

Letters to the Editor

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Deregulation in D.C.

As the People's Counsel for the District of Columbia, I read with interest a quote attributed to Pepco regional President Thomas H. Graham that read, "Hopefully what doesn't come about from this are people starting to blame other people because when deregulation came about, everyone thought they were doing the right thing" ("Lawmakers rush to curb power rates," Page 1, Thursday). If this quote is correct and his remarks were intended to refer to events leading to deregulation and divestiture in Maryland, as well as in District of Columbia, then Mr. Graham is dead wrong. This could only be a revisionist view of history.

As practically "everyone knows," the District of Columbia Office of the People's Counsel, together with the Consumer Utility Board, were the lone voices advocating that deregulation, electric industry restructuring, the divestiture of Pepco's generation plants, and retail competition and consumer choice would not benefit the residential consumers of Washington. Why? Because at that time, D.C. consumers had safe and reliable service provided by a well-managed electric utility that was subject to enlightened regulation and the crucible of effective, zealous consumer advocacy. As a result, D.C. consumers enjoyed one of the lowest electric rates on the East Coast.

For Pepco, via its misinformed regional president, to now plead with officials and consumers not to blame others or to blame Hurricanes Katrina and Rita is at the very least disingenuous.

OPC-D.C. and the Consumer Utility Board were not in favor of any of this in 1998. As OPC was recently reminded by a now-enlightened regulator, in 2006, the "deregulatory chickens have come home to roost." To this very day, there is no evidence residential consumers in Washington, or apparently in Maryland either, have reaped the promised benefits of industry restructuring, deregulation, divestiture, retail competition or consumer choice.

The truth is while "being right" is great, protecting the future interests of consumers in having safe, adequate and reliable service at just, reasonable and affordable rates remains the goal of the Office of the People's Counsel for the District of Columbia.

Perpetually escalating energy costs that are now not subject to local regulatory control are but one result of failed deregulation. OPC-D.C. remains willing to work with enlightened minds to revisit the policies that brought consumers to this point and to craft a new future. In this way, we can all "keep our eyes on the prize," rather than focusing on "who did what" to the region's energy consumers.

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