

**RATE BESH
BASIC ELECTRIC SERVICE HOURLY PRICING**

APPLICABILITY.

This tariff is applicable to any retail customer (a) for which the Company is providing bundled electric service; and (b) to which the Competitively Declared Customer Group, as defined in the Supply Groups section of the Retail Customer Categorizations part of the General Terms and Conditions of the Company's Schedule of Rates, is applicable, or would be applicable based upon the Company's judgment with respect to such retail customer's expected electric power and energy requirements.

In addition, for a situation in which a retail customer takes service under Rate RDS - Retail Delivery Service (Rate RDS) and elects to have its electric power and energy requirements supplied in accordance with the Supplier Options subsection of the Split Load and Supplier Options section of the Service Options part of Rate RDS, this tariff is applicable to any portion of such retail customer's electric power and energy requirements for which the Company provides bundled electric service.

In addition, this tariff is applicable to any retail customer that has elected to obtain bundled electric service with hourly pricing, provided such retail customer meets the prerequisites of service provided in the Prerequisites of Service section of this tariff.

* **DEFINITIONS.**

Generally, definitions of terms used in this tariff are provided in the Definitions part of the General Terms and Conditions of the Company's Schedule of Rates. The following acronyms and terms are defined for use in this tariff:

Hourly Energy Charge

Hourly Energy Charge (HEC) means an electric supply service unit price that, through its application, allows the Company to recover certain costs incurred by the Company related to the quantities of electricity procured directly from PJM Interconnection L.L.C., or its successor (PJM)-administered markets for retail customers receiving service hereunder.

Hourly Purchased Electricity Adjustment Factor

Hourly Purchased Electricity Adjustment Factor (HPEA) means a unit credit or charge that, through its application, periodically equalizes applicable revenues from retail customers taking service hereunder for electric power and energy procured for them by the Company and the expenses incurred by the Company related to the procurement of such electric power and energy, thereby ensuring that the Company does not over or under recover its costs related to the procurement of electric power and energy for its retail customers.

Miscellaneous Procurement Components Charge

Miscellaneous Procurement Components Charge means an electric service unit price that, through its application, allows the Company to recover costs it incurs related to the procurement of electric power and energy directly from PJM-administered markets for retail customers receiving electric service hereunder which are not recovered through the application of the HECs, Monthly Capacity Charges, and PJM Services Charges.

Monthly Capacity Charge

Monthly Capacity Charge (MCC) means an electric supply service unit price that, through its application, allows the Company to recover certain costs incurred by the Company related to the demand for electric power and energy procured directly from PJM-administered markets for retail customers receiving service hereunder.

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(Continued from Sheet No. 29)

* **DEFINITIONS (CONTINUED).**

NITS

NITS means Network Integration Transmission Service.

PJM Services Charge

PJM Services Charge means an electric transmission service related unit price that, through its application, allows the Company to recover from retail customers applicable costs the Company incurs in procuring certain services from PJM, including but not limited to, NITS and other PJM-associated expenses in accordance with applicable tariffs on file with the Federal Energy Regulatory Commission (FERC).

PREREQUISITES OF SERVICE.

For a situation in which a retail customer requests service hereunder, required meter-related facilities, as described in the Service and Facilities subsection of the Nature of Service section of this tariff must be installed at such retail customer's premises prior to commencement of service hereunder.

For a situation in which a retail customer requesting service hereunder is currently receiving service from the Company under a different tariff, such retail customer must fulfill all obligations, except timely payment for service, for which it is responsible under such other tariff prior to terminating service under such other tariff and commencing service hereunder.

NATURE OF SERVICE.

* **Bundled Electric Service**

Bundled electric service provided to retail customers receiving service with hourly pricing is the provision to such retail customers of electric power and energy by the Company in accordance with the terms of this Bundled Electric Service subsection. Such provision includes (1) direct procurement through PJM-administered markets of all the component services the Company requires to meet retail customer instantaneous electric power and energy requirements at any given time under the Company's tariffs, applicable tariffs on file with the FERC, and other applicable law, including, without limitation, all required electric energy, energy to satisfy losses, electric generation capacity, volumetric risk management, transmission services, ancillary transmission services, administrative services, and other necessary services procured by the Company; (2) delivery of the electric power and energy via the Company's distribution facilities, including the provision of reactive power and voltage support using distribution facilities, at the rates and subject to the terms, conditions, and limitations provided for in the Company's tariffs on file with the Illinois Commerce Commission (ICC); and (3) the Company's standard metering and billing that are necessary to permit retail customers to receive service hereunder as permitted by law and by tariffs approved by the ICC and the FERC. No component of bundled electric service may be provided to a retail customer by a third party, and components of this bundled electric service are not available separately from the Company under this tariff.

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(Continued from Sheet No. 30)

NATURE OF SERVICE (CONTINUED).

Electrical Characteristics of Service

The electrical characteristics of the bundled electric service provided to a retail customer served hereunder are comparable to the electrical characteristics of the electric power and energy provided or delivered to other retail customers taking service under other tariffs included in the Company's Schedule of Rates. Such characteristics are described in the Electrical Characteristics section of the Nature of Service part of the General Terms and Conditions of the Company's Schedule of Rates.

Service and Facilities

Standard service and distribution and meter-related facilities provided by the Company for a retail customer served hereunder are determined in accordance with the provisions of the General Terms and Conditions and other applicable tariffs in the Company's Schedule of Rates.

Notwithstanding the preceding provisions of this Service and Facilities subsection, if larger, more, or different services or distribution or meter-related facilities than those needed to provide standard electric service to the retail customer are in place, required or requested by the retail customer, and such services or facilities are reasonably and technically feasible, and can be furnished, installed, operated, replaced, and maintained with no significant adverse impact on the Company's system with respect to reliability or efficiency, such services or facilities are furnished, installed, owned, operated, replaced, and maintained by the Company, provided the Company is allowed to recover from the retail customer the costs of furnishing, installing, owning, operating, replacing, and maintaining such services or facilities in accordance with its provisions for providing nonstandard services and facilities in the Company's Schedule of Rates, including but not limited to the provisions of the General Terms and Conditions, Rider DE - Distribution System Extensions (Rider DE), Rider NS - Nonstandard Services and Facilities (Rider NS), and Rider ML - Meter-Related Facilities Lease (Rider ML).

