



A volunteer-led coalition of DC utility ratepayers and community organizations dedicated to climate, economic, and racial justice.

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

RE: Formal Case No. 1156, In the Matter of the Application of the Potomac Electric Power Company for Authority to Implement a Multiyear Rate Plan for Electric Distribution Service in the District of Columbia: Joint Emergency Motion to Suspend Rate Case During the Pendency of the COVID-19 Crisis.

Dear Ms. Westbrook-Sedgwick, Chairman Phillips and Commissioners,

We urge the Commission to approve the temporary postponement of the next steps on the procedural schedule in the above-mentioned Formal Case 1156, as requested in the Joint Emergency Motion to Suspend Rate Case During the Pendency of the COVID-19 Crisis, which the Office of the People's Counsel for the District of Columbia ("OPC") filed on April 13, 2020, on behalf of OPC, the Apartment and Office Building Association of Metropolitan Washington, the District of Columbia Government, and the Laborers' International Union of North America. We are members of the [#NoPepco DC coalition](#), a volunteer-led coalition of DC utility ratepayers and community organizations dedicated to climate, economic, and racial justice that evolved from the #NoPepco Pledge campaign.

The Movants' motion correctly identifies the unfolding economic, public health, and climate crisis gripping the District. [Tens of thousands of DC residents and workers have lost their jobs](#) and are struggling to survive. Communities have come together to donate time, money, and resources [to support each other](#). People are tightening their belts and facing a long road to economic recovery. DC's ratepayers and vulnerable households need support from the DC Public Service Commission during these major crises. As an institution charged with furthering the public interest, the DC PSC has a duty to support these households and communities.

Pepco's opposition to the Movants' proposal is a blatant attempt to profit during a crisis and avoid public oversight. Pepco wants to plow ahead with a rate increase while the public's eye is turned. As DC residents' lives are upended, families can't afford their bills to begin with. A rate increase would make things much worse. This economic crisis, the ongoing public health crisis exacerbated by fossil fuel

infrastructure, and the climate crisis are all tied together. All solutions must start with treating people with dignity. We call on you to ensure the following immediate and long-term measures:

Suspend the rate case indefinitely.

We support the Office of the People's Counsel Joint Emergency Petition to Suspend the Pepco rate case (FC 1156). It will be impossible to determine the extent of the detrimental effects of the COVID-19 crisis and associated [economic downturn](#) on the residents of Washington, DC for months, if not years. It is unknown if or when local advocacy organizations like our own, ANCs, and government agencies will return to 'normal' operations so that a genuine analysis of the impacts on our citizens can be completed. It is thus impossible that a rate case can be adjudicated in a manner that is fair, open, and in accord with due process in the foreseeable future. If approved, the rate increase would occur in Fall 2020. It is unacceptable for rates to increase in the middle of a multi-year economic downturn.

The proposed fixed cost increase to \$21.60 per month would be [among the highest in the country](#), at a time when wholesale electricity prices are “extraordinarily low,” according to the [US Energy Information Administration](#). Per DC's own Office of the Peoples' Counsel, the average utility bill could increase by \$10 a month in the first year. Pepco's rate case centers around electricity load growth projections that were flawed even before recent events. Electricity demand was already increasing at a lower rate than predicted, but recently decreased substantially due to social distancing. Demand is not expected to fully rebound in the near term. At a minimum, the rate case should not be considered without significantly expanded protections for low-income ratepayers, and actual evidence of dedication to energy efficiency and renewables.

Executives and shareholders should pay their fair share.

The proposed rate increase includes an extra reward of over 10% for Exelon's wealthy shareholders and executives. Since the merger of Pepco into Exelon in 2016, the company has expressed to its shareholders a business strategy that includes each of its six subsidiaries filing for rate cases [over multiple cycles](#), leading market analysts to [peg the value of its stock at nearly 25% over its April 30 trading price](#), and it continues to issue dividends to its investors, [the next scheduled for June, 2020](#). It is unacceptable to be making that level of profit from those who can't afford what should be a public service. Why are investors guaranteed a profit while the public bears all of the risks of the crisis, and all of the costs of Pepco's infrastructure expansion? High-level executives should have their salaries reduced - voluntarily or not. The Commission should permanently eliminate Pepco's guaranteed shareholder profits.

No new disconnections and immediate reconnections.

DC residents will experience financial hardships long after the public health crisis is technically over. We need electricity to live a dignified life, and no one should do without because they can't afford it. The [DC Council's legislation](#) is a good start, but must be extended and expanded. All customers who have been disconnected must be reconnected immediately. Disconnections should be suspended indefinitely.

Don't punish low-income residents.

Nobody should have to endure financial hardship to have access to electricity. It is wrong for a corporate utility to profit while its most vulnerable customers go into debt. Eliminate late fees, security deposits,

and negative credit reporting. These are unfair punishments that burden low-income residents for using an essential service. All residential utility debt accrued prior to and throughout the public health, economic, and climate crises should be forgiven, allowing residents to recover and rebuild with a clean slate.

Ensure racial justice.

People of color [pay disproportionately more of their income to energy bills](#), and are [disproportionately put at risk of exposure to COVID-19](#). Both disparities are [especially true in DC](#). All solutions to utility affordability must ensure that marginalized groups benefit. Furthermore, low-income ratepayers should be provided with energy efficiency, weatherization, and renewable energy opportunities to lower their bills, and build resilience.

Be transparent.

We need to know the facts on the ground as this crisis unfolds. Pepco must transparently and regularly report data on: How many customers' disconnections were avoided because of the moratorium; the total number of reconnections; the total ratepayer debt accrued over the crisis; and the total number of customers in debt.

Ensure worker safety.

Pepco must provide workers with adequate paid sick leave and full medical coverage during the crisis. All workers must be provided with adequate PPE. Sequestered employees must be provided with adequate food and shelter. All non-critical maintenance work must be suspended throughout the health crisis, especially work that involves contact with the public.

Build a green recovery.

In keeping with the DC PSC mission to “serve the public interest,” we should be building towards equitable provision of clean energy, good jobs, and energy democracy. If Pepco is willing to threaten the clean energy future of the city and its residents in order to be able to shake down the city's most vulnerable, DC should reconsider whether Pepco deserves to hold a monopoly over a public good. Municipalizing its power would allow the city to reinvest its profits into its own energy infrastructure, ensure clean air across all of DC's neighborhoods, and create jobs to help build the recovery that we all need.

As public service commissioners, you are serving the public at an extraordinary time, and you have a responsibility to act. Continuing business as usual in this unprecedented time would be irresponsible. We urge you to approve Movants' petition to suspend this case and build toward a public utility that works for everybody.

Sincerely,

DC Residents and Members of the #NoPepco Coalition