

TESTIMONY OF

BETTY ANN KANE, CHAIRMAN  
PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA  
BEFORE THE  
COMMITTEE ON BUSINESS, CONSUMER AND REGULATORY AFFAIRS  
COUNCIL OF THE DISTRICT OF COLUMBIA  
FISCAL YEAR 2015 AND FISCAL YEAR 2016 TO DATE  
OVERSIGHT HEARING

MARCH 7, 2016

Good afternoon Chairman Orange and members of the committee. I am Betty Ann Kane, Chairman of the Public Service Commission of the District of Columbia ("PSC" or "Commission"). With me today is Commissioner Willie L. Phillips. Commission Joanne Doddy Fort is out of the country on a previously scheduled trip and not able to be here today. Also in the audience are members of the Commission Staff.

At the outset, let me thank you and members of the Committee and your staffs for your interest in the mission of the Commission. That mission is to serve the public interest by ensuring that financially healthy electric, natural gas, and telecommunications companies provide safe, reliable, and quality services at just and reasonable rates to residential, business and government customers in the District of Columbia. In supervising and regulating the utilities and competitive suppliers, we consider the public safety, the economy of the District, the conservation of natural resources and the preservation of environmental quality. We welcome the opportunity to work with the Committee to accomplish our mission.

Fiscal Year 2015 was a very busy one for the Commission. We issued 166 formal case orders and 372 total orders, opened 3 new formal cases, closed 8 formal cases, held 11 days of evidentiary hearings, three days of public interest hearings, 1 informal legislative style hearing, and 7 community hearings. We conducted 191 natural gas pipeline safety inspections, 1103 One Call inspections and 125 payphone inspections. We certified 475 renewable energy standards generating facilities under the Renewable Portfolio Standards Program, responded to 1253 consumer complaints and inquiries and managed the licensing and oversight of about 314 competitive suppliers of energy and telecommunications services.

Let me briefly touch upon the highlights of our year, as we reported them to the Mayor in our 2015 Performance Accountability Report:

First, in August 2015, we denied the application for authorization and approval of a change of control of the Potomac Electric Power Company to be effected by the merger of PHI with Purple Acquisition Corp., a wholly owned subsidiary of Exelon Corporation. (Formal Case No. 1119). At that time, by a majority vote, the Commission

found the merger, taken as a whole, to not be in the public interest. Commissioner Phillips issued a partial dissent. Subsequently Pepco, Exelon and other parties (including the District Government and OPC) filed a Nonunanimous Settlement Agreement (“NSA”) with the Commission. After a public interest hearing and two days of community hearings, the Commission took action on the NSA on February 26. Commissioner Fort and I voted to reject the NSA, Commissioner Phillips voted to accept the NSA as filed and dissented from the majority opinion. Commissioner Fort then identified alternative terms in a Revised Settlement Agreement that would be acceptable to her under rule 130.17(b). Commissioner Phillips agreed to proceed under that rule and to accept Commissioner Fort’s Revised Settlement Agreement, if its terms were acceptable to all the settling parties. Our Order provided the settling parties with 14 days in which to make a decision, that is, by March 11, 2016. As of today, we have not heard from the parties.

Because the Order was adopted less than 30 days ago, there is still an opportunity for any interested person to request reconsideration. Therefore, I must respectfully decline to answer substantive questions regarding the Commission’s decision.

As for the second highlight reported to the Mayor, we successfully began the implementation of the Electric Company Infrastructure Improvement Financing Act, generally known as the Undergrounding Law, which had been passed by the Council in 2014. The Commission issued orders approving the first Triennial Plan, the Underground Project Charge, and the Finance Charge allowing Pepco and District Department of Transportation to begin power line undergrounding. Both the Triennial Order and the Financing Order were the subjects of Petitions for Reconsideration. The Commission issued decisions on those reconsiderations on January 22 and February 2, 2015. In March 2015, the Apartment and Office Building Association (“AOBA”) appealed the Commission’s decisions to the District of Columbia Court of Appeals. Oral argument was held on November 3, 2015 and the decision affirming the Commission was issued on January 20, 2016 by a three-judge panel. However, on January 29, 2016, AOBA requested a rehearing of the case by the entire District of Columbia Court of Appeals. A decision on that request is pending as of this date. Unfortunately, because of the uncertainty surrounding the appeal in this case, the actual construction of underground facilities has been delayed.

