

The TRUTH About Pepco's Proposed \$51.7 Million Rate Hike

Pepco claims it needs to raise its rates by \$51.7 million in order to provide D.C. residents with electricity. **This is a lie.** Pepco and its multibillion-dollar parent company Pepco Holdings, Inc. want to raise rates for the sole purpose of making **even greater super-profits** by bleeding us dry.

The Facts:

- In 2008, Pepco Holdings made \$10,700,000 (\$10.7 billion) in revenues, and \$300,000,000 (\$300 million) in profits.
- In 2008, Dennis Wraase (CEO of Pepco until March 2009) was paid \$9,098,571; that's nearly \$25,000 a day.
- Pepco rates have doubled in the last 5 years.
- 150,000 D.C. residents risked having their electricity shut off this past spring because they couldn't pay their bills.

Corporate Greed is the only reason for the proposed rate hike. Pepco isn't shy to admit that:

"Pepco requires an increase in its electric distribution rates to allow it to cover its costs of providing service including a fair return on its investor-supplied capital. At current rates, Pepco's return on equity (ROE) is just 5.28%, which is far short of the 10% level approved last year by the Commission in Formal Case No. 1053 ... the Company requires a \$51,704,000 increase in electric distribution rates to make up the deficient in its earnings." Application of Potomac Electric Power Company, PSC Formal Case Filing No. 1076-E-1 at 3-4.

Translation: Pepco wants \$51.7 million to increase its profit margin to make investors and banks even richer. And it wants you to pay for it!

Justice First!

Electricity is a right! We live in the capital of the richest and most powerful country in history. No one should be forced to choose between buying food and keeping the lights on at home.

We demand:

**A moratorium on shut offs
50% rollback in rates**

**Justice First
202-265-0333**

Sign the petition and send letters of protest online:
www.pephost.org/pepco

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