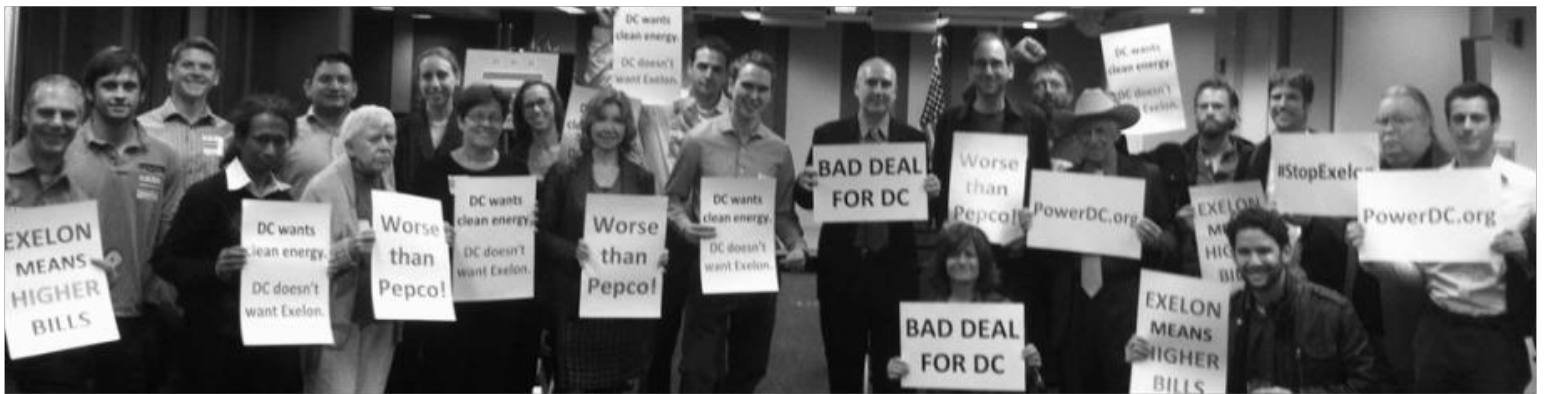


2016

## The Exelon-Pepco Merger Campaign: Lessons Learned from the Field



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## OVERVIEW

In the past 30 years, many utilities have attempted to merge with another utility. Nearly all were successful. These were the long odds facing our small, underfunded group of Washington, D.C. activists who joined together to stop Exelon's takeover of our local utility, Pepco. Our committed group pushed Exelon and Pepco to the brink, twice securing rejections of the takeover from D.C.'s Public Service Commission. Ultimately, the Commission sided with Exelon in a procedurally dubious decision that is still being fought out in the courts.

This two-year-long process is an excellent case study of how clean energy advocates can fight for a more affordable, reliable, and sustainable energy system. It also demonstrates how utility customers can be developed into a powerful constituency. This paper will explore the fight to examine its importance and implications for clean energy advocates across the country.

This paper reviews the past two years of the campaign and describes five key takeaways from the campaign effort:

1. *Build on a real base of activists;*
2. *Empower coalition members;*
3. *Maintain message discipline;*
4. *Challenge decision-makers; and*
5. *Fight for the deeper issues.*

We also included a discussion of the ways in which the Exelon-Pepco campaign is really the beginning of a much larger fight over the future of our energy system. Our work has been part of a rapid change in the utility sector as players throughout the United States begin to grapple with the implications of a democratic, distributed, clean energy grid. Our work on the merger was one of many ways that advocates can intervene and get a foothold in changing the way our energy system is structured. Our experience with the Exelon-Pepco fight has showed us this work is just the beginning.

## CAMPAIGN INTRODUCTION

Exelon is a massive utility and power generation conglomerate. Before the Exelon-Pepco merger more than half of their revenue came from electricity generation, mostly nuclear. With the development of cheap natural gas plants, however, these nuclear plants were becoming increasingly unprofitable. In Illinois and elsewhere Exelon therefore sought to pass the costs of these financially unsound plants onto their utility customers. When customers balked at this tactic, however, Exelon then sought to increase their customer base and spread out the risks over a greater number of customers. Pepco, unlike Exelon, owned no electricity generation assets, and instead earns revenue by distributing electricity to its base of customers in the mid-



**POWER DC**  
powerdc.org  
**#stopexelon**

Atlantic (mostly D.C. and Maryland's D.C. suburbs). Exelon believed by adding more guaranteed revenue from utility customers, the company could mitigate its losses from nuclear generation.

David Roberts at [Grist](#) summarized the situation well:

*Exelon is a big, crappy utility company that's in trouble because it's saddled with a bunch of uneconomic nuclear plants. It wants to buy Pepco, a smaller, better utility, so Pepco's ratepayers can help pay for those uneconomic nuclear plants. Ratepayers and activists in Pepco's service territory — especially Washington, D.C. — rightly see this as a bad deal. Exelon has argued otherwise, but now a new independent think-tank report has pretty much destroyed the company's case.*

In response to Exelon's predatory tactics, a diverse group of DC activist pulled together an ad hoc coalition to fight the merger. Called PowerDC, the group was originally led by climate and clean energy activists and fueled by DC SUN's broad network of solar co-op leaders and members. Over time the group broadened to include ratepayer, democracy, and tenant advocates. While DC SUN chaired the group and maintained the campaign infrastructure, many non-profits participated and brought resources into the highly decentralized, highly democratic citizen rebellion against the merger. Participants included national groups like Public Citizen, regional groups like Chesapeake Climate Action Network, and local groups such as the Grid 2.0 Working Group, DC for Democracy, and Working Families Party. Over time, local community leaders and motivated individuals also joined and strengthened the collaborative fight.



