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December 5, 2025

Ms. Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission
of the District of Columbia
1325 G Street N.W., Suite 800
Washington, DC 20005

Re: Formal Case PEPPOR 2025

Dear Ms. Westbrook-Sedgwick:

Enclosed please find Potomac Electric Power Company's responses to Staff Data Request No. 1.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

/s/ Dennis P. Jamouneau

Dennis P. Jamouneau

Enclosure:

cc: All Parties of Record

POTOMAC ELECTRIC POWER COMPANY
DC INFORMAL PEPPOR
RESPONSE TO DOE INFORMATION REQUEST NO.2025 DR 1

QUESTION NO. 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 payment 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.

- 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.

RESPONSE:

- a. Please see DC FC PEPPOR 2025 Staff DR 1-1a Attachment. Late Payment Revenues have been removed from Tabs Attachment B, Attachment C, and Attachment D to provide an illustrative example of how the discount rate calculation would work.

Pepco recommends excluding late payment revenues from the POR discount rate calculation to cover the costs of administering the program and pursuing past-due and uncollectible balances, rather than using them to reduce supplier discount rates. Pepco further clarifies that these revenues should not be applied to reduce the uncollectible balance for the applicable year, as this would leave the current discount rate formula unchanged.

- b. (i) Pepco recommends excluding late payment revenues from the discount rate calculation to cover program administration costs and the effort required to pursue past-due and uncollectible balances. While this approach shifts the risk of uncollectibles to suppliers at the front end—rather than carrying them forward to future periods—Pepco emphasizes that late payment revenues also help offset administrative costs.

(ii) See response to Question No. 1b.(i).

- c. (i) Pepco does not recommend using the late payment revenues to reduce uncollectible balances. The late payment revenues are recommended to be used to cover costs Pepco incurs in administering the program and pursuing past-due and uncollectible balances.

(ii) See response to Question No. 1c.(i).

- d. Internal labor (Billing, invoicing, and collections processing, customer education expenses, incremental system costs, and regulatory filing costs).
- e. Pepco's best estimate for CY 2024 internal labor is \$48,500 for the POR program.

SPONSOR: Renae Graham, Manager, Revenue Requirements

Attachment 1-1a

Potomac Electric Power Company
District of Columbia
Purchase of Receivables
Supplier Discount Rates
January 1 through December 31, 2023

| | RESIDENTIAL Schedules R & MMA | SMALL COMMERCIAL Schedules GS-LV-ND, T, SL, TS, TN & OL- LED | LARGE COMMERCIAL Schedules GS-LV, GS- 3A, MGT-LV, GT-LV, GT-3A, GT-3B & RT |
|--|----------------------------------|---|---|
| Write-Offs (1) | 3.8933% | 0.7208% | 0.0416% |
| Late Payment Revenues (2) | 0.0000% | 0.0000% | 0.0000% |
| Net Write-Offs (Write-Offs plus Reinstatements, minus Late Payment Revenues) | 3.8933% | 0.7208% | 0.0416% |
| Interest Factor | 0.1443% | 0.0239% | 0.0021% |
| Reconciliation Factor | 8.7422% | -0.5333% | -1.3620% |
| Discount | 12.7798% | 0.2114% | -1.3183% |
| Discount (zeroed) | 12.7798% | 0.2114% | 0.0000% |
| Payment Factor | 87.2202% | 99.7886% | 100.0000% |

(1) For the projection of Residential Bad Debt Expense, the Company is using Calendar Year 2022 as the proxy of ongoing costs as directed by Commission Order No. 22259.

(2) Removed Late Payment Revenues for example of exclusion.

| | A | C | E | G | I | K | M | O | Q | S | U | N | W | Y | AA | AA |
|----|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|----|----|
| 1 | Potomac Electric Power Company - DISTRICT of COLUMBIA | | | | | | | | | | | | | | | |
| 3 | Purchase of Receivable Data | | | | | | | | | | | | | | | |
| 5 | January through December 2023 | | | | | | | | | | | | | | | |
| 8 | | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | TOTAL | | |
| 10 | Electric Revenues Billed | | | | | | | | | | | | | | | |
| 11 | Residential - R & MMA | \$ 5,393,276.82 | \$ 4,223,421.23 | \$ 4,715,873.43 | \$ 3,438,319.44 | \$ 3,588,371.84 | \$ 4,093,841.83 | \$ 5,288,188.68 | \$ 6,326,990.31 | \$ 5,006,313.24 | \$ 3,886,819.26 | \$ 3,069,608.49 | \$ 3,776,115.93 | \$ 52,807,140.50 | | |
| 12 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 1,717,769.09 | 1,593,509.85 | 1,441,634.58 | 1,377,351.02 | 1,381,874.60 | 1,290,688.21 | 1,284,592.93 | 1,367,881.96 | 1,373,962.24 | 564,883.24 | 1,212,630.91 | 1,317,361.54 | 15,924,140.17 | | |
| 13 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 25,202,601.41 | 22,857,466.27 | 24,152,555.89 | 22,989,801.55 | 25,024,599.35 | 28,733,033.98 | 29,443,948.29 | 34,325,870.02 | 29,666,998.05 | 29,118,022.60 | 26,718,597.29 | 25,174,034.88 | 323,407,529.58 | | |
| 14 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 15 | Total | \$ 32,313,647.32 | \$ 28,674,397.35 | \$ 30,310,063.90 | \$ 27,805,472.01 | \$ 29,994,845.79 | \$ 34,117,564.02 | \$ 36,016,729.90 | \$ 42,020,742.29 | \$ 36,047,273.53 | \$ 33,569,725.10 | \$ 31,000,836.69 | \$ 30,267,512.35 | \$ 392,138,810.25 | | |
| 20 | POR Discount | | | | | | | | | | | | | | | |
| 21 | Residential - R & MMA | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (252,142.83) | \$ (200,006.52) | \$ (157,109.18) | \$ (122,772.67) | \$ (149,568.91) | \$ (881,600.11) | | |
| 23 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | - | - | - | - | - | - | - | (10,662.57) | (10,694.59) | (13,772.17) | (9,529.09) | (10,393.23) | (55,051.65) | | |
| 24 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 25 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 26 | Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (262,805.40) | \$ (210,701.11) | \$ (170,881.35) | \$ (132,301.76) | \$ (159,962.14) | \$ (936,651.76) | | |
| 29 | Net Electric Revenues Billed | | | | | | | | | | | | | | | |
| 31 | Residential - R & MMA | \$ 5,393,276.82 | \$ 4,223,421.23 | \$ 4,715,873.43 | \$ 3,438,319.44 | \$ 3,588,371.84 | \$ 4,093,841.83 | \$ 5,288,188.68 | \$ 6,074,847.48 | \$ 4,806,306.72 | \$ 3,729,710.08 | \$ 2,946,835.82 | \$ 3,626,547.02 | \$ 51,925,540.39 | | |
| 34 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 1,717,769.09 | 1,593,509.85 | 1,441,634.58 | 1,377,351.02 | 1,381,874.60 | 1,290,688.21 | 1,284,592.93 | 1,357,219.39 | 1,363,267.65 | 551,111.07 | 1,203,101.82 | 1,306,968.31 | 15,869,088.52 | | |
| 35 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 25,202,601.41 | 22,857,466.27 | 24,152,555.89 | 22,989,801.55 | 25,024,599.35 | 28,733,033.98 | 29,443,948.29 | 34,325,870.02 | 29,666,998.05 | 29,118,022.60 | 26,718,597.29 | 25,174,034.88 | 323,407,529.58 | | |
| 36 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 37 | Total | \$ 32,313,647.32 | \$ 28,674,397.35 | \$ 30,310,063.90 | \$ 27,805,472.01 | \$ 29,994,845.79 | \$ 34,117,564.02 | \$ 36,016,729.90 | \$ 41,757,936.89 | \$ 35,836,572.42 | \$ 33,398,843.75 | \$ 30,868,534.93 | \$ 30,107,550.21 | \$ 391,202,158.49 | | |

