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WELCOME TO CONSTELLATION ENERGY'S 2010 CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT.

This report contains information for the family of Constellation Energy businesses and functions as of Dec. 31, 2010. This document presents our complete 2010 results unless otherwise noted, complemented by historical data to provide context. Our prior CSR reports, as well as a more extensive CSR 2010 report, can be found on our website.

Starting last year, we adopted the Global Reporting Initiative (GRI) G3 Reporting Principles for corporate sustainability reporting as the basic structure for our social responsibility reporting. In addition to GRI's core indicators, we report on the performance indicators of the GRI Electric Utility Sector Supplement. Please see the GRI Index on our website for more information about the processes used to develop our report content and other standard GRI disclosures.

This report covers data from all our currently owned operations, which are located in the U.S. and Canada. Where applicable, we include information from our joint ventures, partially owned operations and, in some cases, other stakeholder groups, including industry associations, public policy groups and other business partners. Because we retain a 50.01 percent ownership share in Constellation

Energy Nuclear Group, LLC (CENG), we include complete results for this business area for selected purposes and provide explanatory notes for the reader. For other joint ventures and partially owned operations, we include data from these operations where possible, though it is not currently standard practice to collect all environmental, social and economic indicators at the corporate level. In our calculations, estimates and data measurement techniques, we follow generally accepted methodologies for each of the metrics we report. Explanatory notes are included to clarify specific details, as appropriate.

During the preparation of this report, we worked with PricewaterhouseCoopers (PwC) to obtain limited assurance on our 2010 consolidated Scope 1 and Scope 2 greenhouse gas emissions data under the American Institute of Certified Public Accountants (AICPA) attestation standards. Our goal is to expand the concept of third-party assurance to other significant areas of sustainability data collection and reporting in 2011. PwC's limited assurance letter can be found at the end of this report and on our website at RESPONSIBILITY.CONSTELLATION.COM.

Let us know how we are doing and where you think we can improve by sending your comments and questions to us at RESPONSIBILITY@CONSTELLATION.COM.

ON THE COVER: (left to right from top)

- D) Constellation headquarters at 750 E. Pratt Street in Baltimore, managed by Cassidy Turley, won the Outstanding Building of the Year, the Pinnacle Award for Energy Management and the Best Management Team Award from the Building Owners and Managers Association of Greater Baltimore in 2010.
- 2) Close-up of Constellation's new Hillabee Natural-Gas
- Fired Power Plant in Alabama, which became operational in 2010.
- One of the 28 turbines at Constellation's new Crite rion wind facility in Maryland, the state's first wind farm.
- 4) 30.9 percent of our generation capacity is comprise of coal-fired power plants. Our largest coal plant, Brandon Shores in Maryland, was recently retrofitted with state-of-the-art emission control technologies, making it one of the cleanest plants of its kind in the country.
- 5) Constellation volunteers remove debris from the Back River, a tributary to the Chesapeake Bay.

About Our Businesses

Constellation Energy has a long and pioneering history in the energy industry. From our roots as the nation's first gas light utility, we have evolved into one of the largest and most innovative energy companies in America—a publicly traded (NYSE: CEG) Fortune 500 leader, headquartered in Baltimore, with more than 10,300 employees and \$14.3 billion in annual revenue. Our market-leading retail energy supply business continues to grow, as does our generation fleet, which had 9,030 megawatts (MW) of capacity as of Dec. 31, 2010. Our utility, Baltimore Gas and Electric Company (BGE), is now approaching its 200th anniversary and continues its tradition of forward thinking with the planned rollout of one of the most comprehensive smart grid programs in the nation.

CUSTOMER-CENTRIC AND COMPETITIVE

Constellation's customer-centric business model is at the forefront of our industry. We are strongly committed to advancing competition in energy markets. Competition drives innovation, provides choices for customers and helps to keep energy costs as low as possible. Our company is built to compete and win across the energy spectrum—with a diverse, yet complementary, mix of businesses. We generate, manage and supply energy products and services to a broad range of customers nationwide. Our businesses serve the largest commercial, industrial and public-sector power and gas users, as well as the small business and residential communities.

GENERATION

The company's power generation fleet has assets in Maryland, New York, Massachusetts (newly acquired in 2011), Pennsylvania, Alabama, Texas, California, Utah and Alberta, Canada. In November 2009, we completed the \$4.7 billion sale to EDF Group (EDF) of a 49.99 percent ownership interest in Constellation Energy Nuclear Group,

LLC (CENG), our nuclear generation business. CENG, now a joint venture of Constellation Energy and global nuclear leader EDF, owns and operates five nuclear units—three in New York and two in Maryland. The chart on the opposite page illustrates the mix of power generation technologies our company owns.

CUSTOMER SUPPLY

Constellation's competitive power and natural gas energy supply businesses are leaders nationwide, serving more than 25,000 retail commercial, industrial and government customers. We sell electricity and natural gas to the nation's largest and best-known brand name companies. In fact, two-thirds of the companies on the Fortune 100 index are Constellation customers.

Our wholesale electricity supply business provides power to utilities and municipal co-ops nationwide, supplying them with reliable and uninterrupted power 24 hours a day, 365 days a year. In 2010, Constellation expanded into residential electric supply markets in Maryland and New Jersey and continued growth into more markets in 2011. Our competitive pricing plans allow households to make meaningful reductions in their electricity rates.

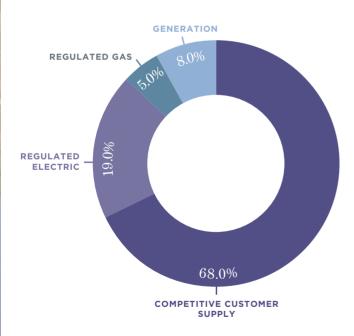
BGE

BGE serves more than 1.2 million business and residential electric customers and more than 652,000 gas customers in an economically diverse, 2,300 square mile area encompassing Baltimore City and all or part of 10 Central Maryland counties. On July 1, 2000, the company moved from being a vertically integrated utility that both produces and delivers electricity to one that delivers electricity produced by others—much as it already did for the natural gas side of the business. Today, BGE is building on a proud tradition to create a promising future for employees and customers.



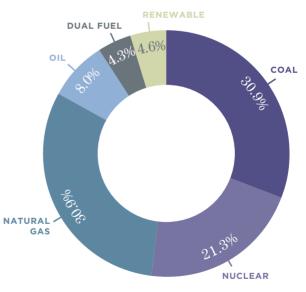
BUSINESS COMPOSITION BY REVENUE

AS OF DEC. 31, 2010



GENERATING CAPACITY

AS OF DEC. 31, 2010



As of Dec. 31, 2010, 68 percent of our revenue came from serving the energy needs of competitive energy customers, including commercial and industrial businesses, government organizations, wholesale energy suppliers and residential customers who chose Constellation Energy as their energy supplier.

Total Capacity: 9,030 MW as of Dec. 31, 2010.

NOTE: Our 2010 generating capacity includes wholly owned generation and our equity share of partnership facilities. Figures above do not include the 2,950 MW natural gas-powered fleet in the Boston area acquired in January 2011.

2010 By the Numbers

10,300	The number of employees of Constellation Energy, its consolidated and deconsolidated subsidiaries as of Dec. 31, 2010. This includes CENG, which was deconsolidated on Nov. 6, 2009.
\$14.3 billion	Net revenue for 2010 was \$14.3 billion.
1.2 million	BGE served more than 1.2 million electric customers and more than 652,000 natural gas customers in central Maryland in 2010.
80,000	The number of households that chose Constellation as their competitive electricity supplier in 2010. Constellation began offering electricity to residential customers in Maryland and New Jersey in 2010 and has expanded the service to new markets in 2011.
9,030	We owned 9,030 MW of electricity generation in 2010.
119 million	Our retail and wholesale energy business supplied approximately 119 million megawatt hours (MWh) of electricity to residential, commercial, industrial and governmental customers, as well as distribution utilities and municipalities.
334 million	Our competitive gas business provided approximately 334 million British Thermal Units (BTU) of natural gas to residential, commercial, industrial and governmental customers.
7,050,000	The kilowatt hours (kWh) of clean, solar electricity produced by 12 photovoltaic installations operated by Constellation at customer sites nationwide. The numbers of solar sites, customers and kWh continue to grow each year.
24,800	BGE maintains approximately 24,800 miles of distribution lines, 1,300 miles of transmission lines and 240 substations across its 2,300 square mile electric service territory. Natural gas service covers 800 square miles.
4 million	The number of community members served by Constellation's community outreach through our charitable contributions and volunteer efforts.

To Our Stakeholders



MAYO A. SHATTUCK III CHAIRMAN, PRESIDENT AND CEO

It is my pleasure to introduce Constellation Energy's 2010 Corporate Social Responsibility (CSR) Report.

OUR OBJECTIVES

This year's report continues to demonstrate the substantial progress we have made in implementing our sustainability and growth strategy, in continuing our progress in environmental governance and performance, and in advancing our constructive engagement with communities and customers we serve.

BUILDING ON OUR MOMENTUM IN MERGING WITH EXELON

As this report goes to press, the news of our proposed merger with Exelon is still quite fresh. We are excited about the ways in which this combination will strengthen our ability to provide customers with clean and renewable energy at highly competitive prices, and build on our commitment to sustainability. While the merger is in the review and approval process, and the employees of both companies work to welcome new colleagues and plan for integrating into a new whole, Constellation's progress on our initiatives and goals will continue apace. Please stay tuned to learn more as the merger process unfolds by visiting our joint website at **WWW.EXELONCONSTELLATIONMERGER.COM**.

