

Designated Entity Pre-Qualification Submittal

By

Exelon Corporation

On behalf of its affiliates

Baltimore Gas and Electric Company, Commonwealth Edison Company, PECO Energy Company, Pepco Holdings, Inc., Potomac Electric Power Company, Delmarva Power & Light Company, Atlantic City Electric Company and Exelon Transmission Company, LLC

1. Name and address of the entity including a point of contact

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2. **Technical and Engineering Qualifications**

Exelon and its affiliates are uniquely qualified in the engineering, development, construction, operation and maintenance of transmission facilities. Exelon, and its subsidiaries, Baltimore Gas and Electric Company ("BGE"), Commonwealth Edison Company, including its wholly-owned subsidiary Commonwealth Edison Company of Indiana, Inc. ("ComEd"), PECO Energy Company ("PECO"), Pepco Holdings, Inc. ("PHI"), Potomac Electric Power Company ("Pepco"), Delmarva Power & Light Company ("Delmarva"), and Atlantic City Electric Company ("ACE") and Exelon Transmission Company, LLC (collectively "Exelon"), have Supply, Transmission and Substation Engineering and Maintenance, Project Management, Environmental, Transmission Planning and Transmission Operation organizations dedicated to planning, constructing, maintaining and repairing transmission facilities. Exelon has in-house and contracting capability to support restoration, including during extreme events such as Hurricane Sandy where Exelon was able to use its geographically diverse workforce to assist its sister utilities in emergency restoration. Exelon has unique knowledge of the transmission systems in the service territories served by BGE, ComEd, PECO, Pepco, Delmarva and ACE; familiarity with the communities served by its public utilities; experience in building, maintaining and siting transmission facilities in these communities; and access to funds to build and maintain new and existing transmission facilities. Exelon utilities are NERC registered Transmission Owners with Federally mandated reliability obligations. Exelon's operating companies are public utilities in the following states:

BGE: Maryland

Commonwealth Edison Co.: Illinois

Commonwealth Edison Co. of IN: Indiana

PECO: Pennsylvania

Pepco: District of Columbia and Maryland

Delmarva: Delaware and Maryland

ACE: New Jersey

Following is a table that summarizes Exelon's regulated companies' capabilities that would provide support across all of the Exelon Companies:

Functions	BGE	ComEd	PECO	Pepco	Delmarva	ACE
NERC Registered Transmission Owner	✓	✓	✓	✓	✓	✓
Transmission Planning	✓	✓	✓	✓	✓	✓
Transmission Operations	✓	✓	✓	✓	✓	✓
- 24X7 Control Center	✓	✓	✓	✓	✓	✓
- NERC Certified Operators	✓	✓	✓	✓	✓	✓
Substation & Transmission Engineering	✓	✓	✓	✓	✓	✓
Substation & Transmission Construction	✓	✓	✓	✓	✓	✓
Substation & Transmission Maintenance	✓	✓	✓	✓	✓	✓
Emergency Response & Restoration	✓	✓	✓	✓	✓	✓
Project Management	✓	✓	✓	✓	✓	✓
Real Estate Acquisition	✓	✓	✓	✓	✓	✓
Spare Equipment Program	✓	✓	✓	✓	✓	✓

Exelon Business Services Company is a voting member of PJM. Baltimore Gas and Electric Company, Commonwealth Edison Company, PECO Energy Company, Pepco Holdings, Inc., Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company are affiliate members of PJM and are also registered as Transmission Owners under NERC. As a registered Transmission Owner with NERC, some of the tasks that Baltimore Gas and Electric Company, Commonwealth Edison Company, PECO Energy Company, Pepco Holdings, Inc., Potomac Electric Power Company, Delmarva Power & Light Company and Atlantic City Electric Company are required to perform include the following:

- Establish ratings of transmission lines
- Install and maintain transmission facilities and rights-of-way according to good utility practice
- Coordinate with Transmission Planners and the Planning Coordinator, Generator Owners, other Transmission Owners, and Load-Serving Entities desiring to connect with the bulk power system
- Develop agreements or procedures with Transmission Service Providers

- Develop operating agreements or procedures with the Transmission Operators and Reliability Coordinators
- Develop agreements with adjacent Transmission Owners for joint transmission facilities
- Provide transmission facility ratings to Transmission Operators, Reliability Coordinators, Transmission Service Providers, and Transmission Planners
- Provide construction plans and schedules to the Transmission Operator and Transmission Planner
- Provide maintenance plans and schedules to the Transmission Operator and Transmission Planner
- Develop interconnection agreements with Generation Owners for connecting to the Bulk Electric System

The Exelon Companies have fully staffed internal Transmission Engineering, Substation Engineering, Project Management, Transmission Planning, Transmission Operations, Transmission and Substation Maintenance, Overhead and Underground Line Operations and Maintenance and Real Estate departments to provide all of the necessary design, construction, maintenance and planning to competently maintain and operate the transmission system. The Exelon Companies are supported by the necessary consultants and contractors to augment the internal workforce that supports all Exelon Companies, to successfully manage and complete all capital projects, maintenance tasks and system restoration activities necessary.

