

# Path to Clean

- Cut operations-driven emissions in half by 2030
- Achieve net-zero operations by 2050
- Support customers and communities in reaching their clean energy and emissions reduction goals

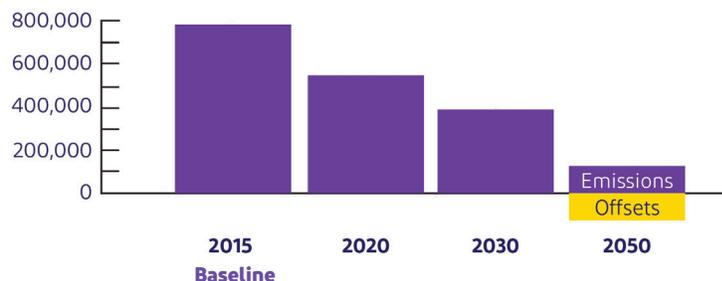
Exelon works with community partners to take on shared challenges and opportunities related to climate change, economic development and improved quality of life. We harness the strength and capabilities of our six utilities, delivering clean energy services and technology solutions that enhance our customers' lives and help our communities thrive.

In August 2021, Exelon made the bold step of expanding and extending our greenhouse gas (GHG) emissions goal for our new company structure following the split with Constellation. Exelon set a goal to reduce its operations-driven emissions 50% by 2030 and achieve net-zero operations by 2050, while also supporting our customers and communities in achieving their clean energy goals. This is our **Path to Clean**. It applies across our corporation and includes all six Exelon utilities: Atlantic City Electric in southern New Jersey, BGE in central Maryland, ComEd in northern Illinois, Delmarva Power in Delaware and Maryland, PECO in southeastern Pennsylvania, and Pepco in Washington, DC. The primary GHG emissions sources in our operations-driven inventory include our building energy use, fleet vehicle fuel use, natural gas system methane emissions, and SF6 leakage from our electrical distribution systems. In 2015, our baseline year, the total annual emissions from these sources equaled approximately 800,000 metric tons. That is equivalent to the carbon sequestered by nearly 1 million acres of forest in a year.

After completing the third-party verification of our 2021 GHG inventory, our performance indicates we are emitting 253,000 fewer metric tons annually as compared to 2015 – two thirds of the way to our 2030 goal.

## Exelon Utilities Scope 1 & 2 Operations-Driven Emissions

metric tons GHG emissions



### 2015

#### Baseline:

- 800,000 mtCO<sub>2</sub>e

### 2021

#### Achieved since 2015:

- 253,000 mtCO<sub>2</sub>e emissions reduced
- 712 miles of bare steel and cast-iron gas mains retired and replaced in an effort to reduce methane emissions on our systems
- 55 first-generation SF<sub>6</sub> breakers replaced in an effort to reduce SF<sub>6</sub> volume on our systems
- 9% fleet vehicles electrified

### 2022

#### Actions Underway:

- Accelerated gas main replacement plan
- Developing a building energy efficiency target
- Installing onsite solar at select Exelon locations
- Driving use of clean fuels and increasing focus on idle mitigation
- Exploring SF<sub>6</sub>-alternative pilots
- Piloting RNG injection into gas system

### 2030

#### Strategic engagement and investments to lay the groundwork for long-term reductions:

- Advocate for affordable electric grid decarbonization
- Explore, pilot and enable new grid technologies
- Support advancement of electric vehicles
- Explore and pilot alternative fuels
- Enhance outreach and engagement to ensure equity and inclusivity of solutions

### 2050

## Our Progress

Across Exelon, we continue to reduce emissions through our natural gas main replacement programs, and our focus on SF6 gas leakage identification and repair. In 2022, PECO celebrated a major milestone with the removal of all remaining first-generation breakers, greatly reducing the potential for SF6 leakage on its system. Meanwhile, emissions associated with our fleet vehicles and buildings saw a slight rebound. While still lower than what they were in 2015, these sources have been more sensitive to the swings of modified operations due to COVID-19 supply chain challenges to our electric vehicle conversion plan, and a leveling of emissions associated with grid-purchased electricity, which had been steadily declining.

In an effort to adapt our program to changing circumstances, we are expanding our efforts to help compensate for actions we know are challenged. We are currently focused on expanding our clean energy purchases and setting a building energy-efficiency goal as part of our participation in the U.S. Department of Energy Better Climate Challenge. Where our Fleet departments are experiencing delays in receiving new vehicles they've ordered, we are broadening our anti-idling initiatives and use of clean fuel blends.

<p><b>Company and Operations</b></p> <p>Planned Emissions-Reduction Actions</p> 	<p>Advance our vehicle fleet electrification to electrify 30% of our vehicle fleet by 2025 and 50% by 2030</p> 	<p>Continue to focus on efficiency, conservation and clean electricity for our operations</p> 	<p>Invest in equipment and processes to reduce SF6 leakage from our systems</p> 	<p>Modernize our natural gas infrastructure to minimize methane leaks and increase safety and reliability</p> 
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## What's Next:

### Opportunities to Influence Emissions Beyond Our Operations (Scope 3)

Economy-wide transformation requires unprecedented levels of action by all stakeholders, from supply to customers. Timely, meaningful, and effective policy measures are foundational and we are pursuing such policy priorities to make a positive climate impact. Meanwhile, technological advancement, development and scaling will be required to deploy and develop commercially viable mitigation options. That's why we are taking strategic steps now to lay the groundwork for further progress for years to come by actively pursuing and partnering on research and development efforts and piloting opportunities across our utilities in collaboration with others. We may not have all the answers today, but we know we must drive innovation as the path gets harder — and we recognize that collaboration with our communities, local small businesses, national labs and research institutions, and other stakeholders will be key.

<p><b>Empowering Customers</b></p> <p>Areas for Innovation and Technology Advancement</p> 	<p>Explore efficient grid management and grid modernization technologies to minimize system losses</p> 	<p>Explore leak detection technologies to reduce natural gas lifecycle emissions and increase safety</p> 	<p>Advance transportation electrification and efficiency as well as conservation programs for our customers</p> 	<p>Explore alternative fuels to reduce natural gas lifecycle emissions</p> 
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<p><b>Community Support</b></p> <p>Areas for Engagement and Advocacy</p> 	<p>Partner with communities to develop and implement clean infrastructure solutions that are accessible to all customers</p> 	<p>Support jurisdictions to help them meet their climate and clean energy goals</p> 	<p>Invest in and support small businesses that are tackling climate change issues in our communities</p> 	<p>Harness digital solutions to integrate clean technologies</p> 
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