In our third highlight, we rendered a decision on the telecommunications transition in the District from copper facilities to fiber optic facilities. In this case, we investigated Verizon DC’s continued use of its copper infrastructure for the provision of telecommunications services in the District of Columbia and to determine whether, and under what circumstances, the Company plans to transition customers from the telecommunications services provided over copper facilities to telecommunications services provided over fiber optic facilities. The Commission held two community hearings in November 2014. Evidentiary hearings were held on January 22 and 23, 2015. The Commission rendered a decision on September 1, 2015, taking steps to

protect telephone customers during the transition from telephone service provided over copper facilities to telephone service provided over fiber optic facilities. In particular, the Commission directed Verizon DC to ensure that telephone customers know when they choose telephone service provided over fiber optic facilities that they will not have telephone service during a power outage unless they have battery back-up. The Commission also directed Verizon DC to continue to permit customers who wish to keep telephone service provided over copper facilities to do so. The Commission also ruled that Verizon DC's FiOS Digital Voice Service was a Voice over Internet Protocol ("VoIP") service, which is an unregulated service under the D.C. Code.

Both Verizon DC and OPC asked for reconsideration of portions of the Commission's decision. On December 4, 2015, the Commission granted in part the Verizon DC request and granted in part and denied in part the OPC request for reconsideration. It is important to emphasize that our decisions are intended to protect consumers by assuring that they have all the information they need in order to make an informed decision about the transition of telephone services from being provided using copper facilities to those being provided using fiber optic facilities. Let me repeat that we directed Verizon to permit customers who wish to remain using copper facilities to do so. In this connection, we are keeping track of any complaints we receive from customers who believe they were forced to move to fiber facilities.

In addition to the highlights we reported to the Mayor, I am pleased to report on other developments. First, we have launched an important new inquiry, Formal Case No. 1130, called MEDSIS, or Modernizing the Energy Distribution System for Increased Sustainability. Across the country, public service commissions and electric distribution companies are beginning to systematically explore aspects of grid modernization and a host of new developments that are fundamentally changing how electricity is being generated and delivered. We created this case to contribute to that effort on behalf of the District. We have hosted two very well attended workshops to consider the operational and regulatory changes that need to occur to allow use of more distributed energy resources. At the first workshop, on October 1, 2015, presenters such as the United States General Service Administration, the District Department of Energy and the Environment ("DOEE"), the DC Sustainable Energy Utility, Pepco and Washington Gas told us about projects in the planning or development stage. For example, DOEE described the planned distributed generation facility to be located at the site of the former Walter Reed Hospital. This facility may feature the ability to operate in island mode (as a microgrid), disconnected from the utility grid (or the macrogrid). Another facility, a Combined Cooling and Heating Power ("CCHP") system is being considered for Langston Terrace Dwellings in Ward 5. Our second workshop, held in November, focused on entrepreneurs and developers with ideas to share. Workshop participants included Downtown DC, Urban Ingenuity, the Solar Energy Industries Association of Maryland, DC and Virginia (MDV SEIA), Grid Energy, WG Energy Services and D.C. Water. We learned about the business and financial hurdles that need to be resolved in order to deploy a successful project in the District. In our third workshop, to be held this spring, we will ask presenters to focus on what can be learned from other jurisdictions,

what regulatory or legislative obstacles exist in the District and how they can be overcome.

The other Commissioners and I are convinced that if we are to achieve our sustainable energy goals we must have a coordinated effort that brings together all stakeholders and considers all available technologies. That collaborative effort is what MEDSIS is all about. In time, I expect that we will be coming back to you with proposals for legislation that will enhance our ability to deploy the most modern and efficient energy delivery system in the country. I hope we can count on your help.

