

CUSTOMER CHOICE & RATES

NATURAL GAS, ELECTRIC, and
TELECOMMUNICATIONS in the DISTRICT



District of Columbia Public Service
Commission

Angel M. Cartagena, Jr.,
Chairman

D.C. Energy Office
Wednesday, March 28, 2001

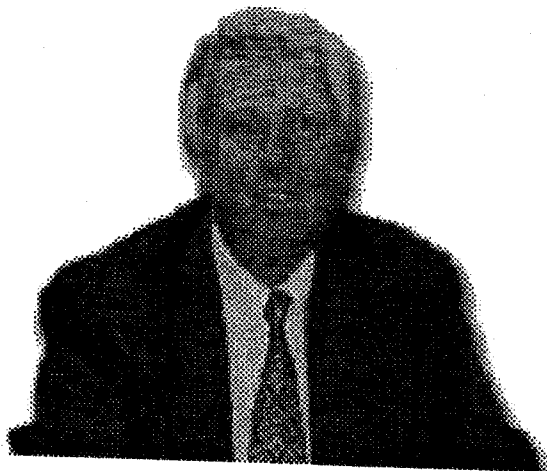
THE COMMISSION



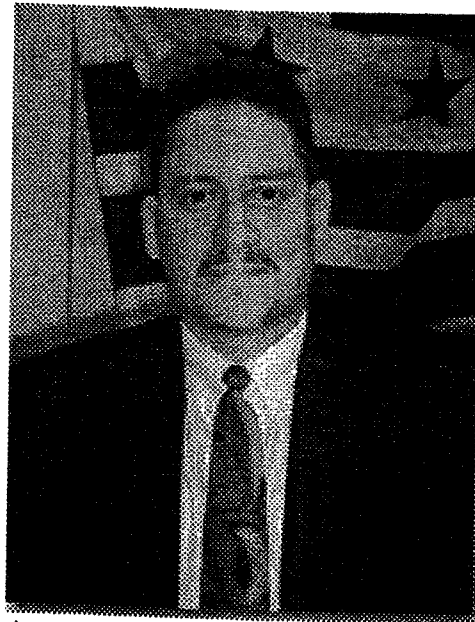
The Public Service Commission of the District of Columbia was established by Congress in 1913 as an independent District Government agency to regulate the electric, gas and telephone companies in the District.

PUBLIC SERVICE COMMISSION

COMMISSIONERS



Edward M. Meyers
Commissioner



Angel M. Cartagena, Jr.
Chairman



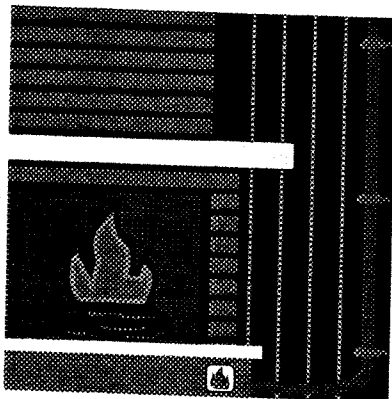
Agnes M. Alexander
Commissioner

MISSION STATEMENT

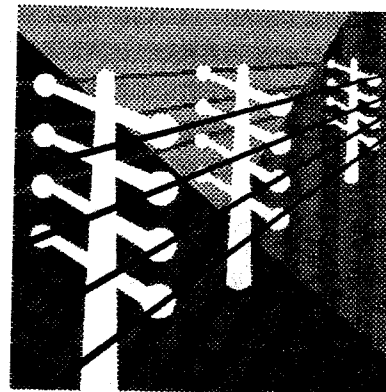


- For District of Columbia utility consumers, we promote the availability, reliability, affordability, and quality of energy and telecommunications services. We also promote the provision of utility services that are safe, universally available, and foster economic development.
- We do this by:
 - Fostering fair and open competition among service providers,
 - Empowering consumers,
 - Protecting consumers,
 - Resolving disputes among consumers and service providers, and
 - Enabling customer-and results-oriented employees.

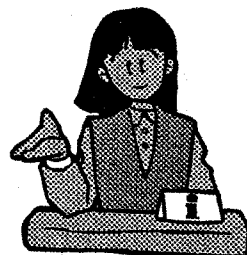
Our Job at the Commission



Gas



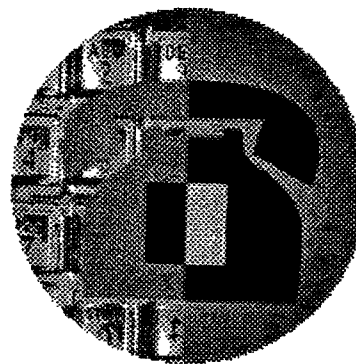
Electricity



Customer Service



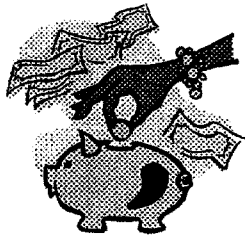
**Pay
Telephones**



Telecommunications

GOOD NEWS – REDUCTIONS IN RATES

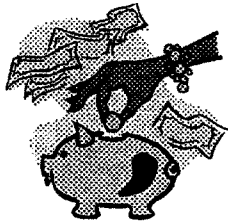
GAS:



3.75 CENTS PER THERM (10%) REDUCTION IN
DISTRIBUTION CHARGE IN DECEMBER 2000

4.24 CENTS PER THERM REDUCTION IN
PURCHASE GAS CHARGE (PGC ON BILL) IN
DECEMBER 2000

ELECTRICITY:



2 BASE RATE REDUCTIONS IN 2000 – IN
JANUARY 2000 AND JULY 2000

1 BASE RATE REDUCTION IN FEBRUARY
2001 (IN DISTRIBUTION SERVICES CHARGE)

TELEPHONE:

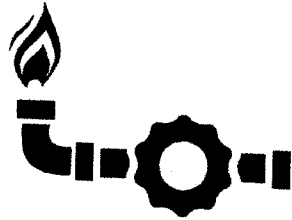


\$2.3 MILLION REDUCTION IN BUSINESS
AND RESIDENTIAL RATES IN JULY 2000

\$2 MILLION IN ADDITIONAL REDUCTIONS
NOW BEFORE THE COMMISSION

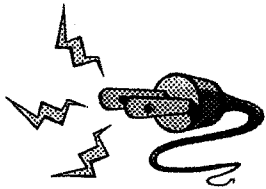
BAD NEWS

GAS:



LARGE INCREASES IN WHOLESALE
NATURAL GAS PRICES AND HENCE PGC
ON BILLS (WHOLESALE PRICES UNDER
JURISDICTION OF FEDERAL ENERGY
REGULATORY COMMISSION)

ELECTRIC:



INCREASES IN GENERATION SERVICE
CHARGES IN FEBRUARY 2001

TELEPHONE:



INCREASE IN ECONOMY 1 SERVICE RATE

GAS, ELECTRIC,
& TELEPHONE:

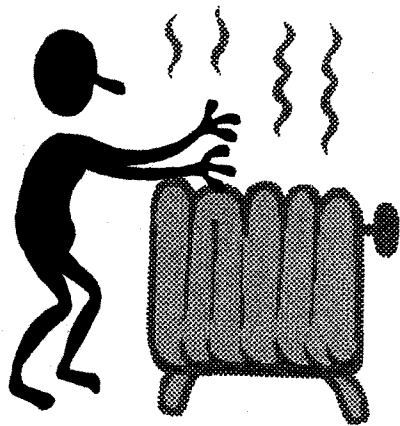
IMPOSITION OF NEW RIGHTS OF WAY FEE

WHY ARE RECENT GAS BILLS SO HIGH?

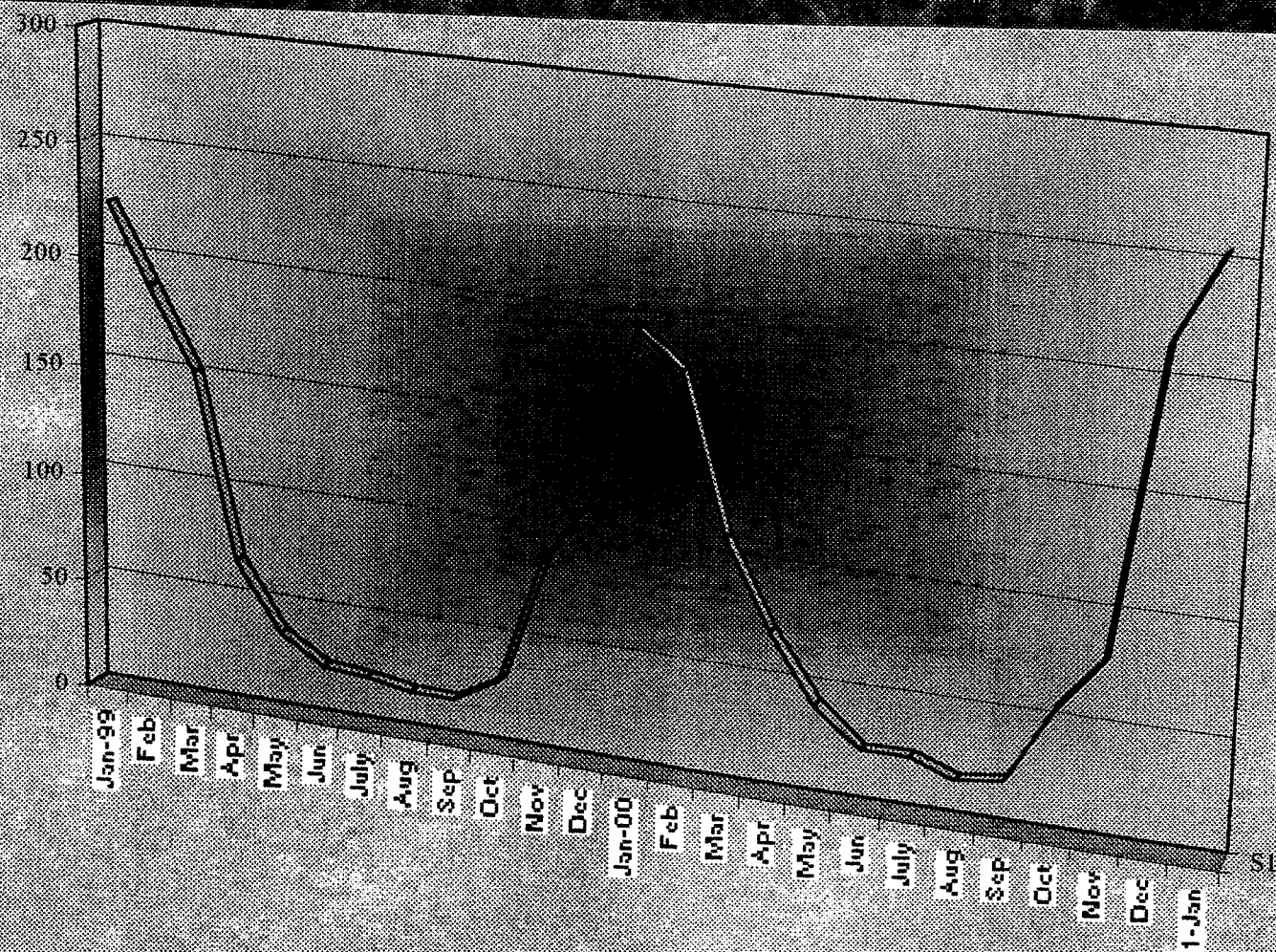
**Higher Usage x Higher Commodity Gas Prices
= Higher Bills**

WHY IS USAGE HIGH?

