



Moody's Annual Meeting

New York, NY

July 27-28, 2016



Exelon Overview

Jack Thayer
Senior EVP and CFO



Exelon: An Industry Leader

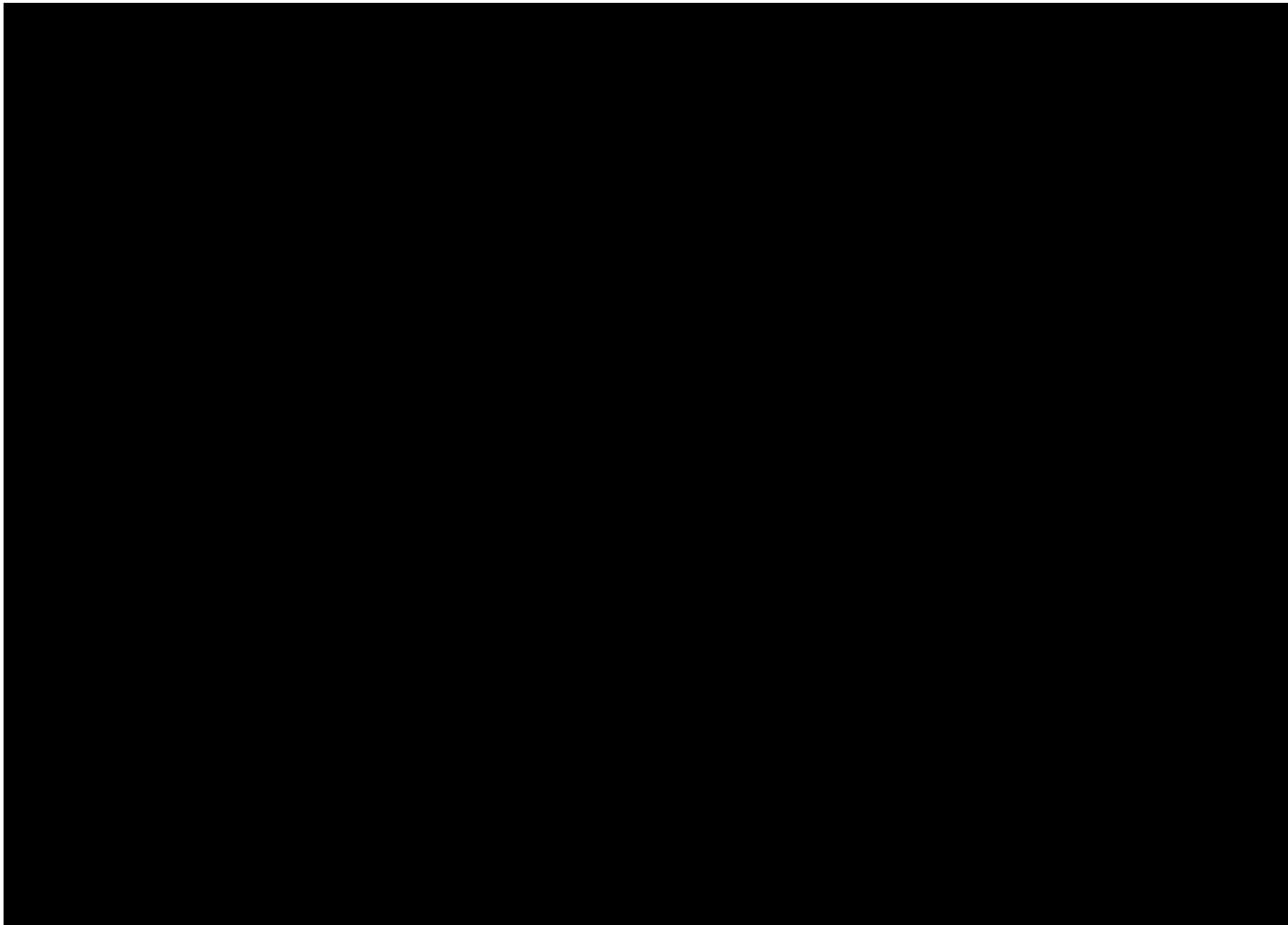


The Exelon Value Proposition

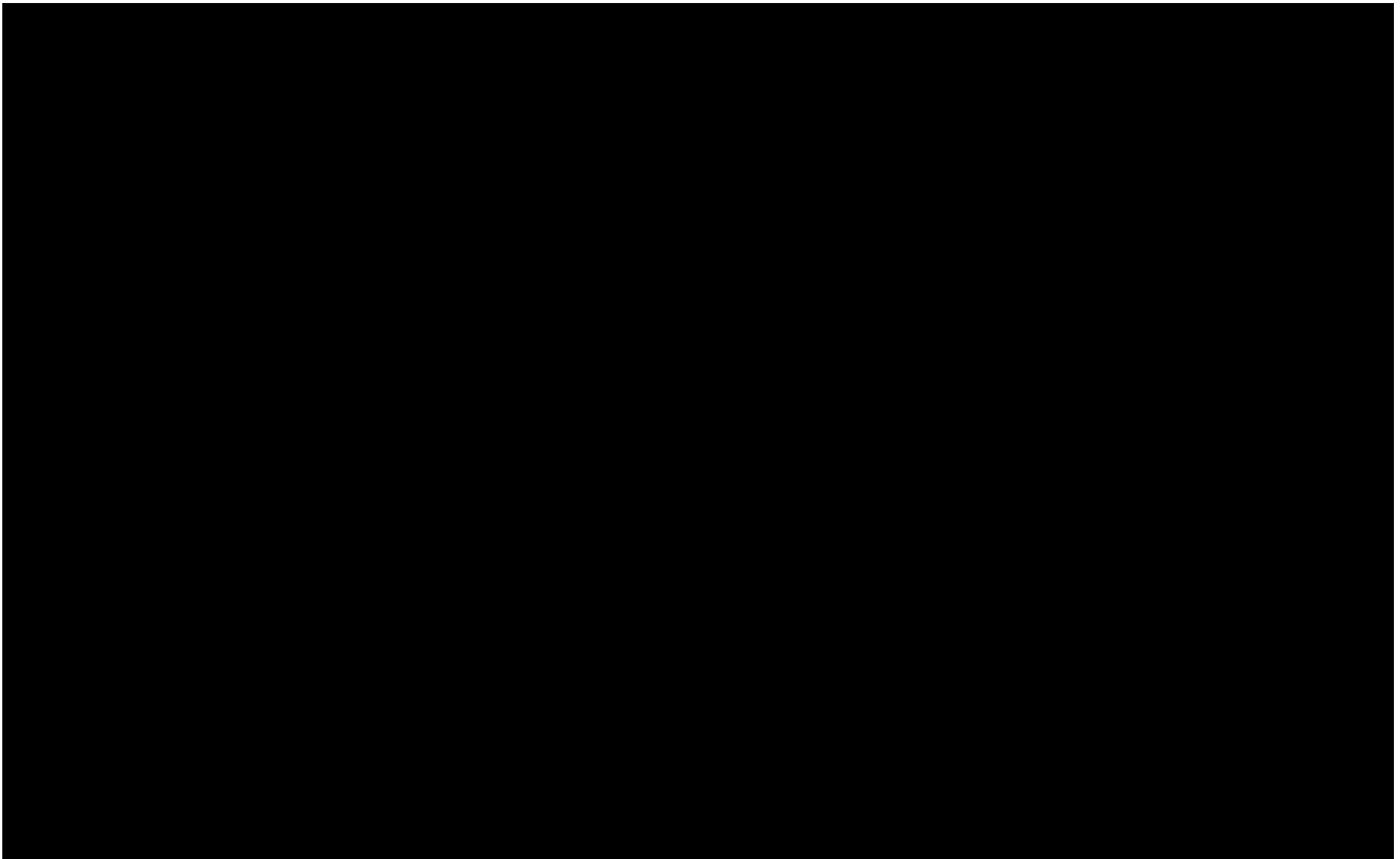
- **Regulated Utility Growth** with EPS rising 7-9% annually from 2016-20 and rate base growth of 6.3%, representing over 70% of EPS by 2020
- **ExGen's strong free cash generation** will support Utility growth while also reducing debt by ~\$3B over the next 5 years
- **Optimizing ExGen value** by seeking fair compensation for the clean attributes of our fleet, closing uneconomic plants, monetizing non-core assets and maximizing the value of the fleet through our proven generation to load matching strategy
- **Strong balance sheet remains a priority** with all businesses comfortably meeting investment grade credit metrics through the 2020 planning horizon
- **Capital allocation priorities** focused on organic Utility growth, return of cash to shareholders with 2.5% annual dividend growth through 2018⁽¹⁾, debt reduction, and selective contracted generation investments

(1) Quarterly dividends are subject to declaration by the board of directors.