| | A | C | E | G | I | K | M | O | Q | S | U | W | Y | AA | AA |
|----|---|-----------------|----------------|----------------|-----------------|----------------|---------------|----------------|---------------|---------------|---------------|----------------|-----------------|-------------------|------|
| 1 | Potomac Electric Power Company - DISTRICT of COLUMBIA | | | | | | | | | | | | | | |
| 3 | Purchase of Receivable Data | | | | | | | | | | | | | | |
| 5 | January through December 2023 | | | | | | | | | | | | | | |
| 8 | | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | TOTAL | |
| 43 | Late Fee Revenues (3) | | | | | | | | | | | | | | |
| 44 | | | | | | | | | | | | | | | |
| 45 | Residential - R & MMA | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 47 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 48 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 51 | Total | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 53 | | | | | | | | | | | | | | | |
| 54 | Write Offs (2) | | | | | | | | | | | | | | |
| 56 | Residential - R & MMA | \$ 915,210.82 | \$ 22,603.67 | \$ 9,246.29 | \$ 160,290.48 | \$ 60,587.50 | \$ 8,409.81 | \$ 15,208.96 | \$ 212,911.11 | \$ 48,595.00 | \$ 138,586.89 | \$ 140,909.29 | \$ 323,389.18 | \$ 2,055,949.00 | |
| 57 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 5,467.50 | 18,080.59 | 7,321.81 | 14,798.38 | 310.69 | (1,447.65) | 40,942.48 | 3,901.04 | 6,180.51 | 12,850.65 | 6,377.54 | - | 114,783.54 | |
| 58 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 17,831.78 | 774.95 | 56,498.80 | 15,707.59 | - | 496.45 | 14,737.60 | 9,821.93 | 7,358.98 | 7,384.44 | 890.52 | 2,901.20 | 134,404.24 | |
| 59 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 62 | Total | \$ 938,510.10 | \$ 41,459.21 | \$ 73,066.90 | \$ 190,796.45 | \$ 60,898.19 | \$ 7,458.61 | \$ 70,889.04 | \$ 226,634.08 | \$ 62,134.49 | \$ 158,821.98 | \$ 148,177.35 | \$ 326,290.38 | \$ 2,305,136.78 | |
| 64 | | | | | | | | | | | | | | | |
| 65 | Over / (Under) Collections | | | | | | | | | | | | | | |
| 67 | Residential - R & MMA | \$ (915,210.82) | \$ (22,603.67) | \$ (9,246.29) | \$ (160,290.48) | \$ (60,587.50) | \$ (8,409.81) | \$ (15,208.96) | \$ 39,231.72 | \$ 151,411.52 | \$ 18,522.29 | \$ (18,136.62) | \$ (173,820.27) | \$ (1,174,348.89) | |
| 68 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | (5,467.50) | (18,080.59) | (7,321.81) | (14,798.38) | (310.69) | 1,447.65 | (40,942.48) | 6,761.53 | 4,514.08 | 921.52 | 3,151.55 | 10,393.23 | (59,731.89) | |
| 69 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | (17,831.78) | (774.95) | (56,498.80) | (15,707.59) | - | (496.45) | (14,737.60) | (9,821.93) | (7,358.98) | (7,384.44) | (890.52) | (2,901.20) | (134,404.24) | |
| 70 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 73 | Total | \$ (938,510.10) | \$ (41,459.21) | \$ (73,066.90) | \$ (190,796.45) | \$ (60,898.19) | \$ (7,458.61) | \$ (70,889.04) | \$ 36,171.32 | \$ 148,566.62 | \$ 12,059.37 | \$ (15,875.59) | \$ (166,328.24) | \$ (1,368,485.02) | |

