150-03-09/DCresREV RG 4-3

New Rates for D.C. Standard Offer Service Take Effect June 1, 2009; Summer Rates Return with June Billing

Pepco's Standard Offer Service (SOS) supply rates for District of Columbia residential customers will increase June 1, 2009. If you have not chosen an alternative electricity supplier, you are on Standard Offer Service and Pepco buys electricity for you, charging you rates approved by the District of Columbia Public Service Commission. The cost of Standard Offer Service supply is shown in the "Generation Services" and "Transmission Services" portions of your electric bill.

The new rates are based on market prices obtained through a competitive bidding process overseen by the Public Service Commission. The average monthly bill for residential customers is expected to increase 2.7 percent, or \$2.72 under the new rates. Monthly residential bills will increase from a current average of \$99.62 today to an average of \$102.34 once the price increases are fully reflected in bills. Of course, each customer's bill is based on individual use, so your bill may change more or less than the average.

To learn more about Standard Offer Service, visit www.pepco.com and check out the District of Columbia Customer Choice section of our site. The Web site also has information on conservation ideas and low-income customer assistance programs. Information also is available at 202-833-7500, between 8:00 a.m. and 7:00 p.m. Monday through Friday.

Listed in the chart below are the new Standard Offer Service rates including a comparison of summer and winter rates. Also, please note that summer rates take effect with the billing month of June. Pepco, as with many other utilities, charges different rates for electricity use in the summer (June-October) than it does in the winter (Nov.-May). Energy costs more in the summer than winter because demand for electricity is higher in the summer. Customers who have selected an alternative electricity suppler are subject only to the Distribution Services charges below, modified as appropriate by the application of the Billing Credit.

Unlike the previous Minimum Charge, the Customer Charge for R and R-AE classes does not include the first 30 kilowatt-hours of consumption. All kilowatt-hours of consumption will be subject to kilowatt-hour charges in the applicable residential rates.

To help current SOS customers evaluate offers from alternative electricity suppliers, your bill contains the "price to compare" for "Generation and Transmission Services."

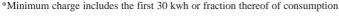
SUMMER

WINTER

	SUMMER	WINIER
	Billing Months	Billing Months
RATE SCHEDULE	(June-October)	(November-May)
RESIDENTIAL "R" - available to single-family homes, individually metered units in m	ulti-family buildings and	to many master-metered apartments.
Distribution Service Charges		
Customer charge	\$2.00 per month	\$2.00 per month
First 400 kwh	\$0.00945 per kwh	\$0.00945 per kwh
In excess of 400 kwh	\$0.02796 per kwh	\$0.01942 per kwh
Delivery Tax	\$0.0070 per kwh	\$0.0070 per kwh
Public Space Occupancy Surcharge	\$0.00226 per kwh	\$0.00226 per kwh
Administrative Credit	www.pepco.com for monthly rate	
Sustainable Energy Trust Fund	\$0.00110 per kwh	\$0.00110 per kwh
Energy Assistance Trust Fund	\$0.00040 per kwh	\$0.00040 per kwh
Transmission Service Charges		
Minimum charge *	\$0.12 per month	\$0.12 per month
In excess of 30 kwh	\$0.00332 per kwh	\$0.00332 per kwh
Generation Service Charges		
Minimum charge *	\$3.37 per month	\$3.23 per month
In excess of 30 kwh	\$0.11236 per kwh	\$0.10761 per kwh
Procurement Cost Adjustment	www.pepco.com for monthly rate	
Generation Procurement Credit	\$0.000000 per kwh	\$0.000000 per kwh
*Minimum charge includes the first 30 kwh or fraction thereof of consumption	•	-

RESIDENTIAL ALL ELECTRIC SERVICE "AE" - available where electricity is the only source of energy for space heating, or the primary source with use of an add-on heat pump, or solar space heating that is supplemented by electric space heating. Distribution Service Charges

Customer charge	\$2.00 per month	\$2.00 per month	
First 400 kwh	\$0.00945 per kwh	\$0.00945 per kwh	
In excess of 400 kwh	\$0.02796 per kwh	\$0.01552 per kwh	
Delivery Tax	\$0.0070 per kwh	\$0.0070 per kwh	
Public Space Occupancy Surcharge	\$0.00226 per kwh	\$0.00226 per kwh	
Administrative Credit	www.pepco.com for monthly rate		
Sustainable Energy Trust Fund	\$0.00110 per kwh	\$0.00110 per kwh	
Energy Assistance Trust Fund	\$0.00040 per kwh	\$0.00040 per kwh	
Transmission Service Charges		1	
Minimum charge *	\$0.12 per month	\$0.12 per month	
In excess of 30 kwh	\$0.00250 per kwh	\$0.00250 per kwh	
Generation Services Charges	-	•	
Minimum charge *	\$3.35 per month	\$3.14 per month	
In excess of 30 kwh	\$0.11151 per kwh	\$0.10470 per kwh	
Procurement Cost Adjustment	www.pepco.com for monthly rate		
Generation Procurement Credit	\$0.000000 per kwh	\$0.000000 per kwh	
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RESIDENTIAL AID DISCOUNT - STANDARD - RIDER "RAD" - available to customers for 18 months after certification of eligibility by the Government of the District of Columbia for participation in the Low-Income Home Energy Assistance Program (LIHEAP). Distribution Service Charges