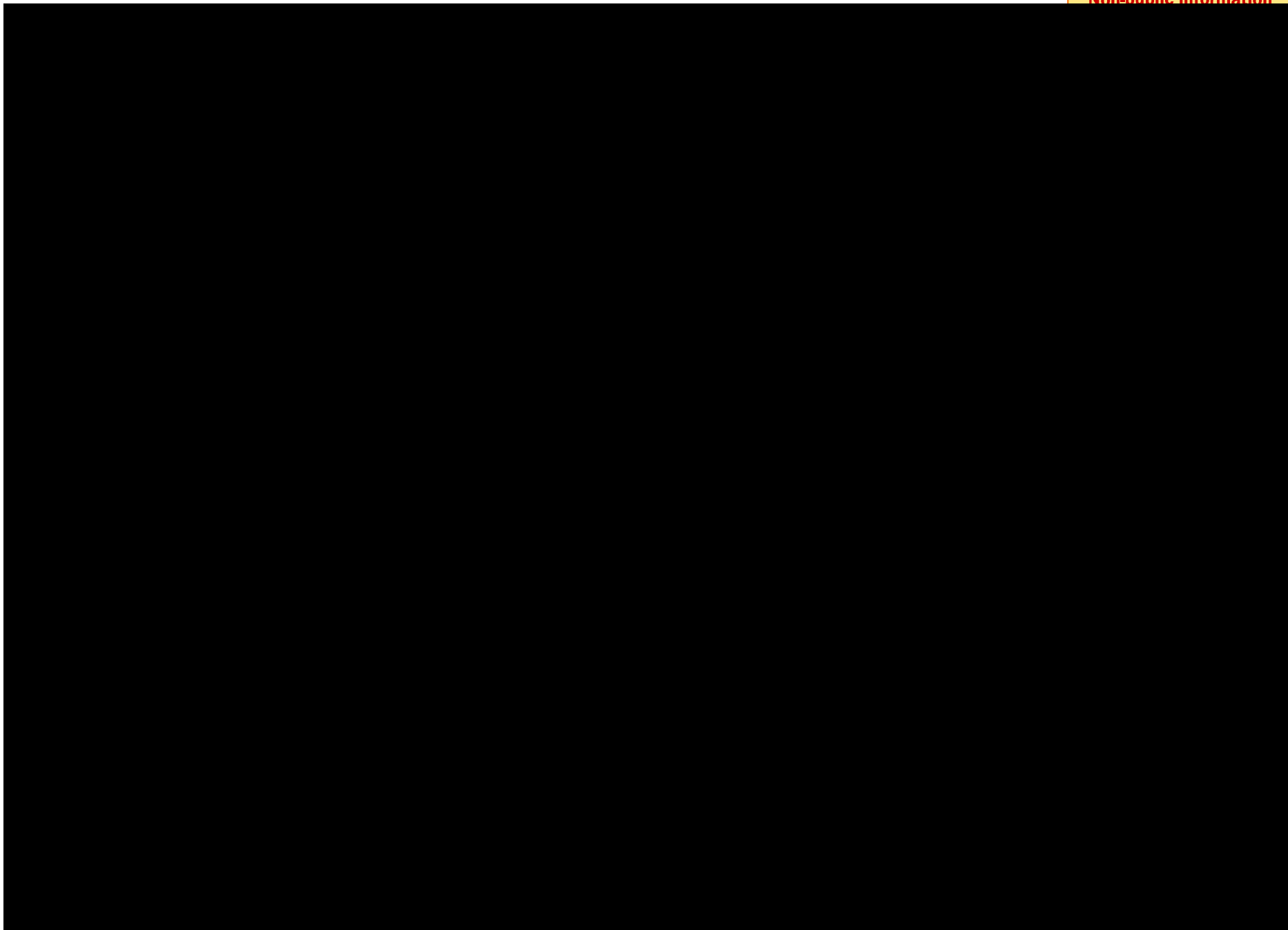
Non-public information



Non-public information



Non-public information



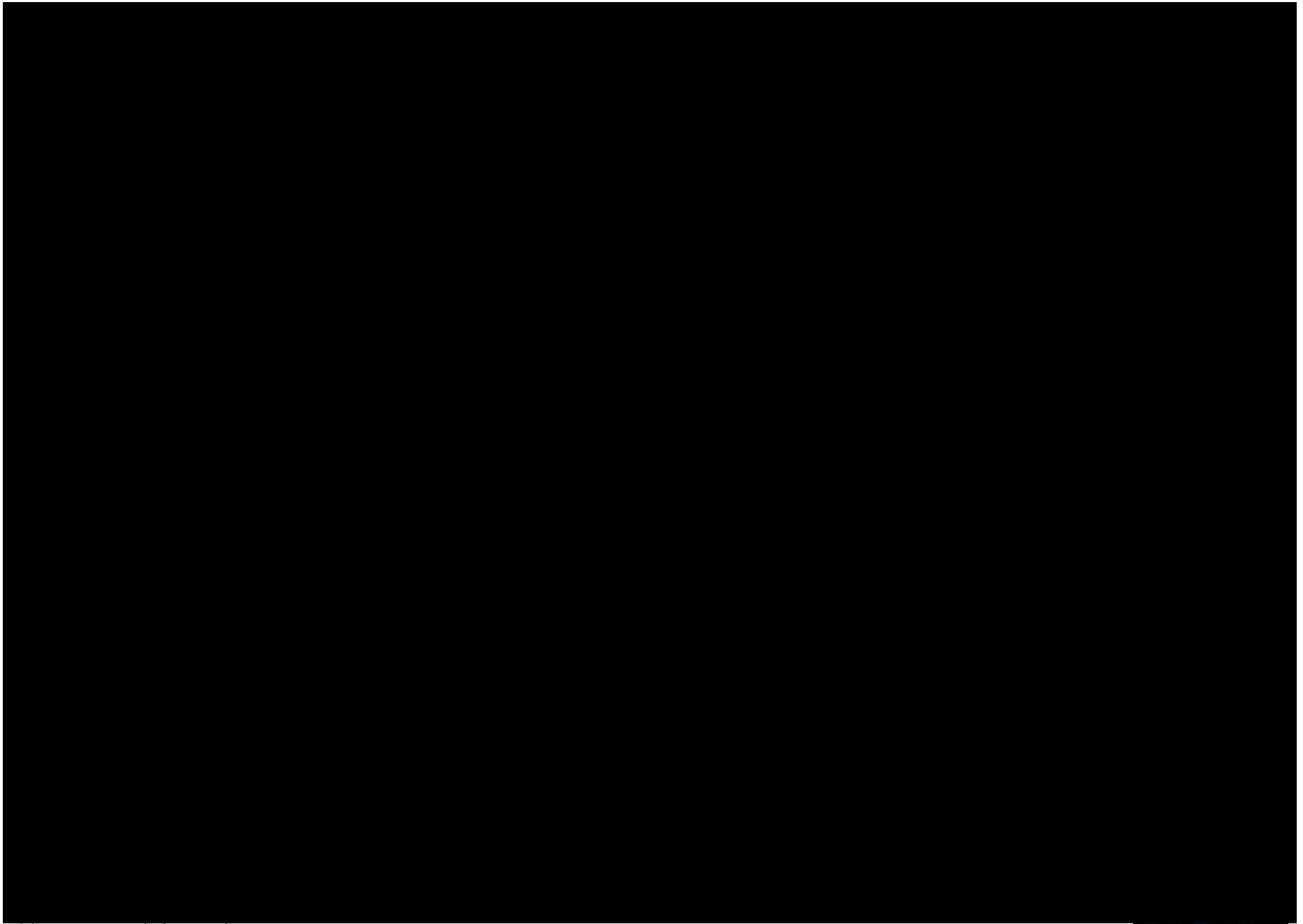
Exelon Generation

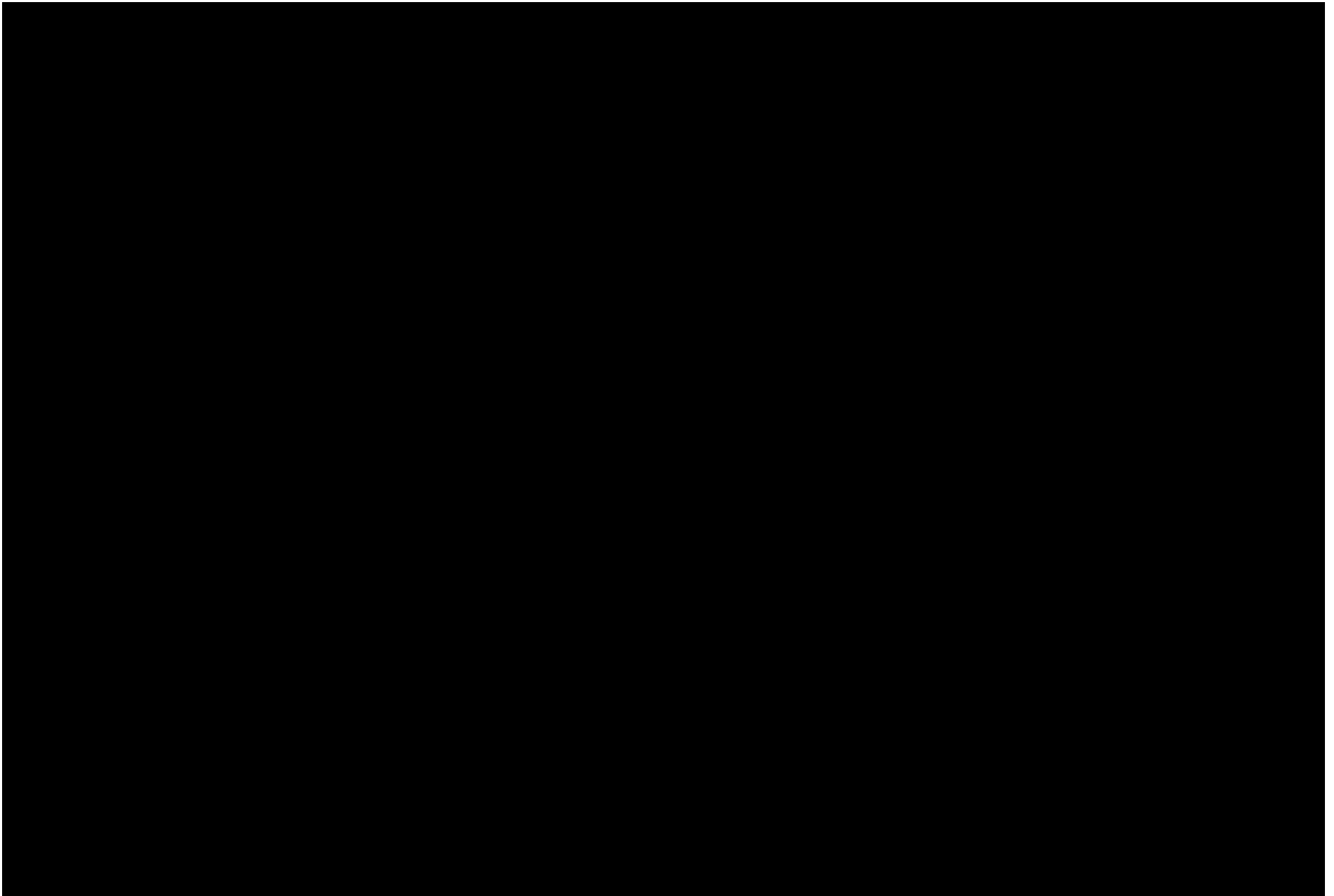
David Diaz

Vice President Finance

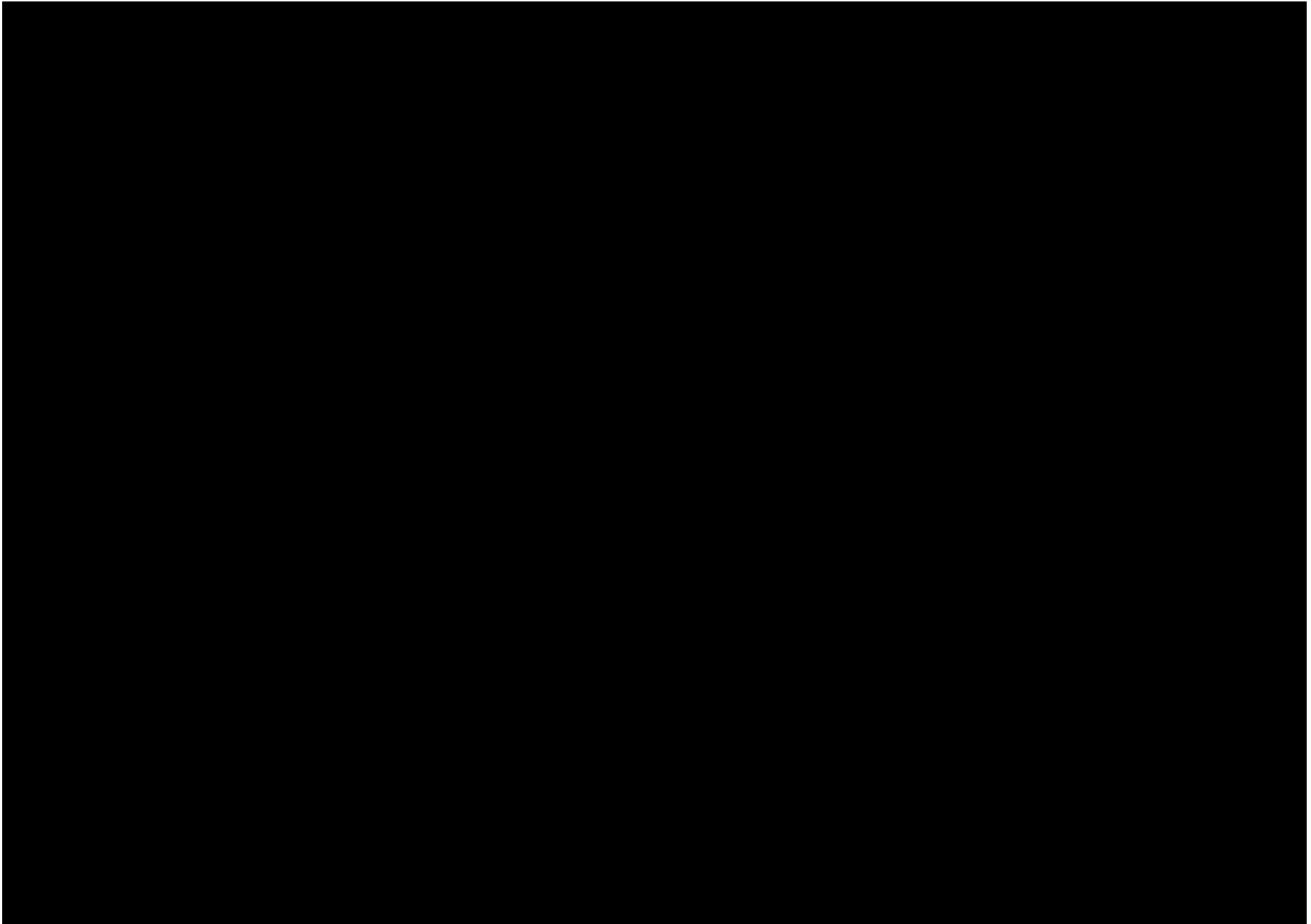


Non-public information

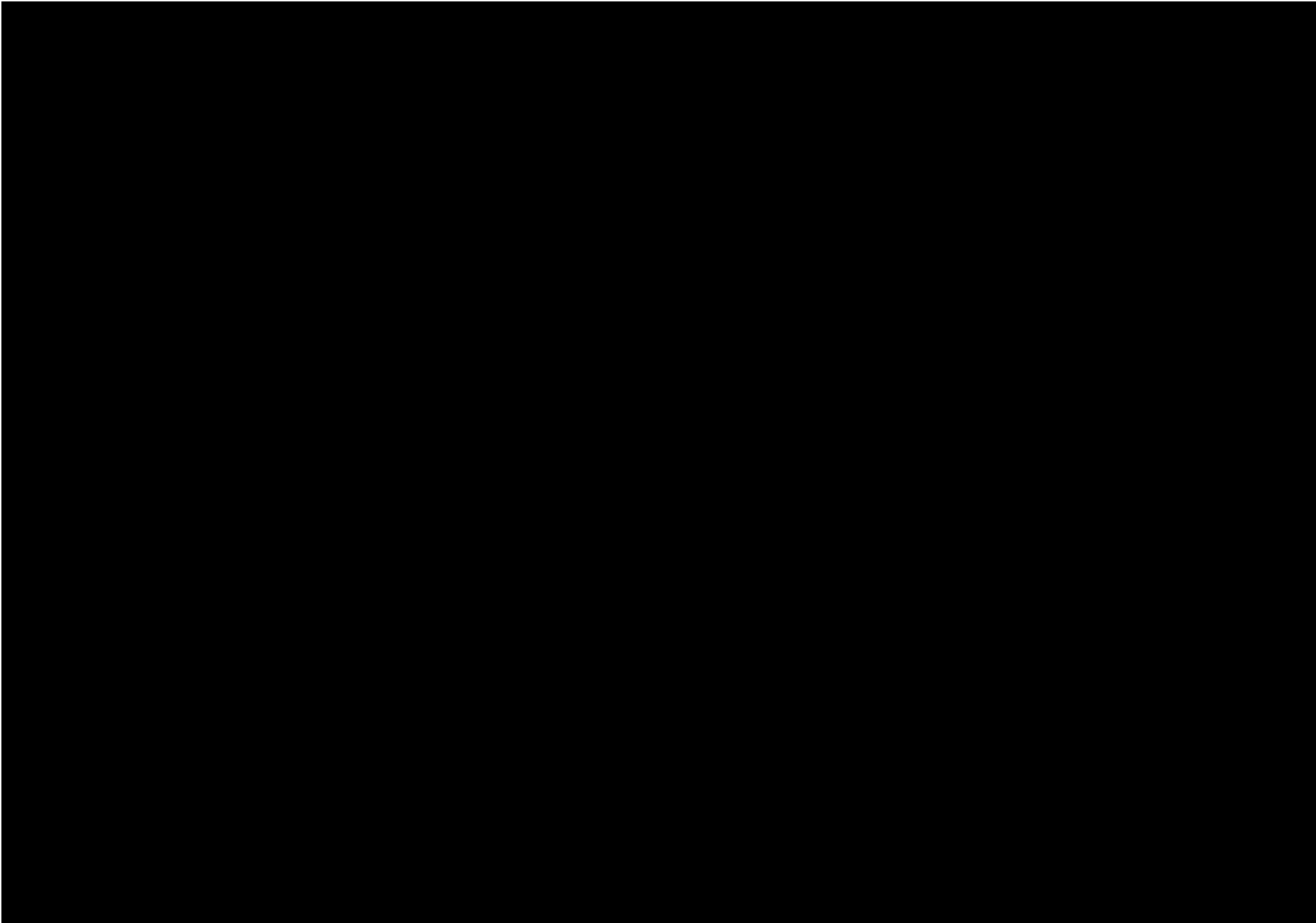




Non-public information



Non-public information



Two Paths for At-Risk Nuclear Generation

Nuclear plants are challenged by persistent, low power prices and market designs that do not compensate for the carbon-free attributes

