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November 20, 2025

VIA ELECTRONIC MAIL

Dennis P. Jamouneau
Assistant General Counsel
Potomac Electric Power Company
701 Ninth Street NW Washington, DC 20068-0001
djamouneau@pepcoholdings.com

Re: PEPPOR-2025-01/WGPOR-2025-01

Dear Mr. Jamouneau:

Pursuant to Section 122 of the Rules of Practice and Procedure for the District of Columbia Public Service Commission, the Commission hereby submits to Pepco the attached Data Request No. 1 to (“Pepco” or “Company”). Please file your response with the Office of the Commission Secretary no later than COB December 5, 2025. As appropriate, please file confidential and public versions of such data request responses.

These requests are continuing in nature. Consequently, Pepco must supplement its answers if additional information becomes available or if previously submitted information changes. The Commission reserves the right to propound follow-up or additional data requests, if necessary. Thank you for your immediate attention to this matter. If you have any questions regarding this request, please contact Timour Skrynnikov at (202) 626-9172.

Sincerely,

Timour Skrynnikov

Senior Financial Analyst

Enclosure

cc: Brinda Westbrook-Sedgwick
Poorani Ramachandran
Gillian Marime

PEPPOR-2025-01/WGPOR-2025-01
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All information responses should **ONLY** be provided in searchable PDF, DOC or EXCEL (with all formulas intact) files via email or electronic media. If a response has already been provided by another party, please reference the date and data request number to aid retrieval. If data requested is online, please provide the detailed URL as an operable link.

1. Please refer to Pepco's September 2, 2025, Initial Comments to the Notice of Inquiry (NOI) PEPPOR-2025-01/WGPOR-2025-01, Question b: "Should the POR Discount Rate calculation be modified? If yes, explain how it should be modified for Residential, Small Commercial, and Large Commercial Customers, and why?" In response to question b, Pepco stated in part:

"Pepco recommends excluding late payment revenues from the POR discount rate calculation. These revenues should be used to cover the costs Pepco incurs in pursuing past-due and uncollectible balances and should not be used to reduce the discount rates charged to suppliers. Alternatively, if late payment revenues are retained in the calculation, Pepco recommends adding an administrative adder to more accurately reflect the costs associated with administering the program and collecting overdue balances."

- a. Please provide an illustrative example of how exclusion of the late payment revenues from the discount rate calculation would work, using CY 2023 POR data from Pepco 2024 POR filing. (A complete response must show the calculation of the discount rate as well as how the excluded late payment revenues are applied to reduce the uncollectible balance for the applicable year).
- b.
 - (i) Please explain and confirm whether Pepco's proposal to exclude late payments revenues from the discount rate would result in suppliers paying for the risk of uncollectible at the front-end as compared to the back-end when the uncollectibles are carried forward to future periods.
 - (ii) If not, please explain how increasing the discount rate by eliminating late payment revenues (which would increase supplier upfront costs) and then applying the same late payments to the uncollectible balance (which would reduce future discount rates) helps improve the POR program.
- c.
 - (i) Please confirm whether Pepco's proposal includes tracking the excluded late payments to ensure that they are used to reduce uncollectibles balances on a dollar-for-dollar basis.
 - (ii) If not, please clarify Pepco's proposal regarding how the late payments would be applied to the uncollectible balances going forward and how the reconciliation would work.

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- d. Please provide an itemized list describing the administrative costs that Pepco’s envisions should be included in the administrative adder it proposes in lieu of eliminating the late payment revenues from the calculation of the discount rate.
 - e. Please quantify on an incremental basis (for the POR program) the cost associated with each of the items listed in question 1(d) above for CY 2024.
2. Please refer to Pepco’s September 29, 2025, Reply Comments to the Notice of Inquiry (NOI) PEPPOR-2025-01/WGPOR-2025-01, page 4, where Pepco stated the following:

“Pepco acknowledges that pandemic-related arrearages and disconnection moratoria may have contributed to elevated bad debt levels during earlier periods. However, RESA’s statement of the causes of the high arrearages does not comport with current data. Specifically, as of August 2025, data indicate that the persistent year-over-year increase in write-offs continues and could be a result of other contributing factors that may include broader economic conditions and supplier practices.”

- a. For Residential POR customers, please provide a list of Third-Party Suppliers (TPS) enrolled in the POR program including: 1) the number of Residential POR customers and 2) the number of Residential POR customers with uncollectable accounts for each Third-Party Supplier for CY 2024, CY2023 and CY 2022. Please use the following table format to provide information for each of the years.

#	Name of Third-Party Electric Supplier enrolled in POR program	CY2024 POR Number of Residential Customers	CY 2024 POR Number of Res. Customers with arrears/ uncollectable accounts	CY2023 POR Number of Residential Customers	CY 2023 POR Numbers of Res. Customers with arrears/ uncollectable accounts	CY2022 POR Number of Residential Customers	CY 2022 POR Number of Res. Customers with arrears/ uncollectable accounts
1	Name 1	XX	XX	XX	XX	XX	XX
2	Name 2	XX	XX	XX	XX	XX	XX
3	Name 3	XX	XX	XX	XX	XX	XX
4	Name 4	XX	XX	XX	XX	XX	XX
	Total	XX	XX	XX	XX	XX	XX

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- b. For Non-Residential POR customers, please provide a list of Third-Party Suppliers (TPS) enrolled in the POR program including: 1) the number of Non-residential POR customers and 2) the number of Non-residential POR customers with uncollectable accounts for each Third-Party Supplier for CY 2024, CY2023 and CY 2022. Please use the following table format to provide information for each of the years.

#	Name of Third-Party Electric Supplier enrolled in POR program	CY2024 Number of POR Non-Residential Customers	CY 2024 Number of POR Non-Res. Customers with arrears/ uncollectable accounts	CY2023 Number of POR Non-Residential Customers	CY 2023 Number of POR Non-Res. Customers with arrears/ uncollectable accounts	CY2022 Number of POR Non-Residential Customers	CY 2022 Number of POR Non-Res. Customers with arrears/ uncollectable accounts
1	Name 1	XX	XX	XX	XX	XX	XX
2	Name 2	XX	XX	XX	XX	XX	XX
3	Name 3	XX	XX	XX	XX	XX	XX
4	Name 4	XX	XX	XX	XX	XX	XX
	Total	XX	XX	XX	XX	XX	XX

3. Please refer to Pepco’s September 29, 2025, Reply Comments to the Notice of Inquiry (NOI) PEPPOR-2025-01/WGPOR-2025-01 page 42, where Pepco provided comments on WGL’s proposal that the Commission consider lengthening the period over which the Company recovers its current under-collection and states in part;

“Pepco acknowledges the intent behind WGL and RESA’s recommendations and does not oppose the concept of lengthening the recovery period for under-collections. However, Pepco emphasizes that any extended recovery timeline must include appropriate compensation for carrying costs because currently, Pepco is only compensated for unrecovered balance within each specific year, with interest calculation resetting annually.”

- a. Please provide an illustrative example using actual data that shows the step-by-step calculation of a multi-year amortization approach, showing the discount rate, the uncollectible balances, the annual amortization amount and the compensation for carrying costs.
- b. What does Pepco propose as a reasonable and appropriate carrying cost for the uncollected balance if the amortization approach is adopted by the Commission?

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- c. Please confirm the period of time Pepco proposes to amortize the under-collection POR balances.
- d. If the uncollectible rate remains the same and does not increase or decrease from its current level, would Pepco continue to recommend amortization of the uncollectible balance?