

## Pay shock at ComEd

By Steve Daniels  
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Commonwealth Edison Co. wants electricity customers to foot the bill for nearly \$9 million in long-term incentive payments to senior executives and another \$9 million in bonuses to all employees.

Illinois Attorney General Lisa Madigan and the staff of the Illinois Commerce Commission argue that such payments shouldn't be included in electric rates. They're urging the ICC, which regulates utilities, to deny the request, part of ComEd's proposed \$361-million rate hike.

In its proposal asking customers to cover the payouts, ComEd excluded payments to CEO Frank Clark and President Barry Mitchell. Mr. Clark got \$2.3 million and Mr. Mitchell \$1.6 million in cash last year under ComEd's long-term incentive compensation plan, a Securities and Exchange Commission filing shows.

A ComEd spokeswoman says in an e-mail that the utility opted not to include their compensation in the proposal because of recent controversies over rising electric rates. "In the current environment the inclusion of their salaries could have proved to be a distraction," she writes.

A total of \$1.9 million for three other senior executives — Chief Financial Officer Robert McDonald, Senior Vice-president and chief lobbyist John Hooker and Executive Vice-president and customer operations chief Anne Pramaggiore — would be included.

ComEd parent Exelon Corp. last year switched bonus payments for ComEd executives to cash from Exelon stock, to underscore the utility's independence from its parent. Exelon owns six nuclear power stations in Illinois that supply much of the electricity ComEd purchases on behalf of its customers.

Critics say ratepayers shouldn't pick up the tab for incentives predicated principally on achieving financial and regulatory goals that are more beneficial to Exelon than to its customers.

"The essence or overall flavor of the (ComEd incentive awards) plan is related to stockholder goals," ICC staff said in testimony filed Feb. 13.

Benjamin Weinberg, chief of the public interest division for Ms. Madigan, says, "The point of including things like incentive compensation (in rates) is that they're supposed to be benefiting consumers."

The ComEd spokeswoman counters that the payments are tied to goals that help customers, such as reducing power outages.

Including executive bonuses and long-term incentive payouts in customer rates isn't unheard of, but Downstate Illinois utility Ameren Corp. doesn't do it, nor does New York's Consolidated Edison Inc.

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