
DELIVERING ON SMART GRID

PROMISES MADE, PROMISES KEPT



powering lives

FIVE-YEAR CAPSTONE REPORT



LETTER FROM THE CEO

We are proud to present ComEd's Capstone Report, which narrates the journey we embarked on together and the results we've achieved as a result of the Illinois General Assembly's 2011 Smart Grid Law.

In these pages you will find highlights from the last five years as thousands of ComEd employees and partners worked to modernize the ComEd electric grid, improving reliability and customer service and creating positive impacts on the Chicagoland economy. Here are just a few of the achievements you will learn more about in this report:

- Achieving “best on record” and “best in class” service reliability for our customers; avoiding more than 7.6 million power interruptions and generating \$1.4 billion in societal savings.
- Investing in the Illinois economy, with over \$5.52 billion in supply chain spend in Illinois since 2011, \$2.2 billion in diverse supply spend and more than 60 new economic development projects for northern Illinois, representing 11,227 jobs and \$4.3 billion in capital investment.
- Enhancing life in our communities with the addition of thousands of jobs, the CONSTRUCT job training program, and STEM initiatives for teens that include the “Icebox Derby” and “Solar Spotlight” programs.

The successful completion of this multiyear, \$2.6 billion modernization program and these remarkable results are due to the hard work and continuous innovation of ComEd's workforce. Each employee has taken to heart our mission of “Powering Lives”—which moves us beyond the sole task of “keeping the lights on,” to the far more complex and impactful mission of powering our economic future and assuring safe and healthy quality of life.

We are proud that we have delivered on the promises we made under the Smart Grid Law, including delivering enormous benefits to our state and its people. The Smart Grid work laid the foundation for the energy future we all want—clean, lean and ultra-resilient. With the passage of the Future Energy Jobs Act late last year, we now have a path to grow renewable energy sources like solar and wind, and significantly increase energy efficiency programs that benefit all customers. We can continue to infuse the Illinois economy with jobs in this fast-growing clean energy sector and solidify our state's standing as a national energy leader.

Thank you for your continuing interest and support.

A handwritten signature in black ink that reads "Anne R. Pramaggiore". The signature is written in a cursive, flowing style.

Anne R. Pramaggiore
President and CEO, ComEd

DELIVERING ON THE SMART GRID LAW: PROMISES MADE, PROMISES KEPT

In the fall of 2011, with the nation in a deep recession and Illinois communities having experienced significant power outages as severe storms rocked the state, the Illinois General Assembly identified both the need to modernize the state's energy infrastructure and the opportunity to create jobs. In a broadly supported, bipartisan vote, legislators passed the Energy Infrastructure Modernization Act (EIMA), also known as the Smart Grid Law, charging ComEd with strengthening and modernizing our power system and delivering on significant promises of better reliability, customer savings, and job creation.

With the passage of the Smart Grid Law, ComEd embarked on a ten-year, \$2.6 billion dollar infrastructure program to modernize the northern Illinois energy grid for the 21st century economy. These investments, along with our unrelenting focus on providing exceptional customer service, led to record-breaking reliability, with the fewest and shortest power outages ever experienced by ComEd customers. This produced all-time highs in customer satisfaction, while creating thousands of jobs and infusing billions of dollars in supply chain spend into the Illinois economy.

Our Smart Grid investments have provided ComEd customers record reliability and service, more options for energy savings, and jobs and development in our communities. The Smart Grid foundation we have built has set Illinois on a path to the smart, clean, custom, and ultra-reliable energy future for us all.

This Capstone Report details the work and investments ComEd has made over the last five years and the resulting value for our customers.

DELIVERING RELIABILITY



With major infrastructure projects nearing completion and the installation of smart switches throughout northern Illinois, customers are experiencing the fewest and shortest outages on record—and residents, businesses, and local officials alike all feel the difference.

