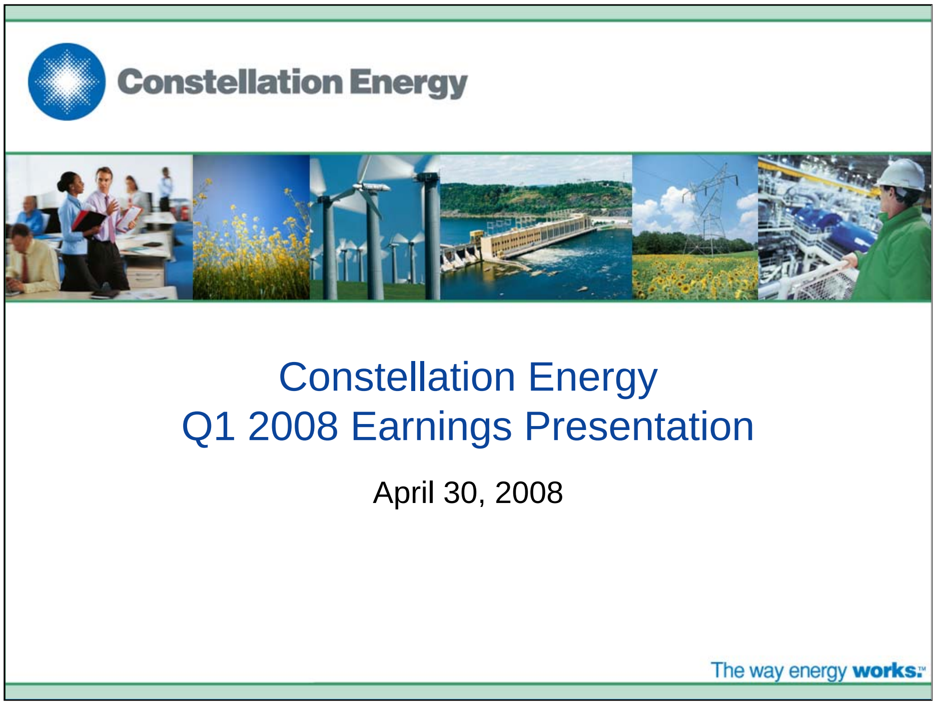


Kevin Hadlock:

Good morning everyone. I am Kevin Hadlock, Vice President of Investor Relations and Financial Planning & Analysis. Welcome to our first quarter 2008 earnings call. Thank you for being with us today.

Turning to slide 2…

Constellation Energy

The way energy works.

Forward Looking Statements Disclosure

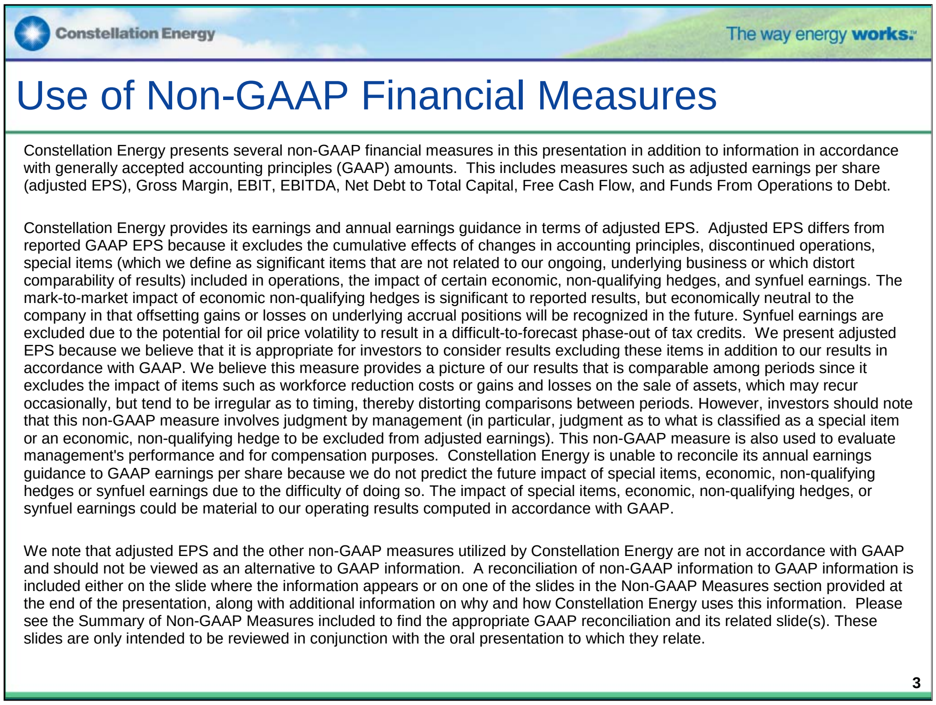
Certain statements made in this presentation are forward-looking statements and may contain words such as “believes,” “anticipates,” “expects,” “intends,” “plans,” and other similar words. We also disclose non-historical information that represents management’s expectations, which are based on numerous assumptions. These statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to be materially different from projected results. These risks include, but are not limited to: the timing and extent of changes in commodity prices for energy including coal, natural gas, oil, electricity, nuclear fuel, freight and emissions allowances; the timing and extent of deregulation of, and competition in, the energy markets, and the rules and regulations adopted on a transitional basis in those markets; the conditions of the capital markets, interest rates, availability of credit, liquidity and general economic conditions, as well as Constellation Energy’s and BGE’s ability to maintain their current credit ratings; the ability to attract and retain customers in our competitive supply activities and to adequately forecast their energy usage; the effectiveness of Constellation Energy’s and BGE’s risk management policies and procedures and the ability and willingness of our counterparties to satisfy their financial and other commitments; the liquidity and competitiveness of wholesale markets for energy commodities; uncertainties associated with estimating natural gas reserves, developing properties and extracting gas; operational factors affecting the operations of our generating facilities (including nuclear facilities) and BGE’s transmission and distribution facilities, including catastrophic weather-related damages, unscheduled outages or repairs, unanticipated changes in fuel costs or availability, unavailability of coal or gas transportation or electric transmission services, workforce issues, terrorism, liabilities associated with catastrophic events, and other events beyond our control; the inability of BGE to recover all its costs associated with providing customers service; the effect of weather and general economic and business conditions on energy supply, demand, and prices; regulatory or legislative developments that affect deregulation, transmission or distribution rates, demand for energy, or that would increase costs, including costs related to nuclear power plants, safety, or environmental compliance; the ability of our regulated and non-regulated businesses to comply with complex and/or changing market rules and regulations; the actual outcome of uncertainties associated with assumptions and estimates using judgment when applying critical accounting policies and preparing financial statements, including factors that are estimated in applying mark-to-market accounting, such as the ability to obtain market prices and in the absence of verifiable market prices, the appropriateness of models and model impacts (including, but not limited to, extreme contractual load obligations, unit availability, forward commodity prices, interest rates, correlation and volatility factors); changes in accounting principles or practices; losses on the sale or write-down of assets due to impairment events or changes in management intent with regard to either holding or selling certain assets; our ability to successfully identify and complete acquisitions and sales of businesses and assets; and cost and other effects of legal and administrative proceedings that may not be covered by insurance, including environmental liabilities. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Please see our periodic reports filed with the SEC for more information on these factors. These forward-looking statements represent estimates and assumptions only as of the date of this presentation, and no duty is undertaken to update them to reflect new information, events or circumstances.

2

Before we begin our presentation, let me remind you that our comments today will include forward-looking statements, which are subject to certain risks and uncertainties.

For a complete discussion of these risks, we encourage you to read our documents on file with the SEC.

Our presentation today is being webcast, and the slides are available on our website, which you can access at www.constellation.com under Investor Relations.



On slide 3, you will notice we will use Non-GAAP financial measures in this presentation to help you understand our operating performance.

We've attached an Appendix to the charts on the website reconciling Non-GAAP measures to GAAP measures.

With that, I'd like to turn the time over to Mayo Shattuck, Chairman, President and CEO of Constellation Energy…

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Q1 2008 Adjusted EPS Summary

($ per share)	**Q1 2008**	**Q1 2007**
GAAP Earnings	$0.81	$1.07
Special Items	(0.04)	0.01
Loss on Economic Non-Qualifying Hedges	0.19	0.05
Synfuel Earnings	(0.01)	(0.10)
Adjusted Earnings (1)	**$0.95**	**$1.03**

(1) Excludes special items, certain economic, non-qualifying hedges, and synfuel earnings

See Appendix

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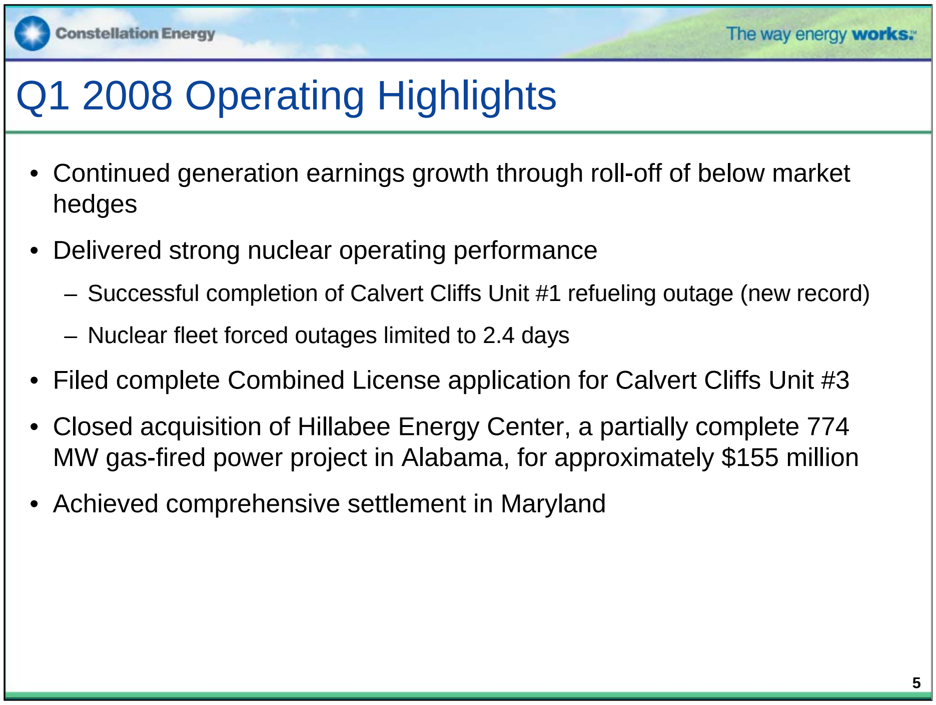
Thank you, Kevin.

