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EXELON CORP
Form 35-CERT
March 29, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

In the Matter of
Exelon Corporation
File No. 70-9693

CERTIFICATE
OF
NOTIFICATION

Public Utility Holding Company Act of 1935 (PUHCA)

Exelon Corporation, a Pennsylvania corporation and registered holding company (Exelon), hereby submits the following Certificate of Notification pursuant to Rule 24. This filing is made pursuant to Exelon's Form U-1 Application-Declaration, as amended (the "Financing U-1") and the Securities and Exchange Commission's orders dated November 2, 2000 and December 8, 2000. This certificate reports activity in File No. 70-9693 for the period October 1, 2001 through December 31, 2001. Any capitalized terms used herein but not defined herein have the respective meanings given in the Financing U-1 or the Commission's Orders.

1. As determined pursuant to the December 8, 2000 Order, the Modified Rule 53 Test applicable to Exelon's investments in EWGs and FUCOs is \$4,000.0 million. At December 31, 2001, Exelon's "aggregate investment" (as defined in rule 53(a) under PUHCA) in all EWGs and FUCOs was approximately \$810.2 million, and accordingly, at December 31, 2001, Exelon's remaining investment capacity under the Modified Rule 53 Test was approximately \$3,189.8 million. At December 31, 2001, Exelon's "consolidated retained earnings" (as defined in rule 53(a) under the PUHCA) was approximately \$1,200.0 million.
2. Pursuant to a request for confidential treatment under rule 104(b) of PUHCA, Exelon is concurrently filing in paper format as Exhibit A, certain information concerning the aggregate investment by EWG/FUCO Project.
3. At December 31, 2001, Exelon's consolidated capitalization ratio was: debt 62%, common equity 35%, and preferred securities of subsidiaries of 3%. (For these purposes, "consolidated debt" means all long-term debt, long-term debt due within one year, notes payable and other short-term obligations, including any short-term debt and non-recourse debt of EWG/FUCO Projects, to the extent normally consolidated under applicable financial reporting rules).
4. At December 31, 2001, the market-to-book ratio of Exelon's common stock was 1.87 to 1.
5. In the fourth quarter of 2001, Exelon did not invest or commit to invest in a FUCO that would count against the Modified Rule 53 Test.

In the fourth quarter of 2001, Exelon agreed to acquire an EWG that would count against the Modified Rule 53 Test. Exelon agreed to purchase for \$443 million two generation plants located in the Dallas-Fort Worth metropolitan area from TXU Corporation. The transaction is anticipated to close in the second quarter of 2002.

6. Pursuant to a request for confidential treatment under rule 104(b) of

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PUHCA, Exelon is concurrently filing in paper format as Exhibit A, total earnings growth by EWG and FUCO Project in the fourth quarter.

7. Pursuant to a request for confidential treatment under rule 104(b) of PUHCA, Exelon is concurrently filing in paper format as Exhibit A, net income and revenues of Exelon's EWG and FUCO Projects for the twelve months ending December 31, 2001.

8. Sale of any Common Stock or Preferred Securities issued by Exelon during the fourth quarter of 2001, and the purchase price per share and the market price per share at the date of the agreement of sale.

During the fourth quarter of 2001, 129,822 stock options were exercised and shares were issued under various employee compensation plans with a price range of \$39.91 to \$48.10 per share. The average price for the period was \$44.26.

9. Options issued or issuable during the quarter.

Exelon granted 5,000 stock options in the fourth quarter of 2001 at an exercise price of \$42.65 per share.

10. Exelon did not transfer any common stock to a seller of securities of a company being acquired during the fourth quarter of 2001.

11. Guarantees issued.

The following guarantees were issued during the fourth quarter of 2001:

| Name of Parent Purpose | Name of Subsidiary | Amount | Te |
|----------------------------|--|-------------|------|
| Exelon Power trading | Exelon Enterprises | \$6,300,000 | 12 m |
| Exelon Letter of credit | Exelon Enterprises | 2,000,000 | 12 m |
| Exelon Surety bonds | PECO Energy Company (PECO) | 43,259,334 | 12 m |
| Exelon Surety bonds | Exelon Enterprises | 324,499,974 | 12 - |
| Exelon Surety bonds | PECO | 43,678,463 | 12 - |
| Exelon Surety bonds | Commonwealth Edison Company (ComEd) | 18,350,000 | 24 m |
| Exelon Surety bonds | Exelon Generation | 642,700 | 12 - |

12. Exelon indebtedness issued during the fourth quarter of 2001.

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- A. Overnight commercial paper issued through Chase Manhattan Bank on behalf of Exelon during the fourth quarter. Daily balances ranged from \$218 million to \$441 million at an average interest rate of 2.75%.
13. Amount and terms of any short-term debt issued by any Utility Subsidiary during the fourth quarter of 2001.
- A. Overnight commercial paper issued through Bank One on behalf of PECO during the fourth quarter. Daily balances ranged from \$0 to \$186 million at an average interest rate of 2.13%.
- B. There were no Contributions to and Loans from the Utility Money Pool during the fourth quarter.
14. During the fourth quarter of 2001, no financings were consummated by any Non-Utility Subsidiary not exempt under Rule 52.
15. Notional amount and principal terms of any hedge instruments or anticipatory hedges entered into during the fourth quarter of 2001 and parties thereto.

In December 2001, ComEd entered into a fixed-floating interest rate swap with Citibank. This swap, carrying a notional amount of \$235 million, hedges ComEd's future fair value risk associated with the change in the value of 6.4% Notes, \$235 million, due 10/15/2005. The terms and payment structure of the swap are designed to exactly mirror the terms and the remaining payment structure for the underlying bond. This swap is designated as a fair value hedge.

