

STATE OF NEW YORK

Public Service Commission

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11104/11-E-0245

SALE OF UPSTATE NUCLEAR POWER PLANTS APPROVED — Exelon Can Acquire Nine Mile, Ginna Power Plants from Constellation —

Albany, NY—12/15/11— The New York State Public Service Commission (Commission) today declared that it will not review further Exelon Corporation’s acquisition of ownership interests the Nine Mile Point and Ginna nuclear facilities located in upstate New York, because the transaction does not pose the significant potential for the exercise of market power in New York to the detriment of New York ratepayers, or impacts adverse to nuclear facility finances, decommissioning funding, safe and reliable operation, or other interests of ratepayers.

In a petition filed May 17, 2011, Exelon, along with Constellation Energy Group, Inc. and its affiliates, the owners of the two New York power plants, as well as others outside of New York, sought to transfer ownership of the power plants to Exelon.

Constellation owns 50.01 percent of the upstream interests in the 621 MW Nine Mile Point nuclear unit I and the 1,135 MW Nine Mile Point nuclear unit II facilities in the Town of Scriba, Oswego County, north of Syracuse, and the 582 MW R.E. Ginna nuclear power plant, in Town of Ontario, Wayne County, northeast of Rochester. EDF, Inc. owns the remaining 49.99 percent of the upstream interests.

In approving the transaction, with an overall total value of some \$8 billion, the Commission reviewed Exelon’s share of the generation market in New York. Exelon, as the surviving company, will have a 4.8 percent share of the New York market. It will also become the largest generation owner in the northeast United States, with a 12.1 percent share of the market, and the

largest owner, at 21.3 percent, in the part of the PJM market adjacent to New York. As a result of transmission constraints that separate, to some extent, the part of the PJM market (where market power may be exercised by Exelon) from the New York market, the exercise of market power by Exelon, if it does occur, won't take place within New York. The impact of an exercise of market power within PJM on New York is expected to be small, because higher prices in PJM can spill over across the PJM border into New York only to a limited extent.

Exelon is a diversified electric company that, besides engaging in the retailing, power marketing, transmission, and distribution of electricity, also operates the largest nuclear fleet in the U.S., consisting of 17 units at 10 sites in Illinois, Pennsylvania and New Jersey. Besides the nuclear fleet, Exelon owns and operates a large portfolio of fossil and renewable fueled electric generation facilities. Other state and federal regulatory entities continue to review the transaction.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's website at www.dps.ny.gov and entering Case Number 11-E-0245 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).