3. Demonstrated experience of the entity or its affiliate, partner, or parent company to develop, construct, maintain, and operate transmission facilities. Including a list or other evidence of transmission facilities previously developed regarding construction, maintenance, or operation of transmission facilities both inside and outside of the PJM Region.

The Exelon companies have planned, constructed, maintained and operated transmission from the early 1900's. As of the end of 2015, Exelon owns 11,770 miles of transmission in PJM.

	BGE	ComEd	PECO	Pepco	Delmarva	ACE
765kV	-	90 Miles	-	-	-	-
500kV	217 Miles	-	188 Miles	142 Miles	15 Miles	-
345kV	-	2,656 Miles	-	-	-	-
230kV	322 Miles	-	548 Miles	773 Miles	467 Miles	222 Miles
115kV/138kV	758 Miles	2,904 Miles	156 Miles	98 Miles	552 Miles	252 Miles
69 kV	-	-	199 Miles	-	571 Miles	649 Miles

The Exelon Companies have a demonstrated track record of successfully building transmission; selected examples are presented below:

- **Baltimore Gas and Electric Company**

- **Northwest II - Two 230 kV Ring Substations**

- **Description of the Project:** Construct two 230 kV ring substations and added two 500 MVA 230/115 kV transformers. Construct a new 115kV breaker and a half substation to accommodate the new transformers. Reconfigure several existing transmission circuits.
- **New Right of Way Required:** No
- **Year Placed into Service:** 2012

- **Rebuild Burtonsville to Sandy Spring Limiting Line Segments**

- **Description of the Project:** Full structure replacement of limiting line segments on the 2314 and 2334 circuits, increasing the ratings to mitigate a thermal violation
- **New Right of Way Required:** No
- **Year Placed into Service:** 2013

- **Replacement of the Northeast 230/115 kV Transformers with Higher Capacity Units**

- **Description of the Project:** Replace existing Northeast 230-2 and 230-3 transformers with 500 MVA 230/115 kV transformers. Replace the high-side disconnect switches with circuit switchers, eliminate 230 kV high speed ground switches, and install additional 230 kV breakers to meet typical BGE configuration to improve reliability and operational flexibility.
- **New Right of Way Required:** No
- **Year Placed into Service:** 2015

- **Commonwealth Edison Company**

- **West Loop 345 kV**

- **Description of the Project:** Install a 345 kV, 4 Circuit Breaker GIS ring bus at West Loop substation with two 345 kV / 138 kV autotransformers, a 9.7 mile 345 kV transmission line from Crawford to West Loop, and a 3.0 mile 345 kV transmission line from Taylor to West Loop
- **New Right of Way Required:** Yes
- **Year Placed into Service:** 2008

- **West Loop Phase II (Fisk - Crawford)**

- **Description of the Project:** Install a 345 kV, 5 CB GIS ring bus at the Fisk Substation with two 345 kV / 138 kV autotransformers, a 4.7 mile 345 kV transmission line from the Crawford Substation to the Fisk substation, and a 2.0 mile 345 kV transmission line from the Taylor Substation to the Fisk Substation
- **New Right of Way Required:** No
- **Year Placed into Service:** 2011

- **Waukegan 345kV yard and 138kV yard relocation**
 - **Description of the Project:** Install new 345kV yard with two 300 MVA autotransformers and relocate/rebuild 138kV yard
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

- **Prospect Heights Static Var Compensators**
 - **Description of the Project:** Install two 300 MVAR SVCs at the Prospect Heights Substation
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2014

- **Crawford Static Var Compensators**
 - **Description of the Project:** Install two 300 MVAR SVCs at the Crawford Substation
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2016

- **PECO Energy Company**
 - **Increase rating of 220-29 Richmond-Camden 230 kV line**
 - **Description of the Project:** Add a parallel set of conductors to existing line to increase rating of facility
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

 - **Build new substation at Center Point**
 - **Description of the Project:** Design and Construct a new 500/230kV substation that consists of a 500kV ring bus and a 230kV ring bus, a 500/230kV transformer and looping in a 500kV and a 230kV line into the new substation
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2011