“We are pleased to see utility industry record-setting reliability performance, which provides the businesses we work with the assurance that Illinois is the right place for their continued growth and investment.” —Andria Winters, president of Intersect Illinois, a privately funded economic development organization

“I am pleased with the work ComEd has undertaken in my ward to improve the system and create a smarter grid. We have found the service to be more reliable for residents and businesses both large and small.” —Tom Tunney, Chicago 44th Ward Alderman

REDUCED STORM IMPACTS AND FASTER RESTORATION

Our investments are reducing the impact of storms on our customers, resulting in fewer customer outages. ComEd also strengthened our process for storm recovery, creating new ways of responding faster and improving communications with our customers.

- Created a Storm Task Force that implemented 425 process improvements to provide faster response and shorter outage duration during storms resulted in an 80% reduction in customers who experience lengthy outage duration (12 hours or more).
- Creation of two mobile operations centers for on-site storm restoration efforts
- Establishment of Joint Operations Centers (JOC) to prioritize critical facilities and improve coordination with municipal partners



RECORD RELIABILITY

Smart Grid Law investments have produced record reliability for customers.

TOP 10%
OF THE UTILITY INDUSTRY

INVESTMENTS LED TO
7.6 MILLION
AVOIDED
CUSTOMER INTERRUPTIONS
SINCE 2012
(\$1.4 billion societal savings)

2016
PERFORMANCE WAS
“BEST IN CLASS”

OUTAGES REDUCED BY **44%** & DURATION OF OUTAGES REDUCED BY **48%**



- Use of smart switches to reduce the number of customers affected by outages and use of metering “pinging” to avoid unnecessary truck rolls in storm restoration
- Launch of two-way texting capability and online reporting via social media
- Creation of new outage map that enables customers to view outages, probable cause, and restoration times



ComEd has earned five Edison Electric Institute Emergency Response Awards for its response to severe weather in the ComEd territory, including double derechos (2014) and tornadoes (2013, 2014, 2015, and 2016).

ComEd's SMART METER OUTAGE REPORTING “PINGING” FUNCTIONALITY WAS NAMED **PROGRAM OF THE YEAR** FOR CUSTOMER ENGAGEMENT BY DistribuTECH.



SAVING CUSTOMERS MONEY

Through on-time, on-budget execution of the Smart Grid investment program, ComEd has helped keep customer bills low. We have also offered customers a host of new smart meter-enabled tools and savings, while building on our energy efficiency programs to create new customer savings.

COMPETITIVE RATES

ComEd's strong management of the Smart Grid program allowed Illinois consumers to continue experiencing competitive rates.

- Average residential customer bill in January 2011: \$81.
 Average residential customer bill in January 2017: \$82.



SMART METER-ENABLED SAVINGS

The Smart Grid Law authorized the installation of nearly 4 million smart meters across northern Illinois, creating benefits far beyond providing ComEd with real-time outage information. As we've installed smart meters, we've given our customers the digital tools they need to track their own energy use and take advantage of programs that save them energy and money.



- Customers on ComEd's Hourly Pricing program have saved more than \$16.5 million in electricity supply charges—an average savings of 15% compared to ComEd's fixed-price rate.

- Peak Time Savings program participants are earning financial incentives by reducing energy usage during just a few peak demand hours, with 166,383 customers earning \$1.2 million in bill credits since the program debuted.
- More than 50,000 customers have signed up to receive High-Usage Alerts via text, phone, or email if their energy use is trending higher than normal.



**Green Button
Connect
My Data**®

- The Green Button connect feature on the ComEd.com website allows customers to authorize review of their energy usage data by third parties who can offer energy- and money-saving tips.



SAVING CUSTOMERS MONEY



- ComEd launched its online Marketplace, which offers online savings and instant rebates on select products exclusively for our residential customers. In the four months following the opening of the Marketplace, 13,298 customers purchased discounted energy saving and smart home products.

@ComEd says I am being really efficient!!
#ComEd #energyefficiency.