SERVING OUR CUSTOMERS' ENERGY MANAGEMENT NEEDS IS OUR FIRST PRIORITY

In 2010, we restructured our sales force and our customer service functions, creating a unified team that helps meet our customers' energy management needs and their sustainability goals. By coupling electricity and gas sales with our broad spectrum of energy management, demand response and efficiency products and services, we provide Constellation customers a unique advantage.

BGE customers will soon have access to leading technology in smart energy management through our investment in building a smart grid. With the Maryland Public Service Commission's approval, we are investing upward of \$480 million dollars in smart grid technologies that will make real-time communication about the electricity grid and energy use available in ways never before possible. By 2015, BGE customers will be served by an electric system that leads the nation in smarter energy management.

To give you a feel for how important innovation is to our company, let me share another example: in May 2010, we introduced VirtuWattTM, an innovative energy-management product developed entirely in-house by our own talented energy-savvy software team. This product allows customers to develop energy management scenarios such as changing

buildings' climate control settings and responding in real time to changes in the market demand and prices for electricity. Customers can now do all this remotely with a VirtuWatt TM iPhone app.

SETTING ENVIRONMENTAL SUSTAINABILITY GOALS ACROSS OUR OPERATIONS KEEPS US FOCUSED ON PROGRESS

In 2010, we developed our first-ever set of corporate environmental sustainability goals, summarized in the following pages. These goals reflect much organic desire within the company to make real progress every day in improving our environmental stewardship practices. It heartens me to know that employees have plans in place to achieve these important sustainability results while maintaining our traditional emphasis on fiscal responsibility.

DYNAMIC ENERGY MARKETS ILLUSTRATE OUR CORE COMPETENCIES

The decrease in natural gas prices as a result of new drilling technologies that tap abundant supplies of shale gas has had a profound impact on energy prices, making electricity more affordable for households and businesses across the country. While low energy prices benefit consumers, this market environment puts pressure on some parts of our business in the short term.

At the same time, the Environmental Protection Agency (EPA) is in the process of fulfilling its legal mandates to finalize regulations on air and water quality, as well as waste disposal rules, changing the economics of various fuel types and generation facilities. I am proud to say these dynamics have brought out the best in us in terms of our strategic planning, integrated risk assessment and our policy advocacy. Over the past year, we have focused on strategic acquisitions, especially in the areas of clean energy production from natural gas-fired power plants and in the burgeoning field of demand response. The facilities and firms we acquired are positioning our assets and business lines to respond well to these market and regulatory drivers and help us better serve the needs of our customers.

OUR EMPLOYEES' COMMITMENT TO SAFETY, EXCELLENCE, TEAMWORK AND ACCOUNTABILITY CREATES OUR SUCCESS

Our employees' values and work ethic are critically important to our business and our future. The strong safety records of each of our businesses in 2010 are a testament to the great care and pride of our focused and dedicated personnel. As national economic challenges persisted, and partnership and regulatory developments brought uncertainty, the ability of our teams to stay the course and pursue our strategic objectives has been essential.

Our community of stakeholders includes not just those who live next door, but many individuals, groups and institutions for whom our performance and our impacts are important and whose opinions and activities are important to us in turn. Together, we will continue to be forward thinking in our approach to safety, our communities, our business and our future.

We welcome you to continue this dialogue with us by offering us your comments and questions. Please send your thoughts to **RESPONSIBILITY@CONSTELLATION.COM**.

Regards,

Mayo A. Shattuck III Chairman, President and CEO June 2011

Environmental Sustainability Goals

A culture of continuous improvement and forward thinking reminds us that we can always do better, and leads us to focus on goals to improve our environmental sustainability programs.

In 2010, we developed our first-ever set of corporate environmental sustainability goals.

CUSTOMERS AND PRODUCTS	GOALS	LOOKING AHEAD: 2010-2015
We aim to deliver innovative products and services that help our customers achieve their own sustainability objectives.	Provide clean energy products and services	Between 2010 and 2015, we aim to enable our customers to avoid 7 million tons of CO_2 on a cumulative basis. Between the end of 2010 and 2015, we plan to increase megawatts of installed and operated on-site solar generation threefold from current levels.
	Implement an ambitious smart grid program through BGE	BGE's rollout of its smart grid initiative will begin in 2011 and be fully operational by mid-2014. BGE will install 2 million smart meters in customers' homes, enabling them to optimize their home energy use, save money and contribute to environmental benefits.
	Rapidly address sustainability challenges and meet our customers' needs	We will pursue strategies to develop innovative processes, products and services that combat pollution and respond to emerging industry trends such as electrification of transportation and issues at the water-energy nexus.

STEWARDSHIP	GOALS	LOOKING AHEAD: 2010-2015	
In all facets of our business, we will examine our interaction with the environment to identify ways of minimizing both the environmental risks and environmental impacts from our activities. We are committed to using natural resources responsibly, preventing pollution, improving energy efficiency	Focus on water, energy, waste and wildlife habitat protection.	By the end of 2011, we will evaluate numerical targets for environmental improvement in: • Water management; • Internal energy management; • Waste minimization and landfill diversion. In 2011, we will pursue further Wildlife Habitat Council certifications where appropriate to protect biodiversity at our major locations.	
and enhancing environmental stewardship.	Reduce or offset greenhouse gas (GHG) emissions from our own operations.	By 2015, we project that the GHG emissions intensity of our generation fleet will decrease from 2010 levels by approximately 5 percent due to nuclear uprates, natural gas-fired plant acquisitions and other planned operating improvements. Actual reductions achieved may vary due to potential changes in our asset mix.	
	Reduce air emissions from our generating facilities.	We are committed to remaining one of the lowest-emitting fleets in the nation.	
	Beneficially reuse ash (coal combustion residuals) from our facilities wherever possible.	We aim to continue to surpass the industry average for beneficial reuse of the ash produced at our facilities, and our long-term goal is to reuse all of our ash byproducts.	
	Improve recycling rates across company operations, including our office locations.	Focusing on the benefits of reusing material from company operations, our supply chain group has made improvements across several Constellation business units with respect to the disposal, recycling, reconditioning, resale and reclamation of precious metals, scrap metal, chemicals, liquids and wood poles.	
		BGE aims to provide its unusable creosote and penta utility poles as fuel input for a power plant in Pennsylvania, diverting more than 900 tons/year from the municipal landfill.	
		BGE's new initiatives are aimed at achieving an 80 percent or higher recycling rate by 2015.	
	Pursue opportunities to increase the efficiency of BGE's vehicle fleet.	We are always working to increase the efficiency of our vehicle fleet. We are in line to expand our current set of plug-in hybrid electric vehicles (PHEVs) by acquiring Chevy Volts, electric vehicles that run primarily on a 16-kWh lithium-ion battery pack. As part of a national collaborative effort, we will be testing PHEV mid-size bucket trucks. Over the next several years, we are planning to swap out more than 90 bucket trucks with higher-efficiency replacement vehicles and evaluation of hybrid powered replacements will be part of the procurement process.	

Sustaining our commitment to communities

COMMUNITY

We believe it is our duty to use the resources available to us to improve the quality of life in our communities.

GOALS

Continue our commitment to responsible leadership, civic engagement and contributing to charitable causes in communities where we do business.

LOOKING AHEAD: 2010-2015

We are initiating a long-term effort to become more engaged in bringing creative solutions to our communities, in partnership with other organizations and stakeholders.

We will give 1 percent or more of our annual EBIT to support charitable organizations and causes. We plan to allocate 15 percent of these contributions to environmental causes by 2016.

NOTE: The preceding goal reflects Constellation's contribution commitment prior to the announced proposed merger with Exelon. As part of the proposed merger terms, the companies have agreed to maintain an average of \$7 million in annual giving in Maryland for 10 years following the merger.

Our goal is to sustain and build on our average of approximately 45,000 hours of volunteer effort per year.

As the 200th anniversary of our company's relationship with the city of Baltimore approaches, we are looking for opportunities to strengthen our home city and improve its energy-use profile. With responsible leadership, commitment and vision, we can make a positive difference as Baltimore and our other local communities prepare for the future.

COMPLIANCE

Constellation Energy's Environmental Policy states, in part, "In conducting our business we will meet or exceed the requirements of all applicable environmental laws and regulations, and we see this as a minimum standard to which we hold ourselves."

GOALS

No exceedance of an applicable environmental standard is considered acceptable and we continuously strive to improve our performance to ensure compliance and reduce our impact on the environment from our business.

LOOKING AHEAD: 2010-2015

In 2011, we will enhance our existing compliance audit program by conducting a review of our compliance with our recently implemented Corporate Environmental Policy Standards, which set out the requirements for environmental management systems (EMS) at our company. Adherence to these standards should promote better future environmental compliance as well as continuous improvement in all facets of our environmental processes across the company.

