



DISTRICT OF COLUMBIA
CONSUMER UTILITY BOARD

Established in 1977

July 9, 2012

VIA ELECTRONIC FILING

Ms. Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission
of the District of Columbia
1333 H Street, N.W., 2nd Floor, West Tower
Washington, D.C. 20005

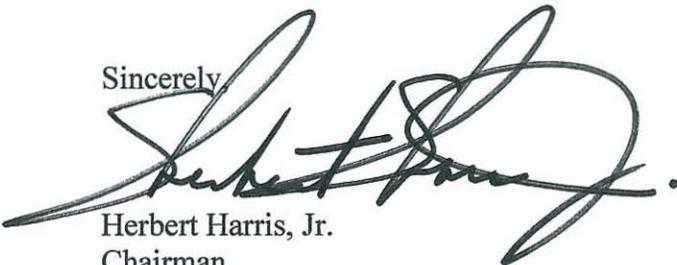
RE: COMMUNITY BRIEF - Formal Case No. 1087, In the Matter of the Application of Potomac Electric Power Company For Authority To Increase Existing Retail Rates and Charges For Electric Distribution Service

Dear Ms. Westbrook-Sedgwick:

Enclosed you will find an original and fifteen (15) copies of the "Community Brief of D.C. Consumers of Services Provided by the Potomac Electric Power Company, District of Columbia" for filing in the above-referenced matter.

Thank you for your attention to this matter.

Sincerely



Herbert Harris, Jr.
Chairman

Mailing Address: P.O. Box 77871
National Capital Station
Washington, D.C. 20013-7871

Enclosure

cc: Parties of Record

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF THE DISTRICT OF COLUMBIA**

In the Matter of

**The Application of the
Potomac Electric Power Company
For Authority to Increase Existing
Retail Rates and Changes for
Electric Distribution Service**

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Formal Case No. 1087

**COMMUNITY BRIEF
OF DISTRICT OF COLUMBIA CONSUMERS
OF SERVICES PROVIDED BY
THE POTOMAC ELECTRIC POWER COMPANY**

JULY 9, 2012



**BEFORE THE
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For Authority to Increase Existing	§	
Retail Rates and Changes for	§	
Electric Distribution Service	§	

**COMMUNITY BRIEF OF DISTRICT OF COLUMBIA CONSUMERS OF SERVICES
PROVIDED BY THE POTOMAC ELECTRIC POWER COMPANY**

I. INTRODUCTION

District of Columbia consumers (DC Consumers) of electric service provided by the Potomac Electric Power Company (“Pepco” or “Company”) hereby submit this Community Brief in the above-referenced matter. DC consumers are distressed by Pepco’s poor quality of service and outraged by the Company’s Application requesting a rate increase of \$42.1 million.

On July 8, 2011, Pepco filed an Application seeking authority from the Public Service Commission (“PSC” or “Commission”) to increase existing electric distribution service rates and charges in the District of Columbia by \$42.1 million.¹ If approved in full, the rate paid by a Pepco residential consumer using 750 kWh per month would increase by 37%, and the average residential customer monthly bill would increase by \$5.20. For many District of Columbia residents, an increase in rates for a necessity like electric service can create a harsh reality, particularly where utility expenses are high as a percent of their income. In some unfortunate

¹ Formal Case No. 1087, *In the Matter of the Application of Potomac Electric Power Company For Authority to Increase Existing Retail Rates and Charges For Electric Distribution Service*, Application of Potomac Electric Power Company for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service, filed July 8, 2011. In a later filing, Pepco raised the amount to \$42.5 million.

instances, the consumer must choose between whether to pay the electric bill or buy medicine. In other equally unfortunate circumstances, high utility bills force consumers to forgo the use of electric service during the summer. Soaring summer temperatures without electricity could lead to serious health and safety issues for consumers, particularly for seniors or house bound consumers who may have limited cooling options. These harsh realities must be a critical consideration for the Commission in rendering its final decision. In particular, the Commission must be ever mindful of its statutory obligation to consider the economy² of the District of Columbia and to ensure that rates are just and reasonable.³

II. THE COMMUNITY VOICE

Community members have participated in this proceeding at unprecedented numbers. Their participation mirrored the District's broad and wide diversity and included individual residents, small business owners, religious leaders, civic activists, leaders and members of organizations such as the Consumer Utility Board (CUB), and home owner associations.