I am happy to report a second development that will help to level the playing field in the provision of electricity supply to District residents. As you know, eligible low-income electricity customers can participate in a program which provides a Residential Aid Discount ("RAD") to reduce their electricity bills. Unfortunately, due to a carry-over in the RAD program design from before restructuring of the District's electricity market, the full amount of that discount was only available to customers who subscribed to Standard Offer Service, currently offered by Pepco. On July 14, 2014, the Commission opened a new case to investigate the structure of assistance to low-income electricity customers and convened a Technical Conference including participants from the Commission's Staff, Pepco, OPC, the District's Office of the Attorney General, DOEE, and Jerome Paige & Associates. The Technical Conference extended over six meetings and filed its final report to the Commission on May 27, 2015.

On December 15, 2015, we issued an Order which adopted a new methodology for computing the Residential Aid Credit ("RAC") for the RAD program. That new methodology establishes the RAC as equal to the full distribution charge, instead of providing for a discount on generation, transmission and distribution charges, which is the current method. The new methodology decouples the RAD discounts from generation and transmission charges and allows a RAD customer to gain the full benefit of the discount whether he or she subscribes to Standard Offer Service or receives service from any of the 22 competitive electricity suppliers providing service in the District. In a restructured electricity market, this decoupling is essential to assure fair competition and to allow low-income customers to have the same range of choices as other residential customers.

When the Commission began this proceeding, it was with a recognition that the RAD program was overly complex and difficult for many customers to understand. Thus, we also require that Pepco specifically include the "Residential Aid Credit" on a RAD customer's bill and that the RAC be equal to the full distribution charge plus avoided surcharges. We have simplified the RAD and have made sure that it is explicit on the bill so that a RAD customer may fully understand and appreciate the benefit. The new RAD program solves both the problems of portability and complexity. Pepco has submitted its implementation plan and I expect the program to go into effect in the near future. When it does, it will be another step in our efforts to simplify utility bills for customers. I am attaching sample Pepco bills so that you can see the new format

which separates distribution rates set by the PSC from generation and transmission rates which are market based and over which the PSC has no jurisdiction.

We also have undertaken a similar investigation into the Residential Essential Service ("RES") discount available to low income natural gas customers. On September 28, 2014, we opened Formal Case No. 1127 to consider redesigning the RES discount for the same reasons we sought to redesign the RAD: because it is not portable and it is too complex. We have conducted 6 Technical Conferences, including the most recent one last week, attended by our Staff, OPC, WGL, and DOEE. I expect that a solution similar to the one parties developed for RAD will be found for RES.

And it is important that these programs be redesigned to be compatible with competitive markets because those markets are robust. In the market for natural gas, 11% of residential customers and 37% of non-residential customers are served by alternative providers. In the electricity market, 13% of residential and 34% of non-residential customers are served by alternative providers. In the meantime, our solar programs also are doing well. We will submit our annual RPS Report on May 1, but I can tell you that as of March 1, certified D.C.-based solar facilities have almost reached parity with grandfathered out-of-state systems: by 2,074 to 2,270. The total reported capacity associated with these systems is about 39.3 MW, of which roughly 19.0 MW is located within the District.

I am also sanguine about the eventual success of Community Renewable Energy Facilities ("CREF"s), which the Council supported in the Community Renewable Energy Act of 2013 ("CREA"). In December 2015, after a rulemaking, we promulgated rules and procedures to implement the CREF program in the District in conformance with the law as passed by the Council. The Commission issued Order No. 18050 wherein the Commission reviewed and approved a standard contract, rider, and tariff to govern the relationship between Pepco and the CREF Subscriber Organization. Pepco asked us to reconsider our decision regarding two provisions. One provision addressed sales and transactions and the other provision addressed indemnification. Pepco did not seek reconsideration of the CREA rules. We granted Pepco's application for reconsideration on these two provisions in Order No. 18135. We look forward to a robust Community Solar program taking root in the District.

We shall be overseeing these activities and others in 2016. Among the others will be the February 26, 2016, Washington Gas request for a \$17 million rate increase. This Friday, March 11, the D.C. Register will contain a notice of the first Pre-Hearing Conference in this, Formal Case 1137, to be held on March 23, 2016.

