

LINES

PEPCO.COM

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What Is Standard Offer Service?

Did you know Pepco delivers electricity but does not generate it?

Pepco sold its generating plants nine years ago with the advent of deregulation, which gave customers the opportunity to choose their electricity supplier.

Customers who do not choose a supplier receive Standard Offer Service or SOS. This means that Pepco not only delivers your electricity, but purchases power for you in the wholesale market.

Maryland law requires Pepco to buy electricity for its SOS customers from wholesale suppliers annually, using a competitive bidding process. These suppliers own power plants and produce electricity, or they buy and sell it on the wholesale market. The cost of SOS is passed directly to customers.

SOS rates are reset twice a year. New summer SOS rates take effect on the monthly bill beginning June 1 and run through October 31. Winter rates take effect on the monthly bill beginning November 1 and go until May 31.

For more information on SOS rates, visit pepco.com.

Pepco and W*USA9 Team Up for Pepco POWERCAST

Pepco is partnering with W*USA9 to bring you the "Pepco POWERCAST" on pepco.com.

The "Pepco POWERCAST" features Chief Meteorologist Topper Shutt and the W*USA9 weather team with the very latest weather information, including the 7-day outlook to help you plan ahead.

You can also view Pepco outage maps during severe weather events, and get energy-saving tips.



This online weather and power outage service is the only one of its kind in the nation, and is an excellent example of a cooperative effort between a major market television station and an electric utility.

Weather forecasts are added every day and updated several times a day during severe weather. You can also view the "Pepco POWERCAST" at wusa9.com.

Residential Customers Get Bill Credits

Maryland residential customers are receiving a one-time credit on their August bill resulting from a legal settlement with Mirant Corp., the company that purchased Pepco's power plants in 2000.

Customers who use an average 1,000 kilowatt-hours of electricity a month will receive a credit of \$30.36. However, the exact amount of the credit will vary depending on each customer's usage.

In June, Maryland customers started receiving the monthly "RGGI Rate Credit" of \$1.50 on their Pepco bill. This credit helps offset surcharges for the cost of programs to decrease energy demand and promote clean energy in Maryland.

RGGI stands for Regional Greenhouse Gas Initiative which receives funds from the sale of CO₂ emission allowances by the state.

Summer Heat Can Bring Power Outages

Sometimes, even on clear days, there can be power outages. Here are some of the causes of summer outages, other than storms:

- Circuit failures (and lightning strikes) can weaken equipment, rendering it unable to cope with extreme electricity demands, leading to outages.
- High temperatures can cause equipment such as transformers to overheat and fail, and other equipment such as cables to stretch, increasing the size of minor flaws in insulation and connections, causing a short circuit.
- Small animals, such as squirrels, can come in contact with energized equipment, which interrupts service.

Through equipment maintenance and other procedures, Pepco crews work diligently throughout the year to prevent outages. When outages do occur, we are ready to get the lights back on as safely and quickly as possible. For tips on how to prepare for outages, log on to pepco.com.

Become an Energy Detective

Looking to save energy and keep utility bills down? Summer is a good time to investigate how you use energy. As you examine the evidence, ask yourself these questions:



- 1.** Has there been a change in your living pattern?

You may have kids home from college or you may be working from home. More people at home means more hot water for showers and laundry, and a general increase in electricity use for lights, television, and dishwashing.

- 2.** Have you checked the air conditioning filter?

Dirty filters make your air conditioner work harder. Clean or replace your filter monthly and schedule an annual checkup by a qualified technician.

- 3.** What is your thermostat setting?

During the air conditioning season, Pepco recommends a thermostat setting of 78 degrees, if health permits.

- 4.** Have you added or replaced a major appliance?

If you purchased a plasma television for your home, be aware that some models use more than four times the electricity of a standard TV set.

- 5.** Do you leave certain appliances such as cell phone chargers or high-tech gadgets plugged in when not in use?

Unplug these devices. They are known as "energy vampires" and they consume electricity even when they are turned off or in standby mode.

For more ways to save energy, visit pepco.com and click on My Account.

Get Credit for Using Energy Wisely

Pepco is launching a five-year program that will provide significant reductions in power demand at peak times of the day.

It's called Energy Wise Rewards™, and it's part of the EmPOWER Maryland Initiative launched by Maryland Governor Martin O'Malley. The EmPOWER initiative's goal is to reduce energy consumption in the state by 15 percent by the year 2015.

Energy Wise Rewards is open to Maryland residential customers who have central air conditioning or central heat pumps and voluntarily register for the program. Customers can select either an outdoor cycling switch or an indoor smart programmable thermostat.

Both devices allow Pepco to "cycle off" a participant's central air conditioning system during critical peak energy use hours, but keep the air circulation fan running. This means customers will help reduce high demands during the hottest days of summer when energy conservation is needed.

Participants will receive a credit of up to \$160 on their Pepco bill, depending on which of three program tiers they select. By taking advantage of the latest conservation technology, customers will help avoid paying for expensive new power plants.

Look for enrollment information in the mail in the coming months. For more information about the Energy Wise Rewards Direct Load Program, call 1-866-353-5798 or visit pepco.com