Carbon Disclosure Project

Module: Introduction

Page: Introduction

0.1

Introduction
Please give a general description and introduction to your organization.
Pepco Holdings, Inc. (PHI or Pepco Holdings), a Delaware corporation incorporated in 2001, is a diversified energy company that during CY2009, through its operating subsidiaries, was engaged primarily in two businesses: • The distribution, transmission and default supply of electricity and the delivery and supply of natural gas (Power Delivery), conducted through the following regulated public utility companies: - Potomac Electric Power Company (Pepco), which was incorporated in Washington, D.C., in 1896 and became a domestic Virginia corporation in 1949, - Delmarva Power & Light Company (DPL or Delmarva Power), which was incorporated in Delaware in 1909 and became a domestic Virginia corporation in 1979, and - Atlantic City Electric Company (ACE), which was incorporated in New Jersey in 1924. • Competitive energy generation, marketing and supply (competitive energy) conducted through subsidiaries of Conectiv Energy Holding Company (collectively Conectiv Energy) and Pepco Energy Services, Inc., and its subsidiaries (collectively Pepco Energy Services). Each of Pepco, DPL and ACE is a regulated public utility in the jurisdictions that comprise their respective service territories. Each company owns and operates a network of wires, substations and other equipment that are classified either as transmission or distribution facilities. The largest component of PHI's business is Power Delivery, which consists of the transmission, distribution and supply of electricity and the delivery and supply of natural gas. On a combined basis, the electric transmission and distribution systems owned by Pepco, DPL and ACE at December 31, 2009, consisted of approximately 3,400 transmission circuit miles of overhead lines, 400 transmission circuit miles of underground cables, 18,100 distribution circuit miles of overhead lines, and 15,700 distribution circuit miles of underground cables, primarily in their respective service territories. Conectiv Energy provides wholesale electric power, capacity and ancillary services in the wholesale markets and also supplies electricity to other wholesale market participants under long- and short-term bilateral contracts. Conectiv Energy supplies electric power to Pepco, DPL and ACE to satisfy a portion of their Default Electricity Supply Load, as well as the default electricity supply load shares of other utilities within the PJM Regional Transmission Organization (RTO) and Independent System Operator - New England wholesale markets. Conectiv Energy obtains the electricity required to meet its power supply obligations from its own generation plants, tolling agreements, bilateral contract purchases from other wholesale market participants and purchases in the wholesale market. Conectiv Energy's primary fuel source for its generation plants is natural gas. Conectiv Energy manages its natural gas supply using a portfolio of long-term, firm storage and transportation contracts, and a variety of derivative instruments. Pepco Energy Services provides energy-saving performance contracting services principally to federal, state and local government customers, and designs, constructs and operates combined heat/power and central energy plants owned by customers. Pepco Energy Services also provides high-voltage electric construction and maintenance services to customers throughout the United States, low-voltage electric construction and maintenance services, streetlight construction and asset management services to utilities, municipalities and other customers in the Washington, D.C., area. Pepco Energy Services also has been engaged in the business of providing retail energy supply services, consisting of the sale of electricity -- including from renewable resources -- primarily to commercial, industrial and government customers mainly in the mid-Atlantic and northeastern regions, Texas, and the Chicago areas; and the sale of natural gas primarily in the mid-Atlantic region. On Dec. 7, 2009, PHI announced that Pepco Energy Services will wind down its retail electricity and natural gas supply business and is not entering into any new retail energy supply contracts. To effect the wind down, Pepco Energy Services will continue to fulfill all of its commercial and regulatory obligations. As of Dec. 31, 2009, Pepco Energy Services' estimated total retail electricity backlog was approximately 20.1 million megawatts for delivery through Dec. 31, 2014, a decrease of approximately 13.2 million megawatts when compared to Dec. 31, 2008.

0.2

Reporting Year
Please state the start and end date of the year for which you are reporting data.

Enter Periods that will be disclosed
Thu 01 Jan 2009 - Thu 31 Dec 2009

0.3

Are you participating in the Walmart Sustainability Assessment?

No

0.4

Modules
As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.
If you are in these sectors, the corresponding sector modules will be marked as default options to your information request.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see www.cdproject.net/cdp-questionnaire.
Electrical

0.5

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country
United States of America

0.6Please select if you wish to complete a shorter information request.

Further Information

Attachments

Module: Governance

Page: Governance

1.1Where is the highest level of responsibility for climate change within your company?

Board committee or other executive body

1.1a

Please specify who is responsible.

Committee appointed by the Board

1.1bSelect the lower level department responsible.

1.2What is the mechanism by which the board committee or other executive body reviews the company's progress and status regarding climate change?

PHI has established a two-tier governance structure that is responsible for environmental performance and sustainability, including climate change: the PHI Executive Leadership Team (ELT) and PHI Environmental Steering Committee (ESC). The highest level of responsibility for climate change within PHI lies with the ELT, led by the Chairman, President and Chief Executive Officer. The ELT reviews and directs corporate environmental policy and develops the company's position on and strategy regarding environmental sustainability, including climate change and related issues. The ELT oversees the company's compliance with applicable laws and regulations, and reviews PHI's overall environmental performance for adherence to the company's commitment to environmental excellence. While PHI promotes self-governance by individual PHI subsidiaries, the ESC provides overall coordination and assistance to each line of business to ensure that each consistently complies with environmental requirements and drives continuous improvement of its individual environmental management system. The ESC is led by an appointed chairperson who also is a member of PHI's ELT (or his/her designee), and its charter statement is aligned with the business strategies of the company. The ESC includes key company decision-makers and leaders, including line-of-business environmental managers from across PHI. PHI's ELT meets at least annually to set corporate policy, approve all objectives and targets proposed by PHI's ESC, and review the company's overall environmental performance, including efforts addressing climate change and greenhouse gas (GHG) emissions reductions. In January/February 2010, the ELT approved and republished an updated edition of PHI's Environmental Stewardship and Sustainability Fact Sheet on Global Climate Change to reflect the company's current corporate position on climate change. The PHI ESC meets both quarterly and on an ad hoc basis to review corporate environmental policy in response to significant changes in business and/or regulatory conditions/environment. The ESC annually proposes environmental objectives and targets to ensure alignment of the activities of each line of business with strategies identified by the ELT for the coming year. For example, during its September 2009 meeting, the ESC discussed the impact of existing and proposed climate change legislation and possible regulation on PHI's businesses along with possible strategies for addressing renewable energy sources, carbon offsets, carbon cap-and-trade positions, energy efficiency programs and implications for the smart grid. The Committee discussed the likelihood of the U.S. Congress passing a climate change bill during the next two sessions (i.e., by the 2010 summer recess), and the need to update the company's climate change policy to reflect evolving federal government policies. The Committee also discussed the company's potential risk profile vis-à-vis long-term power purchase agreements (PPA) that may be negatively impacted by the increased cost of potential carbon constraints under future federal cap and trade programs. PHI environmental staff agreed to conduct an initial review of PPAs to help determine the risk. At the February 2010 meeting, the Government Affairs and Public Policy Group briefed the ESC on the U.S. Senate debate regarding the Boxer/Kerry Bill, Waxman/Markey Bill and Carper Clean Air Bill - new `3P' and their implications on the electric generating sector. Additionally, the economic implications on our customers' rates resulting from the two Climate Change bills were presented and discussed.

1.3aPlease explain how overall responsibility for climate change is managed within your company.

1.3b

Please explain how overall responsibility for climate change is managed within your company.

1.4Do you provide incentives for the management of climate change issues, including the attainment of greenhouse gas (GHG) targets?

Yes

1.5Please complete the table.

Who is entitled to benefit from those incentives?	The type of incentives
Other: PHI Corporate Environmental Services Group	Monetary reward
Other: Individual managers and employees within the PHI Corporate Environmental Services Group	Monetary reward

Further Information

PHI's Corporate Environmental Services Group receives monetary incentives due to the fact that completing and submitting the Carbon Disclosure Project Questionnaire is a target in the Corporate Environmental Services Group's Annual Incentive Plan (AIP) Balanced Scorecard. The scorecard is based upon three pillars of performance – employee, customer and financial – with specific metrics tied to each pillar (i.e., threshold, plan and stretch targets). One of PHI Corporate Environmental Services Group's targets for 2010 is to prepare and file the annual Carbon Disclosure Project (CDP) questionnaire for PHI and to establish a greenhouse gas (GHG) emissions baseline across all PHI business units and establish achievable GHG emissions target reductions going forward. In addition, individual managers and employees within the Corporate Environmental Services Group receive monetary incentives though the Performance Accountably System (PAS), the performance management process used by PHI to track individual performance for each calendar year. The PAS serves to encourage and reward excellent performance that will help PHI achieve its business objectives in a manner consistent with the company's values. As PHI begins to develop and establish a formal environmental sustainability program – including targets for reducing carbon emissions – individual and group performance regarding climate change will likely be tracked by the company's "Balanced Scorecard" Program, which already tracks performance in the areas of safety, finance, system reliability, customer satisfaction and corporate-wide projects such as Blueprint for the Future and MAPP. Additionally, each business and/or group has its own individual Scorecard – Annual Incentive Plan – that is used to reward eligible non-bargaining unit employees who achieve or exceed annual goals that are essential to the improved performance of the employee's Team and to PHI as a whole. These measurable and rewardable goals provide clear links between work results and important strategic objectives.

Attachments

Module: Risks and Opportunities

Page: Risks & Opportunities Identification Process

2.1Describe your company's process for identifying significant risks and/or opportunities from climate change and assessing the degree to which they could affect your business, including the financial implications.

PHI's process for identifying regulatory, physical and other risks and opportunities and for assessing the degree to which they could affect PHI's business – includes oversight by its Executive Leadership Team (ELT). The ELT identifies risks and opportunities associated with climate change in conjunction with subject matter experts throughout the company. The ELT relies primarily upon two processes for identifying, managing, communicating, monitoring and prioritizing risks and opportunities associated with climate change: the company's Environmental Management System (EMS) and the Corporate Risk Management Committee (CRMC), through the CMRC Working Group. Through these processes, PHI has assesses risk on a five-year timeframe. Based on the ISO 14001 standard, the EMS provides a comprehensive framework for realizing the company's environmental vision in all aspects of PHI's business. In addition, the CRMC is commissioned to ensure that significant risks to the corporation are identified and managed on an ongoing basis, thereby protecting the company's assets and enhancing shareholder value. The CRMC reviews and approves risk minimization strategies, including the procurement of insurance and use of other financial instruments. The department responsible for analyzing risks under the EMS is the Corporate Environmental Services (CES) Group. Within the EMS, the Director of CES "owns" the process for identifying risks and opportunities and is both responsible and accountable for implementation of the company's EMS. PHI's process for identifying regulatory risks and assessing the degree to which they could affect the business includes its Environmental, Safety, Health and Security (ESHS) Audit Program, as outlined in its EMS, which is under the direction of the Manager, Safety & Environmental Performance (S&EP) who reports to the Director of CES. The Manager, S&EP and audit staff work specifically on assessing the strengths and

weakness of each PHI facility's internal management systems, evaluating the facility's ESHS compliance status, and reporting results to appropriate levels of management. Additionally, CES and members of PHI's Environmental Steering Committee (ESC), including executives, managers and/or designated representatives from Power Delivery (i.e., ACE, DPL and Pepco), Corporate Services, Conectiv Energy and Pepco Energy Services, also identify regulatory, physical and other risks and opportunities such as sustainability, and assess the degree to which each could affect the business. The ESC meets quarterly and reports on its activities at least annually to the ELT. PHI's EMS process allows the company's businesses companies to prioritize risks and opportunities identified through PHI's ESHS audit reports, in which all regulatory findings are classified as either "Level I" or "Level II," and guidance and management system findings are classified as "Level III." These classifications determine the materiality of risks; for example Level I findings require immediate action, Level II findings require priority action and Level III findings require administrative or limited action. A color-coded scorecard is included with the audit report to present the overall results for each program area reviewed. The audit results and status are reported to the Environmental Steering Committee quarterly. In addition, the CRMC Working Group, a cross-functional team representing each key business area meets monthly to monitor each area's performance and risk profile, and reports its activities on a quarterly basis to the Board of Directors' Audit Committee. Within the CRMC, PHI's Chief Risk Officer (CRO) "owns" the process for identifying risks and opportunities as chair. Each business unit within the CRMC is represented by its president, financial officer or appropriate individual as determined by the CRO. The CRO reports to the CFO with a dotted line reporting relationship to the company's Chairman, President & CEO, and its Board of Directors. Within PHI's CRMC process, risks are included on a computer-based dashboard and are prioritized based on criteria such as the likelihood of occurrence and dollar magnitude of the potential impact using low, medium, and high designations. Color coding is then used to group each risk in a two-dimensional matrix (likelihood and impact). The CRMC risk dashboard is reported on a quarterly basis to the Board of Directors' Audit Committee. The primary intended audience of PHI's risk management process reports, which benefit all of PHI's stakeholders (including investors, employees, customers, policy makers, community, etc.), is the ELT and Board of Directors.

Further Information

Attachments

Page: Regulatory Risks

3.1Do current and/or anticipated regulatory requirements related to climate change present significant risks to your company?

Yes

Do you want to answer using:

The table below

3.2A

What are the current and/or anticipated significant regulatory risks related to climate change and their associated countries/regions and timescales?

Risk	Region/Country	Timescale in Years	Comment
Other: Regulation by state utility agencies and commissions	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	Current	Each of Pepco, DPL, and ACE is regulated by state regulatory agencies in its service territories with respect to, among other things, the rates it can charge retail customers for the supply and distribution of electricity (and additionally for DPL the supply and distribution of natural gas).
Other: Regulation	United States of America	Current	The rates that PHI can charge for electricity

Risk	Region/Country	Timescale in Years	Comment
by the Federal Energy Regulatory Commission (FERC)			transmission and natural gas transportation are regulated by FERC. Companies cannot change supply, distribution, or transmission rates without approval by the applicable regulatory authority. While the approved distribution and transmission rates are intended to permit the companies to recover their costs of service and earn a reasonable rate of return, profitability is affected by the rates they are able to charge. In addition, if the costs incurred by any of the companies in operating its transmission and distribution facilities exceed what is allowed under the rates, the financial results of both that company and PHI would be adversely affected.
Other: Environmental Permitting Standards	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	Current	PHI's subsidiaries have obtained or sought renewal of the material permits, approvals and certificates necessary for their existing operations and to ensure their business is conducted in accordance with applicable laws. Changes in or reinterpretations of existing laws or regulations, or the imposition of new laws or regulations, may require any one or more of PHI's subsidiaries to incur additional expenses or significant capital expenditures or to change the way it conducts its operations . PHI's subsidiaries are required to obtain and comply with a variety of environmental permits, licenses, inspections and other approvals. If there is a delay in obtaining any required environmental regulatory approval, or if there is a failure to obtain, maintain or comply with any such approval, operations at affected facilities could be halted or subjected to additional costs.
Other: Environmental Compliance	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	Current	The operations of PHI's subsidiaries, including Pepco, DPL and ACE, are subject to extensive federal, state and local environmental laws, rules and regulations relating to air quality, water quality, spill prevention, waste management, natural resources, site remediation, and health and safety. These laws and regulations may require significant capital and other expenditures to, among other things, meet emissions and effluent standards, conduct site remediation, complete environmental studies, and perform environmental monitoring. If a company fails to comply with applicable environmental laws and regulations, even if caused by factors beyond its control, such failure could result in the assessment of civil or criminal penalties and liabilities and the need to expend significant sums to come into compliance.
Other:	Other: Global	0 -- 5	Because PHI is a U.S.-based company with

Risk	Region/Country	Timescale in Years	Comment
International Regulation of Emissions			no operating assets outside the U.S. and not subject to the United Nations Framework Convention on Climate Change (UNFCCC) Kyoto Protocol, it has no near- term international regulatory risk at this time. However, a national mandatory climate change program could be linked to international climate standards or agreements in the future. PHI closely monitors international climate change policy and market developments as mandatory U.S. climate change programs are being developed.
Other: National Regulation of Emissions	United States of America	0 -- 5	The prospect of national climate change policy and/or regulation creates risks for PHI including the imposition of GHG emission reporting, emission reduction requirements, energy efficiency standards and renewable portfolio standards. A mandatory sector-wide cap and trade program could be implemented in the U.S. National mandatory energy efficiency and renewable energy standards are also under discussion. Climate change regulation will likely result in increased fossil fuel costs for all sectors of the economy, including electric generation. However, PHI's portfolio of electric generating plants is markedly less carbon-intensive than the U.S. average. PHI's generation portfolio consists primarily of natural gas- and oil-fired combined-cycle plants. PHI's regulatory risks associated with climate change standards or regulations are consequently lower than many of its industry peers. However, based on the GHG Mandatory Reporting Rule recently adopted by the EPA and other recent bills being debated in Congress, the regulatory risk embodied in potential impacts on operations, financial position or liquidity of PHI and its subsidiaries may be significant. However, PHI is well-positioned to capitalize on expanding markets for clean and renewable energy as well as energy management and efficiency consulting services particularly with regard to its competitive energy services company, Pepco Energy Services.
Other: Regional Regulation of Emissions	Other: Northeast/Mid-Atlantic regions of the United States	Current	Delaware, Maryland and New Jersey (along with Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont and New York) are signatories to the Regional Greenhouse Gas Initiative (RGGI), a cooperative effort by ten Northeast and Mid-Atlantic states to first stabilize and then reduce CO2 emissions from electric generation facilities with the goal of achieving an overall 10 percent reduction from 2009 levels by 2018. Under RGGI, each of the participating states has adopted

Risk	Region/Country	Timescale in Years	Comment
			legislation or regulations to implement a regional CO2 budget and allowance trading program to regulate emissions from fossil fuel fired electric generating units rated at 25 MWs or greater.
Other: State Regulation of Emissions	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	New Jersey, Maryland, Delaware and Pennsylvania are active in developing policies and programs to address climate change. In February 2007, the New Jersey governor signed an executive order that requires New Jersey to stabilize its statewide GHG emissions at 1990 levels by 2020 and to reduce statewide GHG emissions to 80 percent below 2006 levels by 2050. In April 2009, Maryland passed the Greenhouse Gas Reduction Act of 2009, which requires reductions in statewide emissions of 25 percent by 2020 from 2006 levels, and directs the Maryland Department of the Environment to finalize regulations by 2012. In 2006, Delaware passed a multi-pollutant regulation that specifically impacted plants fueled with coal and residual (No. 6) fuel oil. The regulation requires plants to meet specific emission levels for NOx, SO2 and mercury. The NOx and SO2 reductions are to occur in two stages, by 2009 and 2012, while mercury reductions are to occur by 2013. This regulation affects the Edge Moor Plant, Conectiv Energy's only base-load power station in the state. On July 9, 2008 the Climate Change Act was signed into law in Pennsylvania. Among other things this Act required a Climate Impacts Assessment Report, subsequently published in June 2009 and a Climate Change Action Plan, subsequently published in December 2009. The Climate Change Action Plan included 52 recommendations. In general this Action Plan may have the effect of making PHI's merchant generating stations in the state more competitive.
Other: Uncertainty Surrounding New Regulation	Other: The United States, specifically New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	It is likely that additional regulations will be developed that will impose more stringent limitations on emissions than are currently in effect. Any of these factors could likely result in increased capital expenditures and/or operating costs for one or more generating plants operated by PHI's Conectiv Energy and Pepco Energy Services. Until specific regulations are promulgated, the impact that any new environmental regulations, voluntary compliance guidelines, enforcement initiatives or legislation may have on the results of operations, financial position or liquidity of PHI and its subsidiaries is not determinable.
Other: General Environmental	Other: The United States, specifically New Jersey,	0 -- 5	New environmental laws and regulations, or new interpretations of existing laws and

Risk	Region/Country	Timescale in Years	Comment
Laws and Regulations	Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate		regulations, could impose more stringent limitations on the operations of PHI's subsidiaries or require them to incur significant additional costs. Current compliance strategies may not adequately address the relevant standards and interpretations of the future.