- Usage is high because the weather has been colder than in recent years, making furnaces and boilers run more.
- Average temperature in November 2000 was 10 degrees colder than in November 1999.
- Average temperature in December 2000 was 9 degrees colder than in December 1999.



Gas Usage (Consumption) Jan '99 through Jan '01



	Jan-99	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan-00	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	1-Jan
Series1	223	188	151	67.5	36.9	25.6	23.4	19.2	20.3	31.3	88.4	118	197	182	111	72	42.9	26.5	25.7	19.3	21.4	55	80.4	216	254

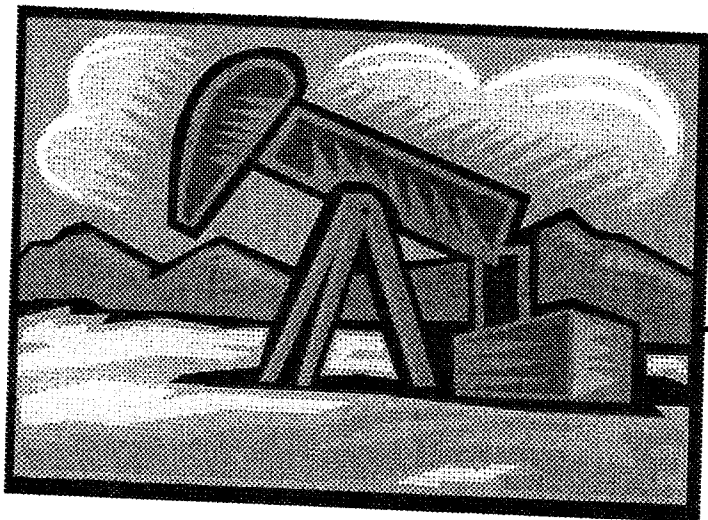
COMMODITY GAS PRICES ARE RELATIVELY HIGH



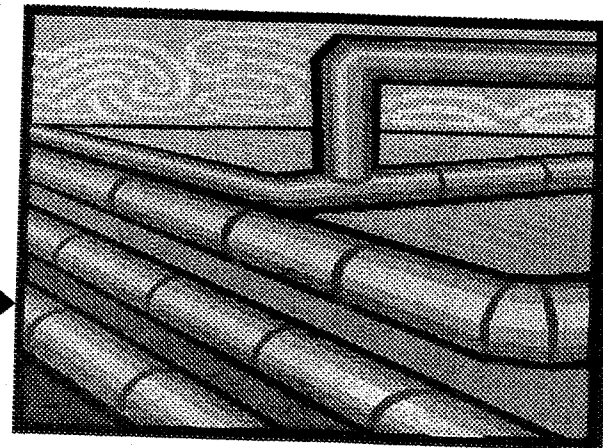
- **High demand for gas because**
 - **The economy has been strong**
 - **More electric plants use gas to produce electricity**
- **Low Supply**
 - **Previously commodity prices were low so producers did not drill**
- **Increased purchase of gas on spot market.**
 - **Nov. 99 – Jan. 2000 – 5% of gas purchased on spot market**
 - **Nov. 2000 – Jan. 2001 – 22% of gas purchased on spot market**

Physical Flow of Natural Gas

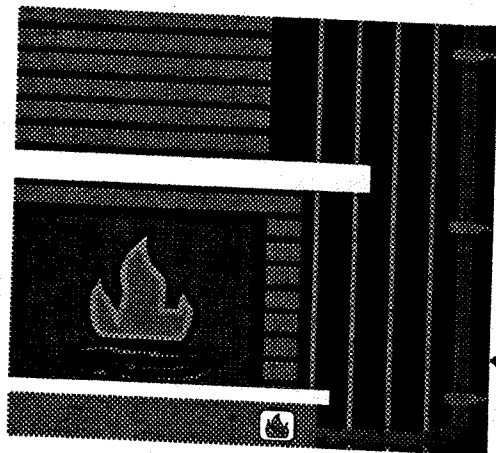
[Producers]



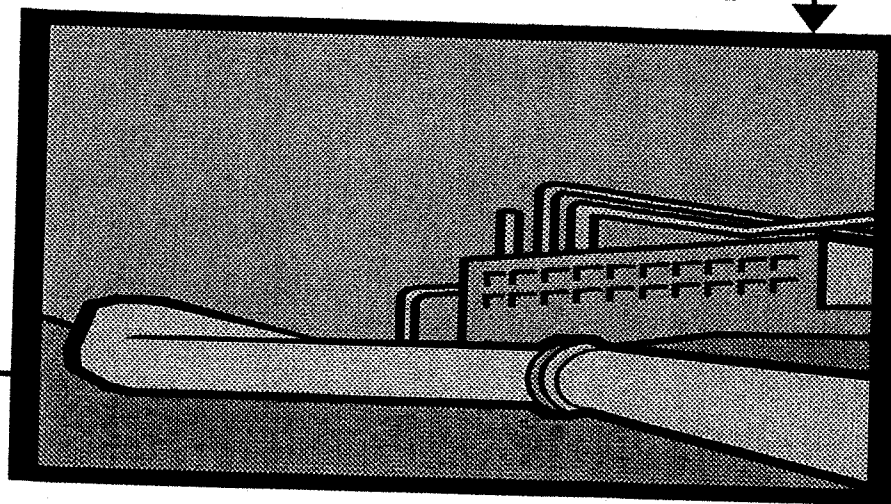
[3 Pipelines]



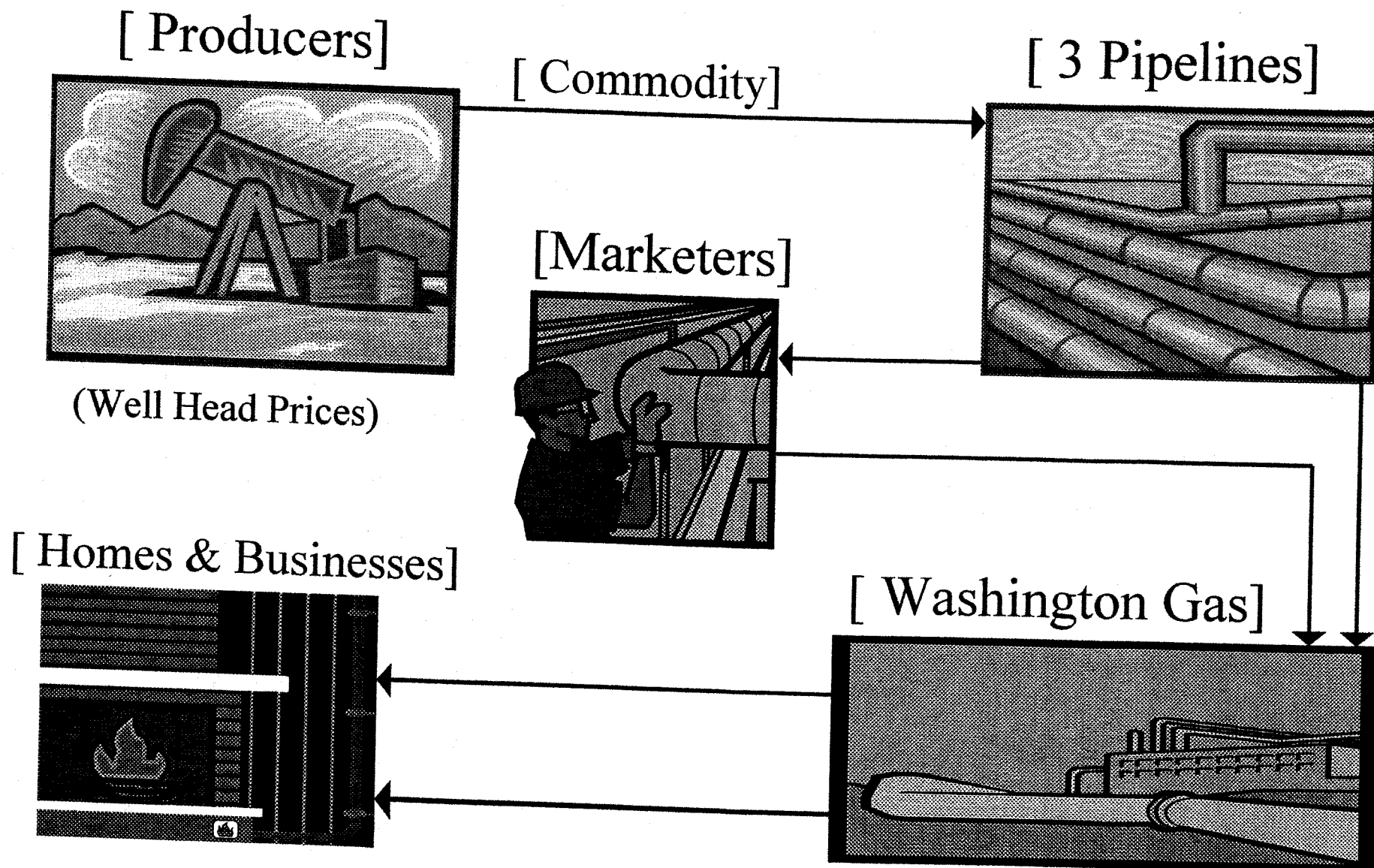
[Homes & Businesses]



[Washington Gas]

