPL, and ACE also reconciles any differences between the actual costs and actual revenues for the calendar year (annual reconciliation).

(Dollars in millions, except per share data, unless otherwise noted)

For 2024, the following increases/(decreases) were included in the Utility Registrants' electric transmission formula rate updates:

Registrant[(a)]	Initial Revenue Requirement Increase	Annual Reconciliation (Decrease) Increase	Total Revenue Requirement Increase	Allowed Return on Rate Base[(b)]	Allowed ROE[(c)]
ComEd	$ 32	$ (12)	$ 20	8.14 %	11.50 %
PECO	$ 2	$ 3	$ 5	7.45 %	10.35 %
BGE	$ 42	$ 13	$ 53 [(d)]	7.47 %	10.50 %
Pepco	$ 58	$ 15	$ 73	7.62 %	10.50 %
DPL	$ 7	$ 17	$ 24	7.23 %	10.50 %
ACE	$ 14	$ 18	$ 32	7.11 %	10.50 %

____
(a) All rates are effective June 1, 2024 - May 31, 2025, subject to review by interested parties pursuant to review protocols of each Utility Registrants' tariffs.
(b) Represents the weighted average debt and equity return on transmission rate bases. For PECO, the common equity component of the ratio used to calculate the weighted average debt and equity return on the transmission formula rate base is currently capped at 55.75%.
(c) The rate of return on common equity for each Utility Registrant includes a 50-basis-point incentive adder for being a member of an RTO.
(d) The increase in BGE's transmission revenue requirement includes a $2 million reduction related to a FERC-approved dedicated facilities charge to recover the costs of providing transmission service to specifically designated load by BGE.

Other State Regulatory Matters

Illinois Regulatory Matters

CEJA (Exelon and ComEd). On September 15, 2021, the Governor of Illinois signed into law CEJA. CEJA includes, among other features, (1) procurement of CMCs from qualifying nuclear-powered generating facilities, (2) a requirement to file a general rate case or a new four-year MRP no later than January 20, 2023 to establish rates effective after ComEd's existing performance-based distribution formula rate sunsets, (3) requirements that ComEd and the ICC initiate and conduct various regulatory proceedings on subjects including ethics, spending, grid investments, and performance metrics.

ComEd Electric Distribution Rates

ComEd filed, and received approval for, its last performance-based electric distribution formula rate update under EIMA in 2022; those rates were in effect throughout 2023.

On February 3, 2022, the ICC approved a tariff that establishes the process under which ComEd reconciled its 2022 and 2023 rate year revenue requirements with actual costs. Those reconciliation amounts are determined using the same process used for prior reconciliations under the performance-based electric distribution formula rate. Using that process, for the rate years 2022 and 2023 ComEd will ultimately collect revenues from customers reflecting each year's actual recoverable costs, year-end rate base, and a weighted average debt and equity return on distribution rate base, with the ROE component based on the annual average of the monthly yields of the 30-year U.S. Treasury bonds plus 580 basis points. In April 2023, ComEd filed its first petition with the ICC to reconcile its 2022 actual costs with the approved revenue requirement that was in effect in 2022; the final order was issued on November 30, 2023, for rates beginning January 2024. On April 26, 2024, ComEd filed with the ICC its 2023 actual costs with the approved revenue requirement that was in effect in 2023; the final order is expected by December 2024, for rates beginning January 2025.

Beginning in 2024, ComEd will recover from retail customers, subject to certain exceptions, the costs it incurs to provide electric delivery services either through its electric distribution rate or other recovery mechanisms authorized by CEJA. On January 17, 2023, ComEd filed a petition with the ICC seeking approval of a MRP for 2024-2027. The MRP supports a multi-year grid plan (Grid Plan), also filed on January 17, covering planned investments on the electric distribution system within ComEd's service area through 2027. Costs incurred during each year of the MRP are subject to ICC review and the plan's revenue requirement for each year will be reconciled with the actual costs that the ICC determines are prudently and reasonably incurred for that year. The reconciliation is subject to adjustment for certain costs, including a limitation on recovery of costs that are more than 105% of certain costs in the previously approved MRP revenue requirement, absent a modification of the rate plan itself. Thus, for example, the rate adjustments necessary to reconcile 2024 revenues to ComEd's actual 2024 costs incurred would take effect in January 2026 after the ICC's review during 2025.

On December 14, 2023, the ICC issued a final order. The ICC rejected ComEd's Grid Plan as non-compliant with certain requirements of CEJA, and required ComEd to file a revised Grid Plan by March 13, 2024, 90 days after the issuance of the final order. In the absence of an approved Grid Plan, the ICC set ComEd's forecast revenue requirements for 2024-2027 based on ComEd's approved year-end 2022 rate base. This resulted in a total cumulative revenue requirement increase of $501 million, a $986 million total revenue reduction from the requested cumulative revenue requirement increase but remains subject to annual reconciliation in accordance with CEJA. The final order approved the process and formulas associated with the MRP reconciliation mechanisms. The ICC did not approve a previously proposed phase-in of the ICC's approved year-over-year revenue increases, and it also denied ComEd's ability to earn a return on its pension asset.

On December 22, 2023, ComEd filed an application for rehearing on several findings in the final order including the use of the 2022 year-end rate base to establish forecast revenue requirements for 2024-2027, ROE, pension asset return, and capital structure. On January 10, 2024, ComEd's application for rehearing was denied on all issues except for the order's use of the 2022 year-end rate base. On January 31, 2024, the ICC granted ComEd's motion seeking additional clarification on the scope on rehearing, generally accepting ComEd's proposal and confirming that the rehearing will determine if the forecasted year-end 2023 rate base should be used to set rates for 2024 through 2027 until a refiled Grid Plan is approved. On April 18, 2024, the ICC issued its final order on rehearing and approved increased revenue requirements for 2024-2027.

On January 10, 2024, ComEd also filed an appeal in the Illinois Appellate Court of the issues on which rehearing was denied, including but not limited to the allowed ROE and denial of a return on ComEd's pension asset. There is no deadline by when the appellate court must rule. On March 7, 2024, the ICC adopted an interim order on scheduling, which confirmed that it intends to issue a final order on ComEd's Refiled Grid Plan by the end of 2024 and that it will implement rates that will go into effect January 1, 2025, inclusive of a Grid Plan. On March 13, 2024, ComEd filed its Refiled Grid Plan with supporting testimony and schedules with the ICC. The Refiled Grid Plan is designed to meet or exceed every requirement identified by the ICC in its December order that rejected ComEd's initial Grid Plan. On March 15, 2024, ComEd filed a petition to adjust its MRP to authorize increased rates consistent with the Refiled Grid Plan. Staff and Intervenor direct testimony was filed in May 2024. ComEd filed rebuttal and surrebuttal testimony in June and July, respectively, which provided, among other things, defense of its Refiled Grid Plan capital investments. Evidentiary hearings are scheduled for mid-August. ComEd has completed and placed in service additional utility plant assets in 2023 and 2024 and will continue to complete and place in service additional utility plant assets prior to the approval of the new Grid Plan. There are still significant unknowns, but ComEd does not currently believe that it is probable that the initially uncollected depreciation or return on the recently completed plant will ultimately be disallowed.

In January 2022, ComEd filed a request with the ICC proposing performance metrics that would be used in determining ROE incentives and penalties in the event ComEd filed a MRP in January 2023. On September 27, 2022, the ICC issued a final order approving seven performance metrics that provide symmetrical performance adjustments of 32 total basis points to ComEd's rate of return on common equity based on the extent to which ComEd achieves the annual performance goals. On November 10, 2022, the ICC granted ComEd's application for rehearing, in part. On April 5, 2023, the ICC issued its final order on rehearing for the performance and tracking metrics proceeding, in which the ICC declined to adopt ComEd's proposed modifications to the reliability and peak load reduction performance metrics. Efforts are underway to implement the performance metrics, which took effect on January 1, 2024. ComEd will make its initial filing in 2025 to assess performance achieved under the metrics in 2024, and to determine any ROE adjustment, which would take effect in 2026.

Carbon Mitigation Credit

CEJA establishes decarbonization requirements for Illinois as well as programs to support the retention and development of emissions-free sources of electricity. ComEd is required to purchase CMCs from participating nuclear-powered generating facilities between June 1, 2022 and May 31, 2027. The price to be paid for each CMC was established through a competitive bidding process that included consumer-protection measures that capped the maximum acceptable bid amount and a formula that reduces CMC prices by an energy price index, the base residual auction capacity price in the ComEd zone of PJM, and the monetized value of any federal tax credit or other subsidy if applicable. The consumer protection measures contained in CEJA will result in net payments to ComEd ratepayers if the energy index, the capacity price and applicable federal tax credits or subsidy exceed the CMC contract price. Beginning with the June 2022 monthly billing period, ComEd began issuing credits and/or charges to its retail customers under its new CMC rider. A regulatory asset is recorded for the difference between ComEd's costs associated with the procurement of CMCs from participating nuclear-power generating facilities and revenues received from customers. The balance as of June 30, 2024 is $304 million.

Under CEJA, the costs of procuring CMCs, including carrying costs, are recovered through a rider, the Rider Carbon-Free Resource Adjustment (Rider CFRA). As originally approved by the ICC, Rider CFRA provides for an annual reconciliation and true-up to actual costs incurred or credits received by ComEd to purchase CMCs, with any difference to be credited to or collected from ComEd's retail customers in subsequent periods. The difference between the net payments to (or receivables from) ComEd ratepayers and the credits received by ComEd to purchase CMCs is recorded to Purchased power expense with an offset to the regulatory asset (or regulatory liability). On December 21, 2022, ComEd filed an amendment to Rider CFRA proposing that it recover costs or provide credits faster than the tariff allows, implement monthly reconciliations, and allow ComEd to adjust Rider CFRA rates based not only on anticipated differences but also past payments or credits, and implement monthly reconciliations beginning with the June 2023 delivery period. The ICC approved the proposal on January 19, 2023. In addition, on March 24, 2023, ComEd submitted revisions to Rider CFRA which clarified the methodology for calculating interest to be included in the annual reconciliation associated with the June 2022 through May 2023 delivery year. The ICC approved the proposal on April 20, 2023. On February 2, 2024, ComEd filed a petition with the ICC to initiate the reconciliation proceeding for the costs incurred in connection with the procurement of CMCs during the delivery year beginning June 1, 2022 and extending through May 31, 2023.

Beneficial Electrification Plan

On March 23, 2023, the ICC issued its final order approving the beneficial electrification plan (BE Plan) for ComEd. The ICC rejected ComEd's request to treat a large portion of beneficial electrification costs as a regulatory asset and ordered ComEd to seek cost recovery through the multi-year rate plan filing for 2024 and 2025, and the final formula rate reconciliation docket for 2023, rather than through a separate charge. The order also authorized an overall annual budget of $77 million per year for the three-year plan period (2023 through 2025), with flexibility to roll forward unused funds to future years within the same plan period. On April 18, 2023, ComEd filed an application for rehearing in the beneficial electrification plan docket. The Chicago Transit Authority and City of Chicago, jointly, and the Office of the Illinois Attorney General (ILAG) also filed applications for rehearing. On April 27, 2023, ICC staff filed a motion for clarification, seeking clarification from the ICC on the precise budget described in the final order. On May 8, 2023, the ICC denied all applications for rehearing, and entered an amendatory order regarding the annual beneficial electrification plan budgets. ComEd has been directed to use good faith efforts to spend $77 million annually. ComEd subsequently filed its compliance filing in May 2023, detailing project related spending, clarifying the procedure that will be used to seek stakeholder feedback related to beneficial electrification pilot programs, and including the timeline for tariff changes required to implement the programs. ComEd and the ILAG both filed appeals of the ICC's interim order that addressed the permissible scope of utility beneficial electrification programs outside of transportation and the rate impact cap. The ILAG also filed an appeal seeking reversal of portions of the ICC's final decision. The final order partly mooted ComEd's appeal of the interim order and ComEd has decided not to pursue the other issues. As such, ComEd moved to voluntarily dismiss its appeal and the appellate court granted that request. The ILAG consolidated their appeals and filed their opening brief on April 16, 2024. ComEd filed its reply brief on July 30, 2024. Any ruling on the appeals, even a negative ruling removing programs from the BE Plan or lowering the overall budget of the BE Plan, will only impact forward-looking costs.

Energy Efficiency

CEJA extends ComEd's current cumulative annual energy efficiency MWh savings goals through 2040, adds expanded electrification measures to those goals, increases low-income commitments and adds a new performance adjustment to the energy efficiency formula rate. ComEd expects its annual spend to increase in 2023 through 2040 to achieve these energy efficiency MWh savings goals, which will be deferred as a separate regulatory asset that will be recovered through the energy efficiency formula rate over the weighted average useful life, as approved by the ICC, of the related energy efficiency measures.

Energy Efficiency Formula Rate (Exelon and ComEd). ComEd filed its annual energy efficiency formula rate update with the ICC on May 30, 2024. The filing establishes the revenue requirement used to set the rates that will take effect in January 2025 after the ICC's review and approval. The requested revenue requirement update is based on a reconciliation of the 2023 actual costs plus projected 2025 expenditures.

(Dollars in millions, except per share data, unless otherwise noted)

Initial Revenue Requirement Increase	Annual Reconciliation Decrease	Total Revenue Requirement Increase	Requested Return on Rate Base[(a)]	Requested ROE
$ 66	$ (8)	$ 58	7.02 %	9.89 %

____

(a) The requested revenue requirement increase provides for a weighted average debt and equity return on the energy efficiency regulatory asset and rate base of 7.02% inclusive of an allowed ROE of 9.89%, reflecting the monthly average yields for 30-year treasury bonds plus 580 basis points. For the 2023 reconciliation year, the requested revenue requirement provides for a weighted average debt and equity return on the energy efficiency regulatory asset and rate base of 7.25% inclusive of an allowed ROE of 10.34%, which includes an upward performance adjustment that increased the ROE. The performance adjustment can either increase or decrease the ROE based upon the achievement of energy efficiency savings goals.

New Jersey Regulatory Matters

Termination of Energy Procurement Provisions of PPAs (Exelon, PHI, and ACE). On December 22, 2021, ACE filed with the NJBPU a petition to terminate the provisions in the PPAs to purchase electricity from two coal-powered generation facilities located in the state of New Jersey. The petition was approved by the NJBPU on March 23, 2022. Upon closing of the transaction on March 31, 2022, ACE recognized a liability of $203 million for the contract termination fee, which is to be paid by the end of 2024, and recognized a corresponding regulatory asset of $203 million.

As of June 30, 2024, the $20 million liability for the contract termination fee is included in Other current liabilities in Exelon's Consolidated Balance Sheet and PPA termination obligation in PHI's and ACE's Consolidated Balance Sheets. For the six months ended June 30, 2024 and 2023, ACE has respectively paid $30 million and $43 million of the liability, which is recorded in Changes in Other assets and liabilities in Exelon's, PHI's, and ACE's Consolidated Statements of Cash Flows.

Other Federal Regulatory Matters

FERC Audit (Exelon and ComEd). The Utility Registrants are subject to periodic audits and investigations by FERC. FERC's Division of Audits and Accounting initiated a nonpublic audit of ComEd in April 2021 evaluating ComEd's compliance with (1) approved terms, rates and conditions of its federally regulated service; (2) accounting requirements of the Uniform System of Accounts; (3) reporting requirements of the FERC Form 1; and (4) the requirements for record retention. The audit period extends back to January 1, 2017.

On July 27, 2023, FERC issued a final audit report which included, among other things, findings and recommendations related to ComEd's methodology regarding the allocation of certain overhead costs to capitalized construction costs under FERC regulations, including a suggestion that refunds may be due to customers for amounts collected in previous years. On August 28, 2023, ComEd filed a formal notice of the issues it will contest. On December 14, 2023, FERC appointed a settlement judge for the contested overhead allocation findings and set the matter for a trial-type hearing. That hearing process has been held in abeyance while a formal settlement process, which began in February 2024, takes place.

On July 30, 2024, ComEd reached an agreement in principle on the contested overhead allocation finding. As a result of the settlement process, ComEd recorded a charge for the probable disallowance of $70 million of certain currently capitalized construction costs to operating expenses, which are not expected to be recovered in future rates. The final settlement is subject to FERC approval. The existing estimates of loss have been updated and reflected in Exelon and ComEd financial statements as of June 30, 2024.

(Dollars in millions, except per share data, unless otherwise noted)

Regulatory Assets and Liabilities

The Utility Registrants' regulatory assets and liabilities have not changed materially since December 31, 2023, unless noted below. See Note 3 — Regulatory Matters of the 2023 Form 10-K for additional information on the specific regulatory assets and liabilities.

ComEd. Regulatory assets decreased $339 million primarily due to a decrease of $369 million in the CMC regulatory asset. Regulatory liabilities increased $802 million primarily due to an increase of $612 million in the Decommissioning the Regulatory Agreement Units regulatory liability.

PECO. Regulatory assets increased $56 million primarily due to an increase of $60 million in the Deferred Income Taxes regulatory asset.

BGE. Regulatory liabilities decreased $89 million primarily due to a decrease of $88 million in the Deferred income taxes regulatory liability.

Pepco. Regulatory assets increased $39 million primarily due to an increase of $25 million in the Multi-year plan reconciliations regulatory asset and an increase of $12 million in the Revenue deferral mechanism regulatory asset, as a result of the Pepco Maryland multi-year plan order issued on June 10, 2024. Regulatory liabilities decreased $27 million primarily due to a decrease of $26 million in the Deferred income taxes regulatory liability.

ACE. Regulatory liabilities increased $10 million primarily due to an increase of $13 million in the Transmission formula rate annual reconciliations regulatory liability.

Capitalized Ratemaking Amounts Not Recognized

The following table presents authorized amounts capitalized for ratemaking purposes related to earnings on shareholders' investment that are not recognized for financial reporting purposes in the Registrants' Consolidated Balance Sheets. These amounts will be recognized as revenues in the related Consolidated Statements of Operations and Comprehensive Income in the periods they are billable to the Utility Registrants' customers. PECO had no related amounts at June 30, 2024 and December 31, 2023.

	Exelon	ComEd[(a)]	BGE[(b)]	PHI	Pepco[(c)]	DPL[(d)]	ACE[(e)]
June 30, 2024	$ 134	$ 40	$ 43	$ 51	$ 38	$ 1	$ 12
December 31, 2023	110	32	33	45	34	1	10

____

(a) Reflects ComEd's unrecognized equity returns earned for ratemaking purposes on its electric distribution and energy efficiency formula rate regulatory assets.
(b) BGE's amount capitalized for ratemaking purposes primarily relates to earnings on shareholders' investment on their AMI programs, investments in rate base included in the multi-year plan reconciliations, and revenue decoupling.
(c) Pepco's authorized amounts capitalized for ratemaking purposes relate to earnings on shareholders' investment on AMI programs, Energy efficiency and demand response programs, investments in rate base and revenues included in the multi-year plan reconciliations, and a portion of Pepco District of Columbia's revenue decoupling.
(d) DPL's authorized amounts capitalized for ratemaking purposes relate to earnings on shareholders' investment on AMI programs and Energy efficiency and demand response programs.
(e) ACE's authorized amounts capitalized for ratemaking purposes primarily relate to earnings on shareholders' investment on AMI programs.

3. Revenue from Contracts with Customers (All Registrants)

The Registrants recognize revenue from contracts with customers to depict the transfer of goods or services to customers at an amount that the entities expect to be entitled to in exchange for those goods or services. The primary sources of revenue include regulated electric and gas tariff sales, distribution, and transmission services.

See Note 4 — Revenue from Contracts with Customers of the 2023 Form 10-K for additional information regarding the primary sources of revenue for the Registrants.

Contract Liabilities

(Dollars in millions, except per share data, unless otherwise noted)

The Registrants record contract liabilities when consideration is received or due prior to the satisfaction of the performance obligations. The Registrants record contract liabilities in Other current liabilities and Other noncurrent deferred credits and other liabilities in their Consolidated Balance Sheets.

For Pepco, DPL, and ACE these contract liabilities primarily relate to upfront consideration received in the third quarter of 2020 for a collaborative arrangement ("Agreement") with an unrelated owner and manager of communication infrastructure, as well as additional consideration received for the payment option amendment ("Amendment") executed during the fourth quarter of 2023, which is discussed in further detail within Note 4 — Revenue from Contracts with Customers of the 2023 Form 10-K. The contract liability balance attributable to the Agreement and the Amendment is being recognized as Electric operating revenues over a 35 year period and 31 year period, respectively.

The following table provides a rollforward of the contract liabilities reflected in Exelon's, PHI's, Pepco's, DPL's, and ACE's Consolidated Balance Sheets for the three and six months ended June 30, 2024 and 2023. At June 30, 2024 and December 31, 2023, ComEd's, PECO's, and BGE's contract liabilities were immaterial.

	Exelon[(a)]	PHI[(a)]	Pepco[(a)]	DPL	ACE
Balance at December 31, 2023	$ 133	$ 133	$ 107	$ 13	$ 13
Revenues recognized	(2)	(2)	(2)	—	—
Balance at March 31, 2024	$ 131	$ 131	$ 105	$ 13	$ 13
Revenues recognized	(1)	(1)	(1)	—	—
Balance at June 30, 2024	$ 130	$ 130	$ 104	$ 13	$ 13

	Exelon[(a)]	PHI[(a)]	Pepco[(a)]	DPL	ACE
Balance at December 31, 2022	$ 101	$ 101	$ 81	$ 10	$ 10
Revenues recognized	(1)	(1)	(1)	—	—
Balance at March 31, 2023	$ 100	$ 100	$ 80	$ 10	$ 10
Revenues recognized	(2)	(2)	(2)	—	—
Balance at June 30, 2023	$ 98	$ 98	$ 78	$ 10	$ 10

(a) Revenues recognized in the three and six months ended June 30, 2024 and 2023, were included in the contract liabilities at December 31, 2023 and 2022, respectively.

Transaction Price Allocated to Remaining Performance Obligations

The following table shows the amounts of future revenues expected to be recorded in each year for performance obligations that are unsatisfied or partially unsatisfied as of June 30, 2024. This disclosure only includes contracts for which the total consideration is fixed and determinable at contract inception. The average contract term varies by customer type and commodity but ranges from one month to several years.

This disclosure excludes the Utility Registrants' gas and electric tariff sales contracts and transmission revenue contracts as they generally have an original expected duration of one year or less and, therefore, do not contain any future, unsatisfied performance obligations to be included in this disclosure.

Year	Exelon	PHI	Pepco	DPL	ACE
2024	$ 3	$ 3	$ 3	$ —	$ —
2025	7	7	5	1	1
2026	6	6	5	1	—
2027	5	5	5	—	—
2028 and thereafter	109	109	86	11	12
Total	$ 130	$ 130	$ 104	$ 13	$ 13

Revenue Disaggregation

The Registrants disaggregate revenue recognized from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. See Note 4 — Segment Information for the presentation of the Registrants' revenue disaggregation.

4. Segment Information (All Registrants)

Operating segments for each of the Registrants are determined based on information used by the CODMs in deciding how to evaluate performance and allocate resources at each of the Registrants.

Exelon has six reportable segments, which include ComEd, PECO, BGE, and PHI's three reportable segments consisting of Pepco, DPL, and ACE. ComEd, PECO, BGE, Pepco, DPL, and ACE each represent a single reportable segment, and as such, no separate segment information is provided for these Registrants. Exelon, ComEd, PECO, BGE, Pepco, DPL, and ACE's CODMs evaluate the performance of and allocate resources to the segments based on net income.

An analysis and reconciliation of the Registrants' reportable segment information to the respective information in the consolidated financial statements for the three and six months ended June 30, 2024 and 2023 is as follows:

(Dollars in millions, except per share data, unless otherwise noted)

Three Months Ended June 30, 2024 and 2023

	ComEd	PECO	BGE	PHI	Other(a)	Intersegment Eliminations	Exelon
Operating revenues(b):							
2024							
Electric revenues	$ 2,079	$ 797	$ 782	$ 1,441	$ —	$ (6)	$ 5,093
Natural gas revenues	—	94	146	28	—	—	268
Shared service and other revenues	—	—	—	2	468	(470)	—
Total operating revenues	$ 2,079	$ 891	$ 928	$ 1,471	$ 468	$ (476)	$ 5,361
2023							
Electric revenues	$ 1,901	$ 719	$ 672	$ 1,274	$ —	$ (10)	$ 4,556
Natural gas revenues	—	109	125	29	—	(1)	262
Shared service and other revenues	—	—	—	2	434	(436)	—
Total operating revenues	$ 1,901	$ 828	$ 797	$ 1,305	$ 434	$ (447)	$ 4,818
Intersegment revenues(c):							
2024	$ 2	$ 2	$ 2	$ 2	$ 466	$ (474)	$ —
2023	2	2	2	2	432	(440)	—
Depreciation and amortization:							
2024	$ 374	$ 107	$ 162	$ 235	$ 16	$ —	$ 894
2023	350	99	158	243	16	—	866
Operating expenses:							
2024	$ 1,680	$ 752	$ 835	$ 1,204	$ 471	$ (487)	$ 4,455
2023	1,478	687	704	1,126	561	(442)	4,114
Interest expense, net:							
2024	$ 123	$ 57	$ 53	$ 92	$ 158	$ —	$ 483
2023	120	48	44	81	134	—	427
Income Taxes:							
2024	$ 31	$ 3	$ 4	$ 46	$ (38)	$ —	$ 46
2023	71	2	12	20	(32)	—	73
Net income (loss):							
2024	$ 270	$ 90	$ 44	$ 158	$ (114)	$ —	$ 448
2023	249	97	42	103	(142)	(6)	343
Capital Expenditures:							
2024	$ 517	$ 382	$ 344	$ 450	$ 6	$ —	$ 1,699
2023	645	372	306	461	20	—	1,804

(a) Other primarily includes Exelon's corporate operations, shared service entities, and other financing and investment activities.
(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in Taxes other than income taxes in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 14 — Supplemental Financial Information for additional information on total utility taxes.
(c) See Note 15 — Related Party Transactions for additional information on intersegment revenues.

PHI:

(Dollars in millions, except per share data, unless otherwise noted)

	Pepco	DPL	ACE	Other[(a)]	Intersegment Eliminations	PHI
Operating revenues[(b)]:						
2024						
Electric revenues	$ 700	$ 362	$ 383	$ —	$ (4)	$ 1,441
Natural gas revenues	—	28	—	—	—	28
Shared service and other revenues	—	—	—	115	(113)	2
Total operating revenues	$ 700	$ 390	$ 383	$ 115	$ (117)	$ 1,471
2023						
Electric revenues	$ 642	$ 320	$ 317	$ —	$ (5)	$ 1,274
Natural gas revenues	—	29	—	—	—	29
Shared service and other revenues	—	—	—	105	(103)	2
Total operating revenues	$ 642	$ 349	$ 317	$ 105	$ (108)	$ 1,305
Intersegment revenues[(c)]:						
2024	$ 2	$ 1	$ 1	$ 115	$ (117)	$ 2
2023	2	2	1	104	(107)	2
Depreciation and amortization:						
2024	$ 98	$ 61	$ 72	$ 4	$ —	$ 235
2023	109	60	68	6	—	243
Operating expenses:						
2024	$ 534	$ 332	$ 338	$ 117	$ (117)	$ 1,204
2023	541	305	280	108	(108)	1,126
Interest expense, net:						
2024	$ 46	$ 24	$ 20	$ 2	$ —	$ 92
2023	43	18	17	3	—	81
Income Taxes:						
2024	$ 28	$ 8	$ 8	$ 2	$ —	$ 46
2023	10	5	6	(1)	—	20
Net income (loss):						
2024	$ 108	$ 34	$ 21	$ (5)	$ —	$ 158
2023	64	25	18	(5)	1	103
Capital Expenditures:						
2024	$ 225	$ 134	$ 91	$ —	$ —	$ 450
2023	219	124	114	4	—	461

(a) Other primarily includes PHI's corporate operations, shared service entities, and other financing and investment activities.
(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in Taxes other than income taxes in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 14 — Supplemental Financial Information for additional information on total utility taxes.
(c) Includes intersegment revenues with ComEd, PECO, and BGE, which are eliminated at Exelon.

Electric and Gas Revenue by Customer Class (Utility Registrants):

(Dollars in millions, except per share data, unless otherwise noted)

The following tables disaggregate the Registrants' revenues recognized from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. For the Utility Registrants, the disaggregation of revenues reflects the two primary utility services of electric sales and natural gas sales (where applicable), with further disaggregation of these tariff sales provided by major customer groups. Exelon's disaggregated revenues are consistent with the Utility Registrants, but exclude any intercompany revenues.

	Three Months Ended June 30, 2024						
Revenues from contracts with customers	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
Electric revenues							
Residential	$ 982	$ 522	$ 464	$ 746	$ 315	$ 202	$ 229
Small commercial & industrial	560	128	88	158	43	60	55
Large commercial & industrial	269	61	139	329	251	31	47
Public authorities & electric railroads	14	7	8	16	7	4	5
Other[a]	298	75	101	205	75	64	68
Total electric revenues[b]	$ 2,123	$ 793	$ 800	$ 1,454	$ 691	$ 361	$ 404
Natural gas revenues							
Residential	$ —	$ 63	$ 89	$ 15	$ —	$ 15	$ —
Small commercial & industrial	—	25	17	7	—	7	—
Large commercial & industrial	—	—	40	1	—	1	—
Transportation	—	5	—	4	—	4	—
Other[c]	—	—	4	1	—	1	—
Total natural gas revenues[d]	$ —	$ 93	$ 150	$ 28	$ —	$ 28	$ —
Total revenues from contracts with customers	$ 2,123	$ 886	$ 950	$ 1,482	$ 691	$ 389	$ 404
Other revenues							
Revenues from alternative revenue programs	$ (43)	$ —	$ (23)	$ (14)	$ 7	$ —	$ (21)
Other electric revenues[e]	(1)	4	1	3	2	1	—
Other natural gas revenues[e]	—	1	—	—	—	—	—
Total other revenues	$ (44)	$ 5	$ (22)	$ (11)	$ 9	$ 1	$ (21)
Total revenues for reportable segments	$ 2,079	$ 891	$ 928	$ 1,471	$ 700	$ 390	$ 383

(Dollars in millions, except per share data, unless otherwise noted)

Revenues from contracts with customers	Three Months Ended June 30, 2023						
	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Electric revenues							
Residential	$ 861	$ 444	$ 363	$ 583	$ 267	$ 161	$ 155
Small commercial & industrial	461	132	75	144	41	57	46
Large commercial & industrial	205	64	119	337	254	33	50
Public authorities & electric railroads	13	8	7	15	7	4	4
Other[(a)]	234	71	103	185	64	61	63
Total electric revenues[(b)]	$ 1,774	$ 719	$ 667	$ 1,264	$ 633	$ 316	$ 318
Natural gas revenues							
Residential	$ —	$ 69	$ 71	$ 16	$ —	$ 16	$ —
Small commercial & industrial	—	32	15	7	—	7	—
Large commercial & industrial	—	—	30	1	—	1	—
Transportation	—	5	—	4	—	4	—
Other[(c)]	—	2	5	1	—	1	—
Total natural gas revenues[(d)]	$ —	$ 108	$ 121	$ 29	$ —	$ 29	$ —
Total revenues from contracts with customers	$ 1,774	$ 827	$ 788	$ 1,293	$ 633	$ 345	$ 318
Other revenues							
Revenues from alternative revenue programs	$ 118	$ (5)	$ 4	$ 9	$ 7	$ 3	$ (1)
Other electric revenues[(e)]	9	5	4	3	2	1	—
Other natural gas revenues[(e)]	—	1	1	—	—	—	—
Total other revenues	$ 127	$ 1	$ 9	$ 12	$ 9	$ 4	$ (1)
Total revenues for reportable segments	$ 1,901	$ 828	$ 797	$ 1,305	$ 642	$ 349	$ 317

(a) Includes revenues from transmission revenue from PJM, wholesale electric revenue and mutual assistance revenue.
(b) Includes operating revenues from affiliates in 2024 and 2023 respectively of:
- $2 million, $2 million at ComEd
- $2 million, $1 million at PECO
- $2 million, $1 million at BGE
- $2 million, $2 million at PHI
- $2 million, $2 million at Pepco
- $1 million, $2 million at DPL
- $1 million, $1 million at ACE

(c) Includes revenues from off-system natural gas sales.
(d) Includes operating revenues from affiliates in 2024 and 2023 respectively of:
- less than $1 million, $1 million at PECO
- less than $1 million, $1 million at BGE

(e) Includes late payment charge revenues.

(Dollars in millions, except per share data, unless otherwise noted)

Six Months Ended June 30, 2024 and 2023

	ComEd	PECO	BGE	PHI	Other[(a)]	Intersegment Eliminations	Exelon
Operating revenues[(b)]:							
2024							
Electric revenues	$ 4,174	$ 1,577	$ 1,664	$ 2,973	$ —	$ (11)	$ 10,377
Natural gas revenues	—	368	561	100	—	(3)	1,026
Shared service and other revenues	—	—	—	4	928	(932)	—
Total operating revenues	$ 4,174	$ 1,945	$ 2,225	$ 3,077	$ 928	$ (946)	$ 11,403
2023							
Electric revenues	$ 3,568	$ 1,514	$ 1,485	$ 2,711	$ —	$ (14)	$ 9,264
Natural gas revenues	—	426	568	126	—	(4)	1,116
Shared service and other revenues	—	—	—	4	871	(875)	—
Total operating revenues	$ 3,568	$ 1,940	$ 2,053	$ 2,841	$ 871	$ (893)	$ 10,380
Intersegment revenues[(c)]:							
2024	$ 4	$ 4	$ 5	$ 4	$ 924	$ (941)	$ —
2023	5	4	4	4	867	(884)	—
Depreciation and amortization:							
2024	$ 737	$ 210	$ 312	$ 481	$ 33	$ —	$ 1,773
2023	688	197	325	484	31	2	1,727
Operating expenses:							
2024	$ 3,462	$ 1,603	$ 1,802	$ 2,539	$ 943	$ (963)	$ 9,386
2023	2,734	1,590	1,667	2,423	1,046	(889)	8,571
Interest expense, net:							
2024	$ 246	$ 112	$ 103	$ 183	$ 308	$ (2)	$ 950
2023	237	97	88	157	263	(2)	840
Income taxes:							
2024	$ 49	$ 13	$ 28	$ 86	$ (67)	$ —	$ 109
2023	142	5	65	54	(60)	—	206
Net income (loss):							
2024	$ 463	$ 239	$ 308	$ 326	$ (230)	$ —	$ 1,106
2023	489	263	241	258	(235)	(4)	1,012
Capital expenditures:							
2024	$ 1,111	$ 743	$ 668	$ 903	$ 41	$ —	$ 3,466
2023	1,262	707	656	1,022	38	—	3,685
Total assets:							
June 30, 2024	$ 44,248	$ 16,354	$ 14,945	$ 27,501	$ 6,077	$ (4,012)	$ 105,113
December 31, 2023	42,827	15,595	14,184	26,903	6,374	(4,337)	101,546

(a) Other primarily includes Exelon's corporate operations, shared service entities, and other financing and investment activities.
(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in Taxes other than income taxes in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 14 — Supplemental Financial Information for additional information on total utility taxes.
(c) See Note 15 — Related Party Transactions for additional information on intersegment revenues.

(Dollars in millions, except per share data, unless otherwise noted)

PHI:

	Pepco	DPL	ACE	Other[(a)]	Intersegment Eliminations	PHI
Operating revenues[(b)]:						
2024						
Electric revenues	$ 1,459	$ 780	$ 740	$ —	$ (6)	$ 2,973
Natural gas revenues	—	100	—	—	—	100
Shared service and other revenues	—	—	—	224	(220)	4
Total operating revenues	$ 1,459	$ 880	$ 740	$ 224	$ (226)	$ 3,077
2023						
Electric revenues	$ 1,351	$ 697	$ 670	$ —	$ (7)	$ 2,711
Natural gas revenues	—	126	—	—	—	126
Shared service and other revenues	—	—	—	207	(203)	4
Total operating revenues	$ 1,351	$ 823	$ 670	$ 207	$ (210)	$ 2,841
Intersegment revenues[(c)]:						
2024	$ 3	$ 3	$ 1	$ 224	$ (227)	$ 4
2023	3	3	1	206	(209)	4
Depreciation and amortization:						
2024	$ 205	$ 122	$ 146	$ 8	$ —	$ 481
2023	216	121	135	12	—	484
Operating expenses:						
2024	$ 1,174	$ 723	$ 641	$ 228	$ (227)	$ 2,539
2023	1,151	693	577	212	(210)	2,423
Interest expense, net:						
2024	$ 92	$ 46	$ 39	$ 6	$ —	$ 183
2023	81	36	34	6	—	157
Income taxes:						
2024	$ 42	$ 25	$ 18	$ 1	$ —	$ 86
2023	22	17	17	(2)	—	54
Net income (loss):						
2024	$ 183	$ 101	$ 50	$ (8)	$ —	$ 326
2023	130	85	51	(8)	—	258
Capital expenditures:						
2024	$ 454	$ 268	$ 180	$ 1	$ —	$ 903
2023	483	258	275	6	—	1,022
Total assets:						
June 30, 2024	$ 11,542	$ 6,277	$ 5,327	$ 4,764	$ (409)	$ 27,501
December 31, 2023	11,194	5,966	5,157	4,627	(41)	26,903

(a) Other primarily includes PHI's corporate operations, shared service entities, and other financing and investment activities.
(b) Includes gross utility tax receipts from customers. The offsetting remittance of utility taxes to the governing bodies is recorded in Taxes other than income taxes in the Registrants' Consolidated Statements of Operations and Comprehensive Income. See Note 14 — Supplemental Financial Information for additional information on total utility taxes.
(c) Includes intersegment revenues with ComEd, PECO, and BGE, which are eliminated at Exelon.

Electric and Gas Revenue by Customer Class (Utility Registrants):

The following tables disaggregate the Registrants' revenues recognized from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. For the Utility Registrants, the disaggregation of revenues reflects the two primary utility services of electric sales and natural gas sales (where applicable), with further disaggregation of these tariff sales provided by major customer groups. Exelon's disaggregated revenues are consistent with the Utility Registrants, but exclude any intercompany revenues.

(Dollars in millions, except per share data, unless otherwise noted)

	Six Months Ended June 30, 2024						
Revenues from contracts with customers	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
Electric revenues							
Residential	$ 1,900	$ 1,042	$ 999	$ 1,521	$ 659	$ 458	$ 404
Small commercial & industrial	1,154	254	178	316	89	122	105
Large commercial & industrial	589	118	271	669	513	60	96
Public authorities & electric railroads	32	14	15	36	18	8	10
Other[(a)]	523	147	194	396	138	126	134
Total electric revenues[(b)]	$ 4,198	$ 1,575	$ 1,657	$ 2,938	$ 1,417	$ 774	$ 749
Natural gas revenues							
Residential	$ —	$ 256	$ 360	$ 61	$ —	$ 61	$ —
Small commercial & industrial	—	89	65	24	—	24	—
Large commercial & industrial	—	—	112	3	—	3	—
Transportation	—	13	—	9	—	9	—
Other[(c)]	—	9	8	3	—	3	—
Total natural gas revenues[(d)]	$ —	$ 367	$ 545	$ 100	$ —	$ 100	$ —
Total revenues from contracts with customers	$ 4,198	$ 1,942	$ 2,202	$ 3,038	$ 1,417	$ 874	$ 749
Other revenues							
Revenues from alternative revenue programs	$ (24)	$ (2)	$ 19	$ 32	$ 37	$ 4	$ (9)
Other electric revenues[(e)]	—	4	3	7	5	2	—
Other natural gas revenues[(e)]	—	1	1	—	—	—	—
Total other revenues	$ (24)	$ 3	$ 23	$ 39	$ 42	$ 6	$ (9)
Total revenues for reportable segments	$ 4,174	$ 1,945	$ 2,225	$ 3,077	$ 1,459	$ 880	$ 740

(Dollars in millions, except per share data, unless otherwise noted)

	Six Months Ended June 30, 2023						
Revenues from contracts with customers	**ComEd**	**PECO**	**BGE**	**PHI**	**Pepco**	**DPL**	**ACE**
Electric revenues							
Residential	$ 1,698	$ 963	$ 796	$ 1,221	$ 549	$ 371	$ 301
Small commercial & industrial	823	267	167	304	80	119	105
Large commercial & industrial	290	129	268	714	535	66	113
Public authorities & electric railroads	22	16	14	33	16	8	9
Other[(a)]	450	139	198	362	120	119	126
Total electric revenues[(b)]	$ 3,283	$ 1,514	$ 1,443	$ 2,634	$ 1,300	$ 683	$ 654
Natural gas revenues							
Residential	$ —	$ 292	$ 349	$ 76	$ —	$ 76	$ —
Small commercial & industrial	—	107	56	33	—	33	—
Large commercial & industrial	—	1	100	2	—	2	—
Transportation	—	13	—	8	—	8	—
Other[(c)]	—	11	24	7	—	7	—
Total natural gas revenues[(d)]	$ —	$ 424	$ 529	$ 126	$ —	$ 126	$ —
Total revenues from contracts with customers	$ 3,283	$ 1,938	$ 1,972	$ 2,760	$ 1,300	$ 809	$ 654
Other revenues							
Revenues from alternative revenue programs	$ 270	$ (10)	$ 70	$ 74	$ 46	$ 12	$ 16
Other electric revenues[(e)]	15	10	8	7	5	2	—
Other natural gas revenues[(e)]	—	2	3	—	—	—	—
Total other revenues	$ 285	$ 2	$ 81	$ 81	$ 51	$ 14	$ 16
Total revenues for reportable segments	$ 3,568	$ 1,940	$ 2,053	$ 2,841	$ 1,351	$ 823	$ 670

____
(a) Includes revenues from transmission revenue from PJM, wholesale electric revenue and mutual assistance revenue.
(b) Includes operating revenues from affiliates in 2024 and 2023 respectively of:
- $4 million, $5 million at ComEd
- $3 million, $3 million at PECO
- $4 million, $2 million at BGE
- $4 million, $4 million at PHI
- $3 million, $3 million at Pepco
- $3 million, $3 million at DPL
- $1 million, $1 million at ACE

(c) Includes revenues from off-system natural gas sales.
(d) Includes operating revenues from affiliates in 2024 and 2023 respectively of:
- $1 million, $1 million at PECO
- $1 million, $2 million at BGE

(e) Includes late payment charge revenues.