3.2B

What are the current and/or anticipated significant regulatory risks related to climate change and their associated countries/regions and timescales?

3.3

Describe the ways in which the identified risks affect or could affect your business and your value chain.

The regulatory risks identified could affect PHI's business and customers. Due to the nature of PHI's business, the largest risk is increased costs due to increasing fossil fuel prices and future CO2 allowance costs. These increased costs would be passed on to PHI customers, and could result in decreased customer demand for electricity. However, lower-carbon energy and energy efficiency in response to these risks – in conjunction with approved stabilization adjustment mechanisms (i.e., BSA and MFVRD) – present opportunities for PHI and its subsidiaries as well as their customers to minimize the potential future impact of higher fossil fuel prices and CO2 allowance costs in the market. For example, PHI undertook an analysis of the potential impacts on electricity rates of the Waxman-Markey American Clean Energy and Security Act of 2009 and the Kerry-Boxer bill under consideration in Congress in 2009. The analysis estimated the number of allowances to be allocated to PHI's electric and natural gas local distribution utilities under the bills. In conjunction with advisors, PHI developed a spreadsheet model for PHI to evaluate additional scenarios, including variations on future allowance prices, sector allocations and economy-wide caps. This analysis was presented to members of the PHI Environmental Steering Committee and subsequently conveyed to members of the ELT, and has helped the company to formulate the risks within climate change bills and assisted with the formulation of the company's policy positions. National targets on demand management might affect peak demand for electricity by reducing the growth in electricity load in PHI's subsidiary's service territories. However, PHI is fairly well insulated from this activity and does not anticipate a material adverse financial impact; as in recent electric service distribution base rate cases its utility subsidiaries have proposed the adoption of revenue decoupling methods for retail customers. To date: • A distribution revenue bill stabilization adjustment (BSA) mechanism has been approved and implemented for both Pepco and DPL electric service in Maryland and for Pepco electric service in the District of Columbia. • A distribution modified fixed variable rate design (MFVRD) has been approved in concept for DPL electric service in Delaware and may be implemented in DPL's pending electric base rate case. • A distribution MFVRD has been approved in concept for DPL natural gas service in Delaware and may be implemented either in the context of a pending decoupling case or DPL's next Delaware natural gas distribution base rate case. • A proposed distribution BSA remains pending for ACE in New Jersey. As discussed below, carbon prices are likely to be treated similarly to other operating costs and included in wholesale and retail power prices. All else being equal, this will likely put upward pressure on power prices. For example, power generated in Pennsylvania and Virginia (non-RGGI states) may be cheaper than power generated in RGGI states due to the added cost of CO2 allowances in RGGI states. PHI's subsidiary power delivery companies, ACE, Pepco and DPL are responsible for obtaining electricity for standard offer service customers in the regions in which they operate. If the price of wholesale electricity increases due to climate change regulation, these companies will need to pass through the escalated cost of securing electricity for their customers. CO2 allowance costs will be factored into dispatch pricing in the competitive electricity markets. These costs will likely be treated similarly to other operating costs such as fuel costs. Because PHI does not have international operations, PHI will not be affected by international targets on demand management. Currently, regulation in the United States is state-based. If national targets on demand management are implemented in the U.S., PHI will be affected.

3.4Are there financial implications associated with the identified risks?

Yes

3.5Please describe them.

As carbon legislation continues to be discussed, it is apparent that there will be a cost for carbon emissions imposed on the U.S. economy through a national cap and trade program. PHI's fossil fuel-fired generating facilities could experience this increased cost to offset CO2 emissions. In turn, the cost of electricity to customers could increase as generators pay for their emissions of CO2. Recent EPA analyses of the proposed Waxman-Markey American Clean Energy and Security Act of 2009 have estimated the costs of CO2 emission allowances ranging from $13 to $17 in 2015, and increasing at a rate of 5 percent per year. By 2020, allowance prices are estimated to range from $17 to $22. The adoption of a federal cap and trade program for CO2 and other greenhouse gases could require PHI's Conectiv Energy and Pepco Energy Services to incur increased capital expenditures or operating costs associated with one or more of its generating units to replace existing equipment, install additional pollution control equipment or purchase CO2 allowances and offsets. Alternatively, Pepco Energy Services could be required to discontinue or curtail the operations of one or more units. PHI's Conectiv Energy's overall strategy for complying with RGGI is to meet compliance needs at the lowest cost through a combination of purchasing allowances at auction or on the open market and the origination and purchase of carbon offsets. In 2009, the allowance prices in the RGGI allowance auctions have fallen to the $2/ton range. Conectiv Energy has participated in all seven regional allowance auctions that have occurred to date. Since Conectiv Energy's generating plants are primarily natural gas and oil fired combined cycle plants and have the smallest CO2 footprint of all fossil units, it is expected that margins will increase during periods that coal and oil fired units (with their higher CO2 costs) are setting the locational marginal price (LMP). Coal unit margins will decrease during on peak hours when gas units are setting the LMP. In addition, since RGGI is a regional compact with some states opting not to join, imports from non-RGGI states will tend to keep prices and margins lower for generators in RGGI states. Overall, RGGI is expected to have a neutral to slightly positive impact on Conectiv's energy margins. A cap and trade program also could likely increase the wholesale cost of power purchased by the Power Delivery (i.e., ACE, DPL and Pepco) business for supply to customers. It is likely that CO2 allowance costs will be factored into dispatch pricing in the competitive electricity markets along with fuel and other operating costs. If the price of wholesale electricity increases due to climate change regulation, it will be necessary for the electric distribution companies to pass through the escalated cost of power purchased for supply to customers. Under the distribution decoupling, customer delivery rates are subject to adjustment (through a credit or surcharge mechanism), depending on whether actual distribution revenue per customer exceeds or falls short of the revenue-per-customer amount approved by the applicable public service commission (PSC). The Pepco BSA increases rates if actual distribution revenues fall below the approved level and decreases rates if actual distribution revenues are above the approved level. The result is that, over time, the utility collects its authorized revenues for distribution deliveries. As a consequence, a BSA "decouples" distribution revenue from unit sales consumption and ties the growth in distribution revenues to the growth in the number of customers. Some advantages of the BSA are that it (i) eliminates revenue fluctuations due to weather and changes in customer usage patterns and, therefore, provides for more predictable distribution revenues that are better aligned with costs, (ii) provides for more reliable fixed-cost recovery, (iii) tends to stabilize customers' delivery bills, and (iv) removes any disincentives for the regulated utilities to promote energy efficiency programs for their customers, because it breaks the link between overall sales volumes and distribution revenues. The approved MFVRD concept in Delaware provides for a fixed customer charge (i.e., not tied to the customer's volumetric consumption) to recover the utility's fixed costs, plus a reasonable rate of return. Although different from the BSA, PHI views the MFVRD as an appropriate distribution revenue decoupling mechanism.

3.6Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.

PHI has embarked on a voluntary, company-wide GHG emissions reduction and energy use reduction plan as part of its overall strategic business plan (i.e., Blueprint for the Future) that is aligned with the regulatory risks presented by climate change and capitalizes on the energy efficiency and renewable energy opportunities that are emerging in the marketplace. This initiative includes installation of smart meters and further automation of the electric distribution system through an enhanced communications infrastructure (i.e., the "Smart Grid"), and combines traditional demand-side management (DSM) programs with new technologies and systems. It should be noted that not all of these elements are being pursued in all

jurisdictions within the same timeframe. However, the plan will help residential and non-residential customers manage their energy use, reduce the total cost of energy and provide other smart grid benefits. Smart grid deployment also will allow each utility to better manage and operate the electric and gas systems. The estimated investment required to achieve the future targets set out in the Blueprint for the Future total $422 million from 2008 to 2014. In October 2009, the U.S. Department of Energy (DOE) selected PHI to receive $168.1 million in federal stimulus funds under the American Recovery and Reinvestment Act to help offset the cost to customers for installing meters and to help accelerate the modernization of its regulated delivery system. $149.4 million will go to Pepco, with $104.8 million for smart grid projects in Maryland and $44.6 million for the District of Columbia. ACE will receive $18.7 million for its smart grid projects. Additionally, in April 2010, DOE awarded PHI $4.4 million in federal stimulus funds as part of the Smart Grid Workforce Training Grant, which will assist PHI toward its goal of establishing a well-trained power sector workforce with the requisite knowledge, expertise and capabilities to not only implement, operate and enhance the Smart Grid, but also provide sound energy advice to its customers. The Blueprint for the Future also includes utility deployment/support of renewable energy resources, such as ACE's partnership with Petra Solar to launch a demonstration project featuring solar photovoltaic (PV) systems mounted on utility poles in Cape May Point and Ocean City. For example, DPL has engaged in long-term contracts to purchase wind energy from a number of offshore and land-based wind farms. These agreements will assist DPL in reaching its RPS goal for 20 percent of its energy delivered in Delaware to come from renewable sources by 2019. ACE has been an active participant with the New Jersey state government in developing State's Energy Master Plan (EMP), which sets forth a goal to achieve 30 percent of the State's electricity needs from renewable sources by 2020. In this way, PHI's subsidiary is taking action to respond to state RPS regulations. In addition, in April 2009, the New Jersey Board of Public Utilities (BPU) approved 16 energy infrastructure investments projects totaling about $28 million to be deployed between 2009 and 2010. Pepco Energy Services and Conectiv Energy also own landfill gas generation resources, as well as a combined six MWs of solar generation. Conectiv Energy is constructing a 545 MW natural gas- and oil-fired combined-cycle electricity generation plant in Peach Bottom Township, Pa known as the Delta Project. The plant is expected to become operational during the second quarter of 2011, and the total construction expenditures are expected to be $470 million. In 2007, Conectiv Energy began construction of a new 100 MW combustion turbine power plant in Millville, N.J., known as the Cumberland Project. This plant became operational during the second quarter of 2009 with total construction expenditures at $75 million. For the five-year period 2010 through 2014, PHI expects to fund expenditures for the projects discussed above through internally generated cash and external financing. Notably, PHI announced it has reached an agreement to sell its Conectiv Energy power generation assets to Calpine Corp., for $1.65 billion, plus the value of the fuel inventory at closing (estimated to be $50 million) and subject to various closing adjustments. The sale is expected to close by the end of June 2010. The sale of Conectiv Energy repositions PHI as fundamentally a regulated utility company, and provides a number of significant benefits including an improved business risk profile, reduced volatility of future earnings, significantly reduced exposure to energy commodity markets, lower capital and collateral requirements and a strengthened credit profile.

3.7Please explain why you do not consider your company to be exposed to significant regulatory risks - current and/or anticipated.

3.8

Please explain why not.

Further Information

Attachments

Page: Physical Risks

4.1Do current and/or anticipated physical impacts of climate change present significant risks to your company?

Yes

Do you want to answer using:

The table below

4.2A

What are the current and/or anticipated significant physical risks, and their associated countries/regions and timescales?

Risk	Region/Country	Timescale in Years	Comment
Other: Changes in precipitation patterns and increased water temperature	Other: Global, but especially in the Mid-Atlantic region of the U.S. where PHI operates	0 -- 5	Climate change has the potential to adversely impact the availability of cooling water for power generation, by increasing water temperatures or from changes in precipitation. The largest amount of water is used for cooling at Conectiv Energy's steam electric power plants. Higher water temperatures could decrease efficiency of the steam electric power plants and reduce Conectiv Energy's ability to generate power.
Other: Long-term changes in temperature	Other: Global, but especially in the Mid-Atlantic region of the U.S. where PHI operates	11 -- 20	Long-term changes in temperature could affect PHI's peak electricity load by widening the gap between winter and summer peak electricity loads. Summer electric demand peaks would increase due to rising temperatures and investments in technology to address the new peak load might be required as a result.
Other: Extreme weather events	Other: Global, but especially in the Mid-Atlantic region of the U.S. where PHI operates	0 -- 5	In terms of PHI's generation and transmission capacity, extreme weather conditions resulting from climate change could affect the availability of capacity, limiting PHI's ability to distribute power to its operating regions. Because these conditions cannot be dependably predicted, PHI may need to seek additional capacity when markets are weak. PHI does manage fuel supplies to ensure sufficient volumes in the case of extreme weather events. Severe weather conditions have the potential to disrupt the power transmission and distribution system and temporarily reduce power demand for PHI and its subsidiaries. Such deviations from expected weather can require adjustments to match supply to demand, affecting profitability. Severe weather conditions may affect the ability to source power where and when it is needed, which may require PHI to seek additional capacity, especially in the case of emergency response.
Other: Changes in seasonal weather patterns	Other: Global, but especially in the Mid-Atlantic region of the U.S. where PHI operates	0 -- 5	Changing weather conditions have a direct impact on the use of electricity and gas. Weather variability needs to be acknowledged as a factor for both short- and long-term planning. The Power Delivery business is seasonal and weather patterns can have a material impact on operating performance. Demand for electricity is generally higher in

Risk	Region/Country	Timescale in Years	Comment
			the summer cooling season and demand for both electricity and natural gas is generally higher in the winter heating season. Accordingly, each of PHI's utilities (Pepco, DPL and ACE) has generated less revenue and income when temperatures are warmer than normal in the winter and cooler than normal in the summer. The impact of a shift in seasonal temperatures on PHI's gas distribution system could both reduce winter gas requirements and increase summer requirements for fueling electric generation. This would have a considerable influence on the way gas distribution companies purchase their gas supply and operate their distribution systems. PHI's gas distribution system is built and operated to provide its maximum deliverability of natural gas on a winter peak. Therefore, changes in weather patterns could have considerable affects on the operational process of its gas distribution.
Other: Changes in sea level rise	Other: The Delaware and Chesapeake Bays	Uncertain	The Delaware and Chesapeake Bays and surrounding areas are at risk due to climate change from sea level rise.
Uncertainty of physical risks	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	6 -- 10	It is possible that additional physical risks from climate change will occur in the coming years. Any of these risks could likely result in increased capital expenditures and/or operating costs for PHI's subsidiaries and businesses. Currently, the extent of the physical impact and the results to operations, financial position or liquidity of PHI and its subsidiaries is not determinable.

4.2B

What are the current and/or anticipated significant physical risks, and their associated countries/regions and timescales?

4.3

Describe the ways in which the identified risks affect or could affect your business and your value chain.

Physical risks associated with climate change could affect PHI's value chain through supply and demand variability driven by changes in weather, logistics failures due to severe weather conditions, and resource scarcity due to lack of water for use in operations. PHI uses advanced technologies to mitigate these risks. Mild weather, such as cooler summers or warmer winters, tends to keep power prices low, which can have unfavorable financial impacts on generating units. Historically, the competitive energy operations of Conectiv Energy and Pepco Energy Services also have produced less gross margin when weather conditions are milder than normal and thus can negatively impact PHI's value chain from these operations. The energy management services business of Pepco Energy Services is not seasonal and, as a result does not have a material impact on PHI's value chain. Climate change has the potential to adversely impact the availability of cooling water for power generation due to increasing water temperatures or from changes in precipitation. The largest amount of water is used for cooling at the steam driven electric power plants. Higher water temperatures could decrease the efficiency of steam power plants and reduce PHI's ability to generate power. To reduce these risks, Conectiv Energy is pursuing a variety of cooling water strategies. Cooling

towers at one of Conectiv Energy's facility receives make-up water from an adjoining Conectiv Energy facility. Water is discharged from one facility into an adjoining channel and then re-used at the other facility as make-up water for the cooling towers. The Power Delivery business (i.e., ACE, DPL and Pepco) historically has been seasonal and weather has had a material impact on operating performance and PHI's value chain. Demand for electricity is generally higher in the summer months associated with cooling and demand for electricity and natural gas is generally higher in the winter months associated with heating as compared to other times of the year. Accordingly, PHI and each utility (Pepco, DPL and ACE) historically have generated less revenue and income when temperatures are warmer than normal in the winter and cooler than normal in the summer. However, distribution decoupling eliminates this physical risk for DPL and Pepco. Additionally, severe weather conditions have the potential to disrupt the power transmission and distribution system and temporarily reduce power demand for PHI and its subsidiaries. Such deviations from expected weather can require adjustments to match supply to demand, affecting profitability. For example, during the first quarter of 2010, Pepco, DPL and ACE incurred significant costs associated with the February 2010 severe winter storms that affected their respective service territories. The total costs of the restoration efforts have been estimated to total $37 million. A large portion of the costs for restoration work relate to services provided by outside contractors and other utilities, and billing charges for such services in most instances can vary significantly. Summer electric demand peaks could increase in the future because of rising temperatures and investments in technology to address the new peak load might be required as a result. With 11 combustion turbines in its New Jersey peaking unit fleet, Conectiv Energy is well-positioned to meet and benefit from higher summer peak demand. Severe weather conditions may affect the ability to source power where and when it is needed, which may require PHI to seek additional capacity, especially in the case of emergency response. On April 20, 2010, the Board of Directors of PHI approved a plan for the disposition of Conectiv Energy in anticipation of higher summer peak demand. The plan consists of the sale of Conectiv Energy's wholesale power generation business and the liquidation of all of Conectiv Energy's load service supply contracts, energy hedging portfolio, certain tolling agreements and other non-core assets. In accordance with the plan, PHI on the same day entered into an agreement to sell the Generation Business to a subsidiary of Calpine Corp. Under the terms of the Purchase Agreement, Calpine will purchase Conectiv Energy for a purchase price of $1.65 billion, plus the market value of the fuel oil inventory at closing, and subject to various adjustments, including adjustments for (i) the level of working capital and non-fuel oil inventory at closing and (ii) actual capital expenditures relative to budgeted capital expenditures through the closing date. The targeted closing date for the sale is June 30, 2010.