—David Ayento (@dayento2)
Usage Alert customer

“Any time I can sign up for a program with a major company like ComEd and receive a savings on my bill at the end of the month, I call that a win-win situation.” —Angelique Tribett, Peak Time Savings participant from Chicago

50,000
CUSTOMERS RECEIVING
HIGH-USAGE ALERTS



ENERGY EFFICIENCY SAVINGS

New smart meter-enabled options build on our energy efficiency program, one of one of the largest and most comprehensive in the county, helping deliver the clean energy future our customers want while giving them choices and control over their energy use. Since launching in 2008, through ComEd's award-winning and cost-effective energy efficiency programs:

Customers have saved
\$2.3 BILLION
 on their electric bills.

— Customers saved —
21.5 MILLION
 megawatt hours of energy
 — enough to power more than —
2.3 MILLION
 homes for a year.

- ComEd has been recognized by the United States Environmental Protection Agency for its energy efficiency programs for eight straight years, including four consecutive years of being named an ENERGY STAR® Partner of the Year for Sustained Excellence.



OVER 49,000
 PROJECTS COMPLETED BY SMALL
 AND LARGE BUSINESS CUSTOMERS
 THROUGH ComEd's ENERGY
 EFFICIENCY PROGRAM SINCE 2008.

DRIVING RECORD CUSTOMER SATISFACTION

With ComEd having delivered on the promise of the Smart Grid, our customers are feeling the difference. Record power reliability, paired with our unrelenting focus on providing exceptional customer service and on giving customers new tools and ways to interact with us, has led to ComEd's highest customer satisfaction on record.

INDUSTRY RECOGNITION FOR DRIVING CUSTOMER SATISFACTION

- Named Most Improved Electric Utility of 2016 as well as 2016 Brand of the Year by Market Strategies International (MSI) Cogent Reports
- ComEd's smart meter outage reporting "pinging" functionality was named Program of the Year for Customer Engagement by DistribuTECH.

MOST IMPROVED
 Large Utility in the nation over the last
FIVE YEARS
 by JD Power

“The Smart Grid investment and improvement work in Addison has really made a difference. Our residents used to be frustrated by frequent outages, but no longer. Now, I feel confident that the legislation bringing about the Smart Grid technology was a great investment for our community.” —Rich Veenstra, Addison mayor



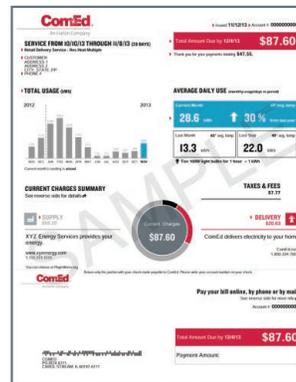
“I can’t express my thanks enough for everything ComEd has done. They went well beyond restoring power after the November tornado by supplying water, having cooling buses, talking with residents and working with everyone as a partner.” —Terry Halliday, Coal City president



PROVIDING A PREMIER CUSTOMER EXPERIENCE

As ComEd has invested in the grid, we’ve also focused on creating premier experiences for our customers. Initiatives undertaken include:

- **REDESIGNED BILL:** Customer input and crowdsourcing led to simpler, easier-to-use design
- **PREFERENCE COMMUNICATIONS CENTER:** Allows customers to choose what information they receive from us
- **OUTAGE MAPS:** Allows customers to track outages and restoration times



- **OUTAGE COMMUNICATIONS:** Provides customers with automated phone notifications and text messaging for more robust restoration updates and outage management tips
- **OUTAGE REPORTING OPTIONS:** ComEd is the first utility in the country to offer text, Facebook and Twitter outage reporting options
- **LANDLORD PORTAL:** Online tool for property managers to manage tenant accounts



- **COMMUNITY CARE CREWS:** Activated during storms, provide mobile hotspots, charging stations, access to our outage map, and additional restoration information

@ComEd power restored. Thanks to all those working through the night.

