



News Release

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FOR IMMEDIATE RELEASE

Exelon and ETA Agree to Develop Reliability Interregional Transmission Extension (RITE) Line

Companies to partner on 420-mile extra high-voltage line to improve system reliability in Illinois and Indiana

CHICAGO (Nov. 1, 2010) — Exelon, Electric Transmission America (ETA) and American Electric Power (AEP) have signed a memorandum of understanding to develop an extra high-voltage transmission project that will become a significant backbone of the next generation transmission system in the Midwest. ETA is a joint venture between AEP and MidAmerican Energy Holdings Company.

The 420-mile line will strengthen the high-voltage transmission system connecting Illinois to Indiana and through to the border with Ohio, improving overall system reliability while also establishing the infrastructure needed to provide Midwest states access to more sources of renewable energy and meet their state-mandated renewable portfolio standards.

“Not only will this project strengthen the overall transmission system, it also will support the integration of new renewable energy sources and provide a roadmap to help reliably manage the expected retirements of some fossil fuel units, while enhancing broad regional cooperation and planning. This is another way Exelon is helping to drive the nation’s transition to a clean energy future,” said Chris Crane, president and COO of Exelon. “Furthermore, if the RITE Line project is approved, it will result in positive economic impacts to Illinois, including job creation and increased economic activity.”

The project will consist of a 765-kilovolt line from the Ohio border through Indiana to the northern portion of Illinois. ComEd, the delivery company in northern Illinois and a subsidiary of Exelon, is expected to lead the building of the Illinois portion of the project. ETA and AEP will lead the project in Indiana. The project will be built in stages over three to four years, likely between 2015 and 2018, depending on the timing of approvals from federal, regional and state regulators.

The project is the first commercial effort resulting from the recently completed SMARTransmission Study, which was part of an effort to design a conceptual 20-year transmission plan that ensures reliable movement of electricity and provides an efficient transmission system for the Midwest. The study was led by ETA and co-sponsored by a group of several Midwest utilities, including Exelon.

The RITE Line project is expected to cost \$1.6 billion and is subject to FERC, PJM (the regional transmission organization) and state approvals. The ultimate cost of the line will be dependent on RTO and state siting requirements, routing of the line, and equipment and commodity costs. Of that amount, \$1.2 billion is related to the Illinois portion of the line, and the rest is related to the Indiana portion. These investments will be made by Exelon, ETA and AEP. Cost allocation to utility customers will be determined later, based on a proposal by PJM and approval by FERC.

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Exelon Corporation is one of the nation's largest electric utilities with more than \$17 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 5.4 million customers in northern Illinois and southeastern Pennsylvania and natural gas to approximately 486,000 customers in the Philadelphia area. Exelon is headquartered in Chicago and trades on the NYSE under the ticker EXC.