* Notwithstanding the preceding provisions of this Service and Facilities subsection, if the AMI Metering subsection of the Standard Metering section of the Metering part of the General Terms and Conditions of the Company's Schedule of Rates is applicable to a retail customer and such retail customer refuses AMI metering, as described in the Non AMI Metering section of such Metering part, such facilities are furnished, installed, owned, operated, replaced, and maintained by the Company, provided the Company is allowed to recover from the retail customer the costs of furnishing, installing, owning, operating, replacing, and maintaining such non AMI metering in accordance with the provisions in Rider NAM – Non AMI Metering (Rider NAM) and such General Terms and Conditions.

* For a situation in which the Company relocates or removes Company facilities in accordance with a retail customer's requirements or request, such relocation or removal is performed in accordance with the provisions for providing nonstandard services and facilities and/or non AMI metering, as applicable.

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**RATE BESH
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(Continued from Sheet No. 31)

NATURE OF SERVICE (CONTINUED).

Service and Facilities (Continued)

* In the provision of electric service hereunder, the Company furnishes, installs, owns, operates, replaces, and maintains meter-related facilities adequate to measure the kilowatt-hours (kWhs) delivered to the retail customer and the rate at which such electricity is delivered to such retail customer in each half hour in the monthly billing period. To the extent that such meter-related facilities are larger, more, or different from facilities provided in a standard metering installation, such meter-related facilities are provided in accordance with the provisions for providing nonstandard services and facilities. To the extent that such meter-related facilities are designated as non AMI metering, such meter-related facilities are provided in accordance with the provisions for providing non AMI metering, as applicable. To the extent that such meter-related facilities are not installed at the retail customer's premises when service hereunder commences, the Company and such retail customer must reasonably cooperate to ensure that such meter-related facilities are installed and in operating condition in a timely manner. Notwithstanding the previous provisions of this paragraph, the Company may elect to provide no metering installation in the provision of electric service hereunder to a retail customer because such retail customer uses electric service on a continuous or regularly scheduled basis.

MONTHLY CHARGES.

A retail customer served hereunder is subject to each charge described in this Monthly Charges section for each monthly billing period.

Customer Charge

The Customer Charge is applicable to the retail customer for the monthly billing period and is equal to the applicable Customer Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period. Notwithstanding the previous provisions of this Customer Charge subsection, there is no Customer Charge for the Fixture-Included Lighting Delivery Class, Dusk to Dawn Lighting Delivery Class, or General Lighting Delivery Class.

Standard Metering Service Charge

The Standard Metering Service Charge provided on a \$/kWh basis is applicable to the kWhs provided to the retail customer during the monthly billing period and is equal to the applicable Standard Metering Service Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period. Otherwise, the Standard Metering Service Charge is applicable to the retail customer for the monthly billing period and is equal to the applicable Standard Metering Service Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period. Notwithstanding the previous provisions of this paragraph, there is no Standard Metering Service Charge for the Fixture-Included Lighting Delivery Class.

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(Continued from Sheet No. 32)

*** MONTHLY CHARGES (CONTINUED).**

Distribution Facilities Charge

The Distribution Facilities Charge provided on a \$/kWh basis is applicable to the kWhs provided to the retail customer during the monthly billing period and is equal to the applicable Distribution Facilities Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period.

The Secondary Voltage Distribution Facilities Charge provided on a \$/kW basis is applicable to the portion of the Maximum Kilowatts Delivered (MKD) established by the retail customer during the monthly billing period served by electric conductors entering the retail customer's premises below 69,000 volts with transformation to below 2,400 volts provided by the Company, as applicable, and is equal to the applicable Secondary Voltage Distribution Facilities Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period.

The Primary Voltage Distribution Facilities Charge provided on a \$/kW basis is applicable to the portion of the MKD established by the retail customer during the monthly billing period served by electric conductors entering the retail customer's premises at or above 4,000 volts but below 69,000 volts with either no transformation provided by the Company or transformation to 2,400 volts or above provided by the Company, as applicable, and is equal to the applicable Primary Voltage Distribution Facilities Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period.

The High Voltage Distribution Facilities Charge provided on a \$/kW basis is applicable to the portion of the MKD established by the retail customer during the monthly billing period served by electric conductors entering the retail customer's premises at or above 69,000 volts, as applicable, and is equal to the applicable High Voltage Distribution Facilities Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates applicable to the retail customer for the monthly billing period.

The Distribution Facilities Charge provided on a \$/fixture basis is applicable to the number of corresponding fixture units in place for the retail customer at the beginning of the monthly billing period and is equal to the applicable Distribution Facilities Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for such corresponding fixture unit.

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**RATE BESH
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(Continued from Sheet No. 32.1)

*** MONTHLY CHARGES (CONTINUED).**

Transformer Charge

The Primary Voltage Transformer Charge is applicable to the portion of the MKD established by the retail customer during the monthly billing period served by electric conductors entering the retail customer's premises at or above 4,000 volts but below 69,000 volts with transformation to 2,400 volts or above provided by the Company, as applicable, and is equal to the applicable Primary Voltage Transformer Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period.

The High Voltage Transformer Charge is applicable to the portion of the MKD established by the retail customer during the monthly billing period served by electric conductors entering the retail customer's premises at or above 69,000 volts with transformation provided by the Company, as applicable, and is equal to the applicable High Voltage Transformer Charge listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period.