(Dollars in millions, except per share data, unless otherwise noted)

5. Accounts Receivable (All Registrants)

Allowance for Credit Losses on Accounts Receivable

The following tables present the rollforward of Allowance for Credit Losses on Customer Accounts Receivable.

	Three Months Ended June 30, 2024							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at March 31, 2024	$ 346	$ 82	$ 107	$ 52	$ 105	$ 52	$ 17	$ 36
Plus: Current period provision (benefit) for expected credit losses[(a)(b)(c)]	55	38	11	(1)	7	5	1	1
Less: Write-offs, net of recoveries[(d)]	29	8	6	6	9	4	2	3
Balance at June 30, 2024	$ 372	$ 112	$ 112	$ 45	$ 103	$ 53	$ 16	$ 34

	Three Months Ended June 30, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at March 31, 2023	$ 389	$ 74	$ 130	$ 73	$ 112	$ 49	$ 26	$ 37
Plus: Current period (benefit) provision for expected credit losses	(35)	(1)	(20)	(16)	2	4	(3)	1
Less: Write-offs, net of recoveries	31	6	9	7	9	3	2	4
Balance at June 30, 2023	$ 323	$ 67	$ 101	$ 50	$ 105	$ 50	$ 21	$ 34

	Six Months Ended June 30, 2024							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2023	$ 317	$ 69	$ 95	$ 46	$ 107	$ 52	$ 19	$ 36
Plus: Current period provision for expected credit losses[(a)(e)]	135	60	34	14	27	18	4	5
Less: Write-offs[(f)(g)], net of recoveries[(d)]	80	17	17	15	31	17	7	7
Balance at June 30, 2024	$ 372	$ 112	$ 112	$ 45	$ 103	$ 53	$ 16	$ 34

	Six Months Ended June 30, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2022	$ 327	$ 59	$ 105	$ 54	$ 109	$ 47	$ 21	$ 41
Plus: Current period provision for expected credit losses	71	21	18	14	18	13	4	1
Less: Write-offs, net of recoveries	75	13	22	18	22	10	4	8
Balance at June 30, 2023	$ 323	$ 67	$ 101	$ 50	$ 105	$ 50	$ 21	$ 34

____
(a) For PECO and ComEd, the increase is primarily a result of increased aging of receivables.
(b) For BGE, the increase is primarily a result of changes in customer risk profile.
(c) For DPL, the increase is primarily a result of increased receivable balances.
(d) Recoveries were not material to the Registrants.
(e) For Pepco and ACE, the increase is primarily a result of increased receivable balances.
(f) For PECO, the decrease is primarily a result of decreased disconnection activities.
(g) For Pepco and DPL, the increase is primarily attributable to unfavorable customer payment behavior.

(Dollars in millions, except per share data, unless otherwise noted)

The following tables present the rollforward of Allowance for Credit Losses on Other Accounts Receivable.

	Three Months Ended June 30, 2024							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at March 31, 2024	$ 96	$ 19	$ 13	$ 7	$ 57	$ 35	$ 8	$ 14
Plus: Current period provision (benefit) for expected credit losses[(a)(b)]	16	11	9	(1)	(3)	(1)	(1)	(1)
Less: Write-offs, net of recoveries[(c)]	4	1	2	1	—	—	—	—
Balance at June 30, 2024	$ 108	$ 29	$ 20	$ 5	$ 54	$ 34	$ 7	$ 13

	Three Months Ended June 30, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at March 31, 2023	$ 91	$ 18	$ 11	$ 12	$ 50	$ 28	$ 8	$ 14
Plus: Current period provision (benefit) for expected credit losses	1	1	(2)	(2)	4	3	1	—
Less: Write-offs, net of recoveries	5	1	1	2	1	—	—	1
Balance at June 30, 2023	$ 87	$ 18	$ 8	$ 8	$ 53	$ 31	$ 9	$ 13

	Six Months Ended June 30, 2024							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2023	$ 82	$ 17	$ 8	$ 7	$ 50	$ 28	$ 8	$ 14
Plus: Current period provision (benefit) for expected credit losses[(a)]	36	14	15	1	6	6	(1)	1
Less: Write-offs, net of recoveries[(c)]	10	2	3	3	2	—	—	2
Balance at June 30, 2024	$ 108	$ 29	$ 20	$ 5	$ 54	$ 34	$ 7	$ 13

	Six Months Ended June 30, 2023							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at December 31, 2022	$ 82	$ 17	$ 9	$ 10	$ 46	$ 25	$ 7	$ 14
Plus: Current period provision for expected credit losses	15	3	1	2	9	6	2	1
Less: Write-offs, net of recoveries	10	2	2	4	2	—	—	2
Balance at June 30, 2023	$ 87	$ 18	$ 8	$ 8	$ 53	$ 31	$ 9	$ 13

(a) For PECO and ComEd, the increase is primarily a result of increased aging of receivables.
(b) For Pepco, the decrease is primarily a result of decreased receivable balances.
(c) Recoveries were not material to the Registrants.

(Dollars in millions, except per share data, unless otherwise noted)

Unbilled Customer Revenue

The following table provides additional information about unbilled customer revenues recorded in the Registrants' Consolidated Balance Sheets at June 30, 2024 and December 31, 2023.

	Unbilled customer revenues[(a)]							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
June 30, 2024	$ 1,059	$ 425	$ 204	$ 179	$ 251	$ 110	$ 50	$ 91
December 31, 2023	991	351	185	208	247	109	64	74

____

(a) Unbilled customer revenues are classified in Customer accounts receivable, net in the Registrants' Consolidated Balance Sheets.

Other Purchases of Customer and Other Accounts Receivables

For the six months ended June 30, 2024 and 2023 the Utility Registrants were required, under separate legislation and regulations in Illinois, Pennsylvania, Maryland, District of Columbia, Delaware, and New Jersey, to purchase certain receivables from alternative retail electric and, as applicable, natural gas suppliers that participated in the utilities' consolidated billing. The following table presents the total receivables purchased.

	Total receivables purchased							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Six months ended June 30, 2024	$ 1,961	$ 450	$ 527	$ 393	$ 591	$ 375	$ 115	$ 101
Six months ended June 30, 2023	1,979	445	546	420	568	371	107	90

(Dollars in millions, except per share data, unless otherwise noted)

6. Income Taxes (All Registrants)

Rate Reconciliation

The effective income tax rate from continuing operations varies from the U.S. federal statutory rate principally due to the following:

	Three Months Ended June 30, 2024[(a)]							
	Exelon	ComEd[(b)]	PECO[(c)]	BGE[(b)]	PHI	Pepco	DPL	ACE
U.S. Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of federal income tax benefit	5.0	7.8	(1.3)	6.4	6.6	6.1	6.2	7.6
Plant basis differences	(3.9)	(0.8)	(13.0)	(1.8)	(0.9)	(1.5)	(0.9)	0.2
Excess deferred tax amortization	(13.2)	(17.4)	(2.3)	(17.5)	(3.8)	(4.8)	(6.6)	(1.6)
Amortization of investment tax credit, including deferred taxes on basis difference	(0.1)	(0.1)	—	—	(0.1)	—	(0.1)	(0.1)
Tax credits	(0.5)	(0.5)	—	(0.5)	(0.4)	(0.4)	(0.3)	(0.2)
Other	1.0	0.3	(1.2)	0.7	0.1	0.2	(0.3)	0.7
Effective income tax rate	9.3 %	10.3 %	3.2 %	8.3 %	22.5 %	20.6 %	19.0 %	27.6 %

	Three Months Ended June 30, 2023[(a)]							
	Exelon	ComEd	PECO[(c)]	BGE	PHI	Pepco	DPL	ACE
U.S. Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of federal income tax benefit	6.5	7.8	(1.2)	6.8	6.2	5.6	6.3	7.1
Plant basis differences	(4.8)	(0.6)	(15.8)	0.1	(1.6)	(2.6)	(1.1)	—
Excess deferred tax amortization	(7.4)	(5.6)	(2.4)	(5.3)	(8.0)	(9.9)	(9.9)	(2.0)
Amortization of investment tax credit, including deferred taxes on basis difference	(0.1)	(0.1)	—	(0.1)	(0.1)	—	(0.1)	(0.1)
Tax credits	(0.5)	(0.3)	—	(0.4)	(0.9)	(1.1)	(0.4)	(0.3)
Other	2.8	—	0.4	0.1	(0.3)	0.5	0.9	(0.7)
Effective income tax rate	17.5 %	22.2 %	2.0 %	22.2 %	16.3 %	13.5 %	16.7 %	25.0 %

(a) Positive percentages represent income tax expense. Negative percentages represent income tax benefit.
(b) For ComEd, the lower effective tax rate is primarily due to CEJA which resulted in the acceleration of certain income tax benefits. For BGE, the lower effective tax rate is primarily due to the Maryland multi-year plan which resulted in the acceleration of certain income tax benefits.
(c) For PECO, the lower effective tax rate is primarily related to plant basis differences attributable to tax repair deductions.

(Dollars in millions, except per share data, unless otherwise noted)

	Six Months Ended June 30, 2024[a]							
	Exelon	ComEd[b]	PECO[c]	BGE[b]	PHI	Pepco	DPL	ACE
U.S. Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of federal income tax benefit	5.8	7.8	(0.9)	6.3	6.5	6.1	6.2	7.4
Plant basis differences	(3.9)	(0.8)	(12.5)	(1.3)	(0.9)	(1.4)	(1.0)	0.1
Excess deferred tax amortization	(14.1)	(18.0)	(2.3)	(17.5)	(5.3)	(6.8)	(5.8)	(1.5)
Amortization of investment tax credit, including deferred taxes on basis difference	(0.1)	(0.1)	—	—	(0.1)	—	(0.1)	(0.1)
Tax credits	(0.5)	(0.5)	—	(0.4)	(0.4)	(0.4)	(0.3)	(0.3)
Other	0.8	0.2	(0.1)	0.2	0.1	0.2	(0.2)	(0.1)
Effective income tax rate	9.0 %	9.6 %	5.2 %	8.3 %	20.9 %	18.7 %	19.8 %	26.5 %

	Six Months Ended June 30, 2023[a]							
	Exelon	ComEd	PECO[c]	BGE	PHI	Pepco	DPL	ACE
U.S. Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
Increase (decrease) due to:								
State income taxes, net of federal income tax benefit	6.2	7.8	(1.3)	6.4	6.1	5.5	6.3	6.9
Plant basis differences	(4.3)	(0.4)	(15.4)	(0.6)	(1.7)	(2.6)	(1.0)	(0.6)
Excess deferred tax amortization	(6.7)	(5.6)	(2.4)	(5.4)	(7.4)	(9.1)	(9.2)	(2.0)
Amortization of investment tax credit, including deferred taxes on basis difference	(0.1)	(0.1)	—	(0.1)	(0.1)	—	(0.1)	(0.1)
Tax credits	(0.5)	(0.3)	—	(0.4)	(0.6)	(0.8)	(0.4)	(0.3)
Other	1.3	0.1	—	0.3	—	0.5	0.1	0.1
Effective income tax rate	16.9 %	22.5 %	1.9 %	21.2 %	17.3 %	14.5 %	16.7 %	25.0 %

(a) Positive percentages represent income tax expense. Negative percentages represent income tax benefit.
(b) For ComEd, the lower effective tax rate is primarily due to CEJA which resulted in the acceleration of certain income tax benefits. For BGE, the lower effective tax rate is primarily due to the Maryland multi-year plan which resulted in the acceleration of certain income tax benefits.
(c) For PECO, the lower effective tax rate is primarily related to plant basis differences attributable to tax repair deductions.

Unrecognized Tax Benefits

Exelon, PHI and ACE have the following unrecognized tax benefits at June 30, 2024 and December 31, 2023. ComEd's, PECO's, BGE's, Pepco's, and DPL's amounts are not material.

	Exelon[a]	PHI	ACE
June 30, 2024	$ 95	$ 51	$ 15
December 31, 2023	94	51	15

(a) At June 30, 2024 and December 31, 2023, Exelon's unrecognized tax benefits is inclusive of $31 million related to Constellation's share of unrecognized tax benefits for periods prior to the separation. Exelon reflected an offsetting receivable of $31 million in Other deferred debits and other assets in the Consolidated Balance Sheet for these amounts.

Other Tax Matters

Tax Matters Agreement (Exelon)

In connection with the separation, Exelon entered into a TMA with Constellation. The TMA governs the respective rights, responsibilities, and obligations between Exelon and Constellation after the separation with respect to tax liabilities, refunds and attributes for open tax years that Constellation was part of Exelon’s consolidated group for U.S. federal, state, and local tax purposes.

Indemnification for Taxes. As a former subsidiary of Exelon, Constellation has joint and several liability with Exelon to the IRS and certain state jurisdictions relating to the taxable periods prior to the separation. The TMA specifies that Constellation is liable for their share of taxes required to be paid by Exelon with respect to taxable periods prior to the separation to the extent Constellation would have been responsible for such taxes under the existing Exelon tax sharing agreement.

Tax Refunds. The TMA specifies that Constellation is entitled to their share of any future tax refunds claimed by Exelon with respect to taxable periods prior to the separation to the extent that Constellation would have received such tax refunds under the existing Exelon tax sharing agreement.

Tax Attributes. At the date of separation certain tax attributes, primarily pre-closing tax credit carryforwards, that were generated by Constellation were required by law to be allocated to Exelon. The TMA provides that Exelon will reimburse Constellation when those allocated tax credit carryforwards are utilized. As of June 30, 2024, Exelon recorded a payable of $137 million and $193 million in Other current liabilities and Other deferred credits and other liabilities, respectively, in the Consolidated Balance Sheet for tax attribute carryforwards that are expected to be utilized and reimbursed to Constellation.

Corporate Alternative Minimum Tax (All Registrants)

On August 16, 2022, the IRA was signed into law and implements a new corporate alternative minimum tax (CAMT) that imposes a 15.0% tax on modified GAAP net income. Corporations are entitled to a tax credit (minimum tax credit) to the extent the CAMT liability exceeds the regular tax liability. This amount can be carried forward indefinitely and used in future years when regular tax exceeds the CAMT.

Beginning in 2023, based on the existing statute, Exelon and each of the Utility Registrants will be subject to and will report the CAMT on a separate Registrant basis in the Consolidated Statements of Operations and Comprehensive Income and the Consolidated Balance Sheets. The deferred tax asset related to the minimum tax credit carryforward will be realized to the extent Exelon’s consolidated deferred tax liabilities exceed the minimum tax credit carryforward. Exelon’s deferred tax liabilities are expected to exceed the minimum tax credit carryforward for the foreseeable future and thus no valuation allowance is required. Exelon is continuing to assess the financial statement impacts of the IRA and will update estimates based on future guidance issued by the U.S. Treasury.

Allocation of Income Taxes to Regulated Utilities

In Q2 2024, the IRS issued a series of private letter rulings (PLR), to another taxpayer, providing guidance with respect to the application of the tax normalization rules to the allocation of consolidated tax benefits among the members of a consolidated group associated with NOLC for ratemaking purposes. The rulings provide that for ratemaking purposes the tax benefit of NOLC should be reflected on a separate company basis not taking into consideration any payments received for the utilization of losses by other affiliates under a tax sharing agreement.

For the Registrants, the impact of these PLRs could result in a material reduction of the regulatory liability established for EDITs arising from the TCJA corporate tax rate change that are being amortized and flowed through to customers as well as a reduction in the accumulated deferred income taxes that reduce rate base for ratemaking purposes.

A PLR issued to another taxpayer may not be relied on as precedent. However, Management is analyzing this guidance and plans to work collaboratively with Exelon's regulatory commissions to address potential impacts. The Registrants will record the impact, if any, after either obtaining approval from their regulatory commissions or upon receiving their own PLRs from the IRS.

7. Retirement Benefits (All Registrants)

Defined Benefit Pension and OPEB

(Dollars in millions, except per share data, unless otherwise noted)

The majority of the 2024 pension benefit cost for the Exelon-sponsored plans is calculated using an expected long-term rate of return on plan assets of 7.00% and a discount rate of 5.19%. The majority of the 2024 OPEB cost is calculated using an expected long-term rate of return on plan assets of 6.50% for funded plans and a discount rate of 5.17%.

During the first quarter of 2024, Exelon received an updated valuation of its pension and OPEB to reflect actual census data as of January 1, 2024. This valuation resulted in an increase to the pension obligation of $98 million and a decrease to the OPEB obligation of $1 million. Additionally, AOCI increased by $25 million (after-tax) and regulatory assets and liabilities increased by $66 million and $2 million, respectively.

A portion of the net periodic benefit cost for all plans is capitalized within the Consolidated Balance Sheets. The following tables present the components of Exelon's net periodic benefit costs, prior to capitalization, for the three and six months ended June 30, 2024 and 2023.

	Pension Benefits		OPEB	
	Three Months Ended June 30,		Three Months Ended June 30,	
	2024	2023	2024	2023
Components of net periodic benefit cost				
Service cost	$ 40	$ 38	$ 7	$ 6
Interest cost	141	144	24	26
Expected return on assets	(184)	(188)	(21)	(21)
Amortization of:				
Prior service credit	—	—	(2)	(3)
Actuarial loss (gain)	54	43	—	(1)
Net periodic benefit cost	$ 51	$ 37	$ 8	$ 7

	Pension Benefits		OPEB	
	Six Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Components of net periodic benefit cost				
Service cost	$ 82	$ 77	$ 14	$ 12
Interest cost	282	289	48	51
Expected return on assets	(368)	(377)	(42)	(42)
Amortization of:				
Prior service cost (credit)	1	1	(4)	(5)
Actuarial loss (gain)	107	84	—	(1)
Net periodic benefit cost	$ 104	$ 74	$ 16	$ 15

The amounts below represent the Registrants' allocated pension and OPEB costs. For Exelon, the service cost component is included in Operating and maintenance expense and Property, plant, and equipment, net while the non-service cost components are included in Other, net and Regulatory assets. For the Utility Registrants, which apply multi-employer accounting, the service cost and non-service cost components are included in Operating and maintenance expense and Property, plant, and equipment, net in their consolidated financial statements.

(Dollars in millions, except per share data, unless otherwise noted)

Pension and OPEB Costs (Benefit)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Exelon	$ 59	$ 44	$ 120	$ 89
ComEd	19	7	36	13
PECO	—	(4)	—	(7)
BGE	16	14	31	28
PHI	23	25	46	49
Pepco	7	9	16	17
DPL	3	5	7	9
ACE	4	3	7	7

Defined Contribution Savings Plan

The Registrants participate in a 401(k) defined contribution savings plan that is sponsored by Exelon. The plan is qualified under applicable sections of the IRC and allows employees to contribute a portion of their pre-tax and/or after-tax income in accordance with specified guidelines. All Registrants match a percentage of the employee contributions up to certain limits. The following table presents the employer contributions and employer matching contributions to the savings plan for the three and six months ended June 30, 2024 and 2023.

Savings Plan Employer Contributions	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Exelon	$ 29	$ 26	$ 51	$ 47
ComEd	10	10	20	19
PECO	5	4	8	7
BGE	3	3	6	5
PHI	6	5	8	8
Pepco	1	1	2	2
DPL	1	1	2	2
ACE	1	1	1	1

8. Derivative Financial Instruments (All Registrants)

The Registrants use derivative instruments to manage commodity price risk and interest rate risk related to ongoing business operations. The Registrants do not execute derivatives for speculative or proprietary trading purposes.

Authoritative guidance requires that derivative instruments be recognized as either assets or liabilities at fair value, with changes in fair value of the derivative recognized in earnings immediately. Other accounting treatments are available through special election and designation, provided they meet specific, restrictive criteria both at the time of designation and on an ongoing basis. These alternative permissible accounting treatments include NPNS, cash flow hedges, and fair value hedges. At ComEd, derivative economic hedges related to commodities are recorded at fair value and offset by a corresponding regulatory asset or liability. At Exelon, derivative economic hedges related to interest rates are recorded at fair value and offsets are recorded to Electric operating revenues or Interest expense based on the activity the transaction is economically hedging. For all NPNS derivative instruments, accounts receivable or accounts payable are recorded when derivatives settle and revenue or expense is recognized in earnings as the underlying physical commodity is sold or consumed. At Exelon, derivative hedges that qualify and are designated as cash flow hedges are recorded at fair value and offsets are recorded to AOCI.

ComEd's use of cash collateral is generally unrestricted unless ComEd is downgraded below investment grade. Cash collateral held by PECO, BGE, Pepco, DPL, and ACE must be deposited in an unaffiliated major U.S. commercial bank or foreign bank with a U.S. branch office that meets certain qualifications.

(Dollars in millions, except per share data, unless otherwise noted)

Commodity Price Risk

The Utility Registrants employ established policies and procedures to manage their risks associated with market fluctuations in commodity prices by entering into physical and financial derivative contracts, which are either determined to be non-derivative or classified as economic hedges. The Utility Registrants procure electric and natural gas supply through a competitive procurement process approved by each of the respective state utility commissions. The Utility Registrants' hedging programs are intended to reduce exposure to energy and natural gas price volatility and have no direct earnings impact as the costs are fully recovered from customers through regulatory-approved recovery mechanisms. The following table provides a summary of the Utility Registrants' primary derivative hedging instruments, listed by commodity and accounting treatment.

Registrant	Commodity	Accounting Treatment	Hedging Instrument
ComEd	Electricity	NPNS	Fixed price contracts based on all requirements in the IPA procurement plans.
	Electricity	Changes in fair value of economic hedge recorded to an offsetting regulatory asset or liability[(a)]	20-year floating-to-fixed energy swap contracts beginning June 2012 based on the renewable energy resource procurement requirements in the Illinois Settlement Legislation of approximately 1.3 million MWhs per year.
PECO	Electricity	NPNS	Fixed price contracts for default supply requirements through full requirements contracts.
	Gas	NPNS	Fixed price contracts to cover about 10% of planned natural gas purchases in support of projected firm sales.
BGE	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
	Gas	NPNS	Fixed price purchases associated with forecasted gas supply requirements.
Pepco	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
DPL	Electricity	NPNS	Fixed price contracts for all SOS requirements through full requirements contracts.
	Gas	NPNS	Fixed and index priced contracts through full requirements contracts.
	Gas	Changes in fair value of economic hedge recorded to an offsetting regulatory asset or liability[(b)]	Exchange traded future contracts for up to 50% of estimated monthly purchase requirements each month, including purchases for storage injections.
ACE	Electricity	NPNS	Fixed price contracts for all BGS requirements through full requirements contracts.

____
(a) See Note 3 — Regulatory Matters of the 2023 Form 10-K for additional information.
(b) The fair value of the DPL economic hedge is not material at June 30, 2024 and December 31, 2023.

The fair value of derivative economic hedges is presented in Other current assets and current and noncurrent Mark-to-market derivative liabilities in Exelon's and ComEd's Consolidated Balance Sheets.

Interest Rate and Other Risk (Exelon)

Exelon Corporate uses a combination of fixed-rate and variable-rate debt to manage interest rate exposure. Exelon Corporate may utilize interest rate derivatives to lock in rate levels in anticipation of future financings, which are typically designated as cash flow hedges. In addition, Exelon Corporate utilized interest rate swaps to manage interest rate exposure and manage potential fluctuations in Electric operating revenues at the corporate level in consolidation. These interest rate swaps are accounted for as economic hedges. A hypothetical 50 basis point change in the interest rates associated with Exelon's interest rate swaps as of June 30, 2024 would result in an immaterial impact to Exelon's Consolidated Net Income.

(Dollars in millions, except per share data, unless otherwise noted)

Below is a summary of the interest rate hedge balances at June 30, 2024 and December 31, 2023.

	June 30, 2024		
	Derivatives Designated as Hedging Instruments	Economic Hedges	Total
Other deferred debits (noncurrent assets)	$ 4	$ —	$ 4
Total derivative assets	4	—	4
Mark-to-market derivative liabilities (noncurrent liabilities)	(5)	—	(5)
Total mark-to-market derivative liabilities	(5)	—	(5)
Total mark-to-market derivative net liabilities	$ (1)	$ —	$ (1)

	December 31, 2023		
	Derivatives Designated as Hedging Instruments	Economic Hedges	Total
Other current assets	$ 11	$ 1	$ 12
Total derivative assets	11	1	12
Mark-to-market derivative liabilities (current liabilities)	(24)	(22)	(46)
Total mark-to-market derivative liabilities	(24)	(22)	(46)
Total mark-to-market derivative net liabilities	$ (13)	$ (21)	$ (34)

Cash Flow Hedges (Interest Rate Risk)

For derivative instruments that qualify and are designated as cash flow hedges, the changes in fair value each period are initially recorded in AOCI and reclassified into earnings when the underlying transaction affects earnings.

In February 2024, Exelon terminated the previously issued floating-to-fixed swaps with a total notional of $1.3 billion upon issuance of $1.7 billion of debt. See Note 9 – Debt and Credit Agreements for additional information on the debt issuance. Prior to the termination, the 2024 year-to-date AOCI derivative gain was $33 million (net of tax). The settlements resulted in a cash receipt of $30 million. The accumulated AOCI gain of $23 million (net of tax) is being amortized into Interest expense in Exelon's Consolidated Statement of Operations and Comprehensive Income over the 5-year and 10-year terms of the swaps. During the second quarter of 2024, Exelon Corporate entered into $252 million notional of 5-year maturity floating-to-fixed swaps and $253 million notional of 10-year maturity floating-to-fixed swaps, for a total notional of $505 million designated as cash flow hedges. The following table provides the notional amounts outstanding held by Exelon at June 30, 2024 and December 31, 2023.

	June 30, 2024	December 31, 2023
5-year maturity floating-to-fixed swaps	$ 397	$ 655
10-year maturity floating-to-fixed swaps	398	655
Total	$ 795	$ 1,310

The related AOCI derivative gains for the three and six months ended June 30, 2024 and 2023 were immaterial, respectively. See Note 13 – Changes in Accumulated Other Comprehensive Income (Loss) for additional information.

Economic Hedges (Interest Rate and Other Risk)

Exelon Corporate executes derivative instruments to mitigate exposure to fluctuations in interest rates but for which the fair value or cash flow hedge elections were not made. For derivatives intended to serve as economic hedges, fair value is recorded on the balance sheet and changes in fair value each period are recognized in earnings or as a regulatory asset or liability, if regulatory requirements are met, each period.

(Dollars in millions, except per share data, unless otherwise noted)

Exelon Corporate entered into floating-to-fixed interest rate cap swaps to manage a portion of interest rate exposure in connection with existing borrowings. As of December 31, 2023, Exelon held $1,000 million notional of floating-to-fixed interest rate cap swaps, which matured in March 2024. Exelon received payments on the interest rate cap when the floating rate exceeded the fixed rate. Settlements received were immaterial.

Additionally, to manage potential fluctuations in Electric operating revenues related to ComEd's distribution formula rate, Exelon Corporate entered into a total $4,875 million of notional of 30-year constant maturity treasury interest rate (Corporate 30-year treasury) swaps from 2022 through 2023. The Corporate 30-year treasury swaps matured on December 31, 2023 and Exelon recorded a Mark-to-market liability of $22 million for the final settlement amount, which was paid in January 2024.

Exelon Corporate recognized the following net pre-tax mark-to-market (losses) which are also recognized in Net fair value changes related to derivatives in Exelon's Consolidated Statements of Cash Flows.

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Income Statement Location	Gain (Loss)	Gain (Loss)
Electric operating revenues	$ —	$ (6)
Interest expense	—	2
Total	$ —	$ (4)

Credit Risk

The Registrants would be exposed to credit-related losses in the event of non-performance by counterparties on executed derivative instruments. The credit exposure of derivative contracts, before collateral, is represented by the fair value of contracts at the reporting date. The Utility Registrants have contracts to procure electric and natural gas supply that provide suppliers with a certain amount of unsecured credit. If the exposure on the supply contract exceeds the amount of unsecured credit, the suppliers may be required to post collateral. The net credit exposure is mitigated primarily by the ability to recover procurement costs through customer rates. The amount of cash collateral received from external counterparties remained relatively consistent as of June 30, 2024 due to stable energy prices. The following table reflects the Registrants' cash collateral held from external counterparties, which is recorded in Other current liabilities on their respective Consolidated Balance Sheets, as of June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Exelon	$ 161	$ 148
ComEd	158	146
PECO[(a)]	—	—
BGE	1	1
PHI	3	1
Pepco	1	1
DPL[(b)]	—	—
ACE	2	—

(a) PECO had less than one million in cash collateral held with external parties at June 30, 2024 and December 31, 2023.
(b) DPL had less than one million in cash collateral held with external parties at June 30, 2024 and December 31, 2023

The Utility Registrants' electric supply procurement contracts do not contain provisions that would require them to post collateral. PECO's, BGE's, and DPL's natural gas procurement contracts contain provisions that could require PECO, BGE, and DPL to post collateral in the form of cash or credit support, which vary by contract and counterparty, with thresholds contingent upon PECO's, BGE's, and DPL's credit rating. As of June 30, 2024, PECO, BGE, and DPL were not required to post collateral for any of these agreements. If PECO, BGE, or DPL lost their investment grade credit rating as of June 30, 2024, they could have been required to post collateral to their counterparties of $27 million, $43 million, and $10 million, respectively.

(Dollars in millions, except per share data, unless otherwise noted)

9. Debt and Credit Agreements (All Registrants)

Short-Term Borrowings

Exelon Corporate, ComEd, and BGE meet their short-term liquidity requirements primarily through the issuance of commercial paper. PECO meets its short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the Exelon intercompany money pool. Pepco, DPL, and ACE meet their short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the PHI intercompany money pool. PHI Corporate meets its short-term liquidity requirements primarily through the issuance of short-term notes and borrowings from the Exelon intercompany money pool. The Registrants may use their respective credit facilities for general corporate purposes, including meeting short-term funding requirements and the issuance of letters of credit.

Commercial Paper

The following table reflects the Registrants' commercial paper programs supported by the revolving credit agreements at June 30, 2024 and December 31, 2023.

	Outstanding Commercial Paper at		Average Interest Rate on Commercial Paper Borrowings at	
Commercial Paper Issuer	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Exelon[(a)]	$ 954	$ 1,624	5.51 %	5.58 %
ComEd	$ 78	$ 202	5.41 %	5.53 %
PECO	$ 260	$ 165	5.43 %	5.57 %
BGE	$ —	$ 336	— %	5.59 %
PHI[(b)]	$ —	$ 394	— %	5.60 %
Pepco	$ —	$ 132	— %	5.59 %
DPL	$ —	$ 63	— %	5.60 %
ACE	$ —	$ 199	— %	5.60 %

(a) Exelon Corporate had $616 million and $527 million in outstanding commercial paper borrowings at June 30, 2024 and December 31, 2023, respectively.
(b) Represents the consolidated amounts of Pepco, DPL, and ACE.

Revolving Credit Agreements

Exelon Corporate and the Utility Registrants each have a 5-year revolving credit facility. The following table reflects the credit agreements:

Borrower	Aggregate Bank Commitment	Interest Rate
Exelon Corporate	$ 900	SOFR plus 1.275 %
ComEd	$ 1,000	SOFR plus 1.000 %
PECO	$ 600	SOFR plus 0.900 %
BGE	$ 600	SOFR plus 0.900 %
Pepco	$ 300	SOFR plus 1.075 %
DPL	$ 300	SOFR plus 1.000 %
ACE	$ 300	SOFR plus 1.000 %

Exelon Corporate and the Utility Registrants had no outstanding amounts on the revolving credit facilities as of June 30, 2024.

The Utility Registrants have credit facility agreements, arranged at minority and community banks, which are solely utilized to issue letters of credit. The facility agreements have aggregate commitments of $40 million, $40 million, $15 million, $15 million, $15 million, and $15 million, at ComEd, PECO, BGE, Pepco, DPL, and ACE, respectively. These facilities expire on October 4, 2024.

See Note 16 — Debt and Credit Agreements of the 2023 Form 10-K for additional information on the Registrants' credit facilities.

Short-Term Loan Agreements

On March 23, 2017, Exelon Corporate entered into a term loan agreement for $500 million. The loan agreement was renewed in the first quarter of 2024 and was bifurcated into two tranches of $350 million and $150 million on March 14, 2024. The agreements will expire on March 14, 2025. Pursuant to the loan agreements, loans made thereunder bear interest at a variable rate equal to SOFR plus 1.05% and all indebtedness thereunder is unsecured. The loan agreement is reflected in Exelon's Consolidated Balance Sheets within Short-term borrowings.

On May 9, 2023, ComEd entered into a 364-day term loan agreement for $400 million with a variable rate equal to SOFR plus 1.00% and an expiration date of May 7, 2024. On May 1, 2024, ComEd entered into an agreement to extend the loan through the expiration date of June 28, 2024. The original proceeds from the loan were used to repay outstanding commercial paper obligations and for general corporate purposes. The balance of the loan was repaid on May 16, 2024. Refer to the Issuance of Long-term Debt Table below for further information.

(Dollars in millions, except per share data, unless otherwise noted)

Long-Term Debt

Issuance of Long-Term Debt

During the six months ended June 30, 2024, the following long-term debt was issued:

Company	Type	Interest Rate	Maturity	Amount	Use of Proceeds
Exelon	Notes	5.15%	March 15, 2029	$650	Repay Exelon SMBC Term Loan, outstanding commercial paper, and for general corporate purposes.
Exelon	Notes	5.45%	March 15, 2034	$650	Repay Exelon SMBC Term Loan, outstanding commercial paper, and for general corporate purposes.
Exelon	Notes	5.60%	March 15, 2053	$400	Repay Exelon SMBC Term Loan, outstanding commercial paper, and for general corporate purposes.
ComEd	First Mortgage Bonds	5.30%	June 1, 2034	$400	Repay existing indebtedness, repay outstanding commercial paper obligations, and to fund other general corporate purposes.
ComEd	First Mortgage Bonds	5.65%	June 1, 2054	$400	Repay existing indebtedness, repay outstanding commercial paper obligations, and to fund other general corporate purposes.
BGE	Notes	5.30%	June 1, 2034	$400	Repay outstanding commercial paper obligations and for general corporate purposes
BGE	Notes	5.65%	June 1, 2054	$400	Repay outstanding commercial paper obligations and for general corporate purposes
Pepco	First Mortgage Bonds	5.20%	March 15, 2034	$375	Refinance existing indebtedness, refinance outstanding commercial paper obligations, and for general corporate purposes.
Pepco	First Mortgage Bonds	5.50%	March 15, 2054	$300	Refinance existing indebtedness, refinance outstanding commercial paper obligations, and for general corporate purposes.
DPL	First Mortgage Bonds	5.24%	March 20, 2034	$100	Repay existing indebtedness and for general corporate purposes.
DPL	First Mortgage Bonds	5.55%	March 20, 2054	$75	Repay existing indebtedness and for general corporate purposes.
ACE[(a)]	First Mortgage Bonds	5.55%	March 20, 2054	$75	Repay existing indebtedness and for general corporate purposes.

(a) On March 20, 2024, ACE entered into a purchase agreement of First Mortgage Bonds of $75 million and $100 million at 5.29% and 5.49% due on August 28, 2034 and August 28, 2039, respectively. The closing date of the issuance is expected to occur in August 2024.

Debt Covenants

As of June 30, 2024, the Registrants are in compliance with debt covenants.

(Dollars in millions, except per share data, unless otherwise noted)

10. Fair Value of Financial Assets and Liabilities (All Registrants)

Exelon measures and classifies fair value measurements in accordance with the hierarchy as defined by GAAP. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities that the Registrants have the ability to liquidate as of the reporting date.
- Level 2 — inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- Level 3 — unobservable inputs, such as internally developed pricing models or third-party valuations for the asset or liability due to little or no market activity for the asset or liability.

Exelon's valuation techniques used to measure the fair value of the assets and liabilities shown in the tables below are in accordance with the policies discussed in Note 17 — Fair Value of Financial Assets and Liabilities of the 2023 Form 10-K.

Fair Value of Financial Liabilities Recorded at Amortized Cost

The following tables present the carrying amounts and fair values of the Registrants' short-term liabilities, long-term debt, and trust preferred securities (long-term debt to financing trusts or junior subordinated debentures) as of June 30, 2024 and December 31, 2023. The Registrants have no financial liabilities measured using the NAV practical expedient.

The carrying amounts of the Registrants' short-term liabilities as presented in their Consolidated Balance Sheets are representative of their fair value (Level 2) because of the short-term nature of these instruments.

	June 30, 2024					December 31, 2023				
		Fair Value					Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total	Carrying Amount	Level 1	Level 2	Level 3	Total
Long-Term Debt, including amounts due within one year[(a)]										
Exelon	$ 44,347	$ —	$ 35,380	$ 3,559	$ 38,939	$ 41,095	$ —	$ 33,804	$ 3,442	$ 37,246
ComEd	12,276	—	10,530	—	10,530	11,486	—	10,210	—	10,210
PECO	5,135	—	4,289	—	4,289	5,134	—	4,562	—	4,562
BGE	5,394	—	4,693	—	4,693	4,602	—	4,145	—	4,145
PHI	9,148	—	4,288	3,559	7,847	8,648	—	4,160	3,442	7,602
Pepco	4,362	—	2,489	1,545	4,034	4,096	—	2,311	1,600	3,911
DPL	2,254	—	661	1,257	1,918	2,080	—	694	1,134	1,828
ACE	1,909	—	929	757	1,686	1,833	—	939	708	1,647
Long-Term Debt to Financing Trusts										
Exelon	$ 390	$ —	$ —	$ 390	$ 390	$ 390	$ —	$ —	$ 390	$ 390
ComEd	206	—	—	203	203	205	—	—	208	208
PECO	184	—	—	187	187	184	—	—	182	182

(a) Includes unamortized debt issuance costs, unamortized debt discount and premium, net, purchase accounting fair value adjustments, and finance lease liabilities which are not fair valued. Refer to Note 16 — Debt and Credit Agreements of the 2023 Form 10-K for unamortized debt issuance costs, unamortized debt discount and premium, net, and purchase accounting fair value adjustments and Note 10 — Leases of the 2023 Form 10-K for finance lease liabilities.

(Dollars in millions, except per share data, unless otherwise noted)

Recurring Fair Value Measurements

The following tables present assets and liabilities measured and recorded at fair value in the Registrants' Consolidated Balance Sheets on a recurring basis and their level within the fair value hierarchy at June 30, 2024 and December 31, 2023. Exelon and the Utility Registrants have immaterial and no financial assets or liabilities measured using the NAV practical expedient, respectively:

Exelon

	At June 30, 2024				At December 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Cash equivalents[a]	$ 1,226	$ —	$ —	$ 1,226	$ 618	$ —	$ —	$ 618
Rabbi trust investments								
Cash equivalents	90	—	—	90	67	—	—	67
Mutual funds	59	—	—	59	53	—	—	53
Fixed income	—	7	—	7	—	7	—	7
Life insurance contracts	—	67	23	90	—	61	43	104
Rabbi trust investments subtotal	149	74	23	246	120	68	43	231
Interest rate derivative assets								
Derivatives designated as hedging instruments	—	4	—	4	—	11	—	11
Economic hedges	—	—	—	—	—	1	—	1
Interest rate derivative assets subtotal	—	4	—	4	—	12	—	12
Total assets	1,375	78	23	1,476	738	80	43	861
Liabilities								
Commodity derivative liabilities	—	—	(139)	(139)	—	—	(133)	(133)
Interest rate derivative liabilities								
Derivatives designated as hedging instruments	—	(5)	—	(5)	—	(24)	—	(24)
Economic hedges	—	—	—	—	—	(22)	—	(22)
Interest rate derivative liabilities subtotal	—	(5)	—	(5)	—	(46)	—	(46)
Deferred compensation obligation	—	(69)	—	(69)	—	(75)	—	(75)
Total liabilities	—	(74)	(139)	(213)	—	(121)	(133)	(254)
Total net assets (liabilities)	$ 1,375	$ 4	$ (116)	$ 1,263	$ 738	$ (41)	$ (90)	$ 607

(a) Exelon excludes cash of $151 million and $334 million at June 30, 2024 and December 31, 2023, respectively, and restricted cash of $158 million and $149 million at June 30, 2024 and December 31, 2023, respectively, and includes long-term restricted cash of $71 million and $174 million at June 30, 2024 and December 31, 2023, respectively, which is reported in Other deferred debits and other assets in the Consolidated Balance Sheets.

(Dollars in millions, except per share data, unless otherwise noted)

ComEd, PECO, and BGE

	ComEd				PECO				BGE			
At June 30, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[(a)]	$ 634	$ —	$ —	$ 634	$ 11	$ —	$ —	$ 11	$ 418	$ —	$ —	$ 418
Rabbi trust investments												
Mutual funds	—	—	—	—	10	—	—	10	9	—	—	9
Life insurance contracts	—	—	—	—	—	19	—	19	—	—	—	—
Rabbi trust investments subtotal	—	—	—	—	10	19	—	29	9	—	—	9
Total assets	634	—	—	634	21	19	—	40	427	—	—	427
Liabilities												
Commodity derivative liabilities[(b)]	—	—	(139)	(139)	—	—	—	—	—	—	—	—
Deferred compensation obligation	—	(8)	—	(8)	—	(7)	—	(7)	—	(4)	—	(4)
Total liabilities	—	(8)	(139)	(147)	—	(7)	—	(7)	—	(4)	—	(4)
Total net assets (liabilities)	$ 634	$ (8)	$ (139)	$ 487	$ 21	$ 12	$ —	$ 33	$ 427	$ (4)	$ —	$ 423

	ComEd				PECO				BGE			
At December 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[(a)]	$ 453	$ —	$ —	$ 453	$ 9	$ —	$ —	$ 9	$ —	$ —	$ —	$ —
Rabbi trust investments												
Mutual funds	—	—	—	—	9	—	—	9	9	—	—	9
Life insurance contracts	—	—	—	—	—	18	—	18	—	—	—	—
Rabbi trust investments subtotal	—	—	—	—	9	18	—	27	9	—	—	9
Total assets	453	—	—	453	18	18	—	36	9	—	—	9
Liabilities												
Commodity derivative liabilities[(b)]	—	—	(133)	(133)	—	—	—	—	—	—	—	—
Deferred compensation obligation	—	(8)	—	(8)	—	(8)	—	(8)	—	(4)	—	(4)
Total liabilities	—	(8)	(133)	(141)	—	(8)	—	(8)	—	(4)	—	(4)
Total net assets (liabilities)	$ 453	$ (8)	$ (133)	$ 312	$ 18	$ 10	$ —	$ 28	$ 9	$ (4)	$ —	$ 5

____
(a) ComEd excludes cash of $51 million and $86 million at June 30, 2024 and December 31, 2023, respectively, and restricted cash of $158 million and $147 million at June 30, 2024 and December 31, 2023, respectively. Additionally, ComEd includes long-term restricted cash of $71 million and $174 million at June 30, 2024 and December 31, 2023, respectively, which is reported in Other deferred debits and other assets in the Consolidated Balance Sheets. PECO excludes cash of $17 million and $42 million at June 30, 2024 and December 31, 2023, respectively. BGE excludes cash

of $10 million and $47 million at June 30, 2024 and December 31, 2023, respectively, and restricted cash of zero and $1 million at June 30, 2024 and December 31, 2023, respectively.