GOVERNANCE	GOALS	LOOKING AHEAD: 2010-2015
We are examining and strengthening our internal policies, procedures, systems and culture—all critical factors in improving Constellation Energy's environmental sustainability. We also advocate for sound energy and environmental policies and are committed to providing thought leadership for the energy industry.	Continuously improve our environmental management system and increase ISO 14001 certifications at our sites.	In 2011, we will begin auditing conformance with our EMS requirements, build on risk management practices, expand our goal-setting process, and identify other areas for continuous improvement. By 2015, we aim to receive ISO 14001 certifications at some of our major facilities.
	Incorporate best practices in building efficiency and sustainability and following LEED Guidelines where possible.	Corporate Real Estate will strive to meet Leadership in Energy and Environmental Design (LEED®) certification requirements for all build-outs/renovations within owned and leased buildings (for all business units) that follow the U.S. Green Building Council's 2009 LEED Guidelines for Commercial Interiors, where practical and financially feasible. In 2010, our corporate real estate group designed and will complete two projects that are expected to achieve a LEED silver certification in 2011. By 2015, we aim to obtain additional LEED certifications for our major business locations. • As part of the proposed merger with Exelon, the companies intend to build or substantially renovate a state-of-the-art LEED® office to house the expanded Baltimore commercial and renewable energy headquarters center in Baltimore.
	Develop internal supply chain environmental programs—establishing criteria and processes to incorporate environmental responsibility criteria in our vendor selection process.	Over the course of 2011, we will implement environmental guidelines and develop risk management practices in our supply chain activities related to vendor environmental responsibility.
	Further develop and implement a more robust employee awareness communications plan around environmental and sustainability issues.	Our employees have voiced strong interest in learning more about environmental practices and product offerings across our various businesses. We will develop an internal communications and engagement plan to ensure access to a wide range of sustainability topics and involvement opportunities for all our employees.
	Improve our external communications on sustainability matters and our sustainability reporting processes.	 In 2011, we will focus on continuously improving: Data collection by employing a unified solution that provides access to near real-time data; Verification of our reports and data by third parties; Internal and external reporting processes by deepening our board's engagement in sustainability issues and by striving to improve the transparency and usefulness of our public sustainability reporting.
	Continuously improve overall energy efficiency and sustainability of Constellation's information technology assets and operational processes.	 In 2011, we will continue to drive energy consumption, sustainability and power usage effectiveness (PUE) improvements across our technology infrastructure: Continued measurement and monitoring of our PUE improvements against plan; Expansion of our server virtualization strategy to achieve 60 percent by end of 2011; New deployments of thin-client PC workstation technology to reduce PC power consumption; Initiate the implementations of Windows 7, enabling significant improvements in desktop power management (15–25 percent over Windows XP); Continued refresh of our server fleet to the energy efficient Intel chip sets.





Our ability to adapt our strategies builds from Constellation's core commitment to integrity, customer focus, employee engagement, innovation and sustainability.

Forward thinking

LEADERSHIP AND STRATEGY

Corporate leadership and social responsibility—these are the cornerstones of our success. Being forward thinking is essential to who we are. Dealing with a dynamic and changing world is a given. We have organized ourselves accordingly.

As we focus our company's businesses on retail customers' needs, we must increase energy efficiency gains, open competitive markets and deliver innovative customer offerings such as energy risk management services, demand response and on-site solar. We are making our energy sources cleaner, and we are reducing and reusing our byproducts and waste material wherever we can. More than 90 percent of our total electricity output comes from nuclear, natural gas and coal plants that we have already retrofitted with state-of-the-art emissions control technologies.

In creating value for shareholders, Constellation Energy depends on the guidance and oversight of our board of directors. We rely on responsible leadership, good governance, risk management, principled behavior and integrity to protect and advance the strong business we have built together. Our financial success and the health of our business enable us to be a reliable civic leader and to be a partner to our many stakeholders from local environmentalists to policy makers, investors and families of employees.

MANAGING CHALLENGES AND OPPORTUNITIES

As we think forward, here is some of what we face:

- Sharpening our focus on customers;
- Investing in essential utility infrastructure;
- Navigating commodities market dynamics;
- Encouraging competitive electricity markets;
- Anticipating more stringent environmental policy;
- Managing safety at nuclear facilities and across all operations;
- Improving stakeholder engagement;
- Empowering employee advocacy.

OUR VALUES

INTEGRITY

TEAMWORK WITH RESPECT FOR INDIVIDUALS

COMMUNITY AND ENVIRONMENTAL RESPONSIBILITY

CUSTOMER COMMITMENT

SAFETY

EXCELLENCE AND ACCOUNTABILITY

MANAGEMENT

CEO

BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

AUDIT COMMITTEE

COMPENSATION COMMITTEE

NOMINATING AND CORPORATE **GOVERNANCE COMMITTEE**

COMMITTEE ON NUCLEAR POWER

As our industry landscape changes, we remain mindful of our stakeholders' issues and help them navigate changes too. Our employees and our communities rely on us to be prepared in the case of natural disasters and other extreme events. We must ensure operational safety and reliable electrical service. We do our best to keep the lights on through extreme weather events and to get them back on as quickly as possible in case of an outage.

BGE recently won the Edison Electric Institute Emergency Recovery Award for outstanding restoration efforts during the historic, back-to-back blizzards in February 2010.

RELIABILITY				
YEAR	TRANSMISSION RELIABILITY	DISTRIBUTION RELIABILITY		
2010	100%	99.961%		
2009	100%	99.968%		
2008	100%	99.968%		

Across our operations, we approach risk and manage risk in an integrated way—from physical risks at a plant to financial risks in managing energy contracts. We believe that strong risk management equates to good business management. We have created a common vocabulary and framework for risk across the company. Our interactions with the environment are assessed as part of our companywide EMS, contributing to our perspective on issues of sustainability. Incorporating environmental risks into the integrated risk governance structure provides a solid



MEMBERS OF CONSTELLATION'S MANAGEMENT COMMITTEE representing every facet of our business gathered with employees in 2010 to discuss Constellation's transformation efforts and our commitment to continuous improvement.

foundation for effectively managing these issues at each level of our risk governance structure.

Meeting the requirements of the law is fundamental to our company culture. Employees are informed of their obligations and encouraged by our culture to abide by company ethics. In all that we do, we meet our essential obligations and other commitments to society in the conduct of our business.

TO LEARN MORE, PLEASE VISIT OUR WEBSITE AT WWW.CONSTELLATION.COM/ABOUTUS





With a solid environmental management system (EMS) in place, corporate environmental goals established and the recent acquisition of clean natural gas plants, we are working to continuously improve our environmental performance in several ways.

ENVIRONMENTAL POLICY ENGAGEMENT

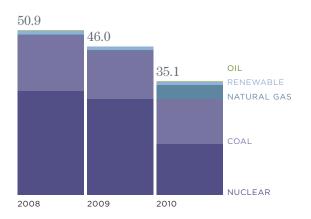
EPA regulations and national policy define the conditions for various dimensions of our business. These government decisions require ever-stricter controls on air emissions, water management and solid waste disposal. These changes are beneficial for our health and the environment over the long term while sometimes requiring near-term investments and business process changes for large electricity generating plants and other facilities that we own. Active engagement in policy dialogue is the best means to stay current and make sure Constellation's perspective is heard. Through industry associations and trade groups, we discuss policy implications for the industry, the environment and the economy. Please visit our website to learn more about the EPA's policy agenda and Constellation's point of view.

ENVIRONMENTAL IMPACTS

We assess our interactions with the environment systematically through our companywide EMS and evaluate controls and mitigation measures as part of our environmental governance process and through our integrated risk assessment and risk governance processes.

TO LEARN MORE, PLEASE VISIT OUR ONLINE CSR REPORT AT RESPONSIBILITY.CONSTELLATION.COM

ANNUAL ELECTRICITY GENERATION BY FUEL TYPE (MM MWh)

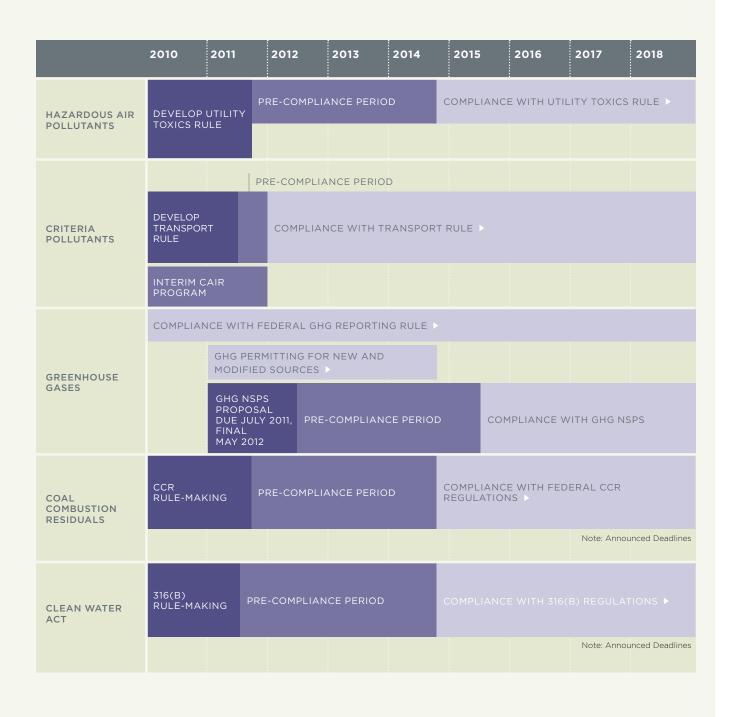


NOTE: Prior to 2010, we owned 100 percent of the emissions-free generation from five nuclear power units at three locations, and now we share ownership with EDF Group, though Constellation remains the majority owner. As a result, our average total annual MWh produced has decreased, and the proportion of our generation made from fossil fuel-fired facilities has increased, increasing the CO₂ intensity of our generation.