 - **Increase rating of 220-16 Whitpain – North Wales 230 kV line**
 - **Description of the Project:** Replace the existing conductor of the 230kV Whitpain – North Wales (220-16) line with a conductor of a higher facility rating
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2010

 - **Add a 2nd 230-138 kV transformer at Heaton substation**
 - **Description of the Project:** Expand Heaton substation by installing an additional 230/138 transformer, a 138 kV capacitor bank and additional 230kV and 138 kV circuit breakers
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2011

- **Potomac Electric Power Company**

- **Burtonsville to Takoma 230kV transmission line rebuild**

- **Description of the Project:** Re-build a 10 mile double circuit lattice tower line with new steel poles to increase capacity.
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

- **Dickerson "H" to Quince Orchard 230kV Transmission Line Re-conductor**

- **Description of the Project:** Re-conductor circuit 23032 on a 10 mile double circuit lattice tower lines for increased capacity
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

- **Benning Substation to Ritchie Substation**

- **Description of the Project:** Upgrade Feeders 13851 for 230kV operation and upgrade feeder 23016 submarine portion Benning Substation and Ritchie Substation, a distance of approximately 5.5 miles
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

- **Brighton Sub 066, Replace a 500/230kV autotransformer**

- **Description of the Project:** Replace T1 with a 1000MVA, 500/230kV autotransformer, two 500kV breakers and two 230kV breakers and associated disconnects and protective relaying
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2014

- **Burches Hill Substation**

- **Description of the Project:** Install two 1000MVA autotransformers, eleven 500kV breakers to complete the breaker and a half bus configuration, and install a new 230kV yard complete with disconnects and relaying.
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2012

- **Delmarva Power & Light Company**

- **Church – Wye Mills Construct New 138kV Line**

- **Description of the Project:** Construct a new 138kV transmission line, designed for 230kV operation, from Church Substation to Wye Mills Substation. The project utilized existing 69kV right-of-way to allow for double circuit construction.
 - **New Right of Way Required:** Twenty existing easements were enhanced and modified
 - **Year Placed into Service:** 2015

- Glasgow – Cecil 138kV Line Rebuild
 - **Description of the Project:** Rebuild Circuit 13810 from Glasgow Substation to Cecil Substation
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

- Glasgow to Mt. Pleasant construct a new 138kV transmission line
 - **Description of the Project:** Construct a new 138kV transmission line between Glasgow and Mt. Pleasant Substations.
 - **New Right of Way Required:** New Easement with US Army Corps of Engineers
 - **Year Placed into Service:** 2013

- Keeney EHV 500kV Bus Expansion
 - **Description of the Project:** Reconfigure Keeney 500kV substation bus to add additional bus positions and create a double breaker 500kV configuration, installed two new breakers and replaced one.
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2011

- New Cool Spring Substation
 - **Description of the Project:** Establish a new 230/69kV transmission substation consisting of a 230kV 3-position ring bus, a new 230/69kV 336MVA autotransformer and a 69kV 3-position ring bus.
 - **New Right of Way Required:** No, but extensive community outreach was required
 - **Year Placed into Service:** 2011

- **Atlantic City Electric Company**
 - Mickleton – Gloucester New 230kV Line
 - **Description of the Project:** Construct a new 230kV transmission line from Mickleton Substation to Deptford (PSEG). The project utilized existing 230kV right-of-way to allow for double circuit construction.
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

 - Mickleton – Gloucester 230kV Line Rebuild
 - **Description of the Project:** Rebuild the 230kV transmission line from Mickleton Substation to Deptford (PSEG). The project utilized existing 230kV right-of-way to allow for double circuit construction.
 - **New Right of Way Required:** No
 - **Year Placed into Service:** 2015

○ Orchard Substation

- **Description of the Project:** : Construct new 500/230kV substation with one 500/230kV autotransformer and associated 500kV and 230kV disconnects, breakers and relaying
- **New Right of Way Required:** Yes
- **Year Placed into Service:** 2008

4. Previous record of the entity or its affiliate, partner, or parent company to adhere to standardized construction, maintenance and operating practices

The project examples in Section 3 demonstrate that the Exelon Companies design all transmission facilities in accordance with standardized construction, maintenance and operating practices, which incorporate the best practices of the affiliate regulated companies that have been developed over many decades of experience. BGE, ComEd, PECO, Pepco, Delmarva, and ACE are registered with NERC as Transmission Owners, and all lines are designed, operated and maintained according to NERC standards.