(b) The Level 3 balance consists of the current and noncurrent liability of $23 million and $116 million, respectively, at June 30, 2024 and $27 million and $106 million, respectively, at December 31, 2023 related to floating-to-fixed energy swap contracts with unaffiliated suppliers.

(Dollars in millions, except per share data, unless otherwise noted)

PHI, Pepco, DPL, and ACE

	At June 30, 2024				At December 31, 2023			
PHI	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets								
Cash equivalents[a]	$ 97	$ —	$ —	$ 97	$ 107	$ —	$ —	$ 107
Rabbi trust investments								
Cash equivalents	87	—	—	87	64	—	—	64
Mutual funds	10	—	—	10	9	—	—	9
Fixed income	—	7	—	7	—	7	—	7
Life insurance contracts	—	22	22	44	—	21	41	62
Rabbi trust investments subtotal	97	29	22	148	73	28	41	142
Total assets	194	29	22	245	180	28	41	249
Liabilities								
Deferred compensation obligation	—	(11)	—	(11)	—	(13)	—	(13)
Total liabilities	—	(11)	—	(11)	—	(13)	—	(13)
Total net assets	$ 194	$ 18	$ 22	$ 234	$ 180	$ 15	$ 41	$ 236

	Pepco				DPL				ACE			
At June 30, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets												
Cash equivalents[a]	$ 21	$ —	$ —	$ 21	$ 45	$ —	$ —	$ 45	$ —	$ —	$ —	$ —
Rabbi trust investments												
Cash equivalents	87	—	—	87	—	—	—	—	—	—	—	—
Life insurance contracts	—	22	22	44	—	—	—	—	—	—	—	—
Rabbi trust investments subtotal	87	22	22	131	—	—	—	—	—	—	—	—
Total assets	108	22	22	152	45	—	—	45	—	—	—	—
Liabilities												
Deferred compensation obligation	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total liabilities	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total net assets	$ 108	$ 21	$ 22	$ 151	$ 45	$ —	$ —	$ 45	$ —	$ —	$ —	$ —

(Dollars in millions, except per share data, unless otherwise noted)

At December 31, 2023	Pepco				DPL				ACE			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets												
Cash equivalents[(a)]	$ 23	$ —	$ —	$ 23	$ 1	$ —	$ —	$ 1	$ —	$ —	$ —	$ —
Rabbi trust investments												
Cash equivalents	63	—	—	63	—	—	—	—	—	—	—	—
Life insurance contracts	—	21	41	62	—	—	—	—	—	—	—	—
Rabbi trust investments subtotal	63	21	41	125	—	—	—	—	—	—	—	—
Total assets	86	21	41	148	1	—	—	1	—	—	—	—
Liabilities												
Deferred compensation obligation	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total liabilities	—	(1)	—	(1)	—	—	—	—	—	—	—	—
Total net assets	$ 86	$ 20	$ 41	$ 147	$ 1	$ —	$ —	$ 1	$ —	$ —	$ —	$ —

(a) PHI excludes cash of $44 million and $96 million at June 30, 2024 and December 31, 2023, respectively, and restricted cash of zero and $1 million at June 30, 2024 and December 31, 2023, respectively. Pepco excludes cash of $19 million and $48 million at June 30, 2024 and December 31, 2023, respectively, and restricted cash of zero and $1 million at June 30, 2024 and December 31, 2023, respectively. DPL excludes cash of $6 million and $15 million at June 30, 2024 and December 31, 2023, respectively. ACE excludes cash of $15 million and $21 million at June 30, 2024 and December 31, 2023, respectively.

Reconciliation of Level 3 Assets and Liabilities

The following tables present the fair value reconciliation of Level 3 assets and liabilities measured at fair value on a recurring basis during the three and six months ended June 30, 2024 and 2023:

Three Months Ended June 30, 2024	Exelon Total	ComEd Commodity Derivatives	PHI and Pepco Life Insurance Contracts
Balance at March 31, 2024	$ (65)	$ (108)	$ 41
Total realized / unrealized gains (losses)			
Included in net income[(a)]	1	—	2
Included in regulatory assets/liabilities	(31)	(31) [(b)]	—
Purchases, sales, and settlements			
Settlements	(21)	—	(21)
Balance at June 30, 2024	$ (116)	$ (139) [(c)]	$ 22
The amount of total gains included in income attributed to the change in unrealized gains related to assets and liabilities at June 30, 2024	$ 2	$ —	$ 2

(Dollars in millions, except per share data, unless otherwise noted)

	Exelon	ComEd	PHI and Pepco
Three Months Ended June 30, 2023	Total	Commodity Derivatives	Life Insurance Contracts
Balance at March 31, 2023	$ (57)	$ (98)	$ 41
Total realized / unrealized gains (losses)			
Included in net income[(a)]	1	—	1
Included in regulatory assets/liabilities	(35)	(35) [(b)]	—
Balance at June 30, 2023	$ (91)	$ (133)	$ 42
The amount of total gains included in income attributed to the change in unrealized gains related to assets and liabilities at June 30, 2023	$ 1	$ —	$ 1

	Exelon	ComEd	PHI and Pepco
Six Months Ended June 30, 2024	Total	Commodity Derivatives	Life Insurance Contracts
Balance at December 31, 2023	$ (90)	$ (133)	$ 41
Total realized / unrealized gains (losses)			
Included in net income[(a)]	1	—	2
Included in regulatory assets/liabilities	(6)	(6) [(b)]	—
Purchases, sales, and settlements			
Settlements	(21)	—	(21)
Balance at June 30, 2024	$ (116)	$ (139) [(c)]	$ 22
The amount of total gains included in income attributed to the change in unrealized gains related to assets and liabilities at June 30, 2024	$ 2	$ —	$ 2

	Exelon	ComEd	PHI and Pepco
Six Months Ended June 30, 2023	Total	Commodity Derivatives	Life Insurance Contracts
Balance at December 31, 2022	$ (44)	$ (84)	$ 40
Total realized / unrealized gains (losses)			
Included in net income[(a)]	2	—	2
Included in regulatory assets/liabilities	(49)	(49) [(b)]	—
Balance at June 30, 2023	$ (91)	$ (133)	$ 42
The amount of total gains included in income attributed to the change in unrealized gain related to assets and liabilities at June 30, 2023	$ 2	$ —	$ 2

____

(a) Classified in Operating and maintenance expense in the Consolidated Statements of Operations and Comprehensive Income.

(b) Includes $43 million of decreases in fair value and an increase for realized gains due to settlements of $12 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the three months ended June 30, 2024. Includes $43 million of decreases in fair value and an increase for realized gains due to settlements of $8 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the three months ended June 30, 2023. Includes $30 million of decreases in fair value and an increase for realized gains due to settlements of $24 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the six months ended June 30, 2024. Includes $68 million of decreases in fair value and an increase for realized losses due to settlements of $19 million recorded in Purchased power expense associated with floating-to-fixed energy swap contracts with unaffiliated suppliers for the six months ended June 30, 2023.

(c) The balance of the current and noncurrent asset was effectively zero as of June 30, 2024. The balance consists of a current and noncurrent liability of $23 million and $116 million, respectively, as of June 30, 2024.

(Dollars in millions, except per share data, unless otherwise noted)

Commodity Derivatives (Exelon and ComEd)

The table below discloses the significant unobservable inputs to the forward curve used to value mark-to-market derivatives.

Type of trade	Fair Value at June 30, 2024	Fair Value at December 31, 2023	Valuation Technique	Unobservable Input	2024 Range & Arithmetic Average				2023 Range & Arithmetic Average			
Commodity derivatives	$ (139)	$ (133)	Discounted Cash Flow	Forward power price[(a)]	$22.68	-	$58.69	$40.49	$30.27	-	$73.71	$43.35

(a) An increase to the forward power price would increase the fair value.

11. Commitments and Contingencies (All Registrants)

The following is an update to the current status of commitments and contingencies set forth in Note 18 — Commitments and Contingencies of the 2023 Form 10-K.

Commitments

PHI Merger Commitments (Exelon, PHI, Pepco, DPL, and ACE). Approval of the PHI Merger in Delaware, New Jersey, Maryland, and the District of Columbia was conditioned upon Exelon and PHI agreeing to certain commitments. The following amounts represent total commitment costs that have been recorded since the acquisition date and the total remaining obligations for Exelon, PHI, Pepco, DPL, and ACE at June 30, 2024:

Description	Exelon	PHI	Pepco	DPL	ACE
Total commitments	$ 513	$ 320	$ 120	$ 89	$ 111
Remaining commitments[(a)]	31	28	25	2	1

(a) Remaining commitments extend through 2026 and include escrow funds, charitable contributions, and rate credits.

(Dollars in millions, except per share data, unless otherwise noted)

Commercial Commitments (All Registrants). The Registrants' commercial commitments at June 30, 2024, representing commitments potentially triggered by future events were as follows:

		Expiration within					
	Total	2024	2025	2026	2027	2028	2029 and beyond
Exelon							
Letters of credit[(a)]	$ 30	$ 17	$ 13	$ —	$ —	$ —	$ —
Surety bonds[(b)]	194	160	32	—	2	—	—
Financing trust guarantees[(c)]	378	—	—	—	—	78	300
Guaranteed lease residual values[(d)]	26	—	3	5	4	6	8
Total commercial commitments	$ 628	$ 177	$ 48	$ 5	$ 6	$ 84	$ 308
ComEd							
Letters of credit[(a)]	$ 17	$ 9	$ 8	$ —	$ —	$ —	$ —
Surety bonds[(b)]	36	29	5	—	2	—	—
Financing trust guarantees[(c)]	200	—	—	—	—	—	200
Total commercial commitments	$ 253	$ 38	$ 13	$ —	$ 2	$ —	$ 200
PECO							
Letters of credit[(a)]	$ 2	$ —	$ 2	$ —	$ —	$ —	$ —
Surety bonds[(b)]	2	1	1	—	—	—	—
Financing trust guarantees[(c)]	178	—	—	—	—	78	100
Total commercial commitments	$ 182	$ 1	$ 3	$ —	$ —	$ 78	$ 100
BGE							
Letters of credit[(a)]	$ 8	$ 6	$ 2	$ —	$ —	$ —	$ —
Surety bonds[(b)]	3	1	2	—	—	—	—
Total commercial commitments	$ 11	$ 7	$ 4	$ —	$ —	$ —	$ —
PHI							
Surety bonds[(b)]	$ 96	$ 77	$ 19	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(d)]	26	—	3	5	4	6	8
Total commercial commitments	$ 122	$ 77	$ 22	$ 5	$ 4	$ 6	$ 8
Pepco							
Surety bonds[(a)]	$ 85	$ 71	$ 14	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(d)]	9	—	1	2	1	2	3
Total commercial commitments	$ 94	$ 71	$ 15	$ 2	$ 1	$ 2	$ 3
DPL							
Surety bonds[(b)]	$ 6	$ 3	$ 3	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(d)]	10	—	1	2	2	2	3
Total commercial commitments	$ 16	$ 3	$ 4	$ 2	$ 2	$ 2	$ 3
ACE							
Surety bonds[(b)]	$ 5	$ 3	$ 2	$ —	$ —	$ —	$ —
Guaranteed lease residual values[(d)]	7	—	1	1	1	2	2
Total commercial commitments	$ 12	$ 3	$ 3	$ 1	$ 1	$ 2	$ 2

(a) Exelon and certain of its subsidiaries maintain non-debt letters of credit to provide credit support for certain transactions as requested by third parties.

(b) Surety bonds—Guarantees issued related to contract and commercial agreements, excluding bid bonds. Historically, payments under the guarantees have not been made and the likelihood of payments being required is remote.
(c) Reflects guarantee of ComEd and PECO securities held by ComEd Financing III, PECO Trust III, and PECO Trust IV.
(d) Represents the maximum potential obligation in the event the fair value of certain leased equipment and fleet vehicles is zero at the end of the maximum lease term. The lease term associated with these assets ranges from 1 to 9 years. The maximum potential obligation at the end of the minimum lease term would be $59 million guaranteed by Exelon and PHI, of which $20 million, $23 million, and $16 million is guaranteed by Pepco, DPL, and ACE, respectively. Historically, payments under the guarantees have not been made and PHI believes the likelihood of payments being required under the guarantees is remote.

Environmental Remediation Matters

General (All Registrants). The Registrants’ operations have in the past, and may in the future, require substantial expenditures to comply with environmental laws. Additionally, under federal and state environmental laws, the Registrants are generally liable for the costs of remediating environmental contamination of property now or formerly owned by them and of property contaminated by hazardous substances generated by them. The Registrants own or lease a number of real estate parcels, including parcels on which their operations or the operations of others may have resulted in contamination by substances that are considered hazardous under environmental laws. In addition, the Registrants are currently involved in a number of proceedings relating to sites where hazardous substances have been deposited and may be subject to additional proceedings in the future. Unless otherwise disclosed, the Registrants cannot reasonably estimate whether they will incur significant liabilities for additional investigation and remediation costs at these or additional sites identified by the Registrants, environmental agencies, or others, or whether such costs will be recoverable from third parties, including customers. Additional costs could have a material, unfavorable impact on the Registrants' financial statements.

MGP Sites (All Registrants). ComEd, PECO, BGE, and DPL have identified sites where former MGP or gas purification activities have or may have resulted in actual site contamination. For some sites, there are additional PRPs that may share responsibility for the ultimate remediation of each location.

- ComEd has 16 sites that are currently under some degree of active study and/or remediation. ComEd expects the majority of the remediation at these sites to continue through at least 2031.
- PECO has 6 sites that are currently under some degree of active study and/or remediation. PECO expects the majority of the remediation at these sites to continue through at least 2025.
- BGE has 4 sites that currently require some level of remediation and/or ongoing activity. BGE expects the majority of the remediation at these sites to continue through at least 2025.
- DPL has 1 site that is currently under study and the required cost at the site is not expected to be material.

The historical nature of the MGP and gas purification sites and the fact that many of the sites have been buried and built over, impacts the ability to determine a precise estimate of the ultimate costs prior to initial sampling and determination of the exact scope and method of remedial activity. Management determines its best estimate of remediation costs using all available information at the time of each study, including probabilistic and deterministic modeling for ComEd and PECO, and the remediation standards currently required by the applicable state environmental agency. Prior to completion of any significant clean up, each site remediation plan is approved by the appropriate state environmental agency.

ComEd, pursuant to an ICC order, and PECO, pursuant to a PAPUC order, are currently recovering environmental remediation costs of former MGP facility sites through customer rates. While BGE and DPL do not have riders for MGP clean-up costs, they have historically received recovery of actual clean-up costs in distribution rates.

(Dollars in millions, except per share data, unless otherwise noted)

At June 30, 2024 and December 31, 2023, the Registrants had accrued the following undiscounted amounts for environmental liabilities in Accrued expenses, Other current liabilities, and Other deferred credits and other liabilities in their respective Consolidated Balance Sheets:

	June 30, 2024		December 31, 2023	
	Total Environmental Investigation and Remediation Liabilities	Portion of Total Related to MGP Investigation and Remediation	Total Environmental Investigation and Remediation Liabilities	Portion of Total Related to MGP Investigation and Remediation
Exelon	$ 406	$ 319	$ 428	$ 338
ComEd	284	283	303	302
PECO	27	25	27	25
BGE	14	11	14	11
PHI	75	—	81	—
Pepco	74	—	79	—
DPL	1	—	1	—
ACE	—	—	1	—

Benning Road Site (Exelon, PHI, and Pepco). In September 2010, PHI received a letter from the EPA identifying the Benning Road site as one of six land-based sites potentially contributing to contamination of the lower Anacostia River. A portion of the site, which is owned by Pepco, was formerly the location of an electric generating facility owned by Pepco subsidiary, Pepco Energy Services (PES), which became a part of Generation following the 2016 merger between PHI and Exelon. This generating facility was deactivated in June 2012. The remaining portion of the site consists of a Pepco transmission and distribution service center that remains in operation. In December 2011, the U.S. District Court for the District of Columbia approved a Consent Decree entered into by Pepco and Pepco Energy Services (hereinafter "Pepco Entities") with the DOEE, which requires the Pepco Entities to conduct a Remedial Investigation and Feasibility Study (RI/FS) for the Benning Road site and an approximately 10 to 15-acre portion of the adjacent Anacostia River. The purpose of this RI/FS is to define the nature and extent of contamination from the Benning Road site and to evaluate remedial alternatives.

Pursuant to an internal agreement between the Pepco Entities, since 2013, Pepco has performed the work required by the Consent Decree and has been reimbursed for that work by an agreed upon allocation of costs between the Pepco Entities. In September 2019, the Pepco Entities issued a draft “final” RI report which the DOEE approved on February 3, 2020. The Pepco Entities are completing a FS to evaluate possible remedial alternatives for submission to the DOEE. In October 2022, the DOEE approved dividing the work to complete the landside portion of the FS from the waterside portion to expedite the overall schedule for completion of the project. The landside FS was approved by the DOEE on March 15, 2024, and the waterside FS is scheduled to be complete and approved by the DOEE by the end of the fourth quarter of 2024. Following the completion of each FS, the DOEE will issue a Proposed Plan for public comment and then issue a Record of Decision (ROD) identifying the remedial actions determined to be necessary for the area in question. On October 3, 2023, the DOEE and Pepco entered into an addendum to the Benning Consent Decree pursuant to which Pepco has agreed to fund or perform the remedial actions to be selected by the DOEE for the landside and waterside areas. This addendum to the Benning Consent Decree was entered by the Court on February 27, 2024 and became effective on that date.

As part of the separation between Exelon and Constellation in February 2022, the internal agreement between the Pepco Entities for completion and payment for the remaining Consent Decree work was memorialized in a formal agreement for post-separation activities. A second post-separation assumption agreement between Exelon and Constellation transferred any of the potential remaining remediation liability, if any, of PES/Generation to a non-utility subsidiary of Exelon which going forward will be responsible for those liabilities. Exelon, PHI, and Pepco have determined that a loss associated with this matter is probable and have accrued an estimated liability, which is included in the table above.

Anacostia River Tidal Reach (Exelon, PHI, and Pepco). Contemporaneous with the Benning Road site RI/FS being performed by the Pepco Entities, the DOEE and NPS have been conducting a separate RI/FS focused on the entire tidal reach of the Anacostia River extending from just north of the Maryland-District of Columbia boundary line to the confluence of the Anacostia and Potomac Rivers. The riverwide RI incorporated the results of the river sampling performed by the Pepco Entities as part of the Benning RI/FS, as well as similar sampling efforts conducted by owners of other sites adjacent to this segment of the river and supplemental river sampling conducted by the DOEE's contractor.

On September 30, 2020, the DOEE released its Interim ROD for the Anacostia River sediments. The Interim ROD reflects an adaptive management approach which will require several identified "hot spots" in the river to be addressed first while continuing to conduct studies and to monitor the river to evaluate improvements and determine potential future remediation plans. The adaptive management process chosen by the DOEE is less intrusive, provides more long-term environmental certainty, is less costly, and allows for site specific remediation plans already underway, including the plan for the Benning Road site to proceed to conclusion.

On July 15, 2022, Pepco received a letter from the District of Columbia's Office of the Attorney General (D.C. OAG) on behalf of the DOEE conveying a settlement offer to resolve all PRPs' liability to the District of Columbia (District) for their past costs and their anticipated future costs to complete the work for the Interim ROD. Pepco responded on July 27, 2022 agreeing to enter into settlement discussions. On October 3, 2023, Pepco and the District entered into another consent decree (the "Anacostia River Consent Decree") pursuant to which Pepco agreed to pay $47 million to resolve its liability to the District for all past costs to perform the riverwide RI/FS and all future costs to complete the work required by the Interim ROD. This amount will be paid in four equal annual installments beginning a year after the effective date of the Anacostia River Consent Decree. The funds will be deposited into the DOEE's Clean Land Fund for the District's costs of the Interim ROD work. The Anacostia River Consent Decree caps Pepco's liability for these costs and provides Pepco with the right to seek contributions from other potentially responsible parties. The Anacostia River Consent Decree was signed by the judge for the U.S. District Court for the District of Columbia and became effective on April 11, 2024. Exelon, PHI, and Pepco have accrued a liability for Pepco's payment obligations under the Anacostia Consent Decree and management's best estimate of its share of any other future Anacostia River response costs. Pepco has concluded that incremental exposure remains reasonably possible, but management cannot reasonably estimate a range of loss beyond the amounts recorded, which are included in the table above.

In addition to the activities associated with the remedial process outlined above, CERCLA separately requires federal and state (here including Washington, D.C.) Natural Resource Trustees (federal or state agencies designated by the President or the relevant state, respectively, or Indian tribes) to conduct an assessment of any damages to natural resources within their jurisdiction as a result of the contamination that is being remediated. The Trustees can seek compensation from responsible parties for such damages, including restoration costs. During the second quarter of 2018, Pepco became aware that the Trustees are in the beginning stages of a NRD assessment, a process that often takes many years beyond the remedial decision to complete. Pepco has concluded that a loss associated with the eventual NRD assessment is reasonably possible. Due to the very early stage of the NRD process, Pepco cannot reasonably estimate the final range of loss potentially resulting from this process.

As noted in the Benning Road Site disclosure above, as part of the separation of Exelon and Constellation in February 2022, an assumption agreement was executed transferring any potential future remediation liabilities associated with the Benning Site remediation to a non-utility subsidiary of Exelon. Similarly, any potential future liability associated with the Anacostia River Sediment Project was also assumed by this entity.

Buzzard Point Site (Exelon, PHI, and Pepco). On December 8, 2022, Pepco received a letter from the D.C. OAG, alleging wholly past violations of the District's stormwater discharge and waste disposal requirements related to operations at the Buzzard Point facility, a 9-acre parcel of waterfront property in Washington, D.C. occupied by an active substation and former steam plant building. The letter also alleged wholly past violations by Pepco of stormwater discharge requirements related to its district-wide system of underground vaults. On October 3, 2023, Pepco entered into a Consent Order with the District of Columbia to resolve the alleged violations without any admission of liability. The Consent Order requires Pepco to pay a civil penalty of $10 million. In addition, Pepco has agreed to assess the environmental conditions at its Buzzard Point facility and conduct any remedial actions deemed necessary as a result of the assessment, and also to assess potential environmental impacts associated with the operation of its underground vaults. The court signed and entered the Consent Order, and it became effective on February 2, 2024. Exelon, PHI, and Pepco have accrued a liability for the penalty payments and for the projected costs for the required environmental assessments and remediation. Pepco has concluded that incremental exposure is reasonably possible, but the range of loss cannot be reasonably estimated beyond the amounts included in the table above.

Litigation and Regulatory Matters

DPA and Related Matters (Exelon and ComEd). Exelon and ComEd received a grand jury subpoena in the second quarter of 2019 from the U.S. Attorney's Office for the Northern District of Illinois (USAO) requiring production of information concerning their lobbying activities in the State of Illinois. On October 4, 2019, Exelon and ComEd received a second grand jury subpoena from the USAO requiring production of records of any communications with certain individuals and entities. On October 22, 2019, the SEC notified Exelon and ComEd that it had also opened an investigation into their lobbying activities. On July 17, 2020, ComEd entered into a DPA with the USAO to resolve the USAO investigation, which included a payment to the U.S. Treasury of $200 million, which was paid in November 2020. The three-year term of the DPA ended on July 17, 2023, and on that same date the court granted the USAO's motion to dismiss the pending charge against ComEd that had been deferred by the DPA.

On September 28, 2023, Exelon and ComEd reached a settlement with the SEC, concluding and resolving in its entirety the SEC investigation, which related to the conduct identified in the DPA that was entered into by ComEd in July 2020 and successfully exited in July 2023. Under the terms of the settlement, Exelon has agreed to pay a civil penalty of $46.2 million and Exelon and ComEd have agreed to cease and desist from committing or causing any violations and any future violations of specified provisions of the federal securities laws and rules promulgated thereunder. Exelon recorded an accrual for the full amount of the penalty in the second quarter of 2023, which was reflected in Operating and maintenance expense within Exelon's Consolidated Statements of Operations and Comprehensive Income and in Accrued expenses on the Consolidated Balance Sheets. Exelon paid the civil penalty in full on October 4, 2023.

Subsequent to Exelon announcing the receipt of the USAO subpoenas, various lawsuits were filed, and various demand letters were received related to the subject of the subpoenas, the conduct described in the DPA and the SEC's investigation, including:

- Four putative class action lawsuits against ComEd and Exelon were filed in federal court on behalf of ComEd customers in the third quarter of 2020 alleging, among other things, civil violations of federal racketeering laws. The court granted ComEd and Exelon's motion to dismiss these actions in 2021 and that dismissal was affirmed on appeal in 2022. Plaintiffs have no further appeal rights and therefore the dismissal is final.

- Three putative class action lawsuits against ComEd and Exelon were filed in Illinois state court in the third quarter of 2020 seeking restitution and compensatory damages on behalf of ComEd customers. The cases were consolidated into a single action in October of 2020. ComEd and Exelon filed a motion to dismiss on January 11, 2021. On December 23, 2021, the state court granted ComEd and Exelon's motion to dismiss with prejudice. Plaintiffs appealed the court's ruling dismissing their complaint to the First District Court of Appeals. On February 15, 2022, ComEd and Exelon moved to dismiss the federal plaintiffs' refiled state law claims, seeking dismissal on the same legal grounds asserted in their motion to dismiss the original state court plaintiffs' complaint. The court granted dismissal of the refiled state claims on February 16, 2022. The original federal plaintiffs appealed that dismissal on February 18, 2022. The two state appeals were consolidated on March 21, 2022. On September 8, 2023, the appellate court affirmed the dismissal. On December 22, 2023, plaintiffs filed a petition for leave to appeal to the Illinois Supreme Court, which ComEd and Exelon responded to on January 12, 2024. On March 27, 2024, the Illinois Supreme Court denied plaintiffs' petition for leave to appeal. The dismissal of this action is final.

- On November 3, 2022, a plaintiff filed a putative class action complaint in Lake County, Illinois Circuit Court against ComEd and Exelon for unjust enrichment and deceptive business practices in connection with the conduct giving rise to the DPA. Plaintiff seeks an accounting and disgorgement of any benefits ComEd allegedly obtained from said conduct. ComEd and Exelon filed a motion to dismiss the Complaint on February 3, 2023. On June 16, 2023, the court granted ComEd and Exelon's motion to dismiss the action with prejudice. Plaintiff filed its notice of appeal of that dismissal on July 17, 2023. On April 12, 2024, the appellate court issued its decision affirming dismissal of the action. On June 3, 2024, plaintiff filed a petition for leave to appeal the dismissal to the Illinois Supreme Court, which is a discretionary appeal. ComEd and Exelon filed its response to that petition on July 19, 2024.

- A putative class action lawsuit against Exelon and certain officers of Exelon and ComEd was filed in federal court in December 2019 alleging misrepresentations and omissions in Exelon's SEC filings related to ComEd's lobbying activities and the related investigations. The complaint was amended on September 16, 2020, to dismiss two of the original defendants and add other defendants, including ComEd. Defendants filed a motion to dismiss in November 2020. The court denied the motion in April 2021. Following mediation, the parties reached a settlement of the lawsuit, under which defendants agreed to pay plaintiffs $173 million. On May 26, 2023, plaintiffs filed a motion for preliminary approval of the settlement, which the court granted on June 9, 2023. The court granted final settlement approval on September 7, 2023. The settlement was fully covered by insurance and has been paid in full.

- Several shareholders have sent letters to the Exelon Board of Directors since 2020 demanding, among other things, that the Exelon Board of Directors investigate and address alleged breaches of fiduciary duties and other alleged violations by Exelon and ComEd officers and directors related to the conduct described in the DPA. In the first quarter of 2021, the Exelon Board of Directors appointed a Special Litigation Committee (SLC) consisting of disinterested and independent parties to investigate and address these shareholders' allegations and make recommendations to the Exelon Board of Directors based on the outcome of the SLC's investigation. In July 2021, one of the demand letter shareholders filed a derivative action against current and former Exelon and ComEd officers and directors, and against Exelon, as nominal defendant, asserting the same claims made in its demand letter. Since that date, multiple parties have filed separate derivative lawsuits that were subsequently consolidated. On October 12, 2021, the parties filed an agreed motion to stay the litigation for 120 days in order to allow the SLC to continue its investigation, which the court granted. The stay has been extended several times. Through mediation efforts, a settlement of the derivative claims was reached by the SLC, the Independent Review Committee of the Board (which had been formed in the third quarter of 2022, to ensure the Board's consideration of any SLC recommendations would be independent and objective), the Board, and certain of the derivative shareholders. On June 16, 2023, the SLC filed a motion for preliminary approval of the settlement, attaching the Stipulation and Agreement of Settlement (Stipulation), which contains the terms of the proposed settlement. The proposed settlement terms include but are not limited to: a payment of $40 million to Exelon by Exelon's insurers of which $10 million constitutes the attorneys' fee award to be paid to the Settling Shareholders' counsel; various compliance and disclosure-related reforms; and certain changes in Board and Committee composition. On June 30, 2023, the court granted the non-settling shareholders' request for limited discovery into the settlement. Following that discovery, on October 26, 2023, the SLC filed its renewed motion for preliminary approval with supporting submissions filed by the Independent Review Committee, Exelon, and the settling shareholders on that same day. The parties briefing on preliminary approval was completed on January 18, 2024.

In August 2022, the ICC concluded its investigation initiated on August 12, 2021 into rate impacts of conduct admitted in the DPA, including the costs recovered from customers related to the DPA and Exelon's funding of the fine paid by ComEd. On August 17, 2022, the ICC issued its final order accepting ComEd's voluntary customer refund offer of approximately $38 million (of which about $31 million is ICC jurisdictional; the remaining balance is FERC jurisdictional) that resolves the question of whether customer funds were used for DPA related activities. The customer refund includes the cost of every individual or entity that was either (i) identified in the DPA or (ii) identified by ComEd as an associate of the former Speaker of the Illinois House of Representatives in the ICC proceeding. The ICC's DPA investigation is now closed. The ICC jurisdictional refund was made to customers during the April 2023 billing cycle, as required by the ICC. The FERC jurisdictional refund was completed as of May 2024 as part of ComEd's transmission formula rate update proceeding, submitted on May 12, 2023. The customer refund was not recovered in rates or charged to customers and ComEd will not seek or accept reimbursement or indemnification from any source other than Exelon.

General (All Registrants). The Registrants are involved in various other litigation matters that are being defended and handled in the ordinary course of business. The Registrants are also from time to time subject to audits and investigations by the FERC and other regulators. The assessment of whether a loss is probable or reasonably possible, and whether the loss or a range of loss is estimable, often involves a series of complex judgments about future events. The Registrants maintain accruals for such losses that are probable of being incurred and subject to reasonable estimation. Management is sometimes unable to estimate an amount or range of reasonably possible loss, particularly where (1) the damages sought are indeterminate, (2) the proceedings are in the early stages, or (3) the matters involve novel or unsettled legal theories. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution of such matters, including a possible eventual loss.

(Dollars in millions, except per share data, unless otherwise noted)

12. Shareholders' Equity (Exelon)

At-the-Market Program

On August 4, 2022, Exelon executed an equity distribution agreement (“Equity Distribution Agreement”), with certain sales agents and forward sellers and certain forward purchasers, establishing an ATM equity distribution program under which it may offer and sell shares of its Common stock, having an aggregate gross sales price of up to $1.0 billion. Exelon has no obligation to offer or sell any shares of Common stock under the Equity Distribution Agreement and may, at any time, suspend or terminate offers and sales under the Equity Distribution Agreement. In November and December 2023, Exelon issued approximately 3.6 million shares of Common stock at an average gross price of $39.58 per share. The net proceeds from these issuances were $140 million, which were used for general corporate purposes. As of June 30, 2024, $858 million of Common stock remained available for sale pursuant to the ATM program.

13. Changes in Accumulated Other Comprehensive Income (Loss) (Exelon)

The following table presents changes in Exelon's AOCI, net of tax, by component:

Three Months Ended June 30, 2024	Cash Flow Hedges	Pension and Non-Pension Postretirement Benefit Plan Items[a]	Total
Balance at March 31, 2024	$ 30	$ (742)	$ (712)
OCI before reclassifications	(2)	(2)	(4)
Amounts reclassified from AOCI	(1)	5	4
Net current-period OCI	(3)	3	—
Balance at June 30, 2024	$ 27	$ (739)	$ (712)

Three Months Ended June 30, 2023	Cash Flow Hedges	Pension and Non-Pension Postretirement Benefit Plan Items[a]	Total
Balance at March 31, 2023	$ 8	$ (647)	$ (639)
OCI before reclassifications	9	(3)	6
Amounts reclassified from AOCI	—	3	3
Net current-period OCI	9	—	9
Balance at June 30, 2023	$ 17	$ (647)	$ (630)

Six Months Ended June 30, 2024	Cash Flow Hedges	Pension and Non-Pension Postretirement Benefit Plan Items[a]	Total
Balance at December 31, 2023	$ (3)	$ (723)	$ (726)
OCI before reclassifications	32	(26)	6
Amounts reclassified from AOCI	(2)	10	8
Net current-period OCI	30	(16)	14
Balance at June 30, 2024	$ 27	$ (739)	$ (712)

(Dollars in millions, except per share data, unless otherwise noted)

Six Months Ended June 30, 2023	Cash Flow Hedges	Pension and Non-Pension Postretirement Benefit Plan Items[(a)]	Total
Balance at December 31, 2022	$ 2	$ (640)	$ (638)
OCI before reclassifications	15	(13)	2
Amounts reclassified from AOCI	—	6	6
Net current-period OCI	$ 15	$ (7)	$ 8
Balance at June 30, 2023	$ 17	$ (647)	$ (630)

(a) This AOCI component is included in the computation of net periodic pension and OPEB cost. See Note 14 — Retirement Benefits of the 2023 Form 10-K and Note 7 — Retirement Benefits for additional information. See Exelon's Statements of Operations and Comprehensive Income for individual components of AOCI.

The following table presents Income tax benefit (expense) allocated to each component of Exelon's Other comprehensive income (loss):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Pension and non-pension postretirement benefit plans:				
Actuarial losses reclassified to periodic benefit cost	$ (2)	$ (1)	$ (4)	$ (2)
Pension and non-pension postretirement benefit plans valuation adjustments	—	1	8	4
Unrealized gains on cash flow hedges	—	(3)	(10)	(4)

14. Supplemental Financial Information (All Registrants)

Supplemental Statement of Operations Information

The following tables provide additional information about material items recorded in the Registrants' Consolidated Statements of Operations and Comprehensive Income:

(Dollars in millions, except per share data, unless otherwise noted)

	Taxes other than income taxes							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Three Months Ended June 30, 2024								
Utility taxes[(a)]	$ 226	$ 73	$ 42	$ 31	$ 80	$ 72	$ 6	$ —
Property	107	10	5	53	39	26	12	1
Payroll	33	9	4	5	7	2	1	1
Three Months Ended June 30, 2023								
Utility taxes[(a)]	$ 201	$ 71	$ 38	$ 22	$ 70	$ 63	$ 6	$ 1
Property	96	8	4	49	35	24	10	1
Payroll	31	7	4	5	7	2	1	1
Six Months Ended June 30, 2024								
Utility taxes[(a)]	$ 447	$ 148	$ 83	$ 54	$ 162	$ 146	$ 14	$ 2
Property	212	18	9	107	78	53	23	1
Payroll	67	18	9	9	14	4	2	2
Six Months Ended June 30, 2023								
Utility taxes[(a)]	$ 421	$ 146	$ 78	$ 50	$ 147	$ 131	$ 14	$ 2
Property	196	18	8	100	70	48	21	1
Payroll	63	14	9	9	14	4	2	2

(a) The Registrants' utility taxes represent municipal and state utility taxes and gross receipts taxes related to their operating revenues. The offsetting collection of utility taxes from customers is recorded in revenues in the Registrants' Consolidated Statements of Operations and Comprehensive Income.

	Other, net							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Three Months Ended June 30, 2024								
AFUDC — Equity	$ 38	$ 9	$ 8	$ 6	$ 15	$ 12	$ 3	$ —
Non-service net periodic benefit cost	(11)	—	—	—	—	—	—	—
Three Months Ended June 30, 2023								
AFUDC — Equity	$ 34	$ 7	$ 6	$ 4	$ 17	$ 13	$ 2	$ 2
Non-service net periodic benefit cost	(1)	—	—	—	—	—	—	—
Six Months Ended June 30, 2024								
AFUDC — Equity	$ 78	$ 19	$ 16	$ 13	$ 30	$ 23	$ 6	$ 1
Non-service net periodic benefit cost	(17)	—	—	—	—	—	—	—
Six Months Ended June 30, 2023								
AFUDC — Equity	$ 71	$ 17	$ 12	$ 7	$ 35	$ 27	$ 4	$ 4
Non-service net periodic benefit cost	(2)	—	—	—	—	—	—	—

Supplemental Cash Flow Information

The following tables provide additional information about material items recorded in the Registrants' Consolidated Statements of Cash Flows.

(Dollars in millions, except per share data, unless otherwise noted)

	Depreciation, amortization, and accretion							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Six Months Ended June 30, 2024								
Property, plant, and equipment[a]	$ 1,436	$ 573	$ 203	$ 247	$ 383	$ 164	$ 107	$ 105
Amortization of regulatory assets and liabilities, net[a]	333	164	7	65	97	41	15	41
Amortization of intangible assets, net[a]	4	—	—	—	—	—	—	—
ARO accretion[b]	1	—	—	—	1	—	—	—
Total depreciation, amortization and accretion	$ 1,774	$ 737	$ 210	$ 312	$ 481	$ 205	$ 122	$ 146
Six Months Ended June 30, 2023								
Property, plant, and equipment[a]	$ 1,370	$ 540	$ 190	$ 249	$ 364	$ 152	$ 104	$ 96
Amortization of regulatory assets and liabilities, net[a]	352	148	7	76	120	64	17	39
Amortization of intangible assets, net[a]	4	—	—	—	—	—	—	—
ARO accretion[b]	1	—	—	—	—	—	—	—
Total depreciation and amortization	$ 1,727	$ 688	$ 197	$ 325	$ 484	$ 216	$ 121	$ 135

(a) Included in Depreciation and amortization expense in the Registrants' Consolidated Statements of Operations and Comprehensive Income.
(b) Included in Operating and maintenance expense in Exelon's Consolidated Statements of Operations and Comprehensive Income.

	Other non-cash operating activities							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Six Months Ended June 30, 2024								
Pension and OPEB costs	$ 120	$ 36	$ —	$ 31	$ 46	$ 16	$ 7	$ 7
Allowance for credit losses	93	8	47	11	27	16	3	7
True-up adjustments to decoupling mechanisms and formula rates[a]	(15)	24	2	(19)	(22)	(37)	4	11
Amortization of operating ROU asset	19	—	—	3	13	3	3	2
AFUDC — Equity	(78)	(19)	(16)	(13)	(30)	(23)	(6)	(1)
Six Months Ended June 30, 2023								
Pension and OPEB costs (benefit)	$ 89	$ 13	$ (7)	$ 28	$ 49	$ 17	$ 9	$ 7
Allowance for credit losses	46	1	19	4	22	13	3	6
True-up adjustments to decoupling mechanisms and formula rates[a]	(410)	(270)	10	(70)	(80)	(46)	(15)	(19)
Long-term incentive plan	13	—	—	—	—	—	—	—
Amortization of operating ROU asset	19	1	—	2	14	2	4	2
Change in environmental liabilities	37	—	—	—	37	37	—	—
AFUDC — Equity	(71)	(17)	(12)	(7)	(35)	(27)	(4)	(4)

(a) For ComEd, reflects the true-up adjustments in Regulatory assets and liabilities associated with its distribution, energy efficiency, distributed generation, and transmission formula rates. For PECO, reflects the change in Regulatory assets and liabilities associated with its transmission formula rates. For BGE, Pepco, DPL, and ACE, reflects the change in

(Dollars in millions, except per share data, unless otherwise noted)

Regulatory assets and liabilities associated with their decoupling mechanisms and transmission formula rates. See Note 3 — Regulatory Matters of the 2023 Form 10-K for additional information.

The following tables provide a reconciliation of cash, cash equivalents, and restricted cash reported within the Registrants' Consolidated Balance Sheets that sum to the total of the same amounts in their Consolidated Statements of Cash Flows.