**Figure 1: Pepco service territory included customers in New Jersey, Delaware, Maryland, Virginia, and Washington DC.**

After announcing their desire to purchase Pepco, Exelon then sought approval of the deal from five separate review bodies: FERC and the four public utility commissions that had jurisdiction in areas overlapping Pepco's service territory (New Jersey, Delaware, Virginia, Maryland and Washington, D.C.). The public utility commissions (PUCs) in each jurisdiction operate much like a traditional court, with the commissioners acting as judges over the case. Attorneys for both sides present their arguments for or against the proposed deal, and the PUCs also host public hearings to solicit public info. In a series of private and public evidentiary hearings, Pepco, Exelon, and the groups opposed to the takeover had opportunities to present evidence and cross-examine witnesses.

In D.C., the merger review process started in June of 2014 with the filing of the case before the DC Public Service

Commission (PSC). D.C.'s PSC is comprised of three members appointed by the Mayor. They were charged with reviewing the terms of the proposed deal and ruling whether the merger was in the public interest. To make their decision they held evidentiary hearings for both sides to make the case for or against the proposed deal. They also hosted public hearings to solicit public input on the proposed merger, and accepted public comments via email or mail for the duration of the case.

Most utility mergers garner relatively little public interest and attention. Hearings are sparsely attended and many activists see these types of deals as inevitable. Initially there was some hope that Exelon would improve Pepco's poor customer service and reliability. After learning about their blatant opposition to renewables and history of undermining local control over energy systems, however, DC SUN and other advocates quickly realized we would need to intervene to oppose the merger.

Upon forming the PowerDC coalition, we devised a two-pronged approach to fighting the deal. We engaged on an "inside" track as formal interveners, weighing into the proceeding with legal council and making a clear, reasoned argument for why the merger was not in the public interest. We also devised a public "outside" campaign focused on drawing public attention to the proposed merger and the negative impact it would have on DC residents.



Figure 2: The Chronicle of Philanthropy picked up our story about local nonprofits being pressured to support the Exelon-Pepco merger in exchange for charitable contributions.

Our coalition quickly organized a series of engagement strategies to turn out citizens to testify at a series of public hearings in December 2014 and January 2015. Our broad and deep coalition surprised the utilities, catching them flat-footed. We turned out hundreds of activists to hearings and events and generated thousands of letters to the PSC. In contrast, at each hearing Pepco and Exelon had virtually no public support. The only groups testifying in support of the merger were a number of non-profits that had received charitable contributions from Pepco and had been warned their funding may disappear if the merger did not go

through.

Gavin Blade at [Utility Dive](#) attended many of the public meetings and followed the twists and turns of the case:

*"[The] December meeting of the District of Columbia Public Service Commission (PSC) was packed to capacity. Men in suits sat in tight rows, sweating in plastic seats, fidgeting with their neckties. Protesters lined the back of the room, holding signs that read '#STOPEXELON' and 'BAD DEAL FOR D.C.' The press pen was a cramped corner of carpet. Utility Dive had to push past a crowd of would-be testifiers just to get in the room. Washington, D.C., may be a political town, but even here the PSC meetings aren't usually well attended. The occasion on this day was the city's first public hearing on the proposed acquisition of Pepco Holdings by the Exelon Corporation."*

Although we objected, there was very little we could do when the Boys Club, the United Way, The Latin American Youth Center, and many other highly respected local charities came in to testify in favor of the merger. Many used similar talking points and messaging when highlighting their support. In private, they told us how pressured they felt by the utility to testify and how they needed the utility's donations. But, in public they wouldn't set the record straight. Many critics and observers did point out that the grant recipients were hardly objective witnesses.

Over time, however the utilities got wise to the strength of our organizing. After being slammed by hundreds of irate citizens at the first two public meetings, they hired Judy Smith, the real life crisis manager on whom the TV Series "Scandal" was modeled. Judy was overheard telling her staff at a public meeting in Anacostia—D.C.'s most well known low-income neighborhood—that "they [the PowerDC coalition] outsmarted you and they out hustled you."

*"They outsmarted you  
and they out hustled  
you."*

*—Judy Smith, nationally  
known crisis management  
expert and Exelon's public  
relations advisor  
throughout the merger.*

After Judy Smith came on board and began managing Exelon's public relations around the merger, Exelon began to take the issue of public outreach seriously. They mobilized former Mayor Anthony Williams, got the local business community (particularly developers) on board, and garnered the sympathy of the Washington Post. We estimate Exelon spent at least \$5 million dollars for full-page advertisements in every D.C. paper and for spots on all major radio stations.

At that point, knowing we didn't have the money for a head to head confrontation in the media, PowerDC used our diverse and active coalition to go local. D.C. is governed by a city council and is divided into eight wards. Within each ward the city is divided into 40 Advisory Neighborhood Commissions (ANCs), each with five elected "commissioners." The ANCs are where city politics meet the community and the ANCs have a special role in D.C. governance.

Our volunteers hit every ANC meeting in the city, visiting many of them three or even four times. At each meeting we shared about the threats of the merger and the need for citizens to get involved. ANCs were outraged and 27 of the 40 Commissions passed resolutions opposing the merger. Although Pepco and Exelon started getting word of what we were doing and began to send their Executive Vice Presidents (dressed in fine suits) out to the community, they failed to get any ANCs to pass resolutions in support of the merger. In a city that is extremely divided and where local politics are often very contentious, we consistently won public support in opposition of the merger. It is likely that the ANC strategy was critical to winning initial PSC opposition to the merger, as the PSC, by charter, is supposed to give strong deference to ANC viewpoints.

