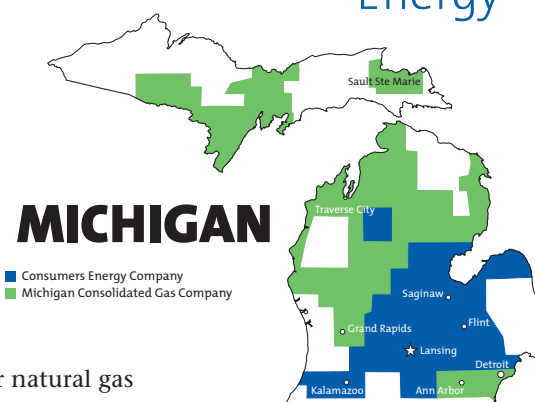


### Why Choose Exelon Energy?

Our sales team is extremely knowledgeable, with over 50 years of combined experience in the natural gas business. In addition, we offer a number of natural gas products to suit your business needs. We offer both fixed and market-based product options so that you can choose how best to manage your energy dollars based on your company's objectives.



### Guaranteed Value For Your Storage

When you sign up with Exelon Energy, we assume the management of your natural gas storage account with the Local Distribution Company (LDC). As a result, new customers get a market-based credit on their first invoice for all natural gas in their storage account at the time they switch to Exelon Energy. They also do not have the carrying costs associated with buying and holding natural gas in inventory, hoping for a good time to withdraw from storage. Avoiding carrying costs enables these funds to be used to manage your business, not your natural gas account.

### Only Pay For What You Use

No matter which product you choose, you can be sure that you'll have the natural gas you need to be open for business and able to serve your customers, since all of our natural gas products are provided with firm (uninterruptible) supply. We will work with you to determine your forecasted usage (Contract Quantity), and we have various pricing options to help you make the most of your energy budget.

A customer's monthly Contract Quantity is determined by analyzing historical usage with adjustments for operational considerations. Contract Quantities apply to the pricing for all products.

For customers who choose to fix the price for a portion of their load, usage above the fixed price portion and up to monthly Contract Quantity is priced at an appropriate first-of-the-month natural gas City-Gate price for Index-Based and Fixed-Price customers.

Should you use more or less than your monthly Contract Quantity, it's not a problem. This usage above will be priced at an appropriate daily Index price. Undelivered natural gas (actual usage below the Contract Quantity) will be credited to your account at the market price.

|                              | EXCLUSIVE DISTRIBUTION OFFERING | MARKET-BASED OPTION | FIXED-PRICE OPTION  |
|------------------------------|---------------------------------|---------------------|---------------------|
|                              | MichCon Discount Product*       | Index-Based Product | Fixed-Price Product |
| Priced using City-Gate Index | ✓                               | ✓                   |                     |
| Fixed Commodity Portion      | N/A                             |                     | ✓                   |
| Fixed Transportation Costs   | ✓                               |                     | ✓                   |

\* Ask your Account Representative to determine if you are eligible for the MichCon Distribution Savings Program.

(Transportation customers)

## Exelon Energy Discount Distribution Product

Due to Exelon Energy's exclusive agreement with Michigan Consolidated Gas Company (MichCon) and Detroit Edison, we are able to offer savings\* on your natural gas distribution service.

For eligible customers in certain areas of Michigan, Exelon Energy provides qualifying MichCon customers with a unique guaranteed savings opportunity on their natural gas distribution pricing.

In 2001, MichCon and Detroit Edison merged, creating overlapping service territories in and around Detroit. As a result, the Federal Trade Commission mandated that a third party supplier have access to distribution capacity in order to ensure competition. Exelon Energy was the successful bidder for this distribution capacity.

Exelon Energy Discount Distribution Product offers discounts on:

- Natural gas distribution pricing
- New service installations
- Expansions for qualifying customers

*\* For eligible customers that qualify for the program. Customer's savings level depends on usage profile.*

## Market-Based Price Product Options

Exelon Energy offers a variable market-based price natural gas product with the option to fix pricing. Market-Based pricing provides an excellent opportunity for those who want to take an active role in managing their company's risk with the help of their Exelon Energy Account Representative.

### Index-Based Gas Product

The Index-Based Gas Product is for the customer who wants to purchase natural gas at index prices while having the flexibility to convert to a fixed price in the future.

Your Exelon Energy Account Representative can work with you to develop an effective conversion strategy, which can allow you to begin your contract on a market-based index price while continuing to search for opportunities to fix long-term pricing when market conditions are at a level that meets your objectives at any time during your contract term.

## Michigan Example of Index-Based Product

### Contracted Amounts

- Your Contract Quantity is 1,000 therms for the period
- You fix 500 therms at a Fixed Price
- The remaining 500 therms would be priced at the First-of-the-Month *Gas Daily*

### Actual Usage

- Your actual usage is reported at 1,050 therms for the period
- The 50 therms above the contracted amounts would be priced at the monthly average midpoint in *Gas Daily*

## Fixed-Price Product Option

Exelon Energy offers a fixed-price natural gas product that greatly reduces exposure to price volatility in the natural gas market.

### Fixed-Price Gas Product

The Fixed-Price Gas Product is for the customer who wants to achieve budget certainty for their natural gas costs.

You have the option to fix up to 100 percent of your monthly Contract-Quantity. You fix the unit price for your natural gas purchases for the duration of your contract so that you will know the exact price you will pay for your Contract Quantity, regardless of spikes in natural gas market prices.

Customers can choose to fix a portion or all of their monthly Contract Quantity. This gives you the flexibility to take advantage of downturns in the natural gas market by fixing a price for the balance of your contract term when market conditions are at a level that meets your objectives.