Ginna and Nine Mile Point:
NY PSC Zero Carbon Program recognizes the importance of clean, reliable nuclear generation in the state preserving these assets

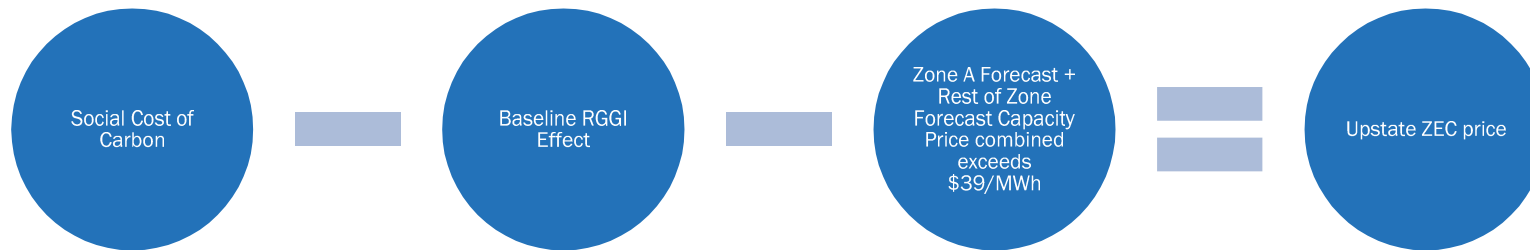
Clinton and Quad Cities:
Unable to find a path to sustained profitability, we are forced to shut down these assets

Overview of New York Zero Emission Credit Program

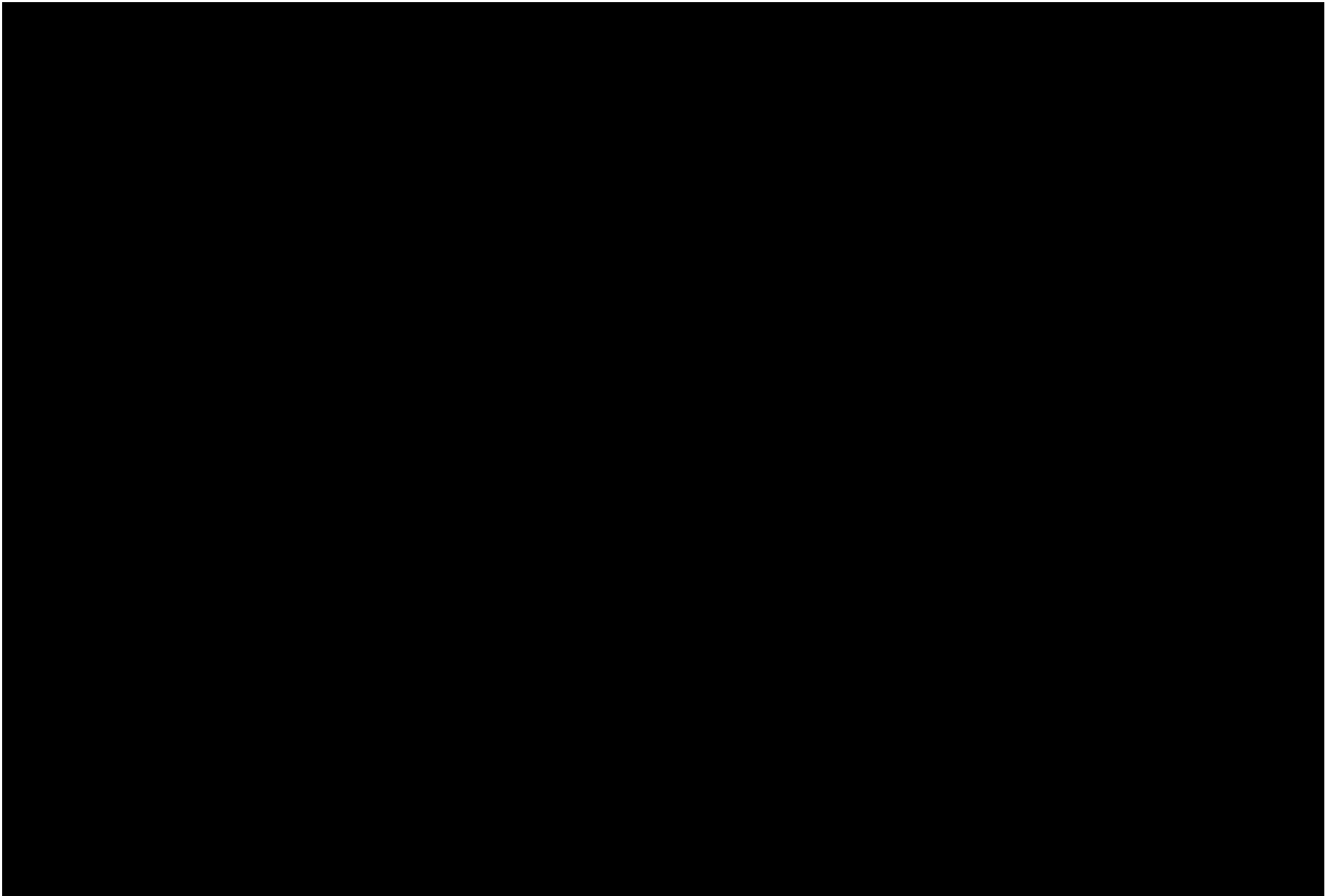
- On August 1, the New York Public Service Commission (NY PSC) approved the New York Clean Energy Standard which creates a Zero Emission Credit (ZEC) program
- The objective of the program is to preserve the environmental attributes of zero-emissions nuclear-powered generating facilities
- The program creates a 12 year contract extending from April 1, 2017 through March 31, 2029
- The NY PSC will determine whether a plant is eligible based on the following factors:
 - The verifiable historic contribution of the facility to the clean energy resource mix in New York State
 - The degree to which energy, capacity, and ancillary services revenues projected to be received by the facility are at a level expected to preserve its environmental attributes
 - The costs/benefits of such attributes in relation to other clean energy alternatives
 - Impact of related costs on ratepayers
 - The public interest
- NY PSC Staff projects that the Ginna, Nine Mile Point and Fitzpatrick nuclear plants will be deemed eligible
- The New York State Energy Research & Development Authority (NYSERDA) will centrally procure the ZECs
- ZECs will be procured in 6, two-year tranches

New York Zero Emission Credit Program Mechanics

- Pricing for each tranche to be administratively determined based on the USIWG Social Cost of Carbon (escalating over the term), less a fixed baseline for carbon pricing already captured through the RGGI program (\$10.41/short ton)
- Tranche 1 yields \$17.48/MWh
- Tranches 2-6 shall incorporate a customer protection feature to determine the ZEC



- The quantity of ZEC's to be purchased on an annual basis will be capped at a MWh amount that represents the verifiable historic contribution the facility has made to the clean energy resource mix.
- Each Load Serving Entity shall be required to purchase an amount of ZEC's equivalent to its load ratio share of the total electric energy load in the New York Control Area
- Cost recovery from ratepayers shall be incorporated into the commodity charges on customer bills.
- ZEC's will not be tradable except between NYSERDA and the LSE in the balancing process

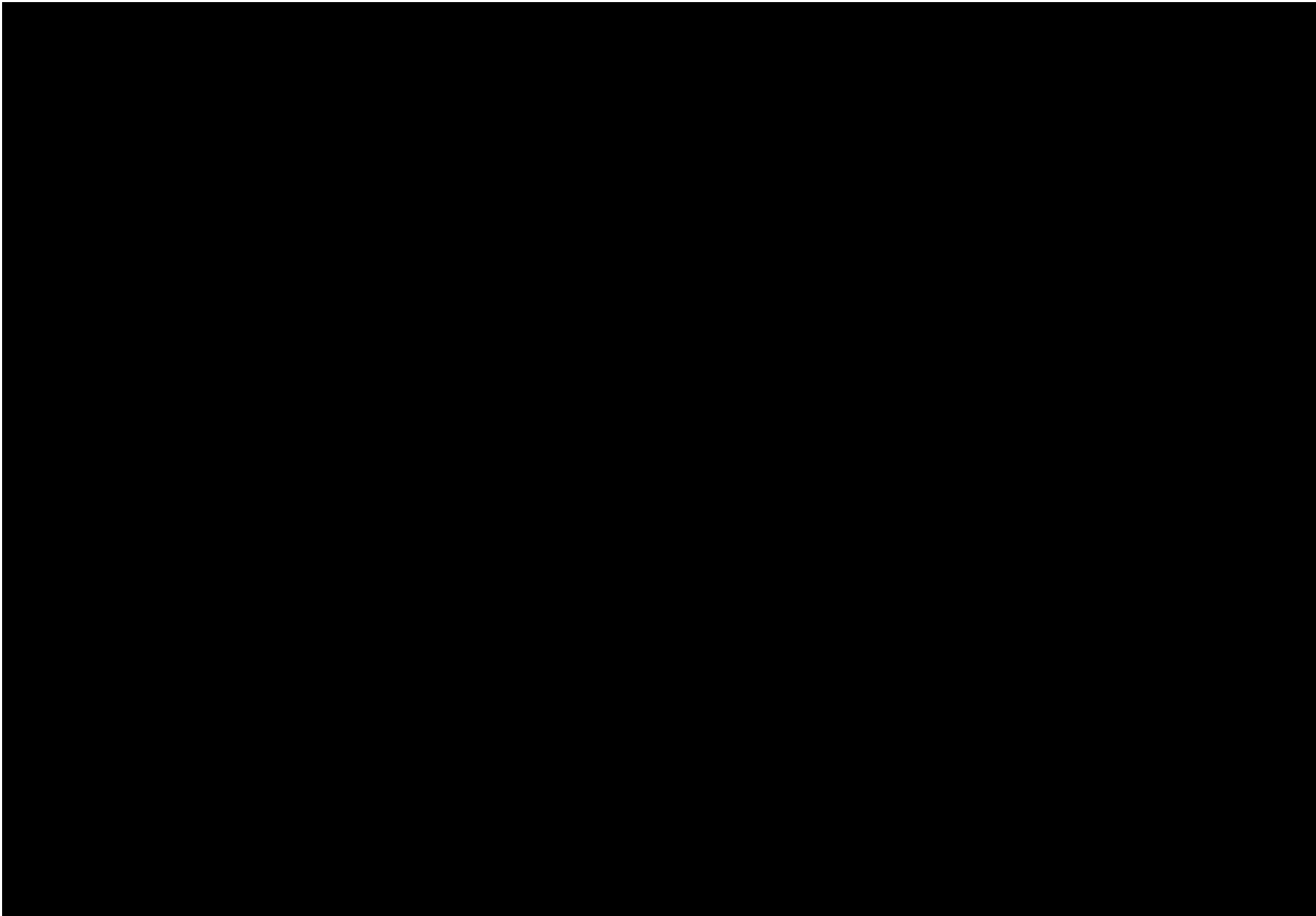


Financial Update

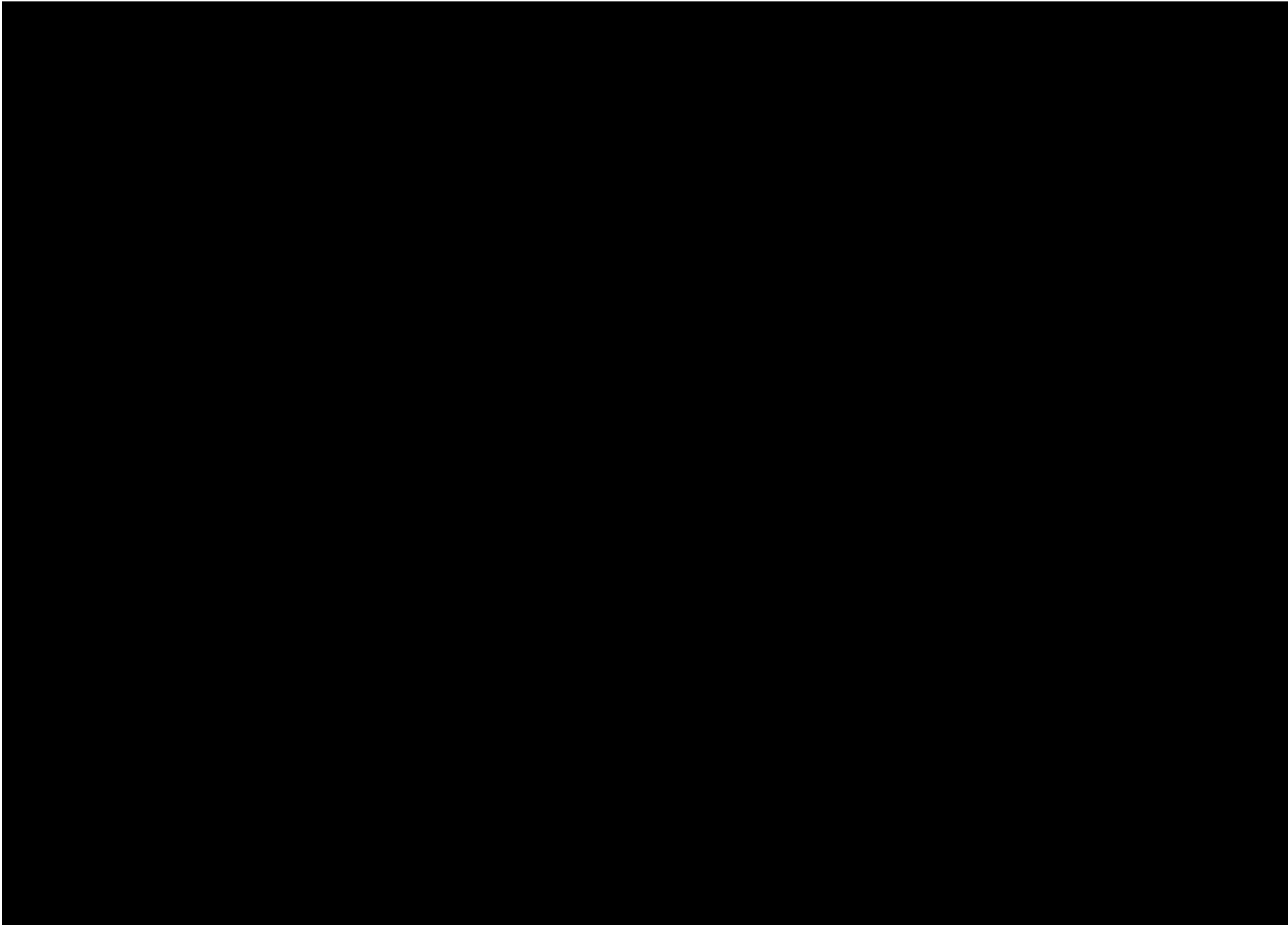
Francis Idehen Jr
Vice President & Treasurer