| | A | C | E | G | I | K | M | O | Q | S | U | W | Y | AA | AA |
|----|--|------------------------|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------|--------------------|
| 1 | Potomac Electric Power Company - DISTRICT of COLUMBIA | | | | | | | | | | | | | | |
| 3 | Purchase of Receivable Data | | | | | | | | | | | | | | |
| 5 | January through December 2023 | | | | | | | | | | | | | | |
| 8 | | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | TOTAL | |
| 9 | Cumulative Over / (Under) | | | | | | | | | | | | | | |
| 76 | Collections | | | | | | | | | | | | | | |
| 78 | Residential - R & MMA | \$ (915,210.82) | \$ (937,814.49) | \$ (947,060.78) | \$ (1,107,351.26) | \$ (1,167,938.76) | \$ (1,176,348.57) | \$ (1,191,557.53) | \$ (1,152,325.81) | \$ (1,000,914.29) | \$ (982,392.00) | \$ (1,000,528.62) | \$ (1,174,348.89) | | |
| 79 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | (5,467.50) | (23,548.09) | (30,869.90) | (45,668.28) | (45,978.97) | (44,531.32) | (85,473.80) | (78,712.27) | (74,198.19) | (73,276.67) | (70,125.12) | (59,731.89) | | |
| 80 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | (17,831.78) | (18,606.73) | (75,105.53) | (90,813.12) | (90,813.12) | (91,309.57) | (106,047.17) | (115,869.10) | (123,228.08) | (130,612.52) | (131,503.04) | (134,404.24) | | |
| 81 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 84 | Total | \$ (938,510.10) | \$ (979,969.31) | \$ (1,053,036.21) | \$ (1,243,832.66) | \$ (1,304,730.85) | \$ (1,312,189.46) | \$ (1,383,078.50) | \$ (1,346,907.18) | \$ (1,198,340.56) | \$ (1,186,281.19) | \$ (1,202,156.78) | \$ (1,368,485.02) | | |
| 87 | Interest (1) | | | | | | | | | | | | | | |
| 89 | Residential - R & MMA | \$ (5,468.38) | \$ (5,603.44) | \$ (5,658.69) | \$ (6,616.42) | \$ (6,978.43) | \$ (7,028.68) | \$ (7,119.56) | \$ (6,885.15) | \$ (5,980.46) | \$ (5,869.79) | \$ (5,978.16) | \$ (7,016.73) | \$ | (76,203.89) |
| 90 | Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | (32.67) | (140.70) | (184.45) | (272.87) | (274.72) | (266.07) | (510.71) | (470.31) | (443.33) | (437.83) | (419.00) | (356.90) | | (3,809.56) |
| 91 | Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | (106.54) | (111.18) | (448.76) | (542.61) | (542.61) | (545.57) | (633.63) | (692.32) | (736.29) | (780.41) | (785.73) | (803.07) | | (6,728.72) |
| 92 | Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | | - |
| 95 | Total | \$ (5,607.59) | \$ (5,855.32) | \$ (6,291.90) | \$ (7,431.90) | \$ (7,795.76) | \$ (7,840.32) | \$ (8,263.90) | \$ (8,047.78) | \$ (7,160.08) | \$ (7,088.03) | \$ (7,182.89) | \$ (8,176.70) | \$ | (86,742.17) |
| 99 | (1) The allowed Rate of Return per F.C. No. 1156 is: 7.17% effective from July 2021 through the present (2) For the projection of Residential Bad Debt Expense, the Company is using Calendar Year 2022 as the proxy of ongoing costs as directed by Commission Order No. 22259. (3) Removed Late Payment Revenues for example of exclusion. | | | | | | | | | | | | | | |

Pepco - District of Columbia
 Purchase of Receivables
 Reconciliation and Interest Factor
 January through December 2023

| | A | B | D | E | F | G | H | I | J | K | L | M |
|----|----|---|-------|---|-------------------|---|------------------|---|-------------------|---|--------------|---|
| 48 | 6 | Amortization of Program Cost | | | 10,106.46 | | 1,284.66 | | 77,228.10 | | 6,646.50 | |
| 51 | 7 | Cumulative Over / (Under) Collection - Net of Amortization | (5-6) | | \$ (4,616,486.99) | | \$ 84,919.13 | | \$ 4,404,823.54 | | \$ 11,078.75 | |
| 54 | 8 | Interest | | | \$ (76,203.89) | | \$ (3,809.56) | | \$ (6,728.72) | | \$ - | |
| 56 | 9 | Electric Revenues Billed (01/23 -12/23) | | | \$ 52,807,140.50 | | \$ 15,924,140.17 | | \$ 323,407,529.58 | | \$ - | |
| 58 | 10 | Reconciliation Factor | (7/9) | | -8.7422% | | 0.5333% | | 1.3620% | | #DIV/0! | |
| 60 | 11 | Interest Factor | (8/9) | | -0.1443% | | -0.0239% | | -0.0021% | | #DIV/0! | |
| 61 | | | | | | | | | | | | |
| 62 | | | | | | | | | | | | |
| 63 | | | | | | | | | | | | |
| 64 | | (1) Removed Late Payment Revenues for example of exclusion. | | | | | | | | | | |

POTOMAC ELECTRIC POWER COMPANY
DC INFORMAL PEPPOR
RESPONSE TO DOE INFORMATION REQUEST NO.2025 DR 1

QUESTION NO. 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.
- 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.

RESPONSE:

- a. See DC FC PEPPOR 2025 Staff DR 1-2a Attachment for the number of Residential customers by Supplier. The number of Residential POR customers with uncollectible accounts by Supplier is not available.
- b. See DC FC PEPPOR 2025 Staff DR 1-2b Attachment for the number of Non-residential customers by Supplier. The number of Non-residential POR customers with uncollectible accounts by Supplier is not available.

