

A Letter From Vincent Orange

Dear Community Leader:

Pepco is well aware that this is a tough year for many of our customers. With the economy in recession, many are having trouble making ends meet.

We are committed to helping our customers manage their winter energy costs. Visit our Web site at pepco.com and learn more about various payment options such as budget billing, and how to save energy by performing a personalized online energy audit.

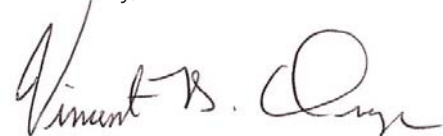
Last year our fall Golf Tournament raised \$210,000 to help area low-income residents pay their winter heating bills. The need will be even greater this year. We are seeking corporate sponsorships for our 2009 Golf Tournament scheduled for September. See page 2 for that story.

Pepco's Guiding Light Leadership Program is in its third year of preparing students for the business world. Fourteen high school seniors from the District of Columbia and Maryland have been paired with a Pepco executive for the hands-on mentoring program that culminates in April. For the full story, turn to page 2.

As always, thanks for reading Community Focus.



Sincerely,

A handwritten signature in black ink that reads "Vincent B. Orange". The signature is fluid and cursive, written over a white background.

Vincent B. Orange, Sr.
Region Vice President,
District of Columbia
202-872-2547

Customer Care: (202) 833-7500

To report an outage: 1-877-PEPCO-62 (1-877-737-2662)

Web Site: pepco.com



Pepco Region Vice President Vincent B. Orange, Sr., leads Pepco's Third Annual Guiding Light Leadership Program.

Giving Students a Leg Up on the Future

Fourteen high school students are getting a first-hand look at the utility industry as part of Pepco's Third Annual Guiding Light Leadership Program, under the leadership of Vincent Orange, Vice President, Pepco Region.

The program provides students the opportunity to interact with seasoned professionals. Students learn proper communication skills, business etiquette and the importance of financial prudence as they embark on a college career.

A Pepco executive is paired with each student for three sessions that began in February. The program culminates in a presentation on their mentor's job.

Pepco will make a one-time scholarship payment to the college or university of the student's choice.

PHI Signs Diversity Contracting Agreement

Joseph M. Rigby, PHI's President and Chief Executive Officer, recently joined representatives from several Maryland utilities in Annapolis to sign a Model Memorandum of Understanding (MOU) setting supplier diversity goals. PHI is Pepco's corporate parent.

The MOU requires signatories to aspire to contract 25 percent of their total procurement with minority, women and service-disabled veterans, along with handicapped/sheltered workshops.

"I am pleased that PHI has been a strategic partner in the development of this voluntary Memorandum of Understanding," said Rigby. "I appreciate the opportunity to reaffirm

Pepco's long term commitment to advancing contracting opportunities for diverse businesses by signing this important document."

Helping Others Meet Their Environmental Goals



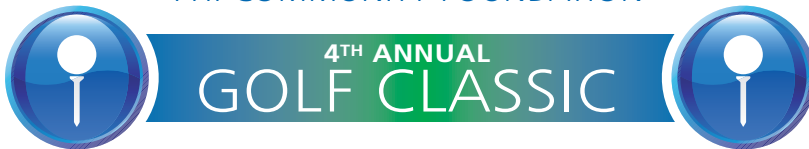
Pepco is helping five equipment suppliers reduce their environmental impact through our participation in the national Green Supplier Network (GSN).

Power Partners, Inc. (PPI), a company that supplies transformers, is one such company. PPI receives advice on operational improvements that emphasizes lean and green production methods. The partnership gives PPI the knowledge to achieve the highest levels of environmental standards.

The Green Supplier Network is a joint venture of the EPA and the U.S. Department of Commerce's National Institute of Standards and Technology Manufacturing Extension Partnership.

Pepco cares about the environment and we are committed to helping the companies we do business with meet their environmental goals.

PHI COMMUNITY FOUNDATION



Pepco Launches 2009 Golf Tournament

The Fourth Annual Pepco Golf Classic will be held September 14 with proceeds from sponsorships going to help low-income residents in the District of Columbia and Montgomery and Prince George's counties pay heating bills next winter.

