

## **Kim Alfonso**

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June 7, 2020

Commissioners  
Public Service Commission of the District of Columbia  
1325 G Street N.W., Suite 800  
Washington, D.C. 20005

**Re:** Pepco's Formal Case # FC1156 -151

Commissioners:

Our city never ceases to amaze me. I am struck by the resilience of our residents, the joy of neighbor helping neighbor and the grace of our Mayor as she leads us through multiple crises. I am in awe of our vibrant communities, where people care about one another.

I am a 4<sup>th</sup> generation Native Washingtonian and grew up in Ward 4. Both my husband and I operate small businesses in Washington, DC. My company, Results One LLC provides training, consulting and IT services around accessibility, diversity and inclusion and ADA compliance. We live in the District and have raised our college-aged daughter in DC.

I am honored to serve on several Boards and most recently I served as the Chair of Small Business and Personal Services on the Mayor's Reopen DC Advisory Group. One of the boards of which I am most proud to serve is the Greater Washington Black Chamber of Commerce, which promotes economic development in the black community through education, enterprise and entrepreneurship. This organization has placed me in touch with many diverse business owners, who are working resiliently to sustain their companies every day. Now, during this Covid economy, this has become an even more daunting task for large and small businesses, alike.

For those of us who live, work and thrive in the District of Columbia, our city's very fabric is built on the small businesses who employ workers, build homes, pave roads, operate restaurants, and provide a myriad of professional services to improve lives. It is with these entrepreneurs in mind that I salute Pepco's multi-year filing before the Public Service Commission of the District of Columbia. This plan reflects the forward thinking and vision of Pepco's management as they plan for the energy needs of our city.

Acknowledging the challenges, which we are all confronting, Pepco is proposing to freeze its rates and offer new programs to help mitigate the impact on small business and provide assistance to financially-challenged customers to allow recovery to begin. These are difficult economic times and Pepco's proposal speaks directly to the needs of our residents and our vulnerable small business community, struggling to managing in the face of a relentless pandemic and now, ongoing civil unrest flamed by a leader who seeks to divide us along racial lines.

Under the current rate reimbursement system, Pepco performs the work needed to maintain and enhance the power grid; then, asks the Public Service Commission to allow it to recover its incurred costs. What is being proposed under the new multi-year plan would require the company to submit a budget for system innovations for several years, through 2022, and inform its customers of what rates to expect. This is definitely more forward looking; since, everyone will know upfront what we are buying before we buy it. This is how I run my company and, I dare say, how most of us budget for household expenditures.

Similar types of forward-looking plans are already benefitting customers in 39 states across the country. Additionally, after giving their stamp of approval to a comparable plan early this year, Maryland regulators stated that they were simply catching up with other states that have more modern rate structures. They called it a "historic step towards advancing ratemaking." As the nation's capital, certainly, the District of Columbia would want to join these other states in adopting the multi-year plan's progressive method of ratemaking.

So, what does all of this mean for small businesses and residents? Well, Pepco is proposing a myriad of economic stimulating and sustaining elements in the multi-year plan. For example, the company will extend or create new payment plans to provide businesses with up to 24 months to pay down any outstanding balances accrued during the pandemic. And, they are offering to extend a Budget Billing program to help small businesses moderate payment. Further, small business will have the ability to defer the distribution portion of their bill for up to two months and the balance can be paid over an 18 month period. This is important to high energy consumption businesses like restaurants, retailers and commercial office buildings. What this program does is it provides some leeway to companies struggling with high energy bills as they are working their way back into operations.

One of the provisions in Pepco's multi-year plan, which is near and dear to my heart, is their offering of a 0 percent interest loan program to small businesses for energy efficiency projects. This means that businesses can secure a zero percent loan to purchase energy efficiency products such as new windows and doors for apartment and commercial office buildings and roof top solar and energy efficient lighting to reduce their carbon footprint.

Simply put, the multi-year plan is good for business and good for the District. Through it Pepco is forgoing \$25 million in rate increases and freezing their rates until 2022. They

are continuing their ongoing commitment to contracting with local and diverse suppliers, which exceeded 37 percent in 2019. Equally as important, they are on track to creating more than 800 jobs.

It is the flexibility of the multi-year plan, which enables Pepco to make these innovative adjustments for the District; and, none of these things are possible under the current structure. So, we are ready for change. Change that improves the District's economy, change that freezes customer's rates, change that employs our residents, and change that fosters diverse supplier contracting.

Members of the Commission, I ask that you review Pepco's proposal with an eye toward balancing the interrelated interests of impacted customers with those of our local utility. Certainly, today, more than at any other time, the need for change clear. This is the time for forward-thinking action, if we are to turn the corner to an economically vital future together.

Sincerely,

A handwritten signature in blue ink that reads "Kim Alfonso". The signature is written in a cursive, flowing style.

Kimberly Alfonso  
CEO, Results One LLC