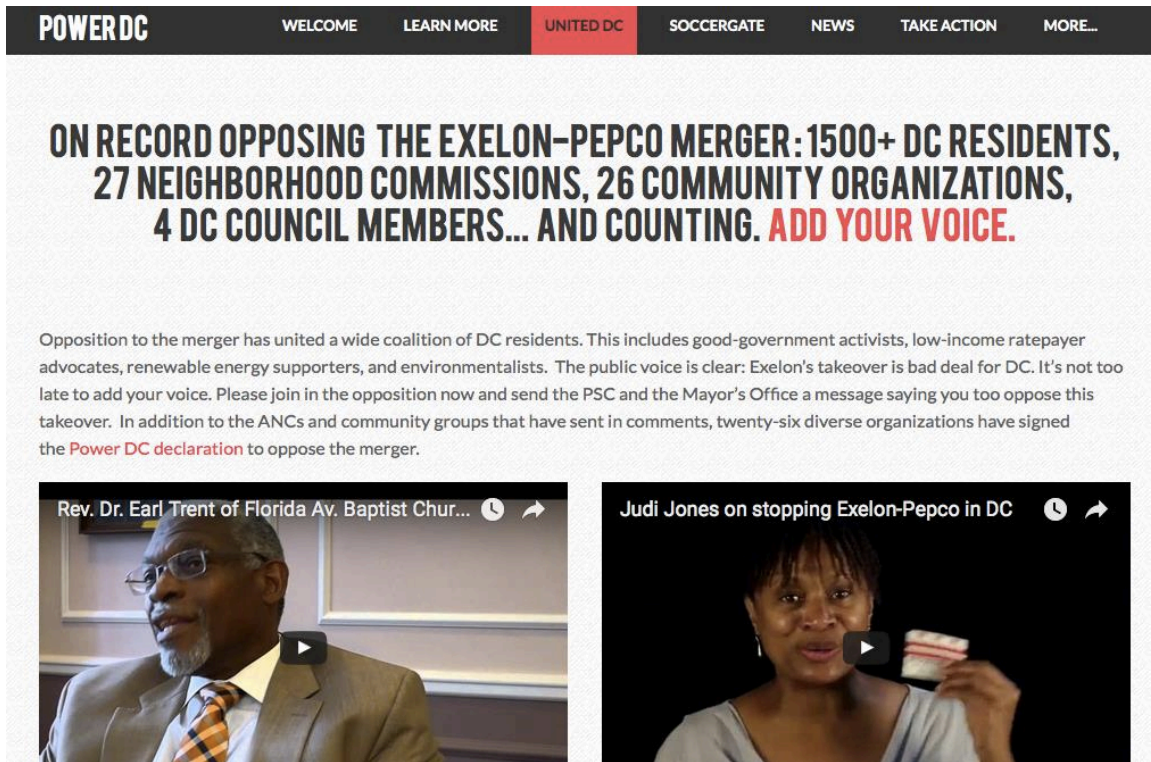


Figure 3: Over half of DC's neighborhood commissions passed resolutions in opposition to the merger.

At the end of the campaign, Exelon resorted to hiring folks off the street and paying them to attend rallies and wear green caps and green T-shirts. When the press interviewed them, most couldn't even explain what the proceeding was about.



Figure 4: Exelon regularly hired citizens to attend hearings and wear gear in support of the merger.

After soliciting public input and conducting evidentiary hearings with the interveners, the Commission then set out to make a ruling on whether to approve or reject the merger. The Commission's review process took a bit longer than a year, with the commissioners making their initial ruling in August of 2015. At that point the commissioners unanimously rejected Exelon's proposal as not being in the public's interest. In their statement they highlighted the important role that citizen activism had played in their decision and the merger proceeding:

**“THIS PROCEEDING HAS GENERATED MORE INTEREST AND MORE ACTIVE PARTICIPATION BY PARTIES AND INTERESTED PERSONS THAN ANY OTHER PROCEEDING IN THE COMMISSION’S MORE THAN A CENTURY OF OPERATIONS.”**

In October 2015, DC’s Mayor Muriel Bowser unexpectedly announced she had struck a settlement agreement with Exelon. The settlement increased Exelon’s payout to DC from \$33 million to \$78 million dollars, included a \$25 million dollar credit to residential ratepayers, and extensive commitments on solar, microgrids and job training. This after-the-fact agreement sent the case back to the Public Service Commission for another review and approval.

In February 2016, the Commission *again* rejected this settlement by a 2-1 vote. But, the commissioners offered their own version of a settlement agreement. The PSC-proposed alternative settlement dropped the rate-hike protection and moved control of all of the solar and microgrid projects away from the Mayor and put them instead under control of the PSC. This settlement was “approved” pending sign off from all sides—including the Office of People’s Council, which advocates primarily for low-income ratepayers.

After intense pressure from PowerDC, the D.C. Government and the People’s Council then announced their opposition to the PSC’s new settlement. Despite this, the Public Service Commission voted 2-1 in March 2016 to accept the settlement it had proposed to the parties. This decision allowed Exelon to take over Pepco. The decision shocked many utility experts and the interveners, especially given that none of the original settling parties agreed to the PSC-proposed alternative settlement. The case is now being

## CAMPAIGN LESSONS LEARNED

The Pepco-Exelon campaign was widely held to be one of the most surprising and effective utility merger campaigns by local and national observers. Rather than a blow-by-blow narrative an analysis of key approaches, we’ve outlined the strategies and tactics that were most useful in our fight.

### LESSON #1: BUILD ON A REAL BASE OF ACTIVISTS

There were many groups involved in the campaign, but one was very different: DC SUN. While the typical nonprofit can turn out campaign staff and a handful of faithful volunteers over the course of a campaign, DC

SUN had spent the previous seven years building an energy advocacy infrastructure via a targeted intervention: solar co-ops. A solar co-op starts when a group of people goes solar together and gets a discount. DC SUN helps them through the process and, along the way, educates them on energy policy. It is intense volunteer and community-driven work that, while not expensive, takes time. In the end, each co-op group is a semi-autonomous node in a distributed network made up of members



that are well-educated, passionate solar supporters who have a direct stake in their community's energy future.



Figure 5: DC SUN's co-op process has created a large grassroots base of advocates that were deployed in the Exelon fight.

The beauty of the approach is that, when the time comes to mobilize over shared concerns, such as fighting Exelon's takeover bid, each co-op has community spokespeople and a network of activists from which to draw. Each co-op feels responsible to represent their node, to articulate their viewpoint, and to turn out their community. So, while the other nonprofits turned out their staff and the same key volunteers to event after event, DC SUN had a nearly inexhaustible supply of volunteers and community leaders ready to fight for solar.