—S Morek (@SMorekRae)

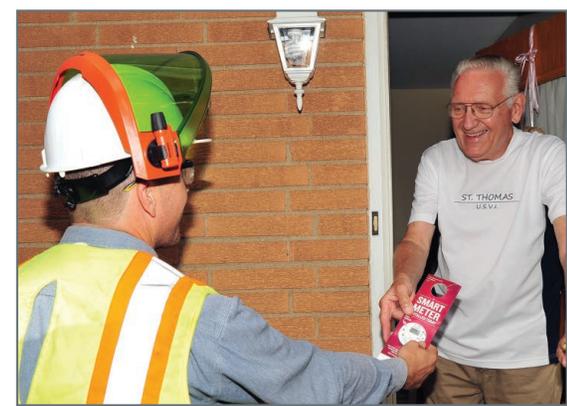
- **EXECUTIVE VISIT PROGRAM:** ComEd leaders now meet with large customers on a regular basis to gather feedback about performance and ensure all customer needs are being met
- **REDUCED FEES:** Eliminated processing charge for electronic check payments to offer this free and convenient online option to customers



“Over the past year and a half, [ComEd] has done a lot of improvement on the infrastructure in the surrounding area. Being a health care organization, power outages are critical. Our representative from ComEd is available 24/7. We have met with upper management at a site visit. We have taken advantage of Smart Ideas rebates. There are good incentives that are cost-effective to our organization.”
—ComEd customer feedback from a mid-size senior living facility

Big thanks to @ComEd for the super speedy response time. It's nice to have power again.
#outage #babyitscoldoutside

—Nicole Mangiaracina (@mangia2)



@ComEd I have been saving \$15 monthly this summer. I ❤️ it!

—Sheila Rodriguez (PTS customer)



“We truly understand the importance of operating our business in an area with leading electric reliability, as uptime is critical to our customers and industry. This commitment to improved reliability is good for the state, our customers, and our company.”
—David Horowitz, vice president of sales and marketing for T5 Data Centers, a top-tier national data center provider



By the
NUMBERS

STRENGTHENING OUR ECONOMY

MORE THAN **4,500** FTE JOBS CREATED DURING PEAK PROGRAM YEAR

OVER
\$5.52
BILLION
IN SUPPLY CHAIN
SPEND IN ILLINOIS

OVER
\$2.2
BILLION
IN DIVERSE SUPPLY
CHAIN SPEND

SMARTENING THE GRID

5,700

SMART SWITCHES INSTALLED ON THE SYSTEM BY THE END OF 2017, OF WHICH 3,100 SWITCHES WILL HAVE BEEN INSTALLED SINCE 2012.

11
SMART
SUBSTATIONS
INSTALLED

4 MILLION
SMART METERS
INSTALLED BY
THE END OF 2018

FIRST
IN THE COUNTRY FOR INNOVATIVE
SMART GRID POLICY AND
SECOND
IN THE COUNTRY BY GRIDWISE®
ALLIANCE IN 2016 FOR OUR OVERALL
SMART GRID MODERNIZATION

BY THE NUMBERS

STRENGTHENING THE GRID

BY THE END OF 2017,
WITH EIMA PROGRAM WORK
COMPLETE, ComEd WILL HAVE:

REPLACED
4,900 MILES
OF UNDERGROUND CABLE,
700 MILES
OF MAINLINE CABLE, AND
4,200 MILES
OF URD CABLE

MORE THAN **880,000** WOOD POLES INSPECTED AND TREATED

CONVERTED
APPROXIMATELY
100 MILES
OF OVERHEAD WIRE
TO UNDERGROUND
CABLE AND INSTALLED
220 MILES
OF TREE-RESISTANT
SPACER CABLE