Their voices should not be ignored. Community testimony should be given significant weight because not only does it help to complete the record, but also it provides a perspective of the real life impact of the Commission's decision on the consumers who actually pay the bills.

No other party to the proceeding can represent the unique and often personal experience of individual consumers. Consumers consider the provision of electric service on a personal basis. They lament, "electricity for us is personal". It is the means by which we provide comfort to our families with heat or air conditioning, or the means by which we cook, provide critical medical care through in-home ventilators or heart monitors, the source by which we generate

² D.C. Code §§ 34-804.02 and 1-204.93 (2010).

³ D.C. Code § 1-204.93 (2010).

income through a home-based business that relies on computer technology, and the source that powers our entertainment. In short, electricity is a vital commodity that treads a path through the lives of every resident in the District of Columbia regardless of race, income or education level. It also fuels the District economy in every area including, jobs, education and government. In no uncertain terms, it is a service that must be affordable and of the highest quality to and for all DC residents.

As a matter of law, the Commission must give great weight to the testimony of Advisory Neighborhood Commissioners (ANCs).⁴ In light of the importance electricity plays in the lives of all consumers, the public demands the Commission afford the upmost respect and consideration to the testimony provided by the entire DC community represented by the thousands of consumers who have at some level participated in this proceeding.

III. SUMMARY OF THE COMMUNITY'S COMMENTS

Consumers in the District of Columbia are vehemently opposed to Pepco's latest rate increase request seeking \$42.5 million. Given the important issues to be decided in this case and their lasting impact, consumers urge the Commission to exercise extreme diligence in reviewing Pepco's Application. Specifically, consumers urge this Commission to:

- 1) deny a rate increase for Pepco's reliability programs,
- 2) reject Pepco's proposed Reliability Investment Recovery Mechanism ("RIM"),
- 3) be extremely vigilant about requiring Pepco to prove that consumers are actually benefitting from the Company's smart grid program; and

⁴ D.C. Code § 1-309.10 states in pertinent part: (3)(A) The issues and concerns raised in the recommendations of the [ANC] shall be given great weight during the deliberations by the government entity. Great weight requires acknowledgement of the [ANC] as the source of the recommendations and explicit reference to each of the [ANC's] issues and concerns. (3)(B) In all cases the government entity is required to articulate its decision in writing. The written rationale of the decision shall articulate with particularity and precision the reasons why the [ANC] does or does not offer persuasive advice under the circumstances. In doing so, the government entity must articulate specific findings and conclusions with respect to each issue and concern raised by the [ANC]. Further, the government entity is required to support its position on the record.

- 4) require Pepco to provide consumers a credit of \$2 million for the poor level of service provided over the past several years.

The basis of consumers' frustration is that over the past three years, Pepco has received \$48.1 million from two rate cases despite the fact that their reliability is substandard. Consumers rightfully ask: "Where is my money going?" They question whether the Company has focused its efforts on paying high salaries to its officers and executives,⁵ avoided paying taxes⁶ or used the money to lobby politicians⁷ while at the same time ignoring the needs of its customers. Consumers are aware that the revenues Pepco received allowed it to pay its shareholders consistent dividends while providing its customers poor and unreliable service. Many consumers are afraid that despite the poor quality of their service or the inadequacy of their rate case Application, Pepco expects and will receive tens of millions of dollars at the end of the process. They urge the Commission to prove Pepco wrong and stop this trend of undeserved enrichment. DC consumers point out that history has shown simply granting Pepco millions of consumers' dollars will not fix the reliability problems nor cure the inadequate case put forth by this Company. Something more is needed and consumers are demanding Pepco be held financially accountable and made to deliver reliable, quality service. The Community recognizes that this can only occur if the Commission exercises its statutory responsibility and holds Pepco's feet to the fire. Collectively they want Pepco to deliver tangible benefits, including affordable and reliable electric service. In no uncertain terms, the Community says: "We deserve no less; and we look to the Commission to send Pepco a loud and clear signal."

⁵ Pepco CEO Got Fat Raise Just Before Big Fine, Washington Post, Robert McCartney, Jan. 4, 2012.

⁶ Pepco Spends More On Lobbying Than It Does In Taxes, Report Says, Huffington Post, Jan. 18, 2012.

⁷ See, Is Pepco Spending Your Tax Dollars Lobbying to Increase Rates for Its Shoddy Services?, Huffington Post, Suzanne Merkelson, July 2, 2012 and Pepco Lobbyists Visited D.C. Officials Almost 100 Times Last Year, July 5, 2012, Washington Business Journal.