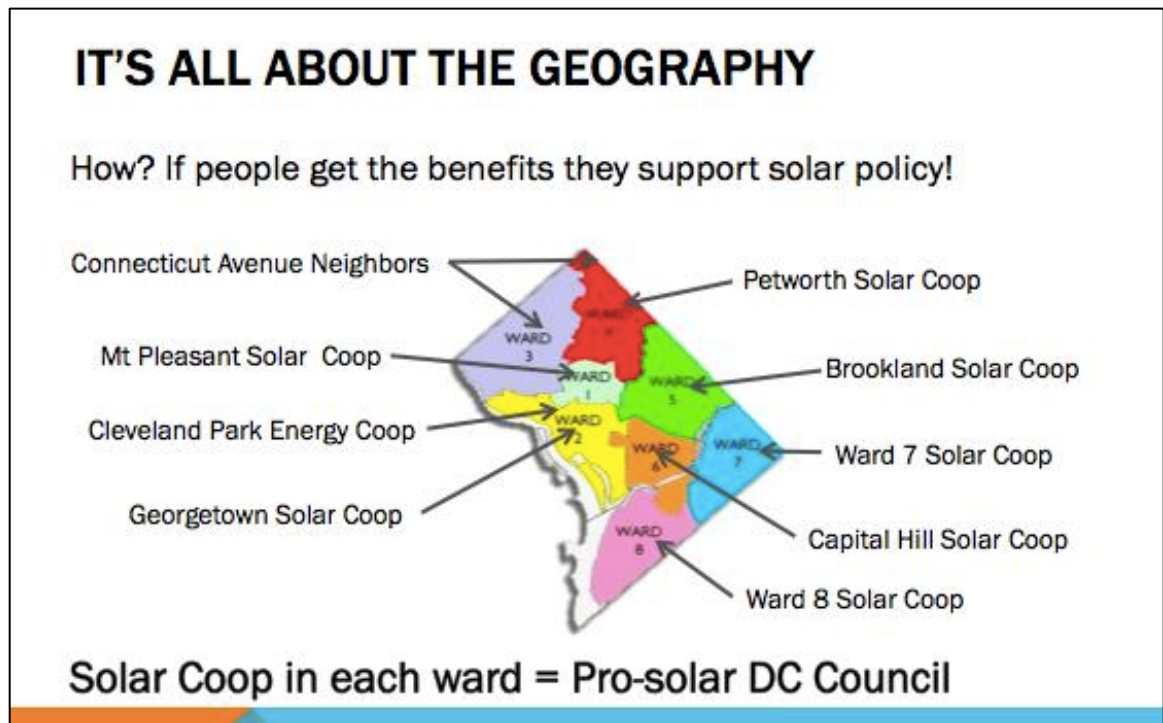


Figure 6: Since 2007 DC SUN has organized solar co-ops in each ward of DC, creating a robust, decentralized network of energy advocates ready to fight for local control over their energy system.

The [Huffington Post](#) described the situation well with the headline article, “*How Grassroots Activists in DC are taking on a Corporate Titan—and Winning.*” They outlined DC SUN’s deliberate organizing structure—of creating solar co-ops in every ward of DC.:

*“There are solar cooperatives in each of the District’s eight wards. To improve reliability and reduce costs on their electricity bills, D.C.*

*residents are producing and consuming their own power. Anya Schoolman is the president of D.C. Solar United Neighbors (D.C. SUN), and serves in leadership positions with several organizations expanding consumer access to renewable energy in the United States. ... Schoolman and her colleagues at ad hoc organizing group Power D.C. have citizens fired up. Hundreds of angry D.C. residents are turning out to Public Services Commission hearings, and Power D.C. makes sure sympathetic citizens who can't attend meetings are signing petitions, sending letters, and otherwise engaging in the citizen-led, democratic movement to prevent Exelon from going full monopoly in the D.C. energy market."*

## LESSON #2: EMPOWER COALITION MEMBERS

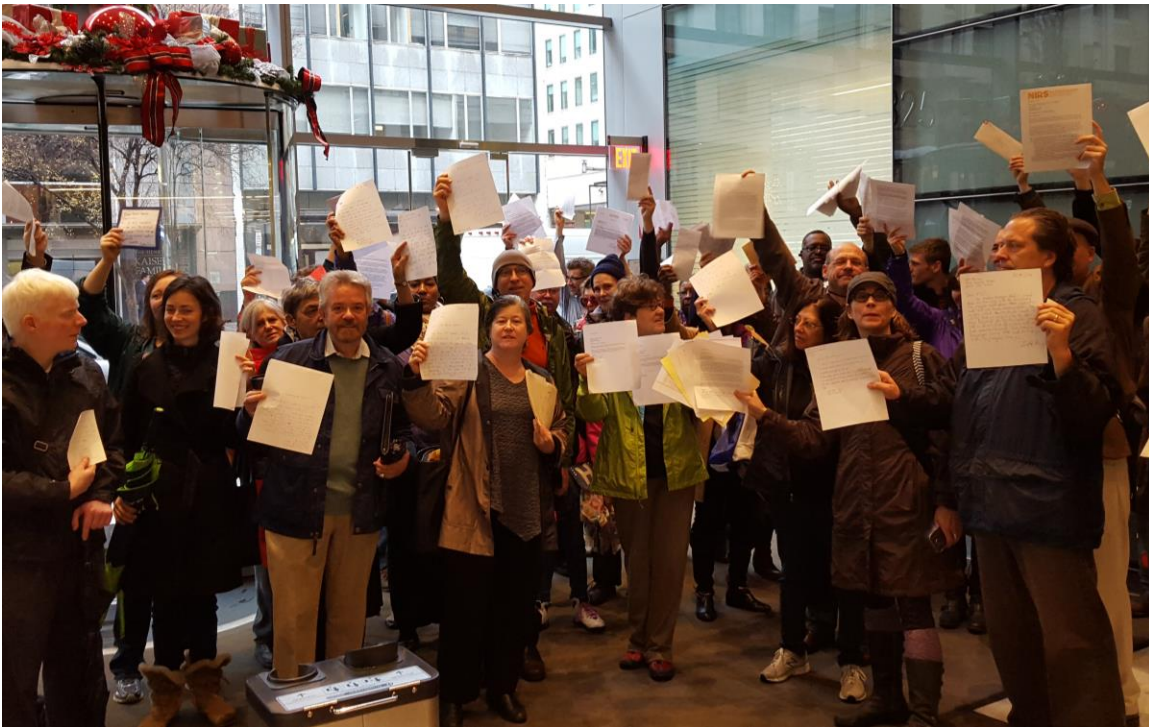
While solar advocates formed a strong core of PowerDC, they weren't alone. From the beginning the success of the coalition depended on building a broad coalition with members who had a vested interest in the outcome. Too often, the environmental movement looks for "allied voices" (i.e. people of color, religious leaders, business leaders, or farmers) to speak on "environmental" issues, whether or not those communities are actively involved in the fight at hand. These efforts are often transparent and ineffective, however, and contribute to the critique that environmental groups use partnerships as window dressing rather than as a means to build a more successful coalition. The PowerDC campaign put equal weight on the issues of renewable energy, ratepayer impact, and reliability. This earned the campaign consistent support and engagement from diverse stakeholders.