4.4Are there financial implications associated with the identified risks?

Yes

4.5Please describe them.

The costs associated with changes in weather patterns could have a direct impact on the use of electricity and gas. The financial impacts of the physical risks of climate change to PHI include the impact to the electric generation, transmission, and distribution systems. If temperatures were to become more extreme, this could likely cause a financial impact due to the additional capacity expansion projects that might be required to meet the new threshold of increased capacity. In addition, the effects of unusually warm or cold weather as a result of climate change on PHI's income would depend on PHI's market position at the time of the unusual weather. However, PHI is taking steps in the form of research and development to minimize these risks from climate change.

4.6Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.

PHI has a variety of measures in place to manage and adapt to the physical risks identified. In terms of the physical risk presented by a potential reduction or increase in water supply, and/or a rise in water temperatures, Conectiv Energy has responded by using de-mineralized water in its generating facilities. By using de-mineralized water, Conectiv Energy can re-use the water in its generating operations, minimizing the amount of intake from a surface source. The combined-cycle plants recycle water in the form of steam. Steam for the steam turbines is generated in heat recovery steam generators' unfired boilers, which get their heat from hot exhaust gas leaving the combustion turbines. PHI has also taken action to respond to risks caused by extreme weather events. For example, natural gas supply can be interrupted by the supplier or pipeline delivery company on extremely cold days. In response, Conectiv Energy's mid-merit units mitigate

this risk by having the ability to run on oil, which is stored on site. Extreme cold weather can also cause coal piles to freeze, making the coal unusable. Because of this, PHI's coal units also have oil- or gas-burning capability should coal be unavailable. In addition, some of Conectiv Energy's units are "black start" units, which have the ability to go from a shutdown generating power without outside assistance from the transmission system or Interconnection. This capability is particularly useful in the event of blackouts, which can be caused by extreme weather events. As noted above, Pepco, DPL and ACE historically have generated less revenue when temperatures are warmer than normal in the winter and cooler than normal in the summer. Pepco and DPL have recently adopted a bill stabilization adjustment (BSA) mechanism for its customers. Some advantages of the BSA are that it 1) eliminates revenue fluctuations due to weather and changes in customer usage patterns and therefore providing for more predictable utility distribution revenues that are better aligned with costs; 2) provides for more reliable fixed-cost recovery; 3) tends to stabilize customers' delivery bills; and 4) removes any disincentives for the regulated utilities to promote energy efficiency programs for their customers, because it breaks the link between overall sales volumes and delivery revenues. In those jurisdictions that have not adopted a bill stabilization adjustment or similar mechanism, operating performance continues to be affected by weather conditions. As public concern about ecosystems, changing habitats, pollution and land management continues to grow due to the physical risks of climate change, PHI is committed to addressing all of these through the use of proactive and sustainable conservation and restoration programs in the context of its business initiatives. PHI sets company natural resource conservation and habitat management goals, which are accomplished in part through pre-project planning studies used to identify sensitive locations and guide implementation of protective measures and best management practices that avoid impacts wherever possible, minimize unavoidable impacts, restore from temporary impacts and mitigate for permanent impacts related to its business activities. To manage and adapt to the risks identified, PHI has an "all risk" property insurance policy that provides coverage for direct physical loss or damage from the perils of floods, earthquakes and boiler machinery. PHI also has Emergency Preparedness Plans in place as a response to severe weather conditions as a result of climate change. PHI's crisis management program involves a continuous cycle of planning, training and drills. Notably, PHI also is investing in the Mid-Atlantic Power Pathway (MAPP) transmission project, which will increase reliability in the region and provide a gateway for delivering electricity generated from diverse sources. The technology, research, development and implementation of MAPP is an example of PHI action taken to mitigate the physical risks of climate change by increasing the reliability of electricity delivery in the region, thereby making its operations more durable against potential physical risks from climate change. The cost of the MAPP transmission project is expected to be $1.2 billion.

4.7Please explain why you do not consider your company to be exposed to significant physical risks - current and/or anticipated.

4.8Please explain why not.

Further Information

Attachments

Page: Other risks

5.1

Does climate change present other significant risks - current and/or anticipated - for your company?

Yes

Do you want to answer using:

The table below

5.2A

What are the current and/or anticipated other significant risks, and their associated countries/regions and timescales?

Risk	Region/Country	Timescale in Years	Comment
Reputational risks	United States of America	0 -- 5	Energy companies are subject to adverse publicity which makes them vulnerable to negative regulatory and litigation outcomes. The energy sector has been among the sectors of the economy that have been the subject of highly publicized allegations of misconduct in recent years. In addition, many utility companies have been publicly criticized for their performance during natural disasters and weather-related incidents. Adverse publicity of this nature make legislatures, regulatory authorities, and other government officials less likely to view energy companies such as PHI and its subsidiaries in a favorable light, and may cause PHI and its subsidiaries to be susceptible to adverse outcomes with respect to decisions by such bodies.
Other: Customer attitude and demand	United States of America	0 -- 5	PHI has had experience mitigating the risks from changes in consumer attitudes and demand. Changes in customer attitudes can considerably impact the demand for electricity, which can have potential operational and financial consequences for PHI. In terms of short-term planning, PHI must ensure energy is available to meet customer demand on a daily basis, and therefore must predict those demands into the daily, weekly, and monthly scheduling of resources. In terms of long-term planning for changes in consumer attitude and demand, PHI is engaging in resource planning that will meet the expected future demand of PHI’s electricity customers.
Other: Resource scarcity	United States of America	0 -- 5	While PHI has taken significant steps to implement renewable energy in the form of large-scale wind and solar projects, risks arising from energy and resource scarcity include the limited opportunities available for economically feasible zero carbon emissions generating technology. PHI’s competitive energy businesses (i.e., Conectiv Energy and Pepco Energy Services) depend on electric generation and transmission facilities, natural gas pipelines, and natural gas storage facilities owned and operated by others. The operation of their generation facilities also depends on coal, natural gas or diesel fuel supplied by others. If electric generation or transmission, natural gas pipelines, or natural gas storage are disrupted or capacity is inadequate or unavailable, Conectiv Energy and Pepco Energy Services’ ability to buy and receive and/or sell and deliver wholesale and retail power and natural gas, and therefore fulfill their contractual obligations, could be adversely affected. Similarly, if the fuel supply to one or more of their generation plants is disrupted and

Risk	Region/Country	Timescale in Years	Comment
			storage or other alternative sources of supply are not available, Conectiv Energy's and Pepco Energy Services' ability to operate their generating facilities could be adversely affected.
Other: Price changes prompted by resource scarcity	United States of America	0 -- 5	As carbon legislation continues to be discussed, there remains a potential for a cost for carbon emissions to be imposed on the U.S. electric power sector. PHI's fossil fuel-fired generating facilities will experience this increased cost based on allowances prices in the market. In turn, the cost of electricity to customers will increase as generators must pay for their emissions of CO2. Last year's analyses of the proposed Waxman-Markey American Clean Energy and Security Act of 2009 estimated the costs of CO2 emission allowances ranging from $13 to $17 in 2015, increasing at a rate of 5 percent per year. By 2020, allowance prices are estimated to range from $17 to $22.
Other: Competition	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	The unregulated energy generation, supply and marketing businesses, which are primarily in the Mid-Atlantic region, are characterized by intense competition at both the wholesale and retail levels. PHI's competitive energy business competes with numerous non-utility generators, independent power producers, wholesale and retail energy marketers, and traditional utilities. This competition generally has the effect of reducing margins and requires a continual focus on controlling costs.
Other: Changes in Technology	United States of America	0 -- 5	Research and development activities are ongoing to improve alternative technologies to produce electricity, including fuel cells, wind energy, micro turbines and photovoltaic (solar) cells. It is possible that advances in these or other alternative technologies will reduce the costs of electricity production from these technologies, thereby making the generating facilities of the Competitive Energy business less competitive. Changes in technology also could alter the channels through which retail electricity is distributed to customers which could adversely affect the Power Delivery businesses of Pepco, DPL and ACE.
Other: Acts of Terrorism in relationship to climate change	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	The threat or actual acts of, terrorism may affect the operations of PHI and its subsidiaries in unpredictable ways and may cause changes in the insurance markets, force an increase in security measures and cause disruptions of fuel supplies and markets. If any of its infrastructure facilities, such as its electric generation, fuel storage, transmission or distribution facilities, were to be a direct target, or an indirect casualty, of an act of terrorism, the operations of PHI, ACE, DPL, Pepco, Conectiv Energy or Pepco Energy Services could be adversely affected. Corresponding

Risk	Region/Country	Timescale in Years	Comment
			instability in the financial markets as a result of terrorism also could adversely affect the ability to raise needed capital.
Other: Economic Conditions	United States of America	0 -- 5	Periods of slowed economic activity generally result in decreased demand for power, particularly by industrial and large commercial customers. As a consequence, recessions or other downturns in the economy may result in decreased revenues, profits and cash flows for the Power Delivery businesses of Pepco, DPL and ACE and the Competitive Energy business.

5.2B

What are the current and/or anticipated other significant risks, and their associated countries/regions and timescales?

5.3Describe the ways in which the identified risks affect or could affect your business and your value chain.

The other identified risks from climate change that could affect PHI's business and value chain adversely are demand variability as a result of reputational risk and changes in customer attitude. The risk of resource scarcity could affect PHI's value chain through disruption on various levels of the company's supply chain. The largest risk to PHI's business is the possibility of increased costs due to increased fossil fuel prices, which could be prompted by resource scarcity.

5.4Are there financial implications associated with the identified risks?

Yes

5.5

Please describe them.

PHI believes that there are limited financial implications associated with resource scarcity, price changes prompted by resource scarcity, competition and changes in technology because the company is exiting the unregulated competitive energy business. On Dec. 7, 2009, PHI announced that Pepco Energy Services will wind down its retail electricity and natural gas supply business and is not entering into any new retail energy supply contracts. In addition, on April 21, 2010 PHI announced it reached an agreement to sell its Conectiv Energy power generation assets to Calpine Corporation, for $1.65 billion, plus the value of the fuel inventory at closing (estimated to be $50 million) and subject to various closing adjustments. The sale is expected to close by the end of June 2010. The winding down of Pepco Energy Services' retail electricity and natural gas supply business and the sale of Conectiv Energy repositions PHI as fundamentally a regulated utility company which limits the company's exposure to resource scarcity, price changes prompted by resource scarcity, competition, and changes in technology and their potential financial implications. Additionally, acts of terrorism could potentially have financial implications for PHI. While these events are outside the control of the company, PHI will respond to them as they occur. Acts of terrorism targeting PHI utility assets require adequate training for utility personnel and may require personnel and/or contract support to repair those assets in the event of an incident. While PHI's own operating expenses may likely increase as a result, PHI subsidiaries are allowed to recover those costs for programs approved by their respective state public utility commissions to address many of these risks.

5.6

Describe any actions the company has taken or plans to take to manage or adapt to the other risks that have been identified, including the costs of those actions.

PHI's CRMC has established a formal company-wide process for Reputation and Reputational Risk Management that identifies internal and external events, activities and actions that may negatively affect the company's reputation among stakeholder groups (customers, investors, employees, regulators, environmentalists, regional communities, suppliers, policy makers, etc.). This process helps the company take proactive actions to mitigate such reputational risks. The Vice President and/or Director accountable for each stakeholder group is responsible for identifying, assessing and reporting the likelihood and expected impact of risk to PHI's Governmental and Public Affairs Coordinating Council (GPACC) subcommittee on Reputation and Reputational Risk Management, which includes executives and other key decision makers across all of PHI. This subcommittee is responsible for identifying proactive risk avoidance/risk mitigation actions. Accountable executives are responsible for identifying and establishing mutually beneficial relationships with stakeholder groups so that a healthy reputation is maintained. Corporate Risk Management compiles and consolidates the information for discussion with the CEO/ELT/CRMC and BOD Audit Committee. In an effort to curb reputational risks, PHI has taken action by communicating its efforts in renewable energy and energy efficiency to its consumers. An energy awareness marketing campaign has been deployed over three years with Pepco's Demand Side Management (DSM) program to educate Pepco electric distribution customers about opportunities to reduce their electricity bills through energy efficiency and demand response. This campaign began in 2007 and provides information about how D.C. and Maryland customers can take advantage of specific Pepco DSM programs to control their electricity costs as well as no-cost or low-cost energy savings measures that customers can implement themselves. The Energy Awareness Campaign is budgeted at $3.9 million. In addition, PHI has engaged in various other initiatives to curb reputational risks and respond to customer attitudes, including increasing the number of hybrid vehicles in its fleet, transforming its facilities to become more energy-efficient, and pursuing cost-effective, multi-media approaches to pollution prevention. PHI is also taking both short and long term actions by predicting the demands of the daily, weekly and monthly scheduling of resources to ensure energy is available to meet customer demand and engaging in resource planning that will meet the expected future demand of PHI's electricity customers. The operations of PHI's competitive energy businesses are conducted in accordance with sophisticated risk management systems that are designed to quantify and control risk. In particular, risks in PHI's energy commodity activities are monitored and measured utilizing value-at-risk models to determine the effects of potential one-day favorable or unfavorable price movements. Consequently, if prices significantly deviate from historical prices, PHI's risk management systems, including assumptions supporting risk limits, may not protect PHI from significant losses. In addition, adverse changes in energy prices may result in economic losses to PHI's earnings and cash flows and reductions in the value of assets on its balance sheet under applicable accounting rules. To lower the financial exposure to commodity price fluctuations, PHI's competitive energy businesses routinely enters into contracts (e.g., fixed-price, forward and sales contracts, tolling agreements, futures, etc.) to hedge the value of its assets and operations. Each of these various hedge instruments can present a unique set of risks in its application to Conectiv Energy's energy assets. Therefore, Conectiv Energy must apply judgment in determining the application and effectiveness of each hedge instrument, since this could have material earnings implications. As part of repositioning PHI as primarily a transmission and distribution company, PHI announced that it (1) has reached an agreement to sell its Conectiv Energy power generation assets to Calpine Corp. in anticipation of higher peak demand and (2) winding down PES' retail energy supply business and planning to retire the two generating plants it owns in 2012. These actions will provide PH an improved business risk profile, reduced volatility of future earnings, significantly reduced exposure to the energy commodity markets, lower capital and collateral requirements and a strengthened credit profile and will transform Pepco Energy Services into a company focused on energy efficiency and renewable energy projects. In its new form, Pepco Energy Services is well aligned with PHI's strategic focus in that it requires minimal capital and is a relatively low-risk business with excellent growth opportunities within the government sector.

5.7

Explain why you do not consider your company to be exposed to other significant risks - current and/or anticipated.

5.8Please explain why not.

Further Information

Attachments

Page: Regulatory Opportunities

6.1

Do current and/or anticipated regulatory requirements related to climate change present significant opportunities for your company?

Yes

Do you want to answer using:

The table below

6.2A

What are the current and/or anticipated significant regulatory opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment
International agreements	Other: Global	0 -- 5	Because PHI is a U.S.-based company with no operating assets outside the U.S. and not subject to the United Nations Framework Convention on Climate Change (UNFCCC) Kyoto Protocol, it has no related international regulatory opportunity at this time. However, a national mandatory climate change program could be linked to international climate standards or agreements in the future, and in turn PHI could experience opportunities presented by national renewable energy standards, for example.
Other: Mandatory Carbon Regulations	Other: Pepco Energy Services' current territory, primarily in PJM, New York, and New England. The utility subsidiaries (ACE, DPL and Pepco) are likely to focus on opportunities within their respective service territories that are New Jersey, Delaware, Maryland and Washington, D.C.	0 -- 5	Pepco Energy Services (PES) has a number of existing and future projects that may benefit from a mandatory carbon regulatory framework. PES owns and operates 3 landfill gas-to-energy projects with a combined installed capacity of 10 MWs. PES also owns and operates a 2.36 MW solar generating facility. Pepco Energy Services continues to be active in renewable energy project development, in addition to its core energy efficiency business. While the specifics of any potential carbon legislation would need to be fully vetted and understood, both the energy efficiency and the renewable energy businesses should benefit in the long-run under a new carbon regulatory regime. In addition, carbon

Opportunities	Region/Country	Timescale in Years	Comment
			regulation presents the possibility of funding for alternative electric generation technologies that are low or zero carbon emitting and demand side energy efficient. Such programs may use proceeds collected from the CO2 allowance auctions.
Other: Regional Regulation of Emissions	Other: Delaware, Maryland, New Jersey, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont and New York, especially the RGGI participating states in which Conectiv Energy's generating facilities are located: New Jersey and Delaware	Current	Regulatory opportunities could affect PHI's business through a positive impact on PHI's energy margins. At current fuel prices, combined cycle units will not likely dispatch ahead of coal units until CO2 prices approach $55 a ton. Also, since RGGI is regional, energy imports from non-RGGI states will tend to keep price increases lower. Because gas-fired combined cycle units have the smallest CO2 footprint of all fossil fuel units, energy margins will increase during periods that coal- and oil-fired units (with their higher CO2 costs) are setting Locational Marginal Pricing (LMP), while coal margins will decrease during on-peak hours when gas units are setting the LMP. In addition, the majority of RGGI CO2 allowances are auctioned providing additional financial resources for energy efficiency efforts in RGGI states including the service territories of ACE, Pepco, and DPL.
Other: American Recovery and Reinvestment Act (ARRA) of 2009 and Federal Tax incentives	United States of America	0 -- 5	The availability of federal stimulus money and/or tax incentives could favorably impact the deployment of existing or potential new projects. PHI has seen increased opportunity to participate in these positive regulatory actions through its utility subsidiaries, Conectiv Energy and Pepco Energy Services. In October 2009, the U.S. Department of Energy selected PHI to receive $168.1 million in federal stimulus funds under the American Recovery and Reinvestment Act to help build the smart grid in the District of Columbia, Maryland and New Jersey. $149.4 million will go to Pepco, with $104.8 million for smart grid projects in Maryland and $44.6 million for the District of Columbia. ACE will receive $18.7 million for its smart grid projects. PHI will use the money to help offset the cost to customers for installing meters and modernizing the electric grid and to help accelerate the modernization of its regulated

Opportunities	Region/Country	Timescale in Years	Comment
			delivery system.
Other: Current and anticipated regulatory requirements	United States of America	0 -- 5	PHI believes that regulatory requirements offer opportunities because, as mandatory programs to reduce GHG emissions are likely to take effect, they bring with them opportunities to provide renewable and energy efficiency products and services. Specifically, PHI's "Blueprint for the Future" is based on advanced technologies and energy efficiency programs that are designed to improve service to PHI's customers and empower them to manage their energy use and costs.
Other: Policies on renewable energy and low-emissions technologies	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate, specifically PES territory in New York and throughout New England	0 -- 5	Policies on renewable energy and low-emissions technologies present opportunities to PHI because of its current and planned action in these areas. This action includes PHI's investment in various renewable energy technologies, such as wind and solar.

