



PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

NOTICE OF COMMUNITY HEARINGS

PUBLIC INPUT SOUGHT ON PEPCO'S RATE APPLICATION

**FORMAL CASE No. 1103, IN THE MATTER OF THE APPLICATION OF THE POTOMAC
ELECTRIC POWER COMPANY FOR AUTHORITY TO INCREASE EXISTING RETAIL RATES
AND CHARGES
FOR ELECTRIC DISTRIBUTION SERVICE**

This Notice informs the public that the Public Service Commission of the District of Columbia (“Commission”) seeks input on the rate application submitted by the Potomac Electric Power Company (“Pepco”) requesting authority to increase existing distribution service rates and charges for electric service in the District of Columbia. Pepco seeks a revenue rate increase of \$51.75 million. Pepco is the sole distributor of electric power to homes and businesses in the District; hence the Commission will set Pepco’s distribution service rates in this rate case and not the cost of electricity itself.

- Pepco requests authority to earn an 8.07% Rate of Return, including a return on common equity of 10.25%. Per the Commission’s decision in Formal Case No. 1087, rendered in September 2012, Pepco’s current allowed Rate of Return is 8.03%, including a Return on Equity of 9.50%.
- Pepco’s Reliability Enhancement Plan includes multi-year initiatives to improve reliability performance by reducing the frequency and duration of outages. Pepco asserts that to achieve the reliability standards the Commission has established, continued and increased investment in reliability initiatives is required. Pepco’s construction budget for planned reliability-related projects is about \$136 million for 2013 and \$678 million for a five-year plan from 2013 to 2017.
- Pepco’s proposed test year for the proceeding is the 12 months ending December 31, 2012, based on 12 months of actual data. However, Pepco is requesting recovery of reliability plant additions through December 2013. Based on Pepco’s filing, reliability investments are the single largest factor driving the Company’s rate increase request.
- Pepco’s proposals would add about \$6.00 to the monthly bill for the typical residential customer and increase the minimum monthly customer charge from \$9.25 per month to \$12.21 per month for both the standard (R) class and the All-Electric (AE) residential class.

The Commission published a Public Notice on March 22, 2013, regarding this application in the *D.C. Register* to allow interested persons to intervene in Formal Case No. 1103, the formal case established to adjudicate Pepco’s application. The Public Notice can be accessed online at www.dcpsc.org or viewed at any public library. A hard copy of the Public Notice can be obtained by calling (202) 626-5150.

The Commission will convene four (4) community hearings at the following locations on the specified dates:

Ward 2

D.C. Public Service Commission
Hearing Room
1333 H Street, NW, 7th Floor East Tower
Washington, D.C. 20005
Monday, September 30, 2013, 10:00 a.m.

Ward 4

Emery Recreation Center
5701 Georgia Ave, NW
Washington, D.C. 20011
Thursday, September 19, 2013, 6:30 p.m.

Ward 7

Deanwood Recreation Center
1350 49th Street, NE
Washington, D.C. 20019
Wednesday, October 2, 2013, 6:30 p.m.

Ward 8

Thurgood Marshall Public Charter School
2427 Martin Luther King Jr. Avenue, SE
Washington, D.C. 20020
Saturday, November 2, 2013, 11:00 a.m.

Those who wish to testify at the community hearings should contact the Commission Secretary by the close of business three (3) business days prior to the date of the hearing by calling (202) 626-5150. Representatives of organizations shall be permitted a maximum of five (5) minutes for oral presentations. Individuals shall be permitted a maximum of three (3) minutes for oral presentations. If an organization or an individual is unable to offer comments at the community hearings, written statements may be submitted to Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1333 H Street, NW, Suite 200, West Tower, Washington D.C. 20005.

Any person who is deaf or hearing-impaired, and cannot readily understand or communicate in spoken English, and persons with disabilities who need special accommodations in order to participate in the hearing, must contact the Commission Secretary by close of seven (7) business days prior to the date of the hearing. Persons who wish to testify in Spanish, Chinese, Amharic, or Korean must also contact the Commission Secretary by close of business three (3) business days before the date of the hearing. **The number to call to request special accommodations and interpretation services is (202) 626-5150.**