

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities
Exchange Act of 1934

September 26, 2002
(Date of earliest
event reported)

Commission File Number	Name of Registrant; State of Incorporation; Address of Principal Executive Offices; and Telephone Number	IRS Employer Identification Number
1-16169	EXELON CORPORATION (a Pennsylvania corporation) 10 South Dearborn Street - 37th Floor P.O. Box 805379 Chicago, Illinois 60680-5379 (312) 394-7398	23-2990190
1-1839	COMMONWEALTH EDISON COMPANY (an Illinois corporation) 10 South Dearborn Street - 37th Floor P.O. Box 805379 Chicago, Illinois 60680-5379 (312) 394-4321	36-0938600

Item 5. Other Events

On September 26, 2002 Commonwealth Edison Company (ComEd) received a letter order from the Federal Energy Regulatory Commission (FERC) indicating that it has no objection to ComEd's determination that none of its goodwill was related to assets transferred to Exelon Generation Company, LLC. ComEd's goodwill was created in the October 20, 2000 merger of PECO Energy Company and Unicom (ComEd's former parent). ComEd attributed the goodwill to its transmission and distribution business and attributed none of the goodwill to its generation business.

Attached as Exhibit 99.1 is Exelon's news release issued on September 26, 2002 regarding this matter.

Attached as Exhibit 99.2 is the text of the September 26, 2002 FERC letter order to ComEd.

Exhibits Description

- 99.1 Exelon's news release issued on September 26, 2002 regarding FERC's letter order that FERC has no objection to ComEd's determination that none of ComEd's goodwill was related to assets transferred to Exelon Generation Company, LLC.
- 99.2 Text of the September 26, 2002 FERC letter order to ComEd.

SIGNATURES

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

EXELON CORPORATION
COMMONWEALTH EDISON COMPANY

/S/ Ruth Ann M. Gillis

Ruth Ann M. Gillis
Senior Vice President
Exelon Corporation

September 26, 2002

News Release

From: Exelon Corporation
Corporate Communications
P.O. Box 805379
Chicago, IL 60680-5379

FOR IMMEDIATE RELEASE
September 26, 2002

Contact: Don Kirchoffner, Exelon Media Relations
312.394.3001
John Hatfield, ComEd Media Relations
312.394.4214
Linda Byus, CFA, Investor Relations
312.394.7696

Exelon Accounting for Merger Goodwill is Appropriate, Federal Regulators Rule

Chicago (September 26, 2002) - Exelon Corporation (NYSE:EXC) received approval today from the Federal Energy Regulatory Commission (FERC) for its accounting treatment for goodwill during a corporate restructuring in January 2001. FERC's decision means that Commonwealth Edison (ComEd), Exelon's Illinois energy delivery subsidiary, will not be required to remove goodwill from its books, as FERC had directed in a previous letter order dated August 27, 2002.

In a letter order today signed by Deputy Executive Director and Chief Accountant John M. Delaware, FERC ruled that, "Since the issuance of the August 27th letter, however, ComEd has provided the Commission, as well as the Securities and Exchange Commission, with extensive additional information to support ComEd's contention that the amount recognized as goodwill on its books relates entirely to ComEd's energy delivery business and thus no portion of that amount should be associated with the facilities and businesses transferred to Generation."

The ruling comes a week after the Securities and Exchange Commission (SEC) notified Exelon that it did not object to the company's treatment of goodwill. The SEC's decision was significant because it confirmed Exelon's position that the company's accounting complied with generally accepted accounting principles (GAAP).

"This was a particularly important matter for us to resolve swiftly and conclusively, not only because of the potential impact on our shareholders, but also because of our uncompromising commitment to honest reporting," stated Exelon Chairman and Chief Executive Officer John W. Rowe. "Our accounting was open and appropriate, and we are quite pleased to have this behind us. I particularly appreciate the support we received from members of the Illinois Commerce Commission."

Page 2

Exelon Senior Vice President Elizabeth Moler praised federal regulators for their quick action. "Officials at FERC and the SEC deserve great credit for recognizing the potential impact of this issue on Exelon and on the continued development of competition in Illinois. Their professionalism and thoroughness was extraordinary," said Moler.

The accounting issue arose last month when FERC staff sent ComEd a letter order ruling that an unspecified amount of goodwill should be removed from ComEd's books in conjunction with the company's January 2001 transfer of nuclear units and power marketing operations to its affiliate Exelon Generation Company, LLC. ComEd responded that the company's accounting treatment was consistent with GAAP, and that FERC's order would unintentionally disrupt the continued development of competition in Illinois. ComEd filed a petition on September 9 asking FERC for a rehearing.