Finally, I want to report on the relocation of our offices from 1333 H Street to 1325 G Street, NW. All employees are now located on one floor, in attractive, energy efficient offices. We have added new audiovisual equipment in the Hearing Room so that consumers can enjoy improved picture and sound quality when they stream our meetings and hearings - or when they come in person, which we certainly encourage.

In addition to the Hearing Room, which is open to the public for Open Meetings, Evidentiary and Community Hearings, our new space includes a Consumer Information Office where consumers can consult with our specialists, and an Office of Consumer Services Conference Room, a somewhat more private space that is useful for mediations and other meetings between utilities and consumers.

We are very pleased with our new space and I want to thank the Department of General Services which did a wonderful job in guiding us through the selection of new space, the build-out of the space and the move itself. I know that some Council Members have visited the offices and I am hopeful that we will see you and others again soon. You have received invitations to a Conference to be held on March 18, 2016 to mark the publication of the history of the Commission. That history, entitled *The First Hundred Years: Protecting the Public Interest*, describes the founding of the Commission through its early years to its modern self. It also describes the utilities the Commission was created to regulate. I think it is an important contribution to the history of the District and I look forward to being able to share it with you and others.

Thank you for the opportunity to appear before you today. I will be happy to answer any questions.



Your electric bill - Jan 2015
for the period December 9, 2014 to January 15, 2015



PEPCO CUSTOMER

Account number: 5012 3456 789
Your service address: 123 MAIN ST NW
WASHINGTON DC 20009
Bill Issue date: Jan 19, 2015

Summary of your charges

Table with 2 columns: Description and Amount. Includes items like Balance from your last bill, Your payment(s), Balance forward, New electric distribution charges, and Total amount due.

After Feb 09, 2015, a Late Payment Charge of \$0.83 will be added, increasing the amount due to \$62.80.

Visit pepco.com/dctariffs and click "DC Terms and Conditions" for information on how payments are applied to balances from Pepco and any competitive supplier.

We've upgraded to a new customer information system. You now have a new account number and features on your bill have changed. For more information, visit pepco.com/accountfaq.

Your bill this month may reflect a longer billing period than usual due to our recent customer information system upgrade. Next month's billing period will return to normal.

Your smart electric meter is read wirelessly. Visit My Account at pepco.com to view your daily and hourly energy usage.

How to contact us

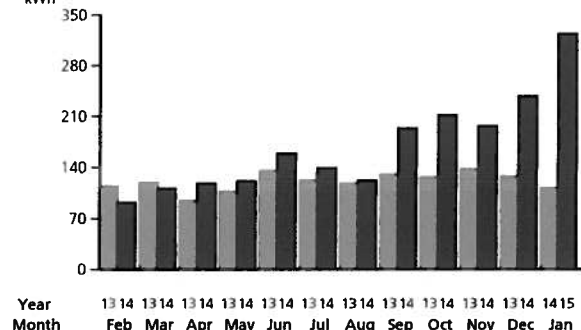
Customer Service (Mon-Fri,7am - 8 pm) 202-833-7500
Hearing Impaired (TTY) 202-872-2369
¿Problemas con la factura? 202-872-4641
Electric emergencies & outages (24 hours) 1-877-737-2662

Pepco is regulated by - DC Public Service Commission, dcpsc.org 1333 H St NW, Washington DC 20005, 202-626-5100

Consumer Advocate - Office of People's Counsel, opc-dc.gov 1133 Fifteenth St NW, Washington DC 20005, 202-727-3071

Your monthly Electricity use in kWh

Daily temperature averages: Jan 2014: 32° F Jan 2015: 40° F



If you are moving or discontinuing service, please contact Pepco at least three days in advance.

Information regarding rate schedules and how to verify the accuracy of your bill will be mailed upon request.

Additional messages may be on the last page of your bill.

