

Community *focus*

A Letter from Kim Watson

Dear Business and Community Leader:

The holiday season brings to mind cozy gatherings in a warm home surrounded by family and friends. But with rising energy costs, some families will have trouble paying to heat their homes this winter.

There is good news. Qualified Pepco customers can look for extra help. Recently approved federal legislation increases the assistance amount for participants in the Maryland Energy Assistance Program. Turn to page 2 for details.

For the second consecutive year, Pepco is a proud sponsor of ZooLights, the winter lights celebration at the Smithsonian's National Zoo. ZooLights will make the season bright for 20 nights through December 30. See page 2 for this story.

Our headquarters building at 701 Ninth Street, NW – known as Edison Place – has earned the U.S. Environmental Protection Agency's 2008 ENERGY STAR Award, the national symbol for superior energy efficiency and environmental protection. Find the full story on the back page.

We'd like your feedback on Community Focus. Please visit pepco.com/survey to answer a few questions so that we may improve our publication in the new year.

As always, thank you for reading. Have a wonderful and safe holiday season!



A handwritten signature in black ink that reads "Kim Watson". The signature is fluid and cursive.

Kim Watson
Vice President, Maryland Affairs
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To report an outage: 1-877-PEPCO-62 (1-877-737-2662)
Web Site: pepco.com



Energy Assistance Increases

Pepco customers having problems paying their energy bills can look for extra help this winter.

Recently approved federal legislation increases the average assistance amount for participants of the Maryland Energy

Assistance Program (MEAP) from \$355 to \$550 per family in 2009.

The Maryland Office of Home Energy Programs administers MEAP. Maryland customers seeking help should call their local energy assistance office for details.

Montgomery County: 240-777-4450

Prince George's County: 301-909-6300

For those who need a little flexibility in paying their Pepco bill, we offer payment options such as Budget Billing, Extended Payment and Time Payment Arrangements. Visit pepco.com for information.

Light Up Your Holiday with ZooLights

This winter, don't hibernate... illuminate!

For the second consecutive year, Pepco is a proud sponsor of ZooLights, the winter lights celebration at the Smithsonian's National Zoo.



ZooLights will make the season bright for 20 nights from November 28 through December 30.

This year's festival promises to be even brighter, with new animal light sculptures and thousands more sparkling lights. And Pepco will have an interactive booth with energy-efficiency information.

It's all powered by highly efficient, cool-to-the touch LED lights, which use 90 percent less energy than traditional incandescent light bulbs.

Admission is \$6 for Friends of the National Zoo members and \$12 for nonmembers. Save \$2 on the nonmember price by picking up coupons at participating area Giant Food stores.

Tickets are available to purchase at the Zoo's Visitor Center (Monday-Friday, 9 a.m.-5 p.m.). Tickets also are available through Ticketmaster (www.ticketmaster.com), by phone at 202-397-SEAT or by visiting any Ticketmaster outlet. For more information, visit the Zoo's Web site at www.fonz.org.



This Holiday Season Save with LED Lights

LED lights might cost a little more than traditional lights, but they are more efficient for holiday lighting. Light-emitting diodes (LEDs) are small light sources illuminated by the movement of electrons through a semiconductor material – and they are worth the extra money.

According to ENERGY STAR®, LEDs are very energy efficient when producing individual colors, such as those used in many holiday lights. LEDs use up to 90 percent less energy than incandescent bulbs to produce the same amount of light.

The amount of electricity consumed by just one 7-watt incandescent bulb could power 140 LEDs -- enough to light two 24-foot strings of bulbs.

ENERGY STAR qualified LEDs are worth the extra money because they:

- can last up to 10 times longer than traditional incandescent strands,
- are cool to the touch, reducing the risk of fire,
- don't have filaments or glass so they are much more durable and shock-resistant than other light strings,
- come with a three-year warranty, meaning fewer light string replacements, and
- will absorb their initial cost after about one to two years of use.

Learn more about LEDs by visiting energystar.gov.

We're Committed to Serving You Through Our Community Outreach Efforts

Pepco is committed to working in the community to make a difference in the lives of our customers. We're pleased that our employees continue to contribute their time and effort in serving you through community outreach.

In 2008, nearly 300 Pepco employees contributed more than 5,000 hours of volunteer service, which includes participating in major community events such as the March of Dimes Walk for Babies, the American Heart Association HeartWalk, senior citizen events and Food 4 Families among others. Over the past 11 months, Pepco also has contributed more than \$1.7 million toward community service in Maryland and the District of Columbia.

We also dedicated many resources to support local schools and colleges throughout Maryland and the District of Columbia, providing mentors as well as making presentations through our Speaker's Bureau about Pepco programs and providing volunteers for Career Days and other events.



HeartWalk Raises \$20,000 for American Heart Association

More than 30 Pepco employees and their families participated in the annual HeartWalk for the American Heart Association on Nov. 1. The group, led by Pepco Region Vice President Vincent Orange, walked from Pepco headquarters on Ninth Street to the National Mall and raised nearly \$10,000 in employee pledges. Pepco matched the donations for a total of \$20,000. Pepco Public Affairs Representative Zenayda Mostofi organizes the walk each year in an effort to help the American Heart Association.