Illinois Electricity Distribution Tax Charge

The Illinois Electricity Distribution Tax Charge (IEDT) provided on a \$/kWh basis is applicable to the kWhs provided to the retail customer during the monthly billing period and is equal to the applicable IEDT listed in the Delivery Service Charges Informational Sheets of the Company's Schedule of Rates for the delivery class applicable to the retail customer for the monthly billing period.

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**RATE BESH
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*

(Continued from Sheet No. 32.2)

MONTHLY CHARGES (CONTINUED).

Capacity Charge

The Company determines capacity charges in a manner that recovers the capacity obligation costs incurred by the Company to procure electric power and energy directly from PJM-administered markets for retail customers receiving service with hourly pricing. Such capacity charges equal the applicable PJM Net Load Price (NLP), in \$/MW-Day, for the PJM Planning Year, adjusted by uncollectible factors, and are applicable for the period that extends from the beginning of the June monthly billing period through the end of the following May monthly billing period corresponding to such PJM Planning Year.

The Monthly Capacity Charge (MCC) is applicable to the Capacity Obligation established by the retail customer for the monthly billing period. Such MCC is determined in accordance with the following equation:

$$\text{MCC} = \text{NLP} \times \frac{1\text{MW}}{1,000\text{kW}} \times \frac{365\text{Days}}{12\text{Months}} \times \text{BUF} \times \text{ISUF}$$

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(Continued from Sheet No. 33)

MONTHLY CHARGES (CONTINUED).

* **Capacity Charge (Continued)**

Where:

- MCC = Monthly Capacity Charge, in \$/kW-Month, applied to the Capacity Obligation established by the retail customer for the monthly billing period.
- NLP = Applicable PJM Net Load Price, in \$/MW-Day, for the period of time corresponding to the monthly billing periods during which the MCC is applied.
- BUF = Base Uncollectible Cost Factor, in decimal format, equal to the system average Supply BUF (SBUF_{sys}) listed in or determined in accordance with the provisions of Rider UF - Uncollectible Factors (Rider UF), as applicable.
- ISUF = Incremental Supply Uncollectible Cost Factor, in decimal format, equal to ISUF_{sys} determined in accordance with the provisions of Rider UF.

Notwithstanding the preceding provisions for the computation of MCC, for computations that pertain to leap years, the number of days in the year is 366 rather than 365.

Hourly Energy Charges

Each Hourly Energy Charge (HEC) is applicable to each kWh provided to the retail customer during the hour in the monthly billing period for which such charge is determined. Each such HEC is determined in accordance with the following equation:

$$HEC = LMP \times \frac{1MWh}{1,000kWh} \times BUF \times ISUF \times (1 + DLF)$$

Where:

- HEC = Hourly Energy Charge, in \$/kWh, applied to each kWh provided to the retail customer during the hour in the monthly billing period for which such charge is determined.
- LMP = The PJM real time residual locational marginal price for the ComEd Zone, in \$/MWh, for the hour corresponding to the hour during which the HEC is applied.
- DLF = Distribution Loss Factor, in decimal format, to adjust for losses on the distribution system located in the Company's service territory and equal to the applicable system average DLF provided in Informational Sheet No. 33.

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**RATE BESH
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(Continued from Sheet No. 34)

MONTHLY CHARGES (CONTINUED).

* **PJM Services Charge**

The PJM Services Charge is applicable to each kWh provided to the retail customer during the monthly billing period. The application of the PJM Services Charge allows the Company to recover from retail customers receiving electric service with hourly pricing the costs it incurs in procuring certain services from PJM, including but not limited to, NITS and other PJM-associated expenses incurred in accordance with applicable tariffs on file with the FERC, and other applicable law. The Company is not allowed to mark-up or include a return on such costs. Such services are the same as those procured in accordance with the provisions of the PJM Services Price section of Rider PE - Purchased Electricity (Rider PE). The PJM Services Charge is developed using the electricity usage expected to be provided to retail customers receiving electric service with hourly pricing for a period of twelve (12) monthly billing periods extending from the start of a June monthly billing period and through the following May monthly billing period. The PJM Services Charge is shown as a separate line item on the retail customer's monthly bill for electric service and designated as the Transmission Services Charge.

The PJM Services Charge is determined by the Company each year and is generally applicable for the period that extends from the beginning of the June monthly billing period through the end of the following May monthly billing period. Included in the determination of the PJM Services Charge are applicable system losses, base uncollectible costs, and incremental uncollectible costs incurred by the Company.

Notwithstanding the previous provisions of this PJM Services Charge subsection, in the event that the Company (a) recomputes the PJM Services Price (PSP) and revises the Retail PJM Services Charge in accordance with the provisions of Rider PE or (b) revises base uncollectible costs or incremental uncollectible costs included in the determination of the PJM Services Charge, then the PJM Services Charge for service with hourly pricing must be correspondingly revised.

Miscellaneous Procurement Components Charge

The Miscellaneous Procurement Components Charge is applicable to each kWh provided to the retail customer during the monthly billing period. The Company determines a Miscellaneous Procurement Components Charge in a manner that allows the Company to recover the costs it incurs related to the procurement of electric power and energy directly from PJM-administered markets for retail customers receiving electric service with hourly pricing which are not recovered through the application of the MCC, the HECs, and the PJM Services Charge.

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**RATE BESH
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(Continued from Sheet No. 35)

MONTHLY CHARGES (CONTINUED).

