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May 27, 2021

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: FC 1119 -Merger Commitment 56(c)

Dear Ms. Westbrook-Sedgwick:

This letter is being filed by Potomac Electric Power Company (Pepco or the Company) and is intended to notify the Commission with respect to certain merger commitments regarding reliability and reliability spending for the period 2016-2020. Specifically, the relevant merger commitment, 56(c), which relates to both commitments 54 (SAIDI and SAIFI) and 55 (spending), is as follows:

By June 30, 2021, Pepco shall file with the Commission a comprehensive report on the reliability performance and prudence of actual spending levels for 2016-2020 to allow the Commission to determine whether the escrowed funds should be returned to the Formal Case No. 1130 MEDSIS Pilot Project Fund Subaccount or returned to the Company.

As shown in the tables, below, Pepco has exceeded both its commitments with respect to reliability (SAIDI and SAIFI) and has kept its reliability-related spending below the merger commitment levels, approved by the Commission, by approximately \$98 million. As a result, no funds have been escrowed and therefore the report required by merger commitment 56(c) is not required.

| Pepco DC SAIDI and SAIFI - Actuals vs Merger Commitment Targets | | | | | |
|---|------|------|------|------|------|
| Pepco DC | | | | | |
| Actuals | 2016 | 2017 | 2018 | 2019 | 2020 |
| SAIDI | 115 | 58 | 52 | 77 | 44 |
| SAIFI | 0.82 | 0.55 | 0.53 | 0.59 | 0.40 |
| | | | | | |
| Pepco DC | | | | | |
| Merger | | | | | |
| Commitment | | | | | |
| Targets | 2016 | 2017 | 2018 | 2019 | 2020 |
| SAIDI | 120 | 107 | 97 | 87 | 79 |
| SAIFI | 0.91 | 0.82 | 0.74 | 0.66 | 0.58 |

Pepco DC Capital Spend - Reliability 2016 2017 2018 2019 2020 Total In Millions Actual Actual Actual Actual Actual \$ 96.10 \$ 92.35 \$ 127.68 \$ 137.34 \$ 90.04 Pepco DC \$ 543.51 Merger Commitment 2016 2017 2018 2019 2020 Total In Millions

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

\$ 129.80

Sincerely,

/s/ Dennis P. Jamouneau

\$ 158.50 \$ 163.30

\$641.60

Dennis P. Jamouneau

Enclosure

Pepco DC

cc: All Parties of Record

\$ 93.60

\$ 96.40

CERTIFICATE OF SERVICE

I hereby certify that a copy of Potomac Electric Power Company's Letter re Merger Commitment 56(c) was served this May 27, 2021 on all parties in Formal Case No. 1119 by electronic mail.

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/s/Dennis P. Jamouneau

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