IV. DISCUSSION

This is a defining moment for the regulatory process in the District of Columbia. The decision rendered in this case will define the character of the regulatory process and shed light on the Commission's ability and commitment to adhere to and enforce its statutory mandate. If the Commission allows Pepco a large rate increase based upon an inadequate evidentiary record, the public trust will be breached and the continuing public perception that this Commission favors Pepco's interest over the public interest will be solidified. Unlike any other case in the history of the District of Columbia, thousands of uncompensated DC consumers took the time to speak out against Pepco. Pepco has attempted to exercise its monopoly muscle in this case, and DC consumers have spoken. Now, the Commission must decide who is in charge?

The Community has voiced its displeasure throughout this case.

In this case, the voice of the community has been loud and clear. The unifying theme has been that Pepco does not deserve a rate increase. By testifying at one of eight community hearings, through thousands of letters submitted to the Commission, and by the presence of the community at the evidentiary hearings, consumers expressed their concerns, frustration, and outrage regarding Pepco's request to increase its rates. The following table details the number of letters or postcards filed opposing Pepco's request for a rate increase. (*See attached, examples of the postcards submitted*)

<u>Party Affiliation</u>	<u># of Consumers In Opposition to Pepco Rate Increase: Formal Case No. 1087</u>
ANC	2
AARP	4,765
Citizens	1,007
Total	5,774

Overwhelmingly, DC consumers who participated in this case are displeased about Pepco's latest request for an increase for several reasons:

1) it occurs during the throes of a severe economic downturn,⁸ 2) there is record high unemployment in certain Wards of the city,⁹ 3) Pepco has yet to establish an effective plan to improve its poor quality of service and customer service,¹⁰ 4) Pepco appears to be a financially healthy company¹¹ and 5) this is Pepco's third request for a rate increase in four years.¹² Their concerns are not only anecdotal, but also are supported by the evidence of the record presented by other parties to the proceeding.

In the past two rate cases, Pepco has received \$48.1 million in additional revenues. If the Commission grants Pepco's current request in full, which it should not, the Company will have received \$90 million dollars in less than 4 years. A company rated in the lowest quartile of performance when compared against its peers should not be rewarded with yet another rate increase when it has failed to present a viable plan to improve its service.

The Commission sponsored eight community hearings, one in each Ward of the city. A total of 42 consumers testified at these hearings. Generally, there were three categories of comments: those that supported Pepco's rate case, those that conditioned support on performance and those that opposed Pepco's rate case. While there were a few consumers who approved of

⁸ OPC's Initial Brief, page 2.

⁹ *Id.*

¹⁰ *Id.* at 72-91.

¹¹ *Id.* at 48-60

¹² *Id.* at 2.

the rate increase if it would improve service,¹³ the overwhelming majority of those who testified were opposed to the rate increase.

Dr. E. Faye Williams, Esq., Chair of the National Congress of Black Women, Inc. and former White House Liaison to the United States Department of Energy stated as follows.

Please weigh this information very deliberately and reach the appropriate balance, while protecting the interests of the most vulnerable residents in the District of Columbia.¹⁴

Advisory Neighborhood Commissioner **Gigi Ransom**, ANC 5C, testified on behalf of the 2,000 residents she represents about the ongoing problems with service quality, the need to hold Pepco accountable and the need for this Commission to stand up to Pepco.

ANC Commissioner Ransom presented a resolution from ANC 5C where a unanimous vote was taken to oppose Pepco's proposed rate increase. Commissioner Ransom testified that, *"in the 5C commission area there are still problems with long standing, area specific, homes and apartment complexes blackouts."* She added that *"Pepco should be required to submit detailed testimony, the associated dollars and documentation with timelines for all projects for improved reliability of services."* As to the inequity of an apparently financially stable company seeking more dollars from consumers, she stated, *"[a]ccording to published utility reports, Pepco has the highest negative tax rate out of the 280 electric companies, with negative taxes of \$508 billion on \$882 billion pre-taxed profits, for huge negative 57% effective tax rate, instead of paying their fair share to support our struggling economy. This is known as corporate welfare to the highest extreme. ... The PSC should hold Pepco accountable, and not award a rate*

¹³ Nov. 9, 2011, Community Hearing Transcript at 10, lns. 4-6 and Nov. 18, 2011, Community Hearing Transcript at 8, lns. 14-15.