* **Miscellaneous Procurement Components Charge (Continued)**

The Miscellaneous Procurement Components Charge is determined by the Company each year and is applicable for the period that extends from the beginning of the June monthly billing period through the end of the following May monthly billing period. The following costs expected to be incurred by the Company are included in the determination of the Miscellaneous Procurement Components Charge:

- (a) base and incremental uncollectible costs;
- (b) customer service related costs allocated to only retail customers taking service hereunder in accordance with the ICC's order in the Company's most recent rate or Rate DSPP - Delivery Service Pricing and Performance (Rate DSPP) annual update case, as applicable;
- (c) collection agency costs allocated to only retail customers taking service hereunder in accordance with the ICC's order in the Company's most recent rate or Rate DSPP annual update case, as applicable;
- (d) costs of working capital used to arrange or procure electric power and energy directly from PJM-administered markets, with such costs determined in a manner consistent with the methodology used to determine costs of working capital approved by the ICC in its order in the Company's most recent rate or Rate DSPP annual update case, or as otherwise provided by law, as applicable; and
- (e) costs associated with arranging or procuring electric power and energy directly from PJM-administered markets, which are identified through the use of a wages and salaries allocator calculated as initially directed by the ICC in its Order in Docket No. 11-0721, dated May 29, 2012, with any subsequent value of such allocator as approved by the ICC in its order in the Company's most recent rate or Rate DSPP annual update case, or as otherwise provided by law, as applicable, and taking into account reconciliation adjustments made in accordance with Section 16-108.5(d) of the Act, as applicable, whereby such costs are equal to the portion of the Company's overall costs to which such allocator is applied that are (i) not recovered through the application of delivery service charges; (ii) not recovered through the application of the PJM Services Charge determined in accordance with the PJM Services Charge subsection of this Monthly Charges section; (iii) not costs incurred by the Company in association with arranging and providing for the supply of electric power and energy in accordance with the Procurement Obligations section of Rider PE; (iv) not costs incurred by the Company in association with arranging and providing for the supply of renewable energy credits to meet the requirements of both subsection 1-75(c) of the Illinois Power Agency (IPA) Act and Section 16-111.5 of the Act in accordance with the Determination of the Renewable Energy Adjustment Section of Rider REA - Renewable Energy Adjustment (Rider REA); and (v) not costs incurred by the Company in association with arranging and providing for the supply of zero emission credits to meet the requirements of subsection 1-75(d-5) of the IPA Act in accordance with the Determination of the Zero Emission Adjustment Section of Rider ZEA – Zero Emission Adjustment (Rider ZEA).

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**RATE BESH
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(Continued from Sheet No. 36)

MONTHLY CHARGES (CONTINUED).

* **Miscellaneous Procurement Components Charge (Continued)**

Including costs of working capital in the determination of the Miscellaneous Procurement Components Charge provides for the recovery of costs the Company incurs for working capital used to arrange or procure electric power and energy supply directly from PJM-administered markets, such as the funds required to finance the lag between the purchase of electric power and energy supply resources and the recovery of the costs of such resources from retail customers. Such costs are determined in a manner consistent with the methodology used to determine costs of working capital approved by the ICC in its order in the Company's most recent rate or Rate DSPP annual update case, or as otherwise provided by law, as applicable. Such methodology is applied using a cost of capital equal to that established by the ICC in its order in such most recent case or as otherwise provided by law, as applicable. All other data, including applicable leads and lags, are updated annually to reflect current electric power and energy supply procurement working capital costs. Company representatives must review such calculated costs with personnel from the Accounting Department of the ICC Staff in accordance with the provisions of the Reporting and Annual Audit section of this tariff. A cost of capital established by the ICC in its order in such most recent case or as otherwise provided by law, as applicable, is applied in determining the costs of working capital component of the Miscellaneous Procurement Components Charge only for Miscellaneous Procurement Components Charges that become applicable after the date of such order or law, as applicable.

Applicable system losses are reflected in the determination of the Miscellaneous Procurement Components Charge. Notwithstanding the previous provisions of this Miscellaneous Procurement Components Charge subsection, the Miscellaneous Procurement Components Charge must be recomputed in accordance with directives in ICC orders in Company rate or Rate DSPP annual update cases, or as otherwise provided by law, as applicable. Moreover, the Miscellaneous Procurement Components Charge must be recomputed in the event that the Company revises base uncollectible costs or incremental uncollectible costs included in the determination of the Miscellaneous Procurement Components Charge. In the event that the Company revises the PJM Services Charge in accordance with the provisions in the PJM Services Charge subsection of this Monthly Charges section, or at such time that FERC approved or accepted changes in charges related to costs recovered through the application of the Miscellaneous Procurement Components Charge become effective, the Miscellaneous Procurement Components Charge for service with hourly pricing may be required to be correspondingly revised.

Hourly Purchased Electricity Adjustment Factor

The HPEA periodically equalizes the revenues from retail customers receiving electric service with hourly pricing for electric power and energy procured for them by the Company and the expenses incurred by the Company related to the procurement of such electric power and energy.

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**RATE BESH
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(Continued from Sheet No. 37)

MONTHLY CHARGES (CONTINUED).

Hourly Purchased Electricity Adjustment Factor (Continued)

An HPEA, in ¢/kWh rounded to the thousandths of a cent, is determined and applied to each kWh provided to the retail customer during a given effective period. The HPEA is shown as a separate line item on the retail customer's monthly bill for electric service and designated as the Purchased Electricity Adjustment. The HPEA is determined and applied in such effective period in accordance with the following equation:

$$HPEA = \frac{[AE - AR + AB + A]_{\text{amortized}} + \sum AHPEA}{U} \times \frac{100¢}{\$1}$$

Where:

- HPEA = Hourly Purchased Electricity Adjustment Factor, in ¢/kWh rounded to the thousandths of a cent, applied as a credit or charge to kWhs provided to retail customers receiving electric service with hourly pricing during the effective period.
- AE = Accrued Expenses, in \$, equal to the sum of all the accrued net expenses incurred by the Company related to the direct procurement of electric power and energy from PJM-administered markets for retail customers receiving electric service with hourly pricing during the determination period(s), including all accrued net expenses for electric energy purchased from a Qualifying Facility, as defined in 83 Illinois Administrative Code Part 430, that displaces energy purchases from PJM-administered markets for such retail customers. Accrued Expenses may reflect the amortization of certain expenses, such as legal and consultative fees associated with the procurement of electric power and energy and ICC proceedings concerning the procurement of electric power and energy, over multiple determination periods.
- * AR = Accrued Revenues, in \$, equal to the accrued net revenues recognized for retail customers receiving electric service with hourly pricing during the determination period(s) through the application of the MCC, HECs, PJM Services Charge, and Miscellaneous Procurement Components Charge, as applicable. Accrued Revenues may reflect the amortization of certain revenues over multiple determination periods.
- * AB = Automatic Balancing Factor, in \$, equal to the cumulative debit or credit balance resulting from the application of the HPEA through the determination period(s). Such balance includes interest at the rate established by the ICC in accordance with 83 Illinois Administrative Code Section 280.40(g).