TRIMMED AND
REMOVED OVER
100,000
TREES THAT COULD
HAVE CAUSED
POWER OUTAGES

HELPING OUR ENVIRONMENT

467

ACRES OF NATIVE PRAIRIE RESTORED

11,700

TREES PLANTED THROUGH POWER PLANTING PROGRAM

FOUR ILLINOIS GOVERNOR'S SUSTAINABILITY AWARDS SINCE 2012

EIGHT STRAIGHT YEARS

OF ACHIEVING THE HIGHEST LEVEL OF ENVIRONMENTAL MANAGEMENT CERTIFICATION

STRENGTHENING THE GRID

25,000 DISTRIBUTION WOOD POLES REPLACED OR REINFORCED

OVER **31,000** REFURBISHED MANHOLES

REPLACED OVER

950

WOOD TRANSMISSION STRUCTURES WITH OVER

850

STEEL STRUCTURES

SAVING MONEY

\$1.4 BILLION IN SOCIETAL SAVINGS PRODUCED THROUGH AVOIDED OUTAGES

AVERAGE RESIDENTIAL CUSTOMER BILL IN JANUARY 2011: **\$81**

AVERAGE RESIDENTIAL CUSTOMER BILL IN JANUARY 2017: **\$82**

\$1.2 MILLION SAVED THROUGH PEAK TIME SAVINGS BY **166,383** CUSTOMERS

\$2.3 BILLION IN ENERGY EFFICIENCY SAVINGS

50,000 CUSTOMERS RECEIVING HIGH USAGE ALERTS

MAKING COMMUNICATIONS EASY*

*DATA IS CUMULATIVE, FROM 2012-2016

912,753

MOBILE APP DOWNLOADS (LIFETIME DOWNLOADS FOR THE MOBILE APP AS OF JANUARY 2017: 925,949)

80,646,020 WEBSITE TRANSACTIONS

3,050,147 TEXT (OUTAGE ALERTS) TRANSACTIONS

493,293 CUSTOMERS SIGNED UP FOR OUTAGE ALERTS

9,569,944 MOBILE SITE TRANSACTIONS

NEARLY **18 MILLION** MOBILE APP TRANSACTIONS

POWERING THE ECONOMY

Our Smart Grid Law investments have not just delivered record reliability, new savings, and highest-ever customer satisfaction. They have also delivered on the promise of strengthening our regional economy.

A strong energy grid is the backbone of today's digital economy, ensuring businesses can succeed in our always-on environment. While ComEd's record reliability supports businesses every day, it has also enabled new business growth in northern Illinois. As a result, our customers have seen more jobs, business growth, and training opportunities in their communities. Capital investments in the grid have created jobs and supported small, diverse business growth in northern Illinois, while job-training programs are creating our workforce of the future.

CREATING JOBS

ComEd has far exceeded the commitment to create at least 2,000 full-time equivalent (FTE) jobs during its peak program year.

- 2012 – 2,486 FTE jobs
- 2013 – 2,871 FTE jobs
- 2014 – 3,598 FTE jobs
- 2015 – 4,569 FTE jobs
- 2016 – 4,285 FTE jobs



“Better power translates into better tenants in our ever-expanding commercial business parks off I-355, and reliable growth makes Lockport a leader in Will County.” —Ben Benson, Lockport city administrator



INVESTING IN ILLINOIS

Between EIMA and other programs, ComEd has infused significant capital into the Illinois economy, with over \$5.52 billion in supply chain spend in Illinois since 2011.

GROWING SMALL, DIVERSE BUSINESSES

- ComEd has achieved a 362% increase in diverse spend over five years, driving opportunities for minority-, women- and veteran-owned businesses.
- ComEd's most recent annual total diverse spend in 2016 reached an all-time high of \$765 million—33% total supply and \$588 million more than in 2011.
- As a founding member of Chicago United's Five Forward initiative, ComEd has actively worked to mentor and develop diverse businesses.
- *Negocios Now* recognized ComEd for our outstanding commitment to diversity and innovation.

THE CHICAGO MINORITY SUPPLIER DEVELOPMENT COUNCIL NAMED ComEd CORPORATION OF THE YEAR.

“Wipak benefitted from ComEd's modified line extension tariff, Rider DE, which reduced our upfront capital expenses for the additional power required for our 350,000-square-foot plastics manufacturing facility expansion and allowed us to commit that capital elsewhere in our expansion.” —Gary Tsao, director of manufacturing at Wipak Portion Packaging in Sauk Village

ECONOMIC DEVELOPMENT

- Since 2012, leveraging improved reliability from Smart Grid investments, ComEd has helped secure 61 new economic development projects for northern Illinois, representing 11,227 jobs and \$4.3 billion in capital investment.
- Complementing Smart Grid efforts, ComEd led policy changes for new business service extensions in 2016, lowering the cost of doing business in Illinois. Already, 20 businesses have avoided more than \$25 million in upfront deposit fees.