Good morning everyone and thank you for joining us today. For the first quarter of 2008, we recorded adjusted earnings of 95 cents per share, 8 cents below the adjusted $1.03 per share earned during a strong first quarter of last year. These results are in line with our expectations and reflect solid operating performance. We are also reaffirming earnings guidance for 2008 of $5.25 to $5.75 per share.

Now let's turn to slide 5 to review operating highlights from the first quarter…



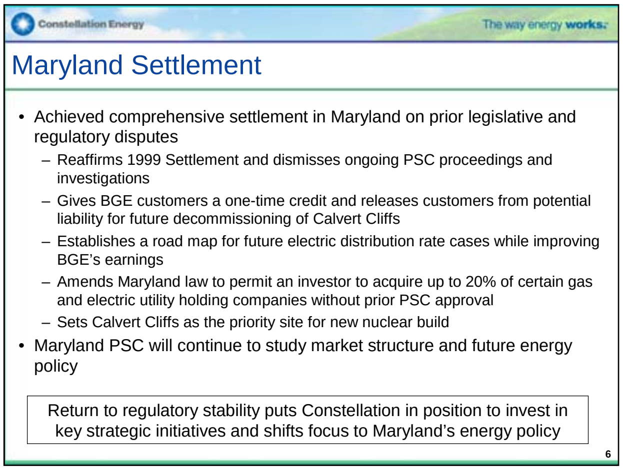
We achieved several key operating successes in the first quarter. Strong results from our generation fleet continue to be driven by the roll-off of below market hedges. Our nuclear plants also delivered particularly strong operating performance as we successfully completed a planned outage at Calvert Cliffs Unit 1 in 19 days, 15 hours, setting a new record for the shortest refueling outage for any Combustion Engineering Plant. In addition, forced outages in the nuclear fleet were limited to less than 3 days.

We reached another milestone in our plans to develop and construct new nuclear plants by filing a complete Combined License Application for Calvert Cliffs Unit 3. In addition, we continue to make progress working with the federal government to move the loan guaranty program forward.

We also announced the acquisition of the partially complete Hillabee Energy Center in Alabama, which will complement our customer supply business in the Southeast.

Finally, we were able to come to an agreement with Maryland legislative and regulatory leaders on a comprehensive settlement of prior legal, regulatory and legislative issues.

Moving to slide 6, I will walk you through the specifics of that settlement.



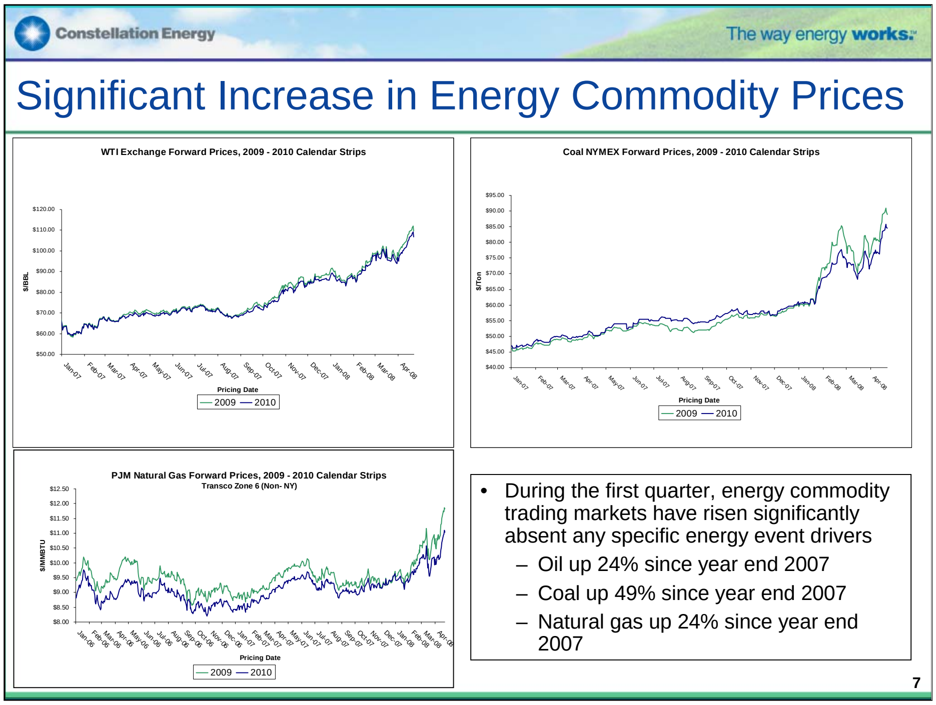
Late last week, Governor O'Malley signed legislation passed by the General Assembly, finalizing our settlement agreement with Maryland. Under the settlement, all PSC cases, investigations, and pending litigation relating to the 1999 settlement agreement are satisfied and fully released. We believe this agreement provides far-reaching benefits for our customers, our investors and the State. BGE residential electric customers will receive a $170, one-time credit, and are relieved of any future potential liability for decommissioning of Calvert Cliffs. In addition, a road map was established for future electric rate cases while improving BGE's earnings with negligible impact on BGE customers.

The legislation also eases investor ownership restrictions of regulated gas and electric utility holding companies, enabling an investor to own up to 20 percent without prior PSC approval. Transactions that directly affect BGE or are in excess of 20 percent will be subject to a 180 day PSC review. These changes provide us with greater strategic flexibility when pursuing investment partners to help finance large-scale, capital-intensive projects such as new nuclear.

We share with State leaders the desire to develop new nuclear plants in Maryland, so it was important that we agreed, all things being equal, that Calvert Cliffs would be our priority site should we move forward on plans for a new nuclear plant.

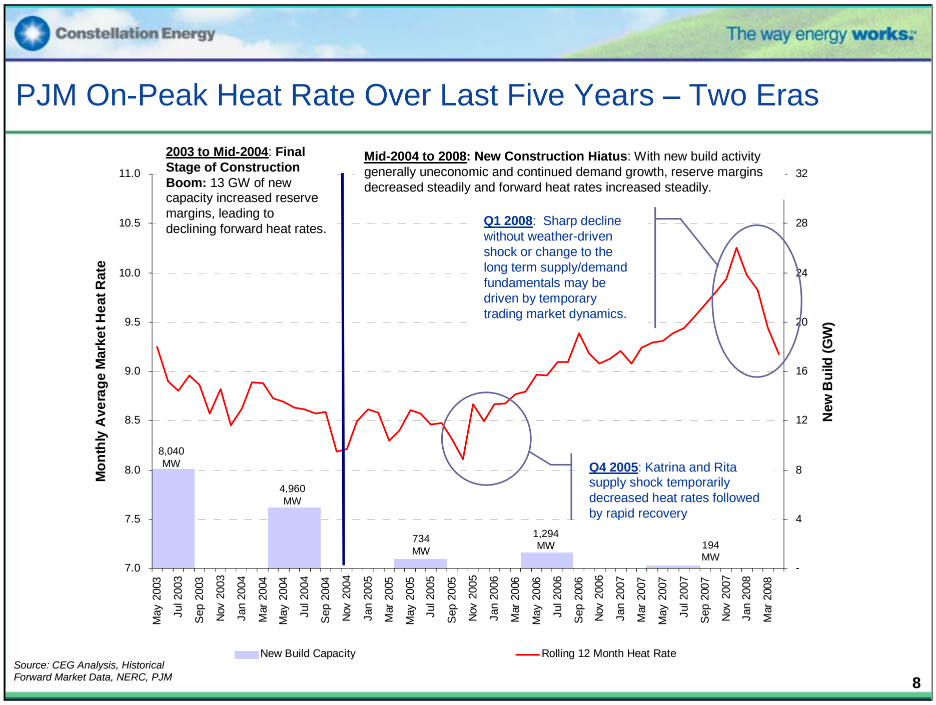
This package incorporates a direct and significant consumer benefit, while strengthening the strategic flexibility of Constellation Energy. Furthermore, it removes statutory barriers that could have slowed or limited the growth of our company. All parties gain meaningfully in this carefully crafted settlement, and the overarching value is a return to regulatory stability and normalcy. There is commitment to putting the past behind us and focusing on discussions around the many energy-related challenges and opportunities that lie in Maryland's future. As Governor O'Malley was quoted as saying, "We have huge challenges ahead, but I believe that some of the contentious and divisive issues of the past are now behind us with this agreement." At Constellation, we fully recognize that the expression of many different views and concerns about Maryland's future energy policy will continue, and is likely to spark rather intensive debates. However, we are confident that we can go about these discussions in a constructive manner now that the past has been laid to rest.

Turning to slide 7…



Let me now turn to the market environment. As these charts indicate, crude oil, coal, and natural gas prices rose significantly in the first quarter. Oil was up 24 percent, coal increased 49 percent and natural gas rose 24 percent since year-end 2007. Despite the rise in these fuel inputs, power prices did not rise as quickly, resulting in a significant breakdown in the historic relationship between natural gas and power. We believe that this sharp decline in heat rates was a marked departure from a fairly steady trend that is not easily explained by energy fundamentals.