¹⁴ Written Testimony of Dr. E. Faye Williams, Esq., Nov. 22, 2011.

*increase. This would dispel the lack of confidence that the public has in the PSC during the last rate increase request ... and restore your credibility in the decision-making process.”*¹⁵

Ward 8 resident and ANC 8C Chair, **Mary Cuthbert**, testified about the long history of the imbalanced relationship between Pepco and its customers in the District of Columbia, whereby consumers receive rate increases on a frequent basis, yet the quality of service remains inadequate. Ms. Cuthbert testified that consumers at this time are suffering even more now with this imbalanced relationship as the economy has left many people unable to meet basic needs and social service agencies are running out of financial assistance. In addition to residential customers suffering from poor electric service, local businesses in Ward 8 suffer when there are power outages.¹⁶

Ward 1 resident and member of the Mount Pleasant Solar Co-op, **Robert Robinson** expressed his opposition, noting the downward decline in service while rates have increased over the past few years.

This is Pepco’s third request for rate relief in 4 years while its grid reliability and customer service plummet. I oppose the proposed rate request. Pepco has consistently neglected maintenance and capital improvements in the grid infrastructure and slashed customer-service staff while paying generous dividends to investors.¹⁷

Similarly, **Dr. Lawrence Thurston**, a Ward 5 resident and a former economist with the Office of the People’s Counsel noted the Company’s neglect of its distribution network over the years as the reason for the significant amount of investment needed now and the reason why Pepco has one of the worst performing distribution networks in the country. Dr. Thurston added

¹⁵ Nov. 21, 2011, Community Hearing Transcript at 5, lns. 17 – p. 8, ln. 11.

¹⁶ Nov. 8, 2011, Community Hearing Transcript at 6, ln. – p. 9, ln. 17.

¹⁷ Written Testimony of Rob Robinson, Nov. 21, 2011.

that he was not convinced that there will be significant savings or benefits on the customer side of the meter in the near or distant future.¹⁸

Michael Sindram opposed the rate increase and raised the concern about there only being two sitting commissioners deciding this case when he believes there should be a full complement of three commissioners hearing and deciding this important case.¹⁹

Ms. Joyce Robinson-Paul, a former ANC Commissioner of 16 years and Consumer Utility Board Member for 30 years, testified passionately about the impact continued rate increase have on seniors.

We are in a recession. I work with seniors at the Fort Stevens Senior Council. I work with the Civic Association, and there are people in the dark. There are people in the dark because they cannot afford their Pepco rate increases. ... Some seniors have sold their homes and moved to North Carolina and states where utilities aren't so high and the cost of living is not so high. Many seniors have had to sell; many have foreclosed; many have to decide whether they were going to buy food or pay the utilities. It should never get to that. It should never get to a point where somebody takes their money and pays the utilities so they can have light on or have the heat or air.

As far as their higher profits for their shareholders, that is ridiculous. Who would even think of higher profits for shareholders in a recession period when people are losing their jobs daily, where people are out of work and where people are trying to find jobs.²⁰

Ward 7 resident and former acting chair of the Consumer Utility Board, **A. Bernard Jones**, raised a number of points to support his opposition to Pepco's rate increase request. First, the Commission should be aware of the inequity of Pepco seeking higher profits for its shareholders when many District residents are unemployed. Second, the Commission should

¹⁸ Nov. 21, 2011, Community Hearing Transcript at 20, ln. 1 – p. 22, ln. 13.

¹⁹ Nov. 21, 2011, Community Hearing Transcript at 18, lns. 18 – p. 19, ln. 17.

²⁰ *Id.* at 32, ln. 4 – p. 33, ln. 10.

require Pepco to prove that the benefits of the smart grid program outweigh its costs. Third, because of Pepco's business decision to not invest in the network for several years, the Commission should consider requiring Pepco pay for 80% of the costs for reliability improvements.²¹

Ward 4 resident **Ms. Karrye Braxton** testified that she was opposed to the rate increase for two reasons. One, she did not think seniors could afford another rate increase. Two, Pepco does not deserve a rate increase because its customer service is appalling.²²

Ms. DeAnn Lavan, a Ward 3 resident who works from home testified that she has lived in several jurisdictions and compared Pepco's poor service quality to that of a third world country. She added that she has lost count of the number of times she has lost power, even on days when there was no inclement weather. Last, she added that the frequent loss of power to her home was having an adverse impact on her home business.²³

Former ANC Commissioner **Kathy Henderson** focused her testimony on the hardship yet another rate increase would have on residents and how Pepco's greed has distanced the Company from caring about consumers.