SPONSOR: Renae Graham, Manager, Revenue Requirements

Attachment 1-2a

| # | 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 | AEP Energy, Inc. | 77 | | 56 | | 63 | |
| 2 | Alpha Gas and Electric, LLC | 26 | | 38 | | 10 | |
| 3 | Ambit Northeast, LLC | 258 | | 314 | | 281 | |
| 4 | American Power Gas of DC LLC | 22 | | 0 | | 0 | |
| 5 | Atlantic Energy MD LLC | 604 | | 1271 | | 2240 | |
| 6 | Champion Energy Services, LLC | 0 | | 0 | | 45 | |
| 7 | CleanChoice Energy, Inc. | 8452 | | 10823 | | 9474 | |
| 8 | CleanSky Energy | 488 | | 697 | | 659 | |
| 9 | Clearview Electric Inc | 482 | | 504 | | 504 | |
| 10 | Constellation NewEnergy, Inc. | 2184 | | 1947 | | 1648 | |
| 11 | CPV Retail Energy LP | 1 | | 0 | | 0 | |
| 12 | DC Gas and Electric | 0 | | 257 | | 263 | |
| 13 | Direct Energy Business, LLC | 177 | | 153 | | 110 | |
| 14 | Direct Energy Services, LLC | 644 | | 759 | | 801 | |
| 15 | Etigo Energy DC, LLC | 171 | | 198 | | 207 | |
| 16 | Energy Rewards | 0 | | 2 | | 3 | |
| 17 | ENGIE Resources, LLC | 141 | | 114 | | 102 | |
| 18 | Freepoint Energy Solutions, LLC | 333 | | 343 | | 235 | |
| 19 | Green Choice Energy | 221 | | 128 | | 262 | |
| 20 | Horizon Power and Light, LLC | 166 | | 189 | | 159 | |
| 21 | IDT Energy, Inc. | 1132 | | 1694 | | 1472 | |
| 22 | Inspire | 1120 | | 2036 | | 725 | |
| 23 | Liberty Power District of Columbia | 0 | | 0 | | 36 | |
| 24 | Major Energy Electric Services, LLC | 1086 | | 979 | | 478 | |
| 25 | Median Energy Corp | 1012 | | 1221 | | 0 | |
| 26 | MidAmerican Energy Services LLC | 23 | | 23 | | 21 | |
| 27 | MPower Energy NJ | 5918 | | 5164 | | 2273 | |
| 28 | NextEra Energy Services DC, LLC | 99 | | 82 | | 74 | |
| 29 | Nordic Energy Services, LLC | 294 | | 100 | | 6 | |
| 30 | Park Power | 474 | | 366 | | 592 | |
| 31 | Public Power , L L C | 0 | | 649 | | 545 | |
| 32 | Reliant Energy Northeast, LLC | 476 | | 598 | | 472 | |
| 33 | Renaissance Power & Gas, Inc | 130 | | 170 | | 166 | |
| 34 | Star Energy Partners, LLC | 1 | | 1 | | 1510 | |
| 35 | Indra Energy | 2674 | | 1261 | | 979 | |
| 36 | Verde Energy USA DC, LLC | 8 | | 0 | | 0 | |
| 37 | New Wave Energy | 1 | | 0 | | 0 | |
| 38 | Shell Energy Solutions | 1 | | 3 | | 2 | |
| 39 | SmartEnergy | 7217 | | 7002 | | 5443 | |
| 40 | SmartestEnergy US LLC | 14 | | 15 | | 6 | |
| 41 | Starion Energy PA Inc. | 0 | | 0 | | 1 | |
| 42 | Stream Energy Columbia | 231 | | 326 | | 342 | |
| 43 | SunSea Energy DC LLC | 2622 | | 3092 | | 2266 | |
| 44 | Talen Energy Marketing, LLC | 0 | | 0 | | 3 | |
| 45 | Think Energy, LLC | 214 | | 18 | | 2 | |
| 46 | Viridian Energy PA LLC | 0 | | 83 | | 75 | |
| 47 | WGL Energy Services | 4317 | | 5013 | | 4409 | |
| 48 | XOOM Energy Washington DC, LLC | 716 | | 1134 | | 1085 | |
| | Total | 44227 | | 48823 | | 40049 | |

Attachment 1-2b

| # | 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 | AEP Energy, Inc. | | 146 | | 96 | | 88 |
| 2 | Ambit Northeast, LLC | | 61 | | 76 | | 90 |
| 3 | American Power Gas of DC LLC | | 9 | | 0 | | 0 |
| 4 | Atlantic Energy MD LLC | | 33 | | 40 | | 60 |
| 5 | BP Energy Retail Company LLC | | 30 | | 22 | | 17 |
| 6 | Champion Energy Services, LLC | | 15 | | 25 | | 24 |
| 7 | CleanChoice Energy, Inc. | | 113 | | 124 | | 137 |
| 8 | CleanSky Energy | | 6 | | 8 | | 12 |
| 9 | Clearview Electric Inc | | 7 | | 8 | | 12 |
| 10 | Constellation NewEnergy, Inc. | | 2650 | | 2593 | | 2176 |
| 11 | CPV Retail Energy LP | | 75 | | 15 | | 0 |
| 12 | DC Gas and Electric | | 0 | | 32 | | 42 |
| 13 | Direct Energy Business, LLC | | 1383 | | 977 | | 682 |
| 14 | Direct Energy Services, LLC | | 103 | | 125 | | 160 |
| 15 | Eligo Energy DC, LLC | | 5 | | 5 | | 10 |
| 16 | ENGIE Resources, LLC | | 548 | | 537 | | 455 |
| 17 | Freepoint Energy Solutions, LLC | | 348 | | 351 | | 261 |
| 18 | Green Choice Energy | | 1 | | 1 | | 1 |
| 19 | Grid Power Direct LLC | | 8 | | 8 | | 8 |
| 20 | Horizon Power and Light, LLC | | 92 | | 110 | | 107 |
| 21 | IDT Energy, Inc. | | 0 | | 91 | | 105 |
| 22 | Indra Energy | | 17 | | 14 | | 51 |
| 23 | Inspire | | 4 | | 9 | | 7 |
| 24 | Liberty Power District of Columbia | | 0 | | 0 | | 4 |
| 25 | Major Energy Electric Services, LLC | | 84 | | 32 | | 15 |
| 26 | Median Energy Corp | | 3 | | 0 | | 0 |
| 27 | MidAmerican Energy Services LLC | | 78 | | 89 | | 89 |
| 28 | MPower Energy NJ | | 21 | | 20 | | 10 |
| 29 | New Wave Energy | | 8 | | 0 | | 0 |
| 30 | NextEra Energy Services DC, LLC | | 143 | | 114 | | 151 |
| 31 | Nordic Energy Services, LLC | | 24 | | 24 | | 2 |
| 32 | Park Power | | 4 | | 4 | | 10 |
| 33 | Public Power , LLC | | 0 | | 47 | | 69 |
| 34 | Pure Energy USA DC LLC | | 2 | | 0 | | 0 |
| 35 | Reliant Energy Northeast, LLC | | 25 | | 29 | | 38 |
| 36 | Renaissance Power & Gas, Inc | | 1 | | 0 | | 0 |
| 37 | Shell Energy Solutions | | 92 | | 126 | | 127 |
| 38 | SmartEnergy | | 44 | | 66 | | 64 |
| 39 | SmartestEnergy US LLC | | 157 | | 113 | | 44 |
| 40 | Star Energy Partners, LLC | | 0 | | 0 | | 11 |
| 41 | Stream Energy Columbia | | 33 | | 38 | | 49 |
| 42 | SunSea Energy DC LLC | | 21 | | 20 | | 22 |
| 43 | Talen Energy Marketing, LLC | | 0 | | 0 | | 44 |
| 44 | Think Energy, LLC | | 34 | | 1 | | 0 |
| 45 | UGI Energy Services, Inc | | 13 | | 7 | | 7 |
| 46 | Viridian Energy PA LLC | | 0 | | 13 | | 13 |
| 47 | WGL Energy Services | | 1931 | | 2008 | | 1984 |
| 48 | XOOM Energy Washington DC, LLC | | 95 | | 117 | | 133 |
| | Total | | 8467 | | 8135 | | 7391 |

POTOMAC ELECTRIC POWER COMPANY
DC INFORMAL PEPPOR
RESPONSE TO DOEE INFORMATION REQUEST NO.2025 DR 1

QUESTION NO. 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?
- 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?