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(Continued from Sheet No. 38)

MONTHLY CHARGES (CONTINUED).

* **Hourly Purchased Electricity Adjustment Factor (Continued)**

A = Adjustment, in \$, equal to an amount (a) ordered by the ICC, or (b) determined by the Company, that is to be refunded to or collected from retail customers receiving electric service with hourly pricing to correct for errors associated with the computation of a previously applied HPEA in accordance with this tariff. Such amount includes interest at the rate established by the ICC in accordance with 83 Illinois Administrative Code Section 280.40(g). Such interest is calculated for the period of time beginning on the first day of the effective period during which such HPEA was applied and extending through the day prior to the start of the effective period in which the A is applied. Such amount may be amortized over multiple effective periods with interest.

[] amortized = Amortization of the quantity included in the brackets, as necessary, for a period not to exceed twelve (12) effective monthly billing periods. For a situation in which amortization is not necessary, there is no amortization period.

AHPEA = Amortized Hourly Purchased Electricity Adjustment Amount, in \$, equal to a previously amortized quantity (AE - AR + AB + A). Each such AHPEA includes interest at the rate established by the ICC in accordance with 83 Illinois Administrative Code Section 280.40(g), and such interest is calculated for an amortization period not to exceed twelve (12) effective periods, beginning on the first day of the effective period during which such AHPEA is applied and extending through the day prior to the start of the last effective period during which such AHPEA is applied. Each such AHPEA is applied only during effective periods that correspond to such AHPEA's amortization period.

U = Usage, in kWh, forecasted to be provided to retail customers receiving electric service with hourly pricing during the effective period.

For the purpose of determining the HPEA, (a) a determination period means the calendar month for which an HPEA is determined for retail customers receiving electric service with hourly pricing, and (b) an effective period means the monthly billing period during which such HPEA is applied to kWhs provided to such retail customers. The effective period is the first monthly billing period beginning no earlier than fifteen (15) calendar days after the final reconciliation of the PJM-conducted settlement process for electric supply for the determination period(s).

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MONTHLY CHARGES (CONTINUED).

Nonstandard Services and Facilities Charge

If the Company provides services or distribution facilities for the retail customer served hereunder that are different from or in addition to a standard service or distribution facilities installation, certain of such services or distribution facilities are provided and charged for through a monthly amount applicable to such retail customer for the monthly billing period and computed in accordance with the provisions of Rider NS.

Nonstandard Meter-Related Facilities Charge

If the Company provides meter-related facilities to the retail customer served hereunder that are different from or in addition to facilities included in a standard metering installation, such meter-related facilities are provided and charged for through a rental amount applicable to such retail customer for the monthly billing period and computed in accordance with the provisions of Rider ML.

Non AMI Metering Monthly Charges

If the Company provides non AMI metering to the retail customer served hereunder, such retail customer is subject to the monthly charges identified in Rider NAM, as applicable.

Other Generally Applicable Charges

The Company's Schedule of Rates of which this tariff is a part includes General Terms and Conditions and riders that include other generally applicable charges. Service hereunder is subject to such General Terms and Conditions, riders, and other generally applicable charges.

OTHER CHARGES.

* **Off Cycle Termination Fee**

For service provided beginning with the January 2015 monthly billing period, and extending through the December 2017 monthly billing period, the Off Cycle Termination Fee is applicable in accordance with the provisions of the Term of Service section of this tariff and is equal to \$570.00.

For service provided beginning with the January 2018 monthly billing period, the Off Cycle Termination Fee is applicable in accordance with the provisions of the Term of Service section of this tariff and is equal to \$569.00.

Non AMI Metering Charges

If a retail customer served hereunder is provided with non AMI metering, such retail customer is subject to the charges presented in the Other Charges section of Rider NAM, as applicable.

Late Payment Charge

The Late Payment Charge as described in the Billing and Payment part of the General Terms and Conditions of the Company's Schedule of Rates is applicable to all charges applied in accordance with the provisions of this tariff.

(Continued on Sheet No. 41)

**RATE BESH
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(Continued from Sheet No. 40)

MEASUREMENT OF POWER AND ENERGY PROVIDED.

Electric power and energy provided to a retail customer served hereunder are measured in accordance with the provisions of the Measurement of Energy and Demand subsection of the Continuing Electric Service section of the Billing and Payment part of the General Terms and Conditions of the Company's Schedule of Rates. However, for a situation in which no metering installation or a metering installation that does not have an interval demand recording register is provided for the retail customer, the thirty (30) minute demands established by the retail customer and the kWhs delivered during each hour of the monthly billing period are statistically derived utilizing the load profile applicable to the retail customer, as such profile may be adjusted or modified pursuant to the Company's standard methodology for determination of load profiles, and the kWhs delivered during the monthly billing period, as determined or measured for such retail customer, as applicable.

TERM OF SERVICE.

For a retail customer requesting service hereunder, such service does not commence until the retail customer fulfills all applicable prerequisites of service provided in the General Terms and Conditions of the Company's Schedule of Rates and the retail customer fulfills all applicable prerequisites of service provided in the Prerequisites of Service section of this tariff.

Following a termination of service hereunder for a residential retail customer, such residential retail customer is not eligible to receive service hereunder for a period of at least twelve (12) months following the date of such termination.