6.2BWhat are the current and/or anticipated significant regulatory opportunities and their associated countries/regions and timescales?

6.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

The current business environment, with its increased emphasis on and attention to the environmental impacts related to the use of energy, generally enhances the growth potential of PHI product and service offerings, which include energy efficiency and renewable energy solutions as well as the sale of low-carbon energy to residential, commercial, governmental and institutional customers.

6.4Are there financial implications associated with the identified opportunities?

Yes

6.5

Please describe them.

Customer response to future federal GHG legislation may result in an increased use of grid electric power, which would positively impact PHI financially (e.g., the electrification of transportation sector and growth in market demand for plug-in electric hybrid vehicles and other emerging technologies that will depend upon the smart grid). While PHI's own operating expenses may increase as a result of the move to a low-carbon economy, the company views the overall financial and business implications of any climate legislation as a positive one. As regulated local distribution companies, PHI subsidiaries are allowed to recover their costs for programs approved by their respective state public utility commissions. The retail operations of PHI's utility subsidiaries, including the rates they are permitted to charge customers for the delivery and transmission of electricity and, in the case of DPL, the distribution and transportation of natural gas, are subject to regulation by governmental agencies in the jurisdictions in which they provide utility service.

6.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

PHI has established measures for responding to the opportunities presented by a national carbon regulatory program. Such measures include investment in a variety of new technologies to ensure it is a leading competitor in the supply of near zero and low carbon-emitting energy. PHI is also implementing energy efficiency programs as a response to the regulatory opportunities from climate change. Because climate change regulation is likely to raise the cost of electricity, PHI sees the opportunity to provide more efficient lighting products to its customers at a discounted rate to achieve cost and emissions savings. The program has been focused upon increasing sales of compact fluorescent light (CFL) bulbs since inception. PHI's CFL programs in Maryland were the company's first approved Blueprint programs, launched in December 2007. An additional lighting program was launched in the District of Columbia in July 2009. Because CFLs use less energy, power plants will generate less electricity and transmission losses will be reduced, in turn reducing GHG emissions. In 2009, the PHI programs sold 1,268,192,000 CFLs. The program results through the end of 2009 were sales of 2,212,824 bulbs, avoiding an estimated 1,280,738,535 lbs of CO2 emissions over the lifetime of the bulbs. Other energy efficiency programs are also being offered in Maryland and DC for both residential and commercial customers, but so far the lighting program was expected, and is proving, to have the largest impact on CO2 emissions of the demand-side management programs. As a result of a Delaware Commission order issued in 2007, DPL’s most recent update to its10-year Integrated Resource Plan (IRP) for providing SOS customers with reliable electricity, filed on November 3, 2008, presented a possible change to its energy procurement practices from the current approach of relying entirely on full requirements contracts. The proposed approach would develop a more diverse “managed portfolio” of energy supply resources. In addition to full requirements contracts, a managed portfolio could include various combinations of short and long-term contracts, as well as the increasing amounts of renewable resources (including wind and solar facilities) and conservation programs that would be included in any plan. Conectiv Energy has been responding to the regulatory opportunities presented by climate change by implementing energy efficiency measures, using landfill gas in its generating units and purchasing power from wind sources. Another example of PHI’s investment in renewable energy is a recent project implemented by Conectiv Energy to further the utility’s use of zero carbon-emitting technology to provide electricity for its customers in New Jersey. Conectiv Energy and Vineland Municipal Electric Utility built a $20 million, 4 MW photovoltaic solar power generating facility (Vineland Solar One), located in Vineland, New Jersey, that became fully operational in December 2009. Through these actions, Conectiv Energy produces sufficient renewable energy credits (RECs) to meet its current requirements under various state programs. Notably, PHI has reached an agreement to sell its Conectiv Energy power generation assets to Calpine Corp., for $1.65 billion, plus the value of the fuel inventory at closing (estimated to be $50 million) and subject to various closing adjustments. The sale is expected to close by the end of June 2010. The sale of Conectiv Energy repositions PHI as fundamentally a regulated utility company, and provides a number of significant benefits including an improved business risk profile, reduced volatility of future earnings, significantly reduced exposure to the energy commodity markets, lower capital and collateral requirement, and a strengthened credit profile.

6.7

Explain why you do not consider your company to be presented with significant opportunities - current and/or anticipated.

6.8

Please explain why not.

Further Information

Attachments

Page: Physical Opportunities

7.1Do current and/or anticipated physical impacts of climate change present significant opportunities for your company?

Yes

Do you want to answer using:

The table below

7.2AWhat are the current and/or anticipated significant physical opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment
Other: Increased demand for renewable energy	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	Due to customer and stakeholder awareness of the physical impacts associated with climate change, PHI may realize an increased demand for existing and/or new products and services to assist customers in the management of their energy consumption or in the reduction of their carbon emissions, through increased demand for renewable energy, such as wind, solar, landfill gas and geothermal resources. As a result of state renewable portfolio standard, PHI has agreements to purchase energy from on- and off-shore wind farms and solar power facility from locations throughout the Mid-Atlantic states.
Other: Increased electricity sales	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	Due to customer and legislator awareness of the physical impacts (e.g., extreme weather events) associated with climate change, PHI may realize an increase in electricity revenues responding to this issue in the regions in which the company operates. The full deployment of the smart grid technologies and the reinforcement of the regional transmission system will allow the company to meet the growing demand for more and cleaner energy in the years ahead. One key driver for increased demand for electricity will be the re-electrification of transportation through plug-in electric vehicles (PEVs). Other key drivers are any other technologies that when deployed could drive increase in demand for electricity.
Other: Increased demand for customer energy reduction assistance	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	Due to customer and stakeholder awareness of the physical impacts associated with climate change, PHI also may realize additional demand for products to assist customers in managing their energy use or in reducing their carbon emissions, such as real-time pricing programs, rebate and loan programs, energy savings performance contracting, renewable energy installations, etc.

7.2B

What are the current and/or anticipated significant physical opportunities and their associated countries/regions and timescales?

7.3Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

These physical opportunities could affect PHI's business and value chain through a significant increase in customer demand for renewable energy and energy efficiency products and services, positively affecting PHI's supply chain. The electric power needs of the Mid-Atlantic region are expected to keep growing at a steady pace, placing increased strain on the region's transmission capacity. As the demand in the PHI service territory continues to increase, so too does PHI continue to find new ways of satisfying those demands while reducing environmental impacts. As mentioned in question 3.6, PHI has embarked upon a voluntary company-wide GHG emissions reduction and energy reduction plan as part of its overall strategic business plan (i.e., Blueprint for the Future) that is aligned with the regulatory risks presented by climate change and capitalizes on the energy efficiency and renewable energy opportunities that are emerging in the marketplace. Other initiatives planned or launched under the Blueprint for the Future—as approved by governing regulatory authorities—include: financial incentives for energy efficiency, including rebates, bill credits or other programs for both residential and commercial customers who invest in energy-saving equipment or who participate in voluntary peak-demand reduction programs; smart meters to improve reliability and empower customers to control their own energy usage; innovative rate options to encourage the use of plug-in vehicles and small-scale renewable energy generators; and PHI-wide initiatives affecting all parts of its operations to reduce the carbon footprint created by providing essential products and services. Additionally, full deployment of smart grid technologies will spark accelerated development of electric vehicle technologies. Plug-in hybrid electric vehicles (PHEV), which are just entering the U.S. market, can charge by connecting to home or commercial charging stations as well as by operating their internal combustion engines. When gasoline prices are high, customers can save on fuel costs by charging from the electric grid, especially during time of day when the price per KWh is the lowest. Smart meters, which will give customers with sufficient data to choose the most cost-effective sources of power for their vehicle at any given time, are expected to boost consumer acceptance of PHEVs. PHI's proposed MAPP project, a 150-mile, high-voltage transmission line, will significantly increase access to renewable power where it is generated for delivery to the customers in its region. Local utilities and electric cooperatives rely on the transmission system to keep the lights on for their customers, and early estimates suggest that when completed, MAPP could bring enough new power to the region to light up an additional 800,000 to 2 million homes annually. Combining this access to more energy with a stronger focus on energy conservation and development of new, clean and carbon-neutral power sources like wind, solar and nuclear, the Mid-Atlantic region will be well-positioned to meet energy challenges in the future. Pepco Energy Services (PES) has a number of existing and future projects that may stand to benefit from a mandatory carbon regulatory regime. PES owns and operates three landfill gas-to-energy projects with a combined installed capacity of 10 MWs. PES also owns and operates a 2.36 MW solar generating facility at the Atlantic City Convention Center in Atlantic City, N.J. PES continues to be active in renewable energy project development, in addition to its core energy efficiency business. For example, in January 2010, PES entered into an agreement with Atlantic Cape Community College for a 2.3 MW solar photovoltaic power project at two of its college campuses. The solar photovoltaic system will generate up to 48 percent of Atlantic Cape's total annual electric consumption, priced at a set rate, independent of market rates. Atlantic Cape will realize savings of $220,000 the first year and up to $6.8 million over the 20-year life of the contract. The electricity generated per year will be equivalent to the amount needed to power approximately 220 homes. In December 2009 PES was selected by the Maryland Stadium Authority to implement a $9 million comprehensive energy efficiency contract at Camden Yards, Oriole Park and M&T Bank Stadium in Baltimore, Md. The 13-year contract is to install energy-efficient lighting, upgrade the cooling and heating plants, update building automation systems, provide maintenance services for these systems and install water saving fixtures in these facilities. This project will reduce energy use by 24 percent and save the State of Maryland more than $16 million over the performance period and that will reduce its carbon footprint by eliminating 7.6 million pounds of carbon dioxide, which is the environmental equivalent of planting more than 1,250 acres of trees.

7.4

Are there financial implications associated with the identified opportunities?

Yes

7.5

Please describe them.

Several financial implications associated with physical opportunities could affect PHI's business and value chain. Pepco, DPL and ACE historically have generated less revenue and income when temperatures are warmer than normal in the winter and cooler than normal in the summer. Pepco and DPL have recently adopted a bill stabilization adjustment (BSA) mechanism for its customers. Some advantages of the BSA are that it 1) eliminates revenue fluctuations due to weather and changes in customer usage patterns and therefore, provides for more predictable utility distribution revenues that are better aligned with costs; 2) provides for more reliable fixed-cost recovery; 3) tends to stabilize customers' delivery bills; and 4) removes any disincentives for the regulated utilities to promote energy efficiency programs for their customers, because it breaks the link between overall sales volume and delivery revenues. In those jurisdictions that have not adopted a bill stabilization adjustment or similar mechanism, operating performance continues to be affected by weather conditions. PHI has embarked upon a voluntary company-wide GHG emissions reduction and energy reduction plan as part of its overall strategic business plan (i.e., Blueprint for the Future) that is aligned with the regulatory risks presented by climate change and capitalizes on the energy efficiency and renewable energy opportunities that are emerging in the marketplace. This initiative includes installation of smart meters, further automation of the electric distribution system, and enhanced communication infrastructure, and combines traditional demand-side management (DSM) programs with new technologies and systems. Not all of these elements are being pursued in all jurisdictions (i.e., ACE in New Jersey, DPL in Delaware and Maryland and Pepco in Maryland and the District of Columbia), or within the same timeframe in all jurisdictions. All of these will help residential and nonresidential customers manage their energy use, reduce the total cost of energy and provide other benefits. They also allow each utility to better manage and operate the electrical and gas systems. The estimated investment required to achieve the future targets set out in the Blueprint total $422 million from 2008 to 2014. Notably, PHI's is also investing in the Mid-Atlantic Power Pathway (MAPP) transmission project, which will increase reliability in the region and provide a gateway for delivering electricity generated from diverse sources. The technology, research, development and implementation of MAPP is an example of PHI's action taken to mitigate the physical risks of climate change by increasing the reliability of electricity delivery in the region, thereby making its operations more durable against potential physical risks from climate change. The cost of the MAPP transmission project is $1.2 billion. The prospective opportunities (e.g., significantly increase customer access to renewable power —wind, solar, nuclear, etc. —in its region) created by MAPP will result in increased sales.

7.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

Through PHI's Blueprint for the Future, the company has planned and launched measures to maximize the physical opportunities presented by climate change. One such opportunity is PHI's smart grid initiative, which is a major component of PHI's plan to combine advanced technologies with new energy efficiency programs to help customers control their energy costs. PHI's subsidiary utility companies have implemented "Smart Meter" programs which encourage customers to modify their level and pattern of electricity use in order to reduce the demand for electricity during peak load times. To make promoting energy efficiency and conservation economically viable, PHI has sought rate decoupling in all of its jurisdictions. With rate decoupling, also called Bill Stabilization Adjustment, the distribution portion of a customer's electric bill is no longer "coupled" with the amount of electricity the customer uses. This ensures that the company will have adequate income to maintain its system and offer energy- and money-saving programs to its customers. In this way, PHI will be able to benefit from the installation of smart meters, and PHI's customers will be able to save money through increased control of their electricity use. In addition, PHI will soon be able to provide "dynamic" price signals to customers through in-home, easy- to-use visualization technology. Customers will be alerted when prices rise or fall, on a day-ahead or hour-ahead schedule, so they can adjust their usage accordingly, either manually or automatically. Dynamic pricing has important implications for peak demand reduction, a key goal of PHI's Blueprint for the Future. In March 2009, PHI announced it has contracts to purchase the first of nearly 2 million smart meters for installation in the homes and businesses of customers in three states and the District of Columbia over the next 5 years. DPL began installing 300,000 smart meters in its Delaware service territory in April 2009; Pepco is a partner in a "Smart Meter" energy conservation pilot for customers in Washington, D.C., and is working with regulators to introduce a variety of

energy-conservation programs for its customers in Maryland. Pepco, DPL and ACE also provide an online energy management tool for customers called “My Account.” The use of advanced meters also enables and supports Demand Side Management (DSM) programs. The new digital meters (i.e., smart meters) are a critical component of PHI’s plan to build a smart grid network that could eventually serve the company’s 1.9 million customers in Delaware, the District of Columbia, Maryland and New Jersey. Full deployment to all of PHI’s customers who are served by Pepco in the District of Columbia and suburban Maryland, by ACE in southern New Jersey and by DPL in Maryland could occur by 2013, provided regulatory approvals are secured. PHI has received regulatory approval for BSA in its Maryland Pepco and DPL jurisdictions, as well as in the District of Columbia Pepco jurisdiction. It is awaiting approval in the New Jersey ACE and the Delaware DPL territories. This new billing structure has made possible a closer alignment of customers’ and PHI’s interests. PHI can now fully partner with customers in working towards a more energy-efficient and sustainable future while continuing to meet its obligations to all of its stakeholders. PHI detailed its smart grid vision in 2007 and received $168 million in U.S. Department of Energy (DOE) grant for the rollout of several smart grid components in its Pepco and ACE service territories: Advanced Metering Infrastructure (AMI), Distributed Automation (DA) and Communications Infrastructure. The grants will go towards residential central air conditioner direct load control equipment (smart thermostats and smart cycling switches), and effectively cut in half the cost to PHI customers for advanced meter deployment while accelerating the company’s smart grid rollout schedule. The estimated investment required to achieve the targets set out in the Blueprint for the Future totals $422 million from 2008 to 2014. To adapt to the physical opportunities presented by climate change, PHI is also taking action to provide financial incentives for energy efficiency, including rebates, bill credits and other programs to both residential and commercial customers who invest in energy-saving equipment or who participate in voluntary peak-demand reduction programs, and innovative rate options to encourage the use of plug-in vehicles and small scale renewable energy generators.

7.7

Explain why you do not consider your company to be presented with significant opportunities - current and/or anticipated.

7.8

Please explain why not.

Further Information

Attachments

Page: Other Opportunities

8.1Does climate change present other significant opportunities - current and/or anticipated - for your company?

