



For Immediate Release:

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Media Statement:

**AOBA Agrees to Terms of Exelon Acquisition of Pepco,
with Many Concerns Addressed**

AOBA is pleased that many of the concerns we had with this acquisition have been satisfactorily addressed in today's Settlement Agreement.

Specifically, AOBA is pleased that the Agreement provides for:

- Exelon to exceed the Commission's reliability standards on an annual basis through 2020. Customers may now expect reliability expenditures to be tied to performance measures annually.
- Improvements to the Corporate Governance structure that strengthen Pepco's independence.
- A commitment to support the DC Public Service Commission's stated goal to move "in a deliberate and reasonable fashion over a series of Pepco rate cases to put an end to negative class rates of return (RORs)." This minimizes the impact of future increases on commercial customers.
- A greater commitment to the District of Columbia through a Customer Investment Fund that is more than double the amount that Exelon ultimately proposed and which, among other things, provides substantial rate credits for apartments that are master metered.
- Exelon to track the forecasted "synergy savings" for two years longer than initially proposed.

"We are happy that the terms of this Settlement Agreement protect master metered apartments, including condominiums, by providing rate credits against future increases. In addition, with the support of the DC government and Exelon, this Agreement preserves and enhances the DC Public Service Commission's stated policy to gradually end negative class rates of return that unduly burden commercial ratepayers, said Margaret "Peggy" Jeffers, Executive Vice President, AOBA.

AOBA is the local affiliate of the Building Owners and Managers Association International (BOMA) and the National Apartment Association (NAA). For more info on the Association, please visit www.aoba-metro.org.