RESPONSE:

- a. Please refer to DC FC PEPPOR 2025 Staff DR 1-3a Attachment.
- b. Pepco proposes applying the Company's rate of return as approved in its most recent distribution base rate case. For each year of the amortization period, interest would be

calculated by applying the rate of return to the total outstanding balance of the amount being amortized.

- c. If directed to amortize the uncollectible balance, Pepco would propose a two-year amortization period. This approach provides a meaningful reduction to the discount rate, while also limiting the extension of the balance into future years and mitigating additional interest costs.
- d. No. Amortizing the uncollectible balance over future years, in addition to the current level of uncollectibles, would further exacerbate the issue.

SPONSOR: Renae Graham, Manager Revenue Requirements

Attachment 1-3a

Potomac Electric Power Company
 District of Columbia
 Purchase of Receivables
 Supplier Discount Rates
 January 1 through December 31, 2023

Note: The scenarios below use data from the latest approved filing to compare the Residential discount rate with an alternative scenario that includes a two year amortization of the 2023 (Year 9) uncollectible expense and related interest. These scenarios do not reflect the impact of future uncollectible expenses, which would be in addition to the amortization of the 2023 uncollectible amount.

| | Latest Approved | 2yr Amortization |
|--|----------------------------------|----------------------------------|
| | RESIDENTIAL Schedules R & MMA | RESIDENTIAL Schedules R & MMA |
| Write-Offs (1) | 3.8933% | 3.8933% |
| Late Payment Revenues (1) | 0.7227% | 0.7227% |
| Net Write-Offs (Write-Offs plus Reinstatements, minus Late Payment Revenues) | 3.1706% | 3.1706% |
| Interest Factor | 0.1312% | 0.1312% |
| Reconciliation Factor | 8.0061% | 4.3086% |
| Discount | 11.3079% | 7.6104% |
| Discount (zeroed) | 11.3079% | 7.6104% |
| Payment Factor | 88.6921% | 92.3896% |

(1) For the projection of Residential Bad Debt Expense and Late Fees Revenues, the Company is using Calendar Year 2022 as the proxy of ongoing costs as directed by Commission Order No. 22259 and Order No. 22379.

| Potomac Electric Power Company - DISTRICT of COLUMBIA | | | | | | | | | | | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
| Purchase of Receivable Data | | | | | | | | | | | | | |
| January through December 2023 | | | | | | | | | | | | | |
| | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | TOTAL |
| Electric Revenues Billed | | | | | | | | | | | | | |
| Residential - R & MMA | \$ 5,393,276.82 | \$ 4,223,421.23 | \$ 4,715,873.43 | \$ 3,438,319.44 | \$ 3,588,371.84 | \$ 4,093,841.83 | \$ 5,288,188.68 | \$ 6,326,990.31 | \$ 5,006,313.24 | \$ 3,886,819.26 | \$ 3,069,608.49 | \$ 3,776,115.93 | \$ 52,807,140.50 |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 1,717,769.09 | 1,593,509.85 | 1,441,634.58 | 1,377,351.02 | 1,381,874.60 | 1,290,688.21 | 1,284,592.93 | 1,367,881.96 | 1,373,962.24 | 564,883.24 | 1,212,630.91 | 1,317,361.54 | 15,924,140.17 |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 25,202,601.41 | 22,857,466.27 | 24,152,555.89 | 22,989,801.55 | 25,024,599.35 | 28,733,033.98 | 29,443,948.29 | 34,325,870.02 | 29,666,998.05 | 29,118,022.60 | 26,718,597.29 | 25,174,034.88 | 323,407,529.58 |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ 32,313,647.32 | \$ 28,674,397.35 | \$ 30,310,063.90 | \$ 27,805,472.01 | \$ 29,994,845.79 | \$ 34,117,564.02 | \$ 36,016,729.90 | \$ 42,020,742.29 | \$ 36,047,273.53 | \$ 33,569,725.10 | \$ 31,000,836.69 | \$ 30,267,512.35 | \$ 392,138,810.25 |
| POR Discount | | | | | | | | | | | | | |
| Residential - R & MMA | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (252,142.83) | \$ (200,006.52) | \$ (157,109.18) | \$ (122,772.67) | \$ (149,568.91) | \$ (881,600.11) |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | - | - | - | - | - | - | - | (10,662.57) | (10,694.59) | (13,772.17) | (9,529.09) | (10,393.23) | (55,051.65) |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ - | \$ (262,805.40) | \$ (210,701.11) | \$ (170,881.35) | \$ (132,301.76) | \$ (159,962.14) | \$ (936,651.76) |
| Net Electric Revenues Billed | | | | | | | | | | | | | |
| Residential - R & MMA | \$ 5,393,276.82 | \$ 4,223,421.23 | \$ 4,715,873.43 | \$ 3,438,319.44 | \$ 3,588,371.84 | \$ 4,093,841.83 | \$ 5,288,188.68 | \$ 6,074,847.48 | \$ 4,806,306.72 | \$ 3,729,710.08 | \$ 2,946,835.82 | \$ 3,626,547.02 | \$ 51,925,540.39 |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 1,717,769.09 | 1,593,509.85 | 1,441,634.58 | 1,377,351.02 | 1,381,874.60 | 1,290,688.21 | 1,284,592.93 | 1,357,219.39 | 1,363,267.65 | 551,111.07 | 1,203,101.82 | 1,306,968.31 | 15,869,088.52 |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 25,202,601.41 | 22,857,466.27 | 24,152,555.89 | 22,989,801.55 | 25,024,599.35 | 28,733,033.98 | 29,443,948.29 | 34,325,870.02 | 29,666,998.05 | 29,118,022.60 | 26,718,597.29 | 25,174,034.88 | 323,407,529.58 |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ 32,313,647.32 | \$ 28,674,397.35 | \$ 30,310,063.90 | \$ 27,805,472.01 | \$ 29,994,845.79 | \$ 34,117,564.02 | \$ 36,016,729.90 | \$ 41,757,936.89 | \$ 35,836,572.42 | \$ 33,398,843.75 | \$ 30,868,534.93 | \$ 30,107,550.21 | \$ 391,202,158.49 |