AIR Keeping the air we breathe clean is a priority for us. Our air quality performance is a result of the fuel mix of our generating assets and the pollution control technologies in place.

Forty-five percent of the electricity we generate is from nuclear power, which produces no emissions during operation.

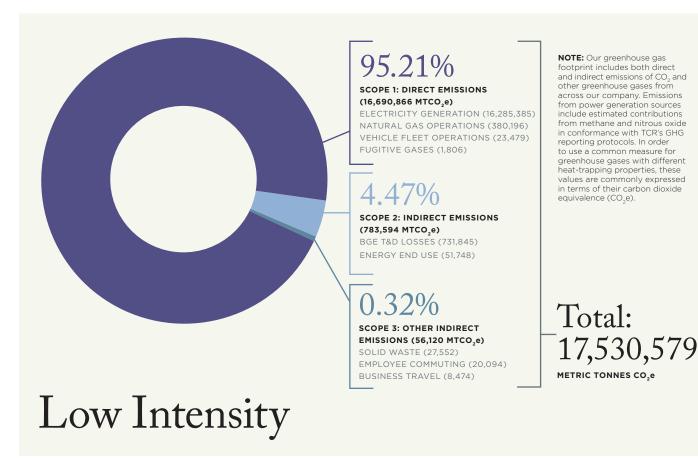
EPA's Regulatory Road Map



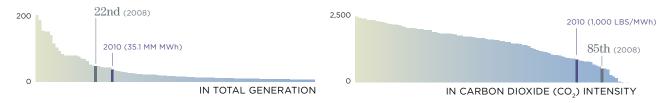
Our 2010 Greenhouse Gas (GHG) Footprint

Our power plants emit less CO, per megawatt hour of electricity than most of our peers in the industry. We perform a careful inventory of our GHG emissions each year, not only the direct emissions from generating electricity but also those indirect emissions that result from ancillary business activities, including building energy consumption, employee commute and employee business travel. The chart below shows our GHG emissions, as

they are categorized according to The Climate Registry's (TCR) GHG protocol. For the first time, we have worked with PricewaterhouseCoopers (PwC) to assure our 2010 consolidated Scope 1 (direct) and Scope 2 (indirect) greenhouse gas emissions data under the American Institute of Certified Public Accountants (AICPA) attestation standards. PwC's limited assurance letter can be found at the end of this report.



OUR RANKING AMONG THE TOP 100 U.S. GENERATORS

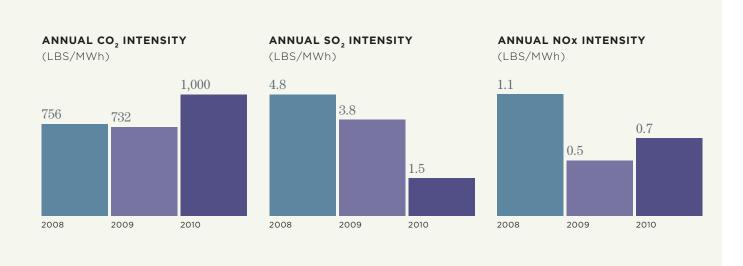


SOURCE: Benchmarking Air Emissions of the 100 Largest Power Producers in the United States [2008 Data], Ceres, et al. published June 2010. The Ceres graphs above utilize data from 2008 and illustrate that Constellation is one of the cleaner generators in the industry. Constellation Energy's ranking is noted for 2008, and for the purposes of this report we have also added our 2010 generation and emissions intensity numbers relative to the 2008 industry data, since 2010 rankings are not yet available

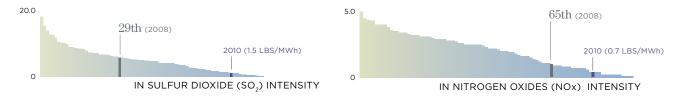
Ceres, a national network of investors, environmental organizations and other public interest groups that works with companies and investors to address sustainability challenges such as global climate change, publishes a biannual report benchmarking the 100 largest power producers in the U.S. According to its most recent report in June 2010, which uses 2008 data, Constellation Energy ranked positively among our peer companies in emissions of CO_2 and pollutants on an intensity basis. The emissions intensity charts opposite and below show that in spite of reducing our ownership of our emissions-free nuclear plants, the overall CO_2 intensity from our electricity generation has remained favorable.

Our coal-fired plants in the Baltimore area are now among the cleanest of their kind in the U.S. because their emissions are controlled with the latest emissions control technology, which became fully operational in early 2010.

While intensity of our emissions has changed a bit as a result of reporting only 50 percent of the nuclear generation this year, our overall emissions intensity profile, including SO₂, NOx and CO₂, remains quite positive on an industrywide basis.



OUR RANKING AMONG THE TOP 100 U.S. GENERATORS



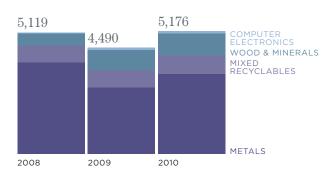
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60% coal ash reuse

WATER AND WASTEWATER Water is a precious resource, and we are working to improve the way we manage water in our business operations. Our corporate goals for 2015 include finding ways to improve our water use and water management techniques. Throughout 2011, we will be developing a fuller picture of our water footprint.

RELEASES AND DISPOSAL OF WASTES Ash is a byproduct of using coal combustion to generate electricity. We take our communities' interests into account in our decisions about the best ways to manage the ash byproducts from our facilities. Ash can be used as a raw material in various commercial and industrial processes, and we aggressively pursue opportunities to make productive use of these byproducts. While others in our industry achieve

ANNUAL RECYCLING (TONS)



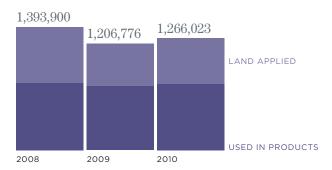
NOTES: BGE currently recycles cans, bottles, paper and most cardboard at all BGE locations. BGE also recycles rubber, plastics, metals, electronics, meters, lighting, batteries, electrical equipment and many other items. Single-stream recycling started at all BGE facilities in October 2010. In addition to many of these materials, BGE HOME recycles a wide range of materials from the field, including appliances, styrofoam and appliance packaging.

ASH/BYPRODUCTS USED IN COMMERCIAL/ INDUSTRIAL PRODUCTS (TONS)



MANAGEMENT OF ASH/BYPRODUCTS

(TONS)



NOTES: Most of the ash and other byproducts included in the tables above are considered coal combustion residuals (CCRs), however, byproducts from our biomass plants are also included. 1) Our Brandon Shores emission control systems now produce a large amount of gypsum, which is used in the production of wallboard products. Because our facilities did not produce gypsum prior to 2010, we have added a new category of commercial and industrial use. 2) In 2010, for the first time, we are reporting data on disposal of ash and other byproducts for the coal, waste coal and biomass generation facilities in which we have an ownership stake. Byproducts from these facilities are used in Mine Reclamation and Soil Stabilization, in addition to other uses, and we have added these categories to the chart to reflect these uses. 3) We have re-labeled the category "Glass Substitutes" to "Abrasives" to more accurately reflect these uses to which these materials are put by the purchaser



COMMERCIAL OPERATION OF CONSTELLATION'S NEW HILLABEE NATURAL GAS-FIRED POWER PLANT

in Alabama began in June 2010. We added more than 1,800 megawatts of natural gas generation capacity in 2010 and another 2,950 megawatts of natural gas capacity in January 2011.

roughly a 40 percent level of ash reuse, we have successfully sent on average 60 percent of our ash to commercial and industrial facilities over the past several years. We have also secured and developed a state-of-the-art permitted landfill with liners and treatment systems to ensure safe disposal for the amounts that cannot be used in products.

Our environmental footprint includes other types of waste and releases as well, such as the storage of spent nuclear fuel, the disposal of hazardous waste and certain kinds of toxic releases. Please see our website for further information on our toxic release inventory (TRI) and these waste streams to learn more about how Constellation Energy manages them.

We monitor corporate environmental metrics quarterly to assess our performance on air quality, water usage, management of solid wastes, compliance with laws and regulations, and the implementation and performance of our companywide EMS. The majority of these metrics are reported here and in the Environmental Performance section of our online CSR Report.

We verify conformance with our EMS standards through our internal environmental auditing group. Our Environmental Working Group and Environmental Review Board review these results and are actively engaged in continuously improving our stewardship of the environment.

VIOLATIONS AND PENALTIES				
<u>.</u>	2008	2009	2010	
Notices of Violation Received	3	12	5	
Monetary Penalties Assessed (\$)	1,000	9,406	16,600	

NOTE: Violations are counted in the year they are received. Likewise, penalties are counted in the year they are assessed. Although no fines or penalties are acceptable to us, we believe these fines and penalties represent a low level of enforcement activity for a business that is as environmentally intensive as electricity generation.