	Cash, cash equivalents, and restricted cash							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at June 30, 2024								
Cash and cash equivalents	$ 934	$ 326	$ 19	$ 428	$ 119	$ 19	$ 50	$ 15
Restricted cash and cash equivalents	530	446	9	—	22	21	1	—
Restricted cash included in Other deferred debits and other assets	71	71	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,535	$ 843	$ 28	$ 428	$ 141	$ 40	$ 51	$ 15
Balance at December 31, 2023								
Cash and cash equivalents	$ 445	$ 110	$ 42	$ 47	$ 180	$ 48	$ 16	$ 21
Restricted cash and cash equivalents	482	402	9	1	24	24	—	—
Restricted cash included in Other deferred debits and other assets	174	174	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,101	$ 686	$ 51	$ 48	$ 204	$ 72	$ 16	$ 21
Balance at June 30, 2023								
Cash and cash equivalents	$ 399	$ 74	$ 82	$ 89	$ 110	$ 16	$ 18	$ 24
Restricted cash and cash equivalents	435	361	9	1	26	26	—	—
Restricted cash included in Other deferred debits and other assets	201	201	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,035	$ 636	$ 91	$ 90	$ 136	$ 42	$ 18	$ 24
Balance at December 31, 2022								
Cash and cash equivalents	$ 407	$ 67	$ 59	$ 43	$ 198	$ 45	$ 31	$ 72
Restricted cash and cash equivalents	566	327	9	24	175	54	121	—
Restricted cash included in Other deferred debits and other assets	117	117	—	—	—	—	—	—
Total cash, restricted cash, and cash equivalents	$ 1,090	$ 511	$ 68	$ 67	$ 373	$ 99	$ 152	$ 72

For additional information on restricted cash see Note 1 — Significant Accounting Policies of the 2023 Form 10-K.

Supplemental Balance Sheet Information

The following table provides additional information about material items recorded in the Registrants' Consolidated Balance Sheets.

(Dollars in millions, except per share data, unless otherwise noted)

	Accrued expenses							
	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Balance at June 30, 2024								
Compensation-related accruals[a]	$ 476	$ 124	$ 72	$ 66	$ 92	$ 27	$ 18	$ 13
Taxes accrued	183	91	56	26	90	74	7	9
Interest accrued	469	153	50	48	85	47	17	17
Balance at December 31, 2023								
Compensation-related accruals[a]	$ 661	$ 206	$ 87	$ 81	$ 107	$ 27	$ 17	$ 12
Taxes accrued	221	204	96	75	137	116	30	10
Interest accrued	414	148	49	44	72	38	13	15

(a) Primarily includes accrued payroll, bonuses and other incentives, vacation, and benefits.

15. Related Party Transactions (All Registrants)

Service Company Costs for Corporate Support

The Registrants receive a variety of corporate support services from BSC. Pepco, DPL, and ACE also receive corporate support services from PHISCO. See Note 1 — Significant Accounting Policies for additional information regarding BSC and PHISCO.

The following table presents the service company costs allocated to the Registrants:

	Operating and maintenance from affiliates				Capitalized costs			
	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Exelon								
BSC					$ 159	$ 165	$ 317	$ 340
PHISCO					29	25	58	49
ComEd								
BSC	$ 104	$ 88	$ 204	$ 171	63	78	134	159
PECO								
BSC	61	54	119	105	29	30	58	60
BGE								
BSC	62	54	121	108	25	22	49	46
PHI								
BSC	49	43	99	85	42	35	76	75
PHISCO	—	—	—	—	29	25	58	49
Pepco								
BSC	32	28	63	55	18	14	35	28
PHISCO	33	30	66	60	12	10	24	21
DPL								
BSC	20	18	39	35	13	10	25	20
PHISCO	26	25	51	49	8	8	17	15
ACE								
BSC	16	15	32	29	10	12	15	26
PHISCO	25	22	48	44	9	7	17	13

(Dollars in millions, except per share data, unless otherwise noted)

Current Receivables from/Payables to Affiliates

The following tables present current Receivables from affiliates and current Payables to affiliates:

June 30, 2024

	Receivables from affiliates:									
Payables to affiliates:	**ComEd**	**PECO**	**BGE**	**Pepco**	**DPL**	**ACE**	**BSC**	**PHISCO**	**Other**	**Total**
ComEd		$ 1	$ —	$ —	$ —	$ —	$ 67	$ —	$ 8	$ 76
PECO	$ —		—	—	—	—	35	—	4	39
BGE	—	—		—	—	—	36	—	1	37
PHI	—	—	—	—	—	—	7	1	10	18
Pepco	—	—	—		—	—	20	17	—	37
DPL	—	—	—	—		—	12	13	1	26
ACE	—	—	—	—	—		10	12	2	24
Other	4	—	—	—	—	3	—	—		7
Total	$ 4	$ 1	$ —	$ —	$ —	$ 3	$ 187	$ 43	$ 26	$ 264

December 31, 2023

	Receivables from affiliates:									
Payables to affiliates:	**ComEd**	**PECO**	**BGE**	**Pepco**	**DPL**	**ACE**	**BSC**	**PHISCO**	**Other**	**Total**
ComEd		$ —	$ —	$ —	$ —	$ —	$ 64	$ —	$ 8	$ 72
PECO	$ —		—	—	—	—	36	—	3	39
BGE	—	—		—	—	—	33	—	2	35
PHI	—	—	—	—	—	—	5	—	10	15
Pepco	—	—	—		—	—	17	14	1	32
DPL	—	1	—	—		—	12	11	1	25
ACE	—	1	—	1	1		11	11	—	25
Other	3	—	—	1	—	3	1	—		8
Total	$ 3	$ 2	$ —	$ 2	$ 1	$ 3	$ 179	$ 36	$ 25	$ 251

Borrowings from Exelon/PHI intercompany money pool

To provide an additional short-term borrowing option that will generally be more favorable to the borrowing participants than the cost of external financing both Exelon and PHI operate an intercompany money pool. PECO and PHI Corporate participate in the Exelon intercompany money pool. Pepco, DPL, and ACE participate in the PHI intercompany money pool.

Long-term debt to financing trusts

The following table presents Long-term debt to financing trusts:

	June 30, 2024			December 31, 2023		
	Exelon	**ComEd**	**PECO**	**Exelon**	**ComEd**	**PECO**
ComEd Financing III	$ 206	$ 206	$ —	$ 206	$ 205	$ —
PECO Trust III	81	—	81	81	—	81
PECO Trust IV	103	—	103	103	—	103
Total	$ 390	$ 206	$ 184	$ 390	$ 205	$ 184

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars in millions except per share data, unless otherwise noted)

Exelon

Executive Overview

Exelon is a utility services holding company engaged in the energy transmission and distribution businesses through it's six reportable segments: ComEd, PECO, BGE, Pepco, DPL, and ACE. See Note 1 — Significant Accounting Policies and Note 4 — Segment Information of the Combined Notes to Consolidated Financial Statements for additional information regarding Exelon's principal subsidiaries and reportable segments.

Exelon’s consolidated financial information includes the results of its seven separate operating subsidiary registrants, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE, which, along with Exelon, are collectively referred to as the Registrants. The following combined Management’s Discussion and Analysis of Financial Condition and Results of Operations is separately filed by Exelon, ComEd, PECO, BGE, PHI, Pepco, DPL, and ACE. However, none of the Registrants makes any representation as to information related solely to any of the other Registrants.

Financial Results of Operations

GAAP Results of Operations. The following table sets forth Exelon's GAAP consolidated Net income attributable to common shareholders by Registrant for the three and six months ended June 30, 2024 compared to the same period in 2023. For additional information regarding the financial results for the three and six months ended June 30, 2024 and 2023, see the discussions of Results of Operations by Registrant.

	Three Months Ended June 30,		Favorable (Unfavorable) Variance	Six Months Ended June 30,		Favorable (Unfavorable) Variance
	2024	2023		2024	2023	
Exelon	$ 448	$ 343	$ 105	$ 1,106	$ 1,012	$ 94
ComEd	270	249	21	463	489	(26)
PECO	90	97	(7)	239	263	(24)
BGE	44	42	2	308	241	67
PHI	158	103	55	326	258	68
Pepco	108	64	44	183	130	53
DPL	34	25	9	101	85	16
ACE	21	18	3	50	51	(1)
Other[(a)]	(114)	(148)	34	(230)	(239)	9

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

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net income attributable to common shareholders** increased by $105 million and diluted earnings per average common share increased to $0.45 in 2024 from $0.34 in 2023 primarily due to:

- The favorable impacts of rate increases at BGE and PHI;
- Favorable weather at PECO;
- Favorable impacts of the multi-year plans including the recognition of the reconciliations at Pepco; and
- Higher transmission peak load due to higher energy demand at ComEd.

The increases were partially offset by:

- Higher interest expense at PECO, BGE, and Exelon Corporate; and
- Higher depreciation expense at PECO and PHI.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net income attributable to common shareholders** increased by $94 million and diluted earnings per average common share increased to $1.10 in 2024 from $1.02 in 2023 primarily due to:

- The favorable impacts of rate increases at BGE and PHI;
- Favorable weather at PECO;
- Favorable impacts of the multi-year plans including the recognition of the reconciliations at Pepco; and
- Higher transmission peak load due to higher energy demand at ComEd.

The increases were partially offset by:

- Higher interest expense at PECO, BGE, PHI, and Exelon Corporate;
- Higher storm costs at PECO and BGE;
- Higher depreciation expense at PECO and PHI;
- Lower electric distribution earnings from lower ROE and the absence of a return on the pension asset at ComEd; and
- Lower carrying costs related to the CMC regulatory assets at ComEd.

Adjusted (non-GAAP) operating earnings. In addition to Net income, 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 information is intended to enhance an investor's overall understanding of year-over-year 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 information 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' presentations or deemed more useful than the GAAP information provided elsewhere in this report.

The following table provides a reconciliation between GAAP Net income attributable to common shareholders and Adjusted (non-GAAP) operating earnings for the three and six months ended June 30, 2024 compared to the same period in 2023:

	Three Months Ended June 30,			
	2024		2023	
(In millions, except per share data)		Earnings per Diluted Share		Earnings per Diluted Share
Net income attributable to common shareholders	**$ 448**	**$ 0.45**	**$ 343**	**$ 0.34**
Mark-to-market impact of economic hedging activities (net of taxes of $1)	—	—	3	—
Change in environmental liabilities (net of taxes of $0 and $1, respectively)	(1)	—	11	0.01
SEC matter loss contingency (net of taxes of $0)	—	—	46	0.05
Change in FERC audit liability (net of taxes of $5)	15	0.01	—	—
Separation costs (net of taxes of $2)[(a)]	—	—	5	0.01
Cost management charge (net of taxes of $3)[(b)]	9	0.01	—	—
Adjusted (non-GAAP) operating earnings	**$ 472**	**$ 0.47**	**$ 408**	**$ 0.41**

	Six Months Ended June 30,			
	2024		2023	
(In millions, except per share data)		Earnings per Diluted Share		Earnings per Diluted Share
Net income attributable to common shareholders	**$ 1,106**	**$ 1.10**	**$ 1,012**	**$ 1.02**
Mark-to-market impact of economic hedging activities (net of taxes of $0)	—	—	2	—
Change in environmental liabilities (net of taxes of $0 and $8, respectively)	(1)	—	29	0.03
SEC matter loss contingency (net of taxes of $0)	—	—	46	0.05
Change in FERC audit liability (net of taxes of $13 and $4, respectively)	42	0.04	11	0.01
Separation costs (net of taxes of $1)[(a)]	—	—	4	—
Cost management charge (net of taxes of $3)[(b)]	9	0.01	—	—
Adjusted (non-GAAP) operating earnings	**$ 1,156**	**$ 1.16**	**$ 1,104**	**$ 1.11**

Note:
Amounts may not sum due to rounding.
Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net income attributable to common shareholders 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. The marginal statutory income tax rates for 2024 and 2023 ranged from 24.0% to 29.0%.

(a) Represents costs related to the separation primarily comprised of system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation, and employee-related severance costs, which are recorded in Operating and maintenance expense and Other, net.
(b) Primarily represents severance and reorganization costs related to cost management.

Significant 2024 Transactions and Developments

Distribution Base Rate Case Proceedings

The Utility Registrants file base rate cases with their regulatory commissions seeking increases or decreases to their electric transmission and distribution, and gas distribution rates to recover their costs and earn a fair return on their investments. The outcomes of these regulatory proceedings impact the Utility Registrants' current and future financial statements.

The following tables show the Utility Registrants' completed and pending distribution base rate case proceedings in 2024. See Note 2 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Completed Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Approved Revenue Requirement Increase	Approved ROE	Approval Date	Rate Effective Date
ComEd - Illinois	January 17, 2023	Electric	$ 1,487	$ 501	8.905%	December 14, 2023	January 1, 2024
			$ 838	$ 810	8.905%	April 18, 2024	May 1, 2024
	April 21, 2023	Electric	$ 247	$ 259	8.91%	November 30, 2023	January 1, 2024
BGE - Maryland	February 17, 2023	Electric	$ 313	$ 179	9.50 %	December 14, 2023	January 1, 2024
		Natural Gas	$ 289	$ 229	9.45 %		
Pepco - Maryland	October 26, 2020 (amended March 31, 2021)	Electric	$ 104	$ 52	9.55 %	June 28, 2021	June 28, 2021
	May 16, 2023 (amended February 23, 2024)	Electric	$ 111	$ 45	9.50 %	June 10, 2024	April 1, 2024
DPL - Maryland	May 19, 2022	Electric	$ 38	$ 29	9.60 %	December 14, 2022	January 1, 2023
DPL - Delaware	December 15, 2022 (amended September 29, 2023)	Electric	$ 39	$ 28	9.60 %	April 18, 2024	July 15, 2023
ACE - New Jersey	February 15, 2023 (amended August 21, 2023)	Electric	$ 92	$ 45	9.60 %	November 17, 2023	December 1, 2023

Pending Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Service	Requested Revenue Requirement Increase	Requested ROE	Expected Approval Timing
ComEd - Illinois	March 15, 2024 (amended June 20, 2024)	Electric	$ 682	8.905%	December 2024
	April 26, 2024	Electric	$ 627	9.89%	December 2024
PECO - Pennsylvania	March 28, 2024	Electric	$ 464	10.95%	Fourth quarter of 2024
		Natural Gas	$ 111	11.15%	
Pepco - District of Columbia	April 13, 2023 (amended February 27, 2024)	Electric	$ 186	10.50 %	Fourth quarter of 2024

Transmission Formula Rates

For 2024, the following total increases/(decreases) were included in the Utility Registrant's electric transmission formula rate updates. See Note 2 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

Registrant	Initial Revenue Requirement Increase	Annual Reconciliation (Decrease) Increase	Total Revenue Requirement Increase	Allowed Return on Rate Base	Allowed ROE
ComEd	$ 32	$ (12)	$ 20	8.14 %	11.50 %
PECO	$ 2	$ 3	$ 5	7.45 %	10.35 %
BGE	$ 42	$ 13	$ 53	7.47 %	10.50 %
Pepco	$ 58	$ 15	$ 73	7.62 %	10.50 %
DPL	$ 7	$ 17	$ 24	7.23 %	10.50 %
ACE	$ 14	$ 18	$ 32	7.11 %	10.50 %

ComEd's FERC Audit

The Utility Registrants are subject to periodic audits and investigations by FERC. FERC’s Division of Audits and Accounting initiated a nonpublic audit of ComEd in April 2021 evaluating ComEd’s compliance with (1) approved terms, rates and conditions of its federally regulated service; (2) accounting requirements of the Uniform System of Accounts; (3) reporting requirements of the FERC Form 1; and (4) the requirements for record retention. The audit period extends back to January 1, 2017.

On July 27, 2023, FERC issued a final audit report which included, among other things, findings and recommendations related to ComEd's methodology regarding the allocation of certain overhead costs to capitalized construction costs under FERC regulations, including a suggestion that refunds may be due to customers for amounts collected in previous years. On August 28, 2023, ComEd filed a formal notice of the issues it will contest. On December 14, 2023, FERC appointed a settlement judge for the contested overhead allocation findings and set the matter for a trial-type hearing. That hearing process has been held in abeyance while a formal settlement process, which began in February 2024, takes place.

On July 30, 2024, ComEd reached an agreement in principle on the contested overhead allocation finding. As a result of the settlement process, ComEd recorded a charge for the probable disallowance of $70 million of certain currently capitalized construction costs to operating expenses, which are not expected to be recovered in future rates. The final settlement is subject to FERC approval. The existing estimates of loss have been updated and reflected in Exelon and ComEd financial statements as of June 30, 2024.

Other Key Business Drivers and Management Strategies

The following discussion of other key business drivers and management strategies includes current developments of previously disclosed matters and new issues arising during the period that may impact future financial statements. This section should be read in conjunction with ITEM 1. Business in the 2023 Form 10-K, ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations — Other Key Business Drivers and Management Strategies in the 2023 Form 10-K, and Note 11 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements in this report for additional information on various environmental matters.

Legislative and Regulatory Developments

Infrastructure Investment and Jobs Act

On November 15, 2021, President Biden signed the $1.2 trillion IIJA into law. IIJA provides for approximately $550 billion in new federal spending. Categories of funding include funding for a variety of infrastructure needs, including but not limited to: (1) power and grid reliability and resilience, (2) resilience for cybersecurity to address critical infrastructure needs, and (3) electric vehicle charging infrastructure for alternative fuel corridors. Federal agencies are developing guidelines to implement spending programs under IIJA. The time needed to develop these guidelines will vary with some limited program applications opened as early as the first quarter of 2022. The Registrants continue to evaluate programs under the legislation and consider possible opportunities to apply for funding, either directly or in potential collaborations with state and/or local agencies and key stakeholders. The Registrants cannot predict the ultimate timing and success of securing funding from programs under IIJA.

In March 2023, Exelon, ComEd, and PHI submitted three applications related to the Smart Grid Grants program under section 40107 of IIJA. These applications are focused on replacing existing Advanced Distribution Management Systems (ADMS) in support of distributed energy resources (DERs) and grid-edged technologies, strengthening interoperability and data architecture of systems in support of two-way power flows and accelerating advanced metering deployment in disadvantaged communities. In October 2023, ComEd’s project, Deployment of a Community-Oriented Interoperable Control Framework for Aggregating and Integrating Distributed Energy Resources and Other Grid-Edge Devices, was recommended by the Grid Deployment Office (GDO) for negotiation of a final award up to $50 million. This project will enable ComEd and its local partners to deploy the next generation of grid technologies that support the growth of solar and electric vehicles (EVs), while piloting new local workforce training initiatives to support job creation connected to the clean energy transition. The award negotiation process is currently ongoing.

In April 2023, ComEd, PECO, BGE, and PHI submitted seven applications related to the Grid Resilience Grants program under section 40101(c) of IIJA. These applications are broadly focused on improving grid resilience with an emphasis on disadvantaged communities, relief of capacity constraints and modernizing infrastructure, deployment of DER and microgrid technologies and providing improved resilience through storm hardening projects. In October 2023, PECO’s project, Creating a Resilient, Equitable, and Accessible Transformation in Energy for Greater Philadelphia (CREATE), was recommended by the GDO for negotiation of a final award up to $100 million. This project will support critical electric infrastructure investments to help reduce the impact of extreme weather and historic flooding on the Registrants' electric distribution system. The award negotiation process is currently ongoing.

The Registrants are supporting three different Regional Clean Hydrogen Hub opportunities, covering all five states that Exelon operates in plus Washington D.C. under a program that will create networks of hydrogen producers, consumers, and local connective infrastructure to accelerate the use of hydrogen as a clean energy carrier that can deliver or store energy. Applications for the three opportunities under this program were submitted in April 2023. In October 2023 the DOE announced it selected two of the projects for further negotiation: (1) the Mid-Atlantic Clean Hydrogen Hub (MACH2), which is being supported by PECO and PHI, and (2) the Midwest Alliance for Clean Hydrogen (MachH2), which is being supported by ComEd.

In November 2023, the GDO announced up to $3.9 billion available through the second-round funding opportunity of the Grid Resilience and Innovation Partnerships (GRIP) Program for fiscal years 2024 and 2025. This funding opportunity focuses on projects that will improve electric transmission by increasing funding and advancing interconnection processes for faster build out of energy projects, create comprehensive solutions that link grid communications systems and operations to increase resilience and reduce power outages and threats, and deploy advanced technologies such as distributed energy resources and battery systems to provide essential grid services to ensure American communities across the country have access to affordable, reliable, clean electricity. In March 2024, Exelon, BGE, PHI, Pepco, DPL, and ACE submitted five application for Topic Area 2 (Smart Grid Grants). These applications focus on improving resilience of the electric grid and deployment of technologies to enhance grid flexibility and deliver benefits to customers across the Exelon footprint. In April 2024, ACE in coordination with the NJBPU Division of Clean Energy submitted an application for Topic Area 3 (Grid Innovation Program) to expand DER hosting capacity through integrated grid enhancing technologies. The GDO is expected to announce award notification in the second half of 2024. Exelon, BGE, PHI, Pepco, DPL, and ACE cannot predict if their applications will be selected for negotiation of a final award.

PJM Regional Transmission Expansion

On July 11, 2024, BGE submitted an application to the MDPSC for a Certificate of Public Convenience and Necessity for certain overhead transmission system upgrades necessitated due to the planned retirement of the Brandon Shores Generating Station. The total estimated costs of all work by BGE directed by PJM in connection with the retirement of the Brandon Shores Generating Station is approximately $1.1 billion.

Critical Accounting Policies and Estimates

Management of each of the Registrants makes a number of significant estimates, assumptions, and judgments in the preparation of its financial statements. As of June 30, 2024, the Registrants’ critical accounting policies and estimates had not changed significantly from December 31, 2023. See ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — Critical Accounting Policies and Estimates in the 2023 Form 10-K for further information.

Results of Operations by Registrant

Results of Operations — ComEd

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Favorable (Unfavorable) Variance	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Favorable (Unfavorable) Variance
Operating revenues	$ 2,079	$ 1,901	$ 178	$ 4,174	$ 3,568	$ 606
Operating expenses						
Purchased power	763	685	(78)	1,670	1,172	(498)
Operating and maintenance	449	355	(94)	867	692	(175)
Depreciation and amortization	374	350	(24)	737	688	(49)
Taxes other than income taxes	94	88	(6)	188	182	(6)
Total operating expenses	1,680	1,478	(202)	3,462	2,734	(728)
Gain on sales of assets	5	—	5	5	—	5
Operating income	404	423	(19)	717	834	(117)
Other income and (deductions)						
Interest expense, net	(123)	(120)	(3)	(246)	(237)	(9)
Other, net	20	17	3	41	34	7
Total other income and (deductions)	(103)	(103)	—	(205)	(203)	(2)
Income before income taxes	301	320	(19)	512	631	(119)
Income taxes	31	71	40	49	142	93
Net income	$ 270	$ 249	$ 21	$ 463	$ 489	$ (26)

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net income** increased by $21 million as compared to the same period in 2023, primarily due to timing of distribution earnings, higher transmission peak loads, and higher rate base. These were partially offset by a lower allowed ROE and the absence of a return on the pension asset.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net income** decreased by $26 million as compared to the same period in 2023, primarily due to a lower allowed ROE and the absence of a return on the pension asset. These were partially offset by higher transmission peak loads and higher rate base.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase	Increase (Decrease)
Distribution	$ 109	$ 143
Transmission	55	57
Energy efficiency	10	30
Other	3	(2)
	177	228
Regulatory required programs	1	378
Total increase	$ 178	$ 606

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. Operating revenues are not impacted by abnormal weather, usage per customer, or number of customers as a result of revenue decoupling mechanisms.

Distribution Revenue. Distribution revenues were under a performance-based formula rate through 2023. Starting in 2024, distribution revenues are under a MRP. Both the performance-based formula rate and the MRP require annual reconciliations of the revenue requirement in effect to the actual costs the ICC determines are prudently and reasonably incurred with certain limitations for the MRP reconciliations. Electric distribution revenue varies from year to year based upon fluctuations in the underlying costs, (e.g., severe weather and storm restoration), investments being recovered, and allowed ROE. Electric distribution revenues increased for the three months ended June 30, 2024 as compared to the same period in 2023, primarily due to differences in the timing of distribution earnings and higher rate base, partially offset by lower allowed ROE and the absence of a return on the pension asset. Electric distribution revenues increased for the six months ended June 30, 2024 as compared to the same period in 2023, primarily due to higher fully recoverable costs and higher rate base, partially offset by lower allowed ROE and the absence of a return on the pension asset.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs, capital investments being recovered, and the highest daily peak load, which is updated annually in January based on the prior calendar year. Transmission revenues increased for the three months ended June 30, 2024 as compared to the same period in 2023, primarily due to the reclassification of the FERC audit liability, higher peak load, and and increases in underlying costs and capital investments. The favorable impacts due to the reclassification of the FERC audit liability are fully offset within Operating and maintenance expenses of the Consolidated Statements of Operations and Comprehensive Income. See Note 2 — Regulatory Matters for additional information regarding the FERC audit liability. Transmission revenues increased for the six months ended June 30, 2024 as compared to the same period in 2023, primarily due to higher peak load and increases in underlying costs and capital investments.

Energy Efficiency Revenue. Energy efficiency revenues are under a performance-based formula rate, which requires an annual reconciliation of the revenue requirement in effect to the actual costs the ICC determines are prudently and reasonably incurred in a given year. Energy efficiency revenue varies from year to year based upon fluctuations in the underlying costs, investments being recovered, and allowed ROE. Energy efficiency revenues increased for the three and six months ended June 30, 2024 as compared to the same periods in 2023, primarily due to increased regulatory asset amortization, which is fully recoverable.

Other Revenue primarily includes assistance provided to other utilities through mutual assistance programs. Other revenues increased for the three months ended June 30, 2024 and decreased for the six months ended June 30, 2024 as compared to the same periods in 2023, which primarily reflects increased and decreased mutual assistance revenues, respectively, associated with storm restoration efforts.

Regulatory Required Programs represents revenues collected under approved riders to recover costs incurred for regulatory programs such as recoveries under the credit loss expense tariff, environmental costs associated with MGP sites, ETAC, and costs related to electricity, ZEC, CMC, and REC procurement. ETAC is a retail customer surcharge collected and remitted to an Illinois state agency for programs to support clean energy jobs and training. The riders are designed to provide full and current cost recovery. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries as ComEd remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, ComEd either acts as the billing agent or the competitive supplier separately bills its own customers, and therefore does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from ComEd, ComEd is permitted to recover the electricity, ZEC, CMC, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power expense related to the electricity, ZECs, CMCs, and RECs.

See Note 4 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of ComEd's revenue disaggregation.

The increase in **Purchased power expense** of $78 million and $498 million for the three and six months ended June 30, 2024 compared to the same periods in 2023 is offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase (Decrease)	Increase (Decrease)
Labor, other benefits, contracting and materials[(a)]	$ 27	$ 72
BSC costs	16	33
Storm-related costs	(3)	2
Pension and non-pension postretirement benefits expense	6	12
Other[(b)]	80	84
	126	203
Regulatory required programs[(c)]	(32)	(28)
Total increase	$ 94	$ 175

____

(a) Primarily reflects an updated rate of capitalization of certain overhead costs.
(b) Primarily reflects the reclassification and increase of the FERC audit liability during the current period and an increase in credit loss expense. See Note 2 — Regulatory Matters for additional information regarding the FERC audit liability.
(c) ComEd is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through a rider mechanism.

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase	Increase
Depreciation and amortization[(a)]	$ 17	$ 34
Regulatory asset amortization[(b)]	7	15
Total increase	$ 24	$ 49

____

(a) Reflects ongoing capital expenditures.
(b) Includes amortization of ComEd's energy efficiency formula rate regulatory asset.

Effective income tax rates were 10.3% and 22.2% for the three months ended June 30, 2024 and 2023, respectively, and 9.6% and 22.5% for the six months ended June 30, 2024 and 2023, respectively. See Note 6 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — PECO

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Favorable (Unfavorable) Variance	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Favorable (Unfavorable) Variance
Operating revenues	$ 891	$ 828	$ 63	$ 1,945	$ 1,940	$ 5
Operating expenses						
Purchased power and fuel	323	302	(21)	727	786	59
Operating and maintenance	270	239	(31)	563	510	(53)
Depreciation and amortization	107	99	(8)	210	197	(13)
Taxes other than income taxes	52	47	(5)	103	97	(6)
Total operating expenses	752	687	(65)	1,603	1,590	(13)
Gain on sales of assets	2	—	2	4	—	4
Operating income	141	141	(2)	346	350	(4)
Other income and (deductions)						
Interest expense, net	(57)	(48)	(9)	(112)	(97)	(15)
Other, net	9	6	3	18	15	3
Total other income and (deductions)	(48)	(42)	(6)	(94)	(82)	(12)
Income before income taxes	93	99	(6)	252	268	(16)
Income taxes	3	2	(1)	13	5	(8)
Net income	$ 90	$ 97	$ (7)	$ 239	$ 263	$ (24)

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net income** decreased by $7 million, due to an increase in interest expense, depreciation expense, and credit loss expense, partially offset by an increase in revenue as a result of favorable weather.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net income** decreased by $24 million, due to an increase in storm costs, interest expense, depreciation expense, and credit loss expense, partially offset by an increase in revenue as a result of less unfavorable weather impact relative to the same period last year.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended June 30, 2024			Six Months Ended June 30, 2024		
	Increase (Decrease)			Increase (Decrease)		
	Electric	Gas	Total	Electric	Gas	Total
Weather	$ 45	$ 1	$ 46	$ 57	$ 13	$ 70
Volume	13	(2)	11	9	(4)	5
Pricing	(7)	(3)	(10)	(4)	—	(4)
Transmission	7	—	7	15	—	15
Other	(2)	—	(2)	(6)	(3)	(9)
	56	(4)	52	71	6	77
Regulatory required programs	21	(10)	11	(8)	(64)	(72)
Total increase	$ 77	$ (14)	$ 63	$ 63	$ (58)	$ 5

Weather. The demand for electricity and natural gas is affected by weather conditions. With respect to the electric business, very warm weather in summer months and, with respect to the electric and natural gas businesses, very cold weather in winter months are referred to as “favorable weather conditions” because these weather conditions result in increased deliveries of electricity and natural gas. Conversely, mild weather reduces demand. During the three months ended June 30, 2024 compared to the same period in 2023, Operating revenues related to weather increased due to favorable weather conditions in PECO's service territory. During the six months ended June 30, 2024 compared to the same period in 2023, Operating revenues related to weather increased due to less unfavorable weather conditions in PECO's service territory.

Heating and cooling degree-days are quantitative indices that reflect the demand for energy needed to heat or cool a home or business. Normal weather is determined based on historical average heating and cooling degree-days for a 30-year period in PECO's service territory. The changes in heating and cooling degree-days in PECO’s service territory for the three and six months ended June 30, 2024 compared to the same period in 2023 and normal weather consisted of the following:

	Three Months Ended June 30,			% Change	
PECO Service Territory	2024	2023	Normal	2024 vs. 2023	2024 vs. Normal
Heating Degree-Days	351	330	421	6.4 %	(16.6)%
Cooling Degree-Days	537	233	391	130.5 %	37.3 %
	Six Months Ended June 30,			% Change	
	2024	2023	Normal	2024 vs. 2023	2024 vs. Normal
Heating Degree-Days	2,440	2,218	2,831	10.0 %	(13.8)%
Cooling Degree-Days	537	233	392	130.5 %	37.0 %

Volume. Electric volume, exclusive of the effects of weather, for the three and six months ended June 30, 2024 compared to the same period in 2023, remained relatively consistent. Natural gas volume for the three and six months ended June 30, 2024 compared to the same period in 2023, remained relatively consistent.

	Three Months Ended June 30,				Six Months Ended June 30,			
Electric Retail Deliveries to Customers (in GWhs)	2024	2023	% Change	Weather - Normal % Change[(b)]	2024	2023	% Change	Weather - Normal % Change[(b)]
Residential	3,296	2,694	22.3 %	3.8 %	6,751	6,052	11.5 %	1.0 %
Small commercial & industrial	1,856	1,703	9.0 %	3.5 %	3,747	3,546	5.7 %	0.8 %
Large commercial & industrial	3,408	3,331	2.3 %	(0.9)%	6,763	6,568	3.0 %	0.8 %
Public authorities & electric railroads	135	144	(6.3)%	(6.3)%	314	312	0.6 %	0.9 %
Total electric retail deliveries[(a)]	8,695	7,872	10.5 %	1.7 %	17,575	16,478	6.7 %	0.9 %

	At June 30,	
Number of Electric Customers	2024	2023
Residential	1,533,909	1,529,499
Small commercial & industrial	156,036	155,845
Large commercial & industrial	3,162	3,112
Public authorities & electric railroads	10,712	10,423
Total	1,703,819	1,698,879

____
(a) Reflects delivery volumes from customers purchasing electricity directly from PECO and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

	Three Months Ended June 30,				Six Months Ended June 30,			
Natural Gas Deliveries to Customers (in mmcf)	2024	2023	% Change	Weather - Normal % Change[(b)]	2024	2023	% Change	Weather - Normal % Change[(b)]
Residential	4,525	4,373	3.5 %	0.4 %	23,420	21,563	8.6 %	0.6 %
Small commercial & industrial	3,321	3,743	(11.3)%	(12.3)%	12,809	12,442	2.9 %	(3.8)%
Large commercial & industrial	—	6	(100.0)%	(10.7)%	16	35	(54.3)%	(11.6)%
Transportation	5,117	5,190	(1.4)%	(3.5)%	12,016	12,204	(1.5)%	(3.2)%
Total natural gas retail deliveries[(a)]	12,963	13,312	(2.6)%	(4.6)%	48,261	46,244	4.4 %	(1.6)%

Number of Natural Gas Customers	At June 30, 2024	2023
Residential	506,193	504,723
Small commercial & industrial	44,697	44,793
Large commercial & industrial	7	10
Transportation	644	642
Total	551,541	550,168

____

(a) Reflects delivery volumes 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.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

Pricing for the three and six months ended June 30, 2024 compared to the same period in 2023 remained relatively consistent.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered.

Other revenue primarily includes revenue related to late payment charges. Other revenue for the three and six months ended June 30, 2024 compared to the same period in 2023 remained relatively consistent.

Regulatory Required Programs represents revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency, PGC, and the GSA. The riders are designed to provide full and current cost recovery as well as a return. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Income taxes. Customers have the choice to purchase electricity and natural gas from competitive electric generation and natural gas suppliers. Customer choice programs do not impact the volume of deliveries as PECO remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, PECO either acts as the billing agent or the competitive supplier separately bills its own customers and therefore PECO does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from PECO, PECO is permitted to recover the electricity, natural gas, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power and fuel expense related to the electricity, natural gas, and RECs.

See Note 4 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of PECO's revenue disaggregation.

The increase of $21 million and decrease of $59 million for the three and six months ended June 30, 2024 compared to the same period in 2023, in **Purchased power and fuel expense** is offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase (Decrease)	Increase (Decrease)
Credit loss expense	$ 38	$ 28
Storm-related costs	(2)	23
BSC costs	7	14
Pension and non-pension postretirement benefit expense	2	4
Labor, other benefits, contracting and materials	(1)	(6)
Other	(4)	1
	40	64
Regulatory required programs	(9)	(11)
Total increase	$ 31	$ 53

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase	Increase
Depreciation and amortization[(a)]	$ 8	$ 13
Regulatory asset amortization	—	—
Total increase	$ 8	$ 13

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Interest expense, net increased $9 million and $15 million for the three and six months ended June 30, 2024, compared to the same period in 2023, primarily due to an increase in interest rates and the issuance of debt in the second quarter of 2023.

Effective income tax rates were 3.2% and 2.0% for the three months ended June 30, 2024 and 2023, respectively, and 5.2% and 1.9% for the six months ended June 30, 2024 and 2023, respectively. See Note 6 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — BGE

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Favorable (Unfavorable) Variance	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Favorable (Unfavorable) Variance
Operating revenues	$ 928	$ 797	$ 131	$ 2,225	$ 2,053	$ 172
Operating expenses						
Purchased power and fuel	343	272	(71)	807	764	(43)
Operating and maintenance	250	198	(52)	514	419	(95)
Depreciation and amortization	162	158	(4)	312	325	13
Taxes other than income taxes	80	76	(4)	169	159	(10)
Total operating expenses	835	704	(131)	1,802	1,667	(135)
Operating income	93	93	—	423	386	37
Other income and (deductions)						
Interest expense, net	(53)	(44)	(9)	(103)	(88)	(15)
Other, net	8	5	3	16	8	8
Total other income and (deductions)	(45)	(39)	(6)	(87)	(80)	(7)
Income before income taxes	48	54	(6)	336	306	30
Income taxes	4	12	8	28	65	37
Net income	$ 44	$ 42	$ 2	$ 308	$ 241	$ 67

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net Income** increased $2 million primarily due to favorable distribution rates, partially offset by an increase in various operating expenses, and an increase in interest expense. See Note 2 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on the three-year electric and natural gas distribution multi-year plans.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net Income** increased $67 million primarily due to favorable distribution rates, partially offset by an increase in storm costs, an increase in various operating expenses, and an increase in interest expense. See Note 2 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information on the three-year electric and natural gas distribution multi-year plans.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended June 30, 2024			Six Months Ended June 30, 2024		
	Increase			Increase (Decrease)		
	Electric	Gas	Total	Electric	Gas	Total
Distribution	$ 21	$ 17	$ 38	$ 44	$ 60	$ 104
Transmission	4	—	4	3	—	3
Other	2	—	2	1	(2)	(1)
	27	17	44	48	58	106
Regulatory required programs	82	5	87	131	(65)	66
Total increase (decrease)	$ 109	$ 22	$ 131	$ 179	$ (7)	$ 172

Revenue Decoupling. The demand for electricity and natural gas is affected by weather and customer usage. However, Operating revenues are not impacted by abnormal weather or usage per customer as a result of a monthly rate adjustment that provides for fixed distribution revenue per customer by customer class. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

Number of Electric Customers	At June 30, 2024	At June 30, 2023
Residential	1,212,331	1,206,763
Small commercial & industrial	115,384	115,594
Large commercial & industrial	13,156	12,975
Public authorities & electric railroads	260	265
Total	1,341,131	1,335,597

Number of Natural Gas Customers	At June 30, 2024	At June 30, 2023
Residential	656,690	655,181
Small commercial & industrial	37,859	38,077
Large commercial & industrial	6,340	6,275
Total	700,889	699,533

Distribution Revenue increased for the three and six months ended June 30, 2024, compared to the same period in 2023, due to favorable impacts of the multi-year plans.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the three and six months ended June 30, 2024, compared to the same period in 2023, primarily due to increases in underlying costs and capital investments.

Other Revenue includes revenue related to late payment, charges, mutual assistance, off-system sales, and service application fees. Other Revenue remained relatively the same for the three and six months ended June 30, 2024 compared to the same period in 2023.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as conservation, demand response, and the POLR mechanism. The riders are designed to provide full and current cost recovery, as well as a return in certain instances. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity and natural gas from competitive electric generation and natural gas suppliers. Customer choice programs do not impact the volume of deliveries as BGE remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, BGE acts as the billing agent and therefore does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from BGE, BGE is permitted to recover the electricity and natural gas procurement costs from customers and therefore records the amounts related to the electricity and/or natural gas in Operating revenues and Purchased power and fuel expense. BGE recovers electricity and natural gas procurement costs from customers with a slight mark-up.

See Note 4 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of BGE's revenue disaggregation.

The increase of $71 million and $43 million for the three and six months ended June 30, 2024 compared to the same period in 2023, in **Purchased power and fuel expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase	Increase
Storm-related costs	—	10
BSC costs	8	14
Credit loss expense	14	8
Labor, other benefits, contracting, and materials	3	—
	25	32
Regulatory required programs[(a)]	27	63
Total increase	$ 52	$ 95

(a) Increase due to the cost recovery associated with EmPOWER Maryland. Please refer to 2023 10-K Note 3 — Regulatory Matters for additional information.

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase (Decrease)	Increase (Decrease)
Depreciation and amortization	$ 3	$ 4
Regulatory required programs[(a)]	(14)	(39)
Regulatory asset amortization	15	22
Total increase (decrease)	$ 4	$ (13)

(a) Decrease due to the cost recovery associated with EmPOWER Maryland. Please refer to 2023 10-K Note 3 — Regulatory Matters for additional information.

Interest expense, net increased by $9 million and $15 million for the three and six months ended June 30, 2024 , respectively compared to the same period in 2023, primarily due to an increase in interest rates and the issuance of debt in the second quarter of 2024 and 2023.

Taxes other than income taxes increased by $4 million and $10 million for the three and six months ended June 30, 2024, respectively, compared to the same period in 2023, primarily due to increased property taxes.

Effective income tax rates were 8.3% and 22.2% for the three months ended June 30, 2024 and 2023, respectively, and 8.3% and 21.2% for the six months ended June 30, 2024 and 2023, respectively. See Note 6 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — PHI

PHI's Results of Operations include the results of its three reportable segments, Pepco, DPL, and ACE. PHI also has a business services subsidiary, PHISCO, which provides a variety of support services, and the costs are directly charged or allocated to the applicable subsidiaries. Additionally, the results of PHI's corporate operations include interest costs from various financing activities. All material intercompany accounts and transactions have been eliminated in consolidation. The following table sets forth PHI's GAAP consolidated Net income, by Registrant, for the three and six months ended June 30, 2024 compared to the same period in 2023. See the Results of Operations for Pepco, DPL, and ACE for additional information.

	Three Months Ended June 30,		Favorable (Unfavorable) Variance	Six Months Ended June 30,		Favorable (Unfavorable) Variance
	2024	2023		2024	2023	
PHI	$ 158	$ 103	$ 55	$ 326	$ 258	$ 68
Pepco	108	64	44	183	130	53
DPL	34	25	9	101	85	16
ACE	21	18	3	50	51	(1)
Other[(a)]	(5)	(4)	(1)	(8)	(8)	—

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

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net Income** increased by $55 million primarily due to the favorable impacts of the Pepco Maryland multi-year plans including the recognition of the reconciliations, the absence of an increase in environmental liabilities at Pepco, higher ACE and DPL Delaware electric distribution rates, and higher transmission rates at Pepco and DPL, partially offset by increases in depreciation expense and various operating expenses.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net Income** increased by $68 million primarily due to the favorable impacts of the Pepco Maryland multi-year plans including the recognition of the reconciliations, the absence of an increase in environmental liabilities at Pepco, higher ACE and DPL Delaware electric distribution rates, and higher transmission rates at Pepco and DPL, partially offset by increases in interest expense, depreciation expense, and various operating expenses.