TRAINING THE WORKFORCE OF THE FUTURE

- As part of our EIMA commitment, ComEd has built two state-of-the-art training centers: one in Rockford (2013) and one in Chicago (2016), where nearly 5,000 employees train annually.



- Both training centers have a Smart Energy Hub, an educational center available for field trips where students learn about electricity, including the smart grid, energy efficiency, and safety.
- The Chicago Training Center (CTC) was built with 90% diverse contractor spend, creating 70 jobs, and also serves as an economic anchor in the neighborhood for local businesses.
- CONSTRUCT is a ComEd-led, nine-week partnership program sponsored by ComEd and 25 of its utility and construction-industry partners, deployed through six social service agencies, that trains diverse workers from ComEd communities in the field of construction. Now in its fifth year, the program has graduated over 100 participants, many of whom have been offered full-time jobs in Illinois.



- The Dawson Technical Institute and Lineman School, a joint program offered by ComEd and Kennedy-King College, has now trained 300 graduates.

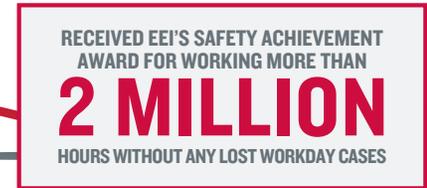


KEEPING OUR WORKFORCE & THE PUBLIC SAFE

With a significant expansion of construction work and work hours through EIMA since 2011, keeping our workers and the public safe is more important than ever. Every year, ComEd invests in the development of innovative ways to keep our employees safe, while also communicating on active projects with our communities to increase public safety.

SAFETY ACHIEVEMENTS

- Named one of America's Safest Companies in 2015 by EHS Today
- Received 2014 Midwest Energy Association Accident Prevention Award
- Received the National Safety Council Million Work Hours Award in 2015 for achieving one million hours without a lost workday case



PUBLIC SAFETY AWARENESS

- Ongoing public education campaigns about the dangers of power lines, including advertising campaign “One Line You Should Never Cross”
- Became the first utility to have our smart meters certified by Underwriters Laboratories, providing additional assurance on customer safety as the grid is modernized



SAFETY INNOVATION

- Improved manhole safety by providing thermographic equipment training and requiring an additional layer of flame-resistant clothing and incorporated thermal cameras into daily underground work, adding an additional layer of safety and preventative maintenance
- Developed the Manhole Flash Shield, which protects employees from the danger associated with arc flashes. This industry-leading testing method was recognized at the 2015 Chicago Innovation Awards
- Eliminated all carbon dioxide fire suppression systems in substations and vaults, replacing them with clean agent fire and water fire suppression systems



MAKING A DIFFERENCE IN OUR COMMUNITIES

A local company with deep roots in northern Illinois, ComEd has been committed to making a difference in our communities for 110 years.

Through our volunteerism, our community, environmental, and financial assistance programs, and our community-centered EIMA infrastructure investments, ComEd has created constant connection with our communities, enabling us to understand our customers and meet their needs.

“Your willingness to volunteer your time speaks volumes about ComEd’s professionalism and exemplifies the very best in public relations, community involvement and utility services.” —John Krull, Olympia Fields police chief

INVESTING IN OUR COMMUNITIES WHERE OUR EMPLOYEES LIVE, WORK, AND PLAY

- ComEd employees volunteered 80,000 hours in the last five years
- ComEd executives serve on the boards of 90 local community non-profit organizations in our service territory
- Nearly 2,000 ComEd employees have taken part in the annual Polar Plunge, raising \$523,000 for Special Olympics since 2012