This was not an environmental campaign with "other" groups serving as window dressing. It was a campaign that brought together fierce advocates from D.C.'s environmental, tenant advocacy, housing, and social justice communities. Local community leaders were invited to join—and express their own views. They were not scripted nor asked to endorse another organization or pre-determined campaign plan. The PowerDC logo and brand belonged to nobody. So, everyone was comfortable with it.

PowerDC had a loosely defined governance structure, but all key strategic decisions were made by consensus. While not as efficient as a top-down, centrally planned campaign implemented by a single organization, this open and democratic process allowed us to keep and build the trust of allied groups and individual advocates. The group had discussions and made decisions transparently. While sometimes painfully slow and time consuming, this approach meant that our group never splintered nor devolved into the factions that are so common within most environmental coalition frameworks.



**Figure 7: The PowerDC coalition was made up of a wide range of coalition members, which strengthened our voice in the media and with the PSC.**



**Figure 8: The PowerDC coalition maintained strength and unity throughout the campaign by using a democratic, transparent decision-making process that garnered trust and respect from all coalition members. All groups had an equal voice in the coalition.**

### LESSON #3: DEVELOP ROBUST COMMUNICATIONS CAPACITY AND MAINTAIN MESSAGE DISCIPLINE

A campaign around a process as long and complicated as the Exelon-Pepco merger required significant communication skills and consistency in implementation, particularly given that the coalition used a decentralized and democratic structure rather than a top-down campaign deployment strategy.

In our case, we were aided significantly by the top-notch support from Ryan Cunningham, a highly professional consultant who was “loaned” to us by the wind industry. We also had excellent help from in-house communications shops at Working Families Party, Chesapeake Climate Action Network (CCAN), and Public Citizen, as well as our own in-house team. The communications demands were significant. Communications work ranged from creating a barrage of actions alerts, petitions, social media, building a [website](#) for the campaign (done by a volunteer), designing and printing signage, drafting newspaper pitches and multiple op-eds, organizing and implementing press conferences and press releases, deploying posters, passing out flyers, conducting polling, and designing and implementing of robo-calls. A summary of actions taken and the response rates is provided in the appendix.

While the strength of our fight came from the local people with deep ties in the community, our communications capacity mostly came from larger national or regional groups. While the local groups became very comfortable using a common website (PowerDC) and agreed messaging and marketing materials, the larger groups were often concerned with developing their own branding, keeping their own logo (rather than the coalition logo) front and center. Frankly, the utilities were really confused about who was running PowerDC and where to attack. This worked to our advantage.

We were also, as a coalition, very consistent in maintaining our messaging throughout the over two-year campaign. At the beginning of our planning process Ryan Cunningham took the group through several half-day sessions to fine-tune the messaging for the campaign. The merger was complicated to explain and our reasons for opposing the merger even more so. In the end, we arrived at “Rates, Reliability, Renewables and Home Rule” as the central messaging of the campaign. And we stuck to this messaging throughout, a fact that paid off significantly, as all the key players in this fight adopted our message (including Exelon and Pepco):

***The Mayor’s Statement on the Merger:***

*“The District deserves a healthy public utility that serves residents and ratepayers in a cost effective, dependable and environmentally sound manner.”<sup>i</sup>*

***Pepco/Exelon Statement on the Merger:***

*“The new package of benefits includes commitments to provide bill credits, low-income assistance, fewer and shorter outages, a cleaner and greener D.C., and investment in local jobs and the local economy.”*

Notably, the fact that Exelon itself adopted our framing as a way to argue for the merger’s benefits is perhaps the most lasting impact of the campaign. When the campaign started, Exelon had propped up surrogates, such as African-American representatives from the Edison Electric Institute and a grandmother from Anacostia, who were publicly arguing that solar was an expensive cross-subsidy that favored the rich. By the end of our campaign, Exelon was taking out full-page ads in the Washington Post arguing the company would help more people go solar. In terms of the long game, beyond the merger, they were doing our work for us!

# More Clean Energy for DC

We want a cleaner and greener District. The Pepco Holdings-Exelon merger will bring **\$7 million to fund renewable energy and energy efficiency programs**, add more than **\$10 million into the District's Green Building Fund** and make it easier for customers to connect their solar panels to the grid.

Exelon will also significantly expand **solar energy in the District** and purchase wind energy—enough to power more than **23,000 homes**.

The merger also brings other benefits that will help our neighbors like a **one-time direct bill credit of more than \$50 per residential customer** and **increased reliability standards** that would lead to fewer and shorter power outages.

We support the merger, and we made our voices heard. You can, too. **Go to PHITomorrow.com** where you can sign the petition and send a letter to voice your support.

