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FOUNDED 1866

October 1, 2009

Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First St. NE
Washington, DC 20426

Re: Commonwealth Edison Docket No. ER10-
Revisions to Wholesale Distribution Charges Submitted under Section 205 of the
Federal Power Act

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”)¹ and Part 35 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,² Commonwealth Edison Company, on behalf of itself and its wholly-owned subsidiary, Commonwealth Edison Company of Indiana, Inc. (“ComEd”), submits an original and five copies of this filing to revise Attachment H-13 (Network Integration Transmission Service for the ComEd Zone) of the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“OATT”).³ The revised tariff sheets revise Attachment H-13 to provide that ComEd will not assess Wholesale Distribution Charges (“WDCs”) to generators connected to the ComEd distribution system who are delivering power for transmission elsewhere on the grid. Where appropriate, ComEd will continue to establish Distribution Loss Factors (“DLFs”) for all wholesale users of the ComEd distribution system including generators. These revisions do not affect the WDCs that will continue to be assessed to load-serving customers who take wholesale transmission service over the ComEd distribution system. ComEd requests an effective date of December 1, 2009 for the proposed tariff changes.

I. Identification of Applicant

ComEd, an Illinois corporation, is an operating subsidiary of Exelon Corporation, a Pennsylvania corporation. ComEd maintains more than 91,000 miles of overhead and underground transmission and distribution lines in Northern Illinois and provides delivered

¹ 16 U.S.C. § 824d (2006).

² 18 C.F.R. Part 35 (2008).

³ The facilities of Commonwealth Edison Company of Indiana, Inc. are also included in the ComEd pricing zone. There are no other transmission owners within the ComEd pricing zone.

Kimberly D. Bose
October 1, 2009
Page 2

electric power to more than 3.8 million customers. ComEd does not own any generation facilities. ComEd's retail electric service is regulated by the Illinois Commerce Commission ("ICC"), while its transmission and sales for resale of electric energy in interstate commerce are regulated by this Commission. ComEd transferred operational control over its transmission facilities to PJM Interconnection, L.L.C. ("PJM") on May 1, 2004.

II. Background

On June 30, 2006, in Docket No. ER06-1194, ComEd proposed revisions to Attachment H-13 of the PJM Tariff to incorporate a standardized methodology for charging for wholesale distribution service over ComEd's distribution facilities employing a 24% Fixed Charge Rate which was multiplied by the plant attributable to the service.⁴ ComEd explained that the proposed fixed charge rate was a weighted average carrying charge to be applied to the distribution facilities expected to be used in providing wholesale distribution service.⁵ ComEd proposed that the fixed charge rate would be applied, on a case-by-case basis, to the net distribution plant that is directly assigned to individual customers taking wholesale distribution service based on the customer's pro-rata share of the noncoincident peak loading (or maximum net output of the unit) of the facilities used to provide the service.⁶ The Commission accepted the revised sheets for filing in a Letter Order on August 15, 2006.⁷

Pursuant to the accepted methodology in Attachment H-13, WDCs for wholesale customers taking service at the distribution level on ComEd's system have been assessed on a case-by-case basis, and ComEd has included in filings concerning such charges the cost support for the direct assignment of net distribution plant to particular customers in network service agreements or jurisdictional interconnection service agreements filed by PJM.⁸ The WDC

⁴ Commonwealth Edison Submits this Filing to Revised Attachment H-13, Docket No. ER06-1194 (filed June 30, 2006).

⁵ *Id.* at 2.

⁶ *Id.*

⁷ See Letter Order Accepting Commonwealth Edison Co's 6/30/06 filing of revised Attachment H-13, Docket No. ER06-1194 (Aug. 15, 2006).