Yes

Do you want to answer using:

The table below

8.2AWhat are the current and/or anticipated other significant opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment
Other: Actual or potential demand	Other: The main geographical regions where opportunities	0 -- 5	PHI anticipates increasing demand for renewables and low emitting

Opportunities	Region/Country	Timescale in Years	Comment
for new or modified renewable and energy efficient technology	from climate change are expected to arise for PHI include the states of New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate		generation. Increased renewable energy demand would provide PHI with the opportunity to supply such resources to customers, resulting in the opportunity for increased company growth.
Other: Enhanced reputation	Other: New Jersey, Delaware, Maryland, Washington, D.C., Pennsylvania and Virginia, where PHI's subsidiaries operate	0 -- 5	PHI has a significant opportunity to become a leader in the U.S. electric industry by expanding its low and zero carbon energy options to customers. Also as a key energy delivery company in the nation's capital, PHI is playing a proactive role in important policy discussions.
Other: Research in low-carbon technologies	United States of America	0 -- 5	As a member of the Electric Power Research Institute (EPRI), PHI has invested in a number of technologies to take advantage of the opportunities presented by climate change and to reduce its carbon footprint. PHI invested over $750,000 towards EPRI related research and development programs and projects for CY2009, including: • A T&D Facilities and Equipment Program, that delivers information, tools and methods for preventing, characterizing and remediating soil and water contamination at transmission and distribution (T&D) facilities, such as substations, service centers, pole storage yards and pole-setting sites. • A Greenhouse Gas Reduction Options Program that provides public- and private-sector decision makers with vital insights regarding the costs, availability, performance and potential risks of GHG emission reduction and mitigation options. It provides investment strategies for expanding these options over time and insights on how to integrate GHG policy risk management into corporate business strategies as companies respond to growing demand for electric power. • An ROW Siting, Vegetation Management and Avian Issues Program that provides balanced, cost-effective solutions for addressing economic and environmental challenges associated with siting, developing, managing and upgrading T&D rights-of-way. The program offers innovative tools, practical guidance, and state-of-the-art information to help companies control costs and improve service reliability while protecting

Opportunities	Region/Country	Timescale in Years	Comment
			natural resources and addressing public, other stakeholder and regulatory concerns. • An Infrastructure and Technology for Advanced Metering, Integrating Demand Response and Energy Efficiency Project set that focuses on development and demonstration of low-cost, standards-based, two-way communications between energy service providers and their customers and demonstration of technologies that integrate with this communications infrastructure through the EPRI living laboratory. • An Advanced Infrastructure Development for Plug-In Hybrid Electric Vehicles Project that addresses the information integration approaches to making customer information such as AMI part of the overall information system available for advanced applications.
Other: Research in Hybrid Vehicle Technology	United States of America	0 -- 5	PHI has earmarked over $130,000 towards EPRI-related research and development projects for CY2010, including: • The Hybrid Trouble Truck Program is a demonstration project to design, build, test and evaluate the performance of plug-in hybrid trouble truck technology. • The Ford–PHEV Program is a collaborative demonstration project between DOE, the National Energy Technology Laboratory (NETL) and EPRI to evaluate the technology and capabilities of the PHEVs.

8.2B

What are the current and/or anticipated other significant opportunities and their associated countries/regions and timescales?

8.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

The opportunity for PHI’s increased leadership in the electric utility sector could affect the business and value chain of the company positively and result in an increased demand for the development of renewable energy resources. This cleaner energy strategy would further the company’s growth as a result of the ability of PHI to supply such renewable resources and technologies to its customers. For example, increased demand for smart meter technology would present an opportunity for PHI as the new digital meters are a critical component of PHI’s plan to build a smart grid network, which will eventually serve the company’s 1.9 million customers. As mentioned previously, because PHI has sought rate decoupling in all of its jurisdictions, PHI should be able to maintain adequate income to continue to run its business operations. The opportunity presented by smart grid deployment could enhance PHI’s reputation in the electric sector among its customers.

8.4Are there financial implications associated with the identified opportunities?

Yes

8.5

Please describe them.

While PHI's own operating expenses may increase as a result of the move to a low-carbon economy, the company views the overall financial and business implications of any climate legislation as positive. As regulated local distribution companies, PHI subsidiaries are allowed to recover their costs for programs approved by their respective state public utility commissions. In addition, the increased demand for efficient technologies such as demand response programs and advanced metering infrastructure such as smart grid technology could contribute to PHI's profitability if they are implemented. For example, a June 2009 Federal Energy Regulatory Commission (FERC) report identified Maryland as the state with the second-highest demand response potential—a projected reduction in peak demand of 23.8 percent from current levels—under its "achievable" scenario, which includes AMI deployment, Direct Load Control (DLC) and use of some automated thermostats. Such potential for demand response technology PHI presents with a significant opportunity for increased profitability.

8.6Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

PHI has taken action in response to the reputational opportunity presented by climate change. Action includes commitment to the implementation of renewable projects including numerous wind and solar programs in Maryland, Delaware, New Jersey, and Washington, D.C. These fuel sources have improved the emissions rate for PHI, situating it to provide the low CO2-emitting power generation that its customers will demand in the future. PHI is also encouraging the implementation of cost-effective generation from renewable sources in order to move to sources that are more stable in price. Also, PHI has implemented a successful conservation and energy management program in anticipation of increased need resulting from climate change regulations. As an example, in May 2008 the partnership formed by DPL and Old Dominion Electric Cooperative was selected as the winning bidder for providing land-based wind power to customers in Delaware and Maryland. Bidders had submitted guaranteed prices for 15- to 20-year contracts for both renewable energy and renewable energy credits. Land-based wind power purchases support Delaware's clean energy goals, reduce the operational costs of regional power plants and save DPL's customers $80 million a year. On average, this savings equals $240 per year for the typical residential customer. Because of this project, regional utilities will acquire up to 460 MWs of wind power. In addition, DPL's proposed contracts to buy up to 170 MWs of energy from soon-to-be-built land-based wind projects in Maryland and Pennsylvania were approved on Oct. 7, 2008 by the Delaware PSC, making the utility one of the first in the region to meet a state's more stringent clean energy goals. PHI has invested in smart grid deployment technologies and pilot programs to maximize the opportunities presented by energy efficiency in addition to renewable energy. The estimated investment required to achieve the future targets set out in the Blueprint for the Future total $422 million from 2008 to 2014. The new digital meters are a critical component of PHI's plan to build a smart grid network that could eventually serve the company's 1.9 million customers in Delaware, the District of Columbia, Maryland and New Jersey. PHI has invested in programs that combine advanced technologies with energy efficiency programs to help customers manage their energy costs, such as dynamic pricing under which customers are alerted when prices will rise or fall so they can adjust their usage accordingly. For example, in the District of Columbia, Pepco completed its PowerCents DC™ pilot program, the first utility test of consumer response to smart meters and dynamic pricing. Other PHI pilot programs includes an initiative to transform the company's vehicle fleet by adopting technologies such as hybrids, plug-in hybrid electric and alternative-fueled vehicles to curb GHG emissions and by using biodiesel fuel in diesel-powered vehicles. PHI's fleet will be transformed as vehicles due for replacement, initially with hybrid or alternative fuel vehicles and later with newer technologies as they become commercially available and cost-effective. PHI continues to participate in advanced technology vehicle pilot programs and has supported research in vehicle-to-grid technology sponsored by the University of Delaware. The company also is participating in an EPRI program to test a plug-in hybrid electric bucket truck, and is working with Odyne Systems to test a plug-in hybrid compressor truck for the DPL Gas Division in Wilmington, Del. Additionally, PHI is engaged in a Pilot LED Streetlight Project to test customer response to the newly developed light fixtures, as well as their reliability, energy efficiency and illumination quality. The first of PHI's

test LED streetlights were installed at National Harbor in Prince George's Co., Md. PHI has also been involved in a number of programs with EPRI, including programs focused on GHG emission reduction and mitigation options, solutions for addressing economic and environmental challenges associated with siting, developing, managing and upgrading T&D rights-of-way, demand response efficiency, and plug-in hybrid electric vehicles. Climate change has led to investment of $864 million in 2009 and $928 million planned for investments in 2010 to maximize opportunities. PHI's investments in research and development have been designed to minimize the company's climate change impacts. Because further reductions in GHG emissions will depend upon the development, availability, and affordability of new technologies, PHI's efforts have focused on the expansion of renewable energy, energy efficiency and GHG reduction strategies to respond to climate change.

8.7

Explain why you do not consider your company to be presented with significant opportunities - current and/or anticipated.

8.8

Please explain why not.

Further Information

Attachments

Module: Strategy

Page: Strategy

9.1

Please describe how your overall group business strategy links with actions taken on risks and opportunities (identified in questions 3 to 8), including any emissions reduction targets or achievements, public policy engagement and external communications.

Due to the risks and opportunities we have identified associated with climate change, PHI is developing and implementing several business strategies to mitigate and adapt to the risks and to capitalize on the opportunities presented by climate change. The most important components of PHI's business strategy are focusing its operations on its core regulated transmission and distribution businesses and the development and incorporation of new technologies. PHI's business strategy provides the company with a competitive advantage because it looks to the long term and includes a wide variety of initiatives and goals. To ensure progress, these initiatives are tracked and reported to the company executives quarterly, PHI is meeting its interim goals for these initiatives in time to respond to risks and opportunities presented by climate change. Under PHI's Blueprint for the Future, the company's current strategies for greenhouse gas reduction and energy usage reduction include: 1. A strong commitment to energy efficiency evidenced by past, current and planned deployment of advanced, efficient technologies that are supported by new regulatory conditions and business models in every jurisdiction in which PHI utilities operate. 2. Accelerated development and deployment of cost-effective, demand-side energy management technologies and renewable energy resources. 3. A multi-year commitment to expand PHI's electric power transmission system (the Mid-Atlantic Power Pathway "MAPP" project) that will enhance reliability and increase access to renewable and other lower-carbon electricity sources for PHI customers. 4. Stabilization and gradual reduction of PHI's greenhouse gas emissions by deployment of cost-effective emission-reducing technologies throughout its operations, such as: a. Alternative-fueled vehicles, hybrid electric and plug-in electric vehicles b. Energy-efficient lighting for facilities and grounds c. Energy-efficient HVAC equipment d. Continued improvements in the efficiency of its facilities e. Integration of renewable energy supply resources, including wind, solar and renewable natural gas from landfills. 5. Longstanding commitments to waste recycling programs to avoid indirect emission of GHGs from the manufacture of new materials and the decomposition of waste materials in landfills. 6. Longstanding commitments to reforestation, vegetation management and green infrastructure

efforts to help promote the sequestration of carbon dioxide by trees and other vegetation. 7. Investment in clean and green energy production technologies. 8. Establishment of utility distribution decoupling mechanisms (i.e., BSA and MFVRD as discussed in Question 3.3 of Section 2). The Blueprint for the Future lays out PHI's strategy for incorporating sustainable practices, including energy efficiency initiatives, conservation efforts, and smart grid technologies, across its service territories. For example, some of these energy efficiency and conservation practices include programs offering rebates or other financial incentives to residential customers for replacing inefficient appliances and to business customers for using more energy-efficient equipment, such as improved lighting and heating, ventilation and air condition systems. Under the Blueprint for the Future, PHI's smart grid consists of a portfolio of multiple advanced technologies designed to modernize the electric grid, which will provide a higher level of system performance for PHI's customers, deliver electric power more efficiently and employ digital communications to optimize routing and rerouting of power in response to real-time fluctuations in energy demand or system disturbances. In the past 6 months, PHI has made two very important strategic decisions that will reposition it as a company truly focused on regulated being a transmission and distribution and energy services company and that this focus creates a strong foundation for building long-term shareholder value. In December 2009, PHI announced its exit from Pepco Energy Services' retail energy supply business by way of an orderly wind-down. In April 2010, PHI announced an agreement to sell our Conectiv Energy power generation assets and wholesale energy supply business to Calpine Corp. for $1.65 billion. PHI is planning more than $5 billion dollars of infrastructure projects, which will grow the regulated rate base by 80 percent over the next 5 years while improving reliability and customer satisfaction. PHI is leading the industry in modernizing our electric grid, deploying more than 1.3 million smart meters across our service area. The modernization of the electric system necessarily will mean transforming the relationship with our customers. Up to this point, that relationship has been transactional, but as more energy management tools become available, the role of the utility will evolve into one of energy advisor.

Further Information

Under the Blueprint for the Future, Pepco and ACE have sought approval to install smart meters for all electric customers in their service territories, and DPL plans to install smart meters for all electric and natural gas customers in its service territory, as part of an advanced metering infrastructure (AMI) system. ACE's proposal is still pending. AMI is the infrastructure that will measure, collect and analyze energy usage data from devices such as advanced digital electric meters, which will measure and record all electricity flowing through the customers' system. It includes hardware, system management software, communications and meter data management software (MDMS) that will enable two-way communications for the data collection and measurement functions. As of April 30, 2010, PHI had installed 93,100 of 430,000 smart meters in Delaware. Subject to regulatory approval, PHI plans to install roughly 2 million smart meters within all ACE, DPL, and Pepco service territories by 2013. Under another demand-side management program initiative, PHI's utilities are launching new residential demand response programs, under which customers have the option to receive from the utility either smart thermostats or outdoor smart direct load control equipment. The equipment will be used by each utility to reduce residential air conditioner load during times of high wholesale market prices or periods of system constraints. In exchange, customers will receive additional financial incentives through bill credits and/or new dynamic pricing rate structures. In the future, the companies anticipate encouraging nonresidential customer peak demand reductions through similar rate structures and select demand response-enabling technology. Each utility's ability to establish specific programs in its service territory is dependent upon public service commission (PSC) approval. PHI's business strategy includes working with state energy and environmental regulators to implement energy efficiency and renewable energy strategies to advance state energy and environmental policy objectives. State laws require electricity utilities to increase annually the proportion of energy from renewable resources in their total power procurements. The required percentages are scheduled to increase significantly over the next several years in every jurisdiction where PHI operates. Additional state laws are in place that mandate reductions in both peak energy demand and overall energy use. For example, Maryland's EmPOWER Maryland Energy Efficiency Act of 2008 establishes a goal of a 15 percent reduction in electric energy demand by 2015, and requires Maryland's electric utilities to develop programs that achieve all specified peak demand goals and two-thirds of energy reduction goals by that time. Similarly, goals of a 20 percent reduction by 2020 have been set by New Jersey and 15 percent by 2015 by Delaware. Assisting ACE, DPL and Pepco achieve their aggressive renewable and energy reduction goals are central to the development of PHI's business strategy in response to climate change.

Attachments

Page: Strategy - Targets

9.2

Do you have a current emissions reduction target?

No, but we are developing one

9.3

Please explain why not and forecast how your Scope 1 and Scope 2 emissions will change over the next 5 years. *(If you do not have a target)*

9.4

Please give details of the target(s) you are developing and when you expect to announce it/them. *(If you are in the process of developing a target)*

PHI continues to develop a company-wide climate change program to manage most efficiently future risks associated with GHG emissions from its operations. The company recently met with EPA's Climate Leaders Partnership program director to ascertain a comprehensive understanding of the process and requirements for joining and maintaining an effective partnership with EPA and for benchmarking against other cost-effective and sustainable climate change management programs. PHI is looking forward to continued partnership with EPA and is establishing a GHG baseline for developing an overarching company-wide GHG reduction target that is aligned with both the company's core businesses and its Blueprint for the Future. PHI is initiating a process for establishing a GHG emissions baseline (e.g., all sources and amounts of Scope 1, 2 and 3 emissions) and for identifying feasible GHG target reductions across all lines of business going forward by year-end. PHI is optimistic that the company will be able to join this highly acclaimed program in the near future as the impacts of climate change and the benefits of the Blueprint for the Future are more clearly realized. On April 21, 2010 PHI announced it had reached an agreement to sell its Conectiv Energy power generation assets to Calpine Corporation, for $1.65 billion, plus the value of the fuel inventory at closing (estimated to be $50 million) and subject to various closing adjustments. The sale is expected to close by the end of June 2010. Conectiv Energy's generation assets represent greater than 95 percent of the PHI's Scope 1 GHG emissions. The announced sale of Conectiv Energy repositions PHI as fundamentally a regulated utility company, which greatly limits the scope of our GHG emissions, making the establishment of voluntary GHG emission reduction commitments more challenging. For example, while we anticipate efforts such as advanced metering infrastructure and other smart grid technologies to result in GHG emission reductions over time, uncertainty regarding when the impact of these technologies will be realized is dependent on PSC approval which complicates the voluntary GHG reduction analysis process. In addition to establishing a GHG emissions baseline for PHI, the company will continue to participate in efforts to reach regional and state reduction targets and focus on renewable energy and energy efficiency strategies through Blueprint for the Future and other voluntary efforts. PHI's subsidiaries ACE, DPL and Pepco are responsible for meeting legally binding energy efficiency and renewable energy targets under state law in New Jersey, Maryland and Delaware and in the District of Columbia, and Conectiv Energy (see PHI's response to Question #9.1 – sale of Conectiv Energy) is affected by the first CO2 cap and trade program in the U.S.- the Regional Greenhouse Gas Initiative (RGGI). These state programs include the following: • RGGI CO2 Cap and Trade Program. New Jersey, Delaware and Maryland are participants in RGGI. Conectiv Energy is affected by this program and is actively monitoring and reporting CO2 emissions participating in the allowance market to acquire the necessary allowances and evaluating carbon offset opportunities to use towards compliance with the program. • State Economy-Wide GHG Reduction Programs. New Jersey and Maryland have adopted mandatory economy wide GHG reduction goals. Both of these states have begun planning processes to assess policies and strategies to achieve these goals. ACE and Conectiv Energy participate in the policy development process in New Jersey while DPL and Pepco participate in the policy process in Maryland. • State Renewable Portfolio Standards (RPS). ACE, DPL Pepco and Conectiv Energy operate in jurisdictions that have renewable portfolio standards which mandate that the electricity supply contain a specified percentage of renewable energy. • State Energy Efficiency Standards. ACE, DPL and Pepco are affected by state energy efficiency standards.

9.5

Please explain if you intend to set a new target. ***(If you have had a target and the date for completing it fell within your reporting year, please answer questions 9.5 and 9.6)***

9.6

Please complete the table. ***(If you have a current emissions reduction target or have a recently completed target)***

Target Type	Value of Target	Unit	Base year	Emissions in base year (metric tonnes CO2-e)	Target Year	GHGs and GHG sources to which the target applies	Target met?	Comment

Further Information

Attachments

Page: Strategy - Emission Reduction Activities

¿

Is question 9.7 relevant for your company?

