Resolution Advising the PSC to Reject a Majority of Pepco’s Request to Increase Its Distribution Rates

WHEREAS, the Public Service Commission of the District of Columbia ("Commission") will make a decision this year on Formal Case No. 1139, the Potomac Electric Power Company’s ("Pepco") application to increase its distribution rates.

WHEREAS, the DC Federation of Civic Associations ("DCFCA") has been advised by the Office of the People's Counsel ("OPC") at a public meeting about the facts and background of the rate case, and the need for the Commission to reject a majority of the request for an increase,

WHEREAS, reliable, economical electric service is essential to the quality of life for the citizens of the DCFCA and the city as a whole; and the District government has adopted standards of reliability for electricity service, the Commission should require Pepco to meet said reliability standards or face financial penalties,

WHEREAS, a major benefit to ratepayers in this case is the Customer Base Rate Credit ("CBRC") approved by the Public Service Commission as part of the Pepco-Exelon merger. The delegates of the DCFCA representing residents throughout the District urges the Commission to allocate the entire balance of the CBRC to residential consumers because the residential rate class, unlike the commercial rate classes, lacks the ability to pass on the rate increase in the value of goods and services.

WHEREAS, continued annual increases in essential utility services is a financial hardship and burden on low-income consumers and seniors on lower fixed incomes,

WHEREAS, Pepco should not be allowed to recover its costs for construction projects that are not providing benefits to consumers,

WHEREAS, Pepco’s request for an excessive profit should be denied in light of the fact that the company’s executives and shareholders just received large payoffs from the merger and the request is inconsistent with economic market factors,
WHEREAS, the Commission must ensure that Pepco is in strict compliance with all of the merger commitments and that measures should be taken if the company is not in compliance with the terms of said merger,

THEREFORE, the DCFCA hereby resolves to appeal to the Public Service Commission to grant Pepco no more of a rate increase than that advised by the Office of the People’s Counsel.

APPROVED by a vote of 16 for, 0 against, and 0 abstentions by the DCFCA at its duly noticed public meeting on March 22, 2017, at which a quorum was present.

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