⁸ During 2008, ComEd made a series of Section 205 filings to incorporate WDCs for various customers into ComEd's Attachment H-13. Letter Order Accepting PJM Interconnection, LLC 6/29/07 Filing of First Revised Service Agreement 1042, Docket No. ER07-1102 (Nov. 27, 2007). ComEd has incorporated WDCs for the City of Naperville, the Illinois Municipal Electric Agency, on behalf of the City of St. Charles, the City of Geneva, the Town of Winnetka, the Town of Rock Falls, and Winnebago Energy Center. See Letter Order Accepting Commonwealth Edison's Compliance Filing, Docket No. ER09-535 (March 3, 2009) (accepting the incorporation of charges for Naperville and IMEA/St. Charles); Letter Order Accepting Commonwealth Edison's 5/27/08 Filing of Revised Attachment H-13, Docket No. ER08-1010 (July 10, 2008) (accepting the incorporation of charges for Geneva); Letter Order Accepting Commonwealth Edison Co's 4/24/08 filing of Wholesale Distribution Charges and Distribution Loss Factors, Docket No. ER08-868 (June 17, 2008) (accepting the incorporation of charges for Winnetka and Rock Falls); *Commonwealth Edison Co.*, 123 FERC ¶ 61,122 (2008) (accepting the WDCs for Winnebago).

Kimberly D. Bose
 October 1, 2009
 Page 3

charges have factored in the customer’s non-coincident peak loading and/or in the case of generators that are interconnected at the distribution level the maximum net output of the generating unit.

III. Persons to Whom Correspondence Should be Addressed

<p>Stan Berman Sidley Austin LLP 701 Fifth Avenue, Suite 4200 Seattle, WA 98104 (206) 262-7681 (P) sberman@sidley.com</p>	<p>Peter J. Thornton Asst. General Counsel Exelon BSC - Legal Regulatory 10 South Dearborn- 49 NE Chicago, IL 60603 (312) 394-4989 (P) peter.thornton@exeloncorp.com</p>
<p>A. Karen Hill Vice President Federal Regulatory Affairs Exelon Corporation 101 Constitution Ave., N.W. Suite 400 East Washington, D.C. 20001 (202) 347-7500 (P) karen.hill@exeloncorp.com</p>	<p>Kathryn Houtsma Vice President, Regulatory Projects Commonwealth Edison Company Three Lincoln Center Oakbrook Terrace, IL 60181-4260 (630) 437-2334 (P) kathryn.houtsma@comed.com</p>

IV. Statement of Nature, Reasons and Basis for Filing

As explained above, ComEd’s Attachment H-13 includes a method of assessing WDCs which applies a fixed charge rate on a case-by-case basis to the net distribution plant directly assigned to a customer. The methodology in Attachment H-13 charges both distribution level wholesale customers serving load and wholesale generators connected at the distribution level.

Due to forecasts of an increased amount of distributed wholesale generation from renewable resources on ComEd’s system, ComEd recently conducted studies which demonstrate that reverse flows from these generators may benefit ComEd’s system by reducing congestion and line loading in some conditions. ComEd recognizes the other public policy goals promoted by such generators, and wishes to facilitate and encourage the continued development of renewable generation where economically feasible and where such interconnection actually benefits customers. Thus, ComEd has determined that it is appropriate to distinguish load-serving entities from generators when assessing WDCs.

Kimberly D. Bose
October 1, 2009
Page 4

ComEd has included revised tariff language that specifies that distribution level generators will no longer be assessed a WDC based on their pro-rata share of net distribution plant. ComEd will continue to make such generators responsible for losses that they create, based on the Commission-approved methodology which considers the expected impact on the system.⁹ As reflected in the revised tariff sheets, these revisions do not affect the methodology for calculating rolled in WDCs for load-serving entities interconnected at the distribution level.¹⁰ ComEd will continue to assess charges to distribution level generators for interconnection costs or other incremental costs associated with the service. By eliminating the distribution charge for such wholesale generation, but charging for incremental costs where they exist, ComEd thus recognizes the benefit that is frequently provided by such generation, but holds others harmless in those instances where the generator imposes a cost on the system.

