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OFFICE OF PEOPLE'S COUNSEL RECOMMENDS PEPCO RATE INCREASE REQUEST BE SLASHED BY 82%

(Baltimore, Maryland June 16, 2010):

The Office of People's Counsel (OPC) filed a Brief with the Maryland Public Service Commission (PSC) recommending that the PSC grant PEPCO only 18% of the electric rate increase it filed for on December 30, 2009. PEPCO initially requested an increase in electric rates of just over \$40 million dollars and then subsequently revised its request downward to \$ 28.23 million after taking into account updated financial results. After evaluating the evidence and providing the testimony of its own expert witnesses, OPC recommended that the PSC grant no more than a \$5.05 million increase in rates.

People's Counsel Paula Carmody noted "the testimony presented by the Office of People's Counsel's witnesses clearly shows that PEPCO's rate increase request was extreme and unsupported by the evidence. The amount we have proposed is sufficient to ensure that PEPCO can maintain its operations and still earn a just and reasonable return permitted under the law. While any rate increase is unwelcome from the residential customers' perspective, at least this minimal amount is supported by evidence of record."

The Maryland Office of the People's Counsel is an independent state agency which represents residential consumers of regulated utility services including electric, gas, telecommunications, and water services, before the Maryland Public Service Commission, other state and federal agencies and the Courts.