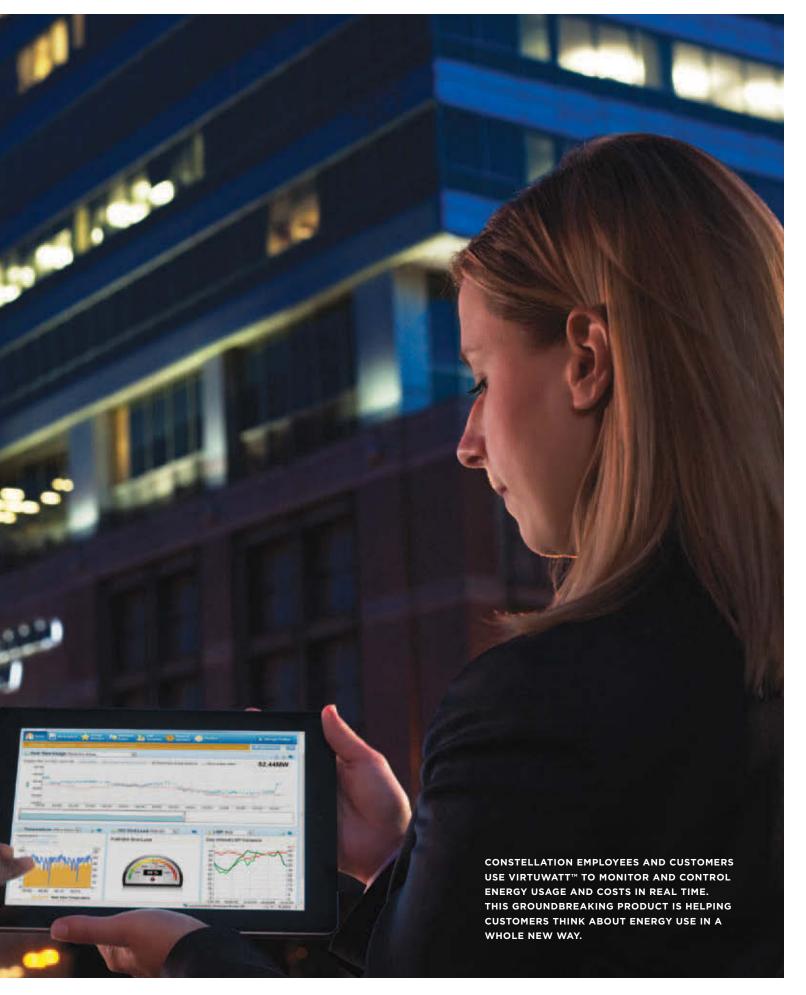
Setting goals for ourselves drives results. In 2010, we set corporate sustainability goals across our business areas and each year we will update them and report on our progress.

We are committed to using natural resources wisely, minimizing our impacts on the environment and seeking opportunities to improve our environmental governance and performance.

TO LEARN MORE, PLEASE VISIT OUR ENVIRONMENTAL POLICY STATEMENT ON OUR WEBSITE:

WWW.CONSTELLATION.COM/SOCIALRESPONSIBILITY/ ENVIRONMENTALPERFORMANCE.





Forward thinking engineers, software designers, and product and service specialists are developing new ways of delivering, managing and using energy that help us and help our customers leave a lighter footprint on the environment and move toward more sustainable operations.

Our engineers, software professionals and environmental specialists across our businesses are working creatively to develop new, innovative approaches to energy issues.

To encourage innovation in environmental stewardship, our generation group and our regulated utility company have created annual awards programs for groundbreaking initiatives. Many innovations, from using integrated vegetation management techniques in our transmission rights-of-way to oil filter compression techniques to collaboration on a "neural network" that optimizes our Selective Catalytic Reduction (SCR) process, have been featured.

These efforts not only reduce and improve environmental impacts, but also save money.

To evaluate and support innovation across our value chain, we created an Innovation Council to monitor our new products and services as they move through phases of development to commercial application. In addition, we are following promising new energy technologies and innovations that could have valuable applications in our industry. Constellation Venture Strategies seeks to invest in companies that are complementary to other Constellation business lines, supporting both internal and external innovation, while providing our customers a window to what's next.



WE WORK WITH A RANGE OF SOLAR TECHNOLOGIES

and manufacturers, including Unicor, which produces photovoltaic panels as part of a Federal Prison Industries voluntary real-world work program for federal inmates. Constellation is using Unicor panels on solar installations for federal correctional institutions and the U.S. Department of State.

We enable our customers to source and purchase cleaner and renewable power through various products and services we offer through our competitive energy business.

See the table on page 24 for a summary of these clean energy products and services.



PUTTING CUSTOMERS IN THE DRIVER'S SEAT: **VIRTUWATT™**

VirtuWatt brings our customers a single platform that allows commercial power users to take advantage of the benefits of competitive electricity markets in real time.

In May 2010, Constellation Energy released to its customers a new energy management product, VirtuWatt, developed in-house by our own team of creative software developers. VirtuWatt represents an entirely new type of energy management capability in the industry. In the fall of 2010, we released our VirtuWatt iPhone® app, the first of several planned mobile capabilities for our customers.

HOW IT WORKS VirtuWatt is a user-friendly, easily accessible energy management system that can be applied to any kind of commercial or industrial facility. With an intuitive dashboard, customers can track current energy usage, usage trends and current market values in real time. Our software connects with the building management system at the customer location and reads data on energy usage in real time. Our VirtuWatt Energy Management (VEM) component connects with the building management systems at the customer location, enabling control of these building systems at their direction.

Predefined VEM curtailment scenarios to moderate facility energy usage can be developed so that customers may deploy either automatically or manually. The capability to automate the decision process for curtailing energy using preset scenarios allow management of facility energy usage even when personnel are not on site, VirtuWatt can help significantly reduce energy costs for commercial electricity users.

The VirtuWatt mobile app is currently being optimized for the iPad™, and will soon be available on other smart phone platforms, including Android™ and BlackBerry®.

VIRTUWATT-WHERE MEGAWATTS MEET MEGABYTES.



Clean Energy Products and Services: Constellation Energy

SUSTAINABILITY INNOVATION	2010 HIGHLIGHTS	DESCRIPTION
GENERATING CLEAN, EMISSIONS-FREE AND RENEWABLE ENERGY	2,320	We own 1,920 MW of nuclear generation capacity and more than 400 MW of renewable generation capacity, including solar, wind, hydro and biomass.
SOURCING CLEAN AND RENEWABLE ENERGY	2,120	Constellation Energy contracts for approximately 780 MW of renewable energy from wind, biomass, landfill gas, hydro and solar facilities throughout the U.S. We use the renewable energy we purchase to meet our obligations under various state renewable portfolio standards, and sell renewable energy to customers to meet their own sustainability goals. These purchases help promote development of renewable energy sources. We also contract for an additional 1,340 MW of clean, nuclear energy through CENG, LLC, our nuclear joint venture.
PROVIDING RENEWABLE ENERGY CERTIFICATES	1.1 million мwн	Constellation Energy is a leading provider of Green-e certified renewable energy certificates (RECs), which are issued to generators of renewable energy for each megawatt hour of electricity produced. In 2010, Constellation arranged energy and REC purchases for customers, including the U.S. Open/U.S. Tennis Association, Gillette Stadium/New England Patriots, DLA Piper and federal government sites in Washington, D.C., including the Department of State and the Department of Energy.
OFFERING DEMAND RESPONSE	1,600	Constellation's demand response programs allow its commercial and industrial customers—among the biggest energy users—to earn payments for voluntarily reducing electricity consumption during times of peak electricity demand or grid instability. In 2010, Constellation acquired CPower, a leading demand response provider, making Constellation the second-largest provider of demand response services to commercial and industrial customers. Together, CPower (under Constellation from October 2010) and CNE sold 590 MW of demand response in 2010. The portfolios of these combined businesses now comprise more than 1,600 MW of curtailable demand response across North America.
PROVIDING ON-SITE SOLAR FOR CUSTOMERS	35 mw	One of our growing businesses is the financing, construction and management of utility scale and on-site solar installations for customers seeking clean renewable energy supplies for their business locations. In 2010, we contracted to build and operate more than 35 MW of on-site solar, bringing our total capacity of solar systems in operation or development to nearly 60 MW. Our solar customers include Benjamin Moore Paints Company, Denver International Airport, Johnson Matthey and McCormick Spice Company.
PROMOTING ENERGY EFFICIENT PRODUCTS	175 PROJECTS	Through our energy efficiency services, we provide customers with energy asset and usage evaluations and can design and install solutions to help them save energy, minimize cost and reduce GHG emissions. In 2010 alone, we initiated 175 new energy efficiency projects that resulted in savings during the year of more than 150,000 MWh.

Clean Energy Products and Services: BGE

Demand response capability of 489 MW

SUSTAINABILITY INNOVATION	2010 HIGHLIGHTS	DESCRIPTION
PROMOTING ENERGY EFFICIENT PRODUCTS	440,000	As part of BGE's Smart Energy Savers Program®, the company launched new energy efficiency programs starting in January 2008. Together, as of year-end 2010, these measures will produce lifecycle electricity savings of 4.6 million MWh and nearly \$650 million in customer lifecycle savings. Among other measures, the program has included discounts on more than 6.3 million compact fluorescent lightbulbs (CFLs), rebates for the purchase of more than 85,000 residential energy saving appliances and more than 5,000 lighting audits for small businesses.
OFFERING DEMAND RESPONSE	700 mw	BGE has a number of demand reduction programs. Its robust residential demand response program called PeakRewards SM (part of BGE's Smart Energy Savers Program®) involves BGE cycling central A/C and heat pump units during high demand periods with either a switch or thermostat. It had more than 325,000 installations as of the end of 2010 and a demand response capability of 489 MW. We estimate the BGE Smart Energy Savers Program will lead to as much as a 5 percent reduction in residential electricity use, and a 15 percent reduction in peak demand, once the BGE smart grid is fully implemented.