| Potomac Electric Power Company - DISTRICT of COLUMBIA | | | | | | | | | | | | | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|--------------------------|
| Purchase of Receivable Data | | | | | | | | | | | | | |
| January through December 2023 | | | | | | | | | | | | | |
| | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | TOTAL |
| Late Fee Revenues (2) | | | | | | | | | | | | | |
| Residential - R & MMA | \$ (2,441.89) | \$ - | \$ (19,808.40) | \$ (11,920.44) | \$ (2,112.68) | \$ (12,205.60) | \$ (27,461.64) | \$ (777.88) | \$ (43,374.78) | \$ (41,432.49) | \$ (38,818.44) | \$ (181,273.67) | \$ (381,627.91) |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | (12,973.72) | (14,625.02) | (11,387.01) | (8,707.42) | (11,558.15) | (6,984.21) | (9,208.38) | (10,050.00) | (9,954.06) | (4,087.61) | (7,282.56) | (10,747.68) | (117,565.82) |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | (190,346.56) | (209,782.79) | (190,773.25) | (145,338.31) | (209,308.41) | (155,481.14) | (211,063.83) | (252,196.50) | (214,931.07) | (210,704.01) | (160,460.81) | (205,382.04) | (2,355,768.72) |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ (205,762.17) | \$ (224,407.81) | \$ (221,968.66) | \$ (165,966.17) | \$ (222,979.24) | \$ (174,670.95) | \$ (247,733.85) | \$ (263,024.38) | \$ (268,259.91) | \$ (256,224.11) | \$ (206,561.81) | \$ (397,403.39) | \$ (2,854,962.45) |
| Write Offs (2) | | | | | | | | | | | | | |
| Residential - R & MMA | \$ 915,210.82 | \$ 22,603.67 | \$ 9,246.29 | \$ 160,290.48 | \$ 60,587.50 | \$ 8,409.81 | \$ 15,208.96 | \$ 212,911.11 | \$ 48,595.00 | \$ 138,586.89 | \$ 140,909.29 | \$ 323,389.18 | \$ 2,055,949.00 |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 5,467.50 | 18,080.59 | 7,321.81 | 14,798.38 | 310.69 | (1,447.65) | 40,942.48 | 3,901.04 | 6,180.51 | 12,850.65 | 6,377.54 | - | 114,783.54 |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 17,831.78 | 774.95 | 56,498.80 | 15,707.59 | - | 496.45 | 14,737.60 | 9,821.93 | 7,358.98 | 7,384.44 | 890.52 | 2,901.20 | 134,404.24 |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ 938,510.10 | \$ 41,459.21 | \$ 73,066.90 | \$ 190,796.45 | \$ 60,898.19 | \$ 7,458.61 | \$ 70,889.04 | \$ 226,634.08 | \$ 62,134.49 | \$ 158,821.98 | \$ 148,177.35 | \$ 326,290.38 | \$ 2,305,136.78 |
| Over / (Under) Collections | | | | | | | | | | | | | |
| Residential - R & MMA | \$ (912,768.93) | \$ (22,603.67) | \$ 10,562.11 | \$ (148,370.04) | \$ (58,474.82) | \$ 3,795.79 | \$ 12,252.68 | \$ 40,009.60 | \$ 194,786.30 | \$ 59,954.78 | \$ 20,681.82 | \$ 7,453.40 | \$ (792,720.98) |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 7,506.22 | (3,455.57) | 4,065.20 | (6,090.96) | 11,247.46 | 8,431.86 | (31,734.10) | 16,811.53 | 14,468.14 | 5,009.13 | 10,434.11 | 21,140.91 | 57,833.93 |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 172,514.78 | 209,007.84 | 134,274.45 | 129,630.72 | 209,308.41 | 154,984.69 | 196,326.23 | 242,374.57 | 207,572.09 | 203,319.57 | 159,570.29 | 202,480.84 | 2,221,364.48 |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ (732,747.93) | \$ 182,948.60 | \$ 148,901.76 | \$ (24,830.28) | \$ 162,081.05 | \$ 167,212.34 | \$ 176,844.81 | \$ 299,195.70 | \$ 416,826.53 | \$ 268,283.48 | \$ 190,686.22 | \$ 231,075.15 | \$ 1,486,477.43 |

| |
|---|
| Potomac Electric Power Company - DISTRICT of COLUMBIA |
| Purchase of Receivable Data |
| January through December 2023 |

| | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | TOTAL |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|---------------------|----------------------|----------------------|------------------------|------------------------|------------------------|-------|
| Cumulative Over / (Under) | | | | | | | | | | | | | |
| Collections | | | | | | | | | | | | | |
| Residential - R & MMA | \$ (912,768.93) | \$ (935,372.60) | \$ (924,810.49) | \$ (1,073,180.53) | \$ (1,131,655.35) | \$ (1,127,859.56) | \$ (1,115,606.88) | \$ (1,075,597.28) | \$ (880,810.98) | \$ (820,856.20) | \$ (800,174.38) | \$ (792,720.98) | |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 7,506.22 | 4,050.65 | 8,115.85 | 2,024.89 | 13,272.35 | 21,704.21 | (10,029.89) | 6,781.64 | 21,249.78 | 26,258.91 | 36,693.02 | 57,833.93 | |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 172,514.78 | 381,522.62 | 515,797.07 | 645,427.79 | 854,736.20 | 1,009,720.89 | 1,206,047.12 | 1,448,421.69 | 1,655,993.78 | 1,859,313.35 | 2,018,883.64 | 2,221,364.48 | |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total | \$ (732,747.93) | \$ (549,799.33) | \$ (400,897.57) | \$ (425,727.85) | \$ (263,646.80) | \$ (96,434.46) | \$ 80,410.35 | \$ 379,606.05 | \$ 796,432.58 | \$ 1,064,716.06 | \$ 1,255,402.28 | \$ 1,486,477.43 | |

Interest (1)

| | | | | | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Residential - R & MMA | \$ (5,453.79) | \$ (5,588.85) | \$ (5,525.74) | \$ (6,412.25) | \$ (6,761.64) | \$ (6,738.96) | \$ (6,665.75) | \$ (6,426.69) | \$ (5,262.85) | \$ (4,904.62) | \$ (4,781.04) | \$ (4,736.51) | \$ (69,258.69) |
| Small Commercial - GS-LV-ND, T, SL, TS, TN and OL-LED | 44.85 | 24.20 | 48.49 | 12.10 | 79.30 | 129.68 | (59.93) | 40.52 | 126.97 | 156.90 | 219.24 | 345.56 | 1,167.88 |
| Large Commercial - GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, GT-3B, RT | 1,030.78 | 2,279.60 | 3,081.89 | 3,856.43 | 5,107.05 | 6,033.08 | 7,206.13 | 8,654.32 | 9,894.56 | 11,109.40 | 12,062.83 | 13,272.65 | 83,588.72 |
| Market Price Service - GS-LV-ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT-3A, T, SL & TS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | \$ (4,378.16) | \$ (3,285.05) | \$ (2,395.36) | \$ (2,543.72) | \$ (1,575.29) | \$ (576.20) | \$ 480.45 | \$ 2,268.15 | \$ 4,758.68 | \$ 6,361.68 | \$ 7,501.03 | \$ 8,881.70 | \$ 15,497.91 |

(1) The allowed Rate of Return per F.C. No. 1156 is: 7.17% effective from July 2021.
 (2) For the projection of Residential Bad Debt Expense and Late Fees Revenues, the Company is using Calendar Year 2022 as the proxy of ongoing costs as directed by Commission Order No. 22259 and Order No. 22379.