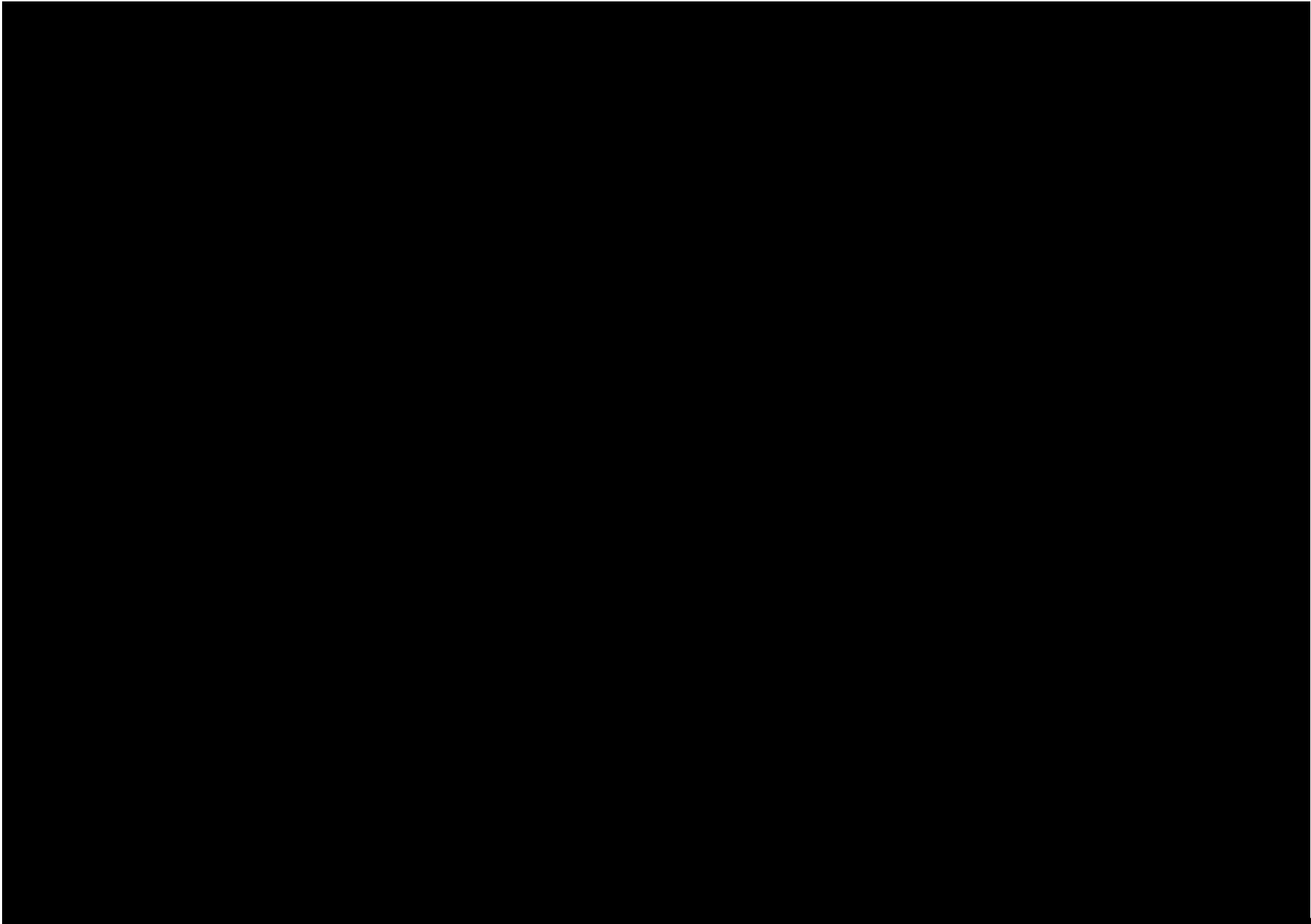
Non-public information



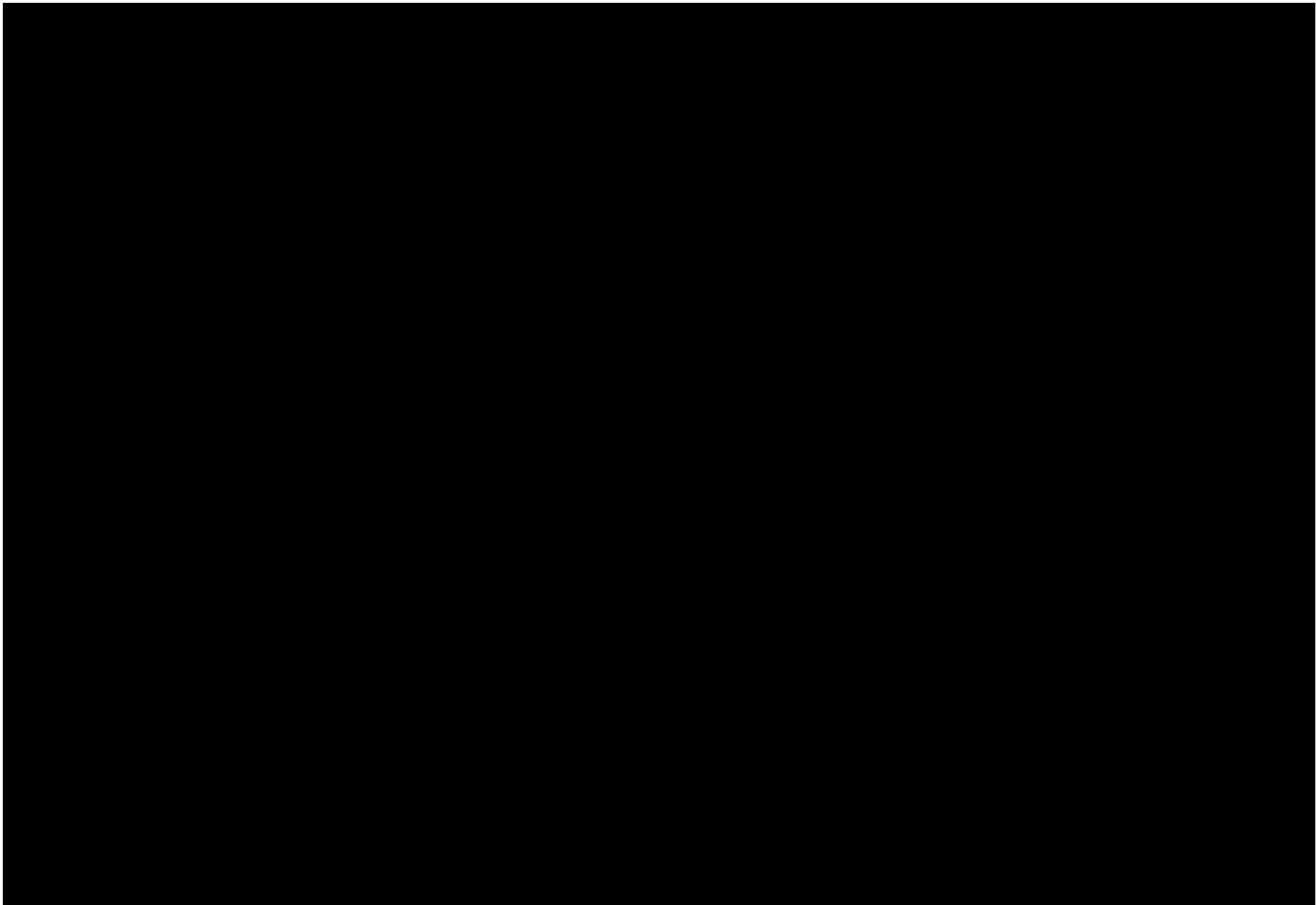
Non-public information

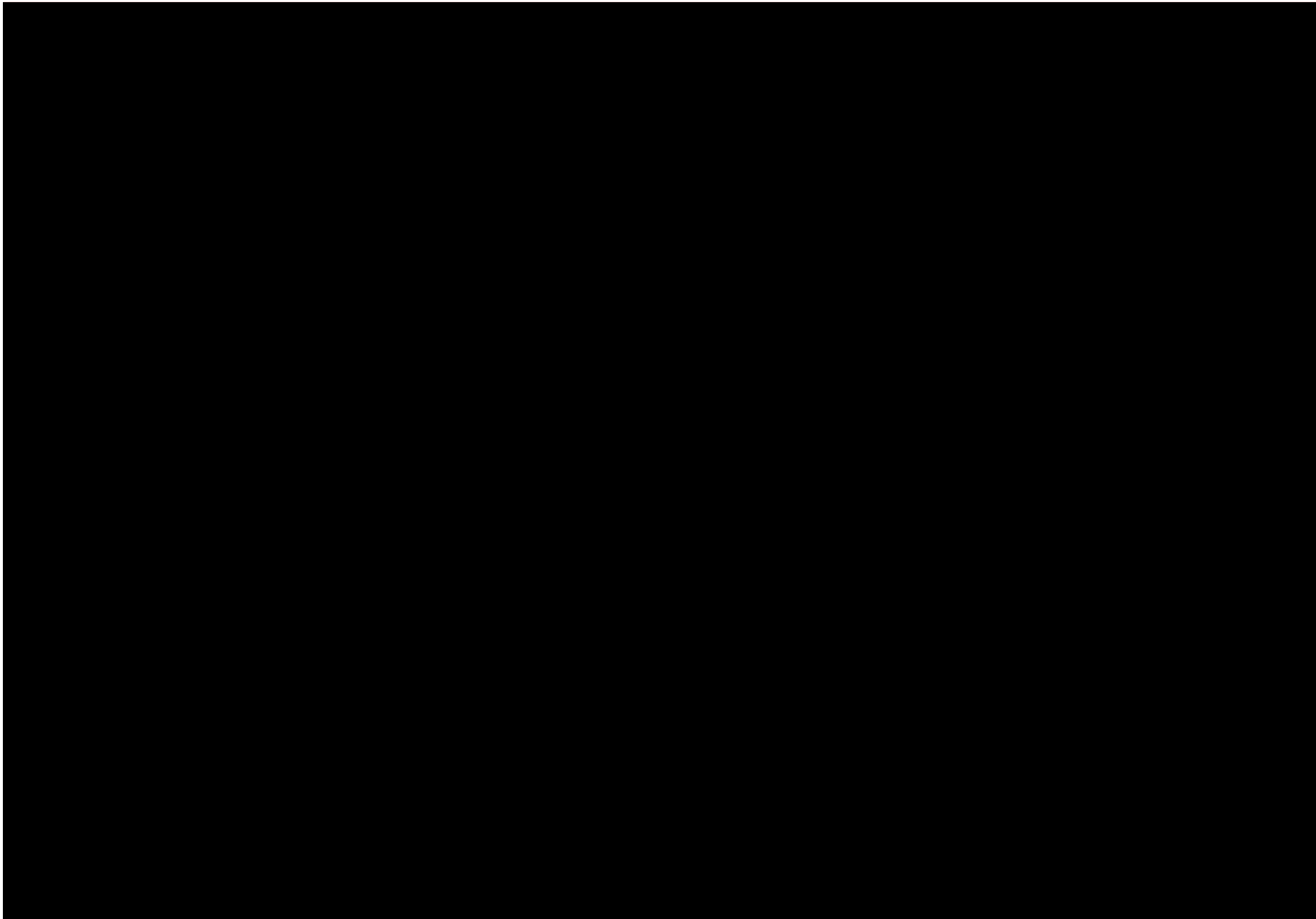


Non-public information

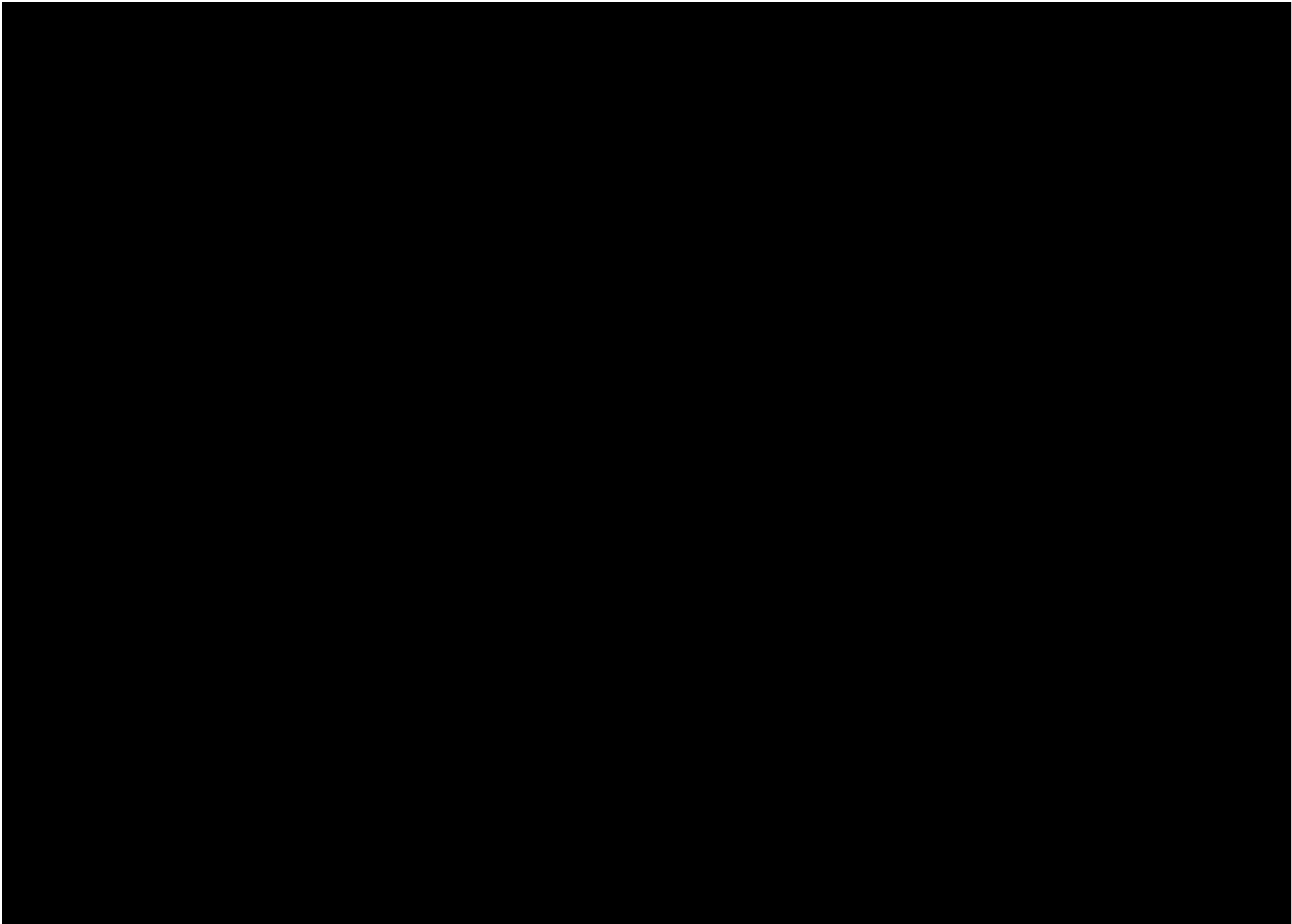


Non-public information

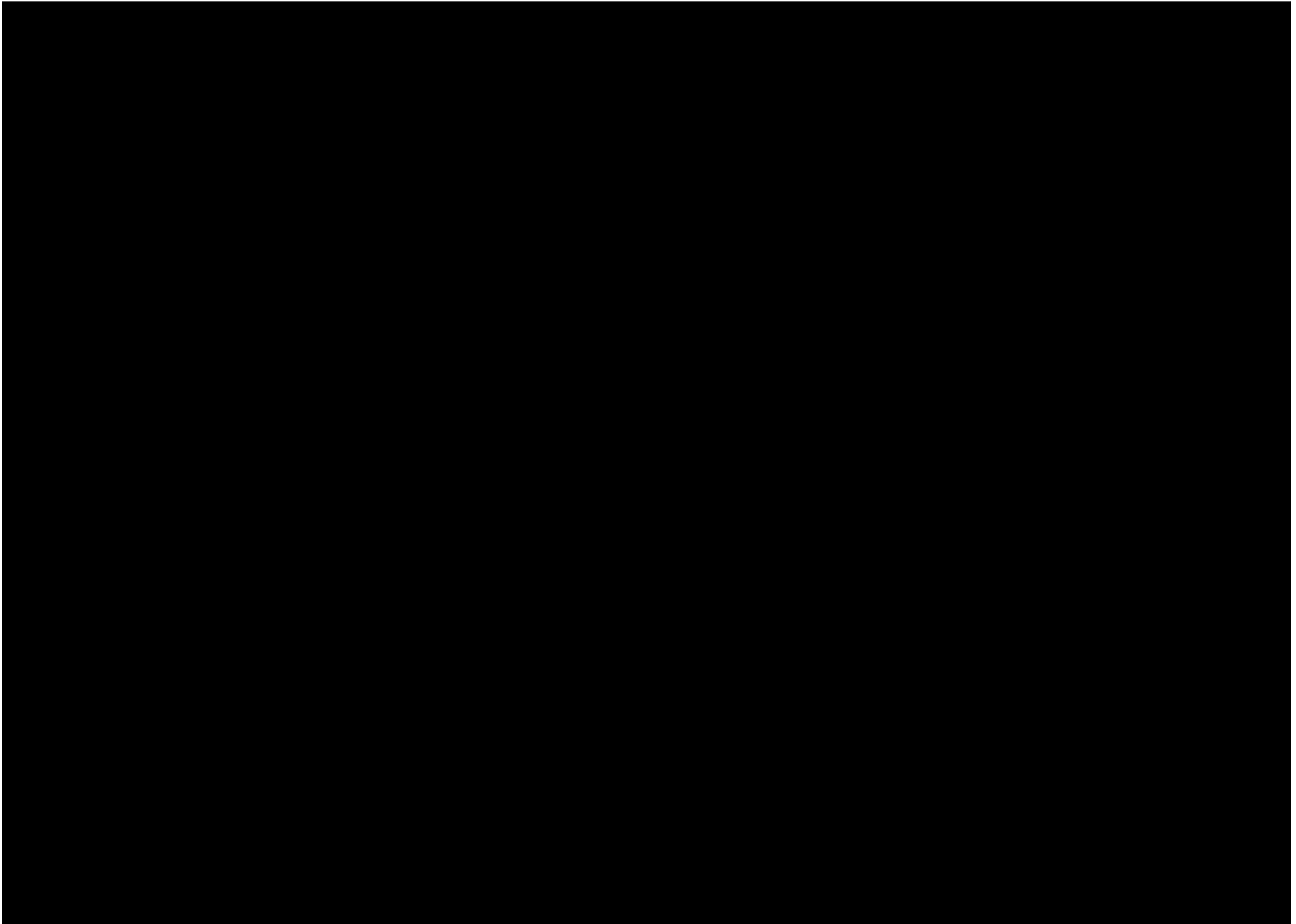




Non-public information



Non-public information



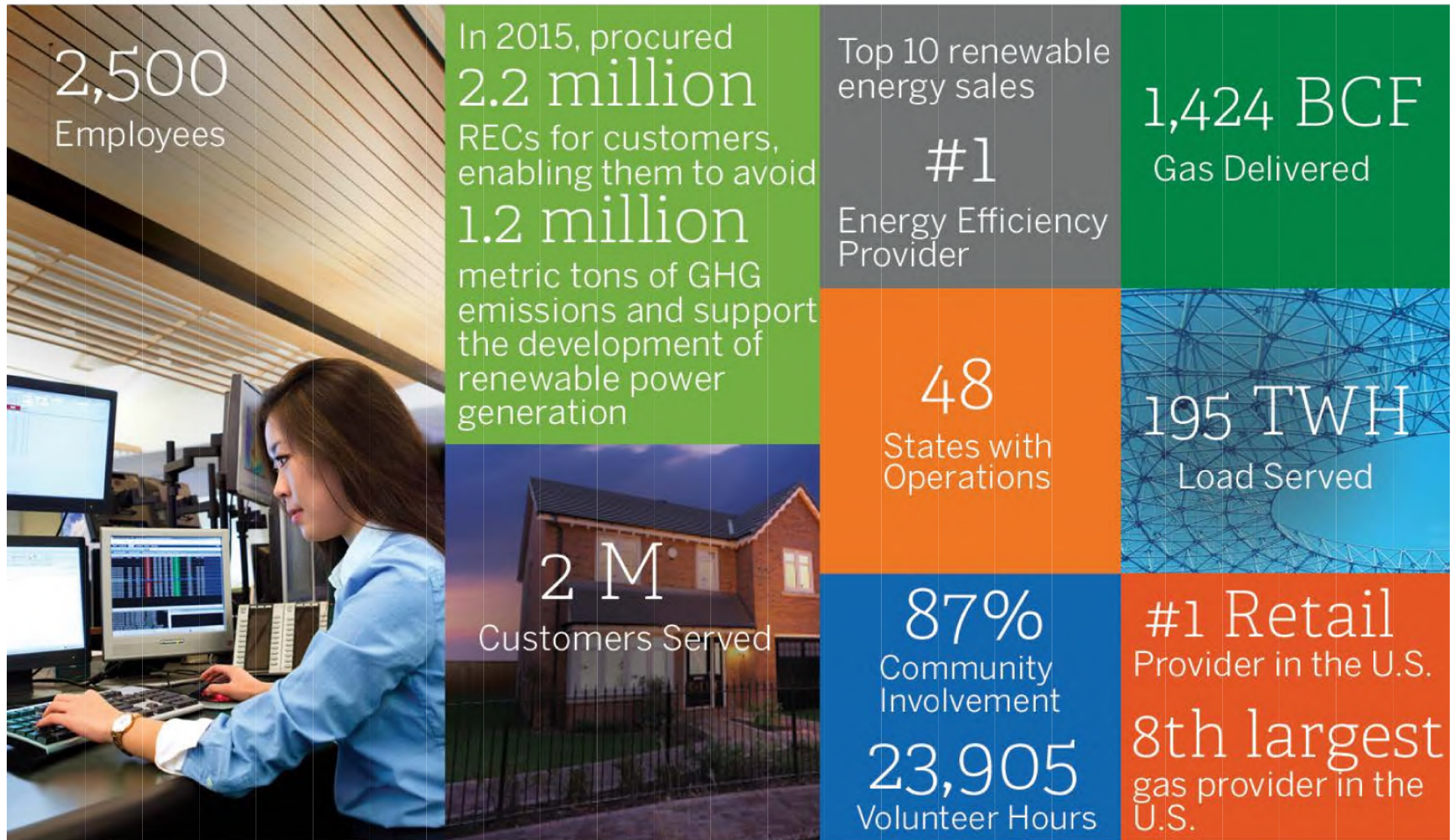
Constellation

Jim McHugh

SVP Portfolio Management and Strategy



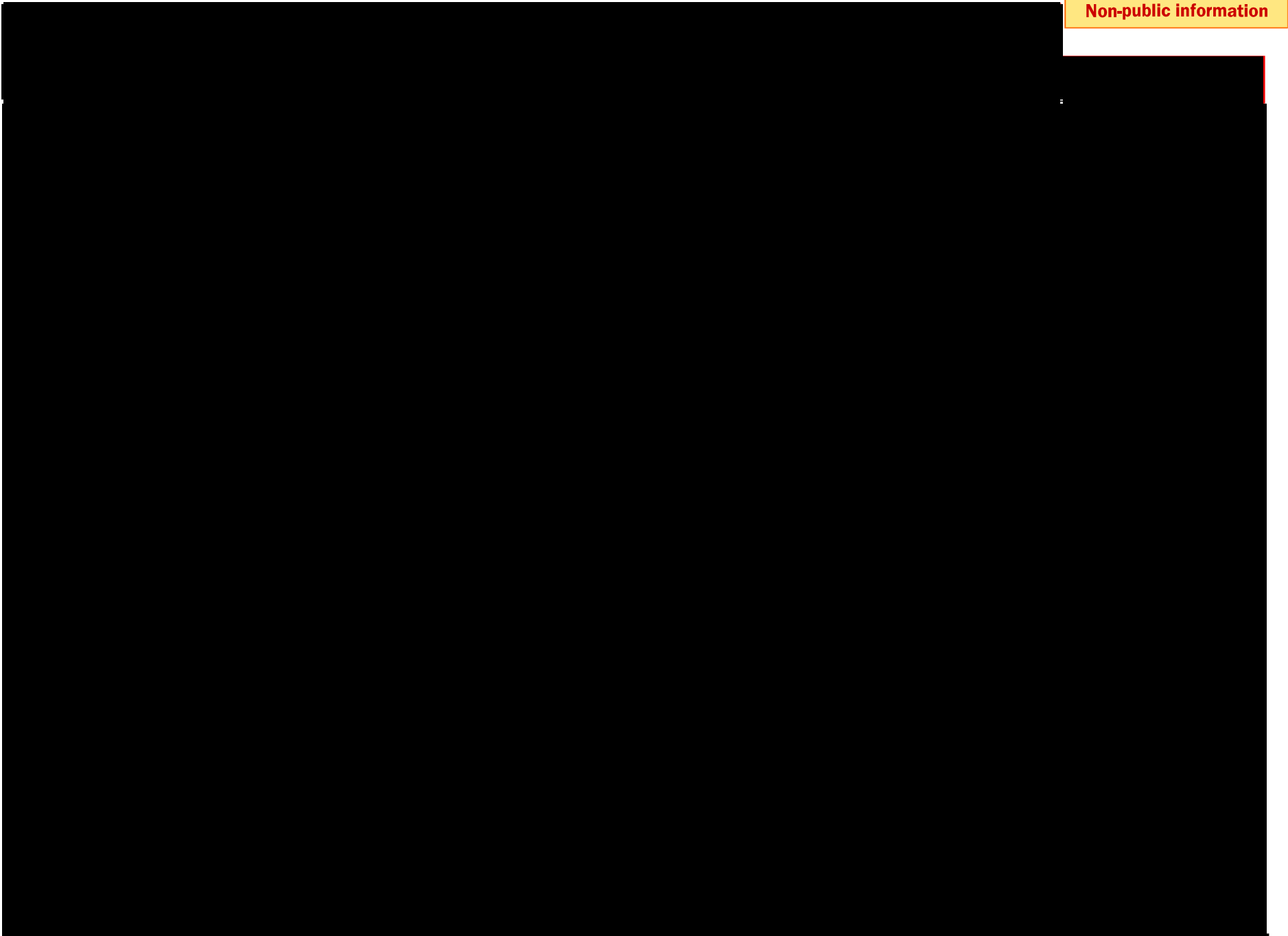
Constellation: Who We Are

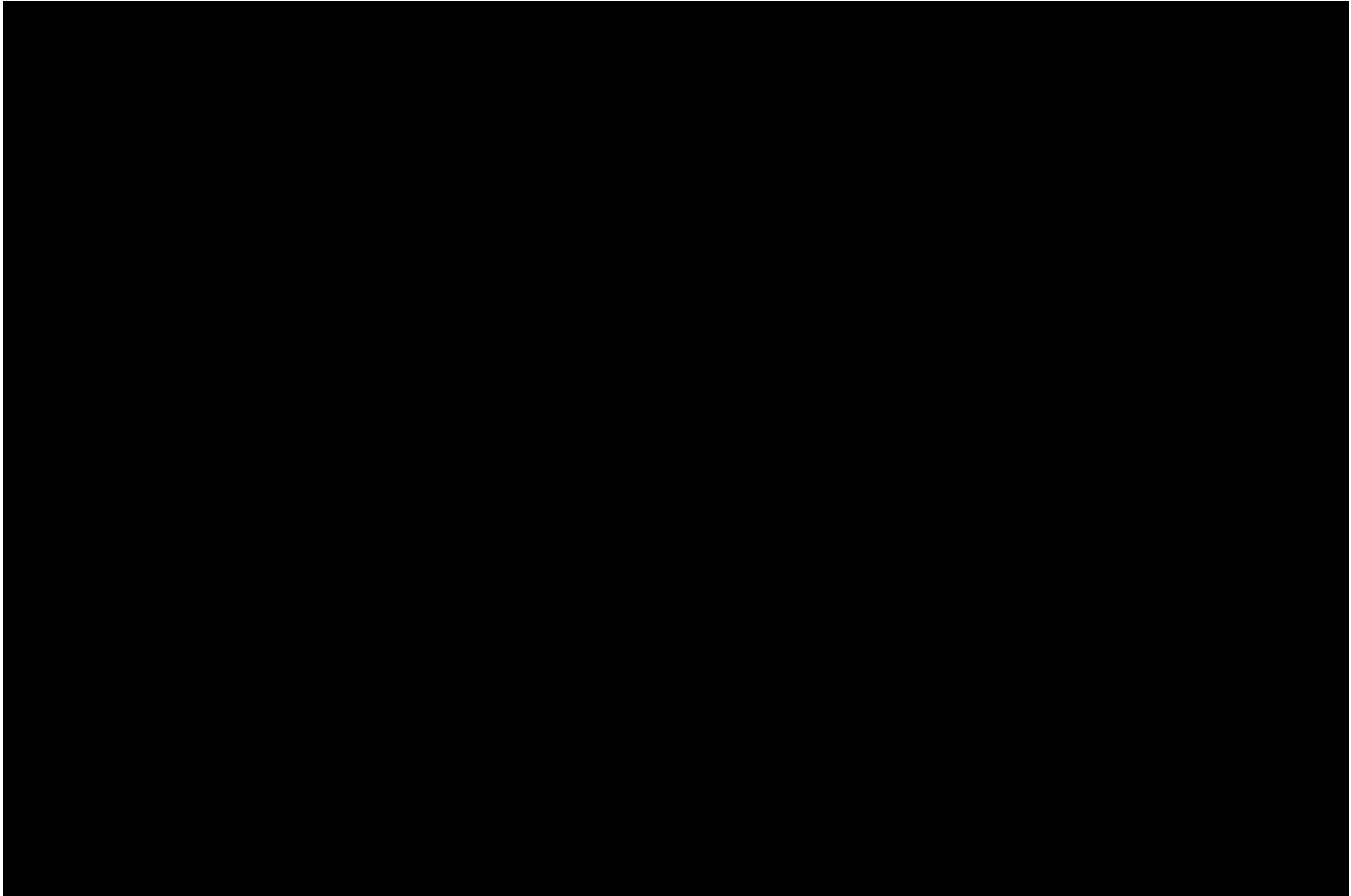


Non-public information



Non-public information

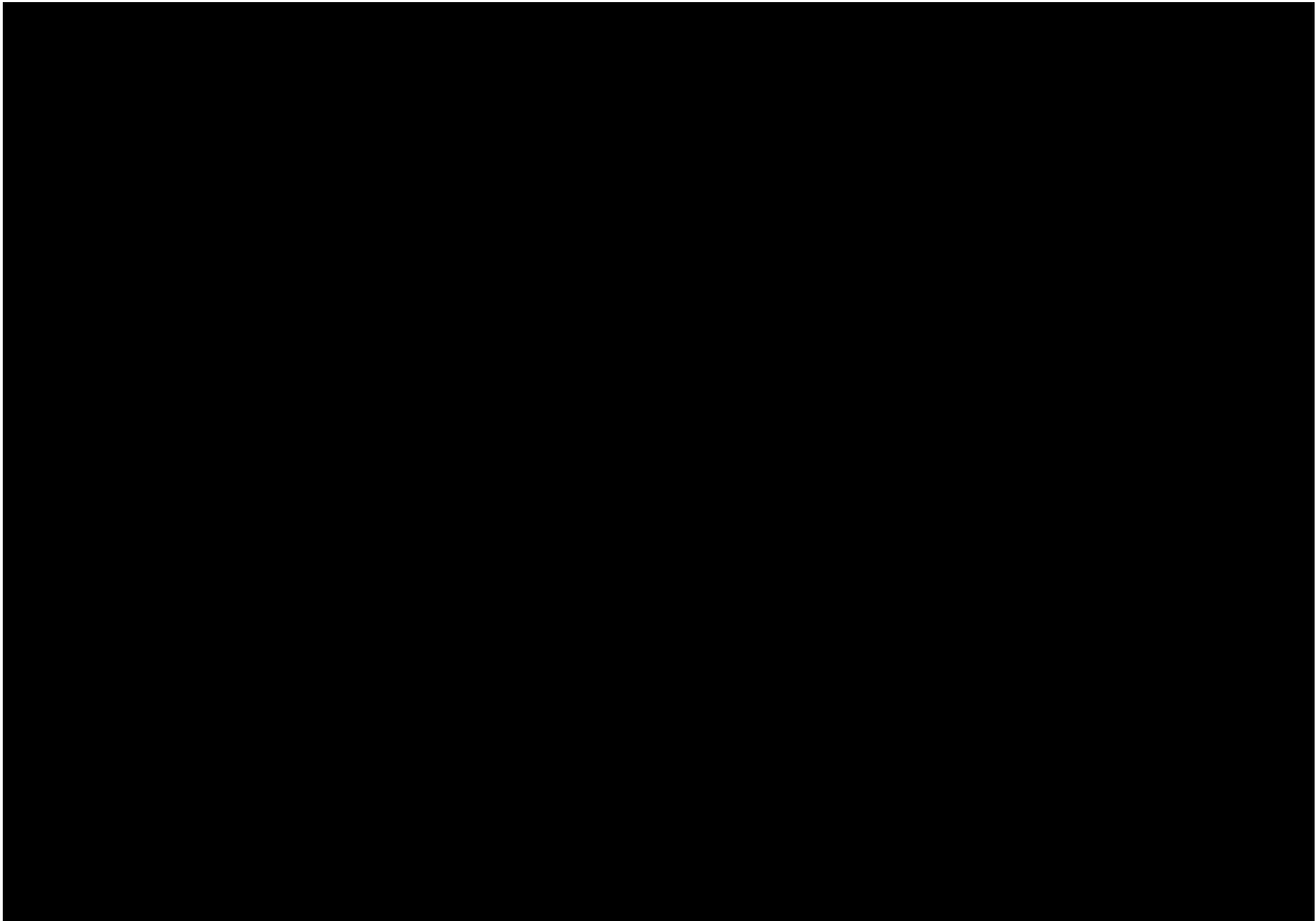




Non-public information



Non-public information



Concluding Remarks



The Exelon Value Proposition

- **Regulated Utility Growth** with EPS rising 7-9% annually from 2016-20 and rate base growth of 6.2%, representing over 70% of EPS by 2019
