

**Elizabeth A. Noël, People's Counsel**

## **PRESS RELEASE**

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### **D.C. People's Counsel Is Victorious in Bid to Stop Mirant from Sticking D.C. Ratepayers and PEPCO with a \$540 Million Tab!**

#### **D.C. Consumers Save an Estimated \$227 Million! Hallelujah!**

The D.C. People's Counsel was successful in having the United States Court of Appeals for the Fifth Circuit reject Mirant's attempt to unilaterally terminate \$540 million in contractual obligations to purchase power from PEPCO. After purchasing PEPCO's power plants in 2000, Mirant filed for bankruptcy in July 2003. Since then, Mirant has relentlessly attempted to abuse the bankruptcy process to avoid honoring the power purchase agreements, a condition of the sale of powerplants. Had Mirant been successful, D.C. consumers would have had to pay this tab!

"OPC is the only Consumer Advocate to intervene on behalf of consumers." The court's decision is a complete validation of OPC's legal efforts in this protracted, nasty and difficult court battle." People's Counsel Noel said her office was hellbent and determined to fight Mirant to defend District ratepayers from the injustice Mirant sought to impose on PEPCO and, ultimately on D.C. ratepayers. "*Thrilled does not even begin to describe how I feel! Consumers were protected! This is what this consumer advocacy is all about!*" stated People's Counsel Elizabeth A. Noël.

Best yet, in its decision, the appellate court expressly stated "Mirant is cautioned that, while we welcome legitimate appeals, any future appeals that continue the pattern of attempts to . . . refuse payment . . . may well invite the most severe sanctions available to this Court." In response to the court's dire and extraordinary written warning to Mirant, the People's Counsel responded "Amen!" Attorney Noel said her response reflects the angst of the darkest days of this litigation when Mirant attempted to have the bankruptcy court hold her in contempt to stifle her advocacy for D.C. consumers.

"OPC intervened to protect consumers even when other stakeholders hesitated. We stayed the course with this case through the bankruptcy court in Texas and then in Federal District Court in Louisiana. We found ourselves in the rare position of supporting PEPCO's position so as to aggressively protect the interests of D.C. ratepayers. "*This is indeed a rare posture for any consumer advocate*" said Attorney Noel

“The court of appeals affirmation of earlier decisions holding Mirant liable for the payment agreements is a total victory for ratepayers and to me, demonstrates consumer advocacy at its best. Never before has the People’s Counsel had to protect PEPCO to protect our D.C. ratepayers” stated Ms. Noël.

“While we must wait for this decision to be affirmed, as People’s Counsel I feel District ratepayers are finally on the path to justice” said Attorney Noël.