Pepco - District of Columbia
Purchase of Receivables
Reconciliation and Interest Factor
January through December 2023

| | RESIDENTIAL - Schedules R & MMA | SMALL COMMERCIAL - Schedules GS-LV- ND, T, SL, TS, TN and OL-LED | LARGE COMMERCIAL - Schedules GS-LV, GS-3A, MGT-LV, GT- LV, GT-3A, GT-3B and RT | MARKET PRICE SERVICE (MPS) - Schedules GS-LV- ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT- 3A, T, SL & TS |
|--|---------------------------------------|--|---|--|
| 1.1 POR Discount - Year 1 | \$ 795,512.07 | \$ 96,216.66 | \$ 903,744.48 | \$ 4,824.61 |
| 1.2 POR Discount - Year 2 | 1,054,935.19 | 102,389.83 | 735,716.79 | 14,183.37 |
| 1.3 POR Discount - Year 3 | 260,919.76 | - | - | 1,222.87 |
| 1.4 POR Discount - Year 4 | 95,188.96 | - | - | 2,321.83 |
| 1.5 POR Discount - Year 5 | (60.81) | (30.99) | 301.50 | - |
| 1.6 POR Discount - Year 6 | (470.65) | (85.13) | (129.92) | (1.22) |
| 1.7 POR Discount - Year 7 | - | - | - | - |
| 1.8 POR Discount - Year 8 | - | - | - | - |
| 1.9 POR Discount - Year 9 | 881,600.11 | 55,051.65 | - | - |
| 2.1 Write-Offs - Year 1 | 411,632.23 | 9,808.02 | 13,739.72 | 15,682.53 |
| 2.2 Write-Offs - Year 2 | 1,700,752.06 | 64,325.47 | 301,024.65 | 444.90 |
| 2.3 Write-Offs - Year 3 | 901,759.14 | 70,282.55 | 338,659.01 | (1,234.89) |
| 2.4 Write-Offs - Year 4 | 896,472.15 | 40,722.50 | 75,270.55 | - |
| 2.5 Write-Offs - Year 5 | 591,257.78 | 40,124.82 | 156,979.11 | - |
| 2.6 Write-Offs - Year 6 | 101,027.38 | 23,782.57 | 145,475.01 | - |
| 2.7 Write-Offs - Year 7 | 126,975.50 | 11,801.26 | 144,010.15 | - |
| 2.8 Write-Offs - Year 8 | 2,055,949.00 | 203,037.39 | 280,922.18 | - |
| 2.9 Write-Offs - Year 9 | 3,905,121.90 | 114,783.54 | 134,404.24 | - |
| 3.2 Late Fee Revenues | 1,005,482.68 | 191,389.67 | 660,159.17 | 511.65 |
| 3.3 Late Fee Revenues | 1,030,689.76 | 98,238.23 | 759,467.25 | 3,683.94 |
| 3.4 Late Fee Revenues | 482,993.44 | 51,525.03 | 912,093.27 | 2,785.66 |
| 3.5 Late Fee Revenues | 211,325.71 | 36,369.01 | 1,168,169.22 | 1,137.50 |
| 3.6 Late Fee Revenues | 42,190.99 | 8,101.22 | (331,280.49) | 651.99 |
| 3.7 Late Fee Revenues | 5,740.20 | 561.26 | 31,529.54 | - |
| 3.8 Late Fee Revenues | 381,627.91 | 21,956.01 | 1,056,692.52 | - |
| 3.9 Late Fee Revenues | 388,677.90 | 117,565.82 | 2,355,768.72 | - |
| 4.1 Interest Expense/(Revenue) - Year 1 | 31,564.38 | 4,522.15 | 47,110.77 | (253.92) |
| 4.2 Interest Expense/(Revenue) - Year 2 | 5,405.17 | 6,857.69 | 53,184.01 | 843.33 |
| 4.3 Interest Expense/(Revenue) - Year 3 | 20,828.80 | 627.33 | 19,088.41 | 374.03 |
| 4.4 Interest Expense/(Revenue) - Year 4 | (3,005.70) | 811.63 | 22,644.46 | 240.41 |
| 4.5 Interest Expense/(Revenue) - Year 5 | (18,119.66) | (436.27) | 42,555.67 | 46.36 |
| 4.6 Interest Expense/(Revenue) - Year 6 | (5,352.65) | (1,139.94) | (11,474.21) | 45.38 |
| 4.7 Interest Expense/(Revenue) - Year 7 | 114.25 | (155.48) | (7,372.43) | - |
| 4.8 Interest Expense/(Revenue) - Year 8 | (86,748.61) | (4,088.09) | 17,064.97 | - |
| 4.9 Interest Expense/(Revenue) - Year 9 | (107,794.69) | 1,167.88 | 83,588.72 | - |
| 5 Cumulative Over/(Under) Collection | (1-2+3+4) (4,217,702.63) | 208,747.05 | 6,928,137.80 | 17,725.25 |
| 6 Amortization of Program Cost | 10,106.46 | 1,284.66 | 77,228.10 | 6,646.50 |
| 7 Cumulative Over / (Under) Collection - Net of Amortization | (5-6) \$ (4,227,809.09) | \$ 207,462.39 | \$ 6,850,909.70 | \$ 11,078.75 |
| 8 Interest | \$ (69,258.69) | \$ 1,167.88 | \$ 83,588.72 | \$ - |
| 9 Electric Revenues Billed (01/23 -12/23) | \$ 52,807,140.50 | \$ 15,924,140.17 | \$ 323,407,529.58 | \$ - |
| 10 Reconciliation Factor | (7/9) -8.0061% | 1.3028% | 2.1184% | 0.0000% |
| 11 Interest Factor | (8/9) -0.1312% | 0.0073% | 0.0258% | 0.0000% |