Results of Operations — Pepco

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Favorable (Unfavorable) Variance	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Favorable (Unfavorable) Variance
Operating revenues	$ 700	$ 642	$ 58	$ 1,459	$ 1,351	$ 108
Operating expenses						
Purchased power	234	204	(30)	514	462	(52)
Operating and maintenance	102	140	38	252	290	38
Depreciation and amortization	98	109	11	205	216	11
Taxes other than income taxes	100	88	(12)	203	183	(20)
Total operating expenses	534	541	7	1,174	1,151	(23)
Operating income	166	101	65	285	200	85
Other income and (deductions)						
Interest expense, net	(46)	(43)	(3)	(92)	(81)	(11)
Other, net	16	16	—	32	33	(1)
Total other income and (deductions)	(30)	(27)	(3)	(60)	(48)	(12)
Income before income taxes	136	74	62	225	152	73
Income taxes	28	10	(18)	42	22	(20)
Net income	$ 108	$ 64	$ 44	$ 183	$ 130	$ 53

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net Income** increased by $44 million primarily due to the favorable impacts of the Maryland multi-year plans including the recognition of the reconciliations, the absence of an increase in environmental liabilities, higher transmission rates, and customer growth, partially offset by increases in depreciation expense and interest expense.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net Income** increased by $53 million primarily due to the favorable impacts of the Maryland multi-year plans including the recognition of the reconciliations, the absence of an increase in environmental liabilities, higher transmission rates, and customer growth, partially offset by increases in depreciation expense and interest expense.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended June 30, 2024 Increase	Six Months Ended June 30, 2024 Increase
Distribution	$ 7	$ 16
Transmission	14	24
	21	40
Regulatory required programs	37	68
Total increase	$ 58	$ 108

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in both Maryland and the District of Columbia are not impacted by abnormal weather or usage per customer as a result of a BSA that provides for a fixed distribution charge per customer by customer class. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

Number of Electric Customers	At June 30, 2024	2023
Residential	871,009	860,014
Small commercial & industrial	54,080	54,016
Large commercial & industrial	23,057	22,904
Public authorities & electric railroads	207	204
Total	948,353	937,138

Distribution Revenue increased for the three and six months ended June 30, 2024 compared to the same period in 2023 primarily due to favorable impacts of the Maryland multi-year plans and customer growth.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue increased for the three and six months ended June 30, 2024, compared to the same period in 2023, primarily due to increases in underlying costs and capital investment.

Other Revenue includes rental revenue, revenue related to late payment charges, mutual assistance revenues, and recoveries of other taxes.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, DC PLUG, and SOS procurement and administrative costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries, as Pepco remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, Pepco acts as the billing agent and therefore, Pepco does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from Pepco, Pepco is permitted to recover the electricity and REC procurement costs from customers and therefore records the amounts related to the electricity and RECs in Operating revenues and Purchased power expense. Pepco recovers electricity and REC procurement costs from customers with a slight mark-up.

See Note 4 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of Pepco's revenue disaggregation.

The increase of $30 million and $52 million for the three and six months ended June 30, 2024, respectively, compared to the same period in 2023, in **Purchased power expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended June 30, 2024 Increase (Decrease)	Six Months Ended June 30, 2024 Increase (Decrease)
BSC and PHISCO costs	$ 7	$ 14
Credit loss expense	(7)	(1)
Storm-related costs	(1)	(1)
Pension and non-pension postretirement benefits expense	(1)	(1)
Labor, other benefits, contracting and materials[(a)]	(5)	(28)
Pepco Maryland multi-year plan reconciliations[(b)]	(25)	(25)
Other [(c)]	(21)	(19)
	(53)	(61)
Regulatory required programs[(d)]	15	23
Total decrease	$ (38)	$ (38)

(a) Primarily reflects the absence of an increase in environmental liabilities for the six months ended June 30, 2024 compared to the same period in 2023.
(b) See Note 2 — Regulatory Matters for additional information on multi-year plan reconciliations.
(c) Primarily relates to a revenue deferral mechanism approved by the MDPSC to capture rate increases attributable to April 1, 2024 through June 30, 2024.
(d) Increase primarily due to the cost recovery associated with EmPOWER Maryland. Please refer to 2024 10-K Note 2 — Regulatory Matters for additional information.

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended June 30, 2024 Increase (Decrease)	Six Months Ended June 30, 2024 Increase (Decrease)
Depreciation and amortization[(a)]	$ 6	$ 12
Regulatory asset amortization	—	—
Regulatory required programs	(17)	(23)
Total decrease	$ (11)	$ (11)

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Taxes other than income taxes increased $12 million and $20 million for the three and six months ended June 30, 2024, respectively, compared to the same period in 2023, primarily due to increases in utility taxes, which are offset in revenues, and property taxes.

Interest expense, net increased by $3 million and $11 million for the three and six months ended June 30, 2024, respectively, compared to the same period in 2023, primarily due to increases in interest rates and the issuance of debt in 2023 and 2024.

Effective income tax rates were 20.6% and 13.5% for the three months ended June 30, 2024 and 2023, respectively, and 18.7% and 14.5% for the six months ended June 30, 2024 and 2023, respectively. See Note 6 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — DPL

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Favorable (Unfavorable) Variance	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Favorable (Unfavorable) Variance
Operating revenues	$ 390	$ 349	$ 41	$ 880	$ 823	$ 57
Operating expenses						
Purchased power and fuel	156	139	(17)	370	360	(10)
Operating and maintenance	96	88	(8)	192	175	(17)
Depreciation and amortization	61	60	(1)	122	121	(1)
Taxes other than income taxes	19	18	(1)	39	37	(2)
Total operating expenses	332	305	(27)	723	693	(30)
Operating income	58	44	14	157	130	27
Other income and (deductions)						
Interest expense, net	(24)	(18)	(6)	(46)	(36)	(10)
Other, net	8	4	4	15	8	7
Total other income and (deductions)	(16)	(14)	(2)	(31)	(28)	(3)
Income before income taxes	42	30	12	126	102	24
Income taxes	8	5	(3)	25	17	(8)
Net income	$ 34	$ 25	$ 9	$ 101	$ 85	$ 16

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net income** increased $9 million primarily due to higher Delaware electric distribution rates, favorable weather conditions at Delaware electric and natural gas service territories, and higher transmission rates, partially offset by an increase in various operating expenses.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net income** increased $16 million primarily due to higher Delaware electric and natural gas distribution rates, favorable weather conditions at Delaware electric and natural gas service territories, and higher transmission rates, partially offset by increases in interest and various operating expenses.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended June 30, 2024			Six Months Ended June 30, 2024		
	Increase (Decrease)			Increase (Decrease)		
	Electric	Gas	Total	Electric	Gas	Total
Weather	$ 7	$ 1	$ 8	$ 10	$ 4	$ 14
Volume	—	—	—	(1)	(1)	(2)
Distribution	12	1	13	22	2	24
Transmission	6	—	6	13	—	13
Other	—	—	—	2	—	2
	25	2	27	46	5	51
Regulatory required programs	17	(3)	14	38	(32)	6
Total increase (decrease)	$ 42	$ (1)	$ 41	$ 84	$ (27)	$ 57

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in Maryland are not impacted by abnormal weather or usage per customer as a result of a BSA that provides for a fixed distribution charge per customer by customer class. While Operating revenues from electric distribution customers in Maryland are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

Weather. The demand for electricity and natural gas in Delaware is affected by weather conditions. With respect to the electric business, very warm weather in summer months and, with respect to the electric and natural gas businesses, very cold weather in winter months are referred to as "favorable weather conditions” because these weather conditions result in increased deliveries of electricity and natural gas. Conversely, mild weather reduces demand. During the three and six months ended June 30, 2024 compared to the same period in 2023, Operating revenues related to weather increased due to favorable weather conditions in Delaware electric and natural gas service territories.

Heating and cooling degree days are quantitative indices that reflect the demand for energy needed to heat or cool a home or business. Normal weather is determined based on historical average heating and cooling degree days for a 20-year period in the Delaware electric service territory and a 30-year period in the Delaware natural gas service territory. The changes in heating and cooling degree days in the Delaware service territory for the three and six months ended June 30, 2024, compared to same period in 2023 and normal weather consisted of the following:

	Three Months Ended June 30,			% Change	
Delaware Electric Service Territory	2024	2023	Normal	2024 vs. 2023	2024 vs. Normal
Heating Degree-Days	404	318	450	27.0 %	(10.2)%
Cooling Degree-Days	400	253	340	58.1 %	17.6 %

	Six Months Ended June 30,			% Change	
Delaware Electric Service Territory	2024	2023	Normal	2024 vs. 2023	2024 vs. Normal
Heating Degree-Days	2,608	2,269	2,896	14.9 %	(9.9)%
Cooling Degree-Days	400	253	341	58.1 %	17.3 %

	Three Months Ended June 30,			% Change	
Delaware Natural Gas Service Territory	2024	2023	Normal	2024 vs. 2023	2024 vs. Normal
Heating Degree-Days	404	318	483	27.0 %	(16.4)%

	Six Months Ended June 30,			% Change	
Delaware Natural Gas Service Territory	2024	2023	Normal	2024 vs. 2023	2024 vs. Normal
Heating Degree-Days	2,608	2,269	2,959	14.9 %	(11.9)%

Volume, exclusive of the effects of weather, remained relatively consistent for the three and six months ended June 30, 2024 compared to the same period in 2023, respectively.

Electric Retail Deliveries to Delaware Customers (in GWhs)	Three Months Ended June 30,		% Change	Weather - Normal % Change[(b)]	Six Months Ended June 30,		% Change	Weather - Normal % Change[(b)]
	2024	2023			2024	2023		
Residential	698	610	14.4 %	(1.0)%	1,555	1,407	10.5 %	(0.6)%
Small commercial & industrial	353	349	1.1 %	(4.1)%	691	676	2.2 %	(2.2)%
Large commercial & industrial	756	780	(3.1)%	(5.4)%	1,474	1,500	(1.7)%	(3.3)%
Public authorities & electric railroads	8	8	— %	1.4 %	14	17	(17.6)%	(12.4)%
Total electric retail deliveries[(a)]	1,815	1,747	3.9 %	(-3.5)%	3,734	3,600	3.7 %	(2.0)%

Number of Total Electric Customers (Maryland and Delaware)	At June 30, 2024	2023
Residential	488,089	483,760
Small commercial & industrial	64,549	63,913
Large commercial & industrial	1,256	1,234
Public authorities & electric railroads	595	594
Total	554,489	549,501

____
(a) Reflects delivery volumes from customers purchasing electricity directly from DPL and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 20-year average.

Natural Gas Retail Deliveries to Delaware Customers (in mmcf)	Three Months Ended June 30, 2024	2023	% Change	Weather - Normal % Change[(b)]	Six Months Ended June 30, 2024	2023	% Change	Weather - Normal % Change[(b)]
Residential	852	794	7.3 %	(6.7)%	4,764	4,368	9.1 %	(2.3)%
Small commercial & industrial	531	497	6.8 %	(5.4)%	2,244	2,142	4.8 %	(6.5)%
Large commercial & industrial	402	371	8.4 %	8.5 %	834	787	6.0 %	5.8 %
Transportation	1,340	1,328	0.9 %	(1.5)%	3,301	3,231	2.2 %	(1.7)%
Total natural gas deliveries[(a)]	3,125	2,990	4.5 %	(2.7)%	11,143	10,528	5.8 %	(2.5)%

Number of Delaware Natural Gas Customers	At June 30, 2024	2023
Residential	130,678	129,538
Small commercial & industrial	10,100	10,060
Large commercial & industrial	14	16
Transportation	163	163
Total	140,955	139,777

____
(a) Reflects delivery volumes 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.
(b) Reflects the change in delivery volumes assuming normalized weather based on the historical 30-year average.

Distribution Revenue increased for the three and six months ended June 30, 2024 compared to the same period in 2023 primarily due to favorable impacts of the higher electric distribution rates in Delaware that became effective July 2023, and higher natural gas DSIC rates in Delaware that became effective in January 2024, partially offset by lower electric DSIC rates in Delaware that became effective in January 2024.

Transmission Revenue. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. During the three and six months ended June 30, 2024 compared to the same period in 2023, transmission revenue increased primarily due to increases in underlying costs and capital investment.

Other Revenue includes rental revenue, service connection fees, and mutual assistance revenues.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, DE Renewable Portfolio Standards, SOS procurement and administrative costs, and GCR costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power and fuel expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. All customers have the choice to purchase electricity from competitive electric generation suppliers; however, only certain commercial and industrial customers have the choice to purchase natural gas from competitive natural gas suppliers. Customer choice programs do not impact the volume of deliveries as DPL remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation or natural gas from competitive suppliers, DPL either acts as the billing agent or the competitive supplier separately bills its own customers, and therefore does not record Operating revenues or Purchased power and fuel expense related to the electricity and/or natural gas. For customers that choose to purchase electric generation or natural gas from DPL, DPL is permitted to recover the electricity, natural gas, and REC procurement costs from customers and therefore records the amounts related to the electricity, natural gas, and RECs in Operating revenues and Purchased power and fuel expense. DPL recovers electricity and REC procurement costs from customers with a slight mark-up, and natural gas costs without mark-up.

See Note 4 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of DPL's revenue disaggregation.

The increase of $17 million and $10 million for the three and six months ended June 30, 2024, compared to the same period in 2023, respectively, in **Purchased power and fuel expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase (Decrease)	Increase (Decrease)
BSC and PHISCO costs	$ 4	$ 7
Labor and contracting	2	4
Credit loss expense	1	(1)
Pension and non-pension postretirement benefits expense	—	(1)
Storm-related Costs	(2)	5
Other	(1)	(2)
	4	12
Regulatory required programs	4	5
Total increase	$ 8	$ 17

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase (Decrease)	Increase (Decrease)
Depreciation and amortization[(a)]	$ 2	$ 3
Regulatory required programs	(2)	(3)
Regulatory asset amortization	1	1
Total increase	$ 1	$ 1

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Interest expense, net increased by $6 million and $10 million for the three and six months ended June 30, 2024 compared to the same period in 2023, respectively, primarily due to an increase in interest rates and the issuance of debt in 2023 and 2024.

Other, net increased by $4 million and $7 million for the three and six months ended June 30, 2024 compared to the same period in 2023, respectively, primarily due to higher AFUDC equity.

Effective income tax rates were 19.0% and 16.7% for the three months ended June 30, 2024 and 2023, respectively, and 19.8% and 16.7% for the six months ended June 30, 2024 and 2023, respectively. See Note 6 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Results of Operations — ACE

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Favorable (Unfavorable) Variance	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Favorable (Unfavorable) Variance
Operating revenues	$ 383	$ 317	$ 66	$ 740	$ 670	$ 70
Operating expenses						
Purchased power	172	124	(48)	312	273	(39)
Operating and maintenance	92	85	(7)	178	165	(13)
Depreciation and amortization	72	68	(4)	146	135	(11)
Taxes other than income taxes	2	3	1	5	4	(1)
Total operating expenses	338	280	(58)	641	577	(64)
Operating income	45	37	8	99	93	6
Other income and (deductions)						
Interest expense, net	(20)	(17)	(3)	(39)	(34)	(5)
Other, net	4	4	—	8	9	(1)
Total other income and (deductions)	(16)	(13)	(3)	(31)	(25)	(6)
Income before income taxes	29	24	5	68	68	—
Income taxes	8	6	(2)	18	17	(1)
Net income	$ 21	$ 18	$ 3	$ 50	$ 51	$ (1)

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023. **Net income** increased by $3 million primarily due to higher distribution rates partially offset by increases in interest expense and depreciation expense.

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023. **Net income** decreased by $1 million primarily due to increases in depreciation expense and interest expense partially offset by higher distribution rates.

The changes in **Operating revenues** consisted of the following:

	Three Months Ended June 30, 2024 Increase (Decrease)	Six Months Ended June 30, 2024 Increase
Distribution	$ 18	$ 29
Transmission	(2)	—
	16	29
Regulatory required programs	50	41
Total increase	$ 66	$ 70

Revenue Decoupling. The demand for electricity is affected by weather and customer usage. However, Operating revenues from electric distribution in New Jersey are not impacted by abnormal weather or usage per customer as a result of the CIP which became effective, prospectively, in the third quarter of 2021. The CIP compares current distribution revenues by customer class to approved target revenues established in ACE's most recent distribution base rate case. The CIP is calculated annually, and recovery is subject to certain conditions, including an earnings test and ceilings on customer rate increases. While Operating revenues are not impacted by abnormal weather or usage per customer, they are impacted by changes in the number of customers.

Number of Electric Customers	At June 30, 2024	2023
Residential	506,358	503,918
Small commercial & industrial	62,717	62,307
Large commercial & industrial	2,878	3,007
Public authorities & electric railroads	701	727
Total	572,654	569,959

Distribution Revenue increased for the three and six months ended June 30, 2024 compared to the same period in 2023 due to higher distribution rates that became effective December 2023 and the expiration of customer credits related to the TCJA tax benefits.

Transmission Revenues. Under a FERC-approved formula, transmission revenue varies from year to year based upon fluctuations in the underlying costs and capital investments being recovered. Transmission revenue stayed relatively consistent for the three and six months ended June 30, 2024 compared to the same period in 2023.

Other Revenue includes rental revenue, revenue related to late payment charges, mutual assistance revenues, and recoveries of other taxes.

Regulatory Required Programs represent revenues collected under approved riders to recover costs incurred for regulatory programs such as energy efficiency programs, Societal Benefits Charge, Transition Bond Charge, and BGS procurement and administrative costs. The riders are designed to provide full and current cost recovery as well as a return in certain instances. The costs of these programs are included in Purchased power expense, Operating and maintenance expense, Depreciation and amortization expense, and Taxes other than income taxes. Customers have the choice to purchase electricity from competitive electric generation suppliers. Customer choice programs do not impact the volume of deliveries, as ACE remains the distribution service provider for all customers and charges a regulated rate for distribution service, which is recorded in Operating revenues. For customers that choose to purchase electric generation from competitive suppliers, ACE acts as the billing agent and therefore, ACE does not record Operating revenues or Purchased power expense related to the electricity. For customers that choose to purchase electric generation from ACE, ACE is permitted to recover the electricity, ZEC, and REC procurement costs without mark-up and therefore records equal and offsetting amounts in Operating revenues and Purchased power expense related to the electricity, ZECs, and RECs.

See Note 4 — Segment Information of the Combined Notes to Consolidated Financial Statements for the presentation of ACE's revenue disaggregation.

The decrease of $48 million and $39 million for the three and six months ended June 30, 2024, respectively, compared to the same period in 2023 in **Purchased power expense** is fully offset in Operating revenues as part of regulatory required programs.

The changes in **Operating and maintenance expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase (Decrease)	Increase (Decrease)
BSC and PHISCO costs	$ 4	$ 7
Labor and contracting	(2)	(2)
Storm-related costs	2	4
Other	—	1
	4	10
Regulatory required programs[a]	3	3
Total increase	$ 7	$ 13

(a) ACE is allowed to recover from or refund to customers the difference between its annual credit loss expense and the amounts collected in rates annually through the Societal Benefits Charge.

The changes in **Depreciation and amortization expense** consisted of the following:

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
	Increase (Decrease)	Increase
Depreciation and amortization[a]	$ 4	$ 8
Regulatory asset amortization	1	3
Regulatory required programs	(1)	—
Total increase	$ 4	$ 11

(a) Depreciation and amortization increased primarily due to ongoing capital expenditures.

Interest expense, net increased $3 million and $5 million for the three and six months ended June 30, 2024, respectively, compared to the same period in 2023 primarily due to increases in interest rates and the issuance of debt in 2023 and 2024.

Effective income tax rates were 27.6% and 25.0% for the three months ended June 30, 2024 and 2023, respectively, and 26.5% and 25.0% for the six months ended June 30, 2024 and 2023, respectively. See Note 6 — Income Taxes of the Combined Notes to Consolidated Financial Statements for additional information regarding the components of the effective income tax rates.

Liquidity and Capital Resources (All Registrants)

All results included throughout the liquidity and capital resources section are presented on a GAAP basis.

The Registrants’ operating and capital expenditures requirements are provided by internally generated cash flows from operations, as well as funds from external sources in the capital markets and through bank borrowings. The Registrants’ businesses are capital intensive and require considerable capital resources. Each of the Registrants annually evaluates its financing plan, dividend practices, and credit line sizing, focusing on maintaining its investment grade ratings while meeting its cash needs to fund capital requirements, including construction expenditures, retire debt, pay dividends, and fund pension and OPEB obligations. The Registrants spend a significant amount of cash on capital improvements and construction projects that have a long-term return on investment. Additionally, the Utility Registrants operate in rate-regulated environments in which the amount of new investment recovery may be delayed or limited and where such recovery takes place over an extended period of time. Each Registrant’s access to external financing on reasonable terms depends on its credit ratings and current overall capital market business conditions, including that of the utility industry in general. If these conditions deteriorate to the extent that the Registrants no longer have access to the capital markets at reasonable terms, the Registrants have access to credit facilities with aggregate bank commitments of $4.0 billion. The Registrants utilize their credit facilities to support their commercial paper programs, provide for other short-term borrowings, and to issue letters of credit. See the “Credit Matters and Cash Requirements” section below for additional information. The Registrants expect cash flows to be sufficient to meet operating expenses, financing costs, and capital expenditure requirements. See Note 9 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants’ debt and credit agreements.

Cash Flows from Operating Activities

The Utility Registrants' cash flows from operating activities primarily result from the transmission and distribution of electricity and, in the case of PECO, BGE, and DPL, gas distribution services. The Utility Registrants' distribution services are provided to an established and diverse base of retail customers. The Utility Registrants' future cash flows may be affected by the economy, weather conditions, future legislative initiatives, future regulatory proceedings with respect to their rates or operations, and their ability to achieve operating cost reductions. Additionally, ComEd is required to purchase CMCs from participating nuclear-powered generating facilities for a five-year period that began in June 2022, and all of its costs of doing so will be recovered through a rider. The price to be paid for each CMC is established through a competitive bidding process. ComEd will provide net payments to, or collect net payments from, customers for the difference between customer credits issued and the credit to be received from the participating nuclear-powered generating facilities. ComEd’s cash flows are affected by the establishment of CMC prices and the timing of recovering costs through the CMC regulatory asset.

See Note 3 — Regulatory Matters of the 2023 Form 10-K and Notes 2 — Regulatory Matters and 11 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements for additional information on regulatory and legal proceedings and proposed legislation.

The following table provides a summary of the change in cash flows from operating activities for the six months ended June 30, 2024 and 2023 by Registrant:

Increase (decrease) in cash flows from operating activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Net income (loss)	$ 94	$ (26)	$ (24)	$ 67	$ 68	$ 53	$ 16	$ (1)
Adjustments to reconcile net income to cash:								
Non-cash operating activities	480	259	46	(4)	24	(39)	18	44
Collateral received (paid), net	200	(13)	—	22	193	26	121	47
Income taxes	(136)	(124)	(75)	(51)	(60)	(44)	(35)	(6)
Pension and non-pension postretirement benefit contributions	(40)	14	(2)	(19)	(64)	3	—	(8)
Regulatory assets and liabilities, net	781	905	(29)	51	(134)	(42)	(51)	(39)
Changes in working capital and other assets and liabilities	(686)	(17)	(221)	(107)	(18)	(8)	—	4
Increase (decrease) in cash flows from operating activities	$ 693	$ 998	$ (305)	$ (41)	$ 9	$ (51)	$ 69	$ 41

Changes in the Registrants' cash flows from operations were generally consistent with changes in each Registrant’s respective results of operations, as adjusted by changes in working capital in the normal course of business, except as discussed below. Significant operating cash flow impacts for the Registrants for the six months ended June 30, 2024 and 2023 were as follows:

- See Note 14 — Supplemental Financial Information of the Combined Notes to Consolidated Financial Statements and the Registrants’ Consolidated Statements of Cash Flows for additional information on **non-cash operating activities**.
- Changes in **collateral** depended upon whether the Registrant was in a net mark-to-market liability or asset position, and collateral may have been required to be posted with or collected from its counterparties. In addition, the collateral posting and collection requirements differed depending on whether the transactions were on an exchange or in the over-the-counter markets. Changes in collateral for the Registrants are dependent upon the credit exposure of procurement contracts that may require suppliers to post collateral. The change in Collateral received (paid), net, when comparing the six month ended June 30, 2024 to the six month ended June 30, 2023, is due to stable energy prices for the current year. See Note 8 — Derivative Financial Instruments for additional information.
- See Note 6 — Income Taxes of the Combined Notes to Consolidated Financial Statements and the Registrants' Consolidated Statements of Cash Flows for additional information on **income taxes**.
- Changes in **Pension and non-pension postretirement benefit contributions** relates to Exelon's increased contributions to the Qualified Plans during the six months ended June 30, 2024. See Note 14 — Retirement Benefits of the 2023 Form 10-K for additional information.
- Changes in **regulatory assets and liabilities, net,** are due to the timing of cash payments for costs recoverable, or cash receipts for costs recovered, under our regulatory mechanisms differs from the recovery period of those costs. Included within the changes is energy efficiency spend for ComEd of $170 million and $192 million for the six months ended June 30, 2024 and 2023, respectively. Also included within the changes is energy efficiency and demand response programs spend for BGE, Pepco, DPL and ACE of $54 million, $19 million, $9 million, and $14 million for the six months ended June 30, 2024 and $66 million, $32 million, $12 million, and $8 million for the six months ended June 30, 2023, respectively. PECO had no energy efficiency and demand response programs spend recorded to the regulatory asset for the six months ended June 30, 2024 and 2023. See Note 2 — Regulatory Matters of the Combined Notes to Consolidated Financial Statements for additional information.

- **Changes in working capital and other assets and liabilities** for the Utility Registrants and Exelon Corporate totaled $(349) million and $(686) million, respectively. The change in working capital and other noncurrent assets and liabilities for Exelon Corporate and the Utility Registrants is dependent upon the normal course of operations for all Registrants. For ComEd, it is also dependent upon whether the participating nuclear-powered generating facilities are owed money from ComEd as a result of the established pricing for CMCs. For the six months ended June 30, 2024, the established pricing resulted in ComEd owing payments to nuclear-powered generating facilities, which is reported within the cash flows from operations as a change in accounts payable and accrued expense.

Cash Flows from Investing Activities

The following table provides a summary of the change in cash flows from investing activities for the six months ended June 30, 2024 and 2023 by Registrant:

Increase (decrease) in cash flows from investing activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Capital expenditures	$ 219	$ 151	$ (36)	$ (12)	$ 119	$ 29	$ (10)	$ 95
Changes in intercompany money pool	—	—	225	—	—	(57)	(23)	—
Other investing activities	(11)	8	5	5	(8)	(8)	—	—
Increase (decrease) in cash flows from investing activities	$ 208	$ 159	$ 194	$ (7)	$ 111	$ (36)	$ (33)	$ 95

Significant investing cash flow impacts for the Registrants for six months ended June 30, 2024 and 2023 were as follows:

- Changes in **capital expenditures** are primarily due to the timing of cash expenditures for capital projects. See the "Credit Matters and Cash Requirements" section below for additional information on projected capital expenditure spending for the Utility Registrants.
- Changes in **intercompany money pool** are driven by short-term borrowing needs. Refer to more information regarding the intercompany money pool below.

Cash Flows from Financing Activities

The following table provides a summary of the change in cash flows from financing activities for the six months ended June 30, 2024 and 2023 by Registrant:

(Decrease) increase in cash flows from financing activities	Exelon	ComEd	PECO	BGE	PHI	Pepco	DPL	ACE
Changes in short-term borrowings, net	$ 281	$ (644)	$ 334	$ 72	$ (17)	$ 167	$ 52	$ (236)
Long-term debt, net	(669)	(175)	(525)	400	75	25	50	—
Changes in intercompany money pool	—	—	—	—	(16)	(52)	—	132
Dividends paid on common stock	(44)	(14)	2	(26)	—	(38)	(24)	(8)
Distributions to member	—	—	—	—	(70)	—	—	—
Contributions from parent/member	—	(294)	250	(40)	82	8	55	18
Other financing activities	20	2	4	(1)	—	2	—	—
(Decrease) increase in cash flows from financing activities	$ (412)	$ (1,125)	$ 65	$ 405	$ 54	$ 112	$ 133	$ (94)

Significant financing cash flow impacts for the Registrants for the six months ended June 30, 2024 and 2023 were as follows:

- **Changes in short-term borrowings, net**, is driven by repayments on and issuances of notes due in less than 365 days. See Note 9 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on short-term borrowings for the Registrants.
- **Long-term debt, net**, varies due to debt issuances and redemptions each year. See Note 9 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on debt issuances. Refer to the debt redemptions table below for additional information.
- **Changes in intercompany money pool** are driven by short-term borrowing needs. Refer below for more information regarding the intercompany money pool.
- Exelon's ability to pay **dividends** on its common stock depends on the receipt of dividends paid by its operating subsidiaries. The payments of dividends to Exelon by its subsidiaries in turn depend on their results of operations and cash flows and other items affecting retained earnings. See Note 18 — Commitments and Contingencies of the 2023 Form 10-K for additional information on dividend restrictions. See below for quarterly dividends declared.

Debt

See Note 9 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants' debt issuances.

During the six months ended June 30, 2024, the following long-term debt was retired and/or redeemed:

Company[(a)]	Type	Interest Rate	Maturity	Amount
Exelon	SMBC Term Loan Agreement	SOFR plus 0.85%	April 8, 2024	$ 500
Exelon	Software Licensing Agreement	3.62 %	December 1, 2025	$ 1
Exelon	Software Licensing Agreement	3.95 %	May 1, 2024	$ 2
Pepco	First Mortgage Bonds	3.60 %	March 15, 2024	$ 400

(a) DPL repaid $33 million of its unsecured tax-exempt bonds on the maturity date of July 1, 2024. On August 1, 2024, ComEd redeemed $250 million of its 3.10% First Mortgage Bonds originally due on November 1, 2024.

Dividends

Quarterly dividends declared by the Exelon Board of Directors during the six months ended June 30, 2024 and for the third quarter of 2024 were as follows:

Period	Declaration Date	Shareholder of Record Date	Dividend Payable Date	Cash per Share[(a)]
First Quarter 2024	February 21, 2024	March 4, 2024	March 15, 2024	$ 0.3800
Second Quarter 2024	April 30, 2024	May 13, 2024	June 14, 2024	$ 0.3800
Third Quarter 2024	July 30, 2024	August 12, 2024	September 13, 2024	$ 0.3800

(a) Exelon's Board of Directors approved an updated dividend policy for 2024. The 2024 quarterly dividend will be $0.38 per share.

Credit Matters and Cash Requirements

The Registrants fund liquidity needs for capital investment, working capital, energy hedging, and other financial commitments through cash flows from continuing operations, public debt offerings, commercial paper markets, and large, diversified credit facilities. The credit facilities include $4.0 billion in aggregate total commitments of which $3.0 billion was available to support additional commercial paper as of June 30, 2024, and of which no financial institution has more than 6% of the aggregate commitments for the Registrants. The Registrants had access to the commercial paper markets and had availability under their revolving credit facilities during the six months ended June 30, 2024 to fund their short-term liquidity needs, when necessary. Exelon Corporate and the Utility Registrants each have a 5-year revolving credit facility. See Note 9 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information. The Registrants routinely review the sufficiency of their liquidity position, including appropriate sizing of credit facility commitments, by performing various stress test scenarios, such as commodity price movements, increases in margin-related transactions, changes in hedging levels, and the impacts of hypothetical credit downgrades. The Registrants have continued to closely monitor events in the financial markets and the financial institutions associated with the credit facilities, including monitoring credit ratings and outlooks, credit default swap levels, capital raising, and merger activity. See PART I. ITEM 1A. RISK FACTORS of the 2023 Form 10-K for additional information regarding the effects of uncertainty in the capital and credit markets.

The Registrants believe their cash flows from operating activities, access to credit markets, and their credit facilities provide sufficient liquidity to support the estimated future cash requirements.

On August 4, 2022, Exelon executed an equity distribution agreement (“Equity Distribution Agreement”) with certain sales agents and forward sellers and certain forward purchasers establishing an ATM equity distribution program under which it may offer and sell shares of its common stock, having an aggregate gross sales price of up to $1.0 billion. Exelon has no obligation to offer or sell any shares of common stock under the Equity Distribution Agreement and may at any time suspend or terminate offers and sales under the Equity Distribution Agreement. As of June 30, 2024, $858 million of Common stock remained available for sale pursuant to the ATM program.

The following table presents the incremental collateral that each Utility Registrant would have been required to provide in the event each Utility Registrant lost its investment grade credit rating at June 30, 2024 and available credit facility capacity prior to any incremental collateral at June 30, 2024:

	PJM Credit Policy Collateral	Other Incremental Collateral Required[(a)]	Available Credit Facility Capacity Prior to Any Incremental Collateral
ComEd	$ —	$ —	$ 912
PECO	—	27	339
BGE	—	43	594
Pepco	—	—	300
DPL	—	10	300
ACE	—	—	300

(a) Represents incremental collateral related to natural gas procurement contracts.

Capital Expenditure Spending

As of June 30, 2024, the most recent estimates of capital expenditures for plant additions and improvements for 2024 are as follows:

(In millions)	Transmission	Distribution	Gas	Total[(a)]
Exelon	N/A	N/A	N/A	$ 7,425
ComEd	450	1,700	N/A	2,150
PECO	75	1,225	400	1,700
BGE	450	650	500	1,600
PHI	550	1,325	100	1,975
Pepco	225	750	N/A	975
DPL	200	300	100	625
ACE	125	275	N/A	400

(a) Numbers rounded to the nearest $25M and may not sum due to rounding.

Projected capital expenditures and other investments are subject to periodic review and revision to reflect changes in economic conditions and other factors.

Retirement Benefits

Management considers various factors when making pension funding decisions, including actuarially determined minimum contribution requirements under ERISA, contributions required to avoid benefit restrictions and at-risk status as defined by the Pension Protection Act of 2006 (the Act), management of the pension obligation, and regulatory implications. The Act requires the attainment of certain funding levels to avoid benefit restrictions (such as an inability to pay lump sums or to accrue benefits prospectively), and at-risk status (which triggers higher minimum contribution requirements and participant notification). The projected contributions reflect a funding strategy to make annual contributions with the objective of achieving 100% funded status on an ABO basis over time. This funding strategy helps minimize volatility of future period required pension contributions. Exelon’s estimated annual qualified pension contributions will be $93 million in 2024. Unlike the qualified pension plans, Exelon’s non-qualified pension plans are not funded, given that they are not subject to statutory minimum contribution requirements.

While OPEB plans are also not subject to statutory minimum contribution requirements, Exelon does fund certain of its plans. For Exelon's funded OPEB plans, contributions generally equal accounting costs, however, Exelon’s management has historically considered several factors in determining the level of contributions to its OPEB plans, including liabilities management, levels of benefit claims paid, and regulatory implications (amounts deemed prudent to meet regulatory expectations and best assure continued rate recovery).

To the extent interest rates decline significantly or the pension and OPEB plans earn less than the expected asset returns, annual pension contribution requirements in future years could increase. Conversely, to the extent interest rates increase significantly or the pension and OPEB plans earn greater than the expected asset returns, annual pension and OPEB contribution requirements in future years could decrease. Additionally, expected contributions could change if Exelon changes its pension or OPEB funding strategy.

See Note 14 — Retirement Benefits of the Combined Notes to Consolidated Financial Statements of the 2023 Form 10-K for additional information on pension and OPEB contributions.

Credit Facilities

Exelon Corporate, ComEd, and BGE meet their short-term liquidity requirements primarily through the issuance of commercial paper. PECO meets its short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the Exelon intercompany money pool. Pepco, DPL, and ACE meet their short-term liquidity requirements primarily through the issuance of commercial paper and borrowings from the PHI intercompany money pool. PHI Corporate meets its short-term liquidity requirements primarily through the issuance of short-term notes and the Exelon intercompany money pool. The Registrants may use their respective credit facilities for general corporate purposes, including meeting short-term funding requirements and the issuance of letters of credit.

See Note 9 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information on the Registrants’ credit facilities and short term borrowing activity.

Security Ratings

The Registrants’ access to the capital markets, including the commercial paper market, and their respective financing costs in those markets, may depend on the securities ratings of the entity that is accessing the capital markets.

The Registrants’ borrowings are not subject to default or prepayment as a result of a downgrading of securities, although such a downgrading of a Registrant’s securities could increase fees and interest charges under that Registrant’s credit agreements.

As part of the normal course of business, the Registrants enter into contracts that contain express provisions or otherwise permit the Registrants and their counterparties to demand adequate assurance of future performance when there are reasonable grounds for doing so. In accordance with the contracts and applicable contracts law, if the Registrants are downgraded by a credit rating agency, it is possible that a counterparty would attempt to rely on such a downgrade as a basis for making a demand for adequate assurance of future performance, which could include the posting of collateral. See Note 8 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information on collateral provisions.

The credit ratings for the Registrants did not change for the six months ended June 30, 2024.

Intercompany Money Pool

To provide an additional short-term borrowing option that will generally be more favorable to the borrowing participants than the cost of external financing, both Exelon and PHI operate an intercompany money pool. Maximum amounts contributed to and borrowed from the money pool by participant and the net contribution or borrowing as of June 30, 2024, are presented in the following table:

	During the Six Months Ended June 30, 2024		At June 30, 2024
Exelon Intercompany Money Pool	Maximum Contributed	Maximum Borrowed	Contributed (Borrowed)
Exelon Corporate	$ 626	$ —	$ 321
PECO	55	(255)	—
BSC	—	(420)	(309)
PHI Corporate	—	(86)	(57)
PCI	45	—	45

	During the Six Months Ended June 30, 2024		At June 30, 2024
PHI Intercompany Money Pool	Maximum Contributed	Maximum Borrowed	Contributed (Borrowed)
Pepco	$ 171	$ —	$ 57
DPL	130	(33)	125
ACE	—	(197)	(182)

Shelf Registration Statements

As of January 1st, 2024 Exelon and the Utility Registrants had an effective combined shelf registration statement, unlimited in amount (“Legacy Registration Statement”). On February 20, 2024, Exelon Corporation filed with the SEC Post-Effective Amendment 1 to its Legacy Registration Statement to remove and withdraw registration of all registered securities of ACE, DPL, PECO and BGE.

On February 21, 2024, Exelon Corporation, together with Pepco and ComEd as co-registrants, filed with the SEC Post-Effective Amendment 2 to its Legacy Registration Statement. Post-Effective Amendment 2 amends the Legacy Registration Statement to include an authorized limit of $7,200 million, which can be used to issue Exelon Corporation debt securities and equity securities, as well as Pepco and ComEd debt securities, through the expiration date of August 3, 2025. The amended Legacy Registration Statement was declared effective by the SEC on April 30, 2024. On February 21, 2024, PECO and BGE filed with the SEC a standalone automatically effective shelf registration statement, unlimited in amount, which can be used to issue PECO and BGE debt securities through the expiration date of February 20, 2027. The ability of Exelon Corporation, ComEd, Pepco, PECO and BGE to sell securities off their corresponding registration Statements, or to access the private placement markets, will depend on a number of factors at the time of the proposed sale, including other required regulatory approvals, as applicable, the current financial condition of the Registrant, its securities ratings and market conditions.

As a result of Post-Effect Amendment 1, DPL and ACE filed to deregister all securities that remain unsold. DPL and ACE periodically issue securities through the private placement markets. DPL and ACE's ability to access the private placement markets will depend on a number of factors at the time of the proposed sale, including other required regulatory approvals, as applicable, current financial condition, securities ratings and market conditions.

Regulatory Authorizations

The Utility Registrants are required to obtain short-term and long-term financing authority from Federal and State Commissions as follows:

	At June 30, 2024					
	Short-term Financing Authority			Remaining Long-term Financing Authority		
	Commission	Expiration Date	Amount	Commission	Expiration Date	Amount
ComEd[(a)]	FERC	December 31, 2025	$ 2,500	ICC	January 1, 2027 & May 1, 2027	$ 2,318
PECO	FERC	December 31, 2025	1,500	PAPUC	December 31, 2024	550
BGE	FERC	December 31, 2025	700	MDPSC	N/A	300
Pepco[(b)]	FERC	December 31, 2025	500	MDPSC / DCPSC	December 31, 2025	375
DPL[(b)]	FERC	December 31, 2025	500	MDPSC / DEPSC	December 31, 2025	375
ACE[(c)]	NJBPU	December 31, 2025	350	NJBPU	December 31, 2024	550

(a) ComEd had $500 million available in long-term debt refinancing authority and $1.8 billion available in new money long-term debt financing authority from the ICC as of June 30, 2024. The financing authorities have an expiration date of May 1, 2027 and January 1, 2027, respectively.
(b) The financing authority filed with MDPSC does not have an expiration date, while the financing authority filed with DCPSC and DEPSC have an expiration date of December 31, 2025.
(c) On June 24, 2024, ACE filed an application with the NJBPU for renewal of their long-term financing authority through December 31, 2026. ACE expects approval of their application by December 31, 2024.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Registrants hold commodity and financial instruments that are exposed to the following market risks:

- Commodity price risk, which is discussed further below.
- Counterparty credit risk associated with non-performance by counterparties on executed derivative instruments and participation in all, or some of the established, wholesale spot energy markets that are administered by PJM. The credit policies of PJM may, under certain circumstances, require that losses arising from the default of one member on spot energy market transactions be shared by the remaining participants. See Note 8 — Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for a detailed discussion of counterparty credit risk related to derivative instruments.
- Equity price and interest rate risk associated with Exelon's pension and OPEB plan trusts. See Note 7 — Retirement Benefits of the 2023 Form 10-K for additional information.
- Interest rate risk associated with changes in interest rates for the Registrants' outstanding long-term debt. This risk is significantly reduced as substantially all of the Registrants' outstanding debt has fixed interest rates. There is inherent interest rate risk related to refinancing maturing debt by issuing new long-term debt. The Registrants use a combination of fixed-rate and variable-rate debt to manage interest rate exposure. See Note 9 — Debt and Credit Agreements of the Combined Notes to Consolidated Financial Statements for additional information. In addition, Exelon may utilize interest rate derivatives to lock in rate levels in anticipation of future financings, which are typically designated as cash flow hedges, or to lock in rate levels on borrowings, which are typically designated as economic hedges. See Note 8 – Derivative Financial Instruments of the Combined Notes to Consolidated Financial Statements for additional information.

