

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA**  
**1325 G STREET, N.W., 8<sup>th</sup> Floor**  
**WASHINGTON, D.C. 20005**

**PUBLIC NOTICE**

**FORMAL CASE NO. 1139, IN THE MATTER OF THE APPLICATION OF POTOMAC ELECTRIC POWER COMPANY FOR AUTHORITY TO INCREASE EXISTING RETAIL RATES AND CHARGES FOR ELECTRIC DISTRIBUTION SERVICE**

The Public Service Commission of the District of Columbia (“Commission”) hereby gives notice, pursuant to D.C. Code Sections 34-901 and 34-909, that on June 30, 2016, the Potomac Electric Power Company (“Pepco”) filed an Application requesting authority to increase existing distribution service rates and charges for electric service in the District of Columbia by \$85.5 million, representing an increase of approximately 23.7% in Pepco’s distribution revenues. The requested rates are designed to collect \$447 million in total distribution revenues. Pepco requests authority to earn an 8.00% rate of return, including a return on common equity of 10.6%. Pepco represents that its application would translate to an increase in distribution rates of approximately \$4.36 per month for a typical residential customer who uses 675 kWh per month. Pepco proposes to offset this rate increase for residential customers until approximately January 2019 by applying the Customer Base Rate Credit (R, AE, and MMA classes) and Incremental Offset approved by the Commission in the Exelon/Pepco Merger, Formal Case No. 1119.

The proposed changes in distribution rates are as follows:

<u>Rate Schedule</u>	<u>Current Rates</u>		<u>Proposed Rates</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
Residential - Standard (R )				
Customer Charge	\$ 13.00	\$ 13.00	\$ 16.75	\$ 16.75
First 400 kilowatthours	\$ 0.00759	\$ 0.00759	\$ 0.00814	\$ 0.00814
In Excess of 400 kilowatthours	\$ 0.02166	\$ 0.01512	\$ 0.02478	\$ 0.01536
Residential - All Electric (AE)				
Customer Charge	\$ 13.00	\$ 13.00	\$ 16.75	\$ 16.75
First 400 kilowatthours	\$ 0.00824	\$ 0.00824	\$ 0.00863	\$ 0.00863
In Excess of 400 kilowatthours	\$ 0.02398	\$ 0.01341	\$ 0.02760	\$ 0.01331
Master Meter Apartment – Compared to current Schedule R*				
* Customer Charge (Unit Counts)				
1-20	\$ 10.25	\$ 10.25	\$ 47.03	\$ 47.03
21-100	\$ 10.25	\$ 10.25	\$ 483.60	\$ 483.60
101-250	\$ 10.25	\$ 10.25	\$ 1616.45	\$ 1616.45
>250	\$ 10.25	\$ 10.25	\$ 3618.98	\$ 3618.98

FC 1139 Pepco Rate Case Public Notice

First 400 kilowatthours	\$	0.00759	\$	0.00759	\$	0.01347	\$	0.01347
In Excess of 400 kilowatthours	\$	0.02398	\$	0.01341	\$	0.03953	\$	0.02619

Master Meter Apartment –  
compared to current Schedule  
AE\*

Customer Charge (Unit Counts)								
1-20	\$	10.25	\$	10.25	\$	47.03	\$	47.03
21-100	\$	10.25	\$	10.25	\$	483.60	\$	483.60
101-250	\$	10.25	\$	10.25	\$	1616.45	\$	1616.45
>250	\$	10.25	\$	10.25	\$	3618.98	\$	3618.98
First 400 kilowatt hours	\$	0.00824	\$	0.00824	\$	0.01347	\$	0.01347
In Excess of 400 kilowatt hours	\$	0.02398	\$	0.01341	\$	0.03953	\$	0.02619

Residential Time-of-Use (RTM)

Customer Charge	\$	17.52	\$	17.52	\$	23.15	\$	23.15
Kilowatthour Charge	\$	0.04299	\$	0.04299	\$	0.05579	\$	0.05579

GS Non-Demand (GS ND)

Customer Charge	\$	23.39	\$	23.39	\$	30.42	\$	30.42
Kilowatthour Charge	\$	0.03530	\$	0.02926	\$	0.03326	\$	0.02554

GS Low Voltage (GS LV)

Customer Charge	\$	27.11	\$	27.11	\$	39.30	\$	39.30
Kilowatthour Charge	\$	0.04535	\$	0.03602	\$	0.03494	\$	0.02685
Kilowatt Charge	\$	4.53	\$	4.53	\$	9.45	\$	9.45