Ward 5 has the third highest unemployment rate in the city and some members of the ward are unable to pay the rates at their current levels.

Pepco should be required to respond to some verifiable, quantifiable metrics that will prove that they are able to provide reliable electric service. I notice they are no longer running that commercial that says, 'we are connected to you by more than power lines' because I think that they've forgotten that. There is no human

²¹ Nov. 19, 2011, Community Hearing Transcript at 12, ln. 6 – p. 14, ln. 2.

²² Nov. 9, 2011, Community Hearing Transcript at 11, ln. 8 – p. 12, ln. 9.

²³ Nov. 18, 2011, Community Hearing Transcript at 38, ln. 16 – p. 40, ln. 11.

component in Pepco's greed and we should say no to their request for an increase.²⁴

Anwar Saleem, Executive Director of H Street Main Street, was very direct in his assessment of what the Commission and the District government needs to do to bring Pepco's level of service to an acceptable level.

We do not agree with this request and urge this Commission to stop the dog and pony show by allowing Pepco to just ask for what they want and get it without having any strong reliability checks of the future consequences of their actions or request. We urge this Commission to request the Mayor and the Council of the District of Columbia put in place a comprehensive energy policy that will create guidelines for all to follow.²⁵

Greg Rhett, President of the Eastland Gardens Civic Association, testified that he recognized that Pepco is making improvements in his community, however, he opposes the rate increase because increasing rates on consumers who are already financially stressed is unfair in light of the fact that Pepco is a financially sound company and does not pay taxes.²⁶

Ms. Willette Seaward, Chairperson for ANC 7D, testified that she opposes Pepco receiving an increase in rates in light of the Company's poor service to her community in the Kenilworth Courts area. Ms. Seaward recommends Pepco's shareholders shoulder the financial burden of the rate increase they are seeking instead of taking it from consumers who are already struggling to make ends meet.²⁷

The aforementioned witnesses are community leaders who represent broad constituencies. They speak not merely for themselves, but for the people they represent. Taken

²⁴ Nov. 21, 2011, Community Hearing Transcript at 27, ln. 12 – p. 28, ln. 16.

²⁵ Written Testimony of Anwar Saleem, Nov. 22, 2011.

²⁶ Nov. 19, 2011, Community Hearing Transcript at 29, ln. 6 – p. 30, ln. 3.

²⁷ *Id.* at 32, ln. 2 – p. 33, ln. 6.

together, their voices form a chorus of opposition to Pepco's rate increase request. Specifically, consumers want the Commission to give particular consideration to members of their communities who are already financially burdened and not receiving quality service. They say they want to know that this Commission will stand up to Pepco and hold it accountable for its poor performance by requiring a fine or penalty of at least \$2 million which should be credited to consumers and require Pepco to do what is necessary to ensure its poor performance will not continue in this city. Consumers believe if the Commission takes these steps, the public will regain its confidence in the agency's ability to carry out its duty.

1. The decision made in this case will have an immediate and lasting effect on consumers and will define the character of this Commission.

This case is important because it will in many ways define the regulatory environment in the District of Columbia as well as the character of this Commission. If this Commission allows Pepco to recover costs for reliability programs that are ill-defined and provide no clear path that will deliver service quality benefits, the Commission will have abrogated its duty to ensure that Pepco's service is safe, adequate and reliable. More importantly, it will erode an already thin level of public confidence that consumers have in the regulatory process. Failure to hold Pepco accountable for its poor performance will send a signal to Pepco that a rate increase in this jurisdiction is a financial entitlement, whereby the Company can file an unsupported request for a rate increase and, despite its poor service, will nonetheless receive tens of millions of dollars at the end of the process. DC consumers say such a result would be a travesty and they deserve better! DC consumers urge this Commission to stand up to Pepco and hold them accountable.

2. The three major issues that will impact consumers – Reliability, Pepco's Proposed New Cost Recovery Mechanism and Smart Grid Cost Recovery

There are a multitude of issues and sub-issues being considered by the Commission in this proceeding. These issues have been adequately addressed by the formal parties to the proceeding.²⁸ However, three major issues will have an immediate and long lasting impact on consumers. The three issues are – 1) whether Pepco's reliability programs are sufficient to be given cost recovery, 2) whether the new method of cost recovery proposed by Pepco known as the Reliability Investment Recovery Mechanism is in the public interest and 3) how will the Commission evaluate Pepco's smart grid program in the future and what will be the impact of the smart meters on rates.