- **ExGen's strong free cash generation** will support Utility growth while also reducing debt by ~\$3B over the next 5 years
- **Optimizing ExGen value** by seeking fair compensation for the clean attributes of our fleet, closing uneconomic plants, monetizing non-core assets and maximizing the value of the fleet through our proven generation to load matching strategy
- **Strong balance sheet remains a priority** with all businesses comfortably meeting investment grade credit metrics through the 2020 planning horizon
- **Capital allocation priorities** focused on organic Utility growth, return of cash to shareholders with 2.5% annual dividend growth through 2018⁽¹⁾, debt reduction, and selective contracted generation investments

(1) Quarterly dividends are subject to declaration by the board of directors.

Exelon Generation Disclosures

June 30, 2016

Portfolio Management Strategy

Strategic Policy Alignment

- Aligns hedging program with financial policies and financial outlook
- Establish minimum hedge targets to meet financial objectives of the company (dividend, credit rating)
- Hedge enough commodity risk to meet future cash requirements under a stress scenario

Three-Year Ratable Hedging

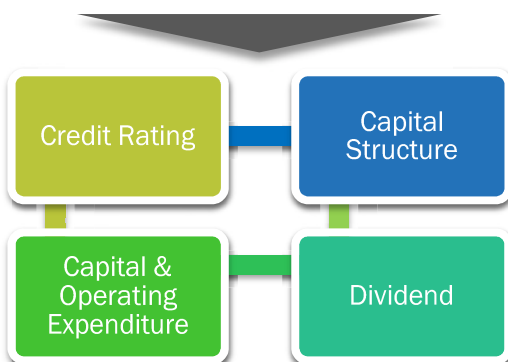
- Ensure stability in near-term cash flows and earnings
- Disciplined approach to hedging
- Tenor aligns with customer preferences and market liquidity
- Multiple channels to market that allow us to maximize margins
- Large open position in outer years to benefit from price upside

Bull / Bear Program

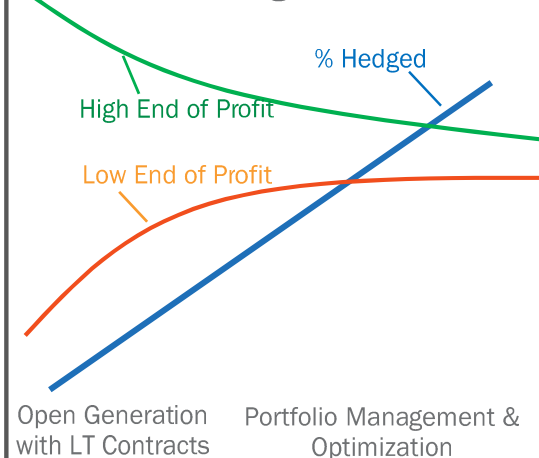
- Ability to exercise fundamental market views to create value within the ratable framework
- Modified timing of hedges versus purely ratable
- Cross-commodity hedging (heat rate positions, options, etc.)
- Delivery locations, regional and zonal spread relationships