A retail customer's term of service hereunder commences when the Company begins to provide service hereunder.

- * To terminate service hereunder and switch to a different tariff for electric service, a retail customer must provide advance notice to the Company at least seven (7) calendar days prior to the date on which the customer requests service hereunder to be terminated. For a situation in which the switch is to Rate RDS, a valid and applicable Direct Access Service Request (DASR) for such retail customer may be provided in lieu of advance notice. Such notice or DASR, as applicable, is accepted by the Company and service hereunder is terminated on such date if (a) such date occurs (i) on the Company's normally scheduled meter reading or billing cycle date for such retail customer, or (ii) on a day other than the Company's normally scheduled meter reading or billing cycle date for such retail customer and such off cycle termination was not preceded by an off cycle switch to Rate BESH in the same monthly billing period, and (b) such retail customer, on or prior to such date, fulfills all prerequisites for, and on such date commences service under, such other applicable tariff that it selected and for which it is eligible. In the event such termination date occurs on a day other than the Company's normally scheduled meter reading or billing cycle date for such retail customer and such off cycle termination follows an off cycle switch to Rate BESH in the same monthly billing period, such termination notice is accepted by the Company and service hereunder is terminated on such termination date if (A) such retail customer pays to the Company the Off Cycle Termination Fee listed in the Other Charges section of this tariff at the time such notice is provided, and (B) such retail customer, on or prior to such date, fulfills all prerequisites for, and on such date commences service under, such other applicable tariff that it selected and for which it is eligible.

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**RATE BESH
BASIC ELECTRIC SERVICE HOURLY PRICING**

(Continued from Sheet No. 41)

TERM OF SERVICE (CONTINUED).

Notwithstanding the provisions of the previous paragraph, to terminate service hereunder and switch to delivery service under Rate RDS with electric power and energy supply provided by a Retail Electric Supplier (RES), for a retail customer that is a (a) residential retail customer, (b) lighting retail customer that has established or is expected to establish thirty (30) minute demands for electric power and energy that do not exceed 100 kW, or (c) nonresidential retail customer to which the Watt-Hour Delivery Class or Small Load Delivery Class is applicable, the provision of service hereunder terminates and the provision of service from the Company under Rate RDS commences, effective on the Company's next normally scheduled meter reading or billing cycle date for such retail customer, provided such effective date is at least eighteen (18) calendar days after the Company receives a valid and applicable DASR for such retail customer and such retail customer is in compliance with all the prerequisites of service under Rate RDS. Switching to Rate RDS on a date other than a normally scheduled meter reading or billing cycle date is not allowed for such retail customer.

In the event that a DASR submitted to the Company pertains to a switch to service under Rate RDS with electric power and energy supply from a RES and is for a (a) residential retail customer, (b) lighting retail customer that has established or is expected to establish thirty (30) minute demands for electric power and energy that do not exceed 100 kW, or (c) nonresidential retail customer to which the Watt-Hour Delivery Class or Small Load Delivery Class is applicable, then such DASR may be rescinded provided the Company receives notification from the retail customer or the RES to rescind such DASR no later than five (5) calendar days prior to the otherwise effective date of the election identified in such DASR. In the event that a DASR submitted to the Company pertains to a switch to service under Rate RDS with electric power and energy supply from a RES and is for any other retail customer, then such DASR may be rescinded provided the Company receives notification from the RES to rescind such DASR no later than five (5) calendar days prior to the otherwise effective date of the switch identified in such DASR.

In the event that a lighting retail customer terminates service under this tariff and does not elect to obtain service from the Company under any other tariffed service due to the fact that such lighting retail customer is abandoning the lighting system for which service hereunder has been provided, the lighting retail customer must provide the Company with sufficient notice to enable the Company and the lighting retail customer to cooperatively coordinate the termination of service hereunder to coincide with the abandonment of such lighting system.

- * Otherwise, in the event that (a) the retail customer terminates service from the Company under this tariff and (b) does not elect to obtain service from the Company under any other tariffed service at its premises due to the fact that such retail customer is vacating the premises, service hereunder continues for not more than ten (10) days after the date such retail customer vacates the premises, provided the retail customer provides timely notice to the Company to terminate service hereunder at such premises.

(Continued on Sheet No. 43)

**RATE BESH
BASIC ELECTRIC SERVICE HOURLY PRICING**

(Continued from Sheet No. 42)

* **INFORMATIONAL FILINGS.**

MCCs, PJM Services Charges, Miscellaneous Procurement Components Charges, and HPEAs are revised periodically in accordance with the provisions of the Capacity Charge subsection, PJM Services Charge subsection, Miscellaneous Procurement Components Charge subsection, and Hourly Purchased Electricity Adjustment Factor subsection, respectively, of the Monthly Charges section of this tariff. The Company must file such revised charges and adjustments with the ICC for informational purposes in accordance with the provisions of this Informational Filings section.

Capacity Charge

Within three (3) business days after the applicable NLP is available from PJM for a PJM Planning Year, the Company must file with the ICC for informational purposes a revised MCC to be applicable beginning with the June monthly billing period corresponding to the start of such PJM Planning Year.

No later than the twentieth day of May, the Company must file with the ICC for informational purposes a revised MCC to be applicable beginning with the June monthly billing period. Such revised MCC must incorporate incremental supply uncollectible cost factors determined in accordance with the provisions of Rider UF that are applicable beginning with such June monthly billing period.

No later than the twentieth day of August, the Company must file with the ICC for informational purposes a revised MCC to be applicable beginning with the September monthly billing period. Such revised MCC must incorporate incremental supply uncollectible cost factors determined in accordance with the provisions of Rider UF that are applicable beginning with such September monthly billing period.

The Company must file a revised MCC with the ICC for informational purposes either (a) concurrently with the Company's filing made in compliance with the ICC's Order entered in accordance with the provisions of the Annual Updates section of Rate DSPP or (b) no later than December 20 in the event that no proceeding is initiated in accordance with the provisions of such Annual Updates section. Such revised MCC is to be applicable beginning with the January monthly billing period and must incorporate applicable base supply uncollectible cost factors determined in accordance with the provisions of Rider UF.