INSTALLATION OF SOLAR PHOTOVOLTAIC PANELS AT OUR BRANDON SHORES SITE Constellation is committed to growing renewable power as part of a balanced generation portfolio. Brandon Shores' emissions-control technologies already make it one of the cleanest coal-fired plants in the country.

GENERATING ELECTRICITY—THINKING FORWARD

We are steadily achieving progress in providing cleaner energy from our generation asset fleet. Natural gas will now constitute approximately 45 percent of our electrical generation capacity going forward. Our coal fleet includes some of the cleanest coal facilities in the country, since our largest plant has been retrofitted with flue gas desulfurization equipment that removes most of the pollutants from the plant emissions. In addition, we have a significant and growing amount of clean, renewable and alternative energy sources in our generation fleet.

BGE'S SMART ENERGY SAVERS®

BGE customers can save money, reduce their energy consumption and avoid GHG emissions through BGE's Smart Energy Savers Program®. This program includes demand response and energy efficiency initiatives. We estimate this program will lead to as much as a 5 percent reduction in residential electricity use and a 15 percent reduction in peak demand, with a corresponding GHG emissions reduction benefit of more than 1 billion pounds per year. This reduction is roughly equivalent to the annual emissions of 400,000 cars.

Launched in 2008, BGE's demand response program, PeakRewardsSM, offers residential electricity customers a choice of a programmable thermostat, heat pump switch or air conditioner switch, which allows the utility to control usage during times of peak demand in exchange for a utility bill credit. More than 290,000 customers were signed up for the program as of Dec. 31, 2010, reducing BGE's peak demand by more than 480 megawatts. BGE also provides energy efficiency incentives to commercial, industrial and institutional customers for implementing energy-efficient measures, and offers rebates on certain ENERGY STARqualified appliances and equipment such as compact fluorescent lightbulbs, refrigerators, washing machines, heat pumps and central air conditioners.

Clean, Renewable and Alternative **Energy Sources**

CLEAN		MEGAWATTS OWNED
NUCLEAR	There are no air emissions from nuclear power operations at our five majority-owned units in New York and Maryland.	1,920
RENEWABLE		
SOLAR	We own an equity share of a 150 MW utility solar installation in California and had nearly 60 MW of solar installed or under development at customer sites nationwide by the end of 2010.	68
WIND	In 2010, we began operating our newly completed Criterion Wind Farm in western Maryland.	70
HYDRO	Safe Harbor in Pennsylvania, a large scale hydroelectric dam, is two-thirds owned by Constellation. We also own 16 MW of the Malacha hydroelectric facility in California.	294
BIOMASS	We own part of three California facilities that use urban wood and forest wood waste as fuel.	34
ALTERNATIVE		
WASTE COAL	Waste coal is a low-energy-value discard of the coal mining industry; plants that use waste coal as fuel help reduce the environmental burden of discarded coal piles. We own part of three waste coal facilities in Pennsylvania and Utah.	91



Implementing a smart grid

DEVELOPING ONE OF THE NATION'S LEADING-EDGE SMART GRIDS

Using technology to enhance our nation's energy system has been an inspiring, if futuristic, goal for years. Imagine solutions such as these: online tools that can show energy use and pricing so that you can manage your bill, smart appliances that can be programmed to reduce energy usage when prices are high, distributed generation in our homes (e.g., solar or fuel cells) and digital technologies that can quickly locate power line failures and greatly reduce time to restore service.

Advances in technology have enabled these inventions to become commercial-scale products—and together they can be an important part of the solution to some of our nation's most challenging issues: energy security, resource use, climate change and even competitiveness.

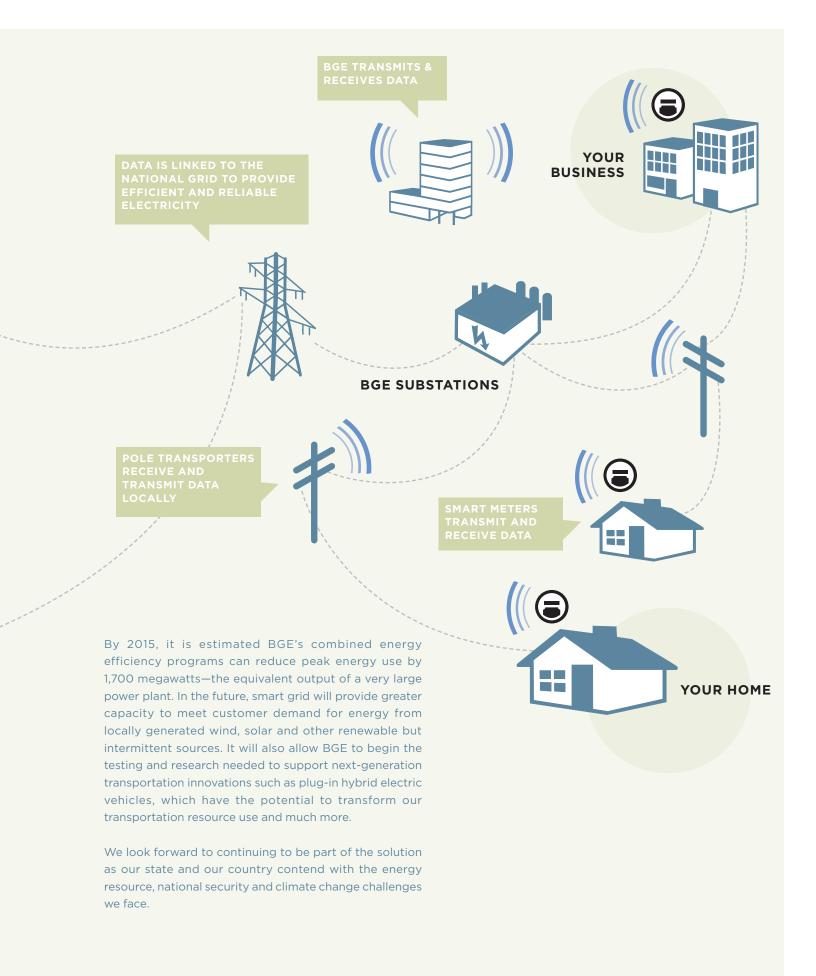
What is needed now is a smart grid, a state-of-the-art grid that has been greatly enhanced by adding two-way communications and IT capabilities to the system. When fully implemented, these technologies will reduce the need to build new power plants, cutting greenhouse gas emissions and saving customers billions of dollars over time.

BGE is on the leading edge of this transformation. In 2009, BGE applied for and was awarded a \$200 million grant to implement a smart grid project under the American Recovery and Reinvestment Act of 2009. The Maryland Public Service Commission (PSC) has reviewed and approved our smart grid application, and BGE anticipates commencing installation by the end of 2011.

The first step of BGE's initiative involves equipping our 1.2 million customers with smart meters, an investment of approximately \$480 million (to be offset in large part by the \$200 million grant from the Department of Energy). These devices will allow two-



way communication between customers' homes and BGE via a wireless network. Shortly after the installation of the smart meters, features such as energy budgeting and tracking and personalized energy efficiency tips will be available to customers. Over time, more smart meterenabled features will be available that will help customers better manage their energy bills.







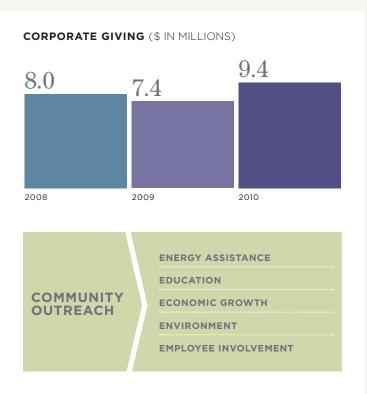
We recognize that continuous interaction between Constellation and a broad range of stakeholders creates a twofold benefit, serving both to inform our strategic decisions and to help us strengthen the communities where we operate.

MANAGEMENT APPROACH: THE "FIVE E'S"

We collaborate with communities around five key areas where our resources can make the greatest impact: energy assistance, education, economic growth, the environment and employee involvement. We call these our five "E's."

In 2010 we worked with nearly 700 partner agencies and groups to create programs that achieve meaningful results in each of our "Five E's." Overall, we achieved our goal to give 1 percent of our earnings before interest and taxes back to the community, totaling \$9.4 million.

Our employees logged 42,800 volunteer hours last year and helped Constellation contribute more than \$4 million to the United Way. Powered by our employees, our community engagement, philanthropic and stewardship programs bring creative solutions to our community challenges. One of our corporate goals is to further increase this civic engagement role as we move forward.



We gave 1% of EBIT in 2010

2010 COMMUNITY HIGHLIGHTS

ENERGY ASSISTANCE: The BGE Community Assistance Fund provided \$2.1 million to support 5,000 households in need of help with utility costs. We worked with the city of Baltimore to educate residents about conservation and efficiency. Through the innovative Baltimore Neighborhood Energy Challenge, 750 city households in eight neighborhoods decreased their electricity usage by 6.6 percent on average. All they needed was to better manage heating and air conditioning systems, use more efficient lighting and implement other simple conservation measures.