Please tear on the dotted line below. Invoice Number: 200000009944 Page 1 of 3

Account number 5012 3456 789
Amount to be deducted Feb 9, 2015 \$61.97

DIRECT DEBIT PLAN

6256 1 AV 0.378 2DR06256



PEPCO CUSTOMER
123 MAIN ST NW
WASHINGTON DC 20009-3732



PO BOX 13608
PHILADELPHIA PA 19101



7000015502055492300000000000000000000000000061970000000061970017

**PEPCO CUSTOMER**  
**Account number: 5012 3456 789**

Your electric bill for the period  
**December 9, 2014 to January 15, 2015**

**Details of your Electric Charges**

Residential-R - service number 0501 2345 6789 7001 7838 16  
 Electricity you used this period

<u>Meter Number</u> <u>Energy Type</u>	<u>Current Reading</u>	<u>Previous Reading</u>	<u>Difference</u>	<u>Multiplier</u>	<u>Total Use</u>
4ED351081854	Jan 15	Dec 9			
Use (kWh)	<b>006057</b> (actual)	<b>005734</b> (actual)	<b>323</b>	<b>1</b>	<b>323</b>

**Your next meter reading is scheduled for February 12, 2015**

**Delivery Charges:** These charges reflect the cost of bringing electricity to you.  
 Current charges for 38 days, **winter rates in effect.**

<b>Electric Distribution Summary - Pepco</b>	
<b>Balance from your last bill</b>	<b>\$18.08</b>
Payment Jan 04	\$18.08-
<b>Total Payments</b>	<b>\$18.08-</b>
Electric Charges (Residential-R)	\$19.98
<b>New electric charges</b>	<b>\$19.98</b>
<b>Total amount due by Feb 9, 2015</b>	<b>\$19.98</b>

<u>Type of charge</u>	<u>How we calculate this charge</u>	<u>Amount(\$)</u>
Distribution Services:		
Customer Charge		13.00
Energy Charge	323 kWh X \$0.0107530 per kWh	3.47
Residential Aid Discount Surcharge	323 kWh X \$0.0002940 per kWh	0.09
Administrative Credit	323 kWh X \$0.0000000 per kWh	0.00
<b>Subtotal (Set by DC PSC)</b>		<b>16.56</b>
Energy Assistance Trust Fund	323 kWh X \$0.0000607 per kWh	0.02
Sustain Energy Trust Fund	323 kWh X \$0.0015000 per kWh	0.48
Public Space Occupancy Surcharge	323 kWh X \$0.0020500 per kWh	0.66
Delivery Tax	323 kWh X \$0.0070000 per kWh	2.26
<b>Subtotal (Not set by DC PSC)</b>		<b>3.42</b>
<b>Total Electric Delivery Charges</b>		<b>19.98</b>

**Supply Charges:** These charges reflect the cost of producing electricity for you.  
 You can compare this part of your bill to offers from competitive suppliers.  
 Your electricity is supplied by Ethical - call 1-888-444-9452.  
 Based on your average rate class use, the annual price to compare is 8.23 cents per kWh.

**Customer Service Centers**

Washington DC	Maryland
701 Ninth St NW (Mon - Fri) 8:30am - 5:15pm	201 West Gude Dr, Rockville (Mon - Fri) 10:00am - 2:00pm
2300 Martin Luther King Jr Ave SE (Mon - Fri) 9:00am - 5:00pm	8300 Old Marlboro Pk, Forestville (Mon, Wed, Fri) 10:00am - 2:00pm

Any inquiry or complaint about this bill should be made prior to the due date, in order to avoid late charges.

Electronic Check Conversion - When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.