PJM Services Charge

No later than the twentieth day of May prior to the start of each PJM Planning Year, the Company must file with the ICC for informational purposes a revised PJM Services Charge to be applicable beginning with the June monthly billing period corresponding to such PJM Planning Year. Such revised PJM Services Charge must incorporate the applicable incremental supply uncollectible cost factor determined in accordance with the provisions of Rider UF that is applicable beginning with such June monthly billing period.

No later than the twentieth day of August, the Company must file with the ICC for informational purposes a revised PJM Services Charge to be applicable beginning with the September monthly billing period. Such revised PJM Services Charge must incorporate the applicable incremental supply uncollectible cost factor determined in accordance with the provisions of Rider UF applicable beginning with such September monthly billing period.

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**RATE BESH
BASIC ELECTRIC SERVICE HOURLY PRICING**

(Continued from Sheet No. 43)

* **INFORMATIONAL FILINGS (CONTINUED).**

PJM Services Charge (Continued)

The Company must file a revised PJM Services Charge with the ICC for informational purposes either (a) concurrently with the Company's filing made in compliance with the ICC's Order entered in accordance with the provisions of the Annual Updates section of Rate DSPP or (b) no later than December 20 in the event that no proceeding is initiated in accordance with the provisions of such Annual Updates section. Such revised PJM Services Charge is to be applicable beginning with the January monthly billing period and must incorporate applicable base supply uncollectible cost factors determined in accordance with the provisions of Rider UF.

In the event that the Company revises the Retail PJM Services Charges in accordance with provisions of Rider PE, the Company must file with the ICC for informational purposes a revised PJM Services Charge corresponding to such revised Retail PJM Services Charges. Such informational filing of such revised PJM Services Charge must be made concurrently with the Company's informational filing of such revised Retail PJM Services Charges.

Miscellaneous Procurement Components Charge

No later than the twentieth day of May prior to the start of each PJM Planning Year, the Company must file with the ICC for informational purposes a revised Miscellaneous Procurement Components Charge to be applicable beginning with the June monthly billing period corresponding to such PJM Planning Year. Such revised Miscellaneous Procurement Components Charge must incorporate the applicable incremental supply uncollectible cost factor determined in accordance with the provisions of Rider UF that is applicable beginning with such June monthly billing period.

No later than the twentieth day of August, the Company must file with the ICC for informational purposes a revised Miscellaneous Procurement Components Charge to be applicable beginning with the September monthly billing period. Such revised Miscellaneous Procurement Components Charge must incorporate the applicable incremental supply uncollectible cost factor determined in accordance with the provisions of Rider UF applicable beginning with such September monthly billing period.

The Company must file a revised Miscellaneous Procurement Components Charge with the ICC for informational purposes either (a) concurrently with the Company's filing made in compliance with the ICC's Order entered in accordance with the provisions of the Annual Updates section of Rate DSPP or (b) no later than December 20 in the event that no proceeding is initiated in accordance with the provisions of such Annual Updates section. Such revised Miscellaneous Procurement Components Charge is to be applicable beginning with the January monthly billing period and must incorporate applicable base supply uncollectible cost factors determined in accordance with the provisions of Rider UF.

In the event that the Company revises the PJM Services Charges in accordance with provisions of the PJM Services Charge subsection of the Monthly Charges section of this tariff, the Company must file with the ICC for informational purposes a revised Miscellaneous Procurement Components Charge corresponding to such revised PJM Services Charge. Such informational filing of such revised Miscellaneous Procurement Components Charge must be made concurrently with the Company's informational filing of such revised PJM Services Charge.

Hourly Purchased Electricity Adjustment Factor

No later than the twentieth day of the month prior to the start of each effective period, the Company must file with the ICC for informational purposes the HPEA applicable during such effective period.

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**RATE BESH
BASIC ELECTRIC SERVICE HOURLY PRICING**

(Continued from Sheet No. 44)

* **INFORMATIONAL FILINGS (CONTINUED).**

Any submission of a revised MCC, PJM Services Charge, Miscellaneous Procurement Components Charge or HPEA, after the applicable deadline identified in this Informational Filings section but prior to the start of the period during which such revised MCC, PJM Services Charge, Miscellaneous Procurement Components Charge or HPEA, as applicable, is to be applicable is acceptable only if such submission corrects an error or errors from a timely submitted revised MCC, PJM Services Charge, Miscellaneous Procurement Components Charge or HPEA for such period. Any other such submission made after such applicable deadline is acceptable only if such submission is made in accordance with the special permission provisions of Section 9-201(a) of the Act.

Each time the Company files any MCC, PJM Services Charge, Miscellaneous Procurement Components Charge, or HPEA with the ICC for informational purposes, such filing must include work papers supporting the determination of such MCC, PJM Services Charge, Miscellaneous Procurement Components Charge, or HPEA, as applicable.

* **REPORTING AND ANNUAL AUDIT.**

Each year at least thirty (30) calendar days prior to the start of the June monthly billing period, internal administrative and operational costs and costs of working capital expected to be incurred by the Company as a result of its electric power and energy supply procurement activities for retail customers for which the Company is to provide service hereunder during the PJM Planning Period beginning on the June 1 corresponding to such June monthly billing period must be reviewed by Company representatives with personnel from the Accounting Department of the ICC Staff.

Each year beginning in 2009, the Company must conduct an audit of its costs for the previous PJM Planning Year and recoveries of such costs pursuant to this tariff. The Company must also prepare a report each year that summarizes the results of such audit. Such report must be submitted to the ICC in an informational filing, with copies of such report provided to the Manager of the Staff's Accounting Department and the Director of the Staff's Financial Analysis Division within sixty (60) calendar days after the end of the effective period associated with the May determination period of such PJM Planning Year. Such report must be verified by an officer of the Company.