Align Hedging & Financials

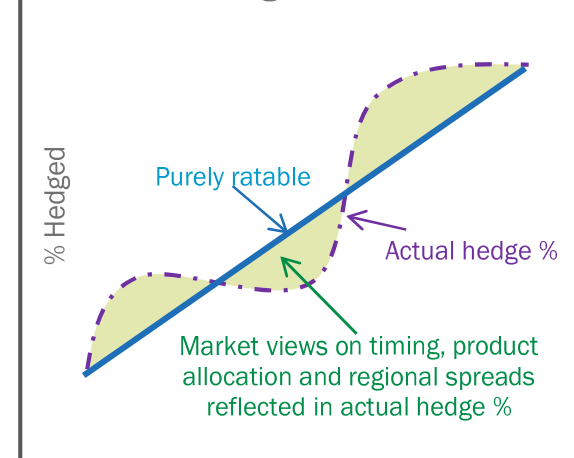
Establishing Minimum Hedge Targets



Portfolio Management Over Time



Exercising Market Views

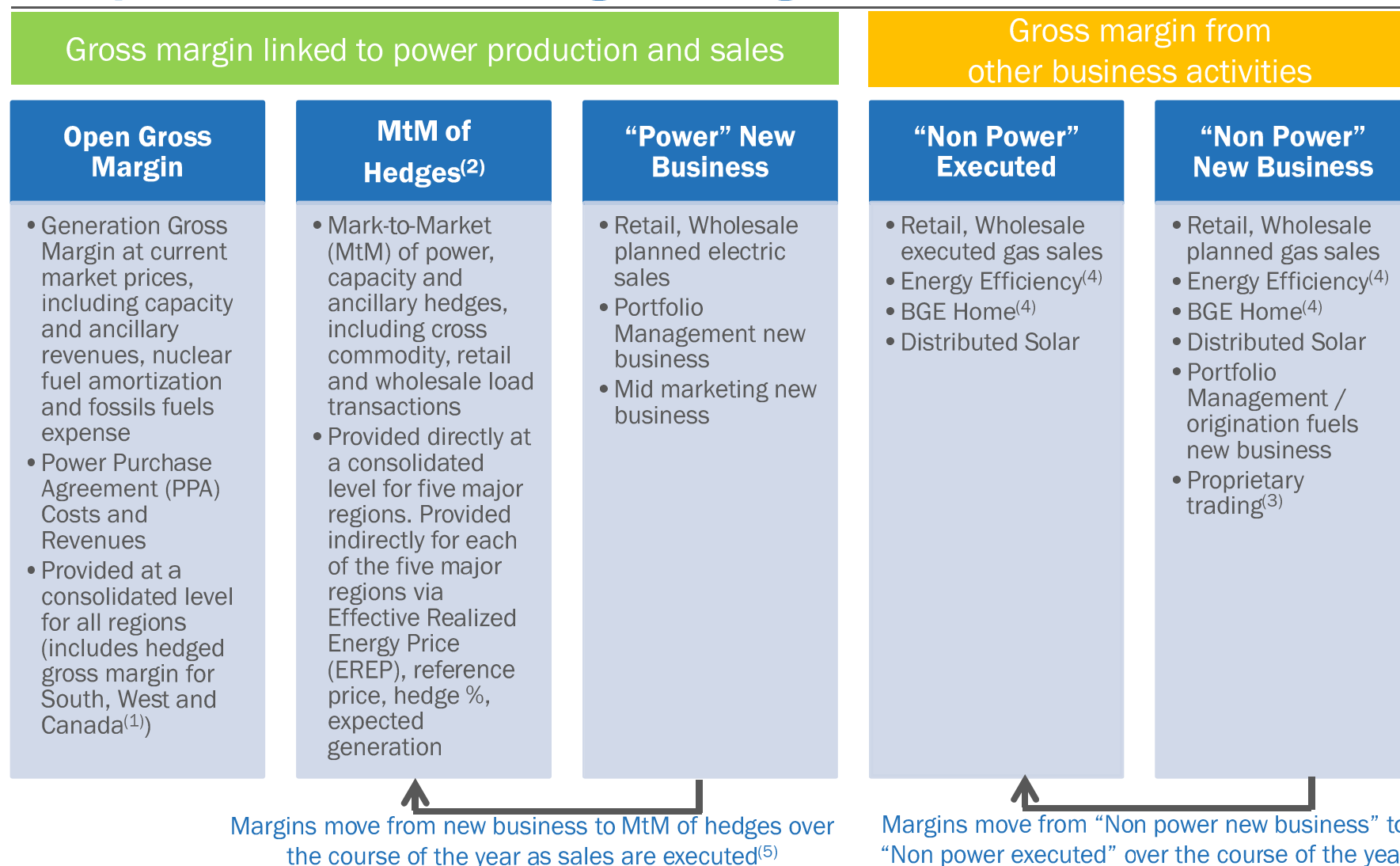


Protect Balance Sheet

Ensure Earnings Stability

Create Value

Components of Gross Margin Categories



(1) Hedged gross margins for South, West & Canada region will be included with Open Gross Margin, and no expected generation, hedge %, EREP or reference prices provided for this region

(2) MtM of hedges provided directly for the five larger regions; MtM of hedges is not provided directly at the regional level but can be easily estimated using EREP, reference price and hedged MWh

(3) Proprietary trading gross margins will generally remain within “Non Power” New Business category and only move to “Non Power” Executed category upon management discretion

(4) Gross margin for these businesses are net of direct “cost of sales”

(5) Margins for South, West & Canada regions and optimization of fuel and PPA activities captured in Open Gross Margin

ExGen Disclosures

Gross Margin Category (\$M) ⁽¹⁾	2016	2017	2018
Open Gross Margin (including South, West & Canada hedged GM) ⁽³⁾	\$4,750	\$5,650	\$5,900
Mark-to-Market of Hedges ^(3,4)	\$2,500	\$800	\$200
Power New Business / To Go	\$100	\$700	\$900
Non-Power Margins Executed	\$350	\$150	\$100
Non-Power New Business / To Go	\$100	\$300	\$400
Total Gross Margin⁽²⁾	\$7,800	\$7,600	\$7,500

Reference Prices ⁽⁵⁾	2016	2017	2018
Henry Hub Natural Gas (\$/MMbtu)	\$2.52	\$3.18	\$3.02
Midwest: NiHub ATC prices (\$/MWh)	\$26.03	\$29.42	\$29.71
Mid-Atlantic: PJM-W ATC prices (\$/MWh)	\$29.80	\$34.61	\$33.28
ERCOT-N ATC Spark Spread (\$/MWh) <i>HSC Gas, 7.2HR, \$2.50 VOM</i>	\$4.87	\$5.14	\$4.98
New York: NY Zone A (\$/MWh)	\$28.57	\$33.60	\$32.31
New England: Mass Hub ATC Spark Spread (\$/MWh) <i>ALQN Gas, 7.5HR, \$0.50 VOM</i>	\$4.78	\$6.97	\$8.01

(1) Gross margin categories rounded to nearest \$50M

(2) Total Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners, operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses.

(3) Excludes EDF's equity ownership share of the CENG Joint Venture

(4) Mark-to-Market of Hedges assumes mid-point of hedge percentages

(5) Based on September 30, 2015 market conditions

ExGen Disclosures

Generation and Hedges	2016	2017	2018
<u>Exp. Gen (GWh)</u> ⁽¹⁾	196,300	199,300	190,700
Midwest	97,800	91,000	80,900
Mid-Atlantic ⁽²⁾	61,700	60,900	60,600
ERCOT	15,100	26,000	31,100
New York ⁽²⁾	9,400	9,200	9,100
New England	12,300	12,200	9,000
<u>% of Expected Generation Hedged</u> ⁽³⁾	97%-100%	78%-81%	47%-50%
Midwest	96%-99%	73%-76%	42%-45%
Mid-Atlantic ⁽²⁾	100%-103%	88%-91%	53%-56%
ERCOT	96%-99%	81%-84%	49%-52%
New York ⁽²⁾	107%-110%	63%-66%	62%-65%
New England	88%-91%	67%-70%	36%-39%
<u>Effective Realized Energy Price (\$/MWh)</u> ⁽⁴⁾			
Midwest	\$35.00	\$32.50	\$31.00
Mid-Atlantic ⁽²⁾	\$46.00	\$42.00	\$38.50
ERCOT ⁽⁵⁾	\$11.50	\$6.50	\$3.50
New York ⁽²⁾	\$56.50	\$48.50	\$35.50
New England ⁽⁵⁾	\$26.00	\$16.50	\$6.50

(1) Expected generation is the volume of energy that best represents our commodity position in energy markets from owned or contracted for capacity based upon a simulated dispatch model that makes assumptions regarding future market conditions, which are calibrated to market quotes for power, fuel, load following products, and options. Expected generation assumes 12 refueling outages in 2016, 14 in 2017, and 12 in 2018 at Exelon-operated nuclear plants, and Salem. Expected generation assumes capacity factors of 94.4%, 93.7% and 93.4% in 2016, 2017 and 2018 respectively at Exelon-operated nuclear plants, at ownership. These estimates of expected generation in 2016, 2017 and 2018 do not represent guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years

(2) Excludes EDF's equity ownership share of CENG Joint Venture

(3) Percent of expected generation hedged is the amount of equivalent sales divided by expected generation. Includes all hedging products, such as wholesale and retail sales of power, options and swaps

(4) Effective realized energy price is representative of an all-in hedged price, on a per MWh basis, at which expected generation has been hedged. It is developed by considering the energy revenues and costs associated with our hedges and by considering the fossil fuel that has been purchased to lock in margin. It excludes uranium costs and RPM capacity revenue, but includes the mark-to-market value of capacity contracted at prices other than RPM clearing prices including our load obligations. It can be compared with the reference prices used to calculate open gross margin in order to determine the mark-to-market value of Exelon Generation's energy hedges

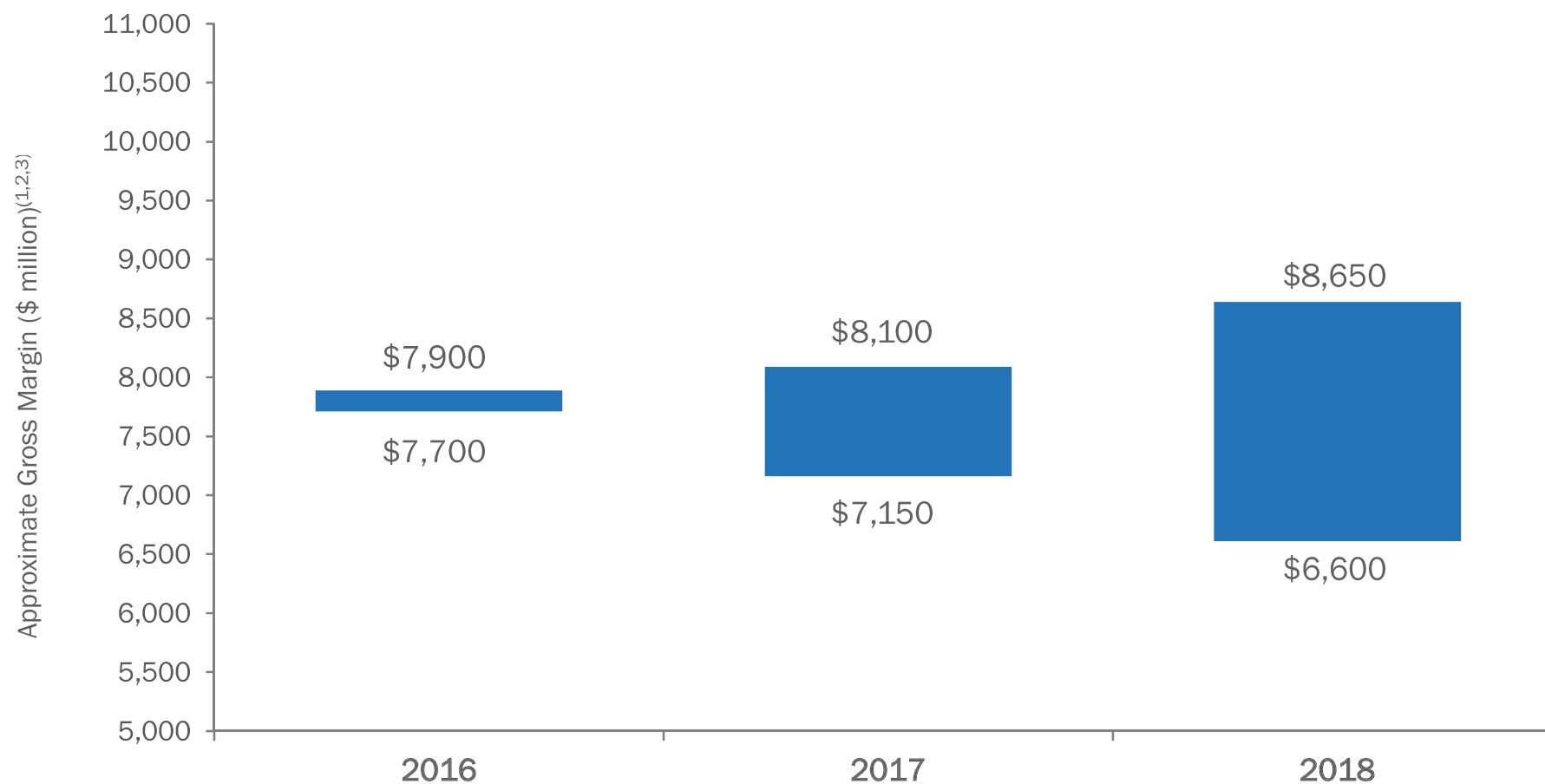
(5) Spark spreads shown for ERCOT and New England

ExGen Hedged Gross Margin Sensitivities

Gross Margin Sensitivities (With Existing Hedges) ⁽¹⁾	2016	2017	2018
Henry Hub Natural Gas (\$/Mmbtu)			
+ \$1/Mmbtu	\$(35)	\$120	\$305
- \$1/Mmbtu	\$55	\$(115)	\$(295)
NiHub ATC Energy Price			
+ \$5/MWh	\$10	\$140	\$265
- \$5/MWh	\$(10)	\$(140)	\$(260)
PJM-W ATC Energy Price			
+ \$5/MWh	\$(5)	\$35	\$125
- \$5/MWh	\$5	\$(30)	\$(125)
NYPP Zone A ATC Energy Price			
+ \$5/MWh	-	\$15	\$15
- \$5/MWh	-	\$(15)	\$(15)
Nuclear Capacity Factor			
+/- 1%	+/- \$15	+/- \$40	+/- \$35

(1) Based on June 30, 2016 market conditions and hedged position; Gas price sensitivities are based on an assumed gas-power relationship derived from an internal model that is updated periodically; Power prices sensitivities are derived by adjusting the power price assumption while keeping all other prices inputs constant; Due to correlation of the various assumptions, the hedged gross margin impact calculated by aggregating individual sensitivities may not be equal to the hedged gross margin impact calculated when correlations between the various assumptions are also considered; Sensitivities based on commodity exposure which includes open generation and all committed transactions; Excludes EDF's equity share of CENG Joint Venture

ExGen Hedged Gross Margin Upside/Risk



- (1) Represents an approximate range of expected gross margin, taking into account hedges in place, between the 5th and 95th percent confidence levels assuming all unhedged supply is sold into the spot market; Approximate gross margin ranges are based upon an internal simulation model and are subject to change based upon market inputs, future transactions and potential modeling changes; These ranges of approximate gross margin in 2016, 2017 and 2018 do not represent earnings guidance or a forecast of future results as Exelon has not completed its planning or optimization processes for those years; The price distributions that generate this range are calibrated to market quotes for power, fuel, load following products, and options as of September 30, 2015
- (2) Gross Margin Upside/Risk based on commodity exposure which includes open generation and all committed transactions
- (3) Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners, operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses. Excludes EDF's equity ownership share of the CENG Joint Venture