Yes

9.7

Please use the table below to describe your company's actions to reduce its GHG emissions.

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
Blueprint for the Future (Total)	Anticipated	954037000	kWh (kilowatt-hour)	542370	Anticipated	324000000	USD($)		USD($)	Not quantified	2009-2013. For cells not populat

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
											ed, data is unavailable at this time.
Blueprint for the Future (ACE only)	Anticipated	5655000	kWh (kilowatt-hour)	3215	Anticipated	100000000	USD($)		USD($)	Not quantified	2010-2014. For cells not populated, data is unavailable at this time.
Blueprint for the Future (DPL only)	Anticipated	319216000	kWh (kilowatt-hour)	181474	Anticipated	106000000	USD($)		USD($)	Not quantified	2010-2014. For cells not populated, data is unavailable at this time.
Blueprint for the Future (Pepco only)	Anticipated	629166000	kWh (kilowatt-hour)	357681	Anticipated	65000000	USD($)		USD($)	Not quantified	2010-2014. For cells not populated, data is unavailable at this time.
MAPP (Total)	Not relevant		kWh (kilowatt-hour)		Anticipated	1037000000	USD($)		USD($)	Not quantified	2009-2013. For cells not

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
											populated, data is unavailable at this time.
MAPP (DPL only)	Not relevant		kWh (kilowatt-hour)		Anticipated	65700000	USD($)		USD($)	Not quantified	2010-2014. For cells not populated, data is unavailable at this time.
MAPP (Pepco only)	Not relevant		kWh (kilowatt-hour)		Anticipated	52100000	USD($)		USD($)	Not quantified	2010-2014.For cells not populated, data is unavailable at this time.
PHI Edison Place LEED Certified Building Energy Efficiency Initiatives	Achieved	17	Other: percent reduction in energy consumption	508	Achieved		USD($)		USD($)	Not quantified	2009.
Atlantic City Electric Smart Grid Program (Electric System Distributio	Anticipated	134466000	kWh (kilowatt-hour)	82024	Anticipated	37400000	USD($)	34000000	USD($)	Anticipated	2010-2012.

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
n											
DPL (Delaware) Smart Grid Program (Integrated and/or Crosscutting Systems)	Anticipated	105046000	kWh (kilowatt-hour)	64078	Anticipated	105600000	USD($)	57000000	USD($)	Anticipated	2010-2012.
DPL (Maryland) Smart Grid Program(Intergrated and/or Crosscutting Systems)	Anticipated	51264000	kWh (kilowatt-hour)	31271	Anticipated	90000000	USD($)	36000000	USD($)	Anticipated	2010-2012.
Pepco (District of Columbia) Smart Grid Program	Not relevant		kWh (kilowatt-hour)		Anticipated	89200000	USD($)	29000000	USD($)	Anticipated	2010-2012. For cells not populated, data is unavailable at this time.
Pepco (Maryland) Smart Grid Program	Not relevant		kWh (kilowatt-hour)		Anticipated	209600000	USD($)	74000000	USD($)	Anticipated	2010-2012. For cells not populated, data is unavailable at this time.

Please explain why not.

9.9

Please provide any other information you consider necessary to describe your emission reduction activities.

To help meet its RPS targets, DPL has contracted for up to 200 MW of energy generated from an off-shore wind project and up to 150 MW of land-based wind generation. Additionally, DPL recently executed a proposed 20-year contract to purchase up to 16,500 solar renewable energy credits (SRECs) per year from a 10 MW photovoltaic facility to be constructed in Dover, Del., subject to approval by Delaware's PSC. Together, these projects will provide enough electricity annually to meet the needs of approximately 350,000 households. They include: • Bluewater Wind Project, located off the coast of Delaware-DPL has signed a 25-year contract for up to 200 MW of energy, expected to be in service in the 2014-2015 timeframe. • Armenia Mountain Wind Project, located in Pennsylvania-DPL has signed a 15-year contract for up to 50 MW with AES Corporation, expected to come on line by January 2010. • Roth Rock and Eastern Wind Projects, located in western Maryland-DPL has signed two 20-year contracts with Synergies for up to a combined 100 MW of power, one for up to 40 MW and the other up to 60 MW, are expected to come on line in the 2010-2011 timeframe. • Dover Sun Park, located in Dover, Del. - DPL's proposed 20-year contract with White Oak Solar Energy, LLC is to purchase 70% of the SRECs (up to 16,500/year) to be produced from the project. Pending approval by the Delaware PSC, the project is expected to come on-line in the summer of 2011. DPL will continue to explore additional opportunities for expanding renewable supplies beyond the state-mandated RPS levels by providing its customers with options to increase their own individual participation in programs designed to protect the environment. In 2007, PHI had a total of 40 hybrid passenger vehicles in its fleet, including one hybrid bucket truck. An additional 98 hybrid vehicles, including eight new hybrid bucket trucks, were added to the fleet in 2008. By the end of 2009, PHI had a total of 138 hybrid vehicles in its fleet. In September 2009, the first all-electric Vehicle to Grid car was built in Delaware as a result of $250,000 in funding from DPL and PHI. Additionally, PHI is planning to purchase 10 Chevy Volt "electric cars with extended range" from General Motors to support a study of the effects of vehicle charging on the electrical grid. In 2009, PHI was awarded $168 million in DOE grants for smart grid programs in its Pepco and ACE service territories. The grants effectively cut in half the cost to PHI customers of advanced meter deployment while accelerating the company's smart grid rollout schedule. PHI's Blueprint for the Future includes further automation of the electric distribution system and enhanced communication infrastructure, and combines traditional demand-side management (DSM) programs with new technologies and systems. Not all of these elements can be pursued in all jurisdictions, or within the same timeframes. For example, in April 2008, the Maryland PSC approved Pepco's and DPL's proposed implementation of a new residential direct load control program for air conditioners. In July 2009, the New Jersey Board of Public Utilities issued an order approving ACE's implementation of a new residential direct load control program. Pepco and DPL began installing residential direct load control equipment in Maryland in June 2009. The District of Columbia and Delaware PSCs have approved the establishment and deployment of AMI systems in the District of Columbia and Delaware respectively, while the approval from the Maryland PSC is still pending. In November 2009, DPL began full-scale installation of smart meters for all of its Delaware electric and gas customers. Pepco expects to commence AMI deployment in the District of Columbia during the third quarter of 2010. Conectiv Energy purchases landfill gas (LFG) from four different landfills located in Pennsylvania and one located in Delaware. Conectiv Energy utilizes some of the landfill gas in its own electric generation facilities and sells some to other generators on the wholesale market. Conectiv Energy has qualified several of its fossil fuel-fired power plants under state alternative energy and RPSs. This allows Conectiv Energy to maximize the value of the LFG and reduce emissions through the use of a LFG rather than fossil fuel. Conectiv Energy burns LFG in Edge Moor, Bethlehem and Hay Road facilities. Conectiv Energy is constructing a 545 MW natural gas- and oil-fired combined-cycle electricity generation plant in Peach Bottom Township, Pa (Delta Project). The plant is expected to become operational during the second quarter of 2011, and total construction expenditures are expected to be $470 million. In 2007, Conectiv Energy began construction of a new 100 MW combustion turbine power plant in Millville, New Jersey (Cumberland Project); it became operational during the second quarter of 2009 with total construction expenditures at $75 million.

9.10

Do you engage with policy makers on possible responses to climate change including taxation, regulation and carbon trading?

Yes

9.11

Please describe.

PHI's first priorities are its customers and shareholders, and they have encouraged PHI to pursue effective climate change policies while balancing the economic impact on American families and businesses. Engaging in the national climate change and energy policy development process is essential, because government actions in these areas will likely have a substantial impact on the electric power industry. PHI supports a mandatory, national, market-based regulatory program to reduce GHGs. Such a program would eventually govern all man-made sources of GHGs, consider a utility-sector approach, ensure stable, long-term public/private funding, provide achievable timelines and market mechanisms for GHG reduction, ensure an effective economic safety valve, emission allowances, and/or an appropriate tax structure, establish long-term solutions that minimize the impact on the economy, provide the certainty of a consistent national policy, recognize international dimensions of climate change and facilitate technology transfer. PHI believes that resolving the climate change debate is urgent because in the absence of a legislative solution, EPA will be compelled to act on climate change and an EPA solution would likely be less sensitive to the needs of PHI's customers. In addition, if EPA does not act immediately, or if EPA action is delayed by court action, the resultant uncertainty absent a legislative solution would likely have a negative impact on the utility sector. PHI's Government Affairs and Public Policy Group is responsible for representing the company's public positions before elected and appointed non-regulatory government officials. This group informs PHI leadership of significant legislative and regulatory developments related to environmental issues and leads the company in advocacy efforts. This group supports PHI's Corporate Environmental Services Group and all lines of business on environment-related legislative and regulatory matters, as necessary, and is actively involved in federal, state and regional climate change and energy policy discussions through industry associations such as the Edison Electric Institute, the American Gas Association and others. Notably, PHI participates in national policy discussions through the Clean Energy Group. The Clean Energy Group is a coalition of electric and natural gas companies that share a commitment to responsible environmental stewardship. Among the members are some of the largest electric power and natural gas companies, serving over 25 million electric customers and nearly 30 million natural gas customers, and some of the nation's largest generators of electricity, with nearly 185,000 MWs of generating capacity throughout the U.S. (17 percent of the U.S. total). The members of The Clean Energy Group have taken substantial measures to reduce their greenhouse gas emissions and to transition to a relatively low-carbon standard-portfolio while maintaining the highest possible levels of system reliability, customer service, and regulatory cooperation. The Clean Energy Group has engaged with policy makers by submitting public comments to EPA regarding relevant federal regulations, including the June 2009 Greenhouse Gas Mandatory Reporting Rule, the December 2009 Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule and the November 2008 Advance Notice of Proposed Rulemaking (ANPR) on Regulating Greenhouse Gas Emissions under the Clean Air Act. PHI has long been active in industry-wide research and development efforts through membership in organizations that conduct or sponsor research, such as the Electric Power Research Institute (EPRI). The company has expanded its commitment to conservation and a cleaner environment by joining seven other U.S. utilities in partnership with the Clinton Global Initiative to Address Climate Change, and is one of two utilities selected to the Leadership Group of the National Action Plan for Energy Efficiency. PHI's involvement in both the Clinton Global Initiative and the National Action Plan for Energy Efficiency is described in more detail below.

Further Information

PHI, in partnership with seven other companies, has made a 10-year commitment on September 27, 2007 to transform energy efficiency through the Clinton Global Initiative Commitment to Address Climate Change (CGI). Together, the eight companies expect to invest approximately $1 billion a year over the next three years to cost effectively enhance energy efficiency within the U.S. That level of investment avoids about 5 million tons per year of carbon dioxide emissions – the equivalent of removing about one million cars from the road and reducing the need for more than ten 500 MW peak power plants. The companies committed to CGI expect to increase their collective investment in energy efficiency and demand-side management programs by $500 million a year to about $1.5 billion per year in years four through ten. To unlock the full potential of energy efficiency to reduce carbon dioxide emissions, through CGI, PHI is working collaboratively with policymakers and other stakeholders to overcome regulatory barriers that may discourage utility investment in energy efficiency technologies. To spark broad-based innovation throughout

the electricity sector on energy efficiency, CGI is supporting, with the Edison Electric Institute, the formation of a new organization – the Institute for Electric Efficiency (IEE). The IEE will promote the sharing of information, ideas and experiences on effective means of delivering energy efficiency. PHI is also among the leaders in the EPA's National Action Plan for Energy Efficiency, a broad-based group that is making plans and recommendations to meet the challenges of high energy prices, energy security and independence, air pollution and global changes. Founded in the fall of 2005, the National Action Plan for Energy Efficiency is a private-public initiative to create a sustainable, aggressive national commitment to energy efficiency through the collaborative efforts of more than 60 leading gas and electric utilities, state agencies, energy consumers, energy service providers, and environmental/energy efficiency organizations with an overarching goal to achieve cost-effective energy efficiency within the US by the year 2025. This effort engages energy market leaders including PHI in identifying key barriers limiting greater U.S. investment in energy efficiency, and documenting business practices and policy and program options for removing these barriers and improving the acceptance and use of energy efficiency relative to energy supply options.

Attachments

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: Emissions Boundary - (1 Jan 2009 - 31 Dec 2009)

10.1

Please indicate the category that describes the company, entities, or group for which Scope 1 and Scope 2 GHG emissions are reported.

Companies over which financial control is exercised per consolidated audited financial statements

10.2

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions within this boundary which are not included in your disclosure?

Yes

10.3

Please complete the following table.

Source	Scope	Explain why the source is excluded
Direct fugitive and vented emissions associated with natural gas distribution	Scope 1	As previously mentioned in Question 9.4 of Section 3, PHI is initiating a process for establishing a GHG emissions baseline (e.g., all sources and amounts of Scope 1, 2 and 3 emissions) and for identifying feasible GHG target reductions across all lines of business going forward by year-end. With this said, DPL is developing operating methodology to accurately quantify CH4 fugitive and vented emissions associated with their gas distribution system that is aligned with EPA's Mandatory GHG Reporting Program and to include them in Scope 1 emissions for CDP9.
Indirect emissions associated with T&D line losses	Scope 2	As previously mentioned in Question 9.4 of Section 3, PHI is initiating a process for establishing a GHG emissions baseline (e.g., all sources and amounts of Scope 1, 2 and 3 emissions) and for identifying feasible GHG target reductions across all lines of business going forward by year-end. With this said, PHI is developing a methodology to accurately quantify annual indirect emissions associated with T&D line losses and to include them in Scope 2 emissions CDP9.
Direct fugitive SF6 emissions associated	Scope 1	PHI is currently working to develop a comprehensive fugitive SF6 emissions inventory associated with T&D systems and a management

Source	Scope	Explain why the source is excluded
with transmission and distribution systems		and emission reduction program that is aligned with the mass balance methodology under EPA's Mandatory Reporting of GHG Emissions. Based upon readily available data and some rough engineering calculations, the SF6 emissions collectively for ACE, DPL and Pepco in 2009 are estimated at 176,377 lbs (196,968 metric tonnes CO2-e), which includes 794 lbs. for ACE, 4,785 lbs. for DPL and 170,798 lbs for Pepco. As previously mentioned in Question 9.4 of Section 3, PHI is initiating a process for establishing a GHG emissions baseline (e.g., all sources and amounts of Scope 1, 2 and 3 emissions) and for identifying feasible GHG target reductions across all lines of business going forward by year-end. With this said, PHI plans to improve upon its ability of tracking, monitoring and reporting direct fugitive SF6 emissions with T&D systems SF6 for each of the utilities and to include SF6 emissions in Scope 1 emissions in CDP9.

Further Information

PHI sets its organizational boundary with the financial control approach in accordance with the GHG Protocol. Under this approach, PHI tracks GHG emissions associated with the following: • Scope 1: Auxiliary boilers at♣ Electric generating assets ♣Direct GHG Emissions Fleet of company vehicles • Scope 2: Indirect GHG♣electric generating assets Owned and leased office space • Scope♣Emissions from Electricity Consumption Employee commuting♣ Employee business travel ♣3: Other Indirect Emissions

Attachments

Page: Methodology - (1 Jan 2009 - 31 Dec 2009)

11.1a

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions and/or describe the procedure you have used (in the text box in 11.1b below).

Please select the published methodologies that you use.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

11.1b

Please describe the procedure that you use.

PHI developed its GHG emission inventory in accordance with Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (GHG Protocol). This section provides a breakdown of methods employed by PHI to generate its GHG emissions inventory. Scope 1 – Direct Emissions Scope 1 emissions include all PHI electric generation facilities and vehicle fleet. For electric generating facilities that operate continuous emissions monitoring systems (CEMS), PHI utilizes the CO2 emissions data. This data is also utilized to measure CO2 emissions for PHI's RGGI affected units. For electric generating units that do not have CEMS, measured fuel use is utilized along with emission factors to quantify GHG emissions. For CH4 and N2O emissions, fuel use data is utilized along with emissions factors to quantify these emissions. For small boilers located at electric generating assets, measured fuel use is utilized along with emission factors to quantify GHG emissions. For PHI vehicle fleet emissions, total recorded fuel use is utilized along with emission factors to quantify CO2 emissions. For N2O and CH4 emissions, PHI gathers mileage data by model year, vehicle class, and fuel type and utilizes default emissions factors. Scope 2 – Indirect Emissions Scope 2 emissions include consumption of electricity in PHI office buildings. To quantify the CO2 emissions associated with consumption of electricity in PHI office buildings, building energy consumption records are utilized along with the power pool average CO2, CH4 and N2O emission factors to quantify GHG emissions.

Scope 3 – Other Indirect Emissions Scope 3 emissions include emissions associated with employee commuting and business travel. PHI developed a cost effective process to capture GHG emissions associated with employee commuting and business travel. For employee commuting, PHI developed an electronic questionnaire to gather commuting data. PHI gathered data from employee credit card records and business travel expense reports (i.e., electronic and non-electronic) including train and airplane travel information provided by travel agency bookings.

11.2

Please also provide the names of and links to any calculation tools used.

Please select the calculation tools used.
Other: Business travel Scope 3 emissions calculated by using spreadsheets and associated guidance developed by WRI/WBCSD GHG Protocol. http://www.ghgprotocol.org/downloads/calcs/EFs%20for%20the%20revised%20mobile%20tool%20(April%2003).xls

11.3

Please give the global warming potentials you have applied and their origin.

Gas	Reference	GWP
Carbon dioxide	IPCC Second Assessment Report (SAR - 100 year)	1
Methane	IPCC Second Assessment Report (SAR - 100 year)	21
Nitrous oxide	IPCC Second Assessment Report (SAR - 100 year)	310
Sulphur hexafluoride	IPCC Second Assessment Report (SAR - 100 year)	23900

11.4

Please give the emission factors you have applied and their origin.