OUR COMMUNITY IMPACT

10,000 TREES PLANTED

26,000 STUDENTS INSPIRED

130,000 POUNDS OF FOOD SORTED

100,000 FAMILIES ASSISTED

4 MILLION COMMUNITY MEMBERS SERVED

EDUCATION: We launched our new "E²: Energy to Educate" grants program in 2010. E² Grants are available to educational projects that reach and inspire students to think differently about energy. This year, more than 26,000 students participated in STEM (science, technology, engineering and math) programs funded by the E² grants.

ENVIRONMENT: In 2010 we awarded 62 EcoStar grants of up to \$5,000 to community environmental projects—wetland restoration, urban gardens, etc.—in 14 states. We also expanded our signature partnership program (grants up to \$100,000) last year beyond our inaugural partnerships with Ducks Unlimited and TreeBaltimore, adding the Waterfront Partnership, a visionary initiative to make Baltimore's Inner Harbor swimmable and fishable.

PARTICLE PMENT: We expanded our partnership with Habitat for Humanity to create affordable, more sustainable homes. Working with five regional Habitat affiliates over five years, Constellation is helping to construct or renovate 140 energy efficient homes to create critical savings and affordability for families. Strengthening our communities is good for our neighbors—and our business.

AT A SINGLE STREAM CLEAN-UP, volunteers removed 1,925 pounds of trash and debris, 115 pounds of tires, 1,093 pounds of scrap metal, 130 pounds of lumber and approximately 351 pounds of recyclable auto metal. Constellation employees organize and volunteer for numerous waterway restoration projects each year.

EMPLOYEE ENGAGEMENT: Our employees volunteer with more than 650 nonprofits and make generous personal contributions to organizations like Red Cross and United Way. More than 27 percent of our employees logged their volunteer hours through the company's new Power of Caring intranet site and more than 1,000 qualified for matching grants from Constellation for the hours they spent in the service of others.

FOCUSING ON THE CUSTOMER EXPERIENCE

Every time we provide a new product or service to a customer from our clean, renewable and alternative energy portfolio, we help them to make a choice—a choice to make a positive environmental difference.

Our competitive supply business serves a continuously expanding customer base, with about 25,000 retail commercial, industrial and public sector customers, including two-thirds of the Fortune 100 businesses. We also added 80,000 new household electricity customers in 2010 with the launch of our residential electricity business. Our retail business is committed to creating a unique and differentiated customer experience in the energy industry, one in which our employees are passionate about understanding the needs of our customers, committed to consistently delivering service excellence and providing value to the customers we are entrusted to serve.

Over the last year, Constellation Energy's retail business set out on a journey of transformation toward developing a culture that will define us as the leading customer-centric energy company, the most respected energy brand and the most trusted adviser to our customers. Our corporate values serve as the foundation of our commitment to driving this culture.

BGE CUSTOMER SATISFACTION AND COMMUNITY ENGAGEMENT

In 2010, BGE also continued its intensive focus on customer service improvements and community outreach. In total, BGE and its customers provided approximately \$7 million in energy assistance contributions to the community. This included a donation to the Community Assistance Fund, as well as matching credits and customer donations to the Fuel Fund of Maryland. Through the Community Assistance Network, BGE worked with more than 300 offices in the region to help disseminate information about energy assistance grants. BGE also provided nearly 1,700 families throughout central Maryland with weatherization services, including heating system installations or replacements.

BGE held approximately 330 events and workshops in 2010 to educate customers about safety, conservation, available assistance and support services. BGE provides 24/7 feedback channels via its call center and website and use of popular social media sites-Twitter, YouTube, Flickr and Facebook. BGE scores improved in 2010 over 2009 in both the JD Power Customer Satisfaction Summary Annual Reports and its own annual customer satisfaction surveys. BGE attributes the rise in BGE customer satisfaction to corporate citizenship efforts, enhanced communication, customer reaction and strong awareness of BGE's Smart Energy Savers Programs.







Ultimately, our success hinges on employee engagement in the business of Constellation and in employees feeling supported by a workplace culture that first and foremost values integrity, diversity, safety and sustainability.

CULTURE AND VALUES

We are involved in many points along the energy spectrum. For Constellation employees the workplace might be the heights of a utility pole, the grounds of a power plant, an office, or a customer site. The challenge is to create a common work culture that meets the needs of our 10,300 employees—and connects us in our common mission to deliver on the energy needs of our customers.

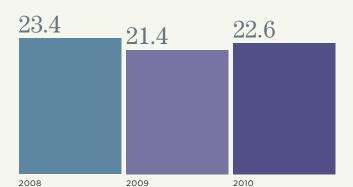
To accomplish this we have to be focused on both what we do as a business and how we do it. In 2010, we updated our enterprise-wide values, which are now: Integrity, Teamwork with Respect for Individuals, Community and Environmental Responsibility, Customer Commitment, Safety, and Excellence and Accountability. We will continue to rely on four "performance imperatives" to drive our ongoing commitment to operational excellence: Resourceful Execution, Enterprise-Wide Perspective, Active Accountability and People Development.

We set high standards for safety and health, good wages, employment and training. Advancement opportunities are fundamental to our commitment to provide quality jobs in our broader communities. At Constellation Energy, we strive to create a culture where our employees are engaged in the company and committed to working for our collective success.

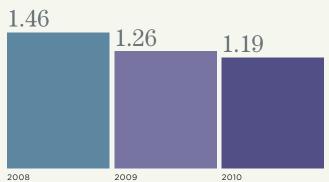
EMPLOYEE ENGAGEMENT

In September 2010, we conducted a comprehensive employee survey to help us measure our progress in making Constellation Energy a great place to work. Nearly 83 percent of employees provided feedback on working at Constellation Energy, and approximately 55 percent of employees are considered actively engaged-and management across the enterprise is working to encourage employee involvement in further transforming the business for the better.

MATCHING CONTRIBUTIONS TO EMPLOYEE SAVINGS PLANS (\$ IN MILLIONS)



OSHA RECORDABLE OCCUPATIONAL INJURIES AND ILLNESSES (INCIDENTS PER 200,000 HOURS WORKED)



ATTRACTING AND RETAINING OUR TALENTED WORKFORCE

We all face the challenge of how to achieve balance in our lives.

Constellation Energy provides employees with a work experience that rewards their contributions, supports their work and home life needs, and provides the opportunity to learn and grow. Employees are able to strive for their own goals in a positive work environment while receiving a combination of competitive pay, comprehensive benefits and a wide variety of learning and development opportunities. Our retirees are also provided access to important, competitively priced medical benefits and life insurance.

SAFETY, HEALTH AND WELLNESS

We are committed to providing a safe environment for our employees, customers and the communities we serve. Constellation employees take responsibility for our own and each others' safety and well-being in all that we do. We operate on the principle that all injuries are preventable and strive to continuously improve our safety practices. As a consequence, our employee-driven, management-supported safety program has consistently led to performance improvements in keeping our most valuable resource, our employees, safe and secure.

We match our safety program with health and wellness programs designed to deliver the benefits of a healthy lifestyle. From biometric screening to free flu vaccinations, and access to yoga classes and a wide range of additional health offerings, Constellation's *myHealth Matters* program offers employees the resources they need to stay healthy. 2010 marked the third consecutive year that Constellation was recognized by the American Heart Association as a Gold Level Start! Fit-Friendly Company for providing physical activity and wellness opportunities for employees.



Proud of our top rating from the Human Rights Campaign Foundation

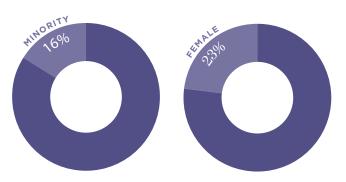
DIVERSITY AND INCLUSION

Our commitment to diversity and inclusion begins with our belief that each person deserves to be treated with respect and valued as a whole person. By embracing and integrating diversity and inclusion into all aspects of our business, we are making a more valuable company for all of our stakeholders. This commitment translates into action through the efforts of our diversity office and Diversity Council—a crossfunctional group of leaders led by our Senior Vice President and General Counsel in 2010. The Council defines objectives and initiatives in alignment with our diversity and inclusion strategy, focusing on talent, leadership, organizational excellence, and marketplace and community.

At the grassroots level, employees are also empowered to form Business Resource Groups-peer network organizations whose members have common interests and goals. These include the Veterans Coalition, Constellation African American Network (CAAN), Developing Corporate Professionals (DCP), the Eco-Team, Spectrum (LGBT, or lesbian, gay, bisexual and transgender) and the Women's Alliance. Our long-standing commitment to

diversity and inclusion has earned Constellation numerous honors, including the top rating on the Human Rights Campaign Foundation's annual Corporate Equality Index for three consecutive years. More importantly, it has made Constellation a great place to work.

DIVERSITY DATA (AS OF DEC. 31, 2010)



NOTE: Minorities include African American, Native Hawaiian or Pacific Islander, Hispanic or Latino, Asian, American Indian and those who identify as two or more races





ON TAKE OUR DAUGHTERS AND SONS TO WORK DAY,

Constellation Energy Kids learn the reward of volunteering and a healthy lifestyle—values reinforced by CE Kids events throughout the year where employees can volunteer alongside their children.