ComEd's proposed revisions to the calculation of the WDCs will reduce the WDC for one of its customers, Winnebago, to zero, as Winnebago has been assessed a charge based on the maximum net output of its generating units. The WDCs for other ComEd customers taking wholesale distribution service are assessed base on the noncoincident peak loading of their loads, and will not be affected by ComEd's proposed revision.¹¹ The WDC reduction for Winnebago is reflected on the attached redlined tariff sheet.

V. Compliance with Commission Requirements

A. List of Documents Submitted

ComEd submits herewith an original and six copies of:

1. This transmittal letter;
2. Clean tariff sheets (Appendix A);
3. Redlined tariff sheets (Appendix B);
4. Notice for publication in the Federal Register (Appendix C);

⁹ See *Commonwealth Edison Co.*, 123 FERC ¶ 61,122 (2008) (rejecting Winnebago's opposition to ComEd's DLF methodology).

¹⁰ In some instances, a wholesale customer may have both load and generation at a distribution level delivery point. In general, the contribution of such behind the meter generation is already factored into the WDC calculation, to the extent the behind the meter generation reduces the non-coincident peak loading at the delivery point.

¹¹ WDCs charged to the City of Geneva are the product of a settlement and are unaffected by this filing. See *PJM Interconnection, LLC*, 117 FERC ¶ 61,159 (2006) (approving uncontested settlement).

Kimberly D. Bose
October 1, 2009
Page 5

B. Proposed Effective Date

ComEd respectfully requests that the Commission accept, without condition or modification, the proposed tariff sheets to be effective December 1, 2009, without suspension or hearing.

C. Names and Addresses of Person to Whom a Copy of this Filing has been Mailed

Pursuant to Section 35.2(d) of the Commission's regulations, a copy of this filing is being served on representatives of PJM, the ICC and the Indiana Utility Regulatory Commission. Copies of this filing are also available for inspection at ComEd's office. ComEd has also served a copy of this filing on Winnebago, the only affected customer and the Illinois Commerce Commission.

D. Description of the Filing

A description of the filing is set forth above.

E. Statement of the Reasons for the Tariff Change

This transmittal letter and enclosed materials explain the reasons for the proposed changes to ComEd's Attachment H-13.

F. Requisite Agreement

No agreement is required by contract for the filing of proposed changes.

G. Statement Regarding Inclusion of Any Expense of Costs in Cost of Service Statements that Have Been Alleged or Adjudged Illegal, Duplicative, or Unnecessary Costs that are Demonstrably the Product of Discriminatory Employment Practices

There are no costs included in this filing that have been alleged or adjudged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs, nor has any expense or cost been demonstrated to be the product of discriminatory or employment practices, within the meaning of Section 35.13(d)(3) of the Commission's regulations.

Kimberly D. Bose
October 1, 2009
Page 6

H. Cost of Service and Revenue Information to Support Filing and Request for Waiver

The cost of service, rate design information, and illustrative revenue calculations that support this filing are set forth in the proposed tariff sheets. ComEd believes that it has provided sufficient information for the Commission to determine the reasonableness of the proposed changes. To the extent that this filing requires waivers of Section 35.13 of the Commission's regulations, ComEd respectfully requests such waivers, including waivers of Section 35.13(c), (d), (e), and (h) of the Commission's regulations, 18 C.F.R. §§ 35.13(c), (d), (e), and (h). To the extent that this filing fails to contain any information otherwise required for technical compliance with the Commission's regulations, ComEd respectfully requests that compliance with such regulations be waived. Granting such waivers is in the public interest as this filing reduces or eliminates charges that would otherwise be owed by certain customers, and addresses the Commission's public policy goals by reducing the cost of transmission for distributed renewable generation.

Kimberly D. Bose
October 1, 2009
Page 7

VI. Conclusion

WHEREFORE, for the foregoing reasons, ComEd respectfully requests the Commission accept its revised Attachment H-13, effective December 1, 2009.