Minimum charge *	\$0.19 per month	\$0.19 per month
Next 370 kwh	\$0.00151 per kwh	\$0.00578 per kwh
In excess of 400 kwh	\$0.02850 per kwh	\$0.01947 per kwh
Delivery Tax	\$0.0070 per kwh	\$0.0070 per kwh
Public Space Occupancy Surcharge	\$0.00226 per kwh	\$0.00226 per kwh
Administrative Credit	www.pepco.com for monthly rate	
Generation Procurement Credit	\$0.000000 per kwh	\$0.000000 per kwh
Transmission Service Charges		
Minimum charge *	\$0.05 per month	\$0.05 per month
Next 370 kwh	\$0.00087 per kwh	\$0.00264 per kwh
In excess of 400 kwh	\$0.00421per kwh	\$0.00421 per kwh
Generation Services Charges	-	_
Minimum charge *	\$1.81 per month	\$1.86 per month
Next 370 kwh	\$0.04845 per kwh	\$0.06080 per kwh
In excess of 400 kwh	\$0.11241 per kwh	\$0.09639 per kwh
*Minimum charge includes the first 30 kwh or fraction thereof of consumption		_

RESIDENTIAL AID DISCOUNT - ALL ELECTRIC - RIDER "RAD-AE" - available to customers for 18 months after certification of eligibility by the Government of the District of Columbia for participation in the Low-Income Home Energy Assistance Program (LIHEAP). Distribution Services Charges

Minimum charge *	\$0.19 per month	\$0.19 per month
Next 370 kwh	\$0.00188 per kwh	\$0.00188 per kwh
401 - 700 kwh	\$0.02040 per kwh	\$0.00770 per kwh
In excess of 700 kwh	\$0.02850 per kwh	\$0.01557 per kwh
Delivery Tax	\$0.0070 per kwh	\$0.0070 per kwh
Public Space Occupancy Surcharge	\$0.00226 per kwh	\$0.00226 per kwh
Administrative Credit	www.pepco.com for monthly rate	
Generation Procurement Credit	\$0.000000 per kwh	\$0.000000 per kwh
Transmission Services Charges		
Minimum charge *	\$0.05 per month	\$0.05 per month
Next 370 kwh	\$0.00040 per kwh	\$0.00040 per kwh
401 - 700 kwh	\$0.00224 per kwh	\$0.00137 per kwh
In excess of 700 kwh	\$0.00358 per kwh	\$0.00358 per kwh
Generation Services Charges		
Minimum charge *	\$1.77 per month	\$1.71 per month
Next 370 kwh	\$0.04787 per kwh	\$0.04602 per kwh
401 - 700 kwh	\$0.09612 per kwh	\$0.06116 per kwh
In excess of 700 kwh	\$0.11011 per kwh	\$0.08157 per kwh
*Minimum charge includes the first 30 kwh or fraction thereof of consumption		_

^{*}Minimum charge includes the first 30 kwh or fraction thereof of consumption

TIME METERED RESIDENTIAL SERVICE "R-TM" - this schedule is mandatory for residential customers who have qualified for residential time-of-use rates (TOU) and includes single-family homes or individually metered units in multi-family buildings. Distribution Services Charges

Customer Charge	\$9.09 per month	\$9.09 per month	
All kwh	\$0.03717 per kwh	\$0.03717 per kwh	
Delivery Tax	\$0.0070 per kwh	\$0.0070 per kwh	
Public Space Occupancy Surcharge	\$0.00226 per kwh	\$0.00226 per kwh	
Administrative Credit	www.pepco.com for mo	www.pepco.com for monthly rate	
Generation Procurement Credit	\$0.000000 per kwh	\$0.000000 per kwh	
Sustainable Energy Trust Fund	\$0.00110 per kwh	\$0.00110 per kwh	
Energy Assistance Trust Fund	\$0.00040 per kwh	\$0.00040 per kwh	
Transmission Services Charges	_	_	
All kWh	\$0.00352 per kwh	\$0.00352 per kwh	
Generation Services Charges			
On-Peak	\$0.13204 per kwh	\$0.11586 per kwh	
Intermediate	\$0.11579 per kwh	\$0.11317 per kwh	
Off-Peak	\$0.10510 per kwh	\$0.10652 per kwh	
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