



LRQA Independent Assurance Statement

Relating to Exelon Business Services Company, LLC’s 2023 Utility Residual CO₂ Emissions Rates

This Assurance Statement has been prepared for Exelon Business Services Company, LLC in accordance with our contract.

Terms of Engagement

LRQA was commissioned by Exelon Business Services Company, LLC (Exelon) to provide independent assurance of its 2023 Utility Residual CO₂ Emissions Rates (“the Report”) against the assurance criteria below to a reasonable level of assurance and materiality of 5% using LRQA’s verification procedure. LRQA’s verification procedure is based on current best practise and is in accordance with ISAE 3000 and ISAE 3410.

Our assurance engagement covered Exelon’s preparation of the Report, and specifically the following requirements:

- Verifying conformance with:
 - Edison Electric Institute Instructions and Definitions: Electric Company Carbon Emissions and Electricity Mix Reporting Template for Customers
- Reviewing whether the Report has taken account of:
 - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard¹.
 - Industry Best Practices.

LRQA’s responsibility is only to Exelon. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Exelon’s responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of Exelon.

LRQA’s Opinion

Based on LRQA’s approach, we believe that Exelon has, in all material respects:

- Met the requirements of criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1 below.

The opinion expressed is formed on the basis of a reasonable level of assurance and at the materiality of 5%.

Table 1. Exelon Utility Residual Rates for 2023:

2022 Utility Residual Rates	lb CO ₂ /MWh
ACE	709
BGE	835
ComEd	85
DPL - Maryland	838
DPL – Delaware	792
PECO	822
PEPCO - DC	583
PEPCO - Maryland	810

¹ <http://www.ghgprotocol.org/>



LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Recalculating each utility specific factor based on Exelon's internal procedures and Edison Electric Institute Instructions and Definitions: Electric Company Carbon Emissions and Electricity Mix Reporting Template for Customers.
- Reviewing the emission factors and other data used in the calculations back to the source level.
- Interviewing relevant staff of the organization responsible for managing utility specific emission factor calculations.

LRQA's Standards, Competence and Independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Signed

Dated: 19th June, 2023

A handwritten signature in black ink, appearing to read 'David Hadlet', is written over a horizontal line.

David Hadlet
LRQA Lead Verifier

On behalf of LRQA, Inc.
1330 Enclave Pkwy, Suite 200
Houston, TX 77077

LRQA reference: UQA00000447

LRQA, its affiliates and subsidiaries, and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'LRQA'. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

The English version of this Assurance Statement is the only valid version. LRQA assumes no responsibility for versions translated into other languages.

This Assurance Statement is only valid when published with the Inventory to which it refers. It may only be reproduced in its entirety.

Copyright © LRQA, 2024.