**"A greener DC is good for everyone."**  
Edith Shipley  
Pepco Customer  
Anacostia

**"The merger will make it easier for customers to add solar energy in their homes."**  
Mark Davis  
Owner - WDC Solar

**The Pepco Holdings-Exelon Merger:  
Affordability, Reliability and Sustainability for DC.**

For more information or to voice your support, visit [PHITomorrow.com](http://PHITomorrow.com).

Paid for by Exelon Corporation.

**Figure 9: One of Exelon's full-page ad from the Washington Post, which features solar homeowners and local solar installers. Their advertisements echoed our framing of "rates, reliability, and home rule," which the PowerDC coalition stuck to throughout the campaign.**

More than just using our messaging as a talking point, though, it also became the centerpiece of how the PSC evaluated the merger. Originally, they were supposed to look at eight criteria and determine whether the deal was in the public interest. In each of their rulings, however, the PSC drafted an evaluation that focused on the four evaluation criteria that we had outlined in our messaging. The Office of the People's Council also framed its briefs and public statements to address the four big issues.

Another benefit of Exelon's adoption of our framing was that, immediately after the merger campaign concluded we were able to quickly pass legislation to double DC's Renewable Portfolio Standard (RPS) and double the amount of solar that Exelon was required to put on the grid as part of that RPS (from 2.5% to 5%). The new legislation also includes a historic commitment of more than \$20 million dollars a year to go to solar for low-income families and a commitment to reduce 100,000 low income rate payers bills by 50% in the next ten years. After the pro-renewables media blitz from Exelon it was hard for anyone to oppose the bill. In fact, it passed unanimously.

#### LESSON #4: CHALLENGE DECISION MAKERS

While our campaign's messaging stayed consistent, we were strategically and tactically nimble. This was necessary, as the fluid nature of the fight meant that the key decision-makers frequently changed.

In the initial stage of the campaign, our focus was on Public Service Commissioners, as they had the ability to approve or reject the take over. At the same time, we had to pressure Mayor Bowser not to file a settlement agreement, and we needed to urge city council members to support our side.



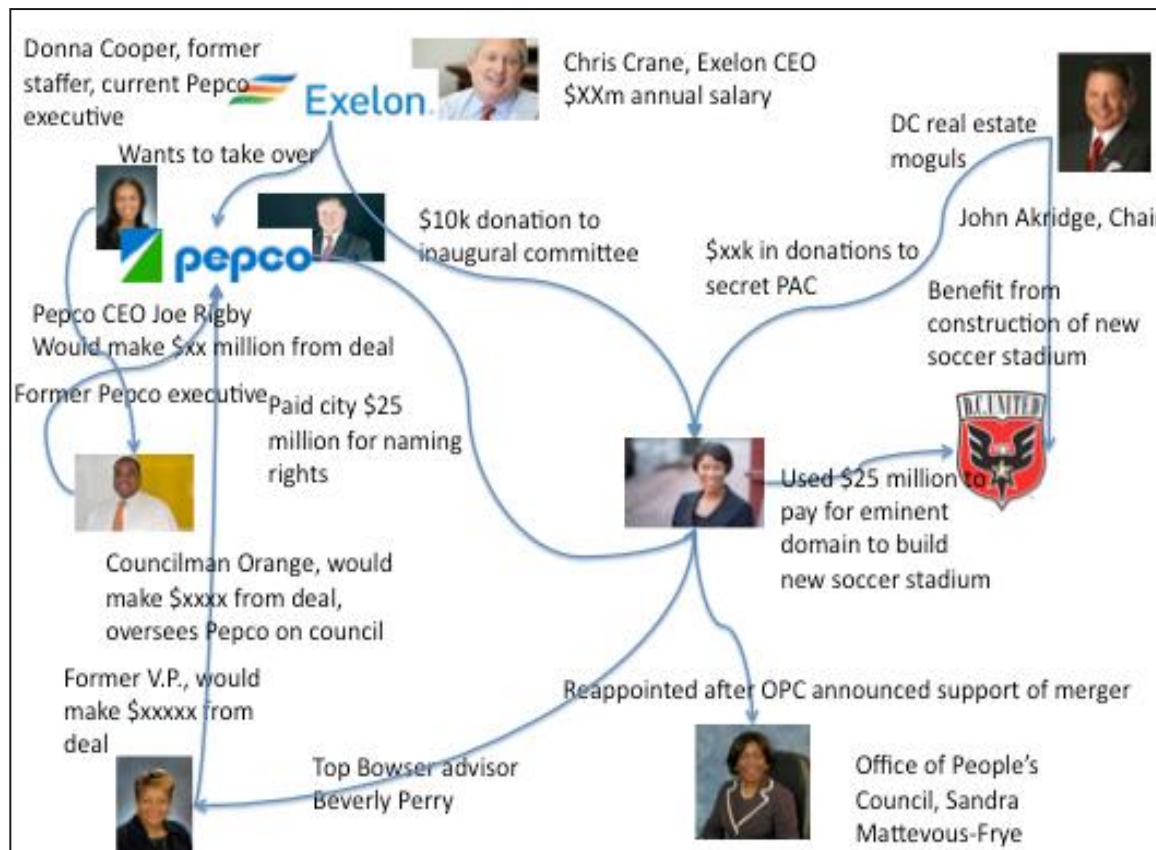
**Figure 10: Initially our campaign targeted the DC Council and Public Service Commission and focused on the fact that the deal was not in the public interest.**

When the Mayor suddenly signed a settlement with Exelon after opposing the deal for more than a year, we were mystified. But, we dug deep and found an answer and an additional argument against the takeover. It turned out that the Mayor's settlement came just days after securing a side promise for \$25 million dollars to the city from Pepco. And so, Soccergate was born.

Mayor Bowser and the city had been trying for some time to secure land for a new soccer stadium for D.C.'s professional soccer team, DC United. The proposed site for the new stadium sat in an under-

developed, but potentially lucrative, waterfront neighborhood. Real estate values in the neighborhood would skyrocket once the stadium was built. Major financial backers of the Mayor owned land surrounding the stadium.