CONSTELLATION KIDS MAKE A DIFFERENCE IN COMMUNITIES

Throughout the year, Constellation Energy employees and their children gather once a month to work on community outreach projects with local nonprofits and otherwise lend a helping hand to others as part of the Constellation Kids program. Started by Molly Shattuck, wife of Constellation CEO Mayo Shattuck, the Constellation Kids program gives employees a way to introduce their children to volunteering and the positive impact it has on our community.

In 2010, the program involved 256 volunteers and resulted in more than 605 hours of community service benefiting 15 nonprofits. Events included a school beautification effort, a fun day at a senior citizens center, and a bake sale during the Constellation Energy Senior Players Championship that raised money to benefit the USO. In keeping with Constellation's focus on sustainability and healthy living, one series of events included planting vegetable seedlings in April, transplanting them to the Civic Works Real Food Farm in May, and harvesting them throughout the summer and fall. The produce was then sold at local markets to provide the local neighborhoods with access to healthier foods.

The Constellation Kids program grew from the company's unique and innovative approach to Take Your Daughters and Sons to Work Day®. For the last seven years, this day has been an opportunity to connect what children learn at school with the work their parents do at Constellation—including taking time to give back. Each year, in April, Constellation Kids spend half the day with

their parents and half the day working on a community service-oriented project.

The theme of 2010's event was Warmth for the Homeless— It's Not Just About the Temperature. There are thousands of homeless individuals in critical need throughout the Baltimore region and around the country. In an effort to address this crisis, the children and employees prepared 1,500 hoagies, assembled 500 children's education bags with pencils, crayons, pens and notebooks, packed 500 children's and 500 adults' basic-needs bags with toothbrushes, toothpaste, soap, washcloths and socks, and donated gently used children's books.

These items, along with 700 homemade cookies, were donated to Baltimore-area shelters and charitable organizations including AIRS, American Rescue Workers, Beans & Bread, the Franciscan Center, Jobs, Housing and Recovery, Maryland Center for Veterans Education and Training (MCVET), Mattie B. Uzzle Outreach Center, Moveable Feast, Our Daily Bread, Salvation Army Booth House, St. Vincent de Paul's Sarah's Hope, and Waverly Elementary, as well as the Annapolis-based Lighthouse Shelter. Additionally, the kids prepared vegetable seed trays that were delivered and planted in urban gardens in Baltimore as part of Civic Works' Real Food Farm Project.

Constellation Kids is part of Constellation Energy's Power of Caring program, a companywide effort to create and facilitate volunteer opportunities for Constellation Energy employees in the communities where we live and work.

2010 Awards

BGE Awarded Energy Efficiency Program of the Year by Platts The BGE Smart Energy Savers Program® was

Named No. 1 Independent Power Producer on Platts Top 250 Energy Companies Ranking Constellation

Constellation's CPower Named to 2010 Global Cleantech 100 List The Global Cleantech 100 recognized CPower, in 2010, as one of the most promising private clean

Top Rating on Human Rights Campaign Foundation's Corporate Equality Index Constellation received the top

Named to the 2010/11 Dow Jones Sustainability Index Constellation was named to the 2010/11 Dow Jones to the index.

ENERGY STAR Partner of the Year—BGE Recognition

BOMA Corporate Building of the Year The Building

Maryland Business Philanthropy Award The Maryland Chamber of Commerce and Baltimore Business

Ginna and Calvert Cliffs receive ISO 14001 Certification CENG's Calvert Cliffs and Ginna nuclear power plants received ISO 14001 environmental management system ISO 14001 certified.

Two Constellation Energy Projects Named Best in New England AEE-NE named Constellation's solar installation at Patriot Place and energy conservation program for Bristol Community College as the best in

Power Magazine Ranks Brandon Shores as Top Plant In

American Red Cross Corporate Gift of Life Award On March 19, 2010, the American Red Cross honored Award during the 12th Annual Hometown Heroes Breakfast in Baltimore.

American Heart Association Gold Level Start! Fit-Friendly Company Recognized by the AHA for the third

Association of Energy Services Professionals Award—BGE BGE's Smart Energy Pricing pilot program was recognized

EEI Emergency Recovery Award—BGE Edison Electric

Salvation Army Heroes of Service Award Given in Challenges of Boys and Girls Clubs, the Angel Tree

Corporate Governance Team of the Year Corporate Secretary

Management's Statement Regarding Constellation Energy Group Inc. Consolidated Scope 1 (direct) and Scope 2 (indirect) Greenhouse Gas (GHG) Emissions

TOTAL

YEAR ENDED DEC. 31, 2010

17.5 MILLION METRIC TONNES OF CO₂ EQUIVALENTS (CO₂e)

BASIS OF PRESENTATION

In the year ended Dec. 31, 2010, Constellation Energy Group Inc. (Constellation) total consolidated Scope 1 (direct) and Scope 2 (indirect) greenhouse gas (GHG) emissions from direct and indirect activities associated with our operations (excluding other indirect activities outside the control of the company) primarily include CO_2 emissions from the generation, transmission and distribution of energy. Other process-related emissions that management believes are not material have been excluded, such as fugitive emissions from coal piles.

Constellation uses the following recognized external standards to calculate and report our GHG emissions:

Scope 1 (direct) GHG emissions from energy generation:

 Constellation has elected to measure or calculate its emissions from generation in accordance with the U.S. Environmental Protection Agency (EPA) acid rain regulation (40 CFR Part 75) in accordance with The Climate Registry (TCR) General Reporting Protocol (GRP), including GRP Updates and Clarifications— Released Aug. 18, 2010.

Scope 2 (indirect) GHG emissions from energy transmission and distribution:

 Constellation has elected to use the Aggregated Power Flow Method to calculate the total consolidated
 Scope 2 (indirect) emissions from the transmission and distribution of energy in accordance with TCR's Electric Power Sector Protocol (EPS) (Version 1.0), including EPS Protocol Updates and Clarifications—Released Aug. 16, 2010.

These external standards are supplemented by Constellation's own GHG emissions policies and procedures, where necessary. Application of these standards requires management to make certain judgments, estimates and assumptions.

Critical estimation methodologies include the following:

EMISSION FACTORS AND CALORIFIC VALUES: GHG emission factors are based on TCR's Default Emissions Factors as released on Jan. 14, 2011. Calorific values for fuels consumed in generation are provided directly by fuel suppliers and are calculated in conformity with the requirements of the Environmental Protection Agency's Part 75 Regulations.

BASE DATA: Base data utilized in the calculation of consolidated Scope 1 (direct) and Scope 2 (indirect) GHG emissions is obtained from direct measurements, third party invoices or production-based estimates.

ORGANIZATIONAL BOUNDARY: Constellation reports 100 percent of the direct and indirect GHG emissions of its wholly owned facilities and its equity share of direct and indirect GHG emissions from its partnership facilities, in accordance with TCR's General Reporting Protocol.

UNCERTAINTY: GHG quantification is subject to uncertainty, as emission factors are used by mathematical models to calculate emissions, and those models, because of incomplete scientific knowledge, are unable to precisely characterize under all circumstances the relationships between various inputs and the resultant emissions. Other emission calculations are subject to inherent uncertainty.

Report of Independent Accountants

To the Board of Directors of Constellation Energy Group Inc.

We have reviewed the accompanying Management Statement that the total consolidated Scope 1 (direct) and Scope 2 (indirect) Greenhouse Gas ("GHG") emissions of Constellation Energy Group Inc. for the year ended December 31, 2010 are presented in conformity with the assessment criteria set forth in Management's Statement (the "assessment criteria"). The scope of our procedures did not include Scope 3 (other indirect) GHG emissions. The Company's management is responsible for the Statement and for the assessment criteria which they have identified as an objective basis against which they assess and report on the GHG emissions disclosures. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of GHG emissions disclosures that are free from material misstatement, whether due to fraud or error.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is designed to provide limited assurance, and as such is substantially less in scope than an examination, the objective of which is the expression of an opinion on Management's Statement. Accordingly, we do not express such an opinion.

GHG quantification is subject to inherent uncertainty because of such things as emissions factors that are used in mathematical models to calculate emissions, and the inability of those models, due to incomplete scientific knowledge and other factors, to precisely characterize under all circumstances the relationships between various inputs and the resultant emissions. Environmental and energy consumption data used in the GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for determining such data. Finally, the selection of different but acceptable measurement techniques can result in materially different measurements.

Based on our review, nothing came to our attention that caused us to believe that the total consolidated Scope 1 (direct) and Scope 2 (indirect) GHG emissions of Constellation Energy Group Inc. for the year ended December 31, 2010 are not fairly stated, in all material respects, based on the assessment criteria set forth in Management's Statement.

Pricewaterhouse Coopers LLP

PricewaterhouseCoopers LLP May 23, 2011

FORWARD-LOOKING STATEMENT

We make statements in this report that are considered forward-looking within the meaning of the Securities and Exchange Act of 1934. These statements are not guarantees of our future results and are subject to risks, uncertainties and other important factors—including those in the Forward-Looking Statements and Risk Factors sections of our SEC periodic reports—that could cause our actual results to differ.

SAVINGS FROM THE USE OF POST-CONSUMER RECYCLED FIBER IN PLACE OF VIRGIN FIBER, BASED ON 2,000 COPIES PRINTED:

- 6 trees saved
- 17 lbs water-borne waste not created
- 2,506 gallons wastewater flow saved
- 277 lbs solid waste not generated
- 546 lbs net GHGs prevented
- 4,177,920 BTUs of energy not consumed









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