Reliability

Pepco's poor record on reliability in the District of Columbia is undisputed. Through the years and on many occasions, the Community has spoken out on this issue. The Council has held reliability hearings and the Community spoke. The Office of People's Counsel held Town Halls and the Community spoke. Yet, despite these efforts nothing has changed. The Company has performed poorly for years at a consistently lower level than other utilities across the nation. What the Commission must decide in this case is whether the Company's proposals to fix the problems are sufficient to justify cost recovery. Consumers are pleased the Commission finally included reliability as an issue in a rate case. However, the community is not satisfied that the Commission is serious about the relationship between Pepco's performance and its rates unless and until a decision is issued that denies Pepco more money and requires the Company to improve its service. The two go hand-in-hand. There is community consensus that based upon

²⁸ Office of the People's Counsel, D.C. Government, AOBA, AARP, WMATA, General Services Administration, WASA.

the testimony provided on the record of this case, Pepco's reliability programs should not be granted cost recovery because there is no indication that the programs will actually improve service. The Commission must have the fortitude to deny Pepco's request for an increase and send the Company back to the drawing board. Giving Pepco millions of consumers' dollars will not fix the bad plans Pepco has put forth in this case.

Pepco's Proposed New Cost Recovery Mechanism

In addition to presenting a set of poor proposals to address the reliability programs that DC Consumers have endured for over a decade, Pepco has the audacity to propose a new method of cost recovery that would allow the Company to impose a surcharge on consumers for cost recovery of programs that have not been fully vetted by the Commission or the Office of the People's Counsel. This new mechanism dubbed the "Reliability Investment Recovery Mechanism" would shift the burden of proving the effectiveness of Pepco's reliability programs to consumers *after* the Company has received the money. Not only is this Pepco proposal flawed in concept, it is also so deficient in detail that no party to this case, particularly Pepco, can explain how it works. Pepco claims it will help them reduce costs and reduce the Company's need to file at shortened intervals future rate base proceedings.²⁹ DC Consumers are confused by Pepco's claim: If no one looks at these costs before they are put in the black RIM box, how will we know the resulting rates are accurate, reasonable and fair. DC Consumers urge the Commission to reject this surcharge as it is a disaster waiting to happen.

²⁹ Formal Case No. 1087, *In the Matter of the Application of Potomac Electric Power Company For Authority to Increase Existing Retail Rates and Charges For Electric Distribution Service*, Application of Potomac Electric Power Company for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service, at 6, filed July 8, 2011.

Smart Grid Cost Recovery

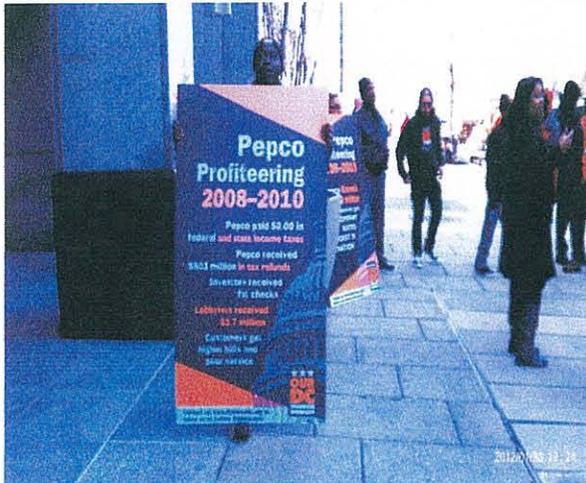
The District of Columbia City Council provided conditional approval of Pepco's smart grid program provided the Company received sufficient funds from the Department of Energy.³⁰ The Council tasked the Commission with the responsibility of making that initial determination and required the Commission to determine whether costs for the smart grid program should be recovered in the future. This is a responsibility the Commission must take seriously and not allow the Council's conditional authorization to serve as a blank check for Pepco. Although Pepco has claimed a variety of benefits will materialize from its smart grid program, the Commission must hold Pepco to task to prove these benefits when deciding whether the costs of the program are prudent. Therefore, the Commission must establish a set of robust metrics to evaluate the smart grid program to ensure consumers are benefitting from the program. The Maryland Public Service Commission has made it abundantly clear to Pepco that its rates will be determined by whether the benefits of the smart grid program outweigh the costs. There is no reason for the District of Columbia Public Service Commission to do any less. District of Columbia consumers deserve no less than the same protections Maryland consumers are receiving.