GS Primary (GS 3A)

Customer Charge	\$	209.04	\$	209.04	\$	90.66	\$	90.66
Kilowatthour Charge	\$	0.01317	\$	0.00993	\$	0.02636	\$	0.01892
Kilowatt Charge	\$	6.46	\$	6.46	\$	9.07	\$	9.07

Temporary

Customer Charge	\$	23.39	\$	23.39	\$	30.42	\$	30.42
Kilowatthour Charge	\$	0.06838	\$	0.05566	\$	0.07090	\$	0.05528

GT - Low Voltage (GT LV)

Customer Charge	\$	379.03	\$	379.03	\$	505.35	\$	505.35
Kilowatthour Charge	\$	0.00864	\$	0.00864	\$	0.01125	\$	0.01125
Kilowatt Charge	\$	9.25	\$	9.25	\$	12.59	\$	12.59

GT - Primary (GT 3A)

Customer Charge	\$	152.63	\$	152.63	\$	202.66	\$	202.66
Kilowatthour Charge	\$	0.00483	\$	0.00483	\$	0.00507	\$	0.00507
Kilowatt Charge	\$	6.18	\$	6.18	\$	9.24	\$	9.24

GT - High Voltage (GT 3B)

Customer Charge	\$	1134.37	\$	1134.37	\$	425.37	\$	425.37
Kilowatt Charge	\$	1.23	\$	1.23	\$	1.61	\$	1.61

FC 1139 Pepco Rate Case Public Notice

Rapid Transit (RT)

Customer Charge	\$	5,592.49	\$	5,592.49	\$	7,004.59	\$	7,004.59
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\*Pursuant to the Commission’s directive in Paragraph 484 of Order No. 17424 issued in Formal Case No. 1103, Pepco is proposing a new separate rate classification and schedule for master metered apartments (MMAs). Current customer charges are per unit and proposed customer charges are per building. The comparisons in the table provide the difference between the rates under the proposed Schedule MMA and the current rates under Schedule R and Schedule AE.

<u>Rate Schedule</u>	<u>Current Rates</u>		<u>Proposed Rates</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
<b>Street Lighting (SL)</b>				
Customer Charge				
Metered Accounts	\$ 17.19	\$ 17.19	\$ 26.31	\$ 26.31
Unmetered Accounts	\$ 14.70	\$ 14.70	\$ 22.50	\$ 22.50
Per Lamp Charge	\$ 0.55497	\$ 0.55497	\$ 0.84951	\$ 0.84951
<b>Traffic Signals (TS)</b>				
Customer Charge	\$ 8.03	\$ 8.03	\$ 9.96	\$ 9.96
Per Lamp Charge	\$ 0.30291	\$ 0.30291	\$ 0.37607	\$ 0.37607
<b>Telecommunications Network (TN)</b>				
Customer Charge	\$ 13.12	\$ 13.12	\$ 15.02	\$ 15.02
Kilowatthour Charge	\$ 0.01520	\$ 0.01520	\$ 0.01101	\$ 0.01101
<b>Street Light Maintenance</b>				
<b>Overhead (SSL OH)</b>	<u>Fixed</u>	<u>O&amp;M</u>	<u>Fixed</u>	<u>O&amp;M</u>
Incandescent w/o globe	\$ 2.478	\$ 0.039	\$ 2.670	\$ 0.042
Incandescent w/ globe	\$ 3.625	\$ 0.860	\$ 3.905	\$ 0.926
Mercury Vapor 175 Watt	\$ 7.742	\$ 0.767	\$ 8.342	\$ 0.826
Mercury Vapor 250 Watt	\$ 8.846	\$ 0.777	\$ 9.531	\$ 0.837
Metal Halide 400 Watt	\$ 29.975	\$ 1.253	\$ 32.298	\$ 1.350
<b>Underground (SSL UG)</b>				
Incandescent w/globe	\$ 34.855	\$ 1.576	\$ 37.556	\$ 1.698
Mercury Vapor 250 Watt	\$ 35.156	\$ 1.416	\$ 37.880	\$ 1.526
Mercury Vapor 400 Watt	\$ 41.227	\$ 1.759	\$ 44.421	\$ 1.895
HPS 150 Watt	\$ 30.828	\$ 1.155	\$ 33.216	\$ 1.245
Metal Halide 100 Watt	\$ 26.563	\$ 1.039	\$ 28.621	\$ 1.120
Metal Halide 175 Watt	\$ 29.975	\$ 1.253	\$ 32.298	\$ 1.350
Metal Halide 400 Watt	\$ 29.975	\$ 1.253	\$ 32.298	\$ 1.350

