



## **PRESS RELEASE**

# **OPC: Pepco's \$81 Million Rate Increase and Proposed Multiyear Rate Plan Unfairly Burdens DC Utility Consumers**

**March 6, 2020**

Washington, DC - In testimony filed today before the DC Public Service Commission (PSC), People's Counsel Sandra Mattavous Frye opposes Pepco's request for a \$81 million rate increase and the establishment of a Multiyear Rate Plan. "Pepco's proposed rate increase is excessive, places an unfair and unacceptable energy burden on DC consumers and should be rejected," she said.

People's Counsel Mattavous Frye added, "OPC will vigorously oppose any proposal that harms consumers or impedes a thorough review of a utility company's request to increase rates. I made it clear when Pepco filed this case, my goal is to ensure that any rate plan authorized by the DC PSC both generates real, tangible benefits for District consumers and supports the District's environmental goals and modernization policies. Pepco's multiyear rate proposal harms consumers, fails to deliver benefits and is not needed in order to meet the District's short- or long-term environmental goals."

In May 2019, Pepco filed an Application to Implement A Multiyear Rate Plan for Electric Distribution Service in the

District of Columbia ("Application") with two separate components: a proposed plan to change the way in which rates are set that would give the Company pre-authorized approval to increase rates each year over a three-year period, called a ("Multiyear Rate Plan" ("MRP")), along with a traditional rate case in which Pepco seeks to increase rates by \$81 million.

After a thorough review of the company's 2,000-page Application OPC has determined that Pepco's multiyear rate proposal is not in the public interest because it: (1) may increase customer bills; (2) weakens the Commission's and OPC's regulatory review process; (3) violates the majority of PSC policy requirements for any new ratemaking proposal; and (4) does nothing to truly support the District's Grid Modernization and Climate Action goals. The Company's expansive construction plan budget does not have one Distributed Energy Resource Project or Non-Wires Alternative such as battery storage or solar.

OPC has further determined that Pepco is entitled to no more than \$25 Million in additional revenues. Shockingly, if Pepco's request is granted, on average, it would increase residential rates by \$10 per month in the first year. This would be followed by pre-approved rate increases over the next two-year period.

OPC will continue to educate consumers about the details of Pepco's proposal and OPC's position through outreach events in all parts of the city. If you want to express your concerns about Pepco's request to change the ratemaking process and increase rates, contact OPC at (202) 727-3071 or [info@opc-dc.gov](mailto:info@opc-dc.gov) and we will inform you how to participate in the process.

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