This trend in heat rates is shown on slide 8…



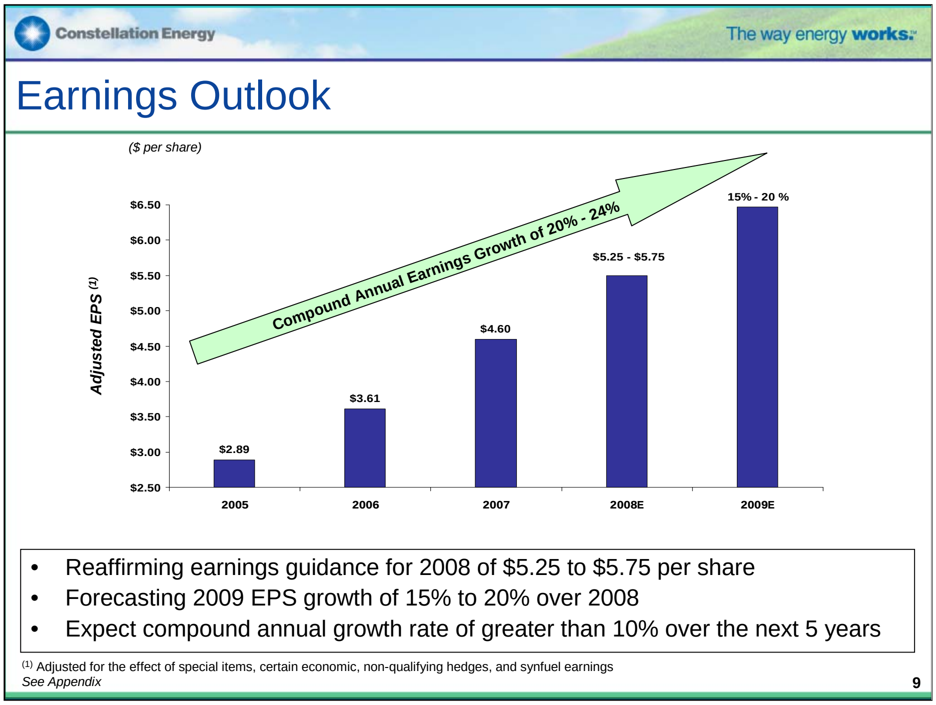
Over the last five years, we have seen essentially two eras in PJM forward heat rates, separated here by the blue line on the left. May 2003 through the first half of 2004 was essentially the tail end of the power plant building boom that started in the early part of this decade. About 13,000 megawatts of new capacity came on line in 2003 and 2004, causing reserve margins to increase and heat rates to decrease as a result.

In the period from mid-2004 until the present, little new capacity has come on line, given generally unattractive new-build economics. With continuous demand growth, reserve margins have declined and heat rates have increased steadily, with a brief and temporary downward detour caused by the immediate natural gas price run-up following Hurricane Katrina in the fall of 2005.

In the first quarter of this year, forward heat rates departed dramatically from this long term trend. With no shock event or long term supply/demand fundamental explanation to rationalize this dramatic move, we believe that it is most likely explained by what will be temporary trading market dynamics, as many financial players may have decreased their exposure to power products during the quarter. This phenomenon had an impact on our first quarter results, which John will address shortly.

If the relationship between natural gas and power returns to the historical trend, based on increasing power prices, we would expect to see longer term upside.

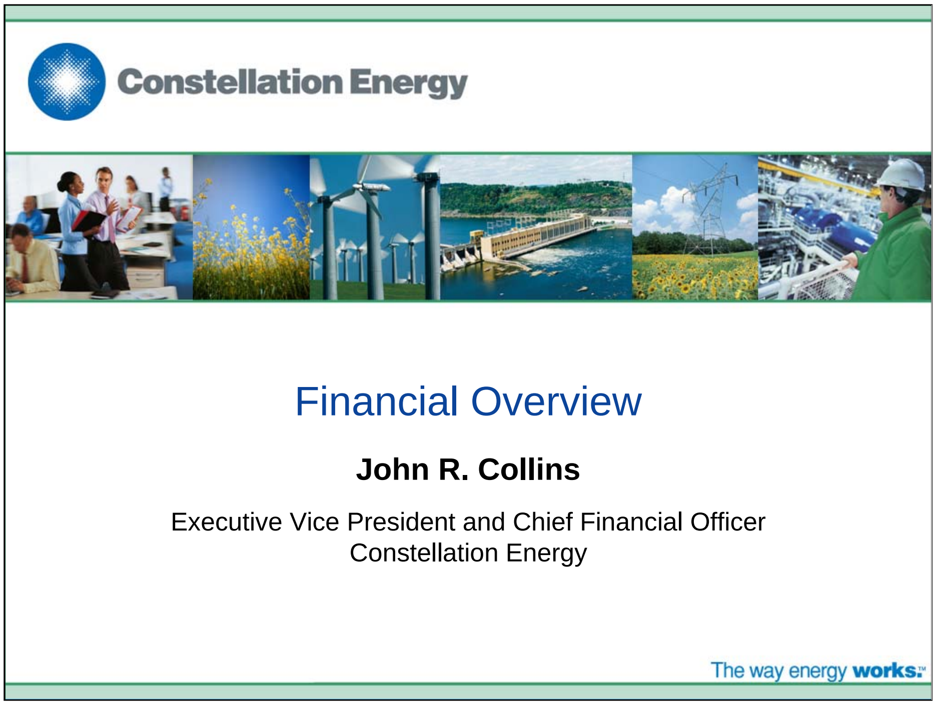
Turning to slide 9…



In closing, I am pleased with the performance of the Company during the first quarter. We were successful in putting the 1999 Maryland settlement behind us and are turning our full attention to the future. Our market leading customer businesses performed very well in a market environment that was complicated by overall economic conditions. We continue to see strong investment opportunities to support future business growth. We are also seeing attractive opportunities to expand our generation footprint in Maryland, Alberta, Alabama and other parts of North America.

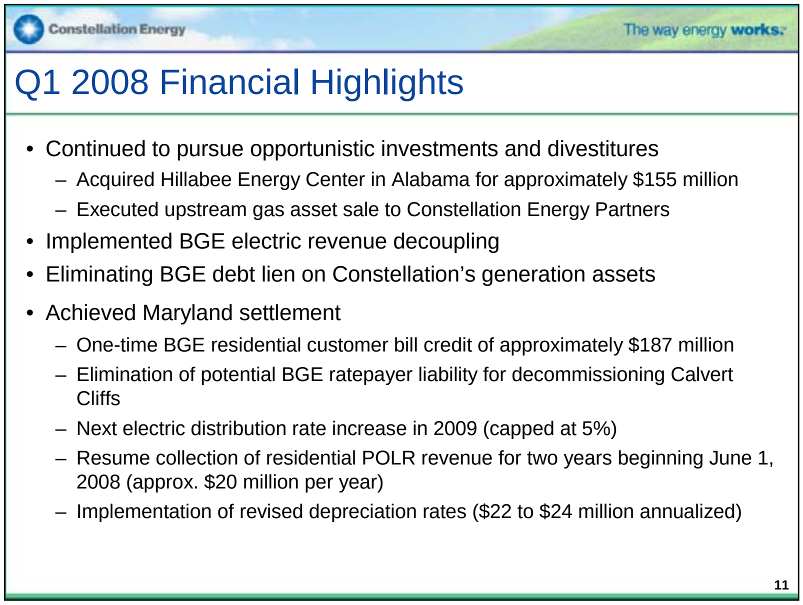
We are reaffirming our 2008 earnings guidance of $5.25 to $5.75. For 2009 we continue to forecast earnings growth of 15 to 20 percent over 2008. Over the five-year planning horizon we continue to project an average growth rate of greater than 10 percent.

With that, I'll turn the presentation over to John to review the financial results.



Thank you Mayo, and good morning everyone.

Let’s begin on slide 11…



As Mayo discussed earlier, we saw strong performance in the first quarter. Let me start by highlighting several of our key financial successes.

During the first quarter, we continued to transact opportunistically. As Mayo mentioned, we purchased the Hillabee Energy Center for approximately $155 million, which will be completed at about 45 percent of new build cost. The project is expected to be operational in 2010.

Consistent with our "Invest—Develop—Harvest" strategy in upstream gas, we executed the sale of a non-operating interest in producing wells to Constellation Energy Partners, recognizing a gain of $14 million.

At BGE, beginning in January 2008, we implemented electric revenue decoupling for residential and small commercial customers to eliminate the effect of abnormal weather and usage patterns on our electric distribution volumes. Going forward, these revenues will primarily be driven by customer growth and will not be affected by actual weather or usage conditions.

While going without any notice, we retired $145 million of BGE's long term debt, eliminating the lien on Constellation's generating assets previously owned by the utility.

As Mayo highlighted, we achieved a settlement in Maryland of prior legal, regulatory and legislative issues. As part of the settlement, BGE will contribute approximately $187 million as a one-time credit to residential customers. BGE customers will also be relieved of the potential future liability for decommissioning Calvert Cliffs. We do not anticipate the assumption of this potential decommissioning liability from BGE's customers will result in material incremental costs to Constellation when it is time to decommission Calvert Cliffs. In addition, BGE agreed to delay the next electric distribution rate case such that new rates will be effective no earlier than October 2009, with the resulting increase in distribution rates capped at 5 percent. To bridge the gap, BGE will resume collection of $20 million per year of the residential Provider of Last Resort, or POLR return beginning June 1st for two years. BGE will also implement revised depreciation rates effective June 1st, resulting in an increase of $22 to $24 million in annualized pre-tax earnings. We expect these two items will increase BGE's 2008 earnings by approximately 8 cents per share and 2009 earnings by 13 cents per share.

