



FACT SHEET

DC Power Line Undergrounding Triennial Plan Filing

- Pepco and the District Department of Transportation (DDOT) on June 17, 2014, filed with the District of Columbia Public Service Commission an application for approval of their triennial plan for the District of Columbia Power Line Undergrounding (DC PLUG) initiative.
- The \$1 billion project is the culmination of the work of the Mayor's Power Line Undergrounding Task Force, established after a series of severe weather events in 2012 caused widespread outages and left extensive wind damage across the region.
- The unique public-private partnership to bury overhead primary power lines to dramatically improve electric service reliability during all weather conditions was signed into law in May.
- The triennial plan, which covers 2015-2017, calls for DDOT to construct the necessary underground facilities and for Pepco to install the electric distribution system improvements for the feeders slated for work for the first three years. Construction will begin by the spring of 2015.
- The commission must first conduct a proceeding to consider the triennial plan and the related financing arrangements, and the District must complete its bond issuances to secure funding for the DDOT portion of the work.
- The areas identified in the triennial plan will include the high-voltage feeders most affected by outages that occurred on the overhead electric system primarily within Wards 3, 4, 5, 7 and 8. About half of the District is already served by underground lines. Secondary and service lines will remain overhead on the existing poles.
- DC PLUG will also contribute to the economy of the District of Columbia by stimulating economic growth through job creation. One important aspect of the DC PLUG initiative is an effort to hire District of Columbia residents and contractors for the initiative.
- Criteria for selection of the feeders for the first three years included a combination of historical feeder performance, other reliability enhancement work, safety, value of service and community impact.
- The DC PLUG initiative will be financed through a combination of Pepco investment (\$500 million), funding from the District through DDOT Capital Improvement funds (\$62 million) and funds from District issued bonds (\$375 million).
- DC PLUG initiative costs will be recovered through two surcharges on customers' electric bills. The Pepco investment will be recovered through the "Underground Charge, Pepco" and will initially have a rate impact of \$.18 or 0.18% per month for the typical residential customer in 2015.
- The financing application, expected to be filed Aug. 1, will request approval of the second surcharge that will cover the debt service on the bonds to be issued by the District to fund its portion of the work.
- Low-income customers receiving the Residential Aid Discount will be exempt from the rate impact.