“We are once again overwhelmed with the incredible support of ComEd at our annual Chicago Polar Plunge!” —Susan Nicholl, executive director, SCC/Special Olympics Chicago

“We connected together a battery and a solar panel to a light bulb and a fan and ... I was able to see the cause and effect of things. I learned that what I do makes a difference.” —Courtney, Solar Spotlight participant

INSPIRING OUR WORKFORCE OF THE FUTURE

- ComEd's Icebox Derby has challenged 90 teenage girls to build electric racecars out of refrigerators recycled from ComEd's Fridge & Freezer Recycling program, while earning college scholarships and inspiring them to pursue careers in STEM.
- More than 450 students, ages 14 to 18, have participated in ComEd's Youth Ambassador Program, a partnership with After School Matters that is helping to build the next generation of smart energy experts while providing Chicago high school students with valuable work experience through a summer internship.
- ComEd has launched a technical training program at its Chicago Training Center for Chicago Public School students in the After School Matters Program.
- Since 2006, more than 200 employees have mentored 25,000 students through Exelon and ComEd's Stay in School Program, helping them to achieve a graduation rate of more than 95%.
- More than 22 ambassadors now serve in ComEd's Energy Force program, a one-of-a-kind energy efficiency ambassador program designed for, and taught by, individuals with developmental disabilities.

MORE THAN 100 STUDENTS HAVE PARTICIPATED IN THE HANDS-ON EXPERIENTIAL LEARNING SOLAR SPOTLIGHT STEM EDUCATION PROGRAM, THROUGH WHICH HIGH SCHOOL STUDENTS LEARN ABOUT SOLAR ENERGY AND STEM CAREERS.



“Doing the Icebox Derby definitely showed everyone else that women are able to work in this field.”
— Taylor
Icebox Derby participant

CARING FOR OUR ENVIRONMENT

- ComEd has helped conserve and improve public open spaces through more than \$700,000 in funding through the Green Region Program for 85 projects completed by municipalities, park districts, and forest preserve districts throughout northern Illinois.
- Through our Power Planting Program, ComEd has donated 11,704 trees to customers who had trees removed due to our field work.
- The Zoo Browse Program has saved the Chicago Zoological Society more than \$1.25 million over five years by delivering tree trimmings for the animals.
- ComEd partners with local community leaders and organizations to help preserve and restore wildlife habitats, plant healthy trees, and protect endangered and declining species.
 - After years of planning, ComEd relocated and removed distribution and transmission lines out of a sensitive habitat to help protect the endangered Hine's emerald dragonfly and improve reliability.
 - ComEd is supporting native pollinators, such as the monarch butterfly population, by adjusting the prairie grass mixture to include 30% more milkweed, the key food on which monarch caterpillars depend.

“The commitment of ComEd to its prairie program and to increase the milkweed in the area will give people the chance to see and enjoy more monarch butterflies, Illinois' official state insect.” —Deborah Lahey, president and CEO, Chicago Academy of Sciences/Peggy Notebaert Nature Museum

DONATED MORE THAN 11,700 TREES THROUGH POWER PLANTING PROGRAM



SUPPORTING OUR CUSTOMERS

ComEd has distributed \$50 million in assistance for customers struggling to pay their bills through its CARE program as part of its Smart Grid promise.

INNOVATING TOWARD THE CLEAN ENERGY FUTURE OUR CUSTOMERS WANT

As ComEd laid the Smart Grid foundation, we have also driven innovation that will help revolutionize our industry and deliver new value to customers. ComEd is already building on the foundation of the Smart Grid, driving toward a clean, custom energy future through innovation that is bringing new technologies, greater savings, and more choices to our customers.



NEW TECHNOLOGIES

- **ENERGY FOUNDRY:** ComEd and Ameren helped create the Energy Foundry, a venture fund supporting Illinois energy and clean-tech companies that can tap into the Smart Grid as a proving ground for new products and services.
- **TEST BED:** ComEd is testing new energy technologies like sensors, battery storage, and other hardware or software applications on its Smart Grid Test Bed, which provides unique “on-grid” access to demonstrate new technologies in a real-world environment.
- **DRONES:** ComEd was the first utility in the U.S. to receive Federal Aviation Administration (FAA) approval to use unmanned aircraft systems (UAS). In 2016, we ramped up the use of drones in our operations, certifying pilots and conducting 100 flights.