The Registrants operate primarily under cost-based rate regulation limiting exposure to the effects of market risk. Hedging programs are utilized to reduce exposure to energy and natural gas price volatility and have no direct earnings impacts as the costs are fully recovered through regulatory-approved recovery mechanisms.

Exelon manages these risks through risk management policies and objectives for risk assessment, control and valuation, counterparty credit approval, and the monitoring and reporting of risk exposures. Risk management issues are reported to Exelon's Executive Committee, the Risk Management Committees of each Utility Registrant, and the Audit and Risk Committee of Exelon's Board of Directors.

Commodity Price Risk

Commodity price risk is associated with price movements resulting from changes in supply and demand, fuel costs, market liquidity, weather conditions, governmental regulatory and environmental policies, and other factors. To the extent the total amount of energy Exelon purchases differs from the amount of energy it has contracted to sell, Exelon is exposed to market fluctuations in commodity prices. Exelon seeks to mitigate its commodity price risk through the sale and purchase of electricity and natural gas.

ComEd entered into 20-year floating-to-fixed renewable energy swap contracts beginning in June 2012, which are considered an economic hedge and have changes in fair value recorded to an offsetting regulatory asset or liability. ComEd has block energy contracts to procure electric supply that are executed through a competitive procurement process, which are considered derivatives and qualify for NPNS, and as a result are accounted for on an accrual basis of accounting. PECO, BGE, Pepco, DPL, and ACE have contracts to procure electric supply that are executed through a competitive procurement process. PECO, BGE, Pepco, DPL, and ACE have certain full requirements contracts, which are considered derivatives and qualify for NPNS, and as a result are accounted for on an accrual basis of accounting. Other full requirements contracts are not derivatives.

PECO, BGE, and DPL also have executed derivative natural gas contracts, which qualify for NPNS, to hedge their long-term price risk in the natural gas market. The hedging programs for natural gas procurement have no direct impact on their financial statements.

For additional information on these contracts, see Note 8 — Derivative Financial Instruments and Note 10 — Fair Value of Financial Assets and Liabilities of the Combined Notes to Consolidated Financial Statements.

The following table presents the maturity and source of fair value for Exelon's and ComEd's mark-to-market commodity contract net liabilities. These net liabilities are associated with ComEd's floating-to-fixed energy swap contracts with unaffiliated suppliers. The table provides two fundamental pieces of information. First, the table provides the source of fair value used in determining the carrying amount of Exelon's and ComEd's total mark-to-market net liabilities. Second, the table shows the maturity, by year, of Exelon's and ComEd's commodity contract net liabilities giving an indication of when these mark-to-market amounts will settle and either generate or require cash. See Note 10 — Fair Value of Financial Assets and Liabilities of the Combined Notes to Consolidated Financial Statements for additional information regarding fair value measurements and the fair value hierarchy.

	Maturities Within						
Commodity derivative contracts[(a)]:	**2024**	**2025**	**2026**	**2027**	**2028**	**2029 and Beyond**	**Total Fair Value**
Prices based on model or other valuation methods (Level 3)	$ (12)	$ (21)	$ (19)	$ (18)	$ (18)	$ (51)	$ (139)

____

(a) Represents ComEd's net liabilities associated with the floating-to-fixed energy swap contracts with unaffiliated suppliers.

ITEM 4. CONTROLS AND PROCEDURES

During the second quarter of 2024, each of the Registrants' management, including its principal executive officer and principal financial officer, evaluated its disclosure controls and procedures related to the recording, processing, summarizing, and reporting of information in its periodic reports that it files with the SEC. These disclosure controls and procedures have been designed by the Registrants to ensure that (a) material information relating to that Registrant, including its consolidated subsidiaries, is accumulated and made known to that Registrant's management, including its principal executive officer and principal financial officer, by other employees of that Registrant and its subsidiaries as appropriate to allow timely decisions regarding required disclosure, and (b) this information is recorded, processed, summarized, evaluated, and reported, as applicable, within the time periods specified in the SEC's rules and forms. Due to the inherent limitations of control systems, not all misstatements may be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls could be circumvented by the individual acts of some persons or by collusion of two or more people.

Accordingly, as of June 30, 2024, the principal executive officer and principal financial officer of each of the Registrants concluded that such Registrant's disclosure controls and procedures were effective to accomplish its objectives. The Registrants continually strive to improve their disclosure controls and procedures to enhance the quality of its financial reporting and to maintain dynamic systems that change as conditions warrant. In the first quarter of 2024, ComEd and PECO implemented a new customer care and billing information system replacing the existing system. ComEd and PECO expect the new system to further automate, enhance and standardize the processes by which they engage with their customers. As part of this system implementation, ComEd and PECO appropriately considered the impacts to internal controls over financial reporting. There were no other changes in internal control over financial reporting that occurred during the three and six months ended June 30, 2024, that have materially affected, or are reasonably likely to materially affect, any of the Registrants' internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Registrants are parties to various lawsuits and regulatory proceedings in the ordinary course of their respective businesses. For information regarding material lawsuits and proceedings, see (a) ITEM 3. LEGAL PROCEEDINGS of the 2023 Form 10-K, (b) Notes 3 — Regulatory Matters and 18 — Commitments and Contingencies of the 2023 Form 10-K, and (c) Notes 2 — Regulatory Matters and 11 — Commitments and Contingencies of the Combined Notes to Consolidated Financial Statements in PART I, ITEM 1. FINANCIAL STATEMENTS of this Report. Such descriptions are incorporated herein by these references.

ITEM 1A. RISK FACTORS

Risks Related to All Registrants

At June 30, 2024, the Registrants' risk factors were consistent with the risk factors described in the Registrants' combined 2023 Form 10-K in ITEM 1A. RISK FACTORS.

ITEM 5. OTHER INFORMATION

All Registrants

None.

ITEM 6. EXHIBITS

Certain of the following exhibits are incorporated herein by reference under Rule 12b-32 of the Securities and Exchange Act of 1934, as amended. Certain other instruments which would otherwise be required to be listed below have not been so listed because such instruments do not authorize securities in an amount which exceeds 10% of the total assets of the applicable Registrant and its subsidiaries on a consolidated basis and the relevant. Registrant agrees to furnish a copy of any such instrument to the Commission upon request.

(3) Recently Amended Articles and Bylaws

Exelon Corporation

Exhibit No.	Description	Location
3-1	Amended and Restated Articles of Incorporation of Exelon Corporation, as amended April 30, 2024	Filed herewithin.
3-2	Amended and Restated Bylaws of Exelon Corporation, as amended on April 30, 2024	Filed herewithin.

(4) Instruments Defining the Rights of Securities Holders, Including Indentures

Baltimore Gas and Electric Company

Exhibit No.	Description	Location
4-1	Form of 5.300% Note due June 1, 2034 issued June 6, 2024 by Baltimore Gas and Electric Company	File No. 001-01910, Form 8-K dated June 6, 2024, Exhibit 4.1
4-2	Form of 5.650% Note due June 1, 2054 issued June 6, 2024 by Baltimore Gas and Electric Company	File No. 001-01910, Form 8-K dated June 6, 2024, Exhibit 4.2

Commonwealth Edison Company

Exhibit No.	Description	Location
4-3	Supplemental Indenture to Commonwealth Edison Company Mortgage dated as of May 1, 2024	File No. 001-01839, Form 8-K dated May 13, 2024, Exhibit 4.1

Certifications Pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as to the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 filed by the following officers for the following companies:

Exelon Corporation

Exhibit No.	Description
31-1	Filed by Calvin G. Butler, Jr. for Exelon Corporation
31-2	Filed by Jeanne M. Jones for Exelon Corporation

Commonwealth Edison Company

Exhibit No.	Description
31-3	Filed by Gil C. Quiniones for Commonwealth Edison Company
31-4	Filed by Joshua S. Levin for Commonwealth Edison Company

PECO Energy Company

Exhibit No.	Description
31-5	Filed by David M. Velazquez for PECO Energy Company
31-6	Filed by Marissa E. Humphrey for PECO Energy Company

Baltimore Gas and Electric Company

Exhibit No.	Description
31-7	Filed by Carim V. Khouzami for Baltimore Gas and Electric Company
31-8	Filed by Michael J. Cloyd for Baltimore Gas and Electric Company

Pepco Holdings LLC

Exhibit No.	Description
31-9	Filed by J. Tyler Anthony for Pepco Holdings LLC
31-10	Filed by David M. Vahos for Pepco Holdings LLC

Potomac Electric Power Company

Exhibit No.	Description
31-11	Filed by J. Tyler Anthony for Potomac Electric Power Company
31-12	Filed by David M. Vahos for Potomac Electric Power Company

Delmarva Power & Light Company

Exhibit No.	Description
31-13	Filed by J. Tyler Anthony for Delmarva Power & Light Company
31-14	Filed by David M. Vahos for Delmarva Power & Light Company

Atlantic City Electric Company

Exhibit No.	Description
31-15	Filed by J. Tyler Anthony for Atlantic City Electric Company
31-16	Filed by David M. Vahos for Atlantic City Electric Company

Certifications Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code (Sarbanes-Oxley Act of 2002) as to the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 filed by the following officers for the following companies:

Exelon Corporation

Exhibit No.	Description
32-1	Filed by Calvin G. Butler, Jr. for Exelon Corporation
32-2	Filed by Jeanne M. Jones for Exelon Corporation

Commonwealth Edison Company

Exhibit No.	Description
32-3	Filed by Gil C. Quiniones for Commonwealth Edison Company
32-4	Filed by Joshua S. Levin for Commonwealth Edison Company

PECO Energy Company

Exhibit No.	Description
32-5	Filed by David M. Velazquez for PECO Energy Company
32-6	Filed by Marissa E. Humphrey for PECO Energy Company

Baltimore Gas and Electric Company

Exhibit No.	Description
32-7	Filed by Carim V. Khouzami for Baltimore Gas and Electric Company
32-8	Filed by Michael J. Cloyd for Baltimore Gas and Electric Company

Pepco Holdings LLC

Exhibit No.	Description
32-9	Filed by J. Tyler Anthony for Pepco Holdings LLC
32-10	Filed by David M. Vahos for Pepco Holdings LLC

Potomac Electric Power Company

Exhibit No.	Description
32-11	Filed by J. Tyler Anthony for Potomac Electric Power Company
32-12	Filed by David M. Vahos for Potomac Electric Power Company

Delmarva Power & Light Company

Exhibit No.	Description
32-13	Filed by J. Tyler Anthony for Delmarva Power & Light Company
32-14	Filed by David M. Vahos for Delmarva Power & Light Company

Atlantic City Electric Company

Exhibit No.	Description
32-15	Filed by J. Tyler Anthony for Atlantic City Electric Company
32-16	Filed by David M. Vahos for Atlantic City Electric Company
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EXELON CORPORATION

/s/ CALVIN G. BUTLER, JR.	/s/ JEANNE M. JONES
Calvin G. Butler, Jr. President, Chief Executive Officer (Principal Executive Officer) and Director	Jeanne M. Jones Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ ROBERT A. KLECZYNSKI	
Robert A. Kleczynski Senior Vice President, Corporate Controller and Tax (Principal Accounting Officer)	

August 1, 2024

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COMMONWEALTH EDISON COMPANY

/s/ GIL C. QUINIONES	/s/ JOSHUA S. LEVIN
Gil C. Quiniones	Joshua S. Levin
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ STEVEN J. CICHOCKI	
Steven J. Cichocki	
Director, Accounting (Principal Accounting Officer)	

August 1, 2024

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PECO ENERGY COMPANY

/s/ DAVID M. VELAZQUEZ	/s/ MARISSA E. HUMPHREY
David M. Velazquez President, Chief Executive Officer (Principal Executive Officer) and Director	Marissa E. Humphrey Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ CAROLINE FULGINITI	
Caroline Fulginiti Director, Accounting (Principal Accounting Officer)	

August 1, 2024

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BALTIMORE GAS AND ELECTRIC COMPANY

/s/ CARIM V. KHOUZAMI	/s/ MICHAEL J. CLOYD
Carim V. Khouzami President, Chief Executive Officer (Principal Executive Officer) and Director	Michael J. Cloyd Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JASON T. JONES	
Jason T. Jones Director, Accounting (Principal Accounting Officer)	

August 1, 2024

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PEPCO HOLDINGS LLC

/s/ J. TYLER ANTHONY	/s/ DAVID M. VAHOS
J. Tyler Anthony President, Chief Executive Officer (Principal Executive Officer) and Director	David M. Vahos Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE	
Julie E. Giese Director, Accounting (Principal Accounting Officer)	

August 1, 2024

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

POTOMAC ELECTRIC POWER COMPANY

/s/ J. TYLER ANTHONY	/s/ DAVID M. VAHOS
J. Tyler Anthony President, Chief Executive Officer (Principal Executive Officer) and Director	David M. Vahos Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE	
Julie E. Giese Director, Accounting (Principal Accounting Officer)	

August 1, 2024

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DELMARVA POWER & LIGHT COMPANY

/s/ J. TYLER ANTHONY	/s/ DAVID M. VAHOS
J. Tyler Anthony President, Chief Executive Officer (Principal Executive Officer) and Director	David M. Vahos Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE	
Julie E. Giese Director, Accounting (Principal Accounting Officer)	

August 1, 2024

Pursuant to requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ATLANTIC CITY ELECTRIC COMPANY

/s/ J. TYLER ANTHONY	/s/ DAVID M. VAHOS
J. Tyler Anthony	David M. Vahos
President, Chief Executive Officer (Principal Executive Officer) and Director	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ JULIE E. GIESE	
Julie E. Giese	
Director, Accounting (Principal Accounting Officer)	

August 1, 2024

<u>EXHIBIT A</u>

AMENDED AND RESTATED ARTICLES OF INCORPORATION OF EXELON CORPORATION

Effective April 30, 2024

ARTICLE I.

The name of the corporation is Exelon Corporation (the "**Corporation**").

ARTICLE II.

The name of the commercial registered office provider and the county of venue of the Corporation's current registered office is Corporate Creations Network Inc., Erie County, Pennsylvania.

ARTICLE III.
PURPOSES

The purpose or purposes for which the Corporation is incorporated are to engage in, and do any lawful act concerning, any or all lawful business for which corporations may be incorporated under the Business Corporation Law.

ARTICLE IV.
CAPITAL STOCK

The aggregate number of shares which the Corporation shall have authority to issue is 2,100,000,000 shares, divided into 2,000,000,000 shares of Common Stock, without par value (hereinafter called the "**Common Stock**") and 100,000,000 shares of Preferred Stock, without par value (hereinafter called the "**Preferred Stock**"). The board of directors shall have the full authority permitted by law to determine the voting rights, if any, and designations, preferences, limitations, and special rights of any class or any series of any class of the Preferred Stock that may be desired to the extent not determined by the articles.

Shares of Common Stock and shares of any and all classes or series of any class of Preferred Stock shall be in the form of uncertificated shares. Notwithstanding this provision, any shares of Common Stock represented by a physical stock certificate issued on or before July 24, 2018, including any certificates previously issued by PECO Energy Company and Philadelphia Electric Company, shall continue to be represented thereby until such physical stock certificate is surrendered to the Corporation. The rights and obligations of the holders of shares of Common Stock represented by physical stock certificates or by uncertificated shares shall be identical.

The following is a statement of the voting rights, designations, preferences, limitations, and the special rights granted to or imposed upon the Common Stock and the Preferred Stock:

PART 1 - PREFERRED STOCK
Division A
General Provisions

Section 401. Vote Required to Increase Class or Series. Except as otherwise provided in the express terms of any series of the Preferred Stock, the number of authorized shares of the Preferred Stock or of any series thereof may be increased without a class or series vote or consent of the holders of the outstanding shares of the class or series affected.

Division B
Variations Among Series Of Preferred Stock

(Reserved)

PART 2 - COMMON STOCK

Section 421. Voting Rights. At all meetings of the shareholders of the Corporation the holders of Common Stock shall be entitled to one vote for each share of Common Stock held by them respectively, except as otherwise expressly provided in this article.

Section 422. Dividend and Other Distribution Rights. Whenever full dividends or other distributions on all series of the Preferred Stock at the time outstanding having preferential dividend or other distribution rights shall have been paid or declared and set apart for payment or otherwise made, then such dividends (payable in cash or otherwise) or other distributions, as may be determined by the board of directors may be declared and paid or otherwise made on the Common Stock, but only out of funds legally available for the payment of such distributions.

Section 423. Liquidation Rights. In the event of any liquidation, dissolution or winding up of the Corporation, the assets and funds of the Corporation available for distribution to shareholders, after paying or providing for the payment to the holders of shares of all series of Preferred Stock of the full distributive amounts to which they are respectively entitled pursuant to the terms of such Preferred Stock, shall be divided among and paid to the holders of Common Stock according to their respective shares.

PART 3 - GENERAL

Section 431. Preemptive Rights. Except as otherwise provided in the express terms of any class or series of shares, or in any contract, warrant or other instrument issued by the Corporation, no holder of shares of the Corporation shall be entitled, as such, as a matter of right to subscribe for or purchase any part of any issue of shares or other securities of the Corporation, of any class, series or kind whatsoever, and whether issued for cash, property, services, by way of dividends, or otherwise.

Section 432. Special Meetings. A special meeting of shareholders of the Corporation may be called at any time by shareholders entitled to cast at least 25 percent of the votes that all voting shareholders, voting as a single class, are entitled to cast at the particular special meeting. The procedure to be followed by shareholders in calling a special meeting and the methodology for determining the percentage of votes entitled to be cast by the shareholders seeking to call a special meeting (including without limitation any minimum holding periods or other limitations or conditions) shall be as set forth in the Corporation's bylaws.

Section 433. Amendments to Terms of Preferred Stock. If and to the extent provided by the express terms of any series of the Preferred Stock, the board of directors may, without the consent of the holders of the outstanding shares of such series or of the holders of any other shares of the Corporation (unless otherwise provided in the express terms of any such other shares), amend these articles of incorporation so as to change any of the terms of such series.

ARTICLE V.
MANAGEMENT

The following provisions shall govern the management of the business and affairs of the Corporation and the rights, powers or duties of its security holders, directors or officers:

Section 501. Effective Date of Article and Amendments Thereto. This article and any subsequent amendments thereto which require governmental approval, if any, shall take effect upon receipt of such governmental approval.

Section 502. Annual Election of Directors. The board of directors of the Corporation shall not be classified in respect of the time for which they shall hold office. Except as otherwise provided in the express terms of any class or series of Preferred Stock with respect to the election of directors upon the occurrence of a default in the payment of dividends or in the performance of another express requirement of the terms of such Preferred Stock, the directors of the Corporation shall be elected at each annual meeting of the shareholders for a one-year term expiring at the next annual meeting of the shareholders.

Section 503. Number of Directors. The number of directors of the Corporation constituting the whole board shall be fixed solely by resolution adopted by a majority of the total number of directors that the Corporation would have if there were no vacancies on the board of directors, except as otherwise provided in the express terms of any class or series of Preferred Stock with respect to the election of directors upon the occurrence of a default in the payment of dividends or in the performance of another express requirement of the terms of such Preferred Stock.

Section 504. Straight Voting for Directors. The shareholders of the Corporation shall not have the right to cumulate their votes for the election of directors of the Corporation.

Section 505. Liability of Directors and Officers.

(a) A director shall not be personally liable, as such, for monetary damages (including, without limitation, any judgment, amount paid in settlement, penalty, punitive damages or expense of any nature, including, without limitation, attorney's fees and disbursements) for any action taken, or any failure to take any action before, on or after the date of these Articles of Incorporation, unless: (i) the director has breached or failed to perform the duties of his or her office under Subchapter

B of Chapter 17 of the Business Corporation Law; and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

(b) The provisions of paragraph (a) shall not apply to the responsibility or liability of a director pursuant to any criminal statute, or the liability of a director for the payment of taxes pursuant to local, State or Federal law.

(c) No amendment or repeal of this Section 505 shall have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any such act on the part of such director occurring prior to the effective date of such amendment or repeal.

Section 506. Conduct of Officers. In lieu of the standards of conduct otherwise provided by law, officers of the Corporation shall be subject to the same standards of conduct, including standards of care and loyalty and rights of justifiable reliance, as shall at the time be applicable to directors of the Corporation.

Section 507. Bylaws. Except as otherwise provided in the express terms of any series of the shares of the Corporation, the bylaws and, except as otherwise stated in this Section 507, bylaws made by the board of directors or shareholders may be altered or repealed by the board of directors. The shareholders or the board of directors may adopt new bylaws except that the board of directors may not adopt, alter or repeal bylaws that the Business Corporation Law specifies may be adopted only by shareholders, and the board of directors may not alter or repeal any bylaw adopted by the shareholders that provides that it shall not be altered or repealed by the board of directors.

ARTICLE VI.
MISCELLANEOUS

Section 601. Headings. The headings of the various sections of these articles of incorporation are for convenience of reference only and shall not affect the interpretation of any of the provisions of these articles.

Section 602. Reserved Power of Amendment. These articles of incorporation may be amended in the manner and at the time prescribed by statute, and all rights conferred upon shareholders herein are granted subject to this reservation.

* * * * *

EXELON CORPORATION

AMENDED AND RESTATED
BYLAWS

Amended and Restated effective April 30, 2024

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

ARTICLE I.
Offices

Section 1.01 **Registered Office**. The registered office of Exelon Corporation (the "***corporation***") shall be in the City of Erie, in the County of Erie, in the Commonwealth of Pennsylvania. The address of the registered office may be changed from time to time by the corporation's board of directors (the "***board***" or the "***board of directors***").

Section 1.02 **Other Offices**. The corporation may also have offices at such other places within or without the Commonwealth of Pennsylvania as the board of directors may from time to time appoint or as may be necessary, advisable, or appropriate for the business of the corporation.

ARTICLE II.
Shareholders

Section 2.01 **Place of Meetings; Use of Conference Telephone and Similar Equipment**. Meetings of the shareholders of the corporation may be held at such place, if any, within or without the Commonwealth of Pennsylvania as may be designated by the board of directors, or in the absence of a designation by the board of directors, by the chair of the board or the chief executive officer and stated in the notice of a meeting. The board of directors may provide by resolution with respect to a specific meeting of shareholders or with respect to a class of meetings of shareholders that one or more persons may participate in a meeting of the shareholders of the corporation by means of conference telephone or other electronic technology by means of which all persons participating in the meeting can hear each other. If a meeting of the shareholders is held by means of the Internet or other electronic communications technology in a fashion pursuant to which the shareholders have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the shareholders, pose questions to the directors, make appropriate motions and comment on the business of the meeting, the meeting need not be held at a particular geographic location. Except as otherwise provided in these bylaws, the presence or participation, including voting and taking other action, at a meeting of shareholders by conference telephone or other electronic means, including, without limitation, the Internet, shall constitute the presence of, or vote or action by, the shareholder.

Section 2.02 **Annual Meeting**. The annual meeting of the shareholders for the election of directors and the transaction of other business, if any, shall be held on such date and time as may be fixed by the board and stated in the notice of meeting. Failure to hold such meeting at the designated time or on the designated date or to elect some or all of the members of the board at such meeting or any adjournment thereof shall not affect otherwise valid corporate acts or work a dissolution of the corporation. If the annual meeting shall not have been called and held within six (6) months after the designated time, any shareholder may call the meeting at any time thereafter.

Section 2.03 **Special Meetings**.

(a) General Rule. Special meetings of the shareholders may be called at any time only upon (i) resolution of the board of directors or (ii) the written request delivered to, and received by, the corporation's secretary (the "***secretary***") at the principal executive offices of the corporation, signed and dated by one or more shareholders of record, or beneficial owners, if any, of the corporation (each, a "***Requesting Shareholder***") who own (as defined below in Section 2.17(e)(v)) not less than twenty-five (25) percent of the voting power of shares of capital stock entitled to vote on each of the matters proposed to be considered at such special meeting (the "***Requisite Percentage***") and who have complied in all respects with this Section 2.03. Except as otherwise required by law, notice of the special meeting shall be given in accordance with Section 2.04 of the corporation's amended and restated bylaws (as may be further amended from time in accordance with their terms, these "***bylaws***").

(b) Form of Request; Revocation. To be in proper form, any request or requests for a special meeting pursuant to Section 2.03(a)(ii) above (each, a "***Special Meeting Request***") (i) must be delivered in accordance with Section 2.03(a)(ii) by one or more Requesting Shareholders who (A) at the time each Special Meeting Request is delivered, owns, or is a duly authorized agent of persons who own, the Requisite Percentage; (B) shall not have revoked such Special Meeting Request; and (C) shall continue to own not less than the Requisite Percentage through the date of the special meeting; (ii) must provide a statement of the specific purpose or purposes of the special meeting, the matter(s) proposed to be acted on at the special meeting, the reasons for conducting such business at the special meeting and any material interest in such business of each Requesting Shareholder or any Shareholder Associated Person (as defined below in Section 2.17(g)(6)) of such Requesting Shareholder; (iii) must contain a representation that each Requesting Shareholder, or one or more representatives of each such Requesting Shareholder, intends to appear in person or by proxy at the special meeting to present the proposal(s) or business to be brought before the special meeting; (iv) must contain (A) such information, statements, representations, agreements and other documents required by these bylaws as though such Requesting Shareholders are intending to nominate a candidate for director or propose other business to be brought before an annual meeting of shareholders pursuant to Section 2.17(c) of this Article II, and (B) without limitation of the foregoing clause (A), the text of such proposal(s) or business (including the complete text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend the corporation's amended and restated articles of incorporation (as may be further amended in accordance with their terms, the "***articles***") or these bylaws, the language of the proposed amendment); (v) must contain (A) an agreement by the Requesting Shareholders to notify the corporation promptly in the event of any disposition following the date of the Special Meeting Request of shares of common stock of the corporation owned by the Requesting Shareholders, and (B) an acknowledgment that any such disposition prior to the date of the special meeting shall be deemed to be a revocation of such Special Meeting Request with respect to such disposed shares and that such shares will no longer be included in determining whether the Requisite Percentage has been satisfied; and (vi) must provide documentary evidence that, at the time the Special Meeting Request is delivered to, and received by, the secretary, the Requesting Shareholders own the Requisite Percentage; *provided, however*, that if the Requesting Shareholders are not the beneficial owners of the shares representing the Requisite Percentage, then to be valid, the Special Meeting Request must also include documentary evidence that the beneficial owners on whose behalf the Special Meeting Request is made beneficially own the Requisite Percentage at the time such Special Meeting Request is delivered to the secretary (or, such evidence must be delivered to, and received by, the secretary within ten (10) days after the delivery of the Special Meeting Request).

In determining whether a Special Meeting Request has been properly made in accordance with Section 2.03(a)(ii), multiple Special Meeting Requests delivered to the secretary will be considered together only if (x) each Special Meeting Request identifies substantially the same purpose or purposes of the special meeting and substantially the same matters proposed to be acted on at such meeting (in each case, as determined in good faith by the board) (which, if such purpose is the election or removal of directors, changing the size of the board and filling of vacancies and/or newly created directorships resulting from any increase in the authorized number of directors, will mean that the exact same person or persons are proposed for election or removal in each relevant Special Meeting Request), and (y) such

Special Meeting Requests have been delivered to, and received by, the secretary within sixty (60) days of the earliest dated Special Meeting Request.

Any Requesting Shareholder may revoke their Special Meeting Request at any time prior to the date of the special meeting by written revocation to the secretary delivered to, and received by, the secretary at the corporation's principal executive offices. If, at any point following the earliest dated Special Meeting Request, the unrevoked requests from Requesting Shareholders (whether by specific written revocation or deemed revocation pursuant to clause (v) of this Section 2.03(b)), represent in the aggregate less than the Requisite Percentage, the board, in its discretion, may cancel the special meeting. If none of the Requesting Shareholders who submitted a Special Meeting Request appears or sends a duly authorized representative to present the business proposed to be conducted at the special meeting, the corporation need not present such business for a vote at such special meeting, notwithstanding that proxies in respect of such matter may have been received by the corporation.

For purposes of this Section 2.03, the terms "**ownership**," "**owned**," "**owning**" and other variation of the word "**own**" shall have the meaning set forth in Section 2.17(e)(v) of these bylaws.

(c) Disqualification. The secretary shall not be required to call a special meeting pursuant to Section 2.03(a)(ii) if, in the good faith determination of the board, which determination shall be conclusive and binding on the corporation and its shareholders, (i) the Special Meeting Request does not comply with these bylaws; (ii) the matter(s) set forth in the Special Meeting Request relates to an item of business that is not a proper matter for shareholder action under the Pennsylvania Business Corporation Law as the same exists or hereafter may be amended (the "***PBCL***"); (iii) the Special Meeting Request is received by the secretary during the period commencing ninety (90) days prior to the first anniversary of the date of the immediately preceding annual meeting of shareholders and ending on the earlier of (A) the date of the next annual meeting of the shareholders, and (B) thirty (30) days after the first anniversary of the date of the previous meeting; (iv) an identical or substantially similar item of business, as determined in good faith by the board in its sole and absolute discretion, which determination shall be conclusive and binding on the corporation and its shareholders (a "***Similar Item***"), other than the election of directors, was presented at a meeting of shareholders held not more than twelve (12) months before the Special Meeting Request is received by the secretary; (v) a Similar Item was presented at an annual or special meeting of shareholders held not more than one hundred twenty (120) days before the Special Meeting Request is received by the secretary; or (vi) a Similar Item is or will be included in the notice of meeting at an annual or special meeting of shareholders that has been called but not yet held or that is called for a date within ninety (90) days after the Special Meeting Request is received (and, for purposes of clauses (v) and (vi), the nomination, election or removal of directors shall be deemed to be a Similar Item with respect to all actions involving the nomination, election or removal of directors, changing the size of the board and filling of vacancies and/or newly created directorships resulting from any increase in the authorized number of directors); or (vi) the Special Meeting Request was made in a manner that involved a violation of Regulation 14A of the Securities Exchange Act of 1934, as amended (such act, and the rules and regulations promulgated thereunder, the "***Exchange Act***") or other applicable law.

(d) Scheduling of Special Meeting; Obligation to Update.

(i) A special meeting called pursuant to Section 2.03(a)(ii) shall be held at such date, time and place, if any, as may be fixed by the board in accordance with these bylaws; *provided, however*, that the special meeting shall not be held more than one hundred twenty (120) days after receipt by the corporation of a Special Meeting Request properly made under this Section 2.03.

(ii) In fixing a date and time for any special meeting called by a Requesting Shareholder, the board may consider such factors as it deems relevant, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for the special meeting and any plan of the board to call an annual meeting or a special meeting. Each Requesting Shareholder is required to (A) update and supplement the Special Meeting Request delivered pursuant to Section 2.03(b), if necessary so that it is true and correct as of the record date for determining the shareholders entitled to notice of the special meeting, not later than ten (10) days following the later of the record date for determining the shareholders entitled to notice of the special meeting or the date that notice of such record date is first publicly disclosed to provide any material changes in the foregoing information as of such record date, (B) update and supplement the Special Meeting Request delivered pursuant to Section 2.03(b) in accordance with the requirements under Section 2.17(g) of this Article II as if such requirements applied herein *mutatis mutandis*, and (C) promptly provide any other information reasonably requested by the corporation pursuant to Section 2.17(d). For the avoidance of doubt, the obligation to update and supplement as set forth in this Section 2.03(d)(ii) shall not limit the corporation's rights with respect to any deficiencies in any request provided by a shareholder, extend any applicable deadlines under these bylaws or enable or be deemed to permit a shareholder who has previously submitted a request under these bylaws to amend or update any proposal or to submit any new proposal, including by changing or adding nominees, matters, business and/or resolutions proposed to be brought before the special meeting of shareholders.

(e) Business. Business transacted at any special meeting as a result of a Special Meeting Request properly made under this Section 2.03 shall be limited to (i) the purpose(s) stated in the Special Meeting Request(s) received from the Requesting Shareholders who own the Requisite Percentage, and (ii) any additional matters the board determines to include in the corporation's notice of the special meeting. Except as otherwise provided by the PBCL, the articles or these bylaws, the Chairman of the special meeting (or the board in advance of the special meeting) shall have the power and authority to determine whether any business proposed to be brought before a special meeting was proposed in accordance with the foregoing procedures of this Section 2.03. No business shall be conducted at a special meeting of shareholders except in accordance with Article II of these bylaws or as required by the PBCL.

Section 2.04 Notice of Meetings.

(a) General Rule. Notice in record form (as defined below) of every meeting of the shareholders shall be given in accordance with Article V of these bylaws by, or at the direction of, the secretary or other authorized person to each shareholder of record entitled to vote at the meeting at least (i) ten (10) days prior to the day named for a meeting that will consider a transaction under Chapter 3 of the PBCL or a fundamental change under Chapter 19 of the PBCL or (ii) five (5) days prior to the date of the meeting. Written notice of any meeting of shareholders may be sent by any class of mail, postage prepaid, so long as such notice is sent at least twenty (20) calendar days prior to the date of the meeting. If the secretary or other authorized person neglects or refuses to give notice of a meeting, the person or persons calling the meeting may do so. In the case of a special meeting of shareholders, the notice shall specify the general nature of the business to be transacted. For purposes of these bylaws, "***record form***" shall mean inscribed on a tangible medium or stored in an electronic or other medium and retrievable in perceivable form. Notwithstanding the foregoing, if the corporation solicits proxies generally with respect to a meeting of its shareholders, the corporation is not required to give notice of the meeting to any shareholder to whom the corporation is not required to send a proxy statement pursuant to the rules of the Securities and Exchange Commission.

(b) Notice of Action by Shareholders on Articles. In the case of a meeting of shareholders that has as one of its purposes adoption, amendment or repeal of the articles, notice in record form shall be given to each shareholder entitled to vote thereon, and the notice shall include the proposed amendment or a summary of the changes to be effected thereby and, if Subchapter D of Chapter 15 (relating to dissenters rights) of the PBCL is applicable, the text of that subchapter.

(c) Notice of Action by Shareholders on Bylaws. In the case of a meeting of shareholders that has as one of its purposes adoption, amendment or repeal of these bylaws, written notice shall be given to each shareholder that the purpose, or one of the purposes, of the meeting is to consider the adoption, amendment, or repeal of these bylaws. There shall be included in, or enclosed with, the notice a copy of the proposed amendment or a summary of the changes to be effected thereby.

(d) Shareholders Without Forwarding Addresses. Notice or other communications need not be sent to any shareholder with whom the corporation has been unable to communicate for more than 24 consecutive months because communications to the shareholder are returned unclaimed or the shareholder has otherwise failed to provide the corporation with a current address. Whenever the shareholder provides the corporation with a current address, the corporation shall recommence sending notices and other communications to the shareholder in the manner provided by these bylaws.

(e) Adjourned Shareholder Meetings. When a meeting of shareholders is adjourned, it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which the adjournment is taken, unless the board fixes a new record date for the adjourned meeting or the PBCL requires notice of the business to be transacted and such notice has not previously been given.

Section 2.05 Quorum and Adjournment.

(a) General Rule. A meeting of the shareholders of the corporation duly called shall not be organized for the transaction of business unless a quorum is present. Except as otherwise provided in the terms of the Preferred Stock, the presence of shareholders entitled to cast at least a majority of the votes that all shareholders are entitled to cast on a particular matter to be acted upon at the meeting shall constitute a quorum for the purposes of consideration and action on the matter. Shares of the corporation owned, directly or indirectly, by it shall not be counted in determining the total number of outstanding shares for quorum purposes at any given time.

(b) Withdrawal of a Quorum. The shareholders present at a duly organized meeting can continue to do business until adjournment notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

(c) Adjournments Generally. Any regular or special meeting of the shareholders, including one at which directors are to be elected, may be adjourned for such period as the shareholders present and entitled to vote shall direct.

(d) Action in Absence of Quorum. If a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided in the PBCL, adjourn the meeting to such time and place, if any, as they may determine. Those shareholders entitled to vote who attend a meeting of shareholders at which directors are to be elected that has been previously adjourned for lack of a quorum, although less than a quorum as fixed in Section 1756 of the PBCL or this Section 2.05, shall nevertheless constitute a quorum for the purpose of electing directors. Those shareholders entitled to vote who attend a meeting of shareholders that has previously been adjourned for one or more periods aggregating at least fifteen (15) days because of an absence of a quorum, although less than a quorum as fixed in Section 1756 of the PBCL or this Section 2.05, shall nevertheless constitute a quorum for the purpose of acting upon any matter set forth in the notice of the meeting if the notice states that those shareholders who attend the adjourned meeting shall nevertheless constitute a quorum for the purpose of acting upon the matter.

Section 2.06 **Action by Shareholders**. Except as otherwise provided in the PBCL or by the articles or these bylaws, whenever any corporate action is to be taken by vote of the shareholders of the corporation, it shall be authorized upon receiving the affirmative vote of a majority of the votes cast by all shareholders entitled to vote thereon and, if any shareholders are entitled to vote thereon as a class, upon receiving the affirmative vote of a majority of the votes cast by the shareholders entitled to vote as a class, in each case at a duly organized meeting of shareholders. Except as otherwise provided in the terms of the Preferred Stock or when acting by unanimous consent to remove a director or directors, any action required or permitted to be taken by the shareholders of the corporation must be effected at a duly called annual or special meeting of the shareholders of the corporation and may not be effected by written consent in lieu of a meeting.

Section 2.07 **Organization**.

(a) Presiding Officer and Secretary of Meeting. At every meeting of the shareholders, the chair of the board, or such other director or officer of the corporation designated by the board, will act as the chairperson (the "***presiding officer***") of the meeting. The secretary or, in the absence of the secretary, an assistant secretary, or, in the absence of both the secretary and assistant secretaries, a person appointed by the presiding officer of the meeting, shall act as secretary of the meeting.

(b) Rules of Conduct. Unless otherwise determined by the board of directors, the presiding officer of the meeting of shareholders will determine the order of business and have the right and authority to convene and (for any or no reason) to recess or adjourn the meeting, to make such rules, regulations, or procedures for the conduct of meetings of shareholders and to do all such acts as such presiding officer deems necessary, appropriate, or convenient for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the board or prescribed by the presiding officer, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) removal of any shareholder or any other individual who refuses to comply with the meeting rules, regulations or procedures; (iii) the rules, regulations and procedures for maintaining order at the meeting and the safety of those present; (iv) limitations on attendance at or participation in such meeting to shareholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the board of directors or the presiding officer shall permit; (v) restrictions on entry to the meeting after the time fixed for the commencement thereof; (vi) limitations on the time allotted to questions or comment by participants; (vii) the determination of when the polls shall open and close for any given matter to be voted on at the meeting; (viii) the conclusion, recess or adjournment of the meeting, regardless of whether a quorum is present, to a later date and time and at a place, if any, announced at the meeting; (ix) restrictions on the use of audio and video recording devices, cell phones and other electronic devices; (x) rules, regulations and procedures for compliance with any federal, state or local laws or regulations, without limitation, those concerning safety, health or security; (xi) procedures (if any) requiring attendees to provide the corporation advance notice of their intent to attend the meeting; and (xii) any rules, regulations or procedures as the board or the presiding officer may deem appropriate regarding the participation by means of remote communication of shareholders and proxyholders not physically present at a meeting, whether such meeting is to be held at a designated place or solely by means of remote communication. Any action by the presiding officer in adopting rules for, and in conducting, a meeting shall be fair to the shareholders. Unless, and to the extent determined by the board of directors or the presiding officer of the meeting, meetings of shareholders need not be conducted in accordance with rules of parliamentary procedure.

(c) Closing of the Polls. The presiding officer shall announce at the meeting when the polls close for each matter voted upon. If no announcement is made, the polls shall be deemed to have closed upon the final adjournment of the meeting. After the polls close, no ballots, proxies, or votes, nor any revocations or changes thereto, may be accepted.

Section 2.08 Voting Rights of Shareholders. At all meetings of the shareholders of the corporation the holders of common stock shall be entitled to one (1) vote for each share of common stock held by them, respectively.

Section 2.09 Voting and Other Action by Proxy.

(a) General Rule.

(i) Every shareholder entitled to vote at a meeting of shareholders may authorize another person to act for the shareholder by proxy.

(ii) The presence of, or vote or other action on behalf of a shareholder at a meeting of shareholders by a proxy of, a shareholder shall constitute the presence of, or vote or action by, the shareholder.

(iii) Where two or more proxies of a shareholder are present, the corporation shall, unless otherwise expressly provided in the proxy, accept as the vote or other action of all shares represented thereby the vote cast or other action taken by a majority of them and, if a majority of the proxies cannot agree whether the shares represented shall be voted, or upon the manner of voting the shares or taking the other action, the voting of the shares or right to take other action shall be divided equally among those persons.

(iv) A proxy marked "abstain" by a shareholder with respect to a particular proposal shall not be voted either for or against such proposal and shall not be considered "cast" with respect to such proposals. In any election of directors, any form of proxy in which the directors to be voted upon are named therein as candidates and which is marked by a shareholder "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld shall not be voted either for or against the election of a director and shall not be considered "cast" with respect to such elections.

(b) Form of Proxy. Every proxy shall be in a form approved by the secretary or as otherwise provided by the PBCL.

(c) Revocation. A proxy, unless coupled with an interest, shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary, but the revocation of a proxy shall not be effective until notice thereof has been given to the secretary of the corporation or his or her designated agent in writing or by electronic transmission. An unrevoked proxy shall not be valid after three (3) years from the date of its signature, authentication, or transmission unless a longer time is expressly provided therein. A proxy shall not be revoked by the death or incapacity of the maker unless, before the vote is counted or the authority is exercised, notice in record form of the death or incapacity is given to the secretary or his or her designated agent.