Your electric bill for the period  
**December 9, 2014 to January 15, 2015**

**PEPCO CUSTOMER**  
**Account number: 5012 3456 789**



**Total Electric Charges - Residential-R**

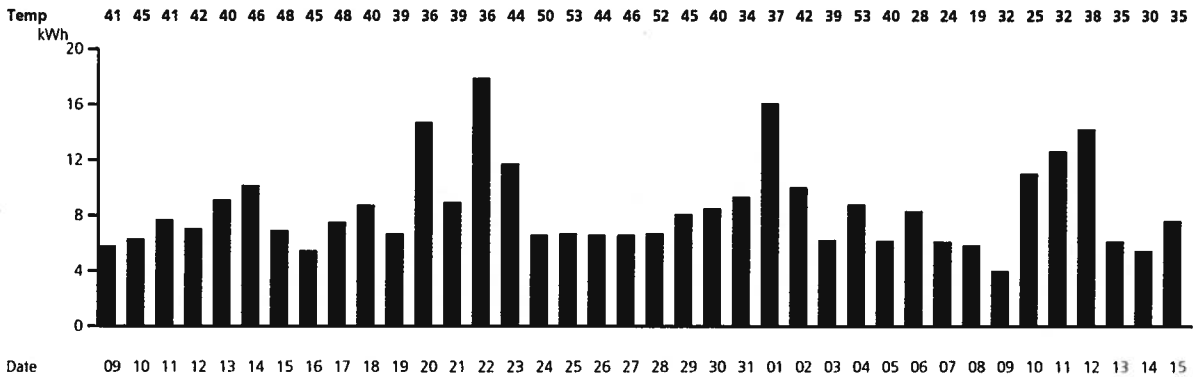
**19.98**

**Energy Usage History**

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15
<b>TEMP</b>	57°	59°	61°	63°	64°	63°	61°	58°	54°	48°	43°	40°	35°
<b>DAYS</b>	32	28	32	29	29	32	30	29	33	29	29	31	38
<b>KWH</b>	112	91	110	117	120	158	138	121	193	211	196	237	323

Your daily electricity use for this bill period. Visit My Account at [pepco.com](http://pepco.com) to see your hourly electricity use.

Meter Number 4ED351081854



**Ethical electric supply charges**

**Service number 0501 2345 6789 7001 7838 16**

Your electricity is supplied by Ethical Electric. If you have any questions about your electric supply charges, call Ethical Electric at 1-888-444-9452.

Billing period: Dec 9, 2014 to Jan 15, 2015 (38 days)

Type of service: Residential-R

Electricity Used: 323 kWh

Generation & Transmission 323 KWH @ \$ 0.12999

**Ethical electric charges**

\$41.99  
**Amount(\$)**  
**41.99**

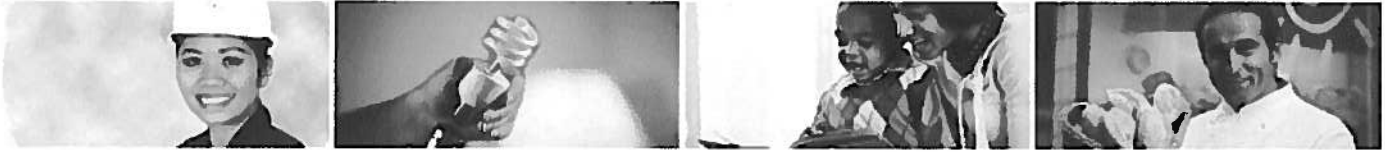
**Ethical Electric Supply Summary**

<b>Balance from your last bill</b>	<b>\$30.81</b>
Payment Jan 04	\$30.81-
<b>Total Payments</b>	<b>\$30.81-</b>
Total Current Charges	\$41.99
<b>New Ethical electric supply charges</b>	<b>\$41.99</b>
<b>Total amount due by Feb 9, 2015</b>	<b>\$41.99</b>

Follow us on Twitter at [twitter.com/PepcoConnect](http://twitter.com/PepcoConnect). Like us on Facebook at [facebook.com/PepcoConnect](http://facebook.com/PepcoConnect).



Your electric bill - Jan 2015
for the period December 10, 2014 to January 16, 2015



PEPCO CUSTOMER

Account number: 5012 3456 789
Your service address: 123 MAIN RD NW
WASHINGTON DC 20009
Bill Issue date: Jan 19, 2015

How to contact us

Customer Service (Mon-Fri, 7am - 8 pm) 202-833-7500
Hearing Impaired (TTY) 202-872-2369
¿Problemas con la factura? 202-872-4641
Electric emergencies & outages (24 hours) 1-877-737-2662
Visit pepco.com for service, billing and correspondence information.

Summary of your charges

Table with 2 columns: Description and Amount. Rows include Balance from your last bill (\$22.11), Your payment(s) - thank you (\$22.11-), Balance forward as of Jan 19, 2015 (\$0.00), New electric distribution charges - Pepco (\$14.64), New electric supply charges - SOS Provider Pepco (\$6.22), and Total amount due by Feb 9, 2015 (\$20.86).