Illustrative Example of Modeling Exelon Generation 2017 Gross Margin

Row	Item	Midwest	Mid-Atlantic	ERCOT	New York	New England	South, West & Canada
(A)	Start with fleet-wide open gross margin	← \$5.65 billion →					
(B)	Expected Generation (TWh)	91	60.9	26	9.2	12.2	
(C)	Hedge % (assuming mid-point of range)	74.5%	89.5%	82.5%	64.5%	68.5%	
(D=B*C)	Hedged Volume (TWh)	67.8	54.5	21.5	5.9	8.4	
(E)	Effective Realized Energy Price (\$/MWh)	\$32.50	\$42.00	\$6.50	\$48.50	\$16.50	
(F)	Reference Price (\$/MWh)	\$29.42	\$34.61	\$5.14	\$33.60	\$6.97	
(G=E-F)	Difference (\$/MWh)	\$3.08	\$7.39	\$1.36	\$14.90	\$9.53	
(H=D*G)	Mark-to-market value of hedges (\$ million) ⁽¹⁾	\$210	\$405	\$30	\$90	\$80	
(I=A+H)	Hedged Gross Margin (\$ million)	\$6,450					
(J)	Power New Business / To Go (\$ million)	\$700					
(K)	Non-Power Margins Executed (\$ million)	\$150					
(L)	Non-Power New Business / To Go (\$ million)	\$300					
(N=I+J+K+L)	Total Gross Margin ⁽²⁾	\$7,600 million					

(1) Mark-to-market rounded to the nearest \$5 million

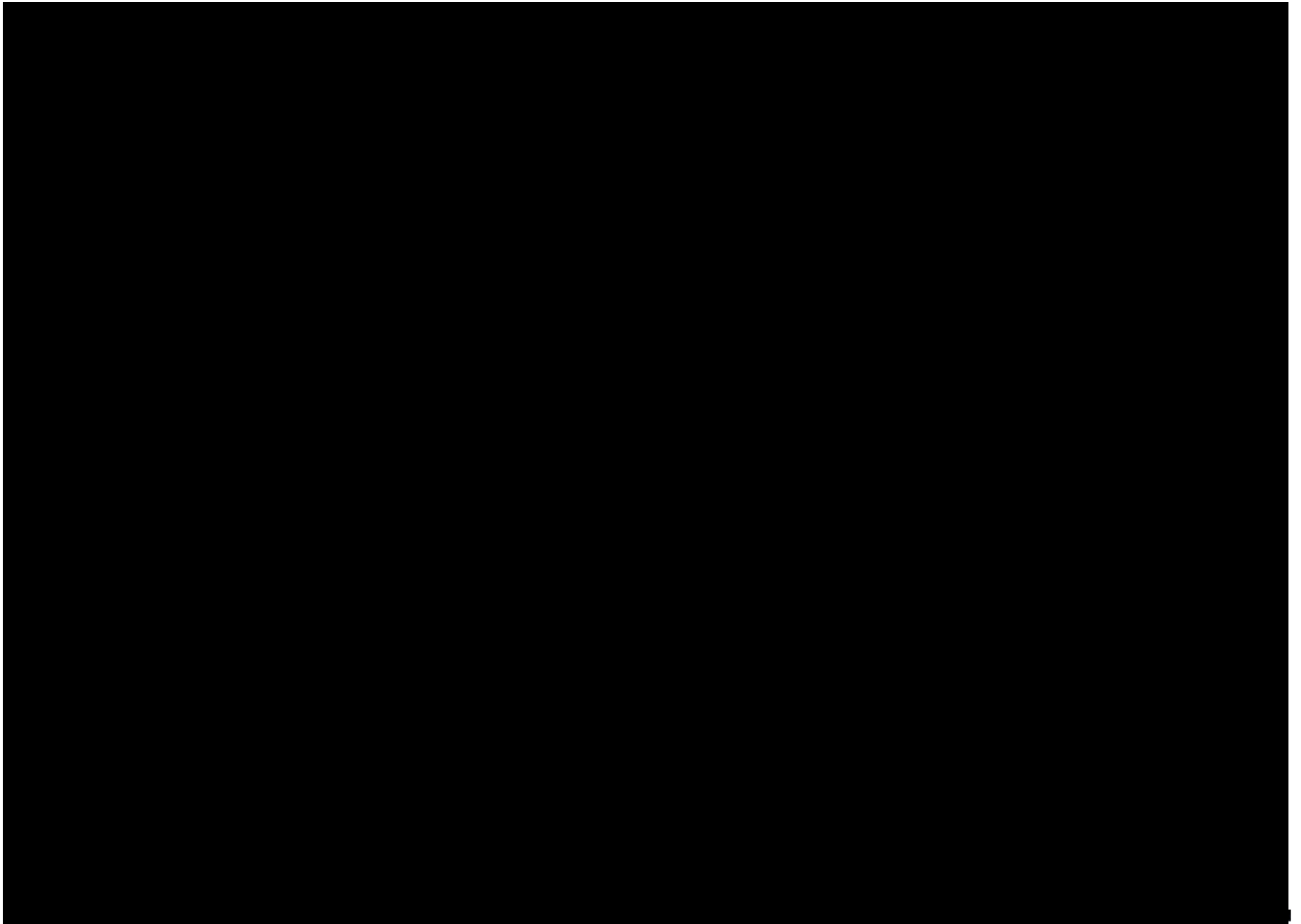
(2) Total Gross Margin (Non-GAAP) is defined as operating revenues less purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, Exelon Nuclear Partners operating services agreement with Fort Calhoun and variable interest entities. Total Gross Margin is also net of direct cost of sales for certain Constellation businesses

Appendix

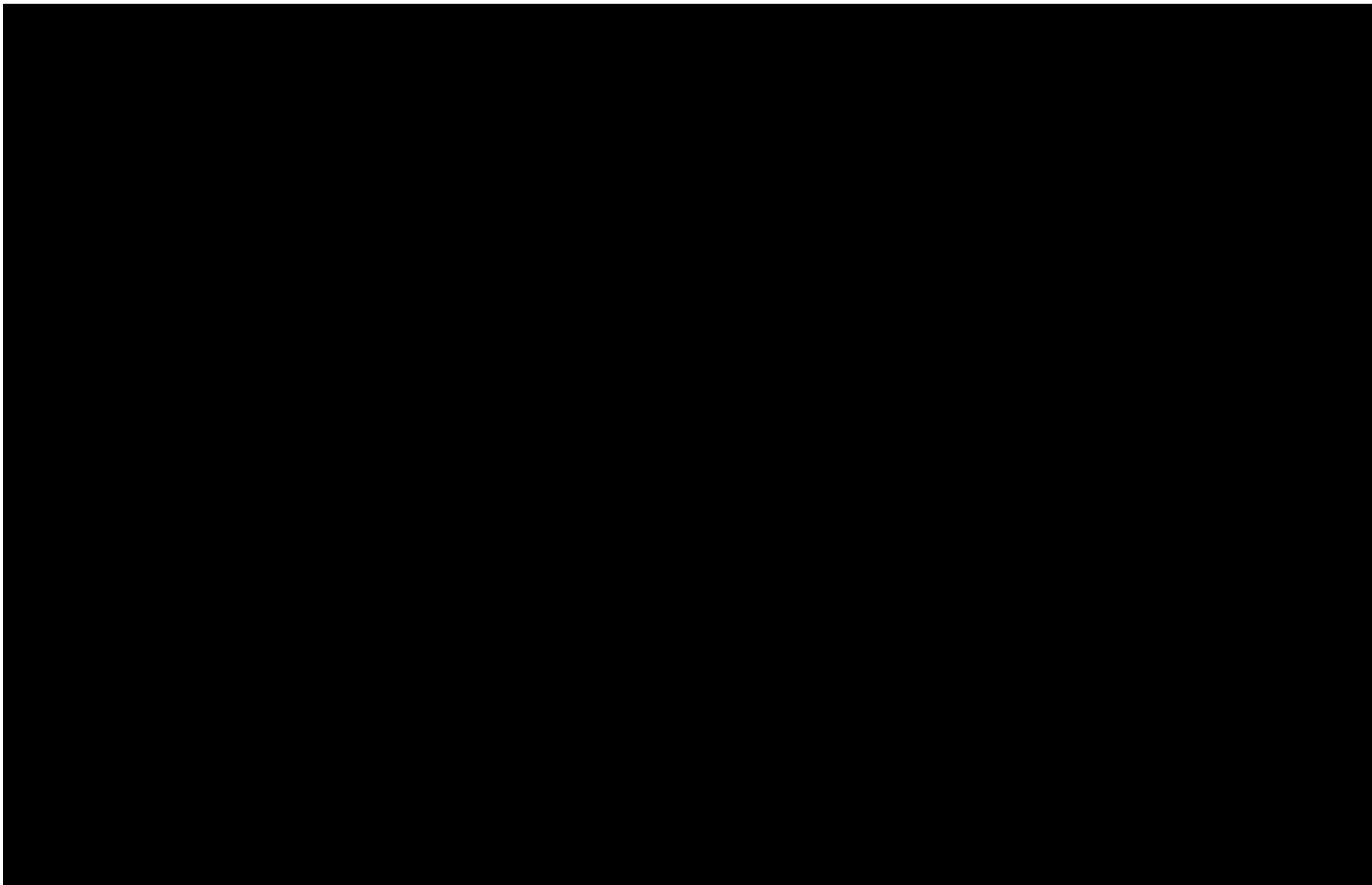


Non-public information

Non-public information



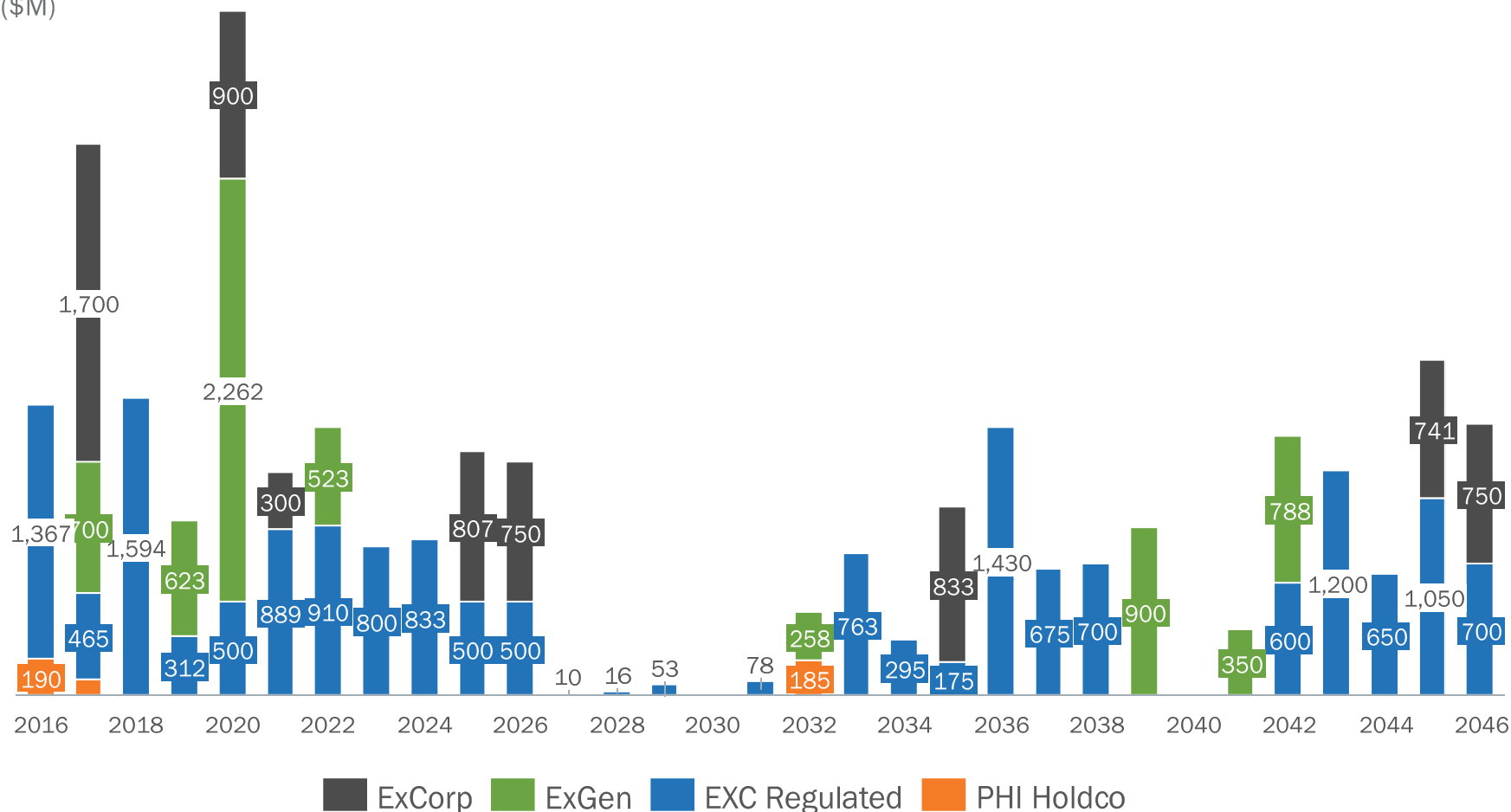
Non-public information



Exelon Debt Maturity Profile⁽¹⁾

As of 6/30/16

(\$M)



Exelon's weighted average LTD maturity is approximately 13 years

(1) ExCorp debt includes \$1,150M mandatory convertible units remarketing in 2017; ExGen debt includes legacy CEG debt; Excludes securitized debt and non-recourse debt