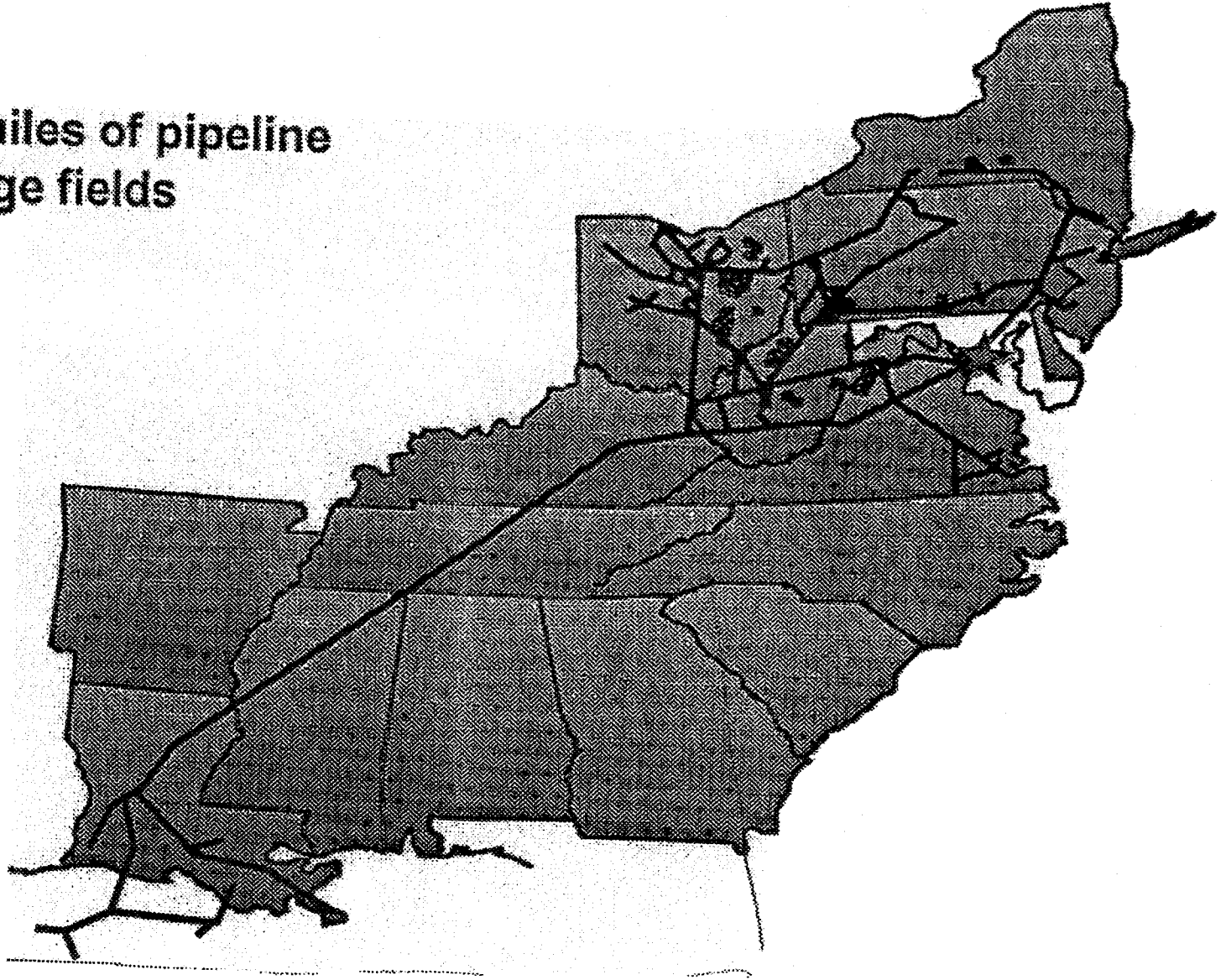


More Market Participants Involved in Financial Transactions

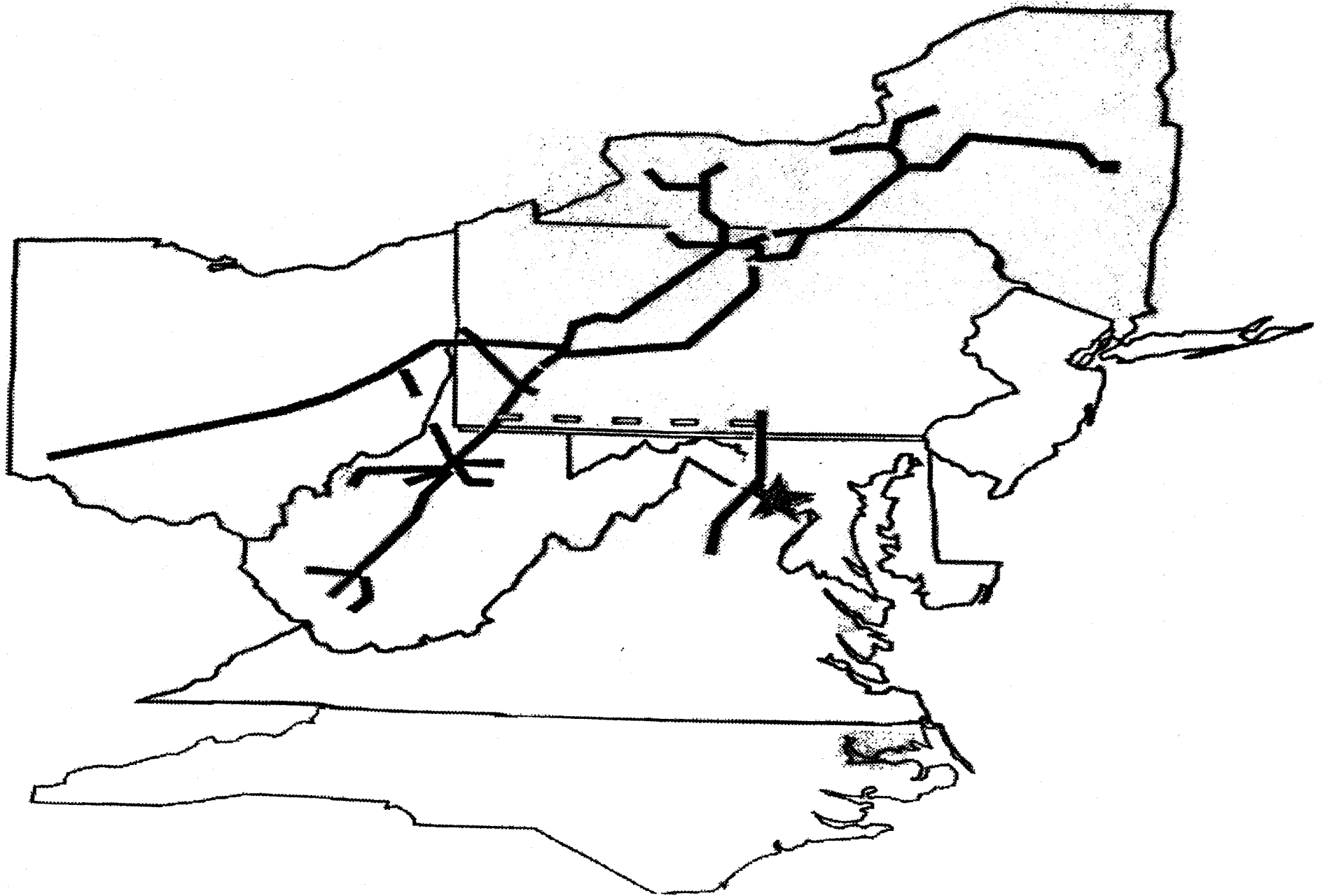


Columbia Transmission and Gulf

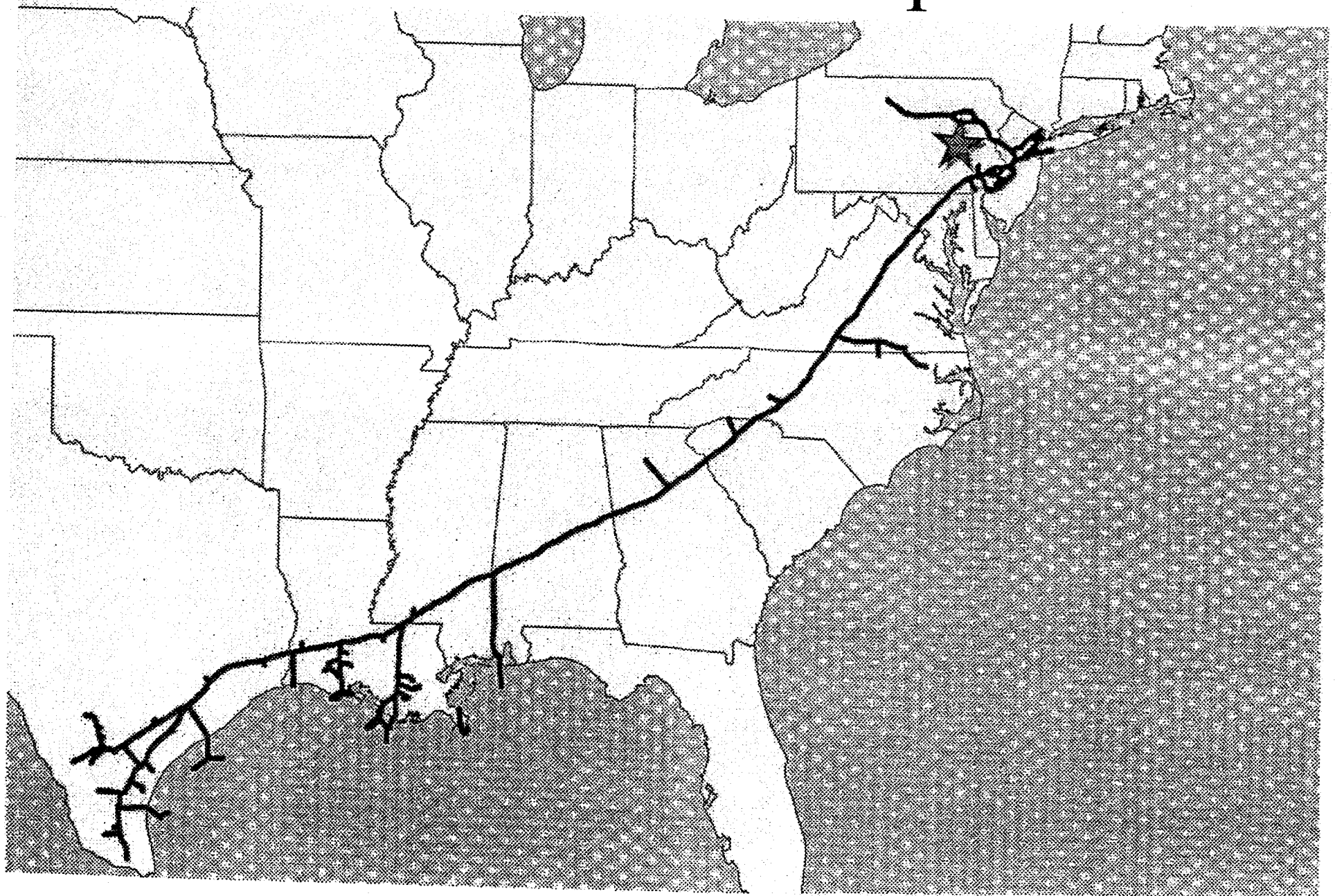
16,700 miles of pipeline
44 storage fields



