

May 24, 2011

Edward Wilmes
Director Department of Public Works
Village of Orland Park
15655 Ravinia Avenue
Orland Park, IL 60462

Project: H11294CRE
Work Order: TBD
EPS Project: TBD

Re: Relocation of overhead electric facilities along Rt 45 (LaGrange Rd) as occupied.

Dear Ed,

This letter is in reply to an inquiry regarding the Village of Orland Park's (the Village) request to relocate ComEd's (the Company) overhead electric lines along Rt 45. More specifically, the subject electric lines are currently situated along the east and west sides of Rt 45 from just south of 144th Pl on the north and to 147th St on the south of the project plan.

The preliminary estimated cost to relocate the existing overhead facilities is approximately \$975,000. This is a non-binding, high-level cost estimate prepared without an engineering design for preliminary budgetary purposes only and is not a final cost for ComEd to provide any work to relocate the subject facilities. The final costs may be higher or lower depending on mutual agreement of facilities relocated, final engineering design, difficulty of work area and what the accepted contract bid is for performing the work. The Village should take note that final costs will be based off the total actual charges that ComEd incurred to complete this project. This cost estimate is good for 30 days from the date on this letter.

General Assumptions:

- This estimate is for the relocation of ComEd electric facilities only. The Village will need to contact other utilities for their relocation cost, if applicable.
- This cost does not include any credits resulting from ComEd's need to relocate facilities for IDOT's improvement project in the same area. Once the scope of IDOT's improvement is finalized and ComEd has determined the required relocations, a credit will be applied and the final cost to the Village will be determined.
- This estimate is based upon current tariffs with no escalation.
- Construction estimate and schedule is based on normal 40-hour workweek, without overtime, weekend, or Holiday work.
- Estimate does not include delays related to permitting needs required by governmental entities including municipalities or other optional facilities charges.
- Project scope provides no additional capacity, contingency or redundancy above what is specifically stated. Change in scope will result in additional charges. Estimate does not include any enhanced reliability.
- The project scope and/or timeline must align with ComEd's commitment to IDOT's construction schedule.

Village Responsibilities:

- The Village will be responsible to obtain all permits and easements at Village expense as necessary to support ComEd's construction schedule and installation methods, including but not limited to trimming without restriction.
- All ComEd customers which require service entrance modifications are the Villages' responsibility.
- No landscaping or beautification will be provided by ComEd, only rough grade back fill of all areas disturbed by the ComEd construction removal and installation of equipment. All restoration, finished grading, sod and/or seeding is to be completed by the Village within both the right-of-way and private property areas.
- Soil remediation will be the responsibility of the Village.
- Village to provide ComEd with all required 20' easements for underground facilities being installed.

- All trees, shrubs and vegetation to be removed by Village in the proposed 20' easement. Grade to be within 4" of final grade before ComEd starts its work.
- The Village must contact IDOT to communicate their request for undergrounding the electric facilities.

Preliminary Scope of Work:

- Replace 1 wood pole w/cross arm construction; remove 18 poles and associated primary/secondary wire and equipment.
- Install approximately 3,300' of 6" poly pipe/conduit, 4,000' of primary underground cable, 5 switchgear, 1 transformer and other associated underground equipment.

As an Illinois public utility, ComEd is subject to the terms and conditions of the Illinois Public Utilities Act (220 ILCS) and is obligated to provide reliable service at least cost. The relevant section of the Illinois Public Utilities Act (PUA) is Section 5/8-401, which states:

'Every public utility subject to this Act shall provide service and facilities which are in all respects adequate, efficient, reliable and environmentally safe and which, consistent with these obligations, constitute the least-cost means of meeting the utility's service obligations.'

The Village should take special note of the fact that ComEd must meet our "Service" obligations at least cost to our "Ratepayers." Should replacement or additional distribution lines be required, ComEd must install facilities at least cost, which may require the facilities to include an overhead pole line. Should the Village desire the facilities be placed underground; the Village will be obligated to pay for the incremental costs of undergrounding or rerouting the line(s). In summation, "The Village will pay the cost of the underground line, less the estimated cost of the avoided overhead installation".

If the Village desires to proceed with relocation, there will be an advance engineering charge required of \$50,000. This engineering charge is non-refundable, and will be applied towards the total cost of the project if the Village authorizes the construction work to proceed. Once engineering is complete, the cost estimate will be submitted for Village approval.

Once the Village approves proceeding with the project, there are two payment options available. The first would be a progressive payment schedule. This would include a first partial payment of 50% of the construction cost estimate prior to the start of construction with the potential for multiple payments as construction progresses. Final invoicing will occur upon completion of all work based on actual charges. The second option would be under Rider LGC, Local Government Compliance, where ComEd applies an additional "per kilowatt-hour charge" onto the monthly bills of all customers within the municipal boundaries of Orland Park. As costs for this project are incurred each month, the appropriate share of those costs will be reflected as a separate line item charge on the monthly bills of the customers. The "per kilowatt-hour" charges will continue until the project is completed and all costs for the project are reflected on ComEd's books of account.

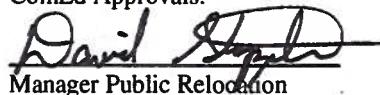
If you have questions please feel free to call me directly.

Sincerely,



Frank Perez
Sr. Project Engineer
Public Relocation Department
Office: (630)576-7090
francisco.perez@ComEd.com

ComEd Approvals:



Manager Public Relocation

Cc: Scott Bertrand – ComEd External Affairs Manager