

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

NOTICE

FORMAL CASE NO. 1119, IN THE MATTER OF THE JOINT APPLICATION OF EXELON CORPORATION, PEPCO HOLDINGS, INC., POTOMAC ELECTRIC POWER COMPANY, EXELON ENERGY DELIVERY COMPANY, LLC AND NEW SPECIAL PURPOSE ENTITY, LLC FOR AUTHORIZATION AND APPROVAL OF PROPOSED MERGER TRANSACTION,

1. This Notice informs the parties and the public that the Public Service Commission of the District of Columbia (“Commission”) will begin the hearing by addressing several preliminary matters on Monday, February 9, 2015, at 10:00 a.m. in the Commission’s hearing room. The evidentiary portion of the hearing will begin at a date and time to be determined by the Commission during the course of the hearing.

2. On April 30, 2014, Pepco Holdings, Inc. (“PHI”) and Exelon Corporation (“Exelon”) announced Exelon’s purchase of PHI. PHI is the parent company of the Potomac Electric Power Company (“Pepco”), the electric distribution company that serves the District of Columbia (“District”). On June 18, 2014, Exelon, PHI, Pepco, Exelon Energy Delivery Company, LLC (“EEDC”), and New Special Purpose Entity, LLC (“SPE”) (collectively, the “Joint Applicants”) filed a joint application for approval by the Commission, pursuant to D.C. Code §§ 34-504 and 34-1001, for a change of control of Pepco to be effected by the merger of PHI with Purple Acquisition Corp. (“Merger Sub”), a wholly-owned subsidiary of Exelon (“Joint Application”).¹

3. In late afternoon on Wednesday, February 4, 2015, the Joint Applicants filed a motion to provide supplemental rebuttal testimony.² The Joint Applicants “request that the Commission permit the filing of this Supplemental Rebuttal Testimony in order to complete the record and provide the Commission with the most recently available information regarding the customer investment fund, ring fencing and affiliate transaction issues, and reliability performance metrics upon which it can render a decision in this proceeding.”³

¹ *Formal Case No. 1119*, Joint Application of Exelon Corporation, Pepco Holdings, Inc., Potomac Electric Power Company, Exelon Energy Delivery Company, LLC and New Special Purpose Entity, LLC for Authorization and Approval of Proposed Merger Transaction, filed June 18, 2014 (“Joint Application”).

² *Formal Case No. 1119*, Joint Applicants’ Motion to Provide Supplemental Rebuttal Testimony, filed February 4, 2015 (“Joint Applicants’ Motion”).

³ *Formal Case No. 1119*, Joint Applicants’ Motion at 2.

4. On Thursday, February 5, 2015, the Office of the People’s Counsel (“OPC”) filed a motion to delay the start of the evidentiary hearing and to postpone procedural deadlines set forth in Commission Order No. 17790, including the filing of cross-examination exhibits on Friday, February 6, 2015, for the witnesses scheduled to testify on the first two days of the evidentiary hearings.⁴ In its motion, OPC requests a minimum two day delay in the start of the evidentiary hearing along with a delay in the procedural deadlines set forth in Commission Order No. 17790 to allow time for the parties to fully analyze and adequately address Joint Applicants’ filing.⁵

5. Also on February 5, 2015, the Apartment and Office Building Association of Metropolitan Washington (“AOBA”) filed an Opposition and Request for Alternative Relief to the Joint Applicants’ Motion.⁶ AOBA states, among other things, that the Joint Applicants’ Motion “constitutes a substantial change and modification to the application for merger approval previously filed” and requests “sufficient time to conduct discovery on the Supplemental Rebuttal Testimony and present oral rejoinder to such testimony.”⁷ AOBA also requests a suspension of the procedural deadlines set forth in Commission Order Nos. 17790 and 17799 with evidentiary hearings to be rescheduled to commence on or after March 9, 2015.⁸

6. Because the Joint Applicants’ Motion was filed less than three business days prior to the start of the evidentiary hearing in this case, and because the responsive motion and opposition filed by OPC and AOBA, respectively (collectively referred to as “the motions”), seek to delay the start of the evidentiary hearings for some period of time, the Commission wishes to resolve these motions as expeditiously as possible. Thus, all counsel shall come prepared to address each of the motions as follows:

(a) whether the Joint Applicants’ motion should be granted. With regard to this matter, the Joint Applicants shall describe all the changes made to their previously filed testimony and shall also explain whether these changes were previously discussed with the parties and why these changes could not have been filed at the Commission earlier than February 4, 2015. The Parties will be asked to state their positions on the Joint Applicants’ motion;

(b) whether additional time is needed for any discovery if the Joint Applicants’ motion is granted and, if so, how much time;

⁴ *Formal Case No. 1119*, The Unopposed Motion of the Office of the People’s Counsel to Delay the Start of Evidentiary Hearings and to Postpone Procedural Deadlines Set Forth in Commission Order No. 17790, filed February 5, 2015 (“OPC’s Motion”).

⁵ *Formal Case No. 1119*, OPC’s Motion at 1-2.

⁶ *Formal Case No. 1119*, Opposition of the Apartment and Office Building Association of Metropolitan Washington and Request for Alternative Relief to the Joint Applicants’ Motion to File Supplemental Testimony, filed February 5, 2015 (“AOBA’s Opposition”).

⁷ *Formal Case No. 1119*, AOBA’s Opposition at 1.

⁸ *Formal Case No. 1119*, AOBA’s Opposition at 2.

(c) whether a party will need to file additional testimony in the event that the Joint Applicants' motion is granted and if so, whether that testimony will be filed as oral or written rejoinder and the timetable needed to prepare any such testimony; and

(d) whether the evidentiary hearing dates should be changed as stated in the OPC and AOBA motion and opposition and, if so, to what dates. All parties are directed to determine in advance whether their party witnesses are available during the following timeframes in the event that the Commission decides to change any of the currently scheduled dates for the evidentiary hearing: February 10-13; February 25-27, March 2-6 and March 16-20. The parties are directed to bring their calendars and to confirm the availability of their witnesses on the dates set out above.

7. Because the hearing on February 9, 2015 will address only procedural issues, witnesses need not attend, but should be available by phone to confirm any proposed hearing dates. The Commission will set the procedural schedule and render a decision on these matters before the hearing is recessed on February 9, 2015. All decisions rendered will be reflected in a written Order following the Hearing.