Dominion Transmission



Williams Transco Pipeline

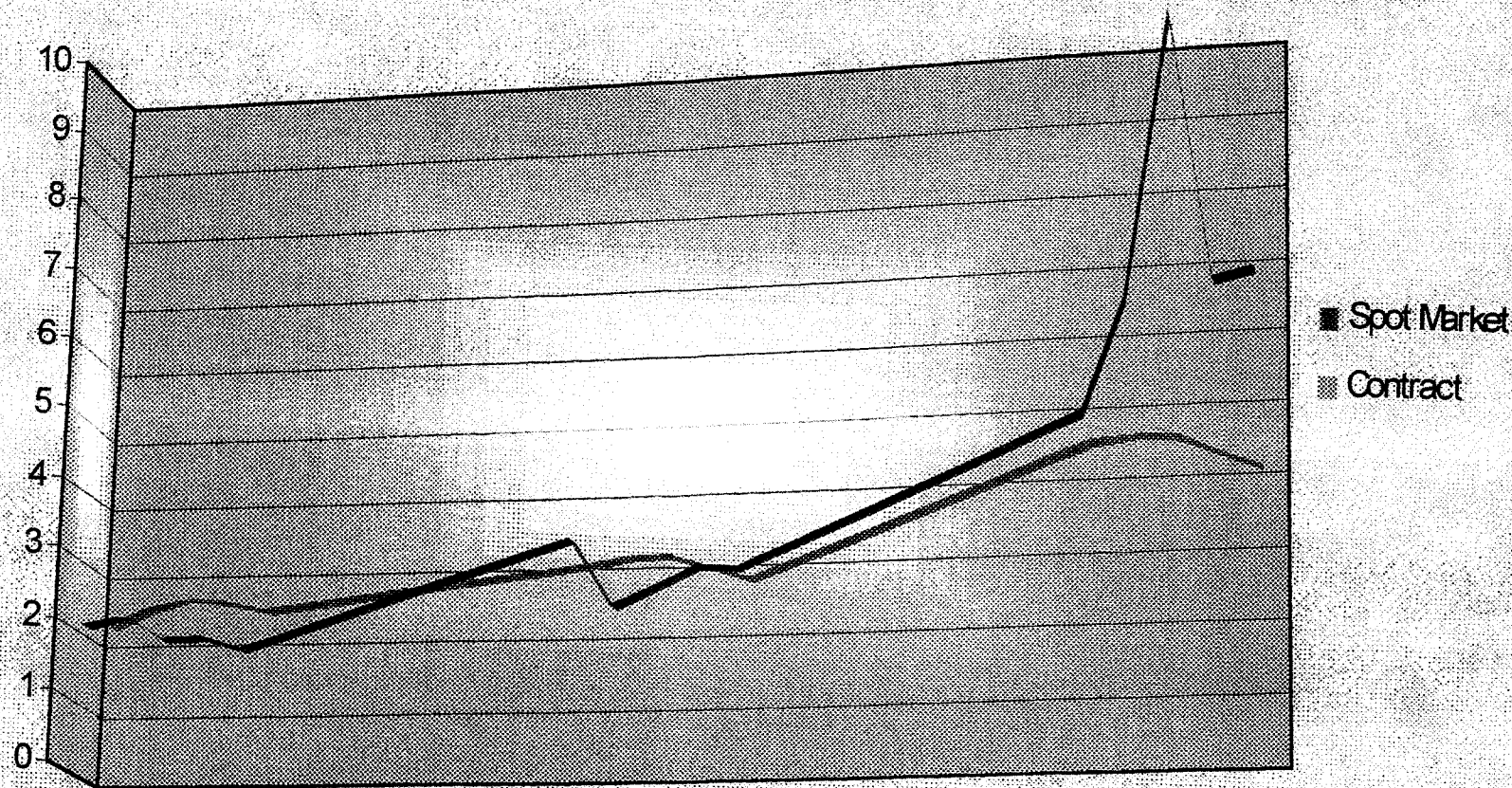


Washington Gas' Gas Procurement Sources



- Storage Gas (Purchased between April and October)
- Long-term Contracts (Executed in early 1990s; guarantees supplies, but not prices)
- Monthly Contracts
- Daily Contracts (Gas purchased the day before)
- Spot Market Prices (Gas purchased on the same day)

Spot vs. Contract – Nov '98 through Mar '01



	Nov-98	Dec-98	Jan-99	Feb-99	Mar-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01
■ Spot Market	1.96	2.08	1.75	1.77	1.6	3.02	2.11	2.32	2.59	2.57	4.49	6.01	9.94	6.25	6.38
■ Contract	2.167	2.432	2.55	2.473	2.368	2.89	3.007	3.027	2.854	2.66	4.371	4.445	4.422	4.177	3.942

GAS RATE UNBUNDLING

(Look at bills)

- Before unbundling (pre June, 1999)
 - Gas Charge (per Therm)
 - Purchase Gas Adjustment (PGA) (per Therm)
- With unbundling (June, 1999 and after)
 - Distribution Charge (Per Therm)
 - Purchase Gas Charge (PGC) (Per Therm)

PRE-JUNE 1999 BILL

ACCOUNT NUMBER

RATE CLASS
RESIDENTIAL
HEAT/COOL
NEXT METER READING DATE
06/15/99
DAYS IN THIS BILLING PERIOD
28

Current Reading 05/20/99 READ BY CO.
Previous Reading 04/22/99 READ BY CO.
CCF of Gas Used
Unmetered Gas Light (CCF)
Total CCF of Gas Used
Conversion Factor
Total Therms Used

7363
36
+ 36
x 1.024
36.9

PAYMENTS RECEIVED ON 05/05/99 55.87
PAYMENTS RECEIVED ON 04/21/99 251.11
CHARGES THIS PERIOD :
GAS USAGE

35.75

TOTAL CHARGES THIS PERIOD

35.75

TOTAL AMOUNT DUE 06/14/99

35.75

GET CLEANER, FRESHER AIR - PERMANENTLY WITH AN A+2000 PERMANENT AIR FILTER. SEE THE ENCLOSED INSERT FOR DETAILS & ORDER TODAY!

If payment is received after the due date, your next bill will include a late payment fee of \$

0.36

Your Gas Use Profile

Period	Estimated Reading	Total Therms	Days	Therm/Day	Avg Temp OF
0599	NO	36	28	1	
0598	NO	41	28	1	

Budget Plan Information

Monthly Installment	Used to Date
\$	\$
Installments Billed	Paid to Date
To Date	\$

GAS USAGE DETAIL

TOTAL THERMS (TH) USED

36.9

GAS CHARGE:

36.9 TH @ .7049

26.01

PCA 28-.0270 PER TH

-1.00

CUSTOMER CHARGE

7.49

DC GROSS RECPTS TAX

3.25

TOTAL GAS CHARGES

35.75

IMPORTANT CUSTOMER INFORMATION IS ON THE BACK OF THE BILL

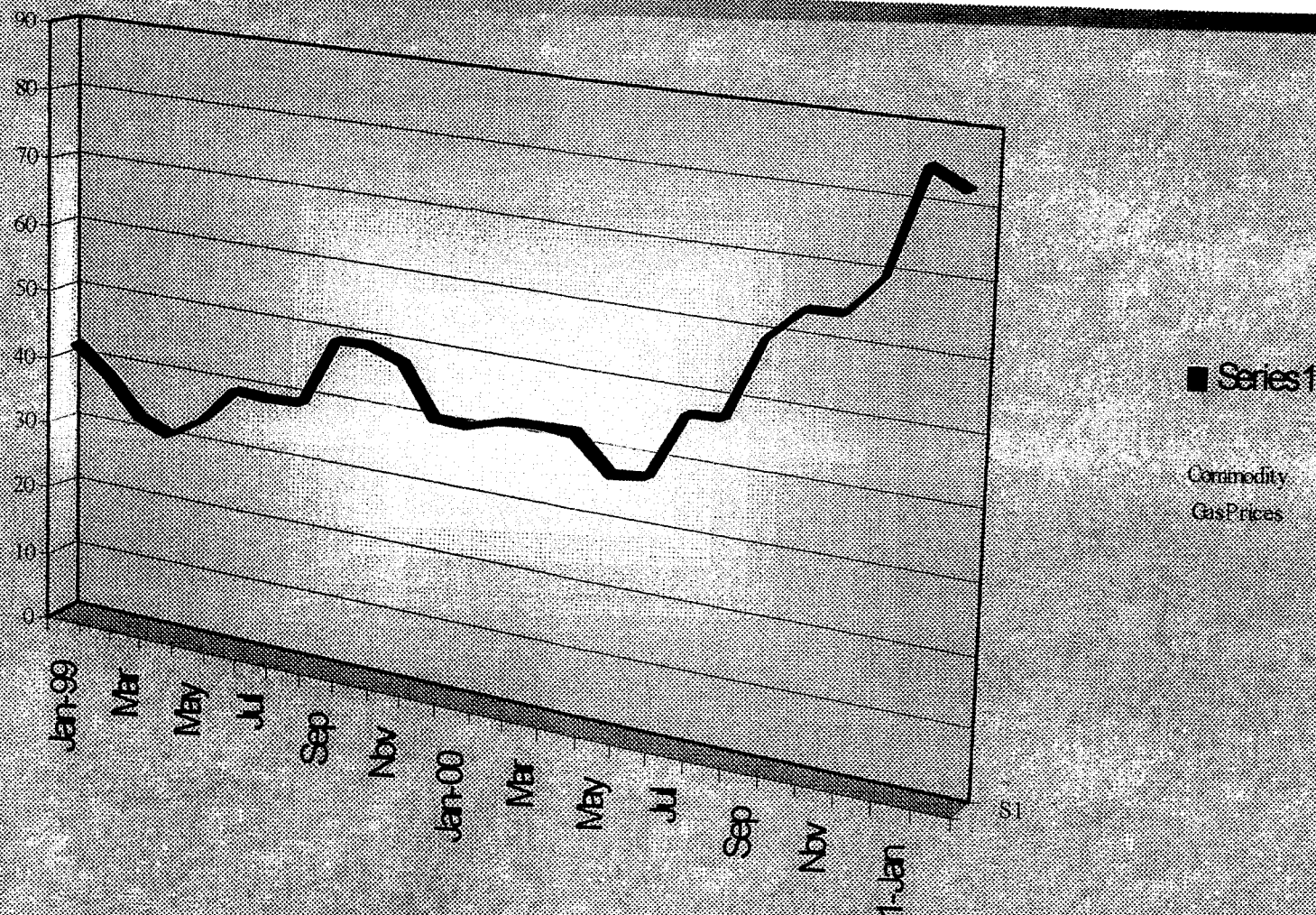
CURRENT BILL FORMAT

ADDRESS		MAILED 11/17/00																																																																							
T NUMBER		Date	Method																																																																						
ASS		11/15/00	READ BY CO.																																																																						
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/18/00			8537																																																																						
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703-941-LOGS FOR A FREE FIREPLACE BUYER'S GUIDE																																																																									
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- **PSC regulates Distribution Charge.**
- **Federal Energy Regulatory Commission (FERC) has deregulated wholesale commodity prices (reflected on your bill in the Purchase Gas Charge (PGC)).**
- **Washington Gas does not earn a profit on the PGC**

TRENDS IN PGC JAN '99 THROUGH FEB '01



	Jan-99	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-00	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	1-Jan	Feb
Series1	42	37.7	32.5	30.3	33.9	38.9	38.9	38.9	49	49	47.5	40.2	40.2	41.6	42	42	37	37.6	47.3	47.3	59.3	64	64	69.7	84.9	82.2



RIGHTS OF WAY FEE

- New
- Implemented based on D.C. Council legislation
- First appeared on gas bills in October 2000
- Charge is based on usage



GAS BILL IMPACTS

- Approximately 30% of the December and January bill increases were due to increased consumption
- Market prices for natural gas increased by more than 200%
- On average, the PGC on bills increased by approximately 100%
- Some customers saw December and January bills double from prior year

HOW THE COMMISSION HAS TRIED TO MITIGATE THE IMPACTS OF HIGH GAS BILLS ON CONSUMERS

- Allowed 3.75 cents per therm reduction (10% reduction) in distribution charge (effective in December bills)
- Approved 4.24 cents per therm reduction in PGC (effective with December bills)
- Approved up to **\$50** rebate in February bills (Actual amount depends on usage)
- Established Gas Customer Choice Programs where additional savings are possible (not guaranteed)



Benefits to Washington Gas Customers Who Are Not Participating in the Residential Gas Customer Choice Program

Amount is received after the due date, your next bill will include a late payment fee of \$

Your Gas Use Profile				
Shaded Reading	Total Therms	Days	Therm Day	Avg Temp
NO	80	30	2	57
NO	88	32	2	56

Budget Plan Information

Statement	Used to Date
	\$
to Billed	Paid to Date
	\$

GAS USAGE DETAIL

TOTAL THERMS (TH) USED	80.4
DISTRIBUTION CHARGE:	
80.4 TH @ .3879	31.19
CUSTOMER CHARGE	7.49
PGC @ .6400	51.46
DC RIGHTS-OF-WAY FEE	2.07
DC GROSS RECPTS TAX (GRT)	9.22

TOTAL GAS CHARGES

\$101.43

IMPORTANT CUSTOMER INFORMATION IS ON THE BACK OF THE BILL

Amount is received after the due date, your next bill will include a late payment fee of \$

Your Gas Use Profile				
Shaded Reading	Total Therms	Days	Therm Day	Avg Temp
NO	215	33	6	34
NO	118	31	3	49