Just before the Mayor announced her support for the merger settlement, Pepco offered the city \$25 million for vaguely defined 'naming rights' for a park or street near the proposed new stadium. In return, the city could use that money to buy the land where the new stadium would be built. This is money the DC Council had refused to appropriate, and the Mayor was up against a firm deadline on the soccer deal or DC United would move to Virginia. Pepco suddenly provided the solution.



**Figure 11: After receiving \$25 million from Pepco for the "naming rights" to a street near the site for the proposed new soccer stadium Mayor Bowser flipped to support the merger**

Once we discovered what was happening, we held a quickly called press conference next to the land where the stadium would be built. Fortuitously, the Mayor had already been in hot water over her use of a campaign political action committee, FreshPAC, which she planned to use as a war chest to fund friendly council members. FreshPac donors were many of the same developers expecting to make a killing on the soccer stadium development. The coverage we generated cornered the Mayor into shutting down her PAC and cast a dark shadow on the merger settlement—pushing the Mayor into a position where she had to reject the subsequent PSC alternative settlement.



Figure 12: Our press events were highly public and received significant media coverage

It was later revealed that Exelon hired the chair of FreshPAC, Chico Horton, to lobby for the merger. In filings, Mr. Horton recorded no meetings held or expenditures related to lobbying for the take over. Mayor Bowser denied having any conversations with Mr. Horton about the take over.

Notably, in this spring's Democratic Primary, three of four of Mayor Bowser's favored candidates went down to defeat. This included a long-time incumbent who is a former Pepco employee who lost in a three-way race. Our attention to the issue transformed our standing in DC's political ecosystem.

24 | EXPRESS | 11.30.2015 | MONDAY

## Are Pepco and Exelon Kicking DC Around?

**Why did Pepco give Mayor Bowser's Office \$25 million?**  
 In September, Pepco gave \$25 million to the Mayor's Office for vague naming rights related to the proposed DC United soccer stadium. Days later, the Mayor gave Pepco what it wanted: Approval of a settlement related to Pepco's proposed \$6.8 billion merger with Chicago-based utility Exelon.

**Did Bowser ask Pepco and Exelon to give to her "FreshPAC"?**  
 Asked repeatedly, neither company will answer a simple question:  
 Did the Mayor's office ask the companies to give money to Bowser's controversial (and now disbanded) super PAC at the precise time they were negotiating with the Mayor over the \$6.8 billion utility merger?

**DC Ratepayers Deserve Answers!**  
 DC homeowners, renters, and business owners expect the D.C. Public Service Commission to get answers to these simple questions before we are saddled with a utility merger that could raise rates, harm the environment, and create huge conflicts of interest. If Chicago-based Exelon is kicking DC around already, imagine the power they would have after the merger.

Learn more at [PowerDC.org](http://PowerDC.org)


















Figure 13: Advertisement placed in Washington Post to highlight the Soccergate scandal



Figure 14: As the need arose we would quickly call press conferences or organize events to put pressure on the necessary targets. After the settlement was reached we focused on Soccergate to make it easier for the PSC to say no to the Mayor.

## LESSON #5: FIGHT FOR THE DEEPER ISSUES

Although at face value it appeared that the opposition to Exelon was driven by local citizens that did not want a large, out-of-state company taking over, in reality the issue at hand went much deeper than just an opposition to the merging of two companies. At stake was (and is) the future of how our energy system is structured, how it's managed, and, ultimately, who benefits from this system. And this is an ongoing issue that we continue to engage on multiple levels.

Utilities are special among businesses. We allow them to have a monopoly within a particular market in return in exchange for a social contract that in theory makes them accountable to ratepayers. The theory behind this is that, in a hypothetically competitive utility market, multiple companies would need to construct transmission lines in the same jurisdiction. These competing firms would never be able to achieve the economies of scale necessary to deliver energy at a reasonable cost, and we therefore allow a single company to operate in a particular area. This is why utilities are sometimes referred to as 'natural monopolies'. Two factors are complicating this theory: (1) greater consolidation of utility and power generation sectors, and (2) the development of distributed energy resources like solar, micro-grids and demand management.

The role of the utility is rapidly transforming. Utility customers no longer just need electricity moved from a power plant to their homes and businesses. Customers want a utility that can integrate rapidly emerging technology, decarbonize the electric grid, and open a portal toward a more distributed and equitable energy system. And, customers want to be able to use renewables to generate income and become participants in our energy markets. Utilities are too often a roadblock to these goals.

In the D.C. energy market, we went to great effort in the 1980's to get our utility to divest from wholesale electric holdings so that it would have an unbiased, unencumbered focus on rate-payers. The Exelon merger has reversed that policy.



**Figure 15: Citizens are no longer interested in being passive consumers of energy. They want a say in their energy future, and want utility companies that will meet their needs for a clean, local, equitable, and reliable energy grid.**

**"We are also concerned about the inherent conflict of interest that might inhibit our local distribution company from moving forward to embrace a cleaner and greener environment."**

**-DC Public Service Commission in their first decision to deny the merger**

This "conflict of interest" was a central point in PowerDC campaign and especially in DC SUN's formal legal intervention in the case. The D.C. Public Service Commission agreed that this was a conflict of interest and cited the conflict of interest as a significant factor in turning down the merger during the first proceeding. They stated, "We are also concerned about the inherent conflict of interest that might inhibit our local distribution company from moving forward to embrace a cleaner and greener environment." The Rocky Mountain Institute also noted: "Exelon's successful acquisition of Pepco Holdings suggests that more firms with significant merchant generation portfolios will acquire regulated assets through mergers." The further

mixing of transmission and distribution utilities with those that own generation assets.

Our concern with the deeper structural issues related to competition and power in the market was a complex and difficult topic to communicate. But in doing this well we were able to break through Exelon's arguments about marginal-short term benefits and focus attention on the larger issues at stake. Our success in communicating this translated into significant press coverage of the issue because we were able to make the fight about something bigger than just who's logo was on the electric bill.