After Feb 09, 2015, a Late Payment Charge of \$0.21 will be added, increasing the amount due to \$21.07.

Visit pepco.com/dctariffs and click "DC Terms and Conditions" for information on how payments are applied to balances from Pepco and any competitive supplier.

We've upgraded to a new customer information system. You now have a new account number and features on your bill have changed. For more information, visit pepco.com/accountfaq.

Your bill this month may reflect a longer billing period than usual due to our recent customer information system upgrade. Next month's billing period will return to normal.

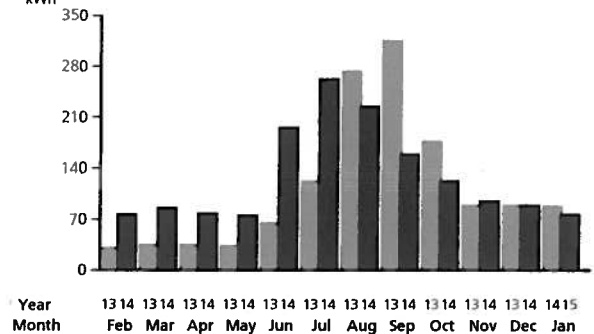
Your smart electric meter is read wirelessly. Visit My Account at pepco.com to view your daily and hourly energy usage.

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1333 H St NW, Washington DC 20005, 202-626-5100

Consumer Advocate - Office of People's Counsel, opc-dc.gov
1133 Fifteenth St NW, Washington DC 20005, 202-727-3071

Your monthly Electricity use in kWh

Daily temperature averages: Jan 2014: 32° F Jan 2015: 39° F



If you are moving or discontinuing service, please contact Pepco at least three days in advance.

Information regarding rate schedules and how to verify the accuracy of your bill will be mailed upon request.

Additional messages may be on the last page of your bill.

Please tear on the dotted line below. Invoice Number: 200000009907 Page 1 of 3

Return this coupon with your payment
made payable to Pepco

Account number 5012 3456 789
Total amount due by Feb 9, 2015 \$20.86
Total amount due after Feb 9, 2015 \$21.07

Auto Pay Plan

Amount Paid: \$ [ ] [ ] . [ ] [ ]

PO BOX 13608
PHILADELPHIA PA 19101



ODR00011



PEPCO CUSTOMER
123 MAIN RD NW
WASHINGTON DC 20009-5041



**Details of your Electric Charges**

Residential-R - service number 0501 2345 6789 7001 7836 94  
 Electricity you used this period

<u>Meter Number</u> <u>Energy Type</u>	<u>Current Reading</u>	<u>Previous Reading</u>	<u>Difference</u>	<u>Multiplier</u>	<u>Total Use</u>
4ED352099744 Use (kWh)	Jan 16 003577 (actual)	Dec 10 003501 (actual)	76	1	76

**Your next meter reading is scheduled for February 13, 2015**

**Delivery Charges:** These charges reflect the cost of bringing electricity to you.  
 Current charges for 38 days, **winter rates in effect.**

<u>Type of charge</u>	<u>How we calculate this charge</u>	<u>Amount(\$)</u>
Distribution Services:		
Customer Charge		13.00
Energy Charge	76 kWh X \$0.0107530 per kWh	0.82
Residential Aid Discount		
Surcharge	76 kWh X \$0.0002940 per kWh	0.02
Administrative Credit	76 kWh X \$0.0000000 per kWh	0.00
<b>Subtotal (Set by DC PSC)</b>		<b>13.84</b>
Sustain Energy Trust Fund	76 kWh X \$0.0015000 per kWh	0.11
Public Space Occupancy		
Surcharge	76 kWh X \$0.0020500 per kWh	0.16
Delivery Tax	76 kWh X \$0.0070000 per kWh	0.53
<b>Subtotal (Not set by DC PSC)</b>		<b>0.80</b>
<b>Total Electric Delivery Charges</b>		<b>14.64</b>

**Check here to enroll in the Direct Debit plan** Sign and date here \_\_\_\_\_

By signing here, you authorize Pepco to electronically deduct the amount of your monthly bill from your checking account each month. The check you send with this signed authorization will be used to set up Direct Debit. You understand that we will notify you each month of the date and amount of the debit, which will be on or after the due date stated on your monthly bill. You understand that to withdraw this authorization you must call Pepco. You understand that Pepco does not charge for this service, but that your bank may have charges for this service.