Budget Plan Information

Statement	Used to Date
	\$
to Billed	Paid to Date
	\$

GAS USAGE DETAIL

TOTAL THERMS (TH) USED	215.5
DISTRIBUTION CHARGE:	
215.5 TH @ .3504	75.51
CUSTOMER CHARGE	7.49
PGC @ .6400	150.27
DC RIGHTS-OF-WAY FEE	5.54
DC GROSS RECPTS TAX (GRT)	23.88

TOTAL GAS CHARGES

\$262.71

IMPORTANT CUSTOMER INFORMATION IS ON THE BACK OF THE BILL

Amount is received after the due date, your next bill will include a late payment fee of \$

Your Gas Use Profile				
Shaded Reading	Total Therms	Days	Therm Day	Avg Temp
NO	253	35	7	32
NO	196	35	5	41

Budget Plan Information

Statement	Used to Date
	\$
to Billed	Paid to Date
	\$

GAS USAGE DETAIL

TOTAL THERMS (TH) USED	253.9
DISTRIBUTION CHARGE:	
253.9 TH @ .3504	88.96
CUSTOMER CHARGE	7.49
PGC @ .6400	215.61
DC RIGHTS-OF-WAY FEE	6.53
DC GROSS RECPTS TAX (GRT)	31.86

TOTAL GAS CHARGES

\$350.45

IMPORTANT CUSTOMER INFORMATION IS ON THE BACK OF THE BILL

PLEASE RETAIN THIS PORTION FOR YOUR RECORDS

November
2000

December
2000

January
2001

SERVICE ADDRESS
ACCOUNT NUMBER

MAILED 02/23/01

RATE CLASS
RESIDENTIAL
HEAT/COOL
NEXT METER READING DATE
03/22/01
DAYS IN THIS BILLING PERIOD
30

Current Reading
Previous Reading
CCF of Gas Used
Unmetered Gas Light (CCF)
Total CCF of Gas Used
Conversion Factor
Total Therms Used

Date
02/21/01
01/22/01
READ BY CO.
READ BY CO.

Reading
4144
8772
156
+ 156
x 1.026
160.4

PAYMENTS RECEIVED ON 02/12/01 350.45

CHARGES THIS PERIOD :
GAS USAGE

CREDIT ADJUSTMENT 219.63
-41.59

TOTAL CHARGES THIS PERIOD

178.04

TOTAL AMOUNT DUE 03/26/01

178.04

KEEP YOUR BILL LEVEL ALL YEAR WITH THE BUDGET PLAN. IT'S EASY
TO ENROLL. CALL 702-750-7944 WITH YOUR ACCOUNT NUMBER HANDY.

If payment is received after the due date, your next bill will include a late payment fee of \$

1.78

Your Gas Use Profile

Period	Reading	Therms	Days	Therms	Days
0201	NO	160	30 S	40	
0200	NO	181	29 L	34	

Budget Plan Information

Monthly Installment	Used to Date
\$	\$
Installments Billed	Paid to Date
To Date	\$

GAS USAGE DETAIL

TOTAL THERMS (TH) USED	160.4
DISTRIBUTION CHARGE	56.20
160.4 TH @ .3504	7.49
CUSTOMER CHARGE	131.65
PCC 24.8220	4.12
DC RIGHTS-OF-WAY FEE	17.47
DC GROSS RECPTS TAX (GRT)	

TOTAL GAS CHARGES \$219.63



Benefits to Washington Gas Customers Who Are Participating in the Residential Gas Customer Choice Program

Natural Gas Utility



Current Reading Date	Prior Reading Date	Current Meter Reading	Prior Meter Reading	CCF Of Gas Used	Unmetered Gas Light (CCF)	Total CCF Of Gas Used	Conversion Factor	Total Therms Used
11/15/2000	10/18/2000	9805	-9754	= 51	+0	= 51	x 1.018	= 51.9

Rate Class: RESIDENTIAL HEAT/COOL

DISTRIBUTION CHARGE:

51.9 TH @ .3801	\$20.14
Customer charge amount	\$7.49
Gross receipts tax amount	\$2.90
DC RIGHTS OF WAY FEE	\$1.33

Gas Use Profile					
Period	Estimated Reading	Total Therms	Days	Therms/Day	Avg Temp °F
11/1999	NO	57	32	1	55
11/2000	NO	51	30	1	57

Washington Gas Total..... \$31.86

The utility purchase gas charge (PGC) is \$0.6400 this month which includes a balancing charge.

Washington Gas is regulated by the Public Service Commission of the District of Columbia. Washington Gas will furnish rate schedule and bill calculation data upon request.

DC Commission

Phone: 202-626-5100

Fax: 202-393-1389

TTY: 202-626-2428

Your next meter reading date is 12/18/2000.

Natural Gas Supplier



51.9 therms @	
\$0.33900 per therm	\$17.59
Utility Balancing Charge @ .08030	
per therm	\$3.13
DC Gross Receipts Tax	\$2.07

Washington Gas Energy Services Total..... \$22.79

Natural Gas Utility



Current Reading Date	Prior Reading Date	Current Meter Reading	Prior Meter Reading	CCF Of Gas Used	Unmetered Gas Light (CCF)	Total CCF Of Gas Used	Conversion Factor	Total Therms Used
12/18/2000	11/15/2000	24	-9805	=219	+0	= 219	x 1.026	= 224.7

Rate Class: RESIDENTIAL HEAT/COOL

DISTRIBUTION CHARGE

224.7 TH @ .3504	\$78.74
Customer charge amount	\$7.49
Gross receipts tax amount	\$9.20
DC RIGHTS OF WAY FEE	\$5.77

Gas Use Profile					
Period	Estimated Reading	Total Therms	Days	Therm/Day	Avg Temp °F
12/1999	NO	104	31	3	48
12/2000	NO	224	33	6	38

Washington Gas Total..... \$101.20

The utility purchase gas charge (PGC) is \$0.6974 this month which includes a balancing charge.

Washington Gas is regulated by the Public Service Commission of the District of Columbia. Washington Gas will furnish rate schedule and bill calculation data upon request.

DC Commission

Phone: 202-626-5100

Fax: 202-393-1389

TTY: 202-626-2428

Your next meter reading date is 01/22/2001.

Natural Gas Supplier



224.7 therms @	
\$0.33900 per therm	\$76.17
Utility Balancing Charge @ .07410	
per therm	\$16.65
DC Gross Receipts Tax	\$9.28

Washington Gas Energy Services Total... \$102.10

Natural Gas Utility



Current Reading Date	Prior Reading Date	Current Meter Reading	Prior Meter Reading	CCF Of Gas Used	Unmetered Gas Light (CCF)	Total CCF Of Gas Used	Conversion Factor	Total Therms Used
01/22/2001	12/18/2000	327	- 24	= 303	+0	= 303	x 1.032	= 312.7

Rate Class: RESIDENTIAL HEAT/COOL

DISTRIBUTION CHARGE:

312.7 TH @ .3504..... \$109.68
 Customer charge amount..... \$7.49
 Gross receipts tax amount..... \$12.51
 DC RIGHTS OF WAY FEE..... \$8.04

Gas Use Profile				
Period	Estimated Reading	Total Therms	Days	Therm/ Avg Day Temp °F
01/2000	NO	215	35	0
01/2001	NO	312	35	0

Washington Gas Total..... \$137.62

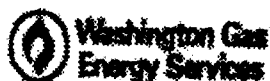
The utility [REDACTED] this month which includes a balancing charge.

Washington Gas is regulated by the Public Service Commission of the District of Columbia. Washington Gas will furnish rate schedule and bill calculation data upon request.

DC Commission Phone: 202-626-5100 Fax: 202-393-1389
 TTY: 202-626-2428

Your next meter reading date is 02/21/2001.

Natural Gas Supplier



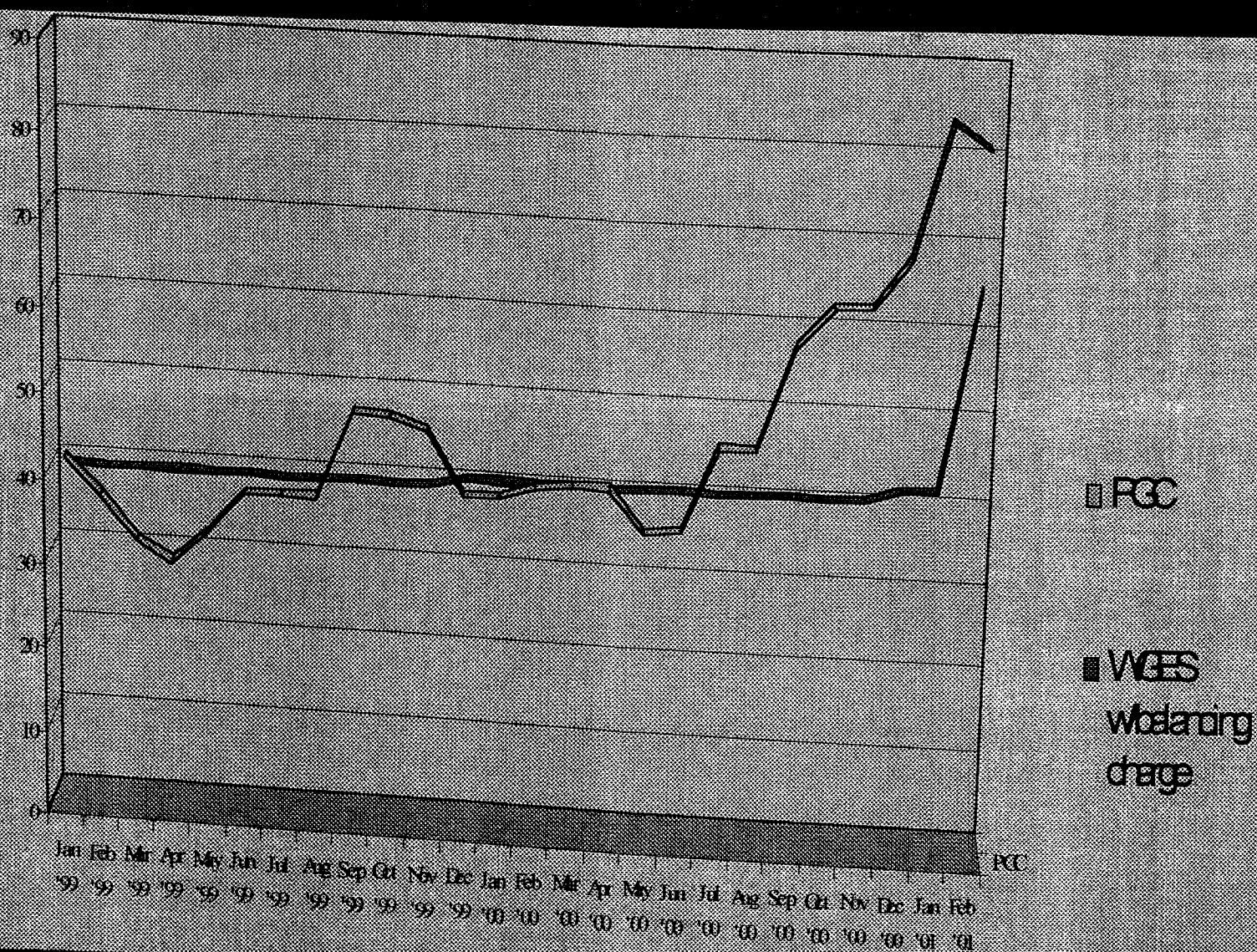
312.7 therms @
 \$0.33800 per therm..... \$106.01
 Utility Balancing Charge @ .07410
 per therm..... \$23.17
 DC Gross Receipts Tax..... \$12.92