Ryan Koronowski at [Think Progress](#) summarized the first big victory at the PSC and highlighted the role of the conflict of interest in the proceeding:

*"The normally boring debate about a utility merger became a pitched battle between residents concerned about electricity rates and renewable energy advocates on one side, and the two utilities and their allies on the other. Nuclear plants provide most of Exelon's [power generation](#), followed by natural gas, oil, hydro, wind, and coal. Yet it is the utility's past fights against state renewable energy policies that caused so many people to oppose the idea of Exelon purchasing Pepco."*

Koronowski went on to quote Gabe Elsner who did much of the early research that helped focus advocates on Exelon's track record:

*"Exelon has a long history of using the company's political influence to restrict renewable energy policies," If the D.C. PSC had approved the merger, Exelon would have been empowered to continue its anti-renewable campaign, but the PSC's rejection of the merger could help ensure that these two states' renewable energy policies remain in place and continue to support the growth of renewable energy industry in D.C. and Maryland. Exelon fought hard against the renewal of the Wind Production Tax Credit at the national level because it would affect the bottom lines of their nuclear plants. Local renewable advocates saw this decision as a line in the sand."*

Koronowski also cited DC SUN's role in the fight.

*"Utilities that work to impede people's desire to produce their own clean energy do so at their peril," said Anya Schoolman, founder and executive director of the nonprofit Community Power Network. Schoolman called the PSC's decision "a great victory for renewable energy" and played a central role in the fight to halt the merger. Her fight for neighborhood solar power access began several years ago when she and several neighbors found the process to install solar panels too complicated, and eventually founded an advocacy organization called D.C. Solar United Neighborhoods. She was [honored](#) at the White House last year as a "Champion of Change."*

The DC Public Service Commission agreed that the deployment of renewable energy and Exelon's potential conflict of interest due to their primary stake in nuclear energy was at the center of the debate. The Commission in the summary of their first ruling against the merger said:

*"We are also concerned about the inherent conflict of interest that might inhibit our local distribution company from moving forward to embrace a cleaner and greener environment. In this proceeding, the Commission must decide who will control the District's only local electric distribution company at a time when our city's leadership, at the urging of many residents, has mandated that the District must pursue a cleaner and greener future that includes more renewable energy resources and more distributed generation and at a time when the electric industry is undergoing significant transformation."*

## MORE THAN JUST A MERGER FIGHT: MOVING FORWARD TO TRANSFORM OUR ENERGY SYSTEM

While in DC we are faced with a reality that includes Exelon as our energy provider, this fight over our energy system's future is by no means over. One of the clear lessons learned from the campaign was that the fight over the structure of the grid, and whom it should benefit, is happening in a variety of different arenas and on different levels. In fact, we've already begun to engage with Exelon on some of these areas, pushing them (and our elected officials), to prove whether or not they are really providing value to their customers. In the process we are also laying out another vision for what our energy system should look like, and demonstrating that this new vision has greater, measurable benefits for citizens.

## ARENAS OF CONTINUING ENGAGEMENT

In short, the issue is not over simply because the merger went forward. We still have innumerable ways to engage on these issues and create meaningful change in how our energy system is structured. True, it will be more difficult now that Exelon has consolidated its power in the region. But, we have also built an incredibly strong coalition that is ready and able to take on this work.

In reality, the fight has really just begun.

## NET METERING

A key issue that we grappled with in the merger proceedings is how to incorporate distributed resources, such as solar, into the electric grid. Utilities blend costs and benefits for their customers in a way that does not naturally indicate that each ratepayer pays the direct costs of their service. That is why the ratepayer at the end of the line pays the same rate as the ratepayer living near the power plant. For a long time, many behind the scenes manipulations took place between the different customer classes, sometimes with huge discounts going to commercial customers.



The advent of solar creates a new class of ratepayer, those who are generating their own electricity *and* paying attention to energy regulation (because they have a direct financial stake in how things are regulated). Utilities see this new class of electricity generating ratepayer as a competitor, something as a monopoly they are not used to facing. While Pepco was far from perfect, its lack of ownership of energy generation assets meant that it was relatively fine with distributed solar, as long as it retained the ability to charge solar customers for grid maintenance. But Exelon, due to its significant energy generation holdings, has every incentive to strangle its customer's ability to go solar independent of the utility. The most popular way for utilities to do this is by refusing to pay solar customers a fair price for the excess electricity their systems generate. We see this happening across the country, and the pressure for utilities to continue to shortchange solar producers is continuing to increase.

But, we do have the ability to fight back. The fact that we have a new class of ratepayer that is financial and ideologically motivated to engage in energy policy is new, and extremely powerful. Suddenly (with the assistance of some deliberate organizing, education, and mobilization) there is now a base of citizens who have a vested financial interest in a more democratic, decentralized, renewable energy grid. But, to-date no one has organized this constituency en masse. The climate community should recognize this particularly powerful asset and bolster it's strength and effectiveness. Community Power Network is seeking to become the "voice of energy producers" nationally. We want to become the NRA of solar and begin to harness the incredible political potential that this new class of supporters brings to these the energy fight. We are currently in need of partners that share our vision.

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## GRID OF THE FUTURE

Most of the electricity we use is generated remotely and brought by high voltage transmission lines to population centers. From here it is distributed to customers. Each element of this electrical grid is centralized. This limits choice and participation by us, the consumers. While centralization was essential to bringing down the cost of service when we first developed energy grids, this way of delivering electricity is changing. Distributed solar energy, wind energy, and electrical storage are pushing changes to electrical grids and the rules that manage them. Together, these technologies, new markets, and new rules will become the Grid of the Future (GOTF).

In Maryland's proceeding, Exelon agreed to initiate a GOTF proceeding as part of its settlement. In the District, the PSC launched the GOTF proceeding during the merger process—seemingly as a response to the debates taking place in their chambers. Other states, notably New York and California have initiated similar reviews as well.

This spring, Exelon proposed a "Next Generation Energy Plan" for Illinois. Clearly Exelon has a transparent strategy to achieve subsidies for it's large and increasingly uncompetitive nuclear generation assets by influencing the outcomes of climate oriented energy transformation proceedings. But, it is imperative that climate funders look