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## PUBLIC SERVICE COMMISSION

### Pepco and Delmarva Rate Stabilization Fact Sheet for Residential Customers

#### Electric Choice and Competition Act

- ◆ In 1999, the Maryland General Assembly passed the Electric Customer Choice and Competition Act, which deregulated the generation of electricity.
- ◆ If a customer does not select a competitive supplier, they will receive Standard Offer Service (SOS) through Pepco or Delmarva. Through a competitive bidding process, electric suppliers compete to provide market priced electric SOS for Maryland customers.
- ◆ Based on the competitive bidding process, as of June 1, 2006, a typical Pepco residential bill will increase by approximately 39% or \$468 annually. For Delmarva residential customers, a typical electric bill will increase approximately 35% or \$464 annually.

#### Pepco and Delmarva Rate Stabilization Plan

- ◆ The Commission adopted a Rate Stabilization Plan for Pepco and Delmarva residential customers to allow customers the option of more gradually adjusting to market rates. Customers participating in the program will eventually pay the entire amount they have deferred. The amount deferred will be spread out over an 18-month period from June 1, 2007 to November 30, 2008, and added to their regular bills during that period. For participating customers, no interest will be charged on the deferred amount.
- ◆ Customers who choose to participate in this plan will see the following rate increases:
  - ✓ June 1, 2006 to February 28, 2007 15% increase
  - ✓ March 1, 2007 to May 31, 2007 an additional 15.7% increase
  - ✓ June 1, 2007 full market rate, deferred charges will be recovered over an 18 month period
- ◆ Customers who do not contact the utility to participate in the plan will pay the market rate starting June 1, 2006.
- ◆ Customers who choose to participate in the program will see a credit on the distribution portion of their bill. These credits will be listed separately from the electric usage on the bill.
- ◆ Customers participating in the budget billing program or who choose an alternative supplier can still participate in the rate stabilization plan.
- ◆ In order to participate in the rate stabilization plan customers need to contact Pepco or Delmarva from May 1, 2006 to July 15, 2006. Pepco customers can call 1-866-828-2509 or they can enroll online at [www.pepco.com](http://www.pepco.com). Delmarva customers can call 1-866-380-1074 or enroll online at [www.Delmarva.com](http://www.Delmarva.com). Customers must have their account number to enroll in the plan.

For more information or to enroll visit Pepco's website at <http://www.pepco.com/home/choice/md/sosphasein/>  
or Delmarva's website at <http://www.delmarva.com/home/choice/md/sosphasein/>.