Now let's turn to slide 12 to discuss first quarter earnings…

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Q1 2008 Adjusted EPS Summary

($ per share)	Q1 2008	Q1 2007
GAAP Earnings Per Share	$0.81	$1.07
Loss on Economic Non-Qualifying Hedges	0.19	0.05
Special Items	(0.04)	0.01
Synfuel Earnings	(0.01)	(0.10)
Adjusted Earnings Per Share (1)	**$0.95**	**$1.03**

Adjusted Earnings Per Share (1)			**Change**	
($ per share)	**Q1 2008**	**Q1 2007**	**EPS**	**%**
Merchant	$0.58	$0.62	($0.04)	(6%)
BGE	0.37	0.36	0.01	3%
Other Non-regulated	0.00	0.05	(0.05)	N.M.
Adjusted Earnings Per Share	**$0.95**	**$1.03**	**($0.08)**	**(8%)**

(1) Excludes special items, certain economic, non-qualifying hedges, and synfuel earnings

See Appendix

12

First quarter GAAP earnings were 81 cents per share.

Let me walk you through the adjustments to GAAP earnings:

- We had a 19 cent loss on economic, non-qualifying hedges associated primarily with gas transportation.
- We also had a 4 cent favorable special item at BGE related to the $187 million customer credit that will be accrued in April. The credit causes a reduction in BGE's full year effective tax rate which impacts all four quarters. Therefore, the impact of the lower effective tax rate on normal earnings will be classified as a special item in each quarter, beginning in the first.
- Finally, synfuel earnings were positive a penny per share due to a true up of the estimated 2007 phase-out.

After special items, first quarter adjusted earnings were 95 cents per share, which was in line with our expectations, reflecting solid operating performance. Two isolated, market-driven effects tempered our results. First, the combination of a dramatic rise in coal prices and operational challenges at two coal suppliers led to defaults on their delivery obligations. This reduced first quarter earnings by 23 cents per share. Earnings were further suppressed by an additional loss of 21 cents per share due to hedge ineffectiveness in our Merchant operations. Excluding these two items, our earnings would have been 44 cents higher than reported.

Looking at our segment performance in the first quarter compared to last year, Merchant was down 4 cents, the Utility was up 1 cent, and Other Non-regulated was down 5 cents. Overall, adjusted earnings were down 8 cents per share. I will speak to the segment results in more detail on the next few pages.

Turning to slide 13…

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BGE

Adjusted Earnings vs. Prior Year
($ per share)

	Q1 2008	Q1 2007	Change
Adjusted Earnings	$0.37	$0.36	$0.01

Adjusted Earnings vs. Guidance
($ per share)

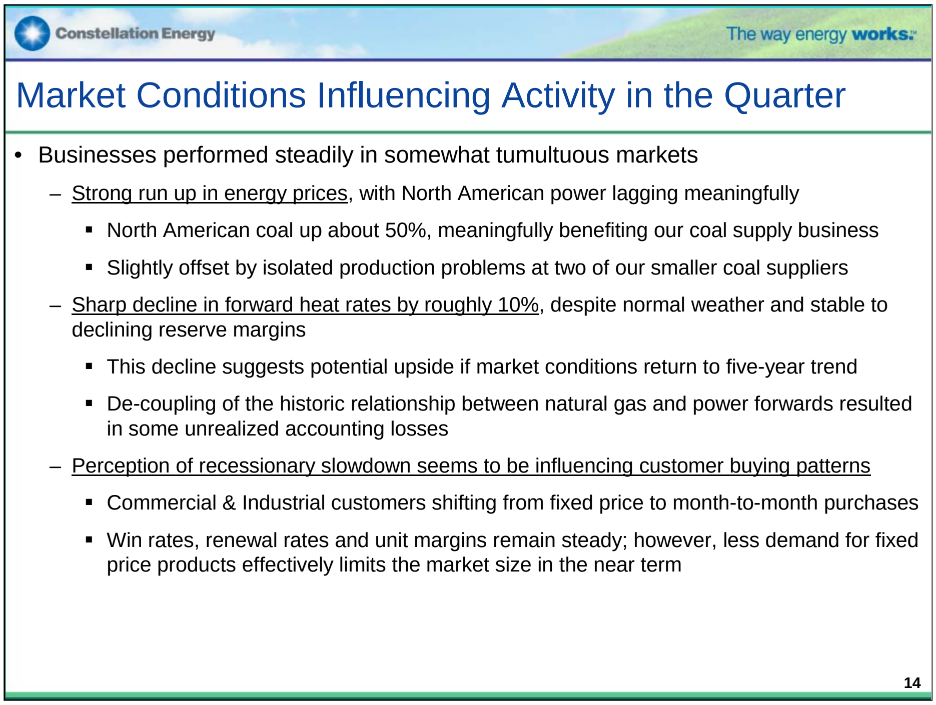
	Q1 2008	
	Actual	Guidance
Adjusted Earnings	$0.37	$0.33 - $0.38

See Appendix 13

BGE's first quarter 2008 adjusted earnings of 37 cents per share were toward the upper end of the first quarter guidance range of 33 to 38 cents per share.

Compared to the prior year, BGE was up 1 cent on an adjusted basis due to higher transmission revenue, favorable gas supply revenue, favorable storm expenses, and share accretion. These positive items were partially offset by higher interest expense and other costs.

Let's turn to slide 14 to discuss the Merchant business…



Our Merchant business performed steadily during the quarter in somewhat tumultuous markets. Before I get to the details of our Merchant results, I wanted to highlight a few factors that had a meaningful impact, since we will return to them as I discuss the various areas.

First energy prices increased dramatically, although North American power did lag noticeably. Coal led the way, up about 50 percent since the beginning of the year. This dramatic coal price increase meaningfully benefited our coal supply business, and we were able to transact to re-balance our portfolio and capture gains. This benefit was partially offset by isolated production problems at two of our smaller suppliers. I'll talk more about both effects.

Second, we saw sharp declines in forward heat rates, despite normal weather and stable to declining reserve margins, deviating from a fairly strong trend. If forward heat rates revert back to a trend that reflects market fundamentals, we would see some longer term upside, given that natural gas prices increased dramatically in the quarter. Not surprisingly, this de-coupling of the historical relationship between gas and power did result in some unrealized losses in the quarter due to the requirements of FAS 133, which I'll discuss in greater detail shortly.

Finally, given the potential for a recessionary economy, Commercial & Industrial customers appear to be shifting away from long term fixed price contracts to month-to-month purchases. It seems interesting to note that, given recent heat rate compression, the opposite approach may be more advantageous. While our win rates, renewal rates and unit margins remain steady, less demand for fixed price products effectively limits the market size in the near term. We expect this trend to reverse itself, but it may take a supply shock event to shift buying patterns away from the short term products that are riskier for the buyer and toward longer-term fixed price products.

Now let's turn to slide 15 to review the Merchant first quarter results…

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Merchant

Adjusted Earnings vs. Prior Year *($ per share)*	**Q1 2008**	**Q1 2007**	**Change**
Adjusted Earnings [1]	**$0.58**	**$0.62**	**($0.04)**

Variance Primarily Due to:

+12¢ Generation

-2¢ Customer Supply Group

-7¢ Global Commodities Group

-7¢ Interest/Other

	Actual Q1 2008	**Guidance Q1 2008**	**Actual Q1 2007**
Generation Hedged EBITDA [2] *($ in millions)*	$251	$247	$218
Customer Supply Backlog *($ in millions)*	$53 [3]	$57	NA

[1] Excludes special items and certain economic, non-qualifying hedges and synfuel earnings
[2] Excludes allocation of Corporate Costs
[3] Revised backlog estimate
See Appendix

15

Compared to the first quarter of last year, Merchant adjusted earnings were down 4 cents per share.

- On the positive side, Generation was up 12 cents. The primary drivers were the impact of the shorter planned refueling outage at Calvert Cliffs which was favorable 6 cents, and higher energy and capacity prices, as below market hedges continue to roll-off added 7 cents.
- Customer Supply was unfavorable 2 cents per share, and
- Global Commodities was down 7 cents compared with the first quarter of 2007.

I will cover the drivers to Customer Supply and Global Commodities in a moment.

- Lastly, higher net interest expense and other items reduced earnings by 7 cents per share versus last year.

Turning to slide 16…

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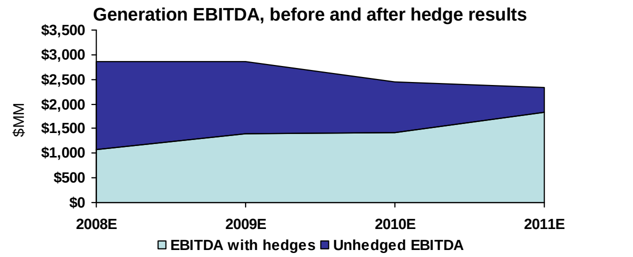
Generation Earnings Outlook



($ millions)	2008E	2009E	2010E	2011E
Total Output (MM MWhs)	53	52	52	53
Unhedged GM	**3,715**	**3,765**	**3,431**	**3,369**
O&M	(864)	(900)	(979)	(1,036)
Unhedged EBITDA	**2,851**	**2,865**	**2,452**	**2,333**
Hedge Impact	(1,773)	(1,468)	(1,031)	(514)
EBITDA with Hedges	**1,078**	**1,397**	**1,421**	**1,819**

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This chart provides an update on how changes in market forward prices and hedging activity affect generation EBITDA. For 2008, we are forecasting unhedged EBITDA of $2.85 billion. Netting the hedging impacts of $1.77 billion, our hedged EBITDA is forecast to be $1.1 billion. You will note that unhedged EBITDA is forecast to decline over the next three years due to the backwardated power curve, higher coal prices and the estimated cost of carbon credits. However, as our hedges on the generation fleet continue to reprice at higher levels, the hedge impact diminishes significantly, resulting in hedged EBITDA of approximately $1.8 billion by 2011.