Washington Gas Energy Services Total..... \$142.10

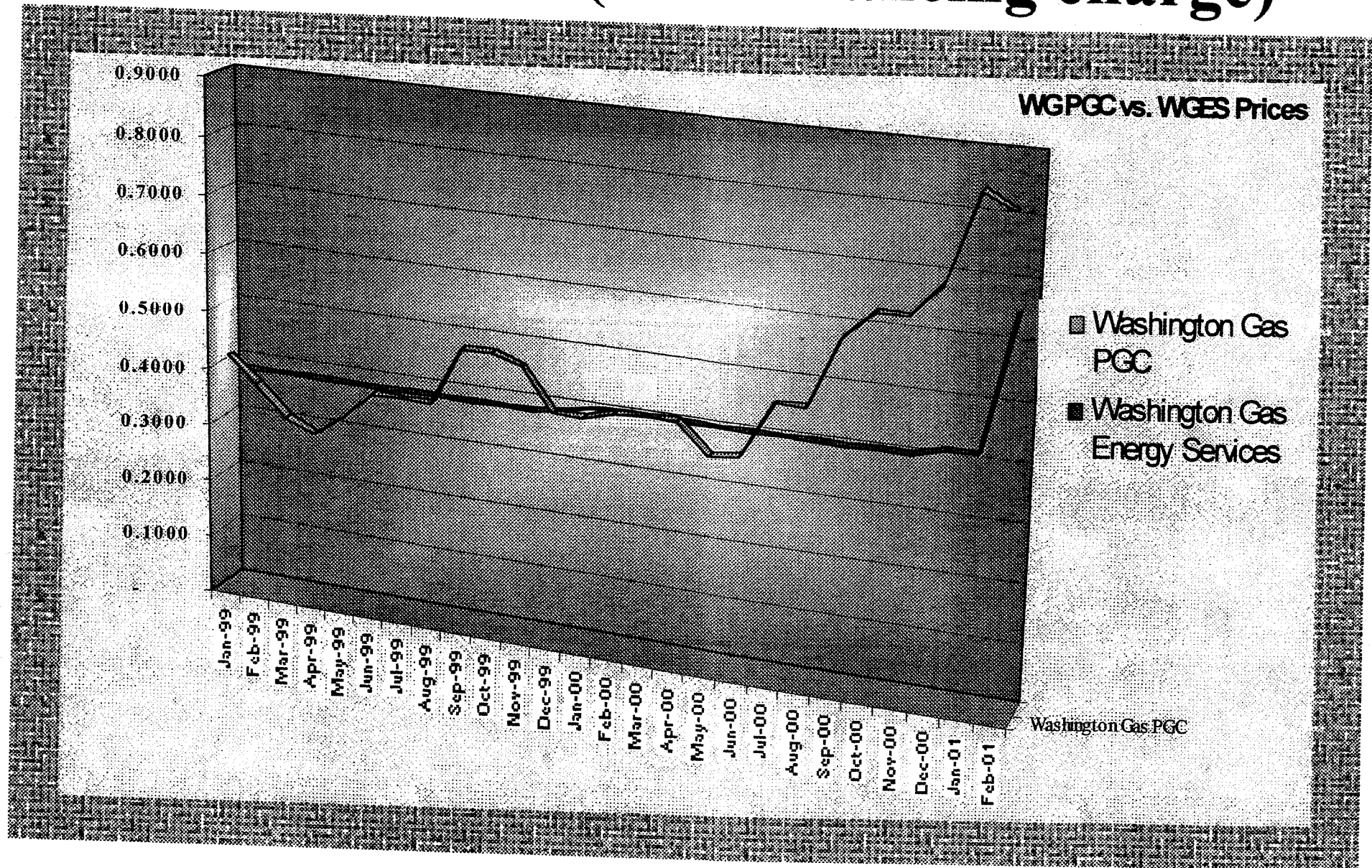
Possible Savings from Residential Customer Choice Program
If signed up with Washington Gas Energy Services in 1998

	November <u>2000</u> <i>80 Therms</i>	December <u>2000</u> <i>216 Therms</i>	January <u>2001</u> <i>254 Therms</i>	<u>Total</u> <i>550 Therms</i>
Non Participant	\$101.43	\$262.71	\$350.45	\$714.59
Participant (WGES Customer)	\$76.07	\$194.76	\$228.01	\$498.84
Savings	\$25.36	\$67.95	\$122.44	\$215.75

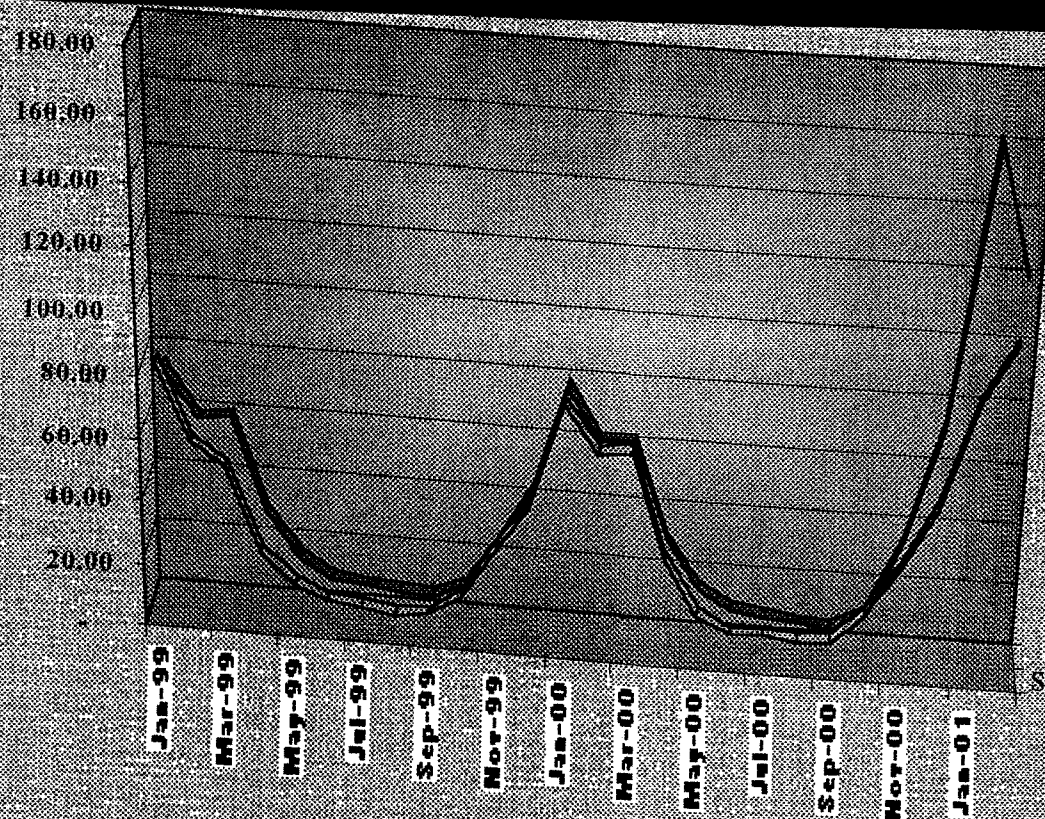
PGC vs. WGES Prices (with Balancing Charge)



Washington Gas vs. Washington Gas Energy Services Prices (with balancing charge)



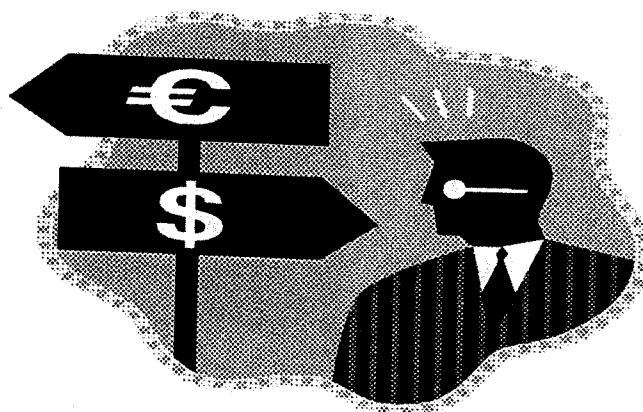
Washington Gas Utility vs. Washington Gas Energy Services Costs



	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01
Series1	82.8	58.3	51.1	24.1	14.0	9.68	8.38	7.26	8.04	14.4	31.7	46.0	79.2	64.6	66.3	33.5	15.1	9.41	10.1	8.83	9.73	18.8	42.7	79.9	167	127
Series2	75.1	59.1	60.2	30.4	15.7	9.49	8.22	7.12	6.26	11.2	25.4	44.7	78.7	62.0	63.0	31.9	16.3	9.98	8.60	7.46	6.55	11.7	26.6	47.3	81.4	100



How to Choose an Alternative Gas Supplier



Questions to Ask Each Supplier



- What is your Price?
- Does this price include a “**Balancing Charge**”?
- If “**Variable**”, what is it based on?
- If “**Fixed**”, for how long?
- Do I have to sign a contract?
- Is there a penalty for switching before the end of the contract? If yes, how much is the fee?
- Is there a minimum charge?

Current Natural Gas Offerings – New Customers

Company	Price	Other
PEPCO Energy Services 1 (800)-Energy9	68.5 Cents/Therm For 1 year	75.541 cents/ therm including balancing charge - No minimum monthly charge
Power Trust 1 (800) 521-4508	<ul style="list-style-type: none"> • 1 & 2 Year Contracts but no fixed price. • 10% Discount on WG price for the 1st month. • Variable rate thereafter 69.3 Cents/therm (without discount)	\$25 Coupons, 1 – Month 12 1 – Month 24 \$3.95 Minimum monthly charge
Washington Gas Energy Services 1 (888) 236-9437	72.9 Cents/therm For 1 year	79.941 cents/therm, including balancing charge - No minimum monthly charge

How To Calculate Gas Savings District of Columbia

Instructions:

1. Enter the gas supplier's name. This is required in order to view the results. You are allowed to enter information for up to four different suppliers. [Click here for a list of participating natural gas suppliers.](#)
2. Enter the total gas price offering from each supplier. For example, if the price is 65 cents per therm, enter \$0.65.
3. If the rate quote from the supplier does not include the balancing charge, add \$0.0741 to the quoted price.
4. Enter your total natural gas usage (therms) for the past 12 months. If you do not have this number, please contact Washington Gas at (703) 750-1000.

The average usage (therms) for residential customers in the District of Columbia is approximately 1000 therms.

Once you have completed these steps for each supplier, click the *Calculate Savings* button

Supplier Name	Supplier Total	
	Gas Price Offering	Supplier Monthly Fees
Supplier 1: PEPCO Energy Service	.75541	0
Supplier 2: PowerTrust	.76341	3.95
Supplier 3: WGES	.79941	0
Supplier 4:	0	0

Enter your usage(therms) for the previous 12 months: therms

[Home Page](#) . [Corporate Profile](#) . [Customer Information](#) .
[Products & Services](#) . [In the News](#) . [Financial Facts](#) .
[Shareholder Information](#) . [Career Opportunities](#) . [Comments](#)

Gas Savings

Based on the information that you supplied, the following results were produced:

Annual Gas Usage: 1000 therms

	Total Annual Gas Cost	Annual Gas Cost Savings
Washington Gas	\$704.00	-
PEPCO Energy Services	\$755.41	(\$51.41)
PowerTrust	\$810.81	(\$106.81)
WGES	\$799.41	(\$95.41)

If the Annual Gas Cost Savings number is positive, the number represents the amount that you would potentially save if you purchased your natural gas from the marketer instead of purchasing it from Washington Gas.

