

**Opening Remarks of John W. Rowe
Before the United States Senate Energy Summit
September 12, 2008**

Mr. Chairman and Members of the Senate:

My name is John W. Rowe, chairman and CEO of Exelon in Chicago. Our retail utilities, ComEd and PECO, serve 5.4 million customers, or about 12 million people – more than any other company. Our generation company has fossil, hydro, nuclear and renewable generation facilities. Our nuclear fleet is the largest in the nation and the third largest in the world.

I chair, or have chaired, the Nuclear Energy Institute, EEI, and the bipartisan National Commission on Energy Policy. NCEP has produced two major reports that include our energy policy recommendations, which I commend to you. Exelon is also a member of the United States Climate Action Partnership.

My three highest priorities for action to secure our energy future are:

- First, limits on greenhouse gas emissions;**
- Second, a Marshall Plan to jump-start low carbon energy resources; and**
- Third, continued support of competitive wholesale markets.**

I want to applaud you, Chairman Bingaman, for your early leadership on carbon cap and trade and cost containment legislation. I urge Congress to

redouble efforts to pass a bill that slows, stops and reduces greenhouse gas emissions while protecting the American economy.

We need an economy-wide bill with realistic targets and timetables, an effective cost containment mechanism, and rate protection for our customers by allocating allowances to regulated electricity delivery companies.

Without prompt action our industry will be hamstrung and will not make the necessary investments in clean generation.

Our country needs a 21st century Marshall Plan to jump start low-carbon energy sources. Nothing less will suffice to put us on the right track.

We need a firm, long-term commitment to energy efficiency and conservation both in our industry and across the economy.

We need a firm commitment to new low- and zero-greenhouse gas emitting generation resources, including an expanded loan guarantee program for nuclear, and an expanded R&D program for carbon capture and sequestration. We applaud both Senator Domenici, who has been a champion of loan guarantees, and Chairman Boucher for his leadership in promoting CCS R&D.

And we need a long-term commitment to a production tax credit for renewables; the on-again-off-again PTC is untenable.

Finally, we need Congress' continued support of competitive wholesale electricity markets.

FERC has just completed a comprehensive reexamination of wholesale market structures and has taken steps to encourage more efficiency and demand side resources. Some are now seeking to undo competitive market structures. Congress – including this Committee – has supported and worked to develop competitive wholesale market structures for over 30 years. Changing course now – in the face of calls for massive investment -- would be a grave error.

Recent work by the Brattle Group predicts we will need \$1.5 trillion in new electricity infrastructure over the next 20 years, plus the investment to address climate change. Competition will both discipline what we spend and drive innovation at the least risk to consumers.

For example, several recent studies show that competitive markets are best for wind energy development and consumer demand response, which puts downward pressure on prices.

Any one of these topics is worthy of a hearing in its own right. But time is of the essence. We must begin the process now. This is why we at Exelon developed our own bold goal – to reduce, offset or displace our current

annual carbon footprint, through a host of measures, by the year 2020. I hope that my brief remarks have contributed a sense of urgency, and a sense of priority, for you to act to help secure our nation's energy future. Thank you.