

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

EA-249-B
US Department of Energy

JUN 8 2009

In the Matter of:

Exelon Generation Company, LLC

Electricity Delivery and Energy Reliability

APPLICATION OF
EXELON GENERATION COMPANY, LLC
FOR AUTHORIZATION
TO TRANSMIT ELECTRIC ENERGY
FROM THE UNITED STATES TO CANADA

Exelon Generation Company, LLC ("Exelon"), pursuant to Section 202(e) of the Federal Power Act ("FPA") (16 U.S.C. § 824 a(e) and 10 C.F.R. § 205.300, et. seq., hereby files its Application for blanket authority to transmit electric energy from the United States to Canada for a term of five years.

I.

Description of Applicant

The exact legal name of Applicant is Exelon Generation Company, LLC ("Exelon"). Exelon is a Pennsylvania limited liability company having its principal place of business in Kennett Square, Pennsylvania. Exelon is a wholly-owned subsidiary of Exelon Corporation, an electric utility holding company registered under the Public Utility Holding Company Act of 1935. Exelon owns generation in the RFC, SERC, TRE and NPCC regions of the North American Electric Reliability Corporation ("NERC"). Exelon is affiliated with two franchised electric utilities: PECO Energy Company and Commonwealth Edison Company. Exelon does not have a franchised electric power service area. Exelon is a power marketer that sells electricity under its electric tariffs on file with the Federal Energy Regulatory Commission ("FERC")¹, and pursuant to the WSPP Agreement, to which Exelon is a signatory. Exelon will generate or purchase the power to be exported from electric utilities, power marketers and federal power marketing agencies as defined in Sections 3(22) and (19) (16 U.S.C. section 796 (22) and (19) of the FPA.

¹Market-based authority granted by the FERC at Docket Nos. ER00-3251-000 and ER01-2794-000. Pursuant to FERC Order No. 697 (Final Rule on Market-Based Rate for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities) issued June 2007 and subsequent clarifications at Order Nos. 697-A and 697-B, Exelon made its compliance filings. In an Order entered on January 15, 2009, FERC accepted Exelon's filing, thereby affirming Exelon's affiliates' continued right to make sales at market-based rates.

II.

Communications

Communications regarding this application should be addressed to the following:

Noel H Trask
Lead Counsel, Exelon Power Team
Exelon Generation Company, LLC
300 Exelon Way
Kennett Square, PA 19348
Tel:(610)765-6649
Fax:(610)765-6630

III.

Jurisdiction

No other known federal, state or local government has jurisdiction over the actions to be taken under the authority requested in this application.

IV.

Discussion of Proposal

Exelon seeks herein authority to transmit electric power to Canada as a power marketer. Exelon will generate the electric energy or purchase the energy to be transmitted to Canada from third parties (i) with generation surplus to their system, including but not limited to, investor owned utilities, municipalities, and Federal power marketing agencies, and (ii) authorized by FERC to sell energy in the wholesale market, such as power marketers.

Exelon proposes to export electric power through any line deemed by the Department of Energy (the "DOE") as appropriate for third party use and available for open access transmission.

Exelon will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to implement any power exports. This will include (i) operating and scheduling each transaction in accordance with the guidelines and standards of NERC and member regions, as applicable at the time of export and (ii) obtaining and complying with all contractual arrangements necessary to use the facilities deemed by the DOE as appropriate for third party use and available or open access transmission.

Exelon believes that there is sufficient precedent established by the DOE to approve its application. In considering whether to grant similar applications, the DOE has stated that it "never has applied the information filing requirements

contained in its regulations in a rigid manner."² Exelon respectfully requests that the DOE continue its flexible approach in making its reliability finding with respect to Exelon's application. Exelon believes that this application adequately addresses the issues necessary to determine that granting Exelon an export license will not create the potential for system destabilization.

In prior orders, such as Order No. EA203- issued to Merrill Lynch Capital Services, Inc. on April 6, 1999, the DOE has considered whether the applicant will comply with established industry operating standards. Because Exelon cannot export the energy using its own transmission facilities, it will contract with third parties for such service. These third parties, in turn, will only provide such service in accordance with their export licenses. Therefore, Exelon will be obligated to meet all industry requirements established for such transactions. Moreover, to the extent that these entities have restrictions on their export licenses, such as a cap on the amount of megawatts that may be transmitted, Exelon will comply with such restrictions. With respect to non-jurisdictional entities pursuant to Section 202(e) of the Federal Power Act, the DOE has utilized information provided by such entities or made available in public filings rather than using a reliability analyses in order to grant export authorization. Exelon hereby requests that the DOE apply this same approach to Exelon's application. DOE has previously approved Exelon's export license on April 5, 2004. This application is a renewal of that license.

Our previous license expired on April 5, 2009 as a result of an oversight. Exelon respectfully requests that this application, once approved, be effective on April 5, 2009, as we have continued to trade power since that date.

Finally, Exelon recognizes that the DOE has conditioned approval of export applications, and Exelon agrees to abide by those conditions. Exelon will make and preserve complete records with respect to electric power exported to Canada and will comply with all applicable reporting requirements established by the DOE.

² FERC Docket No. EA-105-CN, Page 4.

V.

Exhibits

Exhibit A: Agreements - Not applicable

Exhibit B: Legal Opinion of Exelon's Counsel

Exhibit C: Transmission system information – Not applicable

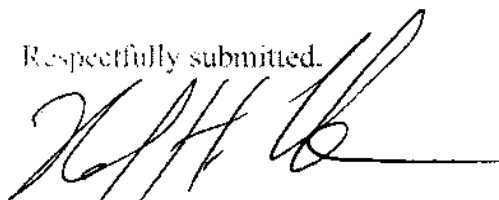
Exhibit D: Non-U.S. Applicant's power of attorney - Not applicable

Exhibit E: Statement of any corporate relationship or existing contract which in any way relates to the control or fixing of electric power rates - Not applicable

Exhibit F: Operating procedures regarding available capacity and energy - Not applicable

Attachment I – FERC orders granting Exelon Market-based authority at Docket numbers ER00-3251-000, ER01-2794-000; FERC January 15, 2009 order

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Noel H. Trask', with a long horizontal flourish extending to the right.

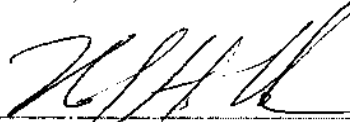
Noel H. Trask
Lead Counsel, Exelon Power Team
Exelon Generation Company, LLC

EXHIBIT B

STATEMENT OF OPINION OF COUNSEL

Having reviewed the Operating Agreement of Exelon Generation Company, LLC, a Pennsylvania limited liability company, it is my opinion that the proposed exports of electrical power described in the application to which this Exhibit B is attached are within the corporate power of the Applicant, Exelon Generation Company, LLC.

Date: 5/20/09



Noel H. Trask
Lead Counsel, Exelon Power Team
Exelon Generation Company, LLC

I, Kenneth W. Cornew, President of Exelon Power Team, an Officer of Exelon Generation Company, LLC, having knowledge of the matters set forth in the above Application of Exelon Generation Company, LLC for Authorization to Transmit Electric Energy from the United States to Canada, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

A handwritten signature in black ink, appearing to read 'K. W. Cornew', is written over a horizontal line. The signature is stylized and cursive.

Kenneth W. Cornew