Today's FERC order stated, "Based on our review of the additional information ComEd has provided and the additional disclosures it intends to provide in the 2002 FERC Form 1 regarding the sensitivity of the goodwill impairment analysis, we have no objection to ComEd's determination that none of the goodwill was related to assets transferred to Generation."

###

=====

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These

statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein. The forward-looking statements herein include statements about future financial and operating results of Exelon. Economic, business, competitive and/or regulatory factors affecting Exelon's businesses generally could cause actual results to differ materially from those described herein. For a discussion of the factors that could cause actual results to differ materially, please see Exelon's filings with the Securities and Exchange Commission, particularly those discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Outlook" in Exelon's 2001 Annual Report. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Exelon does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release.

Exelon Corporation is one of the nation's largest electric utilities with approximately 5 million customers and more than \$15 billion in annual revenues. The company has one of the industry's largest portfolios of electricity generation capacity, with a nationwide reach and strong positions in the Midwest and Mid-Atlantic. Exelon distributes electricity to approximately 5 million customers in Illinois and Pennsylvania and gas to more than 440,000 customers in the Philadelphia area. Exelon is headquartered in Chicago and trades on the NYSE under the ticker EXC.

Below is the text of the September 26, 2002 Federal Energy Regulatory Commission letter order to Commonwealth Edison Company.

[On Federal Energy Regulatory Commission letterhead]

Federal Energy Regulatory Commission
Washington, D.C. 20426

Office of the Executive Director

In Reply Refer To: OED-DRAP, Docket No. AC01-56-002

September 26, 2002

Commonwealth Edison Company
Attention: Mr. John E. Ebright
Controller
Three Lincoln Centre
Oakbrook Terrace, IL 601804260

By letters dated August 1 and 27, 2002, I advised Commonwealth Edison (ComEd) that it should remove from Account 114, Electric Plant Acquisition Adjustments, the amount of goodwill associated with the generation and power marketing businesses transferred to its affiliate, Exelon Generation LLC (Generation). My determination was based on an inability to reach a contrary conclusion based simply on an assertion that the fair value of the generation assets was significantly below their book value at the time of the merger.¹ Goodwill represented the amount paid above fair value for all of ComEd's identifiable assets at the time of the Peco/Unicom merger. Therefore, the fact that the fair value of the generation assets was below their book value at the time of the merger was not a sufficient basis either under Generally Accepted Accounting Principles or the Uniform systems of Accounts for concluding that no amount of the goodwill should be associated with both the generation business and power marketing business that were being transferred to Generation.

Since the issuance of the August 27th letter, however, ComEd has provided the Commission, as well as the Securities and Exchange Commission, with extensive additional information to support ComEd's contention that the amount recognized as goodwill on its books relates entirely to ComEd's energy delivery business and thus no portion of that amount should be associated with the facilities and businesses transferred to Generation. In particular, ComEd argued and provided supporting information that:

- o the amount recognized as goodwill relates exclusively to ComEd's transmission and distribution business because of cash flows expected to be realized from the stranded cost recovery provision of the Illinois Restructuring Act that are included in rates charged for delivery services by ComEd.
- o at the time of the Peco/Unicom merger, the unidentified value (i.e. the goodwill) in the purchase transaction was associated with the regulatory framework in Illinois, ComEd's energy delivery franchises, and the connection its transmission and distribution assets provided to over 3 million retail customers.
- o no intangible value was assignable to the power marketing operations transferred to Generation because those operations were limited in scope² and the processes and

systems developed by Wholesale Marketing Group were not expected to be used by Generation.

Based on our review of the additional information ComEd has provided and the additional disclosures it intends to provide in the 2002 FERC Form 1 regarding the sensitivity of the goodwill impairment analysis³ we have no objection to ComEd's determination that none of the goodwill was related to assets transferred to Generation.

This letter order constitutes final agency action. To request that the Commission rehear your case you must file a request within 30

days of the date of this letter order (see 18 C.F.R. ss. 385.713).

Sincerely,

/s/ John M. Delaware

John M. Delaware

Deputy Executive Director and Chief Accountant

1 Commonwealth Edison letter to the FERC Chief Accountant dated August 15, 2002.

2 ComEd stated that the primary focus of its Wholesale Marketing Group (WVG) was managing and balancing electricity supply to the load on ComEd's system. WVG had very limited approval to engage in financial hedging transactions and did not engage in speculative trading.

3 ComEd letter dated September 18, 2002.