The audit described in the previous paragraph of this Reporting and Annual Audit section must examine (a) costs recovered pursuant to this tariff to verify that such costs are recovered only pursuant to this tariff and to confirm that any such costs are not also being recovered inappropriately through charges imposed under other tariffs, (b) charges and adjustments determined pursuant to this tariff that are included in retail customers' bills for electric service provided hereunder to verify that such charges and adjustments are properly applied, (c) revenues resulting from the application of this tariff to verify that such revenues are correctly stated, (d) the Company's internal administrative and operational costs associated with the procurement of electric power and energy for retail customers served hereunder to verify that such costs are reasonable, and (e) the Company's costs of working capital associated with expenditures for electric power and energy supply to ensure such costs were determined in a manner consistent with the methodology used to determine costs of working capital approved by the ICC in its order in the then most recent rate or Rate DSPP annual update case, or as otherwise provided by law, as applicable, using the cost of capital established by the ICC in its order in such most recent case or as otherwise provided by law, as applicable.

(Continued on Sheet No. 46)

**RATE BESH
BASIC ELECTRIC SERVICE HOURLY PRICING**

(Continued from Sheet No. 45)

ANNUAL RECONCILIATION.

Each year beginning in 2009, no earlier than ninety (90) calendar days after the end of the effective period associated with the May determination period of a PJM Planning Year, a proceeding must commence to provide for the correction of any errors that may have occurred in the application of the provisions of this tariff. Any such proceeding may also provide for the determination of the reasonableness of the Company's internal administrative and operational costs associated with the procurement of electric power and energy for retail customers served hereunder. With respect to the costs of working capital incurred by the Company, the actual costs of working capital must be calculated based upon a methodology consistent with the methodology used to determine costs of working capital approved by the ICC in its order in the then most recent rate or Rate DSPP annual update case, or as otherwise provided by law, as applicable. The actual costs of working capital must be calculated based upon the cost of capital established by the ICC in its order in such most recent case or as otherwise provided by law, as applicable using actual expenses to arrange or procure electric power and energy directly from PJM-administered markets and applicable updated lead and lag days. Such calculated costs of working capital are subject to review and adjustment in the annual proceeding described in this Annual Reconciliation section. To the extent that any such error is identified or any such reviewable cost is found to be unreasonable by the ICC, an applicable adjustment is determined and applied in accordance with lawful orders issued by the ICC in such proceeding and effectuated through the Adjustment (A) component of the HPEA in accordance with the provisions of the Hourly Purchased Electricity Adjustment Factor subsection of the Monthly Charges section of this tariff.

MISCELLANEOUS GENERAL PROVISIONS.

Provisions regarding credit requirements, deposits, billing, and payment for service provided hereunder are included in the General Terms and Conditions of the Company's Schedule of Rates.

Provisions regarding the disconnection and reconnection of electric service provided hereunder for safety or other reasons are included in the Disconnection and Reconnection part of the General Terms and Conditions of the Company's Schedule of Rates.

- * Provisions addressing the resolution of disputes between the Company and a retail customer that involve the performance, breach, or alleged breach of any obligation under this tariff, or under any rider applicable to this tariff, or under any contract or any written agreement entered into under this tariff or applicable rider, are included in the Dispute Resolution part of the General Terms and Conditions of the Company's Schedule of Rates.

Nothing in this tariff precludes a residential entity that shares occupancy of a nonresidential retail customer's premises from being served as a separate retail customer under a tariff applicable or available to residential retail customers.

Nothing in this tariff precludes a nonresidential entity that shares occupancy of a residential retail customer's premises from being served as a separate retail customer under a tariff applicable or available to nonresidential retail customers.

(Continued on Sheet No. 46.1)

**RATE BESH
BASIC ELECTRIC SERVICE HOURLY PRICING**

(Continued from Sheet No. 46)

MISCELLANEOUS GENERAL PROVISIONS (CONTINUED).

LMPs, listed in Eastern Prevailing Time (EPT), used to determine Hourly Energy Charges are available through PJM's web site. Furthermore, the Company electronically posts on its web site indicative day-ahead hourly energy prices and indicative real time hourly energy prices determined from PJM day-ahead residual locational marginal prices and real time residual locational marginal prices, respectively, for the ComEd Zone. Such indicative hourly energy prices, listed in Central Prevailing Time (CPT), include adjustments for applicable losses and uncollectible costs incurred by the Company as described in the Hourly Energy Charges subsection of the Monthly Charges section of this tariff.

The indicative day-ahead hourly energy prices are posted on a day-ahead basis in the form of twenty-four (24) hourly energy prices beginning with the hour from 11:00 p.m. of the present day to 12:00 a.m. (midnight) of the following day. The indicative real time hourly energy prices are posted on a day-after basis in the form of twenty-four (24) hourly energy prices beginning with the hour from 11:00 p.m. of two days before to 12:00 a.m. (midnight) of the day before. There are twenty-three (23) hourly energy prices for the first Sunday of Central Daylight Savings Time and twenty-five (25) hourly energy prices for the first Sunday of Central Standard Time.

- * The Company is not required to obtain any consent or other approval, whether prospective, contemporaneous, or retrospective, from the ICC or any other entity in order to issue bills containing any MCC, HEC, PJM Services Charge, Miscellaneous Procurement Components Charge, or HPEA determined in accordance with the provisions of this tariff or in order to collect any such MCC, HEC, PJM Services Charge, Miscellaneous Procurement Components Charge, or HPEA, provided, however, that any such HPEA is subject to adjustment in accordance with annual proceedings conducted as provided in the Annual Reconciliation section of this tariff during which any error is determined to have been associated with the application of an HPEA.

The Company's Schedule of Rates of which this tariff is a part includes General Terms and Conditions and riders. Service hereunder is subject to the General Terms and Conditions and the riders applicable to this tariff.