(d) Expenses. The corporation shall pay the reasonable expenses of solicitation of votes or proxies of shareholders by or on behalf of the board of directors or its nominees for election to the board, including solicitation by professional proxy solicitors and otherwise.

Section 2.10 Voting by Fiduciaries and Pledgees. Shares of the corporation standing in the name of a trustee or other fiduciary and shares held by an assignee for the benefit of creditors or by a receiver may be voted by the trustee, fiduciary, assignee, or receiver. A shareholder whose shares are pledged shall be entitled to vote the shares until the shares have been transferred into the name of the pledgee, or a nominee of the pledgee, but nothing in this Section 2.10 shall affect the validity of a proxy given to a pledgee or nominee.

Section 2.11 Voting by Joint Holders of Shares.

(a) General Rule. Where shares of the corporation are held jointly or as tenants in common by two or more persons, as fiduciaries or otherwise:

(i) if only one or more of such persons is present in person or by proxy, all of the shares standing in the names of such persons shall be deemed to be represented for the purpose of determining a quorum and the corporation shall accept as the vote of all the shares the vote cast by a joint owner or a majority of them; and

(ii) if the persons are equally divided upon whether the shares held by them shall be voted or upon the manner of voting the shares, the voting of the shares shall be divided equally among the persons without prejudice to the rights of the joint owners or the beneficial owners thereof among themselves.

(b) Exception. If there has been filed with the secretary a copy, certified by an attorney-at-law to be correct, of the relevant portions of the agreement under which the shares are held or the instrument by which the trust or estate was created or the order of court appointing them or of an order of court directing the voting of the shares, the persons specified as having such voting power in the latest document so filed, and only those persons, shall be entitled to vote the shares but only in accordance therewith.

Section 2.12 Voting by Corporations.

(a) Voting by Corporate Shareholders. Any other domestic or foreign corporation for profit or not-for-profit that is a shareholder of the corporation may vote by any of its officers or agents, or by proxy appointed by any officer or agent, unless some other person, by resolution of the board of directors of the other corporation or a provision of its articles or bylaws, a copy of which resolution or provision certified to be correct by one of its officers has been filed with the secretary, is appointed its general or special proxy in which case that person shall be entitled to vote the shares.

(b) Controlled Shares. Shares of the corporation owned, directly or indirectly, by it and controlled, directly or indirectly, by the board of directors of the corporation, as such, shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares for voting purposes at any given time.

Section 2.13 Determination of Shareholders of Record.

(a) Fixing Record Date. The board of directors may fix a time prior to the date of any meeting of shareholders as a record date for the determination of the shareholders entitled to notice of, or to vote at, the meeting, which time, except in the case of an adjourned meeting, shall be not more than ninety (90) calendar days prior to the date of the meeting of shareholders. Only shareholders of record on the date fixed shall be so entitled notwithstanding any transfer of shares on the books of the corporation after any record date fixed as provided in this Section 2.13(a). The board of directors may similarly fix a record date for the determination of shareholders of record for any other purpose, except that the record date fixed to determine the holders of Preferred Stock entitled to receive dividends thereon shall not precede the respective dividend payment date by more than forty (40) calendar days. When a determination of shareholders of record has been made as provided in this Section 2.13(a) for purposes of a meeting, the determination shall apply to any adjournment thereof unless the board fixes a new record date for the adjourned meeting.

(b) Determination When Record Date Is Not Fixed. If a record date is not fixed: (i) the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the Close of Business (as defined below) on the day next preceding the day on which notice is given, and (ii) the record date for determining shareholders for any other purpose shall be at the Close of Business on the day on which the board of directors adopts the resolution relating thereto.

(c) Certification by Nominee. The board of directors may adopt a procedure whereby a shareholder of the corporation may certify in writing to the corporation that all or a portion of the shares registered in the name of the shareholder are held for the account of a specified person or persons. Upon receipt by the corporation of a certification complying with the procedure, the persons specified in the certification shall be deemed, for the purposes set forth in the certification, to be the holders of record of the number of shares specified in place of the shareholder making the certification.

Section 2.14 Voting Lists.

(a) General Rule. The officer or agent having charge of the transfer books for shares of the corporation shall make a complete list of the shareholders entitled to vote at any meeting of shareholders, arranged in alphabetical order, with the address of and the number of shares held by each. This Section 2.14(a) does not require the corporation to include electronic mail addresses or other electronic contact information on the list. The corporation shall not be required to produce or make available to its shareholders a list of shareholders in connection with any meeting of its shareholders for which a judge or judges of election are appointed, but such a list shall be furnished to the judge or judges of election.

(b) Effect of List. Failure to comply with the requirements of this Section 2.14 shall not affect the validity of any action taken at a meeting prior to a demand at the meeting by any shareholder entitled to vote thereat to examine the list. The original share register or transfer book, or a duplicate thereof kept in the Commonwealth of Pennsylvania, shall be *prima facie* evidence as to who are the shareholders entitled to examine the list or share register or transfer book or to vote at any meeting of shareholders.

Section 2.15 **Judges of Election**.

(a) Appointment. In advance of any meeting of shareholders of the corporation, the board of directors may appoint judges of election, who need not be shareholders, to act at the meeting or any adjournment thereof. If judges of election are not so appointed, the presiding officer of the meeting may, and at the request of any shareholder shall, appoint judges of election at the meeting. The number of judges shall be one (1) or three (3). A person who is a candidate for an office to be filled at the meeting shall not act as a judge.

(b) Vacancies. In case any person appointed as a judge fails to appear or fails or refuses to act, the vacancy may be filled by appointment made by the board of directors in advance of the convening of the meeting or at the meeting by the presiding officer thereof.

(c) Duties. The judges of election shall (i) determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, and the authenticity, validity and effect of proxies, (ii) receive votes or ballots, (iii) hear and determine all challenges and questions in any way arising in connection with the right to vote, (iv) count and tabulate all votes, (v) determine the result and (vi) do such acts as may be proper to conduct the election or vote with fairness to all shareholders. The judges of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three (3) judges of election, the decision, act, or certificate of a majority shall be effective in all respects as the decision, act, or certificate of all.

(d) Report. On request of the presiding officer of the meeting or of any shareholder, the judges shall make a report in writing of any challenge, question, or matter determined by them, and execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated therein.

Section 2.16 **Minors as Security Holders**. The corporation may treat a minor who holds shares or obligations of the corporation as having capacity to receive and to empower others to receive dividends, interest, principal and other payments or distributions, to vote or express consent or dissent and to make elections and exercise rights relating to such shares or obligations unless, in the case of payments or distributions on shares, the corporate officer responsible for maintaining the list of shareholders or the transfer agent of the corporation or, in the case of payments or distributions on obligations, the treasurer or paying officer or agent has received written notice that the holder is a minor.

Section 2.17 **Conduct of Business;** Notice of Shareholder Proposals and Director Nominations; Proxy Access.

(a) Annual Meetings of Shareholders. Nominations of persons for election to the board and the proposal of business other than nominations to be considered by the shareholders may be made at an annual meeting of shareholders only: (i) pursuant to the corporation's notice of meeting (or any supplement thereto) with respect to such annual meeting given by or at the direction of the board, (ii) otherwise properly brought before such annual meeting by or at the direction of the board or (iii) by any shareholder of the corporation who (A) is a shareholder of record at the time of the giving of the notice provided for in this Section 2.17 through the date of such annual meeting, (B) is entitled to vote at such annual meeting and (C) complies with the notice procedures set forth in this Section 2.17 as applicable. For the avoidance of doubt, compliance with the foregoing clause (iii) shall be the exclusive means for a shareholder to make nominations, or to propose any other business (other than a proposal included in the corporation's proxy materials pursuant to and in compliance with Rule 14a-8 under the Exchange Act, at an annual meeting of shareholders.

(b) Timing of Notice for Annual Meetings. In addition to any other applicable requirements, for nominations or other business to be properly brought before an annual meeting by a shareholder pursuant to Section 2.17 (a)(iii), the shareholder must have given timely notice thereof in proper written form to the secretary, and, in the case of business other than nominations, such business must be a proper matter for shareholder action. To be timely, such notice must be received by the secretary at the principal executive offices of the corporation not later than the Close of Business on the one hundred twentieth (120th) day, or earlier than the Close of Business on the one hundred fiftieth (150th) day, prior to the first anniversary of the date on which the corporation first mailed its proxy materials to shareholders for the immediately preceding year's annual meeting of shareholders; *provided*, *however*, that if the date of the annual meeting of shareholders is more than thirty (30) days prior to, or more than sixty (60) days after, the first anniversary of the date of the preceding year's annual meeting or if no annual meeting was held in the preceding year, to be timely, a shareholder's notice must be so received not earlier than the Close of Business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the Close of Business on the later of (i) the ninetieth (90th) day prior to such annual meeting and (ii) the tenth (10th) day following the day on which public disclosure (as defined below) of the date of the meeting is first made by the corporation. In no event shall the adjournment, recess, postponement or rescheduling of an annual meeting (or the public disclosure thereof) commence a new time period (or extend any time period) for the giving of notice as described above.

(c) Form of Notice. To be in proper written form, the notice of any shareholder of record giving notice under this Section 2.17 (each, a "***Noticing Party***") must set forth:

(i) as to each person whom such Noticing Party proposes to nominate for election or reelection as a director (each, a "***Proposed Nominee***"), if any:

(A) the name, age, business address, and residence address of such Proposed Nominee;

(B) the principal occupation and employment of such Proposed Nominee;

(C) a written questionnaire with respect to the background and qualifications of such Proposed Nominee, completed by such Proposed Nominee in the form required by the corporation (which form such Noticing Party shall request in writing from the secretary prior to submitting notice and which the secretary shall provide to such Noticing Party within ten (10) days after receiving such request);

(D) a written representation and agreement completed by such Proposed Nominee in the form required by the corporation (which form such Noticing Party shall request in writing from the secretary prior to submitting notice and which the secretary shall provide to such Noticing Party within ten (10) days after receiving such request) providing that such Proposed Nominee: (I) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such Proposed Nominee, if elected as a director of the corporation, will act or vote on any issue or question (a "***Voting Commitment***") that has not been disclosed to the corporation or any Voting Commitment that could limit or interfere with such Proposed Nominee's ability to comply, if elected as a director of the corporation, with such Proposed Nominee's fiduciary duties under applicable law; (II) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director or nominee that has not been disclosed to the corporation; (III) will, if elected as a director of the corporation, comply with all applicable rules of any securities exchanges upon which the corporation's securities are listed, the articles, these bylaws, all applicable publicly disclosed corporate governance, ethics, conflict of interest, confidentiality, stock ownership and trading policies and all other guidelines and policies of the corporation generally applicable to directors (which other guidelines and policies will be provided to such Proposed Nominee within five (5) business days after the secretary receives any written request therefor from such Proposed Nominee), and all applicable fiduciary duties under state law; (IV) consents to being named as a nominee in the corporation's proxy statement and form of proxy for the meeting; (V) intends to serve a full term as a director of the corporation, if elected; (VI) consents to and will cooperate with any background checks, requests for information and regulatory filings and disclosures reasonably requested by the Board in connection with any laws or regulations applicable to, or licenses held by, the corporation; and (VII) will provide facts, statements and other information in all communications with the corporation and its shareholders that are or will be true and correct in all material respects and that do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading;

(E) a description of all direct and indirect compensation and other material monetary agreements, arrangements or understandings, written or oral, during the past three (3) years, and any other material relationships, between or among such Proposed Nominee or any of such Proposed Nominee's affiliates or associates (each as defined below), on the one hand, and any Noticing Party or any Shareholder Associated Person, on the other hand, including, without limitation, (I) all information that would be required to be disclosed pursuant to Item 404 promulgated under Regulation S-K under the Exchange Act as if such Noticing Party and any Shareholder Associated Person were the "registrant" for purposes of such rule and the Proposed Nominee were a director or executive officer of such registrant, and (II) all information that would be required to be disclosed pursuant to listing standards of each securities exchange upon which the corporation's securities are listed;

(F) a description of any business or personal interests that could place such Proposed Nominee in a potential conflict of interest with the corporation or any of its subsidiaries; and

(G) all other information relating to such Proposed Nominee or such Proposed Nominee's associates (as defined below) that would be required to be disclosed in a proxy statement or other filing required to be made by such Noticing Party or any Shareholder Associated Person in connection with the solicitation of proxies for the election of directors in a contested election or otherwise required pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (collectively, the "***Proxy Rules***");

(ii) as to any other business that such Noticing Party proposes to bring before the meeting:

(A) a reasonably brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting;

(B) the text of the proposal or business (including the complete text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend the articles or these bylaws, the language of the proposed amendment); and

(C) all other information relating to such business that would be required to be disclosed in a proxy statement or other filing required to be made by such Noticing Party or any Shareholder Associated Person in connection with the solicitation of proxies in support of such proposed business by such Noticing Party or any Shareholder Associated Person pursuant to the Proxy Rules; and

(iii) as to such Noticing Party and each Shareholder Associated Person:

(A) the name and address of such Noticing Party and each Shareholder Associated Person (including, as applicable, as they appear on the corporation's books and records);

(B) the class, series and number of shares of each class or series of capital stock (if any) of the corporation that are, directly or indirectly, owned beneficially or of record (specifying the type of ownership) by such Noticing Party or any Shareholder Associated Person (including any rights to acquire beneficial ownership at any time in the future); the date or dates on which such shares were acquired; and the investment intent of such acquisition;

(C) the name of each nominee holder for, and number of, any securities of the corporation owned beneficially but not of record by such Noticing Party or any Shareholder Associated Person and any pledge by such Noticing Party or any Shareholder Associated Person with respect to any of such securities;

(D) a complete and accurate description of all agreements, arrangements or understandings, written or oral, (including any derivative or short positions, profit interests, hedging transactions, forwards, futures, swaps, options, warrants, convertible securities, stock appreciation or similar rights, repurchase agreements or arrangements, borrowed or loaned shares and so-called "stock borrowing" agreements or arrangements) that have been entered into by, or on behalf of, such Noticing Party or any Shareholder Associated Person, the effect or intent of which is to mitigate loss, manage risk or benefit from changes in the price of any securities of the corporation, or maintain, increase or decrease the voting power of such Noticing Party or any Shareholder Associated Person with respect to securities of the corporation, whether or not such instrument or right shall be subject to settlement in underlying shares of capital stock of the corporation and without regard to whether such agreement, arrangement or understanding is required to be reported on a Schedule 13D, 13F or 13G in accordance with the Exchange Act (any of the foregoing, a "***Derivative Instrument***");

(E) any substantial interest, direct or indirect (including any existing or prospective commercial, business or contractual relationship with the corporation), by security holdings or otherwise, of such Noticing Party or any Shareholder Associated Person in the corporation or any affiliate thereof, other than an interest arising from the ownership of corporation securities where such Noticing Party or such Shareholder Associated Person receives no extra or special benefit not shared on a *pro rata* basis by all other holders of the same class or series;

(F) a complete and accurate description of all agreements, arrangements or understandings, written or oral, (I) between or among such Noticing Party and any of the

Shareholder Associated Persons or (II) between or among such Noticing Party or any Shareholder Associated Person and any other person or entity (naming each such person or entity), including, without limitation, (x) any proxy, contract, arrangement, understanding or relationship pursuant to which such Noticing Party or any Shareholder Associated Person, directly or indirectly, has a right to vote any security of the corporation (other than any revocable proxy given in response to a solicitation made pursuant to, and in accordance with, Section 14(a) of the Exchange Act by way of a solicitation statement filed on Schedule 14A), (y) any understanding, written or oral, that such Noticing Party or any Shareholder Associated Person may have reached with any shareholder of the corporation (including the name of such shareholder) with respect to how such shareholder will vote such shareholder's shares in the corporation at any meeting of the corporation's shareholders or take other action in support of any Proposed Nominee or other business, or other action to be taken, by such Noticing Party or any Shareholder Associated Person and (z) any other agreements that would be required to be disclosed by such Noticing Party, any Shareholder Associated Person or any other person or entity pursuant to Item 5 or Item 6 of a Schedule 13D pursuant to Section 13 of the Exchange Act (regardless of whether the requirement to file a Schedule 13D is applicable to such Noticing Party, such Shareholder Associated Person or such other person or entity);

(G) any rights to dividends on the shares of the corporation owned beneficially by such Noticing Party or any Shareholder Associated Person that are separated or separable from the underlying shares of the corporation;

(H) any proportionate interest in shares of the corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership, limited liability company or similar entity in which such Noticing Party or any Shareholder Associated Person is (I) a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership or (II) the manager, managing member or, directly or indirectly, beneficially owns an interest in the manager or managing member of such limited liability company or similar entity;

(I) any significant equity interests or any Derivative Instruments in any principal competitor of the corporation held by such Noticing Party or any Shareholder Associated Person;

(J) any direct or indirect interest of such Noticing Party or any Shareholder Associated Person in any contract with the corporation, any affiliate of the corporation or any principal competitor of the corporation (including, without limitation, any employment agreement, collective bargaining agreement or consulting agreement);

(K) a description of any material interest of such Noticing Party or any Shareholder Associated Person in the business proposed by such Noticing Party, if any, or the election of any Proposed Nominee;

(L) a representation that (I) neither such Noticing Party nor any Shareholder Associated Person has breached any contract or other agreement, arrangement or understanding with the corporation except as disclosed to the corporation pursuant hereto and (II) such Noticing Party and each Shareholder Associated Person has complied, and will comply, with all applicable requirements of state law and the Exchange Act with respect to matters set forth in this Section 2.17;

(M) a complete and accurate description of any performance-related fees (other than an asset-based fee) to which such Noticing Party or any Shareholder Associated Person may be entitled as a result of any increase or decrease in the value of the corporation's securities or any Derivative Instruments, including, without limitation, any such interests held by members of such Noticing Party's or any Shareholder Associated Person's immediate family sharing the same household;

(N) a description of the investment strategy or objective, if any, of such Noticing Party or any Shareholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, and other marketing materials, if any provided to investors or potential investors in the Noticing Party or any Shareholder Associated Person;

(O) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) under the Exchange Act or an amendment pursuant to Rule 13d-2(a) under the Exchange Act if such a statement were required to be filed under the Exchange Act by such Noticing Party or any Shareholder Associated Person, or such Noticing Party's or any Shareholder Associated Person's associates, (regardless of whether such person or entity is actually required to file a Schedule 13D);

(P) a certification regarding whether such Noticing Party and each Shareholder Associated Person has complied with all applicable federal, state, and other legal requirements in connection with such person's acquisition of shares of capital stock or other securities of the corporation and such person's acts or omissions as a shareholder of the corporation, if such person is or has been a shareholder of the corporation; and

(Q) all other information relating to such Noticing Party or any Shareholder Associated Person, or such Noticing Party's or any Shareholder Associated Person's associates, that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies in support of the business proposed by such Noticing Party, if any, or for the election of any Proposed Nominee in a contested election or otherwise pursuant to the Proxy Rules;

provided, however, that the disclosures in the foregoing subclauses (A) through (Q) shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Noticing Party solely as a result of being the shareholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner.

(iv) a representation that such Noticing Party intends to appear in person or by proxy at the meeting to bring such business before the meeting or nominate any Proposed Nominees, as applicable, and an acknowledgment that, if such Noticing Party (or a Qualified Representative (as defined below) of such Noticing Party) does not appear to present such business or Proposed Nominees, as applicable, at such meeting, the corporation need not present such business or Proposed Nominees for a vote at such meeting, notwithstanding that proxies in respect of such vote may have been received by the corporation;

(v) a complete and accurate description of any pending or, to such Noticing Party's knowledge, threatened legal proceeding in which such Noticing Party or any Shareholder Associated Person is a party or participant involving the corporation or, to such Noticing Party's knowledge, any current or former officer, director, affiliate, or associate of the corporation;

(vi) identification of the names and addresses of other shareholders (including beneficial owners) known by such Noticing Party to support the nomination(s) or other business proposal(s) submitted by such Noticing Party and, to the extent known, the class and number of all shares of the corporation's capital stock owned beneficially or of record by such other shareholder(s) or other beneficial owner(s); and

(vii) a representation from such Noticing Party as to whether such Noticing Party or any Shareholder Associated Person intends or is part of a group that intends (A) to deliver a proxy statement and/or form of proxy to a number of holders of the corporation's voting shares reasonably believed by such Noticing Party to be sufficient to approve or adopt the business to be proposed or elect the Proposed Nominees, as applicable, (B) to solicit proxies in support of director nominees other than the Corporation's nominees (as defined below) in accordance with Rule 14a-19 under the Exchange Act or (C) to engage in a solicitation (within the meaning of Exchange Act Rule 14a-1(l) with respect to the nomination or other business, as applicable, and if so, the name of each participant (as defined in Item 4 of Schedule 14A under the Exchange Act) in such solicitation.

(d) Additional Information. In addition to the information required pursuant to the foregoing provisions of this Section 2.17, the corporation may require any Noticing Party to furnish such other information as the corporation may reasonably require to determine the eligibility or suitability of a Proposed Nominee to serve as a director of the corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such Proposed Nominee, under the listing standards of each securities exchange upon which the corporation's securities are listed, any applicable rules of the Securities and Exchange Commission, any publicly disclosed standards used by the board in selecting nominees for election as a director and for determining and disclosing the independence of the corporation's directors, including those applicable to a director's service on any of the committees of the board, or the requirements of any other laws or regulations applicable to the corporation. If requested by the corporation, any supplemental information required under this paragraph shall be provided by a Noticing Party within ten (10) days after it has been requested by the corporation. In addition, the board may require any Proposed Nominee to submit to interviews with the board or any committee thereof, and such Proposed Nominee shall make himself or herself available for any such interviews within ten (10) days following the date of any request therefor from the Board or any committee thereof.

(e) Proxy Access for Director Nominations.

(i) Inclusion in Annual Meeting Proxy Statement. The corporation shall include in its proxy statement for an annual meeting of shareholders the name, together with the Required Information (as defined below), of any person nominated for election (a "***Shareholder Nominee***") to the board of directors by a shareholder that satisfies, or by a group of no more than twenty (20) shareholders that, collectively, satisfy, the requirements of this Section 2.17(e) (an "***Eligible Shareholder***"), and that expressly elects at the time of providing the notice required by this Section 2.17(e) (the "***Nomination Notice***") to have its nominee or nominees included in the corporation's proxy materials pursuant to this Section 2.17(e). For the avoidance of doubt, the provisions of this Section 2.17(e) shall not apply to a special meeting of shareholders, and the corporation shall not be required to include a Shareholder Nominee in the corporation's proxy statement or form of proxy or ballot for any special meeting of shareholders pursuant to this Section 2.17(e).

(ii) Timeliness. A shareholder's Nomination Notice shall be timely if it is delivered to or mailed and received by the secretary at the principal executive offices of the corporation in accordance with the deadline for notices as set forth in Section 2.17(b).

(iii) Required Information. For purposes of this Section 2.17(e), the "***Required Information***" that the corporation will include in its proxy statement is (A) the information concerning the Shareholder Nominee and the Eligible Shareholder that the corporation determines is required to be disclosed in the corporation's proxy statement by the regulations promulgated under the Exchange Act; and (B) if the Eligible Shareholder so elects, a Statement (as defined in Section 2.17(e)(vii)). To be timely, the Required Information must be delivered to or mailed and received by the secretary of the corporation within thirty (30) days after the deadline for Nomination Notices set forth in Section 2.17(e)(ii).

(iv) Number of Shareholder Nominees. The number of Shareholder Nominees (including Shareholder Nominees that were submitted by an Eligible Shareholder for inclusion in the corporation's proxy materials pursuant to this Section 2.17(e) but are subsequently withdrawn) appearing in the corporation's proxy materials with respect to an annual meeting of shareholders shall not exceed twenty (20) percent of the number of directors in office as of the last day on which a Nomination Notice may be delivered pursuant to this Section 2.17(e), or if such amount is not a whole number, the closest whole number below twenty (20) percent, but not less than two (2) (the "***Permitted Number***"); provided that (A) if one or more vacancies for any reason occurs on the board of directors at any time after the deadline for Nomination Notices set forth in Section 2.17(e)(ii) and before the date of the applicable annual meeting of shareholders and the board of directors resolves to reduce the size of the board of directors in connection therewith, the Permitted Number shall be calculated based on the number of directors in office as so reduced and (B) the Permitted Number shall be reduced for each annual meeting (but not more than two (2) annual meetings) for each Shareholder Nominee that the board of directors decides to nominate for election at such annual meeting. If the number of Shareholder Nominees submitted by Eligible Shareholders pursuant to this Section 2.17(e) exceeds the Permitted Number, each Eligible Shareholder shall select one (1) of its Shareholder Nominees for inclusion in the corporation's proxy materials. If the Permitted Number is not reached after each Eligible Shareholder has selected one **(1)** Shareholder Nominee for inclusion in the corporation's proxy materials, each Eligible Shareholder shall select one (1) Shareholder Nominee, going in order of the amount (largest to smallest) of shares of the capital stock of the corporation each Eligible Shareholder disclosed as owned in its respective Nomination Notice submitted to the corporation, until the Permitted Number is reached, and all remaining Shareholder Nominees in excess of the Permitted Number shall be excluded from the corporation's proxy materials.

(v) Ownership for Purposes of Section 2.17(e). For purposes of this Section 2.17(e), an Eligible Shareholder shall be deemed to "***own***" only those outstanding shares of the capital stock of the corporation as to which the shareholder possesses both (A) the full voting and investment rights pertaining to the shares and (B) the full economic interest in (including the opportunity for profit and risk of loss on) such shares; provided that the number of shares calculated in accordance with clauses (A) and (B) shall not include any shares (I) sold by such shareholder or any of its affiliates in any transaction that has not been settled or closed, (II) borrowed by such shareholder or any of its affiliates for any purposes or purchased by such shareholder or any of its affiliates pursuant to an agreement to resell or (III) subject to any Derivative Instrument. A shareholder shall "own" shares held in the name of a nominee or other intermediary so long as the shareholder retains the right to instruct how the shares are voted with respect to the election of directors and possesses the full economic interest in the shares. A person's ownership of shares shall be deemed to continue during any period in which (X) the person has loaned such shares, provided that the person has the power to recall such loaned shares on not more than five (5) business days' notice, or (Y) the person has delegated any voting power by means of a proxy, power of attorney or other instrument or arrangement that is revocable at any time by the person. The terms "owned," "owning" and other variations of the word "own" shall have correlative meanings. Whether outstanding shares of the capital stock of the corporation are "owned" for these purposes shall be determined by the board of directors, which determination shall be conclusive and binding on the corporation and its shareholders. An Eligible Shareholder shall include in its Nomination Notice the number of shares it is deemed to own for the purposes of this Section 2.17(e).

(vi) Eligible Shareholder. An Eligible Shareholder must have owned (as defined in Section 2.17(e)(v)) continuously for at least three (3) years that number of shares of capital stock as shall constitute three (3) percent or more of the outstanding capital stock of the corporation (the "***Required Shares***") as of both (A) a date within seven (7) calendar days prior to the date of the Nomination Notice and (B) the record date for determining shareholders entitled to vote at the annual meeting. For purposes of satisfying the ownership requirements under this Section 2.17(e), (X) the shares of the capital stock of the corporation owned by one or more shareholders, or by the person or persons who own shares of the capital stock of the corporation and on whose behalf any shareholder is acting, may be aggregated, provided that the number of shareholders and other persons whose ownership of shares of capital stock of the corporation is aggregated for such purpose shall not exceed twenty (20), and (Y) two or more related funds will be treated as one shareholder or person for this purpose if such funds are (I) under common management and investment control, or (II) under common management and funded by a single employer, or (III) a "group of investment companies" as such term is defined in section 12(d)(1)(G)(ii) of the Investment Company Act of 1940, as amended. No person may be a member of more than one group of persons constituting an Eligible Shareholder under this Section 2.17(e). Within the time period specified in this Section 2.17(e) for providing the Nomination Notice, an Eligible Shareholder must provide the following information in writing to the secretary of the corporation:

(A) one or more written statements from each record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite three-year holding period) verifying that, as of a date within seven (7) calendar days prior to the date of the Nomination Notice, the Eligible Shareholder owns, and has owned continuously for the preceding three (3) years, the Required Shares, and the Eligible Shareholder's agreement to provide, within three (3) business days after the record date for the annual meeting, written statements from the record holder and intermediaries verifying the Eligible Shareholder's continuous ownership of the Required Shares through the record date and, in the case of loaned shares, a written statement to the effect that the person will recall such loaned shares prior to the record date for the annual meeting and hold such shares on the record date or will revoke delegated voting authority with respect to such shares and vote such shares at the annual meeting, and, in the case of shares held by two or more related funds, documentation that demonstrates to the reasonable satisfaction of the corporation that the funds are (I) under common management and investment control, or (II) under common management and funded by a single employer, or (III) a "group of investment companies" as such term is defined in section 12(d)(1)(G)(ii) of the Investment Company Act of 1940, as amended;

(B) the written consent of each Shareholder Nominee to being named in the proxy statement as a nominee and to serving as a director if elected, together with the information and representations that would be required to be set forth in a shareholder's notice of a nomination pursuant to Section 2.17(c) and (d) as if the Shareholder Nominee was the Proposed Nominee and as if the Eligible Shareholder (including each shareholder whose stock ownership is counted for purposes of qualifying as an Eligible Shareholder) were the Noticing Party;

(C) a copy of the Schedule 14N that has been filed with the Securities and Exchange Commission as required by Rule 14a-18 under the Exchange Act, as such rule may be amended;

(D) a representation that the Eligible Shareholder (including each member of any group of shareholders that together is an Eligible Shareholder under this Section 2.17(e)) (I) acquired the Required Shares in the ordinary course of business and not with the intent to change or influence control at the corporation, and does not presently have such intent, (II) has not nominated and will not nominate for election to the board of directors at the annual meeting any person other than the Shareholder Nominee(s) being nominated pursuant to this Section 2.17(e), (III) has not engaged and will not engage in, and has not and will not be a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the annual meeting other than its Shareholder Nominee or a nominee of the board of directors, (IV) will not distribute to any shareholder any form of proxy for the annual meeting other than the form distributed by the corporation, (V) intends to own the Required Shares through the date of the annual meeting, (VI) has no present intention to dispose of the Required Shares within one (1) year following the annual meeting if one or more of the Eligible Shareholder's Shareholder Nominees is elected (it being understood that the Eligible Shareholder may disclaim any such representation regarding shares as to which the Eligible Shareholder has delegated investment power to an independent investment manager or shares held in or by an index fund), (VII) will provide facts, statements and other information in all communications with the corporation and its shareholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and (VIII) otherwise will comply with all applicable laws, rules, regulations and listing standards in connection with any actions taken pursuant to this Section 2.17(e);

(E) in the case of a nomination by a group of shareholders that together is an Eligible Shareholder, the designation by all group members of one group member that is authorized to act on behalf of all members of the nominating shareholder group with respect to the nomination and matters thereto, including withdrawal of the nomination; and

(F) an undertaking that the Eligible Shareholder (including each member of any group of shareholders that together is an Eligible Shareholder) agrees to (I) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Shareholder's communications with the shareholders of the corporation or out of the information that the Eligible Shareholder provided to the corporation, (II) indemnify and hold harmless the corporation and each of its directors, officers and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the corporation or any of its directors, officers, or employees arising out of any nomination submitted by the Eligible Shareholder pursuant to this Section 2.17(e), (III) comply with all other laws, rules, regulations and listing standards applicable to any solicitation in connection with the annual meeting, and (IV) provide to the corporation prior to the annual meeting such additional information as necessary with respect thereto, including prompt notice if the Eligible Shareholder ceases to own any of the Required Shares prior to the date of the annual meeting of shareholders and if any information or communications provided by the Eligible Shareholder to the corporation ceases to be true and correct in any respect or omits a fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, each Eligible Shareholder shall promptly notify the secretary of the corporation of any such inaccuracy or omission in such previously provided information and of the information that is required to make such information or communication true and correct.

(vii) Statement. The Eligible Shareholder may provide to the secretary of the corporation, within the time period specified in this Section 2.17(e) for providing the Nomination Notice, a written statement for inclusion in the corporation's proxy statement for the annual meeting, not to exceed five hundred (500) words (excluding biographical and other information required to be disclosed in the corporation's proxy statement by the regulations promulgated under the Exchange Act), in support of the candidacy of all Shareholder Nominees nominated by the Eligible Shareholder (the "***Statement***"). Notwithstanding anything to the contrary contained in this Section 2.17, the corporation may omit from its proxy materials any information or Statement (or portion thereof) that it, in good faith, believes would violate any applicable law, rule, regulation or listing standard. Nothing in this Section 2.17 shall limit the corporation's ability to solicit against and include in its proxy materials its own statements relating to any Shareholder Nominee.

(viii) Additional Information. If the Shareholder Nominee fails to provide requested information on a timely basis, the Shareholder Nominee will not be eligible for inclusion in the corporation's proxy materials.

(ix) Eligibility for Nomination at Subsequent Meetings. Any Shareholder Nominee who is included in the corporation's proxy materials for a particular annual meeting of shareholders but either (A) withdraws from or becomes ineligible or unavailable for election at the annual meeting, or (B) does not receive at least twenty-five (25) percent of the votes cast "for" the Shareholder Nominee's election, will be ineligible to be a Shareholder Nominee pursuant to this Section 2.17(e) for the next two (2) annual meetings of shareholders. Any Eligible Shareholder (including each shareholder whose stock ownership is counted for purposes of qualifying as an Eligible Shareholder) whose Shareholder Nominee is elected as a director at the annual meeting of shareholders will not be eligible to nominate or participate in the nomination of a Shareholder Nominee for the next two (2) annual meetings of shareholders other than the nomination of such previously elected Shareholder Nominee, unless the board of directors nominates such previously elected Shareholder Nominee at a subsequent annual meeting.

(x) Disqualification. The corporation shall not be required, pursuant to this Section 2.17(e), to include in its proxy materials for any meeting of shareholders a Shareholder Nominee (A) if the secretary of the corporation receives a notice that any shareholder has nominated a person for election to the board of directors pursuant to the advance notice requirements for shareholder nominations for director set forth in Section 2.17(a) through (d), (B) if the Eligible Shareholder who has nominated such Shareholder Nominee has engaged in or is currently engaged in, or has been or is a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the annual meeting other than its Shareholder Nominee(s) or a nominee of the board of directors, (C) who is not independent under the under the listing standards of each securities exchange upon which the corporation's securities are listed, as determined by the board of directors, (D) whose election as a member of the board of directors would cause the corporation to be in violation of the articles, these bylaws, the listing standards of the principal exchange upon which the corporation's capital stock is traded, or any applicable state or federal law, rule or regulation, (E) who is or has been, within the past three (3) years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, (F) who is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past ten (10) years, (G) who is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act of 1933, as amended, (H) if such Shareholder Nominee or the Eligible Shareholder who has nominated such Shareholder Nominee shall have provided information to the corporation with respect to such nomination that was untrue in any material respect or omitted to state a material fact necessary in order to make the statement made, in light of the circumstances under which it was made, not misleading, as determined by the board of directors, (I) if the Eligible Shareholder ceases to be an Eligible Shareholder for any reason, including but not limited to not owning the Required Shares through the date of the applicable annual meeting, or (J) if the Eligible Shareholder or applicable Shareholder Nominee otherwise contravenes any of the agreements or representations made by such Eligible Shareholder or Shareholder Nominee or fails to comply with its obligations pursuant to this Section 2.17(e). For the purposes of this Section 2.17(e)(x), if an Eligible Shareholder is subject the conditions in clause (A), (B), (H), or (J), the corporation may exclude from its proxy materials all Shareholder Nominees nominated by such Eligible Shareholder or, if the proxy statement has already been filed, may declare all such Shareholder Nominees ineligible to stand for election or serve as a director; and if a Shareholder Nominee is subject to the conditions in clause (C), (D), (E), (F), (G) (H), (I), or (J), the corporation may declare such Shareholder Nominee ineligible and exclude such Shareholder Nominee from the proxy materials, or, if the proxy statement has already been filed, may declare the Shareholder Nominee ineligible to stand for election or serve as a director.

(xi) Invalidity. Notwithstanding anything to the contrary set forth herein, the board of directors or the person presiding at the meeting shall declare a nomination by an Eligible Shareholder to be invalid, and such nomination shall be disregarded notwithstanding that proxies in respect of such vote may have been received by the corporation, if (A) the Shareholder Nominee(s) and/or the applicable Eligible Shareholder shall have breached its or their obligations, agreements or representations under this Section 2.17(e), as determined by the board of directors or the person presiding at the annual meeting of shareholders, (B) the Shareholder Nominee(s) are determined to be ineligible to stand for election or serve as a director pursuant to Section 2.17(e)(x), or (C) the Eligible Shareholder (or a qualified representative thereof) does not appear at the annual meeting of shareholders to present any nomination pursuant to this Section 2.17(e).

(xii) Filing of Solicitations and Other Communications. The Eligible Shareholder (including any person who owns shares of capital stock of the corporation that constitute part of the Eligible Shareholder's ownership for purposes of satisfying Section 2.17(e)(vi) hereof) shall file with the Securities and Exchange Commission any solicitation or other communication with the corporation's shareholders relating to the meeting at which the Shareholder Nominee will be nominated, regardless of whether any such filing is required under Regulation 14A of the Exchange Act or whether any exemption from filing is available for such solicitation or other communication under Regulation 14A of the Exchange Act.

(f) Special Meetings of Shareholders. Only such business shall be conducted at a special meeting of shareholders as shall have been brought before the meeting pursuant to the corporation's notice of meeting (or any supplement thereto) pursuant to Section 2.04. Subject to the rights of the holders of any class or series of Preferred Stock, nominations of persons for election to the board may be made at a special meeting of shareholders at which directors are to be elected pursuant to the corporation's notice of meeting (or any supplement thereto) (i) by or at the direction of the board or any duly authorized committee thereof (or Requesting Shareholders pursuant to Section 2.03 of these bylaws) or (ii) provided that the board has determined that one or more directors are to be elected at such special meeting pursuant to the corporation's notice of meeting, by any shareholder of the corporation who (A) is entitled to vote at such special meeting and upon such election, (B) complies with the notice procedures set forth in this Section 2.17(f), and (C) is a shareholder of record on the date that such notice is delivered to, and received by, the secretary. The number of nominees a shareholder may nominate for election at the special meeting on its own behalf (or, in the case of a shareholder giving the notice on behalf of a beneficial owner, the number of nominees a shareholder may nominate for election at the special meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such special meeting. The proposal by shareholders of other business to be conducted at a special meeting of shareholders may be made only in accordance with Section 2.03 of this Article II. In addition to any other applicable requirements, for director nominations to be properly brought before a special meeting by a shareholder pursuant to the foregoing clause (ii), such shareholder must have given timely notice thereof in proper written form to the secretary. To be timely, such notice must be delivered to, and received by, the secretary at the principal executive offices of the corporation not earlier than the Close of Business on the one hundred twentieth (120th) day prior to such special meeting and not later than the Close of Business on the later of (x) the ninetieth (90th) day prior to such special meeting and (y) the tenth (10th) day following the day on which public disclosure of the date of the special meeting and of the nominees proposed by the board to be elected at such meeting is first made by the corporation. In no event shall an adjournment, recess, postponement or rescheduling of a special meeting (or the public disclosure thereof) commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above. To be in proper written form, such notice shall include all information required pursuant to Section 2.17(c) above, and such shareholder and any Proposed Nominee shall comply with Section 2.17(d) above, as if such notice were being submitted in connection with an annual meeting of shareholders.

(g) General.

(i) No person shall be eligible for election as a director of the corporation unless the person is nominated by a shareholder in accordance with the procedures set forth in this Section 2.17 as applicable or the person is nominated by the board, and no business shall be conducted at a meeting of shareholders of the corporation except business brought by a shareholder in accordance with the procedures set forth in this Section 2.17 or by the board. The number of nominees a shareholder may nominate for election at a meeting may not exceed the number of directors to be elected at such meeting, and for the avoidance of doubt, no shareholder shall be entitled to make additional or substitute nominations following the expiration of the time periods set forth in Section 2.17(b) and Section 2.17(f), as applicable. Except as otherwise provided by law, the presiding officer of a meeting shall have the power and the duty to determine whether a nomination or any business proposed to be brought before the meeting has been made in accordance with the procedures set forth in these bylaws, and, if the presiding officer of the meeting determines that any proposed nomination or business was not properly brought before the meeting, the presiding officer shall declare to the meeting that such nomination shall be disregarded or such business shall not be transacted, and no vote shall be taken with respect to such nomination or proposed business, in each case, notwithstanding that proxies with respect to such vote may have been received by the corporation. Notwithstanding the foregoing provisions of this Section 2.17, unless otherwise required by law, if the Noticing Party (or a Qualified Representative of the Noticing Party) proposing a nominee for director or business to be conducted at a meeting does not appear at the meeting of shareholders of the corporation to present such nomination or propose such business, such proposed nomination shall be disregarded or such proposed business shall not be transacted, as applicable, and no vote shall be taken with respect to such nomination or proposed business, notwithstanding that proxies with respect to such vote may have been received by the corporation.

(ii) A Noticing Party shall update such Noticing Party's notice provided under the foregoing provisions of this Section 2.17, if necessary, such that the information provided or required to be provided in such notice shall be true and correct (A) as of the record date for determining the shareholders entitled to receive notice of the meeting and (B) as of the date that is ten (10) business days prior to the meeting (or any postponement, rescheduling or adjournment thereof), and such update shall (I) be received by the secretary at the principal executive offices of the corporation (x) not later than the Close of Business five (5) business days after the record date for determining the shareholders entitled to receive notice of such meeting (in the case of an update required to be made under clause (A)) and (y) not later than the Close of Business seven (7) business days prior to the date for the meeting or, if practicable, any postponement, rescheduling or adjournment thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been postponed, rescheduled or adjourned) (in the case of an update required to be made pursuant to clause (B)), (II) be made only to the extent that information has changed since such Noticing Party's prior submission and (III) clearly identify the information that has changed since such Noticing Party's prior submission. For the avoidance of doubt, any information provided pursuant to this Section 2.17(f)(ii) shall not be deemed to cure any deficiencies in a notice previously delivered pursuant to this Section 2.17 and shall not extend the time period for the delivery of notice pursuant to this Section 2.17. If a Noticing Party fails to provide such written update within such period, the information as to which such written update relates may be deemed not to have been provided in accordance with this Section 2.17. An Eligible Shareholder shall comply with the requirements of this Section 2.17(f)(ii) as if the Eligible Shareholder were the Noticing Party.

