

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2014 Legislative Session

Resolution No. CR-51-2014
Proposed by Council Member Olson
Introduced by Council Members Olson, Lehman, Harrison, Turner, Campos and Davis
Co-Sponsors _____
Date of Introduction June 3, 2014

RESOLUTION

1 A RESOLUTION concerning

2 Public Service Commission Action on the

3 Proposed Sale of PEPCO to the Exelon Corporation

4 For the purpose of expressing the Prince George's County Council's position strongly
5 encouraging the Public Service Commission to condition the proposed sale on the provision of
6 substantial ratepayer benefits and cost recoveries for investments that are tied to performance.

7 WHEREAS, on April 30, 2014, it was announced that the Exelon Corporation had agreed
8 to purchase PEPCO for \$7.2 billion; and

9 WHEREAS, the proposed purchase is subject to several approvals. The transaction requires
10 the approval of the stockholders of Pepco Holdings. Completion of the transaction is also
11 conditioned upon approval by the Federal Energy Regulatory Commission, the District of
12 Columbia Public Service Commission and several state commissions including the Delaware
13 Public Service Commission, the Maryland Public Service Commission and the New Jersey
14 Board of Public Utilities. The transaction is also subject to the notification and reporting
15 requirements under the Hart-Scott-Rodino Act and other customary closing conditions. The
16 companies anticipate closing in the second or third quarter of 2015; and

17 WHEREAS, the Maryland Public Service Commission's most fundamental responsibility is
18 to ensure that providers of electricity distribution provide high quality service at reasonable rates.
19 The quality of electric service is critical to the quality of life in Prince George's County; and

20 WHEREAS, electricity reliability promotes public health, public safety, the public welfare,
21 and our County's competitiveness in the region. Prince George's County residents expect and
22 deserve a top performing utility.

23 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
24 County, Maryland, that the County Council urges the Public Service Commission to exercise its
25 authority on behalf of Prince George's County residents and to require, as a condition of
26 approval of the sale of PEPCO to the Exelon Corporation, should the Commission find the sale
27 in the public interest, that the Exelon Corporation provide substantial ratepayer benefits,
28 including but not limited to, quality of service equivalent to a top quartile utility within 3 years,
29 and that cost recoveries for investments necessary to achieve that outcome be tied to
30 performance.

31 BE IT FURTHER RESOLVED that copies of this Resolution be sent by the Clerk of the
32 Council to the Public Service Commission, Governor Martin O'Malley, Senate President
33 Thomas V. Mike Miller, Jr., Speaker of the House Michael E. Busch, Prince George's Senate
34 Delegation Chair Douglas J.J. Peters, Prince George's House Delegation Chair Jolene Ivey,
35 Prince George's County Executive Rushern L. Baker, III, the Presidents of PEPCO and the
36 Exelon Corporation.

Adopted this ____ day of _____, 2014.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Mel Franklin
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council