**Customer Service Centers**

Washington DC		Maryland	
701 Ninth St NW	(Mon - Fri) 8:30am - 5:15pm	201 West Gude Dr, Rockville	(Mon - Fri) 10:00am - 2:00pm
2300 Martin Luther King Jr Ave SE	(Mon - Fri) 9:00am - 5:00pm	8300 Old Marlboro Pk, Forestville	(Mon, Wed, Fri) 10:00am - 2:00pm

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Electronic Check Conversion - When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

**PEPCO CUSTOMER**

**Account number: 5012 3456 789**

Your electric bill for the period  
**December 10, 2014 to January 16, 2015**



**Supply Charges:** These charges reflect the cost of producing electricity for you.  
You can compare this part of your bill to offers from competitive suppliers.  
Your electricity is supplied by the standard offer service (SOS) administered by Pepco  
- call 202-833-7500 or visit pepco.com.  
Based on billed use, your average annual price to compare is 8.23 cents per kWh.

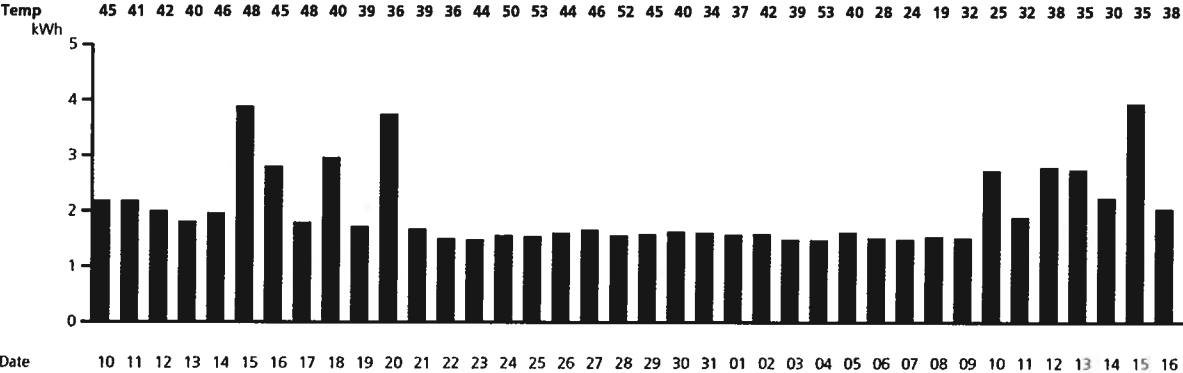
<u>Type of charge</u>	<u>How we calculate this charge</u>	<u>Amount(\$)</u>
Transmission Services:		
Transmission Minimum Charge	Includes First 30 kWh	0.12
Energy Charge	46 kWh X \$0.0070400 per kWh	0.32
Generation Services:		
Generation Minimum Charge	Includes First 30 kWh	2.25
Energy Charge	46 kWh X \$0.0750400 per kWh	3.45
Procurement Cost Adjustment	76 kWh X \$0.0010013 per kWh	0.08
<b>Total Electric Supply Charges</b>		<b>6.22</b>
<b>Total Electric Charges - Residential-R</b>		<b>20.86</b>

**Energy Usage History**

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15
<b>TEMP</b>	57°	59°	61°	63°	64°	63°	61°	58°	54°	48°	43°	40°	35°
<b>DAYS</b>	33	28	31	29	31	30	30	31	31	29	31	29	38
<b>KWH</b>	88	76	85	77	75	195	262	224	158	122	95	89	76

Your daily electricity use for this bill period. Visit My Account at pepco.com to see your hourly electricity use.

Meter Number 4ED352099744



Follow us on Twitter at twitter.com/PepcoConnect. Like us on Facebook at facebook.com/PepcoConnect.