(iii) If any information submitted pursuant to this Section 2.17 by any Noticing Party proposing individuals to nominate for election or reelection as a director or business for consideration at a shareholder meeting shall be inaccurate in any material respect, such information shall be deemed not to have been provided in accordance with this Section 2.17. Any such Noticing Party shall notify the secretary in writing at the principal executive offices of the corporation of any inaccuracy or change in any information submitted pursuant to this Section 2.17 (including if any Noticing Party or any Shareholder Associated Person no longer intends to solicit proxies in accordance with the representation made pursuant to Section 2.17(c)(vii)(B)) within two (2) business days after becoming aware of such inaccuracy or change, and any such notification shall (A) be made only to the extent that any information submitted pursuant to this Section 2.17 has changed since such Noticing Party's prior submission and (B) clearly identify the information that has changed since such Noticing Party's prior submission. Upon written request of the secretary on behalf of the board (or a duly authorized committee thereof), any such Noticing Party shall provide, within seven (7) business days after delivery of such request (or such other period as may be specified in such request), (X) written verification, reasonably satisfactory to the board, any committee thereof or any authorized officer of the corporation, to demonstrate the accuracy of any information submitted by such Noticing Party pursuant to this Section 2.17 and (Y) a written affirmation of any information submitted by such Noticing Party pursuant to this Section 2.17 as of an earlier date. If a Noticing Party fails to provide such written verification or affirmation within such period, the information as to which written verification or affirmation was requested may be deemed not to have been provided in accordance with this Section 2.17. An Eligible Shareholder shall comply with the requirements of this Section 2.17(f)(iii) as if the Eligible Shareholder were the Noticing Party.

(iv) If (A) any Noticing Party or any Shareholder Associated Person provides notice pursuant to Rule 14a-19(b) under the Exchange Act and (B) such Noticing Party or Shareholder Associated Person subsequently either (x) notifies the corporation that such Noticing Party or Shareholder Associated Person no longer intends to solicit proxies in support of director nominees other than the Corporation's nominees in accordance with Rule 14a-19 under the Exchange Act or (y) fails to comply with the requirements of Rules 14a-19(a)(2) or Rule14(a)(3) under the Exchange Act, then the corporation shall disregard any proxies or votes solicited for the Proposed Nominees proposed by such Noticing Party. Upon request by the corporation, if any Noticing Party or any Shareholder Associated Person provides notice pursuant to Rule 14a-19(b) under the Exchange Act, such Noticing Party shall deliver to the secretary, no later than five (5) business days prior to the applicable meeting date, reasonable evidence that the requirements of Rule 14a-19(a)(3) under the Exchange Act have been satisfied. An Eligible Shareholder shall comply with the requirements of this Section 2.17(f)(iv) as if the Eligible Shareholder were the Noticing Party.

(v) In addition to complying with the foregoing provisions of this Section 2.17, a shareholder shall also comply with all applicable requirements of state law and the Exchange Act with respect to the matters set forth in this Section 2.17. Nothing in this Section 2.17 shall be deemed to affect any rights of (A) shareholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act, (B) shareholders to request inclusion of nominees in the corporation's proxy statement pursuant to the Proxy Rules or (C) the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the articles.

(vi) For purposes of these bylaws, (A) "***affiliate***" and "***associate***" each shall have the respective meanings set forth in Rule 12b-2 under the Exchange Act; (B) "***beneficial owner***" or "***beneficially owned***" shall have the meaning set forth for such terms in Section 13(d) of the Exchange Act; (C) "***Close of Business***" shall mean 5:00 p.m. Eastern Time on any calendar day, whether or not the day is a business day; (D) "***Corporation's nominee(s)***" shall mean any person(s) nominated by or at the direction of the board; (E) "***public disclosure***" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act; (F) a "***Qualified Representative***" of a Noticing Party means (I) a duly authorized officer, manager or partner of such Noticing Party or (II) a person authorized by a writing executed by such Noticing Party (or a reliable reproduction or electronic transmission of the writing) delivered by such Noticing Party to the corporation prior to the making of any nomination or proposal at a shareholder meeting stating that such person is authorized to act for such Noticing Party as proxy at the meeting of shareholders, which writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, must be produced at the meeting of shareholders; and (G) "***Shareholder Associated Person***" shall mean, with respect to any Noticing Party (or, in the case of Section 2.03(b), any Requesting Shareholder), (I) any person directly or indirectly controlling, controlled by, under common control with such Noticing Party (or Requesting Shareholder, as applicable), (II) any member of the immediate family of such Noticing Party (or Requesting Shareholder, as applicable) sharing the same household, (III) any person who is a member of a "group" (as such term is used in Rule 13d-5 under the Exchange Act (or any successor provision at law)) with, or is otherwise known by such Noticing Party (or Requesting Shareholder, as applicable) or other Shareholder Associated Person to be acting in concert with, such Noticing Party (or Requesting Shareholder, as applicable) or any other Shareholder Associated Person with respect to the stock of the corporation, (IV) any beneficial owner of shares of stock of the corporation owned of record by such Noticing Party (or Requesting Shareholder, as applicable) or any other Shareholder Associated Person (other than a shareholder that is a depositary), (V) any affiliate or associate of such Noticing Party (or Requesting Shareholder, as applicable) or any other Shareholder Associated Person, (VI) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such Noticing Party (or Requesting Shareholder, as applicable) or any other Shareholder Associated Person with respect to any proposed business or nominations, as applicable, and (VII) any Proposed Nominee.

ARTICLE III.
Board of Directors

Section 3.01 Powers.

(a) General Rule. Unless otherwise provided by statute, all powers vested by law in the corporation shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the board of directors.

(b) Directors. A director shall stand in a fiduciary relation to the corporation and shall perform his or her duties as a director, including his or her duties as a member of any committee of the board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a director shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(i) One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented.

(ii) Counsel, public accountants, or other persons as to matters which the director reasonably believes to be within the professional or expert competence of such person.

(iii) A committee of the board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

Section 3.02 Qualifications and Election of Directors.

(a) Qualifications. Each director of the corporation shall be a natural person of full age who need not be a resident of the Commonwealth of Pennsylvania or a shareholder of the corporation, except as may be required under corporate governance principles approved by the board of directors. For purposes of Section 3.05, a director's failure to hold the number of shares as and when required under corporate governance principles approved by the board of directors shall constitute cause for such director's removal.

(b) Election of Directors. Except as otherwise provided in these bylaws, directors of the corporation shall be elected by the shareholders only at an annual meeting of shareholders, unless such election of directors is required by the terms of any series of Preferred Stock. In elections for directors, voting need not be by ballot, unless required by vote of the shareholders before the voting for election of directors begins. Directors shall be elected by a plurality of the votes cast; *provided*, *however*, that in an election of directors that is not a Contested Election (as defined below), (i) if any nominee who is not an incumbent director receives a plurality of the votes cast but does not receive a majority of the votes cast, the resignation of such nominee referred to in Section 3.03(d) will be automatically accepted and (ii) if any nominee who is an incumbent director receives a plurality of the votes cast but does not receive a majority of the votes cast, the committee of the board authorized to nominate candidates for election to the board will make a recommendation to the board on whether to accept the director's resignation referred to in Section 3.03(d) or whether other action should be taken. The director not receiving a majority of the votes cast will not participate in the committee's recommendation or the board's decision regarding the tendered resignation. The independent members of the board will consider the committee's recommendation and publicly disclose the board's decision and the basis for that decision within ninety (90) days from the date of the certification of the final election results. If fewer than two (2) members of the committee are elected at a meeting for the election of directors, the independent members of the board who were elected shall consider and act upon the tendered resignation. For purposes of this paragraph, (x) "***Contested Election***" means an annual or special meeting of the corporation with respect to which (i) the secretary receives a notice that a shareholder has nominated or intends to nominate a person for election to the board of directors in compliance with the requirements for shareholder nominees for director set forth in Section 2.17 and (ii) such nomination has not been withdrawn by such shareholder on or prior to the tenth (10th) day before the corporation first mails its notice of meeting for such meeting to the shareholders and (y) a "***majority of the votes cast***" means that the number of shares voted "for" must exceed the number of shares voted "against" with respect to that director's election.

Section 3.03 Number and Term of Office.

(a) Number. The board of directors shall consist of such number of directors as may be determined from time to time by resolution of a majority of the total number of directors that the corporation would have if there were no vacancies on the board, except as otherwise provided in the articles.

(b) Term of Office. Each director shall hold office until the next annual meeting and until his or her successor has been duly elected and qualified or until his or her earlier death, resignation, or removal. A decrease in the number of directors shall not have the effect of shortening the term of any incumbent director.

(c) Resignation - General. Any director may resign at any time upon written notice to the corporation. The resignation shall be effective upon receipt thereof by the corporation or at such subsequent time as shall be specified in the notice of resignation.

(d) Irrevocable Resignation. Each person who is nominated to stand for election as a director in an election that is not a Contested Election shall, as a condition to such nomination, tender an irrevocable resignation in advance of the meeting for the election of directors. Such resignation will be effective if, pursuant to Section 3.02(b) of these bylaws, (a) in the case of a nominee who is not an incumbent director, such nominee does not receive a majority vote in an election that is not a Contested Election and (b) in the case of a nominee who is an incumbent director, such nominee does not receive a majority vote in an election that is not a Contested Election and the board accepts the resignation.

(e) Annual Election of Directors. The directors shall not be classified in respect to the time for which they shall hold office. Except as otherwise provided in the express terms of any class or series of Preferred Stock with respect to the election of directors upon the occurrence of a default in the payment of dividends or in the performance of another express requirement of the terms of such Preferred Stock, the directors of the corporation shall be elected at each annual meeting of the shareholders for a one-year term expiring at the next annual meeting of the shareholders.

Section 3.04 Vacancies.

(a) General Rule. Except as may be otherwise provided with respect to directors elected by the holders of any series of Preferred Stock, a vacancy occurring on the board of directors, including, without limitation, a vacancy resulting from an increase in the number of directors or from the failure by shareholders to elect the full authorized number of directors, may only be filled by a majority vote of the remaining directors or by the sole remaining director in office. In the event of the death, resignation, or removal of a director during such director's elected term of office, such director's successor shall serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is duly elected and qualified or until his or her earlier death, resignation, or removal.

(b) Action by Resigned Directors. When one or more directors resign from the board effective at a future date, the directors then in office, including those who have so resigned, shall have power by the applicable vote to fill the vacancies, the vote thereon to take effect when the resignations become effective.

Section 3.05 Removal of Directors.

(a) Removal by the Shareholders. The entire board of directors or any individual director may be removed from office by vote of the shareholders entitled to vote thereon only for cause. In case the board or any one or more directors are so removed, new directors may be elected at the same meeting. The repeal of a provision of the articles or bylaws prohibiting, or the addition of a provision to the articles or bylaws permitting, the removal by the shareholders of the board or a director without assigning any cause shall not apply to any incumbent director during the balance of the term for which the director was elected.

(b) Removal by the Board. The board of directors may declare vacant the office of a director who has been judicially declared of unsound mind or who has been convicted of an offense punishable by imprisonment for a term of more than one (1) year or if, within sixty (60) days after notice of his or her selection, the director does not accept the office either in writing or by attending a meeting of the board of directors.

Section 3.06 Place of Meetings; Use of Conference Telephone and Similar Equipment. Meetings of the board of directors may be held at such place, if any, within or without the Commonwealth of Pennsylvania as the board of directors may from time to time appoint or as may be designated in the notice of the meeting. Any director may participate in any meeting of the board of directors or a committee thereof by means of conference telephone or other electronic technology by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section 3.06 shall constitute presence in person at the meeting.

Section 3.07 Organization of Meetings. At every meeting of the board of directors, the chair of the board, if there be one, or, in the case of a vacancy in the office or absence of the chair of the board, the lead director, or, in the case of a vacancy in the office or absence of both the chair of the board and the lead director, a person chosen by a majority of the directors present, shall act as chair of the meeting. The secretary or, in the absence of the secretary, an assistant secretary, or, in the absence of the secretary and the assistant secretaries, any person appointed by the chair of the meeting, shall act as secretary of the meeting.

Section 3.08 Regular Meetings. Regular meetings of the board of directors shall be held at such time and place, if any, as shall be designated from time to time by resolution of the board of directors.

Section 3.09 Special Meetings. Special meetings of the board of directors shall be held whenever called by the chair of the board, the chief executive officer, the lead director, if there be one, or by two or more of the directors.

Section 3.10 Notice of Meetings. Notice of a regular meeting of the board of directors need not be given. Notice of every special meeting of the board of directors shall be given to each director (a) by first class mail posted at least five (5) days before the date of the meeting, (b) by courier service or express mail at least 48 hours before the meeting or (c) by telephone, facsimile, e-mail or other electronic communication at least 24 hours before the meeting or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances. Every such notice shall state the time and place, if any, of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in a notice of the meeting.

Section 3.11 Quorum of and Action by the Board of Directors.

(a) General Rule. A majority of the directors in office of the corporation shall be necessary to constitute a quorum for the transaction of business, and except as otherwise provided in these bylaws, the acts of a majority of the directors present and voting at a meeting at which a quorum is present shall be the acts of the board of directors.

(b) Action by Written Consent. Any action required or permitted to be approved at a meeting of the directors may be approved without a meeting if a consent or consents to the action in record form are signed, before, on or after the effective date of the action, by all of the directors in office on the date the first consent is signed. The consent or consents shall be filed with the minutes of the proceedings of the board of directors.

(c) Notation of Dissent. A director who is present at a meeting of the board of directors, or of a committee of the board, at which action on any corporate matter is taken on which the director is generally competent to act shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the director files his or her written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the secretary immediately after the adjournment of the meeting. The right to dissent shall not apply to a director who voted in favor of the action. Nothing in this Section 3.11(c) shall bar a director from asserting that minutes of the meeting incorrectly omitted his or her dissent if, promptly upon receipt of a copy of such minutes, the director notifies the secretary, in writing, of the asserted omission or inaccuracy.

Section 3.12 Committees of the Board.

(a) Establishment and Powers. The board of directors may, by resolution adopted by a majority of the directors in office, establish one or more committees to consist of one or more directors of the corporation. Any committee, to the extent provided in the resolution of the board of directors, shall have and may exercise all of the powers and authority of the board of directors except that a committee shall not have any power or authority as to the following:

(i) The submission to shareholders of any action requiring approval of shareholders under the PBCL.

(ii) The creation or filling of vacancies in the board of directors.

(iii) The adoption, amendment, or repeal of these bylaws.

(iv) The amendment or repeal of any resolution of the board that by its terms is amendable or repealable only by the board.

(v) Action on matters committed by a resolution of the board of directors exclusively to another committee of the board.

(b) Alternate Committee Members. The board may designate one or more directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee or for the purposes of any written action by the committee. In the absence or disqualification of a member and alternate member or members of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not constituting a quorum, may unanimously appoint another director to act at the meeting in the place of the absent or disqualified member.

(c) Term. Each committee of the board shall serve at the pleasure of the board.

(d) Committee Procedures. The term "board of directors" or "board," when used in any provision of these bylaws relating to the organization or procedures of or the manner of taking action by the board of directors, shall be construed to include and refer to any executive or other committee of the board.

Section 3.13 **Compensation**. The board of directors shall have the authority to fix the compensation of directors for their services as directors, and a director may be a salaried officer of the corporation.

Section 3.14 **Chair of the Board**. Except as otherwise provided by these bylaws or by action of the board of directors, the chair of the board shall preside at all meetings of the shareholders and of the board of directors. The chair of the board shall perform such other duties as may from time to time be requested by the board of directors. The chair of the board shall be chosen from among the directors and may be an employee of the corporation, but need not be so employed, and may hold any other office of the corporation as from time to time may be determined by the board of directors.

Section 3.15 **Lead Director**. The board of directors shall have the authority to elect a Lead Director with the responsibilities set forth in the corporation's corporate governance principles.

ARTICLE IV.
Officers

Section 4.01 **Officers Generally**.

(a) Number, Qualifications and Designation. The officers of the corporation shall include a president, one or more vice presidents (which term shall include vice presidents, executive vice presidents and senior vice presidents), a secretary, a treasurer, and a chief executive officer, as the board of directors may designate by resolution, and such other officers as may be elected in accordance with the provisions of Section 4.03. Officers may but need not be directors or shareholders of the corporation. Officers shall be natural persons of full age. Any number of offices may be held by the same person.

(b) Bonding. The corporation may secure the fidelity of any or all of its officers by bond or otherwise.

(c) Duties. An officer shall perform such officer's duties as an officer in good faith, in a manner such officer reasonably believes to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. A person who so performs such person's duties shall not be liable by reason of having been an officer of the corporation.

Section 4.02 **Election, Term of Office, and Resignations**.

(a) Election and Term of Office. The officers of the corporation, except those elected by delegated authority pursuant to Section 4.03, shall be elected by the board of directors, and each such officer shall hold office at the discretion of the board until his or her death, resignation, or removal with or without cause.

(b) Resignations. Any officer may resign at any time upon written notice to the corporation. The resignation shall be effective upon receipt thereof by the corporation or at such subsequent time as may be specified in the notice of resignation.

Section 4.03 **Subordinate Officers, Committees and Agents**. The board of directors may from time to time elect such other officers and appoint such committees, employees or other agents as the business of the corporation may require, including without limitation, one or more vice presidents, one or more assistant secretaries and one or more assistant treasurers, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these bylaws or as the board of directors may from time to time determine. The board of directors may delegate to any officer or committee the power to elect subordinate officers and to retain or appoint employees or other agents, or committees thereof, and to prescribe the authority and duties of such subordinate officers, committees, employees, or other agents.

Section 4.04 **Removal of Officers and Agents**. Any officer or agent of the corporation may be removed by the board of directors with or without cause. The removal shall be without prejudice to the contract rights, if any, of any person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4.05 **Vacancies**. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, may be filled by the board of directors or by the officer or committee to which the power to fill such office has been delegated pursuant to Section 4.03, as the case may be, and if the office is one for which these bylaws prescribe a term, shall be filled for the unexpired portion of the term.

Section 4.06 **Authority**.

(a) General Rule. All officers of the corporation, as between themselves and the corporation, shall have such authority and perform such duties in the management of the corporation as may be provided by or pursuant to these bylaws or, in the absence of controlling provisions in these bylaws, as may be determined by or pursuant to resolutions or orders of the board of directors.

(b) Chief Executive Officer. The board of directors shall designate from time to time by resolution a chief executive officer. Such chief executive officer may be, but need not be, the president or chair of the board.

Section 4.07 **The Chief Executive Officer**. The chief executive officer may have general supervision over the business and operations of the corporation, subject however, to the control of the board of directors. The chief executive officer may sign, execute and acknowledge, in the name of the corporation, deeds, mortgages, bonds, contracts or other instruments, authorized by the board of directors, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors, or by these bylaws, to some other officer or agent of the corporation and, in general, may perform all duties incident to the office of chief executive officer and such other duties as from time to time may be assigned by the board of directors.

Section 4.08 **The President**. The president may have general supervision over the business and operations of the corporation, subject however, to the control of the board of directors and the chief executive officer, as applicable. The president may sign, execute and acknowledge, in the name of the corporation, deeds, mortgages, bonds, contracts or other instruments, authorized by the board of directors, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors, or by these bylaws, to some other officer or agent of the corporation and, in general, may perform all duties incident to the office of president and such other duties as from time to time may be assigned by the board of directors or the chief executive officer.

Section 4.09 **The Vice Presidents**. The vice presidents (which term shall include vice presidents, senior executive vice presidents, executive vice presidents and senior vice presidents) shall perform such duties as may from time to time be assigned to them by the board of directors or by the chief executive officer.

Section 4.10 **The Secretary**. The secretary or an assistant secretary shall attend all meetings of the shareholders and of the board of directors and shall record all the votes of the shareholders and of the directors and the minutes of the meetings of the shareholders and of the board of directors and of committees of the board in a book or books to be kept for that purpose; shall see that notices are given and records and reports properly kept and filed by the corporation as required by law; shall be the custodian of the seal of the corporation and see that it is affixed to all documents to be executed on behalf of the corporation under its seal; and, in general, shall perform all duties incident to the office of secretary, and such other duties as may from time to time be assigned by the board of directors or by the chief executive officer.

Section 4.11 **The Treasurer**. The treasurer or an assistant treasurer shall have or provide for the custody of the funds or other property of the corporation; shall collect and receive or provide for the collection and receipt of moneys earned by or in any manner due to or received by the corporation; shall deposit all funds in his, her or its custody as treasurer in such banks or other places of deposit as the board of directors may from time to time designate; shall, whenever so required by the board of directors, render an account showing all transactions as treasurer and the financial condition of the corporation; and, in general, shall discharge such other duties as may from time to time be assigned by the board of directors or by the chief executive officer.

Section 4.12 **Salaries**. The salaries of the officers elected by the board of directors shall be fixed from time to time by the board of directors or by such officer or committee as may be designated by resolution of the board. The salaries or other compensation of any other officers, employees and other agents shall be fixed from time to time by the officer or committee to which the power to elect such officers or to retain or appoint such employees or other agents has been delegated pursuant to Section 4.03. No officer shall be prevented from receiving such salary or other compensation by reason of the fact that the officer is also a director of the corporation.

ARTICLE V.
Notices

Section 5.01 **Manner of Giving Notice**. Whenever written notice is required to be given to any person under the provisions of the PBCL, or by the articles or these bylaws, it may be given to the person either personally or by sending a copy thereof (i) by first class or express mail, postage prepaid, or courier service, charges prepaid, to the postal address appearing on the books of the corporation, or, in the case of directors, supplied by the director to the corporation for the purpose of notice or (ii) by facsimile transmission, e-mail or other electronic communication to the person's facsimile number or address for e-mail or other electronic communications supplied by that person to the corporation for the purpose of notice. If the notice is sent by mail or courier service, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or courier service for delivery to that person. If the notice is sent by facsimile transmission, e-mail, or other electronic communication, it shall be deemed to have been given to the person entitled thereto when sent. A notice of meeting shall specify the day and hour and geographic location, if any, of the meeting and any other information required by any other provision of the PBCL, the articles or these bylaws.

Section 5.02 Waiver of Notice.

(a) Written Waiver. Whenever any notice is required to be given under the provisions of the PBCL, the articles or these bylaws, a waiver thereof, which is filed with the secretary in record form signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of the meeting.

(b) Waiver by Attendance. Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

Section 5.03 Modification of Proposal Contained in Notice. Whenever the language of a proposed resolution is included in a written notice of a meeting required to be given under the provisions of the PBCL or the articles or these bylaws, the meeting considering the resolution may without further notice adopt it with such clarifying or other amendments as do not enlarge its original purpose.

Section 5.04 Exception to Requirement of Notice. Whenever any notice or communication is required to be given to any person under the provisions of the PBCL or by the articles or these bylaws or by the terms of any agreement or other instrument or as a condition precedent to taking any corporate action and communication with that person is then unlawful, the giving of the notice or communication to that person shall not be required.

ARTICLE VI.
Uncertificated Stock, Transfer, Etc.

Section 6.01 Uncertificated Shares.

(a) Uncertificated Shares. Except as otherwise specifically provided in the articles, shares of common stock and shares of any and all classes or series of any class of Preferred Stock shall be in the form of uncertificated shares. To the extent that shares of the corporation are certificated, certificates for shares of the corporation shall be in such form as approved by the board of directors. Notwithstanding this provision, any shares of the corporation represented by a physical stock certificate issued on or before July 24, 2018, including any certificates previously issued by PECO Energy Company and Philadelphia Electric Company, shall continue to be represented thereby until such physical stock certificate is surrendered to the corporation.

(b) Statements. Within a reasonable time after the issuance or transfer of uncertificated shares, the corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates. Except as otherwise expressly provided by law, the rights and obligations of the holders of shares represented by certificates and the rights and obligations of the holders of uncertificated shares of the same class and series shall be identical.

(c) Share Register. The share register or transfer books shall be kept by the secretary or by any transfer agent or registrar designated by the board of directors for that purpose.

Section 6.02 **Transfer**. Shares of the corporation represented by certificates shall be transferred on the share register or transfer books of the corporation upon surrender of the certificate therefor, endorsed by the person named in the certificate or by an attorney lawfully constituted in writing. No transfer shall be made inconsistent with the provisions of the Uniform Commercial Code, 13 Pa.C.S. §§ 8101 *et seq*., and its amendments and supplements. Upon receipt of proper transfer instructions from the registered owner of uncertificated shares, such uncertificated shares shall be canceled, and the issuance of new equivalent uncertificated shares shall be made to the person entitled thereto and the transaction shall be recorded upon the books of the corporation. Within a reasonable time after the issuance or transfer of uncertificated stock, the corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates.

Section 6.03 **Record Holder of Shares**. The corporation shall be entitled to treat the person in whose name any share or shares of the corporation stand on the books of the corporation as the absolute owner thereof and shall not be bound to recognize any equitable or other claim to, or interest in, such share or shares on the part of any other person.

Section 6.04 **Lost, Destroyed or Mutilated Certificates**. The holder of any shares of the corporation shall immediately notify the corporation of any loss, destruction or mutilation of the certificate therefor, and the treasurer, the secretary or any assistant treasurer or assistant secretary of the corporation may direct new uncertificated shares to be issued to such holder, in case of mutilation of the certificate, upon the surrender of the mutilated certificate or, in case of loss or destruction of the certificate, upon satisfactory proof of such loss or destruction and, if any such officer shall so determine, the deposit of a bond in such form and in such sum, and with such surety or sureties, as any of them may direct.

ARTICLE VII.
Indemnification of Directors, Officers and Other Authorized Representatives; Personal Liability of Directors

Section 7.01 **Right to Indemnification**. Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "***proceeding***"), by reason of the fact that such person is or was a director or an officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, its participants or beneficiaries (hereinafter an "***indemnitee***"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the corporation to the fullest extent permitted or required by the PBCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than such law permitted the corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) actually and reasonably incurred or suffered by such indemnitee in connection therewith if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful; *provided*, *however*, that, except as provided in Section 7.03 with respect to proceedings to enforce rights to indemnification or to advancement of expenses, the corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the board of directors of the corporation. The termination of any proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner that he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. Notwithstanding the foregoing, in the case of any proceeding by or in the right of the corporation, no person shall be entitled to indemnification under this Section 7.01 if such person has been adjudged to be liable to the corporation unless and only to the extent that the court of common pleas of the judicial district embracing the county in which the registered office of the corporation is located or the court in which the action was brought determines upon application that, despite the adjudication or liability but in view of all of the circumstances of the case, the person is fairly and reasonably entitled to indemnity for the expenses that the court of common pleas or other court deems proper. Action with respect to an employee benefit plan taken or omitted in good faith by a representative of the corporation in a manner such representative reasonably believed to be in the interest of the participants and beneficiaries of the plan shall be deemed to be action in a manner that is not opposed to the best interests of the corporation.

Section 7.02 **Right to Advancement of Expenses**. The right to indemnification conferred in Section 7.01 shall include the right to be paid by the corporation the expenses (including, without limitation, attorneys' fees and expenses) incurred in defending or otherwise participating in any such proceeding in advance of its final disposition (hereinafter an "***advancement of expenses***"); *provided, however*, that, if the PBCL so requires, an advancement of expenses incurred by an indemnitee shall be made only upon delivery to the corporation of an undertaking (hereinafter an "***undertaking***"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined that such indemnitee is not entitled to be indemnified for such expenses under Section 7.01, Section 7.02 or otherwise. The rights to indemnification and to the advancement of expenses conferred in Sections 7.01 and 7.02 shall be contract rights, and such rights shall continue as to an indemnitee who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the indemnitee's heirs, executors, and administrators. Each person who shall act as an indemnitee of the corporation shall be deemed to be doing so in reliance upon the rights provided by this Article VII.

Section 7.03 **Right of Indemnitee to Bring Suit**. If a claim under Section 7.01 or Section 7.02 is not paid in full by the corporation within sixty (60) calendar days after a written claim has been received by the corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) calendar days, the indemnitee may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (a) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (b) any suit brought by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the corporation shall be entitled to recover such expenses if the indemnitee has not met any applicable standard for indemnification set forth in the PBCL. Neither the failure of the corporation (including its board of directors, independent legal counsel or shareholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the PBCL, nor an actual determination by the corporation (including its board of directors, independent legal counsel or shareholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder~~,~~ or brought by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VII or otherwise shall be on the corporation.

Section 7.04 **Non-Exclusivity of Rights**. The rights to indemnification and to the advancement of expenses conferred in this Article VII shall not be exclusive of, nor be deemed in limitation of, any other right to which any person may otherwise be or become entitled or permitted under any statute, the articles, these bylaws, any agreement, any vote of shareholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding that office; *provided, however*, that no such indemnification shall be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

Section 7.05 **Insurance**. The corporation may maintain insurance, at its expense, to protect itself and any current or former director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability, or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability, or loss under the PBCL.

Section 7.06 **Indemnification of Employees and Agents of the Corporation**. The corporation may, to the extent authorized from time to time by the board of directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the corporation to the fullest extent of the provisions of this Article VII with respect to the indemnification and advancement of expenses of directors and officers of the corporation.

Section 7.07 **Interpretation; Amendments**. Sections 7.01 through 7.07 of this Article VII are intended to constitute bylaws authorized by Section 1746 of the PBCL. Any repeal, amendment or modification of any provision contained in this Article VII shall, unless otherwise required by law, be prospective only (except to the extent any amendment or change in law permits the corporation to further limit or eliminate the liability of directors or officers) and shall not adversely affect any right or protection of any current or former director or officer of the corporation existing at the time of such repeal, amendment or modification with respect to any acts or omissions occurring prior to such repeal, amendment or modification.

Section 7.08 **Personal Liability of Directors**.

(a) A director shall not be personally liable, as such, for monetary damages (including, without limitation, any judgment, amount paid in settlement, penalty, punitive damages or expenses of any nature, including, without limitation, attorneys' fees and disbursements) for any action taken, or any failure to take any action, before, on or after the date of these bylaws, unless: (i) the director has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 17 of the PBCL; and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

(b) The provisions of Section 7.08(a) shall not apply to the responsibility or liability of a director pursuant to any criminal statute, or the liability of a director for the payment of taxes pursuant to federal, state, or local law.

(c) No amendment, modification or repeal of this Section 7.08 shall have any effect on the liability or alleged liability of any director of the corporation for or with respect to any such act on the part of such director occurring prior to the effective date of such amendment, modification or repeal.

ARTICLE VIII.
Emergency Bylaws

Section 8.01 **Scope of Article**. This Article shall be applicable during any emergency resulting from a catastrophe as a result of which a quorum of the board of directors cannot readily be assembled. To the extent not in conflict with this Article, these bylaws shall remain in effect during the emergency.

Section 8.02 **Special Meetings of the Board**. A special meeting of the board of directors may be called by any director by means feasible at the time.

Section 8.03 **Emergency Committee of the Board**.

(a) Composition. The emergency committee of the board shall consist of nine (9) persons standing highest on the following list who are available and able to act:

The chief executive officer.
Members of the board of directors.
President.
The individual who, immediately prior to the emergency, was the senior officer in charge of other operations.
The individual who, immediately prior to the emergency, was the senior officer in charge of finance operations.
Other officers.

Where more than one person holds any of the listed ranks, the order of precedence shall be determined by length of time in rank. Each member of the emergency committee thus constituted shall continue to act until replaced by an individual standing higher on the list. The emergency committee shall continue to act until a quorum of the board of directors is available and able to act. If the corporation has no directors, the emergency committee shall cause a special meeting of shareholders for the election of directors to be called and held as soon as practicable.

(b) Powers. The emergency committee shall have and may exercise all of the powers and authority of the board of directors, including the power to fill a vacancy in any office of the corporation or to designate a temporary replacement for any officer of the corporation who is unavailable, but shall not have the power to fill vacancies in the board of directors.

(c) Quorum. A majority of the members of the emergency committee in office shall constitute a quorum.

(d) Status. Each member of the emergency committee who is not a director shall during his or her service as such be entitled to the rights and immunities conferred by law, the articles and these bylaws upon directors of the corporation and upon persons acting in good faith as a representative of the corporation during an emergency.

ARTICLE IX.
Miscellaneous

Section 9.01 Corporate Seal. The corporation may have a corporate seal in the form of a circle containing the name of the corporation, the year of incorporation and such other details as may be approved by the board of directors from time to time.

Section 9.02 Checks. All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons as the board of directors or any person authorized by resolution of the board of directors may from time to time designate.

Section 9.03 Contracts. Except as otherwise provided in the PBCL in the case of transactions that require action by the shareholders, the board of directors may authorize any officer or agent to enter into any contract or to execute or deliver any instrument on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 9.04 Voting by the Corporation. Shares of or memberships in a domestic or foreign corporation for profit or not-for-profit other than the corporation, standing in the name of a shareholder or member that is the corporation, may be voted by the persons and in the manner provided for in the case of business corporations by Section 2.12(a) unless the laws of the jurisdiction in which the issuer of the shares or memberships is incorporated require the shares or memberships to be voted by some other person or persons or in some other manner in which case, to the extent that those laws are inconsistent herewith, this Section 9.04 shall not apply.

Section 9.05 **Interested Directors or Officers; Quorum**.

(a) General Rule. A contract or transaction between the corporation and one or more of its directors or officers or between the corporation and another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise in which one or more of its directors or officers are directors or officers or have a financial or other interest, shall not be void or voidable solely for that reason, or solely because the director or officer is present at or participates in the meeting of the board of directors that authorizes the contract or transaction, or solely because his, her or their votes are counted for that purpose, if:

(i) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors and the board authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors even though the disinterested directors are less than a quorum;

(ii) the material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the shareholders entitled to vote thereon and the contract or transaction is specifically approved in good faith by vote of those shareholders; or

(iii) the contract or transaction is fair as to the corporation as of the time it is authorized, approved, or ratified by the board of directors or the shareholders.

(b) Quorum. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board which authorizes a contract or transaction specified in Section 9.05(a).

Section 9.06 Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the board of directors may approve or designate, and all such funds shall be withdrawn only upon checks signed by such one or more officers or employees as the board of directors shall from time to time determine.

Section 9.07 Corporate Records.

(a) Required Records. The corporation shall keep complete and accurate books and records of account, minutes of the proceedings of the incorporators, shareholders and directors and a share register giving the names and addresses of all shareholders and the number and class of shares held by each. The share register shall be kept at the registered office of the corporation in the Commonwealth of Pennsylvania, at the corporation's principal place of business wherever situated, at any actual business office of the corporation or at the office of its registrar or transfer agent. Any books, minutes or other records may be in written form or any other form capable of being converted into written form within a reasonable time.

(b) Right of Inspection. Every shareholder shall, upon written verified demand stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the share register, books and records of account, and records of the proceedings of the incorporators, shareholders and directors and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of the person as a shareholder. In every instance where an attorney or other agent is the person who seeks the right of inspection, the demand shall be accompanied by a verified power of attorney or other writing that authorizes the attorney or other agent to so act on behalf of the shareholder. The demand shall be directed to the corporation at its registered office in the Commonwealth of Pennsylvania, at its principal place of business wherever situated, or in care of the person in charge of an actual business office of the corporation.

Section 9.08 Fiscal Year. The fiscal year of the corporation shall begin on the first day of January in each year.

Section 9.09 Amendment of Bylaws.

(a) General Rule. Except as otherwise provided in the express terms of any series of the shares of the corporation, any one or more of the foregoing bylaws and, except as otherwise stated in this Section 9.09(a) or in the articles, any other bylaws made by the board of directors or shareholders may be amended, modified or repealed by the board of directors. The shareholders or the board of directors may adopt new bylaws except that the board of directors may not adopt, amend, modify or repeal bylaws that the PBCL specifies may be adopted only by shareholders, and the board of directors may not amend, modify or repeal any bylaw adopted by the shareholders that provides that it shall not be amended, modified or repealed by the board of directors. Notwithstanding the foregoing, except as otherwise provided in the express terms of any series of the shares of the corporation, any adoption of new bylaws, or amendment, modification or repeal of the bylaws, by the shareholders shall require the affirmative vote of at least a majority of the voting power of all shares of the corporation entitled to vote generally in the election of directors, voting together as a single class.

(b) Effective Date. Any change in these bylaws shall take effect when adopted unless otherwise provided in the resolution effecting the change.

* * * * *

Exhibit 31-1

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Calvin G. Butler, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Exelon Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CALVIN G. BUTLER, JR.
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-2

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Jeanne M. Jones, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Exelon Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JEANNE M. JONES

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 31-3

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Gil C. Quiniones, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Commonwealth Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ GIL C. QUINIONES

President, Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-4

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Joshua S. Levin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Commonwealth Edison Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JOSHUA S. LEVIN

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 31-5

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, David M. Velazquez, certify that:

1. I have reviewed this quarterly report on Form 10-Q of PECO Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ DAVID M. VELAZQUEZ

President and Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-6

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Marissa E. Humphrey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of PECO Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MARISSA E. HUMPHREY

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 31-7

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Carim V. Khouzami, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Baltimore Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CARIM V. KHOUZAMI
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-8

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, Michael J. Cloyd, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Baltimore Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MICHAEL J. CLOYD

Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 31-9

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pepco Holdings LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY
President, Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-10

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, David M. Vahos, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pepco Holdings LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ DAVID M. VAHOS

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 31-11

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Potomac Electric Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY

President, Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-12

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, David M. Vahos, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Potomac Electric Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ DAVID M. VAHOS

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 31-13

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delmarva Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY
President, Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-14

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, David M. Vahos, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delmarva Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ DAVID M. VAHOS

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 31-15

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, J. Tyler Anthony, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Atlantic City Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ J. TYLER ANTHONY
President, Chief Executive Officer
(Principal Executive Officer)

Date: August 1, 2024

Exhibit 31-16

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) OF THE SECURITIES AND EXCHANGE ACT OF 1934

I, David M. Vahos, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Atlantic City Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ DAVID M. VAHOS

Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 1, 2024

Exhibit 32-1

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Exelon Corporation for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Exelon Corporation.

/s/ CALVIN G. BUTLER, JR.
Calvin G. Butler
President and Chief Executive Officer

Date: August 1, 2024

Exhibit 32-2

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Exelon Corporation for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Exelon Corporation.

/s/ JEANNE M. JONES

Jeanne M. Jones
Executive Vice President and Chief Financial Officer

Date: August 1, 2024

Exhibit 32-3

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Commonwealth Edison Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Commonwealth Edison Company.

/s/ GIL C. QUINIONES
Gil C. Quiniones
President, Chief Executive Officer

Date: August 1, 2024

Exhibit 32-4

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Commonwealth Edison Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Commonwealth Edison Company.

/s/ JOSHUA S. LEVIN

Joshua S. Levin
Senior Vice President, Chief Financial Officer and Treasurer

Date: August 1, 2024

Exhibit 32-5

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of PECO Energy Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of PECO Energy Company.

/s/ DAVID M. VELAZQUEZ
David M. Velazquez
President and Chief Executive Officer

Date: August 1, 2024

Exhibit 32-6

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of PECO Energy Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of PECO Energy Company.

/s/ MARISSA E. HUMPHREY
Marissa E. Humphrey
Senior Vice President, Chief Financial Officer and Treasurer

Date: August 1, 2024

Exhibit 32-7

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Baltimore Gas and Electric Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Baltimore Gas and Electric Company.

/s/ CARIM V. KHOUZAMI
Carim V. Khouzami
President and Chief Executive Officer

Date: August 1, 2024

Exhibit 32-8

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Baltimore Gas and Electric Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Baltimore Gas and Electric Company.

/s/ MICHAEL J. CLOYD

Michael J. Cloyd
Vice President, Chief Financial Officer and Treasurer

Date: August 1, 2024

Exhibit 32-9

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Pepco Holdings LLC for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Pepco Holdings LLC.

/s/ J. TYLER ANTHONY

J. Tyler Anthony

President and Chief Executive Officer

Date: August 1, 2024

Exhibit 32-10

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Pepco Holdings LLC for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Pepco Holdings LLC.

/s/ DAVID M. VAHOS

David M. Vahos
Senior Vice President, Chief Financial Officer and Treasurer

Date: August 1, 2024

Exhibit 32-11

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Potomac Electric Power Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Potomac Electric Power Company.

/s/ J. TYLER ANTHONY
J. Tyler Anthony
President and Chief Executive Officer

Date: August 1, 2024

Exhibit 32-12

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Potomac Electric Power Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Potomac Electric Power Company.

/s/ DAVID M. VAHOS
David M. Vahos
Senior Vice President, Chief Financial Officer and Treasurer

Date: August 1, 2024

Exhibit 32-13

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Delmarva Power & Light Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Delmarva Power & Light Company.

/s/ J. TYLER ANTHONY

J. Tyler Anthony
President and Chief Executive Officer

Date: August 1, 2024

Exhibit 32-14

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Delmarva Power & Light Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Delmarva Power & Light Company.

/s/ DAVID M. VAHOS

David M. Vahos
Senior Vice President, Chief Financial Officer and Treasurer

Date: August 1, 2024

Exhibit 32-15

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Atlantic City Electric Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Atlantic City Electric Company.

/s/ J. TYLER ANTHONY

J. Tyler Anthony
President and Chief Executive Officer

Date: August 1, 2024

Exhibit 32-16

Certificate Pursuant to Section 1350 of Chapter 63 of Title 18 United States Code

The undersigned officer hereby certifies, as to the quarterly report on Form 10-Q of Atlantic City Electric Company for the quarterly period ended June 30, 2024, that (i) the report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and (ii) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Atlantic City Electric Company.

/s/ DAVID M. VAHOS
David M. Vahos
Senior Vice President, Chief Financial Officer and Treasurer

Date: August 1, 2024