Fuel/Material	Emission Factor	Unit	Reference
Distillate fuel oil No 2	73.15	Other: metric tonne CO2/MMBtu	Appendix H of the instructions to Form EIA-1605
Natural gas	53.06	Other: metric tonne CO2/MMBtu	Appendix H of the instructions to Form EIA-1605
Bituminous coal	93.46	Other: kg CO2/MMBtu	Appendix H of the instructions to Form EIA-1605
Residual fuel oil	78.80	Other: kg CO2/MMBtu	US EPA Climate Leaders GHG Inventory Protocol, Table B-3
Bituminous coal	0.04	Other: lb CH4/ton	AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.3, Table 1.3-3
Residual fuel oil	0.28	Other: lb CH4/1000 gallons	Utility Boilers-AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.3, Table 1.3-3
Distillate fuel oil No 2	0.05	Other: lb CH4/1000 gallons	Industrial Boilers - AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.3, Table 1.3-3

Fuel/Material	Emission Factor	Unit	Reference
Natural gas	2.30	Other: lbCH4/MMscf	Boilers-AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.4, Table 1.4-2
Gas/Diesel oil	0.09	Other: lb CH4/MMBtu	Large stationary engines -AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 3.4, Table 3.4-1
Bituminous coal	0.03	Other: lb N2O/ton	PC-fired, dry bottom, wall fired boilers -AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.1, Table 1.1-19
Bituminous coal	0.08	Other: lb N2O/ton	PC-fired, dry bottom, tangentially fired boilers -AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.1, Table 1.1-19
Bituminous coal	0.09	Other: lb N2O/ton	Cyclone boilers - AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.1, Table 1.1-19
Residual fuel oil	0.11	Other: lb N2O/1000 gallon	Oil-fired utility/industrial boilers -AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.3, Table 1.3-8
Natural gas	0.64	Other: lb N2O/MMscf	Natural Gas Fired Boilers with Low-NOx Burners - AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 1.4, Table 1.4-2
Natural gas	0.00	Other: lb N2O/MMBtu	Stationary gas turbines- AP-42, Fifth Edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources, Section 3.1, Table 3.1-2a
Landfill gas	52.07	Other: kg CO2/MMBtu	Table B-4, EPA Climate Leaders Greenhouse Gas Inventory Protocol Core Module Guidance, Direct Emissions from Stationary Combustion Sources
Other: Electricity	1137.09	Other: lb CO2/MWh	EPA eGRID2007 output emission rate for CO2, Region RFC East
Other: Electricity	30.27	Other: lb CH4/GWh	EPA eGRID2007 output emission rate for CH4, Region RFC East
Other: Electricity	18.71	Other: lb N2O/GWh	EPA eGRID2007 output emission rate for N2O, Region RFC East
Aviation gasoline	0.29	Other: kg CO2/passenger mile	Air Travel (short haul)-EPA eGRID2007 output emission rate for N2O, Region RFC East
Aviation gasoline	0.20	Other: kg CO2/passenger mile	Air Travel (medium haul)-GHG Protocol Mobile Combustion Tool
Aviation gasoline	0.18	Other: kg CO2/passenger mile	Air Travel (long haul) -GHG Protocol Mobile Combustion Tool
Gas/Diesel oil	0.28	Other: kg CO2/passenger mile	Rail Travel-GHG Protocol Mobile Combustion Tool
Other: CO2 Emission Factors for Rail Travel (US Electric Train)	0.55	Other: kg CO2/passenger mile	Multiplies diesel locomotive numbers times two, assuming generation fuel mix is slightly less carbon intensive than diesel, but generation and transmission are about 40% efficient. This will

Fuel/Material	Emission Factor	Unit	Reference
			vary considerably depending upon the carbon intensity.
Other: CO2 Emission Factors for Rail Travel (US Transit Rail)	0.55	Other: kg CO2/passenger mile	To obtain this number, the following were multiplied:
Motor gasoline	8.90	Other: kg of CO2/gallon	Car Travel -Energy Information Administration, Emissions of Greenhouse Gases in the United States 2000, Appendix B, Table B1
Gas/Diesel oil	10.20	Other: kg of CO2/gallon	Car Travel -Energy Information Administration, Emissions of Greenhouse Gases in the United States 2000, Appendix B, Table B1

Further Information

Attachments

Page: Emissions Scope 1 - (1 Jan 2009 - 31 Dec 2009)

12.1

Please give your total gross global Scope 1 GHG emissions in metric tonnes of CO2-e.

1969153

¿

Is question 12.2 relevant to your company?

No

12.2

Please break down your total gross global Scope 1 emissions in metric tonnes CO2-e by country/region.

Country	Scope 1 Metric tonnes CO2-e

12.3

Please explain why not.

All GHG emissions occur in the U.S. where PHI subsidiaries operate.

12.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by business division. (Only data for the current reporting year requested.)

Business Division	Scope 1 Metric tonnes CO2-e
Conectiv Energy	1902218
Pepco Energy Services	45899
DPL	602
PHI Vehicle Fleet	20434
Total	1969153

12.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by facility. (Only data for the current reporting year requested.)

Facilities	Scope 1 Metric tonnes CO2-e

¿

Is question 12.6 relevant to your company?

Yes

12.6

Please break down your total gross global Scope 1 emissions by GHG type. (Only data for the current reporting year requested.)

GHG Type	Scope 1 Emissions (Metric tonnes)	Scope 1 Emissions (Metric tonnes CO2-e)
CO2	1955436.55	1955437
CH4	95.99	2016
N20	37.74	11700

12.7

Please explain why not.

¿

Is question 12.8 relevant to your company?

Yes

12.8

Please give the total amount of fuel in MWh that your organization has consumed during the reporting year.

2537840

12.9

Please explain why not.

¿

Is question 12.10 relevant to your company?

Yes

12.10

Please complete the table by breaking down the total figure by fuel type.

Fuels	MWh
Other: Hard Coal	563518.00
Other: Total Fuel Oil	150619.00
Distillate fuel oil No 2	81498.00
Distillate fuel oil No 6	48186.00
Distillate fuel oil No 4	20935.00
Natural gas	1823703.00

12.11

Please explain why not.

12.12

Please estimate the level of uncertainty of the total gross global Scope 1 figure that you have supplied in answer to question 12.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
More than 2% but less than or equal to 5%	Metering/ Measurement Constraints Published Emissions Factors	The main areas of uncertainty in the Scope 1 inventory are associated with fuel meters and fossil fuel emission factors. The uncertainty associated with fuel meters is very minor. The meters are calibrated frequently and provide the basis for fossil fuel billing and other emissions reporting programs at the state and federal level. The fossil fuel emission factors utilized for the generation units that do not have continuous emissions monitors are default emission factors from EPA and EIA which create a minor level of uncertainty in the emissions from these units.

Further Information

Attachments

Page: Emissions Scope 2 - (1 Jan 2009 - 31 Dec 2009)

13.1

Please give your total gross global Scope 2 GHG emissions in metric tonnes of CO2-e.

96438

¿

Is question 13.2 relevant to your company?

No

13.2

Please break down your total gross global Scope 2 emissions in metric tonnes of CO2-e by country/region.

Country	Metric tonnes CO2-e

13.3

Please explain why not.

All GHG emissions occur in the U.S. where PHI subsidiaries operate.

13.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by business division. (Only data for the current reporting year requested.)

Business division name	Metric tonnes CO2-e
Conectiv Energy	4470
Pepco Energy Services	3198
ACE	14737
DPL	28341
Pepco	45691
Total	96438

13.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by facility. (Only data for the current reporting year requested.)

Facility name	Metric tonnes CO2-e

¿

Is question 13.6 relevant to your company?

Yes

13.6

How much electricity, heat, steam, and cooling in MWh has your organization purchased for its own consumption during the reporting year?

Please supply data for these energy types.	MWh
Electricity	185924

13.7

Please explain why not.

13.8

Please estimate the level of uncertainty of the total gross global Scope 2 figure that you have supplied in answer to question 13.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty range	Main sources of uncertainty in your data	Please expand on the uncertainty in your data.
More than 2% but less than or equal to 5%	Metering/ Measurement Constraints Published Emissions Factors	Electricity consumption data at PHI facilities is metered by calibrated meters. PHI uses EPA's eGRID2007 output emission rates for CO2, CH4 and N2O and Region RFC East to calculate indirect emissions associated with electricity consumption in buildings. This emission data represents 2005 emissions and could be higher or lower versus 2009 actual power pool emissions for Region RFC east.

Further Information

Attachments

Page: Emissions Scope 2 Contractual

14.1

Do you consider that the grid average factors used to report Scope 2 emissions in question 13 reflect the contractual arrangements you have with electricity suppliers?

Yes

14.2

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO2-e.

14.3

Explain the origin of the alternative figure including information about the emission factors used and the tariffs.

14.4

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

No

14.5

Please provide details including the number and type of certificates.

Type of certificate	Number of certificates	Comments

Further Information

Attachments

Page: Emissions Scope 3

¿

Is question 15.1 relevant to your company?

Yes

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization.

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
Other: Employee Commuting	23975	PHI developed an intranet based employee survey to capture employee commuting travel patterns and trends. The survey uses a "skip-logic" approach (e.g., Q#2, if the employee chooses carpool the next set of questions will be different than if the employee choose walk). The data gathered in the survey was utilized to estimate commuting associated with a variety of modes (i.e., car, carpool, vanpool, bus, train, subway, etc.). Total employees = 5,677. From survey results: 87% take car, 2% take bus and 11% take train. The WRI/WBCSD GHG protocol calculation tool for Scope 3 Business Travel was utilized to estimate emissions associated with employee commuting travel.	
Other: Employee Business Travel	1125	Company credit card records and business travel expense reports were identified and PHI was able to divide total financial expenditures by mode of transportation (i.e. rail, car rental, air travel). Assumptions were utilized to convert from financial expenditures to number of trips and mileage was utilized. The WRI/WBCSD GHG protocol calculation tool for Scope 3 Business Travel was utilized to estimate emissions associated with employee business travel.	

15.2

Please explain why not.

Further Information

Attachments

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16.1

Does the use of your goods and/or services enable GHG emissions to be avoided by a third party?

Yes

16.2

Please provide details including the anticipated timescale over which the emissions are avoided, in which sector of the economy they might help to avoid emissions and their potential to avoid emissions.

Pepco Energy Services was awarded a 20-year contract to build, own, operate, and maintain the 2.36-megawatt rooftop solar power system for the Atlantic City Convention Center anticipates saving nearly $4.4 million in electricity costs over the 20-year contract. This avoids the release of 2,349 tons per year of carbon dioxide into the atmosphere. This was estimated using Convention Center electricity use data, average power pool emissions factors and the fact that approximately 26% of the Convention Center's electricity needs will be met by the solar installation. The Maryland Stadium Authority selected Pepco Energy Services to implement a $9 million comprehensive energy-efficiency contract at Camden Yards, Oriole Park and M&T Bank Stadium in Baltimore, Md. The 13-year contract will save the State of Maryland more than $16 million over the performance period, as well as eliminating 3,454 metric tons of CO2. Construction for this project is expected to be completed by October 2010. Pepco Energy Services was selected to implement a $5.4 million comprehensive energy performance contract program for Appalachian State University (ASU) in Boone, N.C. Under the 12-year contract, the company will provide conservation measures in 15 buildings on the ASU campus, reduce ASU's annual energy and water consumption by 30 percent, and reduce CO2 production by 1,045 metric tons per year. The guaranteed annual energy savings will exceed $550,000 per year and allow ASU to add over $5.4 million in energy infrastructure. Construction is expected to be completed by the end of 2010. Pepco Energy Services was selected to implement a $3.6 million comprehensive energy savings performance contract for the Pennsylvania Farm Show Complex and Expo Center, a 1 million square foot complex located in Harrisburg, Pa. Under the 15-year contract, the company will install new energy-efficient lighting fixtures and water-saving fixtures, replace and upgrade heating and air conditioning systems, and install a solar thermal heating system in the facility. Annual energy savings for the complex will exceed $300,000, with a reduction of 1,650 metric tons of CO2 emissions each year. The project is expected to be completed in the first half of 2010. After an extensive evaluation was performed in accordance with European Union Procurement Rules, the British Embassy - with nearly 500 employees, the largest in Washington, D.C.— awarded Pepco Energy Services a $9.5 million contract to design, install and maintain a new combined-heat and power system. Annual energy savings for the complex will exceed $218,000 with a reduction of 919 metric tons of CO2 emissions annually. Construction began in 2009 and is expected to be completed in 2010. Pepco Energy Services is implementing a $6.1 million comprehensive energy-efficiency contract with the City of Greensboro, N.C. The 13- year contract calls for the company to provide energy conservation measures to 46 city buildings. These measures will reduce the city's energy use by 28 percent and cut water consumption by 6.3 million gallons annually (a 21percent reduction). These measures also will reduce the city's energy and water costs by more than $500,000 annually and reduce CO2 emissions by more than 5,000 metric tons per year. Pepco Energy Services is implementing a $1.3 million comprehensive energy performance contract program for the National Institutes of Health Children's Inn in Bethesda, Md. Under the 10-year contract, Pepco Energy Services will upgrade or install new energy-efficient lighting fixtures in the Children's Inn, the Family Lodge and four parking garages. Annual energy

savings for Children's Inn will exceed $180,000. The project began in November 2008 and is expected to be completed in 2010.

¿

Is question 17.1 relevant to your company?

Yes

17.1

Please provide your total carbon dioxide emissions in metric tonnes CO2 from the combustion of biologically sequestered carbon i.e. carbon dioxide emissions from burning biomass/biofuels.

118077

17.2

Please explain why not.

Further Information

The emissions are from three landfill gas to energy facilities owned and operated by Pepco Energy Services totaling 10 MW and the landfill gas utilized at Conectiv Energy's Edge Moor Gnerating Station.

Attachments

Page: Emissions 8

18.1a

Please describe a financial intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

If you do not consider a financial intensity measurement to be relevant to your company, select "Not relevant" in column 5 and explain why in column 6.

Figure for Scope 1 and Scope 2 emissions	GHG units	Multiple of currency unit	Currency unit	Financial intensity metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
1868.00	Metric tonnes CO2-e	Million	USD($)	EBITDA	2009 EBITA is $1,106.

18.1b

Please describe an activity-related intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

Oil and gas sector companies are also asked to report activity-related intensity metrics in answer to table O&G1.3.

If you do not consider an activity-related intensity measurement to be relevant to your company, select "Not relevant" in column 3 and explain why in column 4.

Figure for Scope 1 and Scope 2 emissions	GHG units	Activity-related metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
0.04	Metric tonnes CO2-e	Other: per MWh of sales	PHI utility MWh sales for 2009= 48,704,995

19.1

Do the absolute emissions (Scope 1 and Scope 2 combined) for the reporting year vary significantly compared to the previous year?

Yes

19.2

Please explain why they have varied and why the variation is significant.

A reduction in GHG emissions associated with electric generation by over 30% in 2009 compared to 2008 due to reduce demand associated with the economic downturn. Development of a more complete GHG emission inventory due to more robust data collection efforts including: • The addition of the emissions from small boiler combustion sources - Scope 1 emissions. • The addition of emissions associated with DPL gas purchases for use in buildings- Scope 1 emissions. • The inclusion of indirect emissions associated with all DPL building electricity consumption due to missing data Scope 2 emissions • The addition of emissions associated with PHI employee commuting – Scope 3 emissions

20.1A

Please complete the following table indicating the percentage of reported emissions that have been verified/assured and attach the relevant statement.

Scope 1 (Q12.1)	Scope 2 (Q13.1)	Scope 3 (Q15.1)
More than 80% but less than or equal to 100%	Not verified	Not verified

20.1B

I have attached an external verification statement that covers the following scopes:

Further Information

PHI is unable to provide a copy of the U.S. EPA assurance. The CO2 emissions from electric generating units that operate CEMS have been verified by U.S. EPA under procedures outlined in 40CFR Part 75 as part of the U.S. EPA's Acid Rain program. PHI facilities that operate CEMS represent approximately 90% of Scope 1 emissions. A high level of assurance is provided by U.S. EPA regarding the CO2 emissions data from CEMS.

Attachments

Page: Emissions 9 Trading

21.1

Do you participate in any emission trading schemes?

Yes

21.2

Please complete the following table for each of the emission trading schemes in which you participate.

Scheme name	Period for which data is supplied.	Allowances allocated	Allowances purchased	Verified emissions - number	Verified emissions - units	Details of ownership
Regional Greenhouse Gas Initiative	Thu 01 Jan 2009 - Thu 31 Dec 2009	1281901	655000	1435104	Other: Short tons	Facilities we own and operate

21.3

What is your strategy for complying with the schemes in which you participate or anticipate participating?

The overall strategy for complying with RGGI is to meet compliance needs at least cost through a combination of purchasing allowances at auction or on the open market, and the origination and purchase of carbon offsets. To date, the allowance prices in the RGGI allowance auctions have been in the $2 to $3/ton range. Conectiv Energy has participated in all seven regional allowance auctions that have occurred to date and anticipates participating in subsequent RGGI auctions as necessary. Conectiv Energy's RGGI affected units in Delaware have received a 40% of a baseline period's allowance allocation for 2009, a 32% allocation for 2010, a 24% allocation for 2011, a 16% allocation for 2012 and an 8% allocation for 2013. Beginning in 2014, Conectiv Energy's Delaware facilities will not receive an allocation and will have to purchase 100% of its allowances to cover its CO2 emissions. The allowances allocated to Conectiv Energy's electric generating facilities reduce the financial impact of acquiring allowances. Conectiv Energy utilizes an emissions forecasting model for all emissions compliance obligations for its electric generating assets including NOx, SO2 and CO2 that extends to 2015. The model includes fuel and electricity pricing, electric generation and emissions forecasts and allowance pricing ranges and forecasted compliance needs. Since PHI's generating plants are primarily natural gas-and oil-fired combined cycle plants and have the smallest CO2 footprint of all fossil units, it is expected that margins will increase during periods that coal and oil fired units (with their higher CO2 costs) are setting the locational marginal price (LMP). Coal units margins will decrease during on peak hours when gas units are setting the LMP. In addition, since RGGI is a regional compact with some states opting not to join, imports from non-RGGI states will tend to keep prices and

margins lower for generators in RGGI states. Overall, RGGI is expected to have a neutral to slightly positive impact on PHI's energy margins.

21.4

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

21.5

Please complete the following table.

