

Dennis P. Jamouneau  
Assistant General Counsel

EP9628  
701 Ninth Street NW  
Washington, DC 20068-0001

Office 202 872 3034  
Fax 202 331 6767  
pepco.com  
djamouneau@pepcoholdings.com

December 9, 2019

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: PEPCAM-2019 and PEPIA-2019**

Dear Ms. Westbrook-Sedgwick:

Pursuant to 15 DCMR § 3904.6, Potomac Electric Power Company ("Pepco" or "Company") hereby requests approval by the Public Service Commission of the District of Columbia ("Commission") of the selection of SB & Company, LLC ("SBC") an independent public accounting firm, to conduct an examination and prepare a limited engagement report of the Company's books and the books of any of the Company's affiliates that have entered into a transaction with Pepco during the twelve months ended December 31, 2019, to ensure compliance with the provisions of Chapter 39 of the Commission's Code of Conduct regulations related to Section 3904, Cost Allocation and Accounting.

SBC is a multi-cultural certified public accounting and business advisory firm serving the Mid-Atlantic region. SBC was founded in 2005 by former "Big 4" international accounting firm professionals. The firm is headquartered in Owings Mills, Maryland with offices in Washington, DC, Philadelphia, Pennsylvania, Richmond, Virginia, and Hollywood, Florida. The firm employs approximately 100 individuals and serves large, complex clients providing audit, tax, risk consulting and business consulting services across three major industries: Commercial, Government and Not-for-Profit. SBC is one of the largest certified Minority Business Enterprise ("MBE") CPA firms in the United States.

The Company signed a formal engagement letter with SBC which is contingent upon receiving Commission approval. The nature of the engagement and the scope of the work would be tailored to the requirements of Section 3904. Specifically, the management of Pepco will prepare a Schedule of Affiliate Transactions between Pepco and any of its affiliates for the twelve months ended December 31, 2019 ("the Schedule") and will make a formal written assertion ("Management's assertion") that the Schedule reflects the proper allocation of costs in compliance with the Company's Cost Allocation Manual ("CAM") and Section 3904 of the Commission's Code of Conduct. SBC will examine Management's assertion related to the

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Schedule, determine whether Management's assertion regarding the proper allocation of costs is fairly stated, and prepare the limited engagement report ("the attestation").

In order to perform the examination, SBC must meet the independence standards of the American Institute of Certified Public Accountants ("AICPA") during the period covered by the attestation and during the period of the professional engagement. Pepco is not aware of any non-compliance by SBC with the standards, and SBC indicates that it is in compliance with respect to their potential engagement for this service. Therefore, there is no conflict of interest between SBC and Pepco with respect to matters within the scope of the attestation.

SBC has confirmed its independence to perform audit and attestation services for the Company. Also, Pepco has engaged SBC recently to perform attestation services required in Maryland that are related to schedules the Company prepared associated with affiliate transaction costs charged in accordance with the Company's CAM. In addition, one of the Company's affiliates, BGE, has utilized SBC as the auditor for their annual Strategic Infrastructure Development and Enhancement ("STRIDE") Plan agreed-upon procedures engagement.

For the reasons discussed herein, Pepco requests that the Commission approve the selection of SBC to perform the Company's examination.

Sincerely,



Dennis P. Jamouneau

DPJ/dmb

cc: All Parties of Record

## CERTIFICATE OF SERVICE

I hereby certify that a copy of Potomac Electric Power Company's Request for Approval of Accounting Firm was served on all parties this December 9, 2019 by electronic mail.

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

Frann G. Francis, Esquire  
Apartment and Office Building Association  
of Metropolitan Washington  
1025 Connecticut Ave NW, Suite 1005  
Washington, DC 20036  
ffrancis@aoba-metro.org

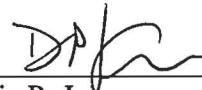
Christopher Lipscombe, Esq.  
General Counsel  
Public Service Commission  
of the District of Columbia  
1325 G Street N.W. Suite 800  
Washington, DC 20005  
clipcombe@psc.dc.gov

Bernice McIntyre, Esq.  
Cathy Thurston-Seignious, Esq.  
Washington Gas Light Company  
101 Constitution Avenue, NW  
3<sup>rd</sup> Floor West  
Washington, DC 20080  
bernice.mcintyre@wglenergy.com  
cthurston-seignious@washgas.com

Sandra Mattavous-Frye, Esquire  
People's Counsel  
Office of People's Counsel  
1133 15<sup>th</sup> Street, NW  
Suite 500  
Washington, DC 20005-2710  
smfrye@opc-dc.gov

Marc E. Biondi, Esquire  
Washington Metropolitan Area Transit  
Authority  
600 Fifth Street, NW, Room 2C-08  
Washington, DC 20001  
mebiondi@wmata.com

Brian J. H. Lederer, Esquire  
International Brotherhood of  
Electric Workers, LOCAL 1900  
3003 Van Ness Street, NW  
Suite W228  
Washington, DC 20008  
brian.lederer@worldnet.att.net



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Dennis P. Jamouneau