Turning to slide 17…

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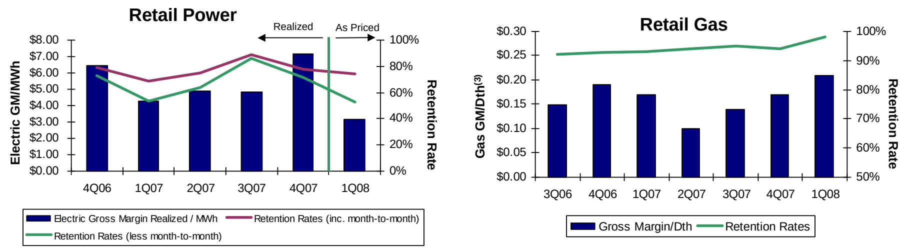
Customer Supply Gross Margin

($ in millions)	Q1 2008	Q1 2007	Change
Already Originated Business	$53		
New Business	29		
Gross Margin	**$82**	**$105 (1)**	
Changes in Business Measurement			
Wholesale Variable Load Cost(2)	8	0	
Retail Power Adjustments	0	(2)	
Comparable Gross Margin Results	$90	$103	(13%)
Full Year Plan	$737	$800	(8%)



(1) Due to Merchant realignment, Already Originated Business and New Business breakdowns are not available for Q1 2007
(2) Recognized in Portfolio Management and Trading in prior periods
(3) Does not include mark-to-market results
See Appendix 17

As you see in the chart at the top of the slide, during the quarter, Customer Supply realized gross margin of $82 million. This was right in line with our first quarter expectations. Year-over-year this was a decline of $23 million from the first quarter of 2007. A portion of this reduction is due to a change in how we measure our business performance. Part of our Merchant integration efforts were directed at consolidating our risk management activities. As we explained in January, results from customer supply will include the effects of variable load risk and customer attrition. On the other hand, any impacts from risk management activities will be reported in Portfolio Management and Trading. As a result, $8 million of variable load cost appears in the wholesale power results in 2008 while any such expense in 2007 would have been included in Portfolio Management and Trading. Conversely, $2 million of positive portfolio management results appeared in Retail Power's first quarter 2007 results and would not appear there in 2008.

The remaining difference is primarily due to reduced wholesale power backlog of $30 million, reduced realized Retail Power gross margin of $14 million, offset by increased Retail Gas new business of $27 million, which was driven by strong mark-to-market results.

The Retail Power retention rate was 53 percent, about the same as the first quarter of 2007. However, including the customers that remain on a month-to-month basis, our retention rate jumped to 75 percent, up from last year's rate of 69 percent. Our retention rates and win rates were consistent with recent history; however, customers appear to be selecting shorter term products in the current market.

Looking forward, as-priced margins were $3.17 per megawatt hour, down a bit from the $3.31 level of the first quarter 2007, but still healthy.

Retail Gas retention rates remained strong at 98 percent and realized margins improved by 4 cents per decatherm over last year.

In summary, our Customer Supply business, Wholesale Power, Retail Power and Retail Gas are on track to achieve their 2008 earnings targets. As we mentioned in January, due to lower sales volumes and tightening margins at the end of 2007, we did not expect wholesale power or retail power performance to match 2007's strong results.

Turning to slide 18…

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Global Commodities Contribution Margin

($ in millions)

	Q1 2008	Q1 2007	Change $	Change %
Core Contribution Margin [1]	$217	$133	84	63%
SFAS 133 Hedge Ineffectiveness	(63)	(14)	(49)	
Coal Supplier Defaults	(68)	0	(68)	
Total Contribution Margin	**$86**	**$119**	**(33)**	**(28%)**

Core business results up 63% primarily due to Structured Products gains in coal and power, partially offset by losses in Portfolio Management & Trading

[1] Includes gas project level expenses of $33 million in Q1 2008 and $19 million in Q1 2007

See Appendix

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This chart highlights Global Commodities Contribution margin compared to the first quarter of 2007. As you can see in the column on the left, Global Commodities Contribution Margin, excluding the impact of hedge ineffectiveness and the isolated defaults by two coal suppliers, was $217 million in the first quarter, up $84 million or 63 percent from the first quarter of 2007.

Structured Products produced gains of $239 million dollars, an increase of $160 million over the first quarter of 2007. For the past several years, as market conditions dictate, we often transact to realize gains or re-balance the risk characteristics of our Structured Products portfolio. While we have traditionally reported this as Structured Products activity, at a management level, decisions are made as part of overall portfolio management. In the past quarter, an historically unprecedented jump in coal prices caused us to realize some gains in our coal portfolio that resulted from the price move. We also realized gains embedded in a unit-contingent PPA from a nuclear unit, reducing our exposure to performance risk, as we have done and reported on several occasions in the past. While we were obviously not expecting the dramatic run-up in coal prices to create the magnitude of opportunity that it did, activity of this type was envisioned in our 2008 plan. We may see further opportunities over the balance of the year, though we would not expect them to be as large as those that we saw in the first quarter.

Our Energy Investments contributed $26 million, an increase of $21 million from first quarter 2007. Approximately $14 million of this came from the sale of producing gas wells to Constellation Energy Partners.

Offsetting these increases, Portfolio Management and Trading lost $47 million in the first quarter of 2008. This was a decrease of $97 million from the first quarter of 2007. Given our approach of managing the value of our entire portfolio centrally -- including Structured Products contracts, Energy Investments assets, and Portfolio Management and Trading activity – we were pleased with the total performance. As we expect to do, in a fairly tumultuous market environment, we experienced gains in some areas and losses in others, resulting in a total performance that was fairly strong.

We have already mentioned the sharp drop in heat rates. A direct impact of that drop was the increase in hedge ineffectiveness experienced in the first quarter. While some quarters will have large hedge ineffectiveness results, our expectation is that over time hedge ineffectiveness has a cumulative impact of zero.

The dramatic run up in coal prices discussed earlier created operational challenges for two of our coal suppliers that sold forward coal in anticipation of increased production and coal availability. As a result, they defaulted on their contracts, and we recorded a $68million loss in the first quarter.

Turning to slide 19…

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Merchant Earnings Creation – 2009 & Beyond

($ millions)	
Global Commodities Gross Margin	$201
Customer Supply Gross Margin	40
Net Backlog Change	**241**
Hillabee Future Earnings[1]	125
Total Merchant Future Earnings Creation	**$366**

Created $366 million of future earnings in the first quarter of 2008

[1] Included in Generation EBITDA beginning 2010

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Looking to the future, the Merchant continued to build a strong backlog of earnings in the first quarter. After accounting for backlog impacts of the structured transactions I just discussed, Global Commodities added $201 million to its backlog.

The Customer Supply Group contributed $40 million to its backlog. While less than our expectations, it is consistent with our experience of customers deferring the decision to enter into longer term contracts. As customers eventually stop purchasing on a month-to-month basis, we expect to see the pace of building backlog to increase.

As mentioned earlier, we added to our generation portfolio with the purchase of the Hillabee Energy Center. While we include the projected earnings through 2012 from this acquisition in our Generation EBITDA, we show here our estimate of future earnings as if we had sourced a 15 year toll at comparable economics.

In total for the first quarter, we added over $360 million to our future earnings.

Turning to slide 20 and a discussion on cash flow…

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Q1 2008 Cash Flow

($ in millions)	Merchant	Utility	Other Non-Reg	Q1 Total
Net Income[1]	74	74	(2)	146
Depreciation & Amortization	127	69	2	198
Total Working Capital & Other	53	73	(20)	106
Pension				(62)
Cash Flow from Operating Activities[2]	**254**	**216**	**(20)**	**388**
Total Capital Expenditures	(289)	(155)	(3)	(447)
Total Acquisitions	(157)	-	-	(157)
Total Divestitures	51	13	-	64
Amortization of Acquired Contracts/Structured Deals	(44)	-	-	(44)
Cash Flow from Investing Activities[2]	**(439)**	**(142)**	**(3)**	**(584)**
Total Free Cash Flow	**(185)**	**74**	**(23)**	**(196)**
Equity Issuances & Acquisition of Common Stock				4
Common Stock Dividends Paid				(79)
Net Debt Issuances/(Payments)				(164)
Other Financing				2
Cash Flow from Financing Activities[2]				**(237)**
Change in Net Cash Position				**(433)**

[1] Includes special items
[2] Non-GAAP
See Appendix Note: Company reclassed $86 million from investing activities into operating activities since April 30,2008

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We have refined our cash flow reporting to more closely align with our GAAP cash flow statement. The new cash flow reporting format shown here provides more insight into Operating Cash Flow and clearly breaks out the Amortization of Acquired Contracts and Structured Deals. In the Additional Modeling section, we have provided a description of the unamortized energy contracts and an annual amortization of these items.

Adjusted cash flow from operating activities was a positive $388 million during the first quarter. Adjusting for investing activities, free cash flow was a use of $196 million primarily driven by the purchase of Hillabee and planned capital expenditures.

Cash flow from financing activities, which primarily reflect dividends paid and net debt retirements, was a use of $237 million resulting in a change in net cash of $433 million in the first quarter.

Turning to slide 21…

Constellation Energy — The way energy works.