Use Candles with Care

Pepco does not recommend the use of candles. Every year candles are responsible for thousands of home fires, some of which sadly result in injuries and death.

Still, we recognize that many people enjoy their use, particularly during the winter holidays. If you use candles, please follow these guidelines.

- Use flashlights and/or battery-powered lanterns instead of candles during a power outage.
- Do not use candles in children's rooms.
- Keep candles a minimum of one foot away from flammable material, such as curtains, furniture, books and clothing.
- Do not use them anywhere near flammable liquids.
- Extinguish all candles before leaving a room, leaving home or going to sleep.



Pepco Helps Spread Good Cheer this Holiday Season

Pepco this year partnered with NBC 4 and other organizations in a food drive to provide Thanksgiving dinners to needy families in the Washington area. Food baskets were distributed through the Salvation Army and other local charities during the days before Thanksgiving. Each basket contained a turkey, fresh greens, sweet and white potatoes, dressings, canned goods and other Thanksgiving essentials. Nearly 2,500 baskets were distributed.

Pepco also partners with St. Patrick's Church to distribute new toys to needy children in the Washington, D.C., and Prince George's and Montgomery counties. Last year, 400 toys were handed out.

Watson Speaks to Prince George's County Council

Kim Watson, Pepco Vice President, Maryland Affairs, briefed the Prince George's County Council on Pepco's programs to help low- and moderate-income customers cope with the rising cost of energy this winter. Watson provided information on payment plans that allow flexibility for Pepco customers and government assistance programs that provide relief to qualified families.

In 2009, Maryland will receive more than \$109 million in federal energy assistance – more than three times the 2008 allocation. Still, county officials are concerned that there will not be enough funds to address the growing need. Watson discussed the annual Pepco Golf & Tennis Classic fundraiser and explained that the tournament raised \$65,000 to benefit Prince George's County residents this winter.

County Council Chair Samuel E. Dean requested the briefing.

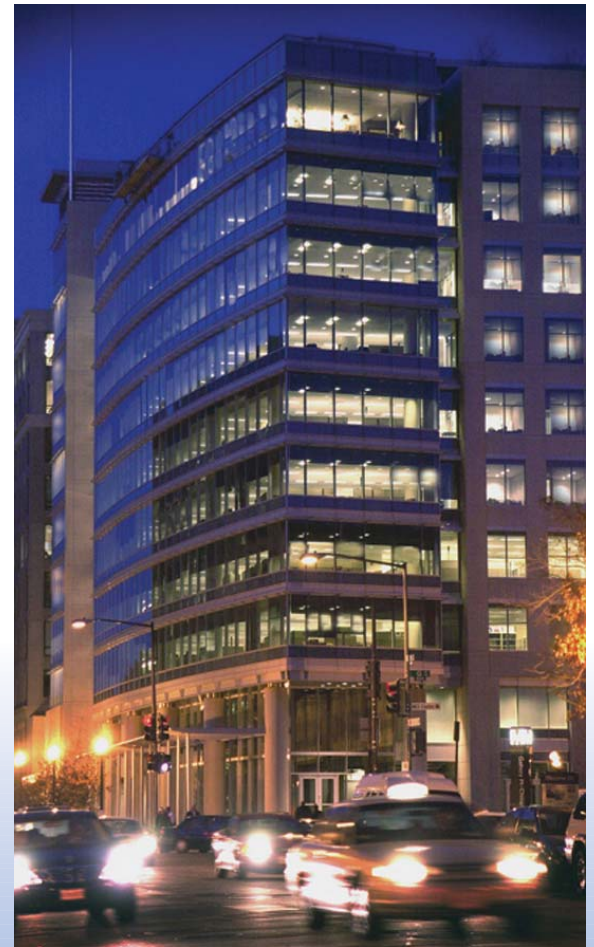
Pepco's Watson said, "I thank the Council chair for allowing Pepco to address the Council and share this important information with the community." Replays of the briefing were immediately run on the County television station.

Edison Place Receives ENERGY STAR® Award

Edison Place, the state-of-the-art and energy-efficient headquarters of PHI, has earned the U.S. Environmental Protection Agency's (EPA's) prestigious 2008 ENERGY STAR Award, the national symbol for superior energy efficiency and environmental protection.

ENERGY STAR is a joint program of the U.S. Department of Energy and the EPA that helps individuals and companies save money and protect the environment through energy-efficient products and practices.

At Edison Place, special attention has been paid to installing energy-efficient light bulbs and ballasts on all floors and occupancy sensors in every office and the majority of the building's conference rooms. Adjustments also have been made to all of the controls to increase the efficiency of the building's heating, ventilation and air conditioning systems. This year, since Edison Place began its full-scale energy-efficiency initiative, Pepco has saved the equivalent of more than 770,000 kilowatt-hours. That is equivalent to providing electricity to power 60 average-size, single-family homes for a year.



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