SMART, EMPOWERED COMMUNITIES

- **SMART STREETLIGHTS:** ComEd has installed smart-ready, energy efficient LED streetlights in nearly 50 communities and 25 more municipalities have signed up for the program.
- **COMMUNITY OF THE FUTURE IN BRONZEVILLE:** In 2016, ComEd began working with the Bronzeville community to begin developing a vision and plan for a Community of the Future, a place where ComEd and a local community collaborate to create a “smart community”—connected, custom, livable, and sustainable—in which the smart grid and a host of other technologies and related services are fully leveraged to enhance the everyday lives of community members.



CLEAN TECHNOLOGIES

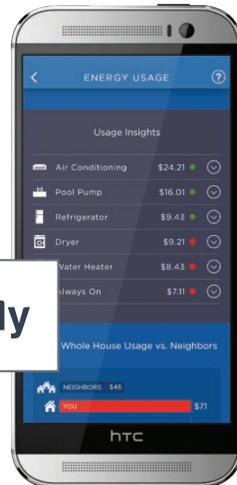
- **SOLAR, BATTERY, AND MICROGRID TECHNOLOGY:** ComEd was awarded multiple grants by the U.S. Department of Energy (DOE) to develop microgrid controller technology and to design solar and battery technology for use in microgrids. This cutting-edge work can help set the stage for the secure, resilient, clean grid of the future.
- **COMMUNITY ENERGY STORAGE PILOT:** ComEd is integrating storage into our grid, with 25 – 50 kWh batteries that can improve pocket reliability issues and, in the future, potentially be used to keep critical municipal operations functioning without skipping a beat in the event of an outage.



CUSTOMER CHOICES/SAVINGS

ComEd launched several innovative pilots to ensure that new technologies provide choice and control to our customers, including:

- **BIDGELY HOMEBEAT™ ENERGY MONITOR:** To fully leverage the benefits of the expanding digital network, ComEd partnered with analytics company Bidgely to offer customers their new HomeBeat™ Energy Monitor, which provides customers personalized and detailed energy reports down to the appliance level.
- **METERGENIUS:** ComEd also partnered with MeterGenius, a Northwestern University start-up, in a six-month pilot that allowed 6,500 randomly selected ComEd customers to track their real-time energy usage and receive incentives for reducing consumption in the form of points that could be used to make purchases.

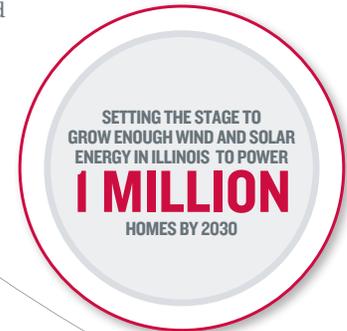


POLICY THAT TRANSFORMS THE SMART GRID TO THE GREEN GRID

With the Smart Grid Law delivering on its promise, the Illinois General Assembly passed in 2016 the Future Energy Jobs Act (FEJA), setting the stage to transform the smart grid to the green grid.



- FEJA will pivot Illinois to the new clean energy economy by:
 - o Advancing Illinois' clean energy leadership and jumpstarting the state's clean economy, while maintaining competitive rates through customer cost impacts.
 - o Saving and creating thousands of direct and indirect jobs annually through the growth of renewables and clean energy jobs, while providing \$30 million in training targeted toward those who need it most.



\$4 BILLION
IN SAVINGS ACROSS ALL CUSTOMER CLASSES



ComEd[®]

An Exelon Company

powering lives

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Chicago, IL 60605

ComEd.com

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The statements and claims contained in this Progress Report are based on the best-available information as of March 31, 2017 and are subject to revision or change.