If granted in full, the average monthly effects of the proposed rates will be:

<u>Rate Schedule**</u>	<u>Average Monthly Usage</u>	<u>Monthly Increase Distribution Bill Only</u>		<u>Monthly Increase for Standard Offer Service Customers Total Bill***</u>	
		<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Residential - Standard (R )	664	4.35	21.0	4.35	5.4
Residential - All Electric (AE)	690	4.33	20.2	4.33	5.2
Residential Time-of-Use (RTM)	3,595	51.65	30.0	51.65	10.3
GS Non-Demand (GS ND)	1,508	2.47	3.5	2.47	1.3
GS Low Voltage (GS LV)	9,817	69.20	12.4	69.20	4.8
GS Primary (GS 3A)	21,089	166.84	28.2	166.84	6.7
Temporary	5,780	11.81	3.1	11.81	1.4
GT – Low Voltage (GT LV)	130,701	1,536.25	34.4	1,536.25	9.5
GT – Primary (GT 3A)	1,378,221	9,101.80	37.3	9,101.38	5.9
GT - High Voltage (GT 3B)	18,226,209	12,999.12	28.6	12,999.12	0.6
Rapid Transit (RT)	NA	135,577.19	25.2	135,577.19	NA
Street Lighting (SL) ****	NA	21,760.56	53.1	21,760.56	NA
Traffic Signals (TS) ****	NA	4,638.90	24.2	4,638.90	N/A
Telecommunications Network (TN)	454	0.00	0	0.00	0
Street Lighting Maintenance (SSL OH and SSL UG) ****	NA	4,261.92	7.7	4,261.92	7.7

\*\* The effect of the proposed rates on any particular customer is dependent upon the actual usage of the customer. Increases shown are for customers with the average monthly usage.

\*\*\* Standard Offer Service customers purchase their electricity from Pepco. For those customers who purchase their electricity from competitive suppliers (i.e., suppliers other than Pepco), the dollar amounts and percentages in the Total Bill column are not applicable.

\*\*\*\* The Street Lighting and Traffic Signal increases shown refer to the total class.

Pepco’s rate filing is available for inspection at the Public Service Commission’s Office of the Commission Secretary, 1325 “G” Street, NW, 8<sup>th</sup> Floor between the hours of 9:00 a.m. and 5:30 p.m., Monday through Friday. Copies of the Application can be purchased at the Commission at a cost of \$0.20 per page, actual reproduction cost and viewed on the Commission’s website at [www.dcpsc.org](http://www.dcpsc.org) Pepco’s rate filing may also be inspected at the following public libraries:

<b>Ward</b>	<b>Name and Address</b>
Main	Martin Luther King Memorial Library 9 <sup>th</sup> & “G” Streets, NW
Ward 1	Mount Pleasant Library 16 <sup>th</sup> & Lamont Street, NW
Ward 2	Southwest Library Wesley Place & “K” Street, SW
Ward 3	Cleveland Park Library Connecticut Avenue & Macomb Street, NW
Ward 4	Petworth Library Georgia Avenue & Upshur Street, NW
Ward 5	Woodridge Library Rhode Island Avenue & 18 <sup>th</sup> Street, NE
Ward 6	Southeast Library 7 <sup>th</sup> & “D” Streets, SE
Ward 7	Capitol View Library Central Avenue & 50 <sup>th</sup> Street, SE
Ward 8	Washington-Highlands Library Atlantic Street & South Capitol Terrace, SW

Any person desiring to intervene in the proceeding shall file a petition to intervene with the Commission no later than **July 22, 2016**. All petitions shall conform to the requirements of the Commission’s Rules of Practice and Procedure as set forth in Chapter 1, Section 106 of Title 15 of the District of Columbia Municipal Regulations (15 DCMR § 106). All written comments and petitions for intervention should be sent to Ms. Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 “G” Street, NW, 8<sup>th</sup> Floor, Washington, D.C. 20005, [PSC-CommissionSecretary@dc.gov](mailto:PSC-CommissionSecretary@dc.gov).

Pursuant to 15 DCMR § 121, the Commission will hold a Prehearing Conference in this proceeding at **2:00 p.m.** on **July 27, 2016**, in the Commission’s Hearing Room, 1325 “G” Street, NW, 8<sup>th</sup> Floor, Washington, D.C. 20005. Participants shall be prepared to discuss proposed issues and procedural schedules.