Credit origination or credit purchase?	Project identification	URL link to project documentation	Verified to which standard?	Number of credits (metric tonnes of CO2-e)	Credits retired?	Purpose e.g. compliance
	Conectiv and 40 other U.S. utilities formed UtiliTree Carbon Company in 1995 to sponsor a portfolio of forestry projects that manage greenhouse gases, especially CO2.	http://carbonsequestration.us/News&Projects/htm/EEI-utilitree.pdf	Other: Results are reported annually to the Energy Information Administration (EIA), using the U.S. Department of Energy 1605(b) guidelines.	0		Voluntary Offsetting
Credit Origination	PowerTree Carbon Company LLC is a voluntary consortium of 25 leading U.S. electric power companies or their affiliates, and was launched	http://www.powertreecarboncompany.com/	Other: Results are reported annually to the Energy Information Administration (EIA), using the U.S. Department of Energy 1605(b)	73		Voluntary Offsetting

Credit origination or credit purchase?	Project identification	URL link to project documentation	Verified to which standard?	Number of credits (metric tonnes of CO2-e)	Credits retired?	Purpose e.g. compliance
	in April 2004 as an initiative to address the climate change issue, restore critical wildlife habitat, improve water quality and reduce flooding – all through planting trees. PowerTree Carbon Company is a multi-million dollar company established to undertake seven bottomland hardwood reforestation projects in Louisiana, Mississippi and Arkansas.		guidelines.			

Further Information

PHI has not been involved in the origination of project based carbon credits to date. However, PHI is currently evaluating internal project based carbon credit origination opportunities under RGGI within its three utility subsidiaries – particularly reducing SF6 emissions in the transmission and distribution system. Conectiv Energy participates in the UtiliTree Carbon Company and the PowerTree Carbon Company. More information on PHI and the PowerTree Carbon Company is below: PHI and PowerTree Carbon Company,

LLC: As these trees grow, they will capture about 1.4 million tons of carbon dioxide (CO2) from the atmosphere and provide critical habitat to threatened and endangered species. The trees are expected to capture nearly 1.4 million tons of CO2 from the atmosphere over the projects' lifetime, typically 100 years. Conectiv Energy owns a 1.46% Share of PowerTree. Our total obligation was $10,000 per year, which was complete at the end of 2007 for a total of $50,000. Conectiv Energy's share of the PowerTree carbon sequestration was 30 tons in 2004 and 43 tons in 2005.

Attachments

Module: Climate Change Communications

Page: Communications 1

22.1

Have you published information about your company's response to climate change/GHG emissions in other places than in your CDP response?

Yes

22.2

In your Annual Reports or other mainstream filing? *(If so, please attach your latest publication(s).)*

Yes

22.3

Through voluntary communications such as CSR reports? *(If so, please attach your latest publication(s).)*

Yes

Further Information

PHI's Proxy Statement and 2009 Annual Report to Shareholders, 2009 Form 10K and 2009 Environmental Sustainability Report are attached. As an energy holding company, PHI's 2009 operations encompassed the business operations of three regulated electric utilities (Atlantic City Electric, Pepco and Delmarva Power & Light, which also delivers natural gas to retail customers); one competitive energy services and renewable energy retail company (Pepco Energy Services); and one electricity generation and wholesale electricity company (Conectiv Energy). PHI publishes an Annual Report to Shareholders with audited financial results and discussion of other considerations that could have a material affect on the finances of the company. In addition, a Proxy Statement is sent to shareholders shortly before the Annual Meeting of Shareholders that is accompanied by a letter from PHI's Chairman and a ballot for an election of members of the Board and one-time decisions of the company's executives and Board of Directors. In addition to the Annual Report to Shareholders, PHI publishes an annual Environmental Sustainability Report, "Powering a Sustainable Future," produced jointly by PHI's Corporate Environmental Services and Corporate Communications Groups. The most recent report, released in April 2010, reflects programs and activities completed during CY2009, and showcases the company's environmental achievements and recognitions and improvements to business and operating processes achieved by PHI and individually by its power delivery, generation, energy supply, and energy management businesses. With encouragement from the investment community and other stakeholders, this report for the first time included social performance measures and programs (e.g., workforce safety, diversity and planning) as part of its journey of integrating financial, environmental and social performance information into a format aligned with corporate social responsibility (CSR) reports. The sustainability report helps demonstrate that PHI is following through on internal commitments contained in its Corporate Environmental Policy and in public commitments expressed by its Blueprint for the Future

and other energy and resource conservation programs. PHI is continuing to expand both the data reporting and narrative portions of its annual Environmental Sustainability Report to enhance access to information on the company's environmental performance for customers, government agencies and the investment community. In addition, PHI's component companies have reported greenhouse gas emissions data as well as GHG reduction and mitigation initiatives since 2002 through the Voluntary Reporting of Greenhouse Gases Program administered by the U.S. Department of Energy's Energy Information Agency. PHI has been recognized by the U.S. Department of Energy's Energy Information Agency for demonstrating commitment to voluntary environmental protection through actions taken to reduce or capture emissions of greenhouse gases. PHI continues to develop a company-wide climate change program to manage most efficiently future risks associated with GHG emissions from its operations. The company recently met with EPA's Climate Leaders Partnership program director to ascertain a comprehensive understanding of the process and requirements for joining and maintaining an effective partnership with EPA and for benchmarking against other cost-effective and sustainable climate change management programs. PHI is looking forward to continued partnership with EPA and is establishing a GHG baseline for developing an overarching company-wide GHG reduction target that is aligned with both the company's core businesses and its Blueprint for the Future. PHI is initiating a process for establishing a GHG emissions baseline (e.g., all sources and amounts of Scope 1, 2 and 3 emissions) and for identifying feasible GHG target reductions across all lines of business going forward by year-end. PHI is optimistic that the company will be able to join this highly acclaimed program in the near future as the impacts of climate change and the benefits of the Blueprint for the Future are more clearly realized.

Attachments

https://www.cdproject.net/Sites/2010/78/14578/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Communications/PRESS-READY PDF-4-27-10-Pepco Sustainability Brochure 2010.pdf
https://www.cdproject.net/Sites/2010/78/14578/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Communications/2010PHIProxyStatementandAnnualReport.pdf
https://www.cdproject.net/Sites/2010/78/14578/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Communications/PHI_10K.pdf
https://www.cdproject.net/Sites/2010/78/14578/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Communications/Climate Change Fact Sheet.pdf

Module: Electric utilities

Page: 2010-Investor-Electrical 1 Reporting Years

Reporting Periods

Please enter the dates for the periods for which you will be providing data. Historic data for the year ending in 2002 to the year ending in 2009 and forecasted data up to and including the year ending in 2014 is requested.

Year ending	Date range
2006	Sun 01 Jan 2006 - Sun 31 Dec 2006
2007	Mon 01 Jan 2007 - Mon 31 Dec 2007
2008	Tue 01 Jan 2008 - Wed 31 Dec 2008
2009	Thu 01 Jan 2009 - Thu 31 Dec 2009
2010	Fri 01 Jan 2010 - Fri 31 Dec 2010
2011	Sat 01 Jan 2011 - Sat 31 Dec 2011
2012	Sun 01 Jan 2012 - Mon 31 Dec 2012
2013	Tue 01 Jan 2013 - Tue 31 Dec 2013
2014	Wed 01 Jan 2014 - Wed 31 Dec 2014

Further Information

Attachments

Page: 2010-Investor-Electrical 2 GlobalTotalByYear

Please give total figures for all the countries for which you will be providing figures.

Year ending	Nameplate capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emission intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	4853	5062	5523578	1.0900
2007	4545	5176	4178660	0.8100
2008	4645	4199	3085425	0.7300
2009	4797	3092	2013219	0.6500
2010	4911	2092	1052407	0.5000
2011	962	563	104106	0.1900
2012	962	563	104106	0.1900
2013	172	526	58247	0.1100
2014	372	1051	58247	0.0600

Further Information

2006-2009 data represent installed capacity, production and emissions for PHI owned electric generating assets. For 2010, generation production and CO2 emissions were calculated by dividing 2009 data for Conectiv Energy generation assets by 2 to account for the anticipated sale of these assets mid year. For the remaining PHI assets (including Buzzard and Benning fossil stations and the Pepco Energy Services landfills) we hold generation production and CO2 emissions constant at 2009 levles for 2010-2014. Buzzard and Benning are assumed to be retired in 2012. Production data (GWh) was unavailable for PHI wind and solar facilties, therefore production was estimated assuming a 30 percent capacity factor.

Attachments

Page: 2010-Investor-Electrical 3 - EnergyFuelSelection - United States of America

Please select the energy sources/fuels that you use to generate electricity in this country.

Coal - Hard
Fuel Oil
Gas (Excluding OCGT, CCGT and CHP)
OCGT
CCGT
Wind
Solar
Other fuel source - combustible 1

Please enter figures for coal - hard.

Year ending	Capacity (MW)	Production (GWh)	Absolute Emissions (metric tonnes CO2-e)	Emission Intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	640	2838	2994415	1.0600
2007	340	2140	2130811	1.0000
2008	340	1697	1630757	0.9600
2009	340	564	590187	1.0500
2010	340	282	295094	1.0500
2011	0	0	0	0.0000
2012	0	0	0	0.0000
2013	0	0	0	0.0000
2014	0	0	0	0.0000

Please enter figures for coal - lignite (brown)

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emission Intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				

Please enter figures for fuel oil.

Year ending	Capacity (MW)	Production (GWh)	Absolute Emissions (metric tonnes CO2-e)	Emissions Intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	1000	189	429088	2.2700
2007	1000	241	163923	0.6800
2008	1000	162	54432	0.3400
2009	1000	80	71384	0.9000
2010	1000	53	51240	1.0700
2011	550	26	31254	1.3300
2012	550	26	31254	1.3300
2013	0	0	0	0.0000
2014	0	0	0	0.0000

Please enter figures for gas (excluding OCGT, CCGT and CHP).

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions Intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	78	294	878276	2.9900
2007	78	74	40258	0.5500
2008	78	20	26249	1.2900
2009	78	21	13581	0.6500
2010	78	10	6790	0.6500
2011	0	0	0	0.0000
2012	0	0	0	0.0000
2013	0	0	0	0.0000
2014	0	0	0	0.0000

Please enter figures for OCGT.

Yearending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emission Intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	855	153	156107	0.9500
2007	855	158	140819	0.8200
2008	855	87	79350	0.8600
2009	955	52	35440	0.6100
2010	955	32	24253	0.7200
2011	240	11	14605	1.4900
2012	240	11	14605	1.3500
2013	0	0	0	0.0000
2014	0	0	0	0.0000

Please enter figures for CCGT.

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions Intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	2200	1446	956398	0.6600
2007	2200	2286	1480025	0.6500
2008	2200	1816	1174377	0.6500
2009	2200	1821	1184549	0.6500
2010	2200	911	592275	0.6500
2011	0	0	0	0.0000
2012	0	0	0	0.0000

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions Intensity (metric tonnes CO2-e/MWh)
2013	0	0	0	0.0000
2014	0	0	0	0.0000

Please enter figures for CHP.

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				

Please enter figures for diesel fuel.

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				

Please enter figures for energy from waste.

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006				
2007				

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions intensity (metric tonnes CO2-e/MWh)
2008				
2009				
2010				
2011				
2012				
2013				
2014				

Combustible 1
If you generate electricity from a fuel source which is combustible and has not been listed, please give the name of that fuel source.
Landfill gas

Please complete this table for the fuel you have just given.

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	50	130	109294	0.8400
2007	50	265	222824	0.8400
2008	50	148	120260	0.8100
2009	50	149	118077	0.7900
2010	50	100	82756	0.8300
2011	10	100	58247	0.5800
2012	10	100	58247	0.5800
2013	10	100	58247	0.5800
2014	10	100	58247	0.5800

Combustible 2

If you generate electricity from a second fuel source which is combustible and has not been listed, please give the name of that fuel source.

Please complete this table for the fuel you have just given.

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emissions intensity (metric tonnes CO2-e/MWh)
2013				
2014				

Please enter figures for nuclear.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		

Please enter figures for hydro.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		

Please enter figures for wind.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006	0	0
2007	0	0
2008	100	263
2009	150	394

Year ending	Capacity (MW)	Production (GWh)
2010	250	657
2011	150	394
2012	150	394
2013	150	394
2014	350	920

Please enter figures for solar.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006	0	0
2007	0	0
2008	0	0
2009	2	5
2010	16	42
2011	12	32
2012	12	32
2013	12	32
2014	12	32

Please enter figures for geothermal.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		

Please enter figures for tidal.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006		
2007		

Year ending	Capacity (MW)	Production (GWh)
2008		
2009		
2010		
2011		
2012		
2013		
2014		

Non-combustible energy source 1

If you generate electricity from an energy source which is not combustible and has not been listed, please give the name of that energy source.

Please complete this table for the energy source that you have just defined.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		

Non-combustible energy source 2 If you generate electricity from a second energy source which is not combustible and has not been listed, please give the name of that energy source.

Please complete this table for the energy source that you have just defined.

Year ending	Capacity (MW)	Production (GWh)
2002		
2003		
2004		
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		

Solid biomass

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emission intensity(metric tonnes of CO2-e/MWh)
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				

Total thermal including solid biomass

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes CO2-e)	Emission Intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				

Please enter total figures for this country.

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes in CO2-e)	Emission intensity (metric tonnes CO2-e/MWh)
2002				
2003				
2004				
2005				
2006	4853	5062	5523578	1.0900
2007	4545	5176	4178660	0.8100
2008	4645	4199	3085425	0.7300
2009	4797	3092	2013219	0.6500
2010	4911	2092	1052407	0.5000
2011	962	563	104106	0.1900
2012	962	563	104106	0.1900

Year ending	Capacity (MW)	Production (GWh)	Absolute emissions (metric tonnes in CO2-e)	Emission intensity (metric tonnes CO2-e/MWh)
2013	172	526	58247	0.1100
2014	372	1051	58247	0.0600

Further Information

Attachments

Page: 2010-Investor-Electrical 4 EUETS

EU5.0

Please give your historic and forecasted position on emissions, emission allowances (EUAs) and Certified Emission Reductions (CERs) and Emission Reduction Units (ERUs) in metric tonnes CO2 by country.

Please select the European Union 27 countries for which you will be reporting data.

EU5.0 Austria

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Belgium

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Bulgaria

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Cyprus

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Czech Republic

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2- 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Denmark

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2-2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Estonia

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Finland

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
Total allowances purchased through national auctions + projections for the rest of Phase 2						
Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 France

Please complete the table.

Please supply the following information:	Phase 1 (2005-2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Germany

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Greece

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Hungary

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Ireland

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Italy

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Latvia

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Lithuania

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Luxembourg

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Total allowances purchased for compliance purposes (through exchanges, brokers etc.) + projections for the rest of Phase 2						
Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Malta

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
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Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Netherlands

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Poland

Please complete the question.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Portugal

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
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Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Romania

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
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Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Slovakia

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
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Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Slovenia

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
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Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Spain

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
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Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 Sweden

Please complete the table.

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Total free allowances (EUAs) received + projections for the rest of Phase 2						
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Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

EU5.0 UK

Please complete the table.

Please supply the following information:	Phase 1 (2005 - 2007)	Phase 2 - 2008	Phase 2 - 2009	Phase 2 - 2010	Phase 2 - 2011	Phase 2 - 2012
Total free allowances (EUAs) received + projections for the rest of Phase 2						
Of which are EUAs for new power plants						
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Number of CERs/ERUs received/purchased for compliance purposes + projections for the rest of Phase 2						
Of which are credits from projects for which the group is listed as direct participant						
Of which are credits from HFC projects						
Historic/projected emissions (metric tonnes CO2)						

Further Information

PHI does not have assets affected by the EU ETS.

Attachments

Page: Electrical 5 NonEUEmissionTradingSchemes

EU6.0

Emission allowances for companies that have significant operations outside the EU and where installations are covered by other emissions trading regimes.

Regional Greenhouse Gas Initiative

EU6.0

Japanese voluntary ETS

Please complete the table.

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
2006	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2007	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2008	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2009	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2010	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2011	Mon 01 Jan 0001 - Mon 01					

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
	Jan 0001					
2012	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2013	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2014	Mon 01 Jan 0001 - Mon 01 Jan 0001					

EU6.0

Chicago Climate Exchange

Please complete the table.

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
2006	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2007	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2008	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2009	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2010	Mon 01 Jan 0001					

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
	- Mon 01 Jan 0001					
2011	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2012	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2013	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2014	Mon 01 Jan 0001 - Mon 01 Jan 0001					

EU6.0

RGGI

Please complete the table.

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
2006	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2007	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2008	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2009	Thu 01	1281901	655000	0	0	1435104

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
	Jan 2009 - Thu 31 Dec 2009					
2010	Fri 01 Jan 2010 - Fri 31 Dec 2010	1025521				
2011	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2012	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2013	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2014	Mon 01 Jan 0001 - Mon 01 Jan 0001					

EU6.0

Tokyo Cap-and-Trade

Please complete the table.

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
2006	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2007	Mon 01 Jan 0001 - Mon 01 Jan 0001					

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
2008	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2009	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2010	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2011	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2012	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2013	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2014	Mon 01 Jan 0001 - Mon 01 Jan 0001					

EU6.0

Other trading scheme 1

If you participate in a trading scheme that is not listed, please give its name.

Please complete the table.

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
2006	Mon 01					

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
	Jan 0001 - Mon 01 Jan 0001					
2007	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2008	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2009	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2010	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2011	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2012	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2013	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2014	Mon 01 Jan 0001 - Mon 01 Jan 0001					

EU6.0

Other trading scheme 2

If you participate in a second trading scheme that is not mentioned in our list, please give its name.

Please complete the table.

Year ending in:	Enter reporting period dates e.g. 1 January 2006 - 31 December 2006 here:	1. Free allowances	2. Allowances bought through auction	3. Allowances bought for compliance through exchanges, brokers, etc	4. Offsets received/purchased for compliance	5. Emissions within the trading scheme in same units as allowances
2006	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2007	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2008	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2009	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2010	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2011	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2012	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2013	Mon 01 Jan 0001 - Mon 01 Jan 0001					
2014	Mon 01 Jan 0001 - Mon 01 Jan 0001					

Further Information

Attachments