Respectfully submitted,

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Attorneys for Commonwealth Edison Company

Enclosures

APPENDIX A
CLEAN TARIFF SHEETS

Annual Rate - \$/kW/year = \$1,523,039, divided by the 1 CP demand for the ComEd zone for the prior calendar year;

Monthly Rate - \$/kW/month = Annual Rate divided by 12;

Weekly Rate - \$/kW/week = Annual Rate divided by 52;

Daily Rate - \$/kW/day = Weekly Rate divided by 5.

In order to ensure that the charge does not result in either an over-recovery or under-recovery of ComEd's start-up costs, PJM will institute an annual true-up mechanism in the month of May of each of the years 2008-2014. In May of each of those years, PJM will compare the amount collected under this charge for the previous 12 months with the target annual amount of \$1,523,039 and calculate any credits or surcharges that would be needed to ensure that \$1,523,039 is collected for each year. Any credit or surcharge will be assessed in the June bills for years 2005-2014, consistent with the above methodology.

7. An annual Fixed Charge Rate of 24% shall apply to the net distribution plant that is directly assigned to a customer taking wholesale distribution service over ComEd distribution facilities. The net distribution plant will be directly assigned to the customer based on the customer's pro-rata share of the non-coincident peak loading of the distribution facilities necessary to provide the service. Generating units connected at the distribution level and requiring wholesale distribution service will not be assessed a charge based on application of the Fixed Charge Rate, but will be responsible for paying interconnection costs and other incremental costs determined for such customer.
8. In accordance with Paragraph 7 above, wholesale distribution service shall be provided to the customers identified below at the identified monthly/annual charge corresponding to such customer:

Customer	Charge
Town of Winnetka	\$164,080/year
Town of Rock Falls	\$166,082/year
City of Naperville	\$58,540.79/month
City of St. Charles	\$181,479/month

9. In accordance with Paragraph 3 above, the annual distribution loss factors identified below shall apply to wholesale distribution service provide to the identified customers:

Customer	Annual Distribution Loss Factor
Winnebago Energy Center	2.52%
Town of Winnetka	0.30%
Town of Rock Falls	0.83%
The City of Geneva	2.20%
City of Naperville	0.09%
City of St. Charles	1.94%

Issued By: Craig Glazer
Vice President, Federal Government Policy
Issued On: October 1, 2009

Effective: December 1, 2009

APPENDIX B
REDLINED TARIFF SHEETS

APPENDIX C
NOTICE FOR PUBLICATION IN THE FEDERAL REGISTER

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Commonwealth Edison Company)
Commonwealth Edison Company of Indiana, Inc.) Docket No. ER10 - ____

NOTICE OF FILING
(October __, 2009)

Take notice that on October 1, 2009, Commonwealth Edison Company (“ComEd”), on behalf of itself and its wholly-owned subsidiary Commonwealth Edison Company of Indiana, Inc. (“ComEd”) filed, pursuant to section 205 of the Federal Power Act, 16 USC 824(d), and Part 35 of the Commission’s regulations, an application to revise Attachment H-13 of the PJM Tariff. ComEd proposes to eliminate Wholesale Distribution Charges (“WDCs”) to generators connected to the ComEd distribution system who are delivering power for transmission elsewhere on the grid.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission’s Rules of Practice and Procedure (18 CFR 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the “eFiling” link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the “eLibrary” link and is available for review in the Commission’s Public Reference Room in Washington, D.C. There is an “eSubscription” link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date:

Kimberly D. Bose,
Secretary.

CERTIFICATE OF SERVICE

In accordance with 18 C.F.R. § 385.2010(f) (2008), I hereby certify that I have, on this day, served a copy of the foregoing upon representatives for Winnebago Energy Center and the Illinois Commerce Commission.

Dated this 1st day of October, 2009.

/s/ Heather Curlee

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