Pepco - District of Columbia
Purchase of Receivables
Reconciliation and Interest Factor
January through December 2023

| | RESIDENTIAL - Schedules R & MMA | SMALL COMMERCIAL - Schedules GS-LV- ND, T, SL, TS, TN and OL-LED | LARGE COMMERCIAL - Schedules GS-LV, GS-3A, MGT-LV, GT- LV, GT-3A, GT-3B and RT | MARKET PRICE SERVICE (MPS) - Schedules GS-LV- ND, GS-LV, GS-3A, MGT-LV, GT-LV, GT- 3A, T, SL & TS |
|--|---------------------------------------|--|---|--|
| 1.1 POR Discount - Year 1 | \$ 795,512.07 | \$ 96,216.66 | \$ 903,744.48 | \$ 4,824.61 |
| 1.2 POR Discount - Year 2 | 1,054,935.19 | 102,389.83 | 735,716.79 | 14,183.37 |
| 1.3 POR Discount - Year 3 | 260,919.76 | - | - | 1,222.87 |
| 1.4 POR Discount - Year 4 | 95,188.96 | - | - | 2,321.83 |
| 1.5 POR Discount - Year 5 | (60.81) | (30.99) | 301.50 | - |
| 1.6 POR Discount - Year 6 | (470.65) | (85.13) | (129.92) | (1.22) |
| 1.7 POR Discount - Year 7 | - | - | - | - |
| 1.8 POR Discount - Year 8 | - | - | - | - |
| 1.9 POR Discount - Year 9 | 881,600.11 | 55,051.65 | - | - |
| 2.1 Write-Offs - Year 1 | 411,632.23 | 9,808.02 | 13,739.72 | 15,682.53 |
| 2.2 Write-Offs - Year 2 | 1,700,752.06 | 64,325.47 | 301,024.65 | 444.90 |
| 2.3 Write-Offs - Year 3 | 901,759.14 | 70,282.55 | 338,659.01 | (1,234.89) |
| 2.4 Write-Offs - Year 4 | 896,472.15 | 40,722.50 | 75,270.55 | - |
| 2.5 Write-Offs - Year 5 | 591,257.78 | 40,124.82 | 156,979.11 | - |
| 2.6 Write-Offs - Year 6 | 101,027.38 | 23,782.57 | 145,475.01 | - |
| 2.7 Write-Offs - Year 7 | 126,975.50 | 11,801.26 | 144,010.15 | - |
| 2.8 Write-Offs - Year 8 | 2,055,949.00 | 203,037.39 | 280,922.18 | - |
| 2.9 Write-Offs - Year 9 (1) | 1,952,560.95 | 114,783.54 | 134,404.24 | - |
| 3.2 Late Fee Revenues | 1,005,482.68 | 191,389.67 | 660,159.17 | 511.65 |
| 3.3 Late Fee Revenues | 1,030,689.76 | 98,238.23 | 759,467.25 | 3,683.94 |
| 3.4 Late Fee Revenues | 482,993.44 | 51,525.03 | 912,093.27 | 2,785.66 |
| 3.5 Late Fee Revenues | 211,325.71 | 36,369.01 | 1,168,169.22 | 1,137.50 |
| 3.6 Late Fee Revenues | 42,190.99 | 8,101.22 | (331,280.49) | 651.99 |
| 3.7 Late Fee Revenues | 5,740.20 | 561.26 | 31,529.54 | - |
| 3.8 Late Fee Revenues | 381,627.91 | 21,956.01 | 1,056,692.52 | - |
| 3.9 Late Fee Revenues | 388,677.90 | 117,565.82 | 2,355,768.72 | - |
| 4.1 Interest Expense/(Revenue) - Year 1 | 31,564.38 | 4,522.15 | 47,110.77 | (253.92) |
| 4.2 Interest Expense/(Revenue) - Year 2 | 5,405.17 | 6,857.69 | 53,184.01 | 843.33 |
| 4.3 Interest Expense/(Revenue) - Year 3 | 20,828.80 | 627.33 | 19,088.41 | 374.03 |
| 4.4 Interest Expense/(Revenue) - Year 4 | (3,005.70) | 811.63 | 22,644.46 | 240.41 |
| 4.5 Interest Expense/(Revenue) - Year 5 | (18,119.66) | (436.27) | 42,555.67 | 46.36 |
| 4.6 Interest Expense/(Revenue) - Year 6 | (5,352.65) | (1,139.94) | (11,474.21) | 45.38 |
| 4.7 Interest Expense/(Revenue) - Year 7 | 114.25 | (155.48) | (7,372.43) | - |
| 4.8 Interest Expense/(Revenue) - Year 8 | (86,748.61) | (4,088.09) | 17,064.97 | - |
| 4.9 Interest Expense/(Revenue) - Year 9 | (107,794.69) | 1,167.88 | 83,588.72 | - |
| 5 Cumulative Over/(Under) Collection (1-2+3+4) | (2,265,141.68) | 208,747.05 | 6,928,137.80 | 17,725.25 |
| 6 Amortization of Program Cost | 10,106.46 | 1,284.66 | 77,228.10 | 6,646.50 |
| 7 Cumulative Over / (Under) Collection - Net of Amortization (5-6) | \$ (2,275,248.14) | \$ 207,462.39 | \$ 6,850,909.70 | \$ 11,078.75 |
| 8 Interest | \$ (69,258.69) | \$ 1,167.88 | \$ 83,588.72 | \$ - |
| 9 Electric Revenues Billed (01/23 -12/23) | \$ 52,807,140.50 | \$ 15,924,140.17 | \$ 323,407,529.58 | \$ - |
| 10 Reconciliation Factor (7/9) | -4.3086% | 1.3028% | 2.1184% | 0.0000% |
| 11 Interest Factor (8/9) | -0.1312% | 0.0073% | 0.0258% | 0.0000% |

(1) Year 9 Residential Write-Offs of 3,905,121.90 for the period January 2023 through December 2023 will be amortized and recovered over two years:

| | | | |
|-------------------------|-----------------|-----------|---------------|
| To be recovered Year 9 | \$ 1,952,560.95 | Interest: | \$ - |
| To be recovered Year 10 | \$ 1,952,560.95 | | \$ 142,341.69 |
| Total | \$ 3,905,121.90 | | \$ 142,341.69 |

2026 allowed Rate of Return per F.C. No. 1176 is: 7.29%

CERTIFICATE OF SERVICE

I hereby certify that a true copy of Pepco's Responses to Staff Data Request No. 1 was served on the parties of record in Formal Case No. PEPPOR by electronic mail this 5th day of December 2025.

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/s/ Dennis P. Jamouneau

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