

SECURITIES AND EXCHANGE COMMISSION

Release No. 35-28082; 70-10294

Exelon Corporation, et al.

Order Denying Request for Hearing by City of Philadelphia and Philadelphia Gas Works

February 7, 2006

On March 15, 2005, Exelon Corporation, a registered holding company under the Public Utility Holding Company Act of 1935 (“Act”), and Public Service Enterprise Group Incorporated, an exempt holding company under the Act (together, “Applicants”), submitted an application-declaration to the Commission seeking approval of a merger of the Applicants, sale of generation capacity, restructuring and certain other matters. Applicants amended their application-declaration on September 28, 2005 and December 30, 2005. The Commission issued notice of the application-declaration on December 30, 2005 (Holding Company Act Release No. 28079). Applicants further amended their application-declaration on January 20, 2006, requesting that the Commission take such action, either in connection with approval of the merger or separately, “as it may deem necessary to make findings under Section 11(b) of the Act in connection with the required asset divestiture....” On January 23, 2006, the City of Philadelphia and the Philadelphia Gas Works filed comments and a request for a hearing (“hearing request”) with respect to the transaction described in the notice issued on December 30, 2005. Applicants subsequently amended their application-declaration on January 24, 2006 and February 2, 2006.

On August 8, 2005, The Energy Policy Act of 2005 was signed by the President and became law, with the result that the Act is repealed and the Commission no longer has legal authority to act on the application-declaration, effective February 8, 2006 (six months after the

date of enactment). The Commission has determined that it is futile to hold a hearing in this matter because, despite diligent efforts and given the following circumstances, it is impossible for the Commission and its staff to complete action on the application-declaration by February 8, 2006: (a) there is an ongoing proceeding before the New Jersey Board of Public Utilities (“NJBPU”) regarding this proposed transaction that, according to papers filed by the NJBPU with the Commission on January 23, 2006, “is not expected to be concluded for several months”; (b) the transaction is under review at the Department of Justice; (c) on January 23, 2006 the NJBPU filed comments and a motion to intervene, and on January 31, 2006, the NJBPU filed a supplemental letter; and (d) the nature and extent of any assets that might be divested in connection with this transaction are not determined.

Accordingly, IT IS ORDERED that the hearing request be, and it hereby is, DENIED.

By the Commission.

Jill M. Peterson
Assistant Secretary