If the Annual Gas Cost Savings number is negative (), the number represents the additional amount that you would potentially pay if you purchased your natural gas from the marketer instead of purchasing it from Washington Gas.

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[Products & Services](#) . [In the News](#) . [Financial Facts](#) .
[Shareholder Information](#) . [Career Opportunities](#) . [Comments](#)

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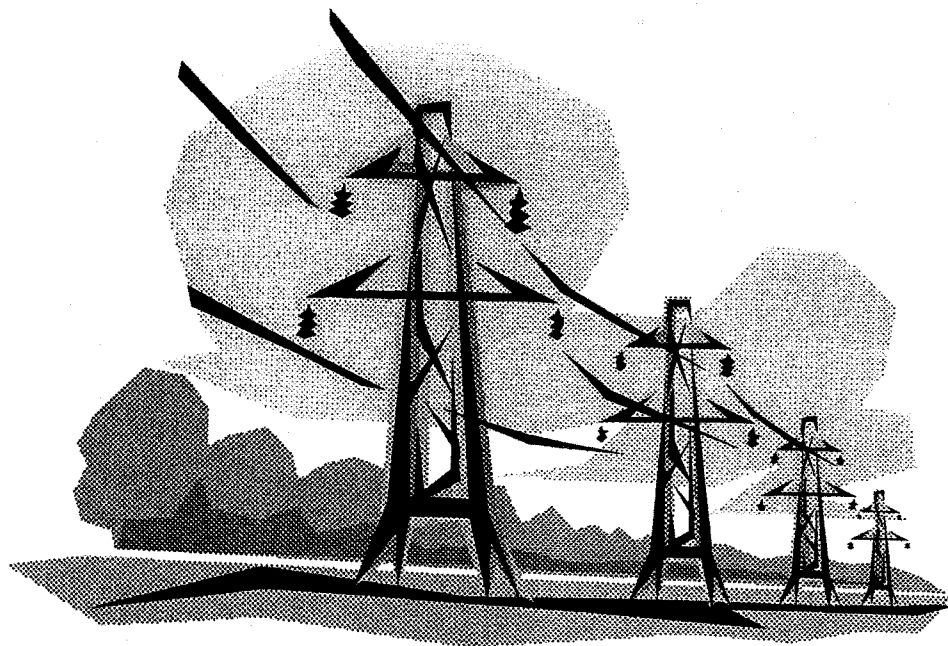


WHAT YOU SHOULD DO IF YOU CAN'T PAY YOUR GAS BILL(S)

- Consider joining Washington Gas level payment plan (spread costs over 12 months)
- Find ways to conserve energy
- Contact Washington Gas, OPC, DCEO or the Commission for places to contact for assistance (e.g. LIHEAP, Washington Area Fuel Fund, etc.)



ELECTRIC RESTRUCTURING & CUSTOMER CHOICE





Potomac Electric Power Company

OLD BILL FORMAT (JAN 2001)

Account No:
Bill Issue Date:

Jan 3, 2001

Additional Contact Information

PEPCO CUSTOMER SERVICE CENTERS

Washington, DC	Hours
1900 Pennsylvania Ave., N.W. *	8:30 am - 5:15 pm
2806 Martin Luther King, Jr. Ave., S.E. +	9:00 am - 5:00 pm
Maryland	
1610 Gaither Road*+ (entrance off of	9:00 am - 5:00 pm
Rockville, Maryland W. Gude Dr.)	
8300 Old Marlboro Pike*	9:00 am - 5:00 pm
Forestville, Maryland	

* After hours deposit boxes available for the payment of bills.

+ Cash payments are not accepted at these locations.

Information regarding rate schedules, including the actual seasonal rate, time of use, customer charge, fuel rate and how to verify the accuracy of your bill will be mailed upon request.

PAYMENTS

Pepco
P.O. Box 97274
Washington, DC 20068-7274

WRITTEN INQUIRIES

Pepco, Correspondence Section
1900 Pennsylvania Avenue, N.W.
Washington, DC 20068-0001

Pepco is regulated by the Public Service Commission of the District of Columbia (202) 626-5100. You may contact the commission if efforts to resolve a dispute with Pepco are unsuccessful.

Public Service Commission
1333 H Street NW
2nd Floor, West Tower
Washington, DC 20005

Office of People's Counsel
(202) 727-3071

Pepco's Taxpayer Identification No. 53-0127880
Visit our website at: www.pepco.com

Account Details

Services for Nov 29 to Dec 29, 2000:

Winter rates in effect

Distribution Services:

Minimum Charge	Includes First 30 KWH	2.01
Energy Charge	Next 370 KWH x 0.0467917	17.31
	Next 730 KWH x 0.0802917	58.61
Public Space Occupancy Surcharge	at 0.0018300 per KWH	2.07
DC Fuel Adjustment	at 0.0011778 per KWH	1.33
Delivery Tax	at 0.0070000 per KWH	7.91
Total Charges - Distribution		89.24

CURRENT CHARGES THIS PERIOD

\$89.24

Distribution Services

- Minimum Charge
- Energy Charge
- Public Space Occupancy Surcharge
- DC Fuel Adjustment
- Delivery Tax

Energy Usage History

	Jan 00	Feb 00	Mar 00	Apr 00	May 00	Jun 00	Jul 00	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00	Jan 01
DAYS	31	33	28	30	29	32	29	30	31	31	29	33	30
KWH	1440	2050	1130	610	540	760	1000	780	930	890	570	890	1130

NEW BILL FORMAT (FEB 2001 Bill)



Potomac Electric Power Company

Account No:
Bill Issue Date:

Feb 1, 2001

Additional Contact Information

PEPCO CUSTOMER SERVICE CENTERS

Washington, DC		Hours
1900 Pennsylvania Ave., N.W. *		8:30 am - 5:15 pm
2806 Martin Luther King, Jr. Ave., S.E. +		9:00 am - 5:00 pm
Maryland		
1610 Gaither Road*+ (entrance off of	Rockville, Maryland W. Gude Dr.)	9:00 am - 5:00 pm
8300 Old Marlboro Pike*	Forestville, Maryland	9:00 am - 5:00 pm

* After hours deposit boxes available for the payment of bills.
+ Cash payments are not accepted at these locations.

Information regarding rate schedules, including the actual seasonal rate, time of use, customer charge, fuel rate and how to verify the accuracy of your bill will be mailed upon request.

PAYMENTS

Pepco
P.O. Box 97274
Washington, DC 20090-7274

WRITTEN INQUIRIES

Pepco, Correspondence Section
1900 Pennsylvania Avenue, N.W.
Washington, DC 20068-0001

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Public Service Commission
1333 H Street NW
2nd Floor, West Tower
Washington, DC 20005

Office of People's Counsel
(202) 727-3071

Pepco's Taxpayer Identification No. 53-0127880
Visit our website at: www.pepco.com

Account Details

Services for Dec 29 to Jan 30, 2001:

Winter rates in effect

Distribution Services:

Minimum Charge	Includes First 30 KWH	0.56
Energy Charge	Next 370 KWH x 0.0124600	4.61
	Next 560 KWH x 0.0224300	12.56
	at 0.0018300 per KWH	1.76
Public Space Occupancy Surcharge	at -0.0004069 per KWH	0.39 CF
DC Fuel Adjustment	at 0.0070000 per KWH	6.72
Delivery Tax		
Total Charges - Distribution		25.82

Generation Services:

Minimum Charge	Includes First 30 KWH	1.29
Energy Charge	Next 370 KWH x 0.0291217	10.78
	Next 560 KWH x 0.0526517	29.48
Total Charges - Generation		41.55

Transmission Services:

Minimum Charge	Includes First 30 KWH	0.15
Energy Charge	Next 370 KWH x 0.0052100	1.93
	Next 560 KWH x 0.0052100	2.92
Total Charges - Transmission		5.00

CURRENT CHARGES THIS PERIOD

\$72.37

- Distribution Services
 - Same as old bill format
- Generation Services
- Minimum Charge
 - Energy Charge
- Transmission Services
 - Minimum Charge
 - Energy Charge

Energy Usage History

Price To Compare
Based on actual monthly usage

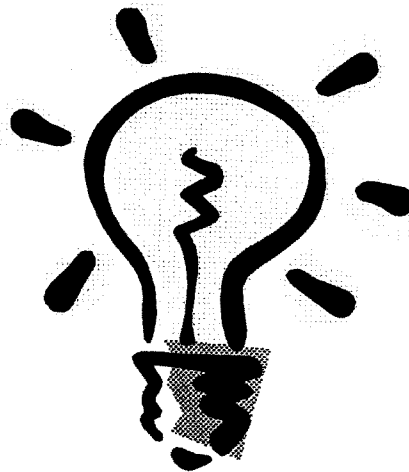
5.32 cents per kwh

	Feb 00	Mar 00	Apr 00	May 00	Jun 00	Jul 00	Aug 00	Sep 00	Oct 00	Nov 00	Dec 00	Jan 01	Feb 01
DAYS	33	28	30	29	32	29	30	31	31	29	33	30	32
KWH	2050	1130	610	540	760	1000	780	930	890	570	890	1130	960



WHAT IS PRICE TO COMPARE?

- Average of the generation and transmission charges per kilowatt-hour over the last 12 months



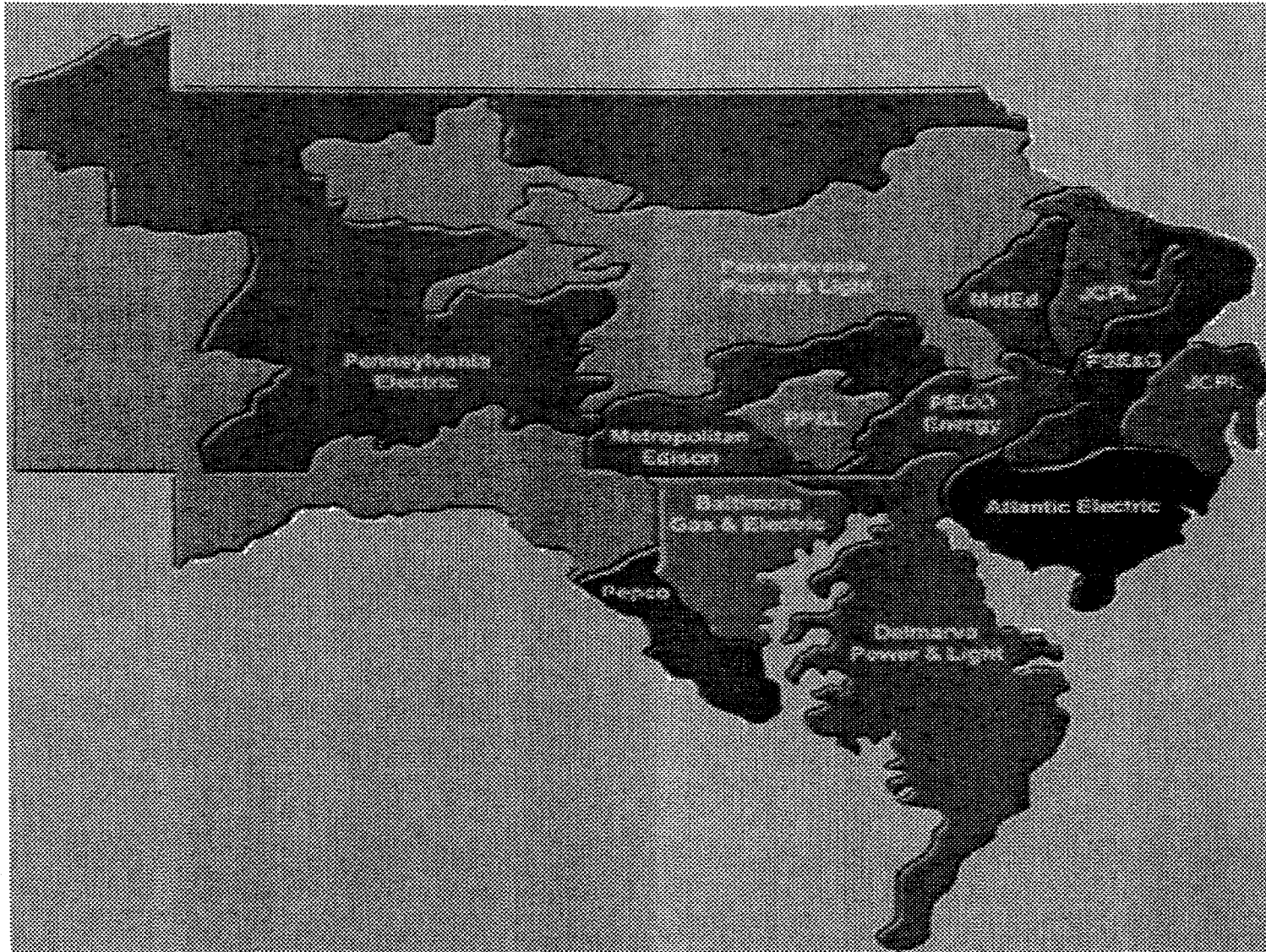
Commission-Approved Electrical Suppliers