Balance Sheet / Credit Metrics

($ in billions)	**Q1 2008**	**YE 2007**
Debt		
Total Debt	$4.8	$4.9
Less: Cash	(0.7)	(1.1)
Net Debt	**$4.1**	**$3.8**
Capital		
50% Trust Preferred	$0.1	$0.1
Equity (1)	6.2	5.6
Total Capital	**$10.4**	**$9.5**
Accum. Other Comprehensive Income Balance	0.4	0.9
3rd Party Cash Collateral	0.6	0.3
Net Debt to Total Capital (2)	36%	36%
Adjusted Net Debt to Adjusted Total Capital (3)	38%	35%
Funds from Operations / Debt (2)	40% - 45%	28%

(1) Includes preferred stock and minority interest
(2) Excludes BGE Rate Stabilization Securitization debt
(3) Excludes BGE Rate Stabilization Securitization debt, AOCI balance related to cash flow hedges of commodity transactions and 3rd party cash collateral
Note: numbers may not add due to rounding
See Appendix

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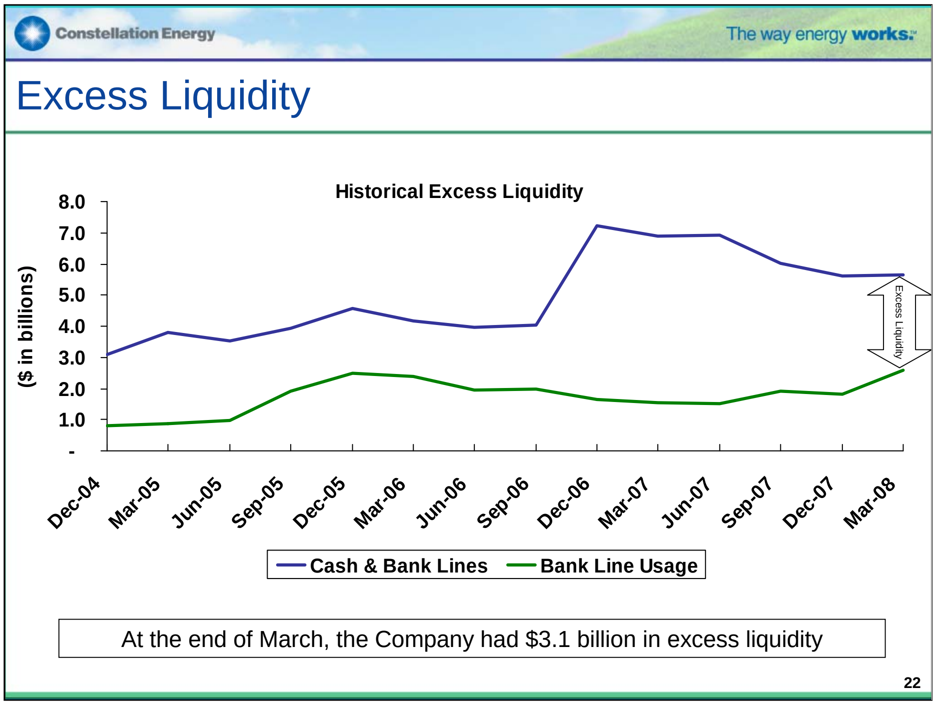
The balance sheet and associated credit metrics continue to be very strong.

Total debt outstanding decreased slightly to $4.8 billion in the quarter reflecting debt maturities at BGE. Equity increased during the quarter, primarily driven by price movements and contract expiration on our hedging activities which is captured in Accumulated Other Comprehensive Income. The resultant changes on the capital structure leave the Net Debt to Total Capital metrics in-line with year-end 2007. Adjusted Net Debt to Adjusted Total Capital saw a slight deterioration in the quarter due to an increase in the third party collateral held and the change in Accumulated Other Comprehensive Income described above. As you will recall, all of these metrics exclude the impact of the BGE Securitization debt.

We expect an improvement in the ratio of Funds From Operation to Debt from 2007 levels largely due to the elimination of the drag created by fuel expenses deferred under the SB1 rate phase in plan in 2007. As we have mentioned in prior presentations, we primarily focus on the FFO/Debt ratio which is currently the most important ratio for the rating agencies. When the rating agencies look at this metric, they increase the amount of debt by imputing debt from power purchase agreements, pension obligations, trading activities, and other comparable activities. They also adjust funds from operations for imputed interest. As a result, they arrive at a much different ratio. Looking at 2008, we estimate that Standard & Poor’s would calculate FFO to debt in the 24 to 28 percent range versus our forecast of 40 to 45 percent.

Turning to slide 22…



This chart shows our excess liquidity, which was $3.1 billion at the end of March. The top blue line represents our cash balances plus our bank lines, the total of which was approximately $5.7 billion at the end of March. The green line on the bottom of the chart shows our bank line usage as we post letters of credit with counterparties. At the end of the first quarter, we had posted about $2.6 billion in letters of credit.

Turning to slide 23…

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Q2 2008 Outlook

	Outlook Q2 2008E	Actual Q2 2007
BGE Earnings Per Share	$0.04 - $0.08	$0.08
Generation Hedged EBITDA [1] *($ in millions)*	$130	$177
Customer Supply Backlog *($ in millions)*	$257	NA

[1] Excludes allocation of Corporate Costs

See Appendix

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Consistent with the approach we introduced in January for the first quarter of 2008, we are not providing specific earnings guidance for the second quarter. Alternatively, we are providing a few key operating and financial metrics.

First, we are providing a BGE earnings range of $0.04 to $0.08 per share. This compares to our second quarter 2007 earnings of $0.08, reflecting higher costs, partially offset by favorable POLR margins and transmission revenue. I will also note that we expect to recognize the $187 million credit to BGE customers in the second quarter and report a special item of approximately $0.70 per share.

For Generation, we are providing a hedged EBITDA forecast of $130 million, which is $47 million lower than the hedged EBITDA of $177 million earned in the second quarter of 2007. The 2008 Ginna refueling outage and higher costs to improve fossil plant reliability are the key drivers.

The final metric provided is Customer Supply backlog which is expected to be $257 million in the second quarter of 2008. Because we did not measure 2007 backlog in a manner comparable to today, we are not providing an estimate for the second quarter last year. However, as a point of reference, total realized customer supply gross margin in Q2 2007 was $217 million.

That concludes our prepared remarks. We'll now turn the call over the operator for questions.

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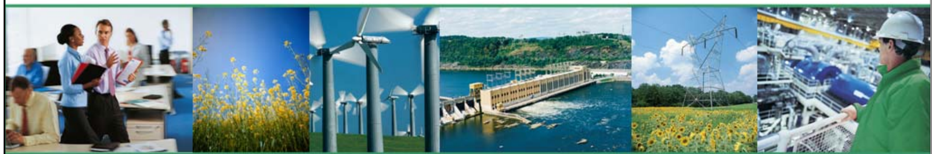

Additional Modeling Information

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Merchant – Q1 2008 Income Statement

($ in millions)	Q1 2008[1]	Q1 2007[1]	Change $	Change %
Generation	$ 489	$ 439	$ 50	11%
Customer Supply	82	105	(23)	(22%)
Global Commodities[2]	121	136	(15)	(11%)
Gross Margin	**693**	**680**	**13**	2%
Operating & Maintenance	(409)	(395)	(14)	(3%)
Depreciation & Amortization	(78)	(62)	(16)	(25%)
Asset Retirement Obligation	(17)	(18)	1	6%
Other Revenue and Expenses	7	(9)	16	NM
Total Costs below Gross Margin	(496)	(484)	(12)	(3%)
EBIT	**197**	**196**	**1**	**0%**
Net Interest Expense	(24)	(14)	(11)	(79%)
Pre-Tax Income	**172**	**182**	**(10)**	**(6%)**
Income Tax	(69)	(70)	1	2%
Net Income	**$ 103**	**$ 112**	**(9)**	**(8%)**

[1] Earnings Exclude special items, certain economic, non-qualifying hedges, and synfuel earnings
[2] Includes other gross margin of $2M in Q1 2008 and ($2M) in Q1 2007 due to Merchant eliminations
Note: Numbers may not sum due to rounding
See Appendix

Q1 2008 Depreciation and Amortization

($ in millions)	**Merchant**	**Utility**	**Other Non-Reg**	**Total**
Q1 2008 Depreciation & Amortization	**78**[1]	**67**	**2**	**146**
Nuclear Fuel Amortization	29	-	-	**29**
Asset Retirement Obligation Liability	17	-	-	**17**
Synfuel Amortization Adjustment	2	-	-	**2**
Other	(4)	2	-	**(1)**
Q1 2008 D&A (Slide 20)	**121**	**69**	**2**	**192**

[1] From Slide 25 – Merchant – Q1 2008 Income Statement
Note: Numbers may not sum due to rounding

Unamortized Energy Contracts

($ in millions as of 12/31/07)	2004	2005	2006	2007	2008E	2009E	2010E
Contract Reclassification	-	888.5	603.3	396.8	240.5	111.8	-
Acquired Contracts	113.5	487.9	516.2	939.9			
Other(1)	(77.4)	35.0	58.0	63.8			
Net Unamortized Energy Contract Liability	**36.1**	**1,411.4**	**1,177.5**	**1,400.5**			

- **Contract Reclassification:** During 2005, Constellation transferred a cash flow hedge contract to normal purchase/ normal sale. This transfer resulted in the reclassification of the contract's $888.5 million fair value from "Derivative liabilities" to "Unamortized energy contract liabilities." Amortization of the Contract Reclassification has an equal and offsetting entry in Change in Accumulated Other Comprehensive Income, therefore, there is no impact on Cash Flow.
- **Acquired Contracts:** As part of our commercial transactions, we acquired several pre-existing non-derivative contracts that had been originated by other parties in prior periods when market prices were lower than current levels. We received cash and other consideration for these contracts and recorded a liability in "Unamortized energy contracts."