In December 2001, ComEd entered into two 10-year forward starting swaps with Barclays and J. P. Morgan (in two separate transactions). These forward starting swaps, carrying a notional amount of \$125 million each, hedge a portion of ComEd's future interest rate exposure associated with its anticipated issuance of \$400 million in long-term debt in the first quarter of 2002. These swaps have been designated as cash flow hedges in the attempt to minimize the variability of the future interest expense associated with changes in the 3 month LIBOR rate.

In October 2001, PECO entered into a Treasury Rate Lock with Merrill-Lynch. This rate lock, carrying a notional amount of \$125 million, partially hedged PECO's Treasury Rate risk associated with the pricing at financing of the 5.95% \$250 million PECO First Mortgage Bonds due 10/1/2011. The terms and payment structure of the Rate Lock were designed to offset the risk of the Treasury Rate component's effect on the present value cash flows of the debt cost for the underlying bond. This rate lock was cash settled concurrent to the actual pricing of the PECO First Mortgage Bond and is designated under FASB guidelines as a cash flow hedge.

In October 2001, PECO entered into a Treasury Rate Lock with Barclays Capital. This rate lock, carrying a notional amount of \$125 million, partially hedged PECO's Treasury Rate risk associated with the pricing at financing of the 5.95% \$250 million PECO First Mortgage Bonds due 10/1/2011. The terms and payment structure of the Rate Lock were designed to offset the risk of the Treasury Rate component's effect on the present value cash flows of the debt cost for the underlying bond.

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This rate lock was cash settled concurrent to the actual pricing of the PECO First Mortgage Bond and is designated under FASB guidelines as a cash flow hedge.

16. The name, parent company and amount invested in any intermediate subsidiary or financing subsidiary during the fourth quarter of 2001 and the amount and terms of any securities issued by such subsidiaries during the quarter.

None.

17. A list of U-6B-2 forms filed with the Commission since the last quarterly Rule 24 Certificate, including the name of the filing entity and the date of filing.

Exelon and ComEd on March 26, 2002.
Exelon and PECO on March 26, 2002.

18. The consolidated and separate balance sheets of each company that engaged in jurisdictional financing transactions during the fourth quarter of 2001.

Exelon's Balance Sheet is incorporated herein by reference to the periodic report on Form 8-K, dated February 28, 2002. PECO and ComEd's Balance Sheets are incorporated herein by reference to the annual report on Form 10-K for the period ended December 31, 2001.

19. Capital Structure of Exelon and its utility subsidiaries as of December 31, 2001 are as follows (in millions, except percentage data):

| | Debt1 | | Common Equity | | Preferred Securities of Subsidiaries | |
|--------|----------|------------|---------------|------------|--------------------------------------|------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Exelon | \$14,642 | 62% | \$8,230 | 35% | \$613 | 3% |

| | Debt1 | | Common Equity | | Preferred Stock and Mandatorily Redeemabl Preferred Securities of Subsidiaries | |
|-------|---------|------------|---------------|------------|---|------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| PECO | \$6,087 | 91% | \$323 | 5% | \$284 | 4% |
| ComEd | \$6,699 | 55% | \$5,076 | 42% | \$336 | 3% |
| Genco | \$1,025 | 26% | \$2,936 | 74% | - | - |

20. The consolidated retained earnings analyses of Exelon, PECO and ComEd are attached as Exhibit B.

21. Registration statements filed under the Securities Act of 1933 with respect to securities that are the subject of the Financing U-1, incorporated by reference into this Certificate of Notification.

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None.

22. Additional information.
None

S I G N A T U R E

Pursuant to the requirements of PUHCA, the undersigned company has duly caused this document to be signed on its behalf by the undersigned thereunto duly authorized.

Date: March 29, 2002

EXELON CORPORATION

By: /s/ Ruth Ann Gillis

Senior Vice President and
Chief Financial Officer

Exhibit B
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Exelon Corporation and Subsidiary Companies
Retained Earnings Analysis
For the Quarter Ended December 31, 2001
(In millions)

| | |
|-------------------|---------|
| Beginning Balance | \$995 * |
| Net Income | 341 |
| Dividends: | |
| Common Stock | (136) |
| | ----- |
| Ending Balance | \$1,200 |
| | ===== |

* The previously reported ending balance at September 30, 2001 was \$1,022. This amount was restated, see Form 10-Q/A for the period ended September 30, 2001, dated January 31, 2002.

PECO Energy Company and Subsidiary Companies
Retained Earnings Analysis
For the Quarter Ended December 31, 2001
(In millions)

| | |
|-------------------|-------|
| Beginning Balance | \$332 |
| Net Income | 113 |
| Dividends: | |
| Common Stock | (173) |
| Preferred Stock | (2) |
| | ----- |
| Ending Balance | \$270 |
| | ===== |

Commonwealth Edison and Subsidiary Companies

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Retained Earnings Analysis
For the Quarter Ended December 31, 2001
(In millions)

| | |
|-------------------|-------|
| Beginning Balance | \$386 |
| Net Income | 100 |
| Dividends: | |
| Common Stock | (229) |
| | ----- |
| Ending Balance | \$257 |
| | ===== |

Exelon Generation
Retained Earnings Analysis
For the Quarter Ended December 31, 2001
(In millions)

| | |
|-------------------|-------|
| Beginning Balance | \$409 |
| Net Income | 115 |
| Dividends: | |
| Common Stock | 0 |
| | ----- |
| Ending Balance | \$524 |
| | ===== |