Company	Business Address	Telephone Number	Type of Service
Allegheny Energy Supply	Roseytown Road RR 12, Box 1000	(888) 232-4642	Commercial
AOBA Alliance	1050 17 th Street, NW Washington, DC 20005	(202) 296-3390	Commercial
First Energy	395 Ghent road Akron, OH	(800) 977-0500	Commercial
Pepco Energy Services	1825 K Street, NW Suite 400 Washington, DC 20006	(800) Energy9 (800) 363-7499	Residential
Washington Energy Consortium	3504 Northridge Drive Baltimore, MD 21208	(866) 602-1001	Commercial
Washington Gas Energy Services, Inc.	950 Herndon Pkwy Suite 280 Herndon, VA 20170	(888) 884-9437	Commercial

ELECTRIC BASE RATE REDUCTIONS

<u>Effective Date</u>	<u>Residential</u>	<u>Commercial</u>
January 1, 2000	2.0%	3.5%
July 1, 2000	1.5%	1.5%
February 8, 2001	<u>3.5%</u>	<u>1.5%</u>
<u>Total</u>	<u>7.0%</u>	<u>6.5%</u>

Pennsylvania – Jersey – Maryland (PJM)



WHY THE CALIFORNIA CRISIS HAS NOT OCCURRED HERE

Similarities

	California & Western States	PEPCO-DC & PJM
Demand	Increased 25% over the last decade	Increased 25% over the last decade
Regulation	Price Caps on Retail Rates	Price Caps on Retail Rates
Supply	50,000 Megawatt Capacity Divestiture of Power Plants	50,000 Megawatt Capacity Divestiture of Power Plants

WHY THE CALIFORNIA CRISIS HAS NOT OCCURRED HERE

Differences

California & Western States

PEPCO-DC & PJM

Supply Has Not Kept Pace With Demand No New Power Plants	Supply Has Kept Pace With Demand 6,000 Megawatts of Power Added (14% of Total)
No Minimum Reserve Margins	Minimum Reserve Margin & Financial Penalties Imposed
Must Purchase on Spot Market No Long-Term Contracts	Not Required to Purchase from Spot Market (5% of purchases from Spot Market)
Majority of Fuel Supplied by Gas and Hydropower	Majority of Fuel Supplied by Coal and Nuclear

California Relies More Heavily on Gas and Hydropower



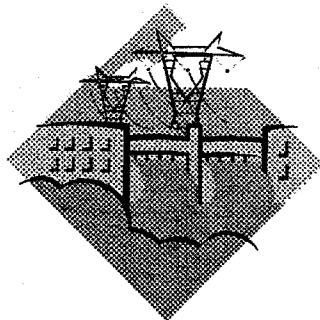
Gas

California

PJM

39%

15%



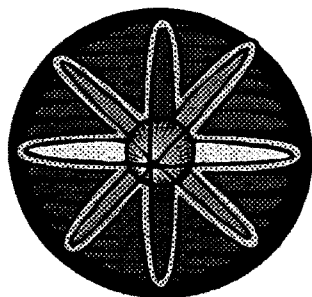
Hydro

24%

5%

63%

20%



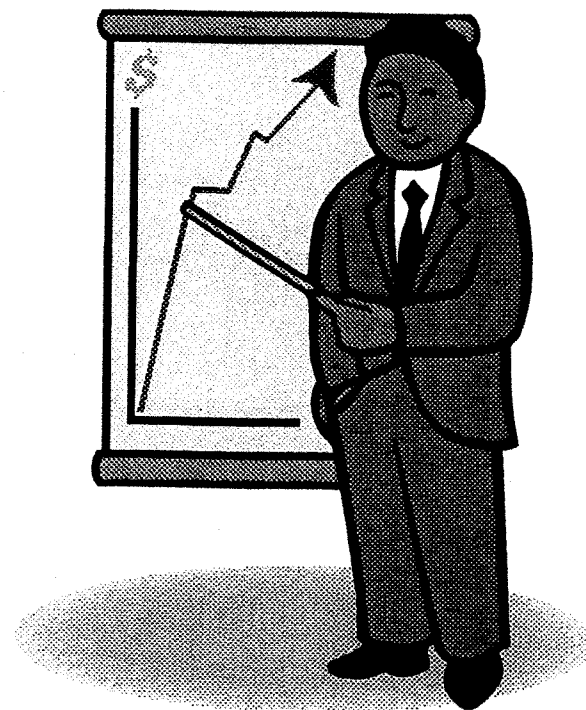
Coal & Nuclear

14%

54%



TELEPHONE RATE CHANGES



TELEPHONE SERVICE RATE CHANGES

<u>Residential</u>	<u>January 2000(\$)</u>	<u>July 2000(\$)</u>	<u>Change(\$)</u>
Economy I Service	4.35	5.19	+0.84
Economy II Service	----	---	---
Senior Citizens	1.00	1.00	---
Other	3.00	3.00	Eliminated limit on free call allowance
Message Rate Service	7.45	7.29	-0.16
Flat Rate Service	14.00	12.78	-1.22
DC Only Services	8.75	8.59	-0.16
<u>Business</u>			
Message Rate Service	11.15	11.31	+0.16

Rights of Way Tax – Implemented in November 2000

CURRENT CHANGES UNDER CONSIDERATION BY THE COMMISSION

(To Be Implemented July 1, 2001)

Reduce residential charges by **\$800,000**

Reduce denial of service restoration charge from \$11.48 to \$9.75.

Reduce message unit rate from 5.1 cents per call to 5.0 cents per call.

Reduce installation cost for additional line (when installed with a first line) from \$33.49 to \$14.00.

Reduce installation cost for additional line (when installed after first line) from \$43.06 to \$28.00.

Reduce change of class/service charge from \$13.40 to \$7.00

Reduce customer-initiated order charge from \$21.06 to \$7.00

Increase Economy I service monthly rate from \$5.19 to \$6.00

Reduce service connection charge for first line from \$30.76 to \$28.00.

CURRENT CHANGES UNDER CONSIDERATION BY THE COMMISSION

Reduce Business Charges by \$1.2 million

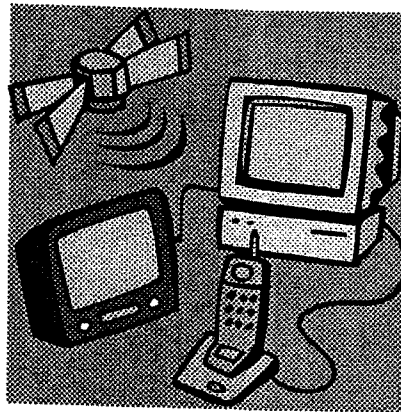
Reduce message unit rate from 7.19 cents per call to 7.10 cents per call.

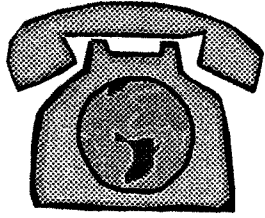
Reduce Message Rate service from \$11.15 per month to \$11.00 per month

Reduce service connection charge for additional line from \$32.00 to \$25.00.



CUSTOMER CHOICE & TELECOMMUNICATION SERVICES





Long Distance Services



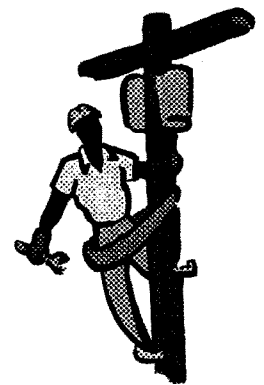
- Regulated by the Federal Communications Commission (F.C.C.)
- May choose a provider since the breakup of AT&T in 1984



Local Service Competition



- Federal Act passed in 1996
- D.C. Act passed in 1996
- D.C. Public Service Commission is transitioning local markets to competition
 - To date 134 **C**ompetitive **L**ocal **E**xchange **C**arriers (CLECs) have been certified
 - 60 of these CLECs have tariffs on file



TYPES of CLECs



Resellers – CLECs which interconnect with Verizon & use Verizon's network to serve the CLEC's customers

Facilities - Based – CLECs which serve customers using their own facilities, not Verizon's

Both - CLECs that "resell" and also have their own facilities

Status of Competition

(As of the end of 1999)



- CLECs had **7.9%** of lines

(Nationally, CLEC share was 4.0%)

CLECs share of Residential Lines – **2.6%**

CLECs share of Business Lines – **10.3%**

- CLECs had **17.6%** of revenues
- At least 21 CLECs were providing service in DC

Technology Options for High Speed Access to the Internet



1. DSL

Verizon, CLECs,
& DLECs

DSL tariffs are at the FCC

2. Cable Modems

Starpower

*Cable Modem Service is under the jurisdiction of
the DC Office of Cable Television*



WHAT IS DSL?



DIGITAL SUBSCRIBER LINE (DSL) SERVICE IN THE DISTRICT OF COLUMBIA

- DSL is an advanced telecommunications service that provides broadband capability over existing copper telephone lines.
- DSL service, using a high speed modem, allows both voice and data to travel simultaneously over the same line so you can use the phone while surfing the internet without interruption
- DSL service is available to many District residents for about \$50/month (price does not include cost of high speed modem)
- DSL is an “always on” service



Cable Modem Technology



- The same cable system that brings us cable TV programming can also be used to provide high speed internet access
- Cable modems are typically external devices that allow your computer to connect to the cable network using a coaxial cable and an Ethernet card.
- Cable modem service provides downloads speeds of approximately 1million bits per second. (about 20 times faster than a 56k modem dial up connection)
- Cable modem service is offered through a partnership between you local cable company and a dedicated cable Internet Service Provider.
- Cable modem service is typically ranges between \$30 and \$50 per month

THANK YOU!

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA



**1333 H STREET, NW
WASHINGTON, DC 20005
(202) 626-5100
www.dcpssc.org**