($ millions as of 12/31/07)	2007	2008E	2009E	2010E	2011E+
Amortization of Non-Derivative Liability(2)	218.5	202.6	180.1	177.6	(443.4)

(1) Amortizations of transactions prior to 2004 and other transactions recorded as Unamortized Contract Liability
(2) Will be included in Depreciation and Amortization in the operating activities section of the GAAP Statement of Cash Flows

Hedging and Earnings Variability

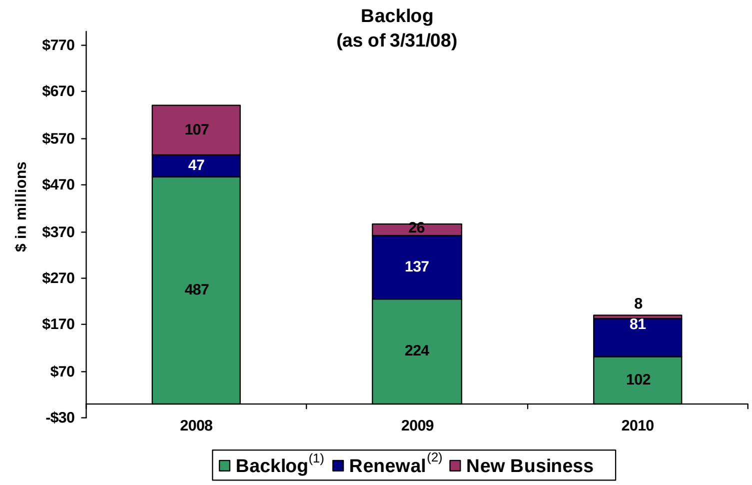
Impact of Hedging on Generation Earnings Variability

	2008E [1]	2009E	2010E
Power [2] + $1 per MWh, fuel unchanged	--	+$8.1MM	+$9.4MM
Fuel + $0.10 per MMBtu, power unchanged	--	-$0.1MM	-$5.2MM
Capacity + $10 per MW-day	--	+$1.5MM	+$2.9MM

- Hedge strategy has substantially reduced the fleet's exposure to changes in energy prices
- After-tax hedge impact (NPV) is $4.0 billion

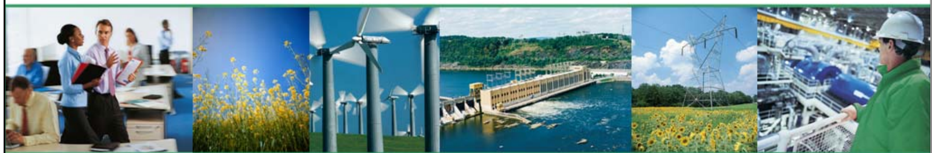
[1] Relatively minor residual 2008 position managed within Global Commodities Group portfolio
[2] Sensitivities represent energy price changes at the relevant liquid hub only and do not capture the impact of potential changes in basis from the hub to actual location of each individual power plant
Note: Generation hedges through GCG, which may not hedge externally

Customer Supply: Backlog



[(1)] Adjusted backlog from prior presentations due to portfolio re-valuation
[(2)] Renewal Gross Margin assumes a renewal rate of 68% for Retail Power and 94% for Retail Gas

Constellation Energy



Non-GAAP Reconciliations

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Summary of Non-GAAP Measures

Non-GAAP Measure	Slide(s) Where Used in Presentation	Most Comparable GAAP Measure	Slide Containing Reconciliation
Adjusted EPS		Reported GAAP EPS	
Q108 Actual	4, 12, 13, 15		32
Q107 Actual	4, 12, 13, 15		32
EPS Guidance	9, 13, 23		32
YTD 2007 Actual	9		33
YTD 2006 Actual	9		33
YTD 2005 Actual	9		33
Q207 BGE Actual	23		34
Merchant Gross Margin	17, 18, 25	Income from Operations / Net Income	35, 36
Merchant Below Gross Margin	25		35, 36
Free Cash Flow	20	Operating, Investing and Financing Cash Flow	37
Debt to Total Capital	21	Debt Divided by Total Capitalization	38

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Adjusted EPS Q1 2008 and Q1 2007

We exclude special items and certain economic, non-qualifying fuel adjustment clause and gas transportation and storage hedges because we believe that it is appropriate for investors to consider results excluding these items, in addition to our results in accordance with GAAP. We have also adjusted earnings to exclude synfuel results due to the potential volatility and phase-out of the tax credits. We believe such a measure provides a picture of our results that is comparable among periods since it excludes the impact of items, which may recur occasionally, but tend to be irregular as to timing and magnitude, thereby distorting comparisons between periods. However, investors should note that this non-GAAP measure involves judgment by management (in particular, judgments as to what is or is not classified as a special item). We also use this measure to evaluate performance and for compensation purposes.

RECONCILIATION:

	Merchant	Regulated Electric	Regulated Gas	BGE	Other Nonreg.	Total	
	A	B	C	D = (B+C)	E	F =(A+D+E)	
1Q08 ACTUAL RESULTS:							
Reported GAAP EPS	$ 0.40	$ 0.19	$ 0.22	$ 0.41	$ -	$ 0.81	**GAAP MEASURES**
Loss from Discontinued Operations	-	-	-	-	-	-	
EPS Before Discontinued Operations	0.40	0.19	0.22	0.41	-	0.81	
Special Items, Non-qualifying Hedges, and Synfuel Results Included in Operations:							
Non-qualifying hedges	(0.19)	-	-	-	-	(0.19)	
Synthetic fuel facility results	0.01	-	-	-	-	0.01	
Effective Tax Rate Impact - BGE Credit	-	0.02	0.02	0.04	-	0.04	
Total Special Items, Non-qualifying Hedges, and Synfuel Results	(0.18)	0.02	0.02	0.04	-	(0.14)	
Adjusted EPS	$ 0.58	$ 0.17	$ 0.20	$ 0.37	$ -	$ 0.95	**NON-GAAP MEASURE**
1Q07 ACTUAL RESULTS:							
Reported GAAP EPS	$ 0.66	$ 0.18	$ 0.18	$ 0.36	$ 0.05	$ 1.07	**GAAP MEASURES**
Loss from Discontinued Operations	(0.01)	-	-	-	-	(0.01)	
EPS Before Discontinued Operations	0.67	0.18	0.18	0.36	0.05	1.08	
Special Items, Non-qualifying Hedges, and Synfuel Results Included in Operations:							
Non-qualifying hedges	(0.05)	-	-	-	-	(0.05)	
Synthetic fuel facility results	0.10	-	-	-	-	0.10	
Total Special Items, Non-qualifying Hedges, and Synfuel Results	0.05	-	-	-	-	0.05	
Adjusted EPS	$ 0.62	$ 0.18	$ 0.18	$ 0.36	$ 0.05	$ 1.03	**NON-GAAP MEASURE**

EARNINGS GUIDANCE
Constellation Energy is unable to reconcile its earnings guidance excluding special items to GAAP earnings per share because we do not predict the future impact of special items such as the cumulative effect of changes in accounting principles and the disposition of assets. See above reconciliation for actual Special Items.

Adjusted EPS YTD 2005, 2006 and 2007

We exclude special items and certain economic, non-qualifying fuel adjustment clause and gas transportation and storage hedges because we believe that it is appropriate for investors to consider results excluding these items, in addition to our results in accordance with GAAP. We have also adjusted earnings to exclude synfuel results due to the potential volatility and phase-out of the tax credits. We believe such a measure provides a picture of our results that is comparable among periods since it excludes the impact of items, which may recur occasionally, but tend to be irregular as to timing and magnitude, thereby distorting comparisons between periods. However, investors should note that this non-GAAP measure involves judgment by management (in particular, judgments as to what is or is not classified as a special item). We also use this measure to evaluate performance and for compensation purposes.

RECONCILIATION:

	2007 Total	2006 Total	2005 Total	
ACTUAL RESULTS:				
Reported GAAP EPS	$ 4.50	$ 5.16	$ 3.47	
Income from Discontinued Operations	(0.01)	1.04	0.53	**GAAP MEASURES**
Cumulative Effects of Changes in Accounting Principles	-	-	(0.04)	
EPS Before Discontinued Operations and Cumulative Effects of Changes in Accounting Principles	4.51	4.12	2.98	
Special Items and Non-qualifying Hedges Included in Operations:				
Gain on sale of gas-fired plants (excluding High Desert)	-	0.26	-	
Impairment losses and Other Costs	(0.07)	-	-	
Non-qualifying Hedges	0.01	0.21	(0.14)	
Synthetic fuel facility results	(0.02)	0.16	0.33	
Merger-related costs	-	(0.03)	(0.09)	
Workforce reduction costs	(0.01)	(0.09)	(0.01)	
Total Special Items, Non-qualifying Hedges, and Synfuel Results	(0.09)	0.51	0.09	
Adjusted EPS	$ 4.60	$ 3.61	$ 2.89	**NON-GAAP MEASURE**

EARNINGS GUIDANCE

Constellation Energy is unable to reconcile its earnings guidance excluding special items to GAAP earnings per share because we do not predict the future impact of special items such as the cumulative effect of changes in accounting principles and the disposition of assets. See above reconciliation for actual Special Items.

Adjusted EPS BGE Q2 2007

We exclude special items and certain economic, non-qualifying fuel adjustment clause and gas transportation and storage hedges because we believe that it is appropriate for investors to consider results excluding these items, in addition to our results in accordance with GAAP. We have also adjusted earnings to exclude synfuel results due to the potential volatility and phase-out of the tax credits. We believe such a measure provides a picture of our results that is comparable among periods since it excludes the impact of items, which may recur occasionally, but tend to be irregular as to timing and magnitude, thereby distorting comparisons between periods. However, investors should note that this non-GAAP measure involves judgment by management (in particular, judgments as to what is or is not classified as a special item). We also use this measure to evaluate performance and for compensation purposes.

RECONCILIATION:

	Regulated Electric	Regulated Gas	BGE	
	B	C	D = (B+C)	
2Q07 ACTUAL RESULTS:				
Reported GAAP EPS	$ 0.11	$ (0.03)	$ 0.08	GAAP MEASURES
Loss from Discontinued Operations	-	-	-	
EPS Before Discontinued Operations	0.11	(0.03)	0.08	
Special Items, Non-qualifying Hedges, and Synfuel Results Included in Operations:				
Non-qualifying hedges	-	-	-	
Synthetic fuel facility results	-	-	-	
Impairment losses and other costs	-	-	-	
Workforce reduction costs	-	-	-	
Total Special Items, Non-qualifying Hedges, and Synfuel Results	-	-	-	
Adjusted EPS	$ 0.11	$ (0.03)	$ 0.08	**NON-GAAP MEASURE**

Q1'08 Merchant Gross Margin and Below Gross Margin

We utilize the non-GAAP financial measure of Gross Margin to highlight the relationship between the costs of and prices for energy in our Merchant Energy business categories (Generation, Customer Supply, and Global Commodities). We also make certain adjustments to items below gross margin through net income including EBIT. We believe these non-GAAP measures help investors to better understand the changes in the level of our Merchant Energy operating results from period to period.