³⁰ D.C. Code § 34-1562 (2011).

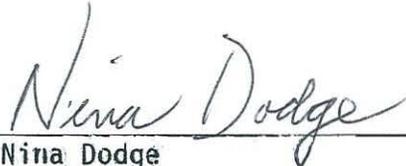
V. CONCLUSION

We, the undersigned, request this Commission carefully consider the evidence in this case, be mindful of those DC residents who are struggling financially and adopt the following recommendations:

- 1) deny a rate increase for Pepco's reliability programs,
- 2) reject Pepco's proposed Reliability Investment Recovery Mechanism ("RIM"),
- 3) be extremely vigilant about requiring Pepco to prove that consumers are actually benefitting from the Company's smart grid program; and
- 4) require Pepco to provide consumers a credit of \$2 million for the poor level of service provided over the past several years.

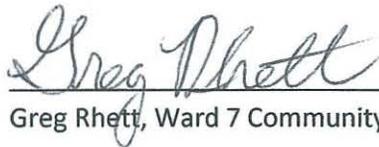



Mary Cutbert, ANC Commissioner – 8C03


Nina Dodge
Ward 4 Resident

Jim McGrath – President, DC Tenant’s
Advocacy Coalition

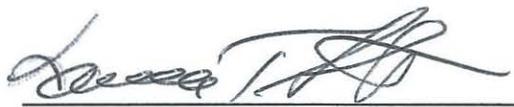

A. Bernard Jones, Former Acting Chair
DC Consumer Utility Board

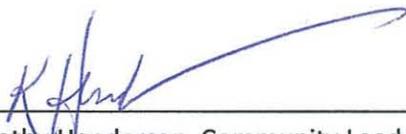

Greg Rhett, Ward 7 Community Leader

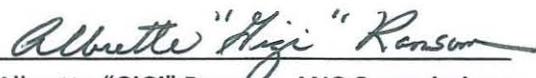

Rev. Clarence Turner, Ward 7 Resident

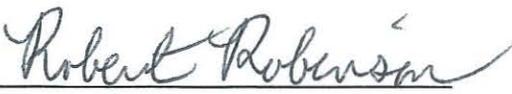

Joyce Robinson Paul, DC Consumer Utility
Board Member

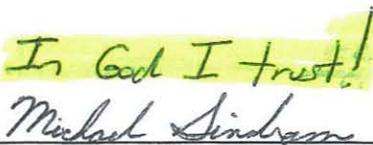

Peter Espenschied, Community Leader
Ward 3


Dr. Lawrence Thurston, Ward 5 Resident


Kathy Henderson, Community Leader
Ward 5

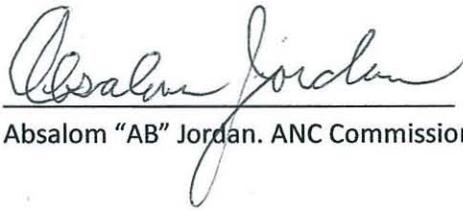

Albrette “GiGi” Ransom, ANC Commissioner – 5C12

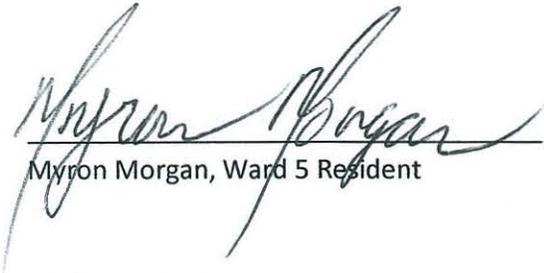

Robert Robinson, Ward 1 Community Leader

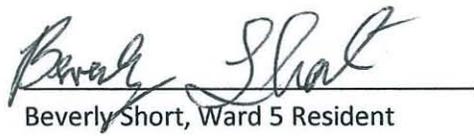

Michael Sindrum, City Wide Activist, Ward 4

James D. McSpadden, Associate State Director -
AARP

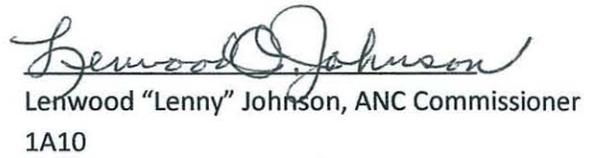
Anwar Saleem, Executive Director of H Street Main Street