The Exelon Companies substations are constructed in accordance with Exelon Engineering Practices, Standard Drawings, and Construction Standards. The Engineering Practices and Construction Standards meet all applicable codes, standards, regulations, laws and guidelines including IEEE, NESC and PJM TSDS guidelines.

All equipment is purchased from manufacturers that meet all industry standards. In addition, Exelon establishes the design standards for third parties that construct new generation or transmission facilities within the Exelon region that are interconnected to the existing transmission system. The Exelon Companies fully comply with all recognized design, construction and operating codes, standards, regulations, laws and guidelines for the area in which they operate.

5. Capability of the entity or its affiliate, partner, or parent company to adhere to standardized construction, maintenance and operating practices

As demonstrated above in section 4, the Exelon Companies adhere to all applicable design, construction and operating codes, standards, regulations, laws and guidelines for the area in which they operate. This has been done for several decades and it will continue to be the case in the future for all Exelon companies.

6. Financial statements of the entity or its affiliate, partner, or parent company. Please provide the most recent fiscal quarter, as well as the most recent three fiscal years, or the period of existence of the entity, if shorter, or such other evidence demonstrating an entity's current and expected financial capability acceptable to the Office of the Interconnection

● **Financial Discipline**

Exelon is one of the best run companies in the electric industry. Exelon has the best low-cost, low-carbon generation fleet in the country, which Exelon operates with world-class efficiency. Exelon

enjoys industry-leading scope and scale, a strong balance sheet and outstanding expertise in managing many risks. And Exelon adheres to the vision to be the best group of electric generation and electric and gas delivery companies in the United States.

- **Strong Balance Sheet / Credit Ratings**

Exelon has one of the largest, most diverse bank groups in the industry, providing the company with more than \$14 billion in liquidity.

Exelon protects value by ensuring investment grade credit ratings to help provide commercial business opportunities, manageable liquidity requirements, efficient capital markets access and business and financial flexibility.

- **Credit Rating of Exelon, BGE, ComEd, PECO, PHI, Pepco, Delmarva and ACE**

Exelon	BBB/Baa2/BBB (S&P/Moody's/Fitch)
BGE	A-/A3/BBB+
ComEd	BBB/Baa1/BBB+
PECO	BBB/A2/BBB+
Pepco Holdings	BBB+/Baa2/BBB
Pepco	BBB+/Baa1/BBB
Delmarva	BBB+/Baa1/BBB+
ACE	BBB+/Baa2/BBB

- **Exelon Form 10-K Annual Report**

Exelon's 2014, 2015 and 2016 Form 10-K annual report (recent three years) as filed with the United States Securities and Exchange Commission are attached.

Exelon completed the acquisition of Pepco Holdings on March 23, 2016; to address the requirement for three years of financial statements, PHI's 2014, 2015 and 2016 Form 10-K annual report (recent three years) and Form 10-K/A to reflect the acquisition as filed with the United States Securities and Exchange Commission are attached.

7. Commitment by the entity to execute the Consolidated Transmission Owners Agreement, if the entity becomes a Designated Entity.

Baltimore Gas and Electric Company, Commonwealth Edison Company, PECO Energy Company, Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric

Company each have executed the Consolidated Transmission Owners' Agreement. Exelon Transmission Company or any other non-incumbent PJM transmission owner subsidiaries of Exelon will execute the Consolidated Transmission Owners' Agreement if they become a Designated Entity.

8. Evidence demonstrating the ability of the entity to address and timely remedy failure of facilities

The Exelon Companies currently address and are prepared to address in the future all emergencies and equipment failures on the high voltage transmission system utilizing a variety of solutions depending on the circumstances associated with any particular situation.

Exelon employees, contractors and suppliers are responsive on a 24-7-365 day a year basis and are ready to address all system emergencies that occur. Exelon has a robust Incident Management Plan, and employees are expected to fill second roles during system emergencies with the goal of restoring the electric system to normal as soon as possible. Incident drills are held on a routine basis. Planning for potential large scale storms and emergencies begins as soon as the weather forecast indicates the potential for an incident.

Exelon's internal work force will perform initial response, damage assessment, isolation of impacted facilities and development of corrective action plans in response to an emergency situation. Exelon will execute repairs in the field with a combination of its internal work force supported by external contract resources as necessary to respond to each emergency situation that arises.