GAAP to NONGAAP Walk
Q1 2008

Adjustments in Arriving at Non-GAAP ($ million)

Merchant Gross Margin Categories	GAAP	Nonqualifying Hedges (a)	Synfuels (b)	Certain Operating Expenses (c)	Gross Receipts Tax / Aggregator Fees (d)	Fly Ash (e)	Decommissioning Revenue (f)	Other Adjustments Below GM	Other Notes	Non-GAAP
Generation	$ 498			$ (10)		$ 6	$ (5)			$ 489
Customer Supply	99				(17)					82
Global Commodities	66	57	(2)							121 **
Total	$ 663	$ 57	$ (2)	$ (10)	$ (17)	$ 6	$ (5)	$ -		$ 693
Operating & Maintenance	$ (430)			$ 10	$ 9	$ (6)		$ 9	g	$ (409)
Depreciation & Amortization	(71)		2					(9)	g	(78)
Asset Retirement Obligation	(17)									(17)
Taxes Other than Income Taxes	(27)				8			19	h	-
Income from Operations	118									189
Other Revenue and Expense	26		(1)				5	(23)	h, i	7
EBIT	N/A									197
Fixed Charges	(30)		2					4	i	(24)
Income Before Income Taxes	114									172
Income Tax expense	(42)	(23)	(5)							(69)
Income from Continuing Operations	72									103
Income from discontinued operations	-									-
Net Income	$ 72	$ 35	$ (4)	$ 0	$ -	$ -	$ 0	$ -		$ 103

a Adjustment to remove economic, nonqualifying hedges of gas transport and storage contracts.
b Adjustment to remove Synfuel Earnings.
c Adjustment to reclassify operating expenses to Non-GAAP gross margin.
d Adjustment to reclass gross receipts tax and aggregator fees from operating expenses to Non-GAAP gross margin.
e Adjustment to reclass fly ash expenses to Non-GAAP operating and maintenance expense.
f Adjustment to remove decommissioning revenues from non-GAAP gross margin measure and included in Other Income. The offsetting decommissioning expense was recorded in accretion of asset retirement obligations.
g Adjustment to reclassify certain allocated costs from O&M to Depreciation and Amortization.
h Adjustment to reflect management's view of these items as Other Income / Expense.
i Adjustment to move Interest Income recorded in Other Income / Expense to Fixed Charges (to show a fixed charge amount net of interest income).

** Excludes $33 million of operating expenses, depreciation, depletion and amortization, and interest expense associated with our Upstream Gas properties and $2 million of other gross margin

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Q1'07 Merchant Gross Margin and Below Gross Margin

We utilize the non-GAAP financial measure of Gross Margin to highlight the relationship between the costs of and prices for energy in our Merchant Energy business categories (Generation, Customer Supply, and Global Commodities). We also make certain adjustments to items below gross margin through net income including EBIT. We believe these non-GAAP measures help investors to better understand the changes in the level of our Merchant Energy operating results from period to period.

GAAP to NONGAAP Walk
Q1 2007

		Adjustments in Arriving at Non-GAAP								
	Notes:	a	b	c	d	e	f			
Merchant Gross Margin Categories	GAAP	Nonqualifying Hedges	Synfuels	Certain Operating Expenses	Gross Receipts Tax / Aggregator Fees	Fly Ash	Decommissioning Revenue	Adjustments Below GM	Other Notes	Non-GAAP
					($ million)					
Generation	$ 444		$ 8	$ (10)		$ 2	$ (5)			$ 439
Customer Supply	117	4			(16)					105
Global Commodities	117	11	8							136 **
Total	$ 678	$ 15	$ 16	$ (10)	$ (16)	$ 2	$ (5)			$ 680
Operating & Maintenance	$ (420)		$ 4	$ 10	$ 7	$ (2)		$ 5	g	$ (395)
Depreciation & Amortization	(63)		6					(5)	g	(62)
Asset Retirement Obligation	(18)									(18)
Taxes Other than Income Taxes	(27)				9			18	h	-
Income from Operations	150									205
Other Revenue and Expense	11						5	(25)	h, i	(9)
EBIT	N/A									196
Fixed Charges	(21)		1					7	i	(14)
Income Before Income Taxes	141									182
Income Tax expense	(19)	(5)	(46)							(70)
Income from Continuing Operations	122									112
Income from discontinued operations	(2)							2	j	-
Net Income	$ 120	$ 10	$ (19)	$ -	$ -	$ -	$ -	$ 2		$ 112

a Adjustment to remove economic, nonqualifying hedges of gas transport and storage contracts.
b Adjustment to remove Synfuel Earnings.
c Adjustment to move operating expenses to Non-GAAP gross margin.
d Adjustment to reclass gross receipts tax from operating expenses to gross margin.
e Adjustment to reclass fly ash expenses to Non-GAAP operating and maintenance expense.
f Adjustment to remove decommissioning revenues from non-GAAP gross margin measure and included in Other Income. The offsetting decommissioning expense was recorded in accretion of asset retirement obligations.
g Adjustment to reclassify certain allocated costs from O&M to Depreciation and Amortization.
h Adjustment to reflect management's view of these items as Other Income / Expense.
i Adjustment to move Interest Income recorded in Other Income / Expense to Fixed Charges (to show a fixed charge amount net of interest income).
j Adjustment to exclude discontinued operations

** Excludes $19 million of operating expenses, depreciation, depletion and amortization, and interest expense associated with our Upstream Gas properties and $(2) million of other gross margin

Cash Flows – Q1 2008 - Revised

The following is a reconciliation of the non-GAAP financial measures of Net Cash Flow before Debt Issuances/Payments and Free Cash Flow.
We utilize these non-GAAP measures because we believe they are helpful in understanding our ability to reduce debt by existing cash.

RECONCILIATION

	Q1 2008 ($ millions)		
QTD MARCH ACTUAL RESULTS:			
Net cash provided by operating activities **(GAAP measure)**	345		
Adjustment for derivative contracts presented as financing activities under SFAS 149	(2)		
Adjusted Net Cash Provided by Operating Activities		$ 343	←NON-GAAP MEASURE
Net cash used in investing activities **(GAAP measure)**		(540)	
Net Cash Used in Financing Activities (Excl. Debt-Related Sources & Uses) *			
Common stock dividends paid	(79)		
Proceeds from issuance of common stock	4		
Other financing activities, excluding SFAS 149 activities included in operating	1		
Adjusted Net Cash Used in Financing Activities		(74)	
Net Cash Flow before Debt Issuances/(Payments)		(271)	←NON-GAAP MEASURE
Less: Proceeds from issuance of common stock		(4)	
Add: Common stock dividends paid		79	
Free Cash Flow		$ (196)	←NON-GAAP MEASURE

**** Total GAAP Cash Used in Financing Activities (incl. debt-related sources & uses) was $238 million QTD March 08.***

PROJECTED CASH FLOWS:
Constellation Energy is unable to provide a reconciliation of these measures for Projected 2008 because it does not prepare a forecasted statement of cash flows on a GAAP basis.

Net Debt to Total Capital

Debt to Total Capital is a non-GAAP ratio that excludes unamortized discounts and premiums, reduces debt by our cash balance, and includes minority interests in equity. In addition, we reflect a 50 percent equity credit for our trust preferred securities and remove the non-economic impact commodity hedges and cash collateral held, similar to the evaluation performed by major credit rating agencies. Management believes this non-GAAP measures provide investors useful information on our leverage because it is consistent with the evaluation performed by rating agencies, takes into account minority equity interests in our consolidated affiliates and cash available to reduce debt, and facilitates comparability between periods.

RECONCILIATION:

	March 31, 2008			December 31, 2007		
	GAAP Balances	Non-GAAP Ratio		GAAP Balances	Non-GAAP Ratio	
Total long-term debt (gross of current portion)	$ 4,666.6	$ 4,666.6		$ 4,788.2	$ 4,788.2	
Fair value decrease (increase) in fixed to floating rate swap included in long-term debt		(38.6)			(11.8)	
6.20% deferrable interest subordinated debentures due October 15, 2043 to BGE wholly owned BGE Capital Trust II relating to trust originated preferred securities	257.7	257.7		257.7	257.7	
50% Equity credit to trust preferred securities		(125.0)		-	(125.0)	
Adjustment to include High Desert Lease on Balance Sheet at December 31, 2001				-	-	
Short-term borrowings				14.0	14.0	
Unamortized discount and premium	(4.8)			(4.8)	-	
Subtotal	4,919.5	4,760.7		5,055.1	4,923.1	
LESS: Cash		662.6		-	1,095.9	
Total Net Debt	4,919.5	4,098.1		5,055.1	3,827.2	
Rate stabilzation securitization bonds of BGE		(623.2)			(623.2)	
Net Debt for Debt to Capital Ratio	4,919.5	3,474.9	35.8%	5,055.1	3,204.0	36.1%
BGE Preference Stock Not Subject To Mandatory Redemption	190.0	190.0		190.0	190.0	
Minority Interests		19.9		-	19.2	
Common shareholders' equity	5,906.0	5,906.0		5,340.2	5,340.2	
Subtotal	6,096.0	6,115.9		5,530.2	5,549.4	
50% Equity credit to trust preferred securities		125.0		-	125.0	
Total Equity	6,096.0	6,240.9	64.2%	5,530.2	5,674.4	63.9%
Total Capitalization	11,015.5	10,339.0		10,585.3	9,501.6	
Rate stabilzation securitization bonds of BGE		(623.2)			(623.2)	
Total capitalization for Debt to Capital Ratio	$ 11,015.5	$ 9,715.8	100.0%	$ 10,585.3	$ 8,878.4	100.0%
Exclude commodity hedge AOCI Balance from common shareholders' equity and rate stabilization bonds		397			940	
Counterparty cash collateral held reflected as a reduction of cash balance and rate stabilzation bonds		(562)			(270)	
Adjusted Net Debt to Total Capital		37.9%			34.5%	