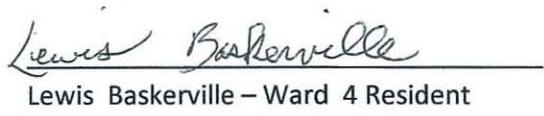

Absalom "AB" Jordan, ANC Commissioner 8D03


Myron Morgan, Ward 5 Resident


Beverly Short, Ward 5 Resident


Carol Green, - President
Manor Park Citizens Association


Lenwood "Lenny" Johnson, ANC Commissioner
1A10


Lewis Baskerville - Ward 4 Resident

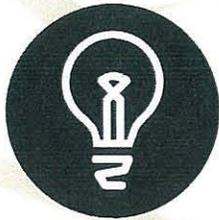

Rodney Hawkins - Ward 4 Resident,

Herbert Harris, Chairman
DC Consumer Utility Board


Barbara Morgan
Dupont Park Civic Association

ATTACHMENTS

Examples of Postcards



Tell the DC Public Service Commission to Stop Pepco's Unfair Utility Rate Increase

AARP IS FIGHTING TO STOP PEPCO'S UNFAIR RATE INCREASE REQUEST, SO YOU CAN KEEP MORE OF THE MONEY YOU'VE EARNED.

Pepco's rate proposal asks DC customers to pay another **\$42.5 million** a year for basic, reliable electric service and to give Pepco a raise.

- This is Pepco's third rate increase request in three years.
- Pepco must be held accountable for meeting stronger standards of reliability and customer service in DC before rates are increased.
- Pepco's DC customers should not endure poor customer service and longer power outages than their counterparts in the DC Metro area.

SEND A MESSAGE TO THE DC PUBLIC SERVICE COMMISSION (PSC) TODAY.

Ask the commissioners to deny Pepco's rate increase request. Just log onto <http://action.aarp.org/dc> and leave your message. On the postage-paid postcard below, clearly print your full name and return address, sign, detach, and mail.



FOLD

FOLD

FOLD & PERF

FOLD & PERF

Affordable UTILITIES NOW!

As a District of Columbia resident in our struggling economy, I need your help to protect the money I've earned from an unfair \$42.5 million electric rate increase. I should not be required to pay more for unreliable service and to increase Pepco's profits. Hold Pepco accountable by demanding that it demonstrate accountability and reliability before you consider giving them a raise. **Deny Pepco's \$42.5 million rate increase request.**

OPTIONAL ADDITIONAL MESSAGE

[YOUR SIGNATURE HERE]





AARP District of Columbia
601 E Street, NW, Suite A1-200
Washington, DC 20049

Stop Pepco's Unfair Utility Rate Increase!

AARP is fighting to stop Pepco's unfair rate increase request, so you can keep more of the money you've earned.

SEND A MESSAGE TO THE DC PUBLIC SERVICE COMMISSION (PSC) TODAY.



Washington, DC 20005
1333 H Street, NW, Suite 200, West Tower
Public Service Commission of the District of Columbia

POSTAGE WILL BE PAID BY ADDRESSEE

FIRST-CLASS MAIL PERMIT NO 8236 WASHINGTON DC

BUSINESS REPLY MAIL



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



CLEARLY PRINT YOUR FULL NAME AND RETURN ADDRESS

Washington, DC

CERTIFICATE OF SERVICE

Formal Case No. 1087, In the Matter of the Application of Potomac Electric Power Company For Authority To Increase Existing Retail Rates and Charges For Electric Distribution Service

I hereby certify that on this 9th day of July, 2012, a copy of the "Community Brief" was served on the following parties of record by hand delivery, first class mail, postage prepaid, or electronic mail:

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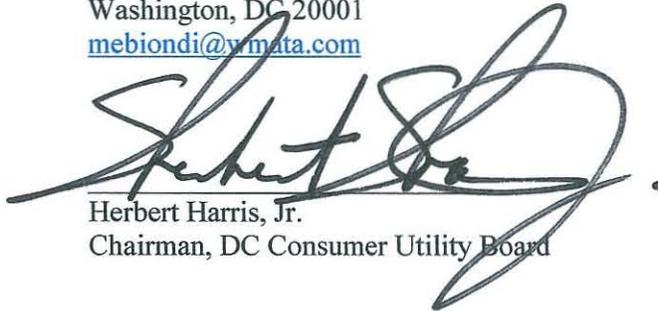
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