Pepco is soliciting for corporate sponsorship opportunities for this year's event. For more information about becoming a sponsor, visit pepco.com.

Since its inception the tournament has raised more than \$500,000 that was used to assist area families. The current economy indicates that the need for help with heating bills promises to be even greater next winter.



Energy Conservation Tips.

- Replace incandescent light bulbs with more efficient compact fluorescent bulbs. The life span of a fluorescent bulb also is substantially longer and will save you money.
- Your water heater is the third highest energy expense in your home. Turn the setting down to 130° to save a few dollars each month.
- Wash clothes in cold water instead of hot to save about \$50 a year.
- Be sure to change the filter on your forced-air heating or air conditioning system once a month.

Pepco Hears Customer Concerns About Bills

Customers have called Pepco this winter to inquire about high electricity bills. Many factors may have contributed to bill changes, including:

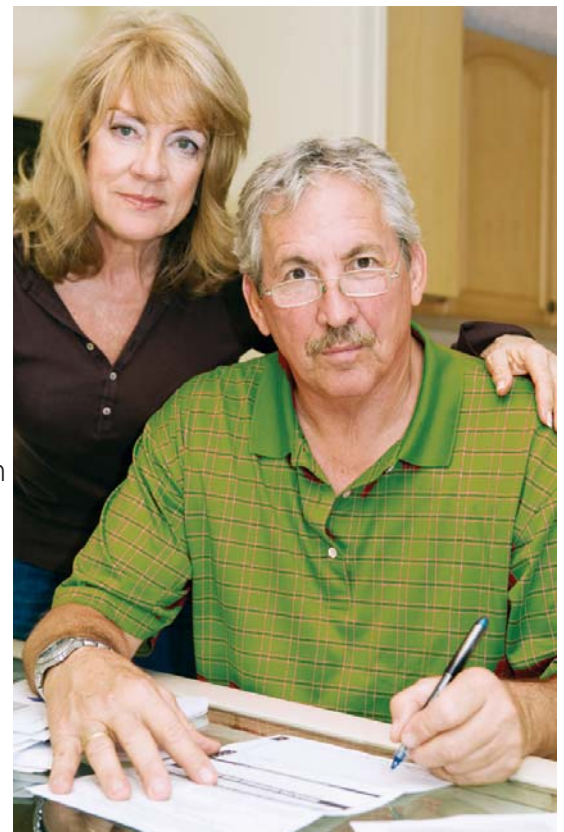
The unusually cold winter.

The National Weather Service reported the month of January to be the coldest January in five years. As a result, heat pumps have been running more frequently, and many people may have spent more time in their homes causing increased electricity usage.

An extended billing cycle. The January bill added about six days to the normal billing cycle of 28 to 32 days. These longer cycles were the result of the many holidays in December and January when we do not read meters.

New electric supply rates. Beginning June 1, 2008, new rates took effect for both Maryland and District of Columbia customers.

Customers can take steps to lower energy consumption. Our free on-line management tool **My Account** lets customers view bill history and see what drives changes in the bill from month to month. Customers also can use My Account to perform an individual home energy audit. Visit pepco.com.



Bill Payment Options

Pepco understands how today's tough economic times affect many of our customers. The company offers a variety of billing and payment options for just this reason.

Budget billing is a popular plan because it allows customers to make a fixed payment each month, therefore avoiding the fluctuation in monthly bills that may come due to increased heating or air conditioning use.

Other billing and payment options include the extended payment plan, direct debit and automatic payments. Contact the Customer Care Center at 202-833-7500 to learn more, or visit pepco.com and click on "Billing and Payments."

New Outage Map Offers Customers More Information

Pepco has posted an improved outage map application on its Web site that provides greater information on outage status and restoration progress.

The new map is more interactive than the previous version and visually richer. Viewers can zoom in as close as one mile from the actual power outage.

By “hovering” their mouse over a location, users will see outage details such as the number of customers without power, ZIP codes affected and crew status information.

Go to pepco.com, click on “View Outage Maps” to check out the new map, which updates every 10 minutes. A tutorial on how to navigate the map is provided.



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