Exelon also employs on a regular and ongoing basis a significant number of qualified construction contract companies across Exelon that, while they are conducting scheduled construction and maintenance work, are fully prepared to respond immediately to small, medium and large scale emergencies on the system. Among those companies providing support are traditional line construction contractors and specialty services such as helicopter inspection and damage survey, energized bare hand/hot stick services, specialty heavy construction equipment vendors, bridge/matting suppliers, rigging/hauling contractors and cable and termination services. Exelon has immediate access to all of these services when they become necessary. Due to Exelon's large geographic area, the affiliate companies can share resources and material between the companies when necessary. This allows one company that is not impacted greatly by a storm or disaster to send personnel to the affiliate company that is impacted the most, thus speeding restoration.

Exelon also maintains a sufficient stock of spare equipment and materials across the territory and vendor agreements are in place to be able to support emergency restoration requirements. Exelon utilizes existing stock and specially designed spare parts and equipment to make permanent repairs and, as necessary, to make temporary repairs if circumstances require in order to accelerate restoration.

For several decades, the Exelon Companies have successfully responded to transmission system emergencies on numerous occasions ranging from miscellaneous hardware replacements to full replacement of multiple structures. Exelon is also engaged with industry associations such as the Edison Electric Institute that facilitate and allow for resource and material sharing with other utility members during extraordinary situations such as regional or national emergencies.

9. Description of the experience of the entity in acquiring rights of way

Each Exelon Utility has an internal Real Estate Department dedicated to researching, procuring, and further managing company real property assets, to include fee owned properties, transmission and distribution rights-of-way and other miscellaneous excess properties. The Real Estate Department works very closely with Transmission Planning and Engineering, Environmental, Governmental Affairs and any needed external firms to either verify existing rights-of-way or acquire new rights-of-way and real property interests necessary to advance pending projects, as well as sustain, modify and improve existing facilities.

Exelon's Real Estate teams currently manage transmission right-of-way assets in Delaware, Illinois, Indiana Maryland, New Jersey, Pennsylvania, Virginia and the District of Columbia. Relative to this right-of-way, varying iterations of property management practices are used to best preserve corridor integrity and maximize complimentary uses, to include; leasing fee simple interests, licensing easement interests, and managing encroachments to ensure compliance with all applicable standards, safety codes and environmental and governmental regulations.

In addition to the projects listed in section 3 above, here are three specific examples of successfully Right of Way acquisition:

- Pepco and Delmarva's most recent new corridor acquisition work relative to transmission rights-of-way (not accounted for in the above mileage totals) was a function of a PJM sponsored bulk transmission project referred to as the Mid-Atlantic Power Pathway (MAPP), which was subsequently cancelled by PJM. The PHI Real Property team, through its Pepco and Delmarva affiliated companies, researched potential corridors, amassed the necessary quantitative information to address individual landowners, negotiated the land rights terms and conditions, and subsequently acquired 1+ mile of new, contiguous 200' right-of-way on the western shore of Maryland, and acquired 14+/- miles of new, contiguous 200' right-of-way on Maryland's Eastern Shore. Correspondingly, a cable to overhead transition station, three (3) HVDC converter sites and mitigation property consisting of 600+ acres were procured along the route for the purposes of housing AC/DC converter stations without the use of condemnation proceedings. This project required obtaining individual, private right-of-way agreements from over fifty (50) landowners as well as state and corporate entities. This procurement process was managed and processed by in-house PHI personnel with limited contractual support.
- PECO is currently upgrading 2-230 KV lines from Linwood to Chichester substations. As part of this project two existing lines will be combined to one line and a 230 KV line will be installed. New Right of Way is required for portions of the new line and has already been obtained.
- ComEd's most recently completed corridor acquisition was the right-of-way easements for our Northwest Reliability Project in Kane County, IL. This project was approximately 5.5 miles of double circuit 138kV transmission lines on steel monopoles in a right-of-way that varied from 50' to 90'. The object of the project was to provide improved reliability to ComEd's Northwest service territory and to proactively limit the number of customers on a single radial feed. The project was completed in November 2013. The Project Team, made up of Real Estate, Transmission, Capacity Planning, External Affairs, and Legal (both internal and external), were able to secure 16 parcels of land needed for the transmission line.

In addition to procurement of new rights-of-way and property for infrastructure facilities, Exelon regularly amends, supplements manages and upgrades land rights that we currently possess. This includes modifying rights at the behest of regulatory and governmental agencies, modifying existing rights due to engineering or maintenance concerns, and modifying rights at the request of businesses and private individuals. Exelon's Real Estate teams are prepared, internally, to support the necessary requirements of Exelon Utility transmission and distribution systems, including the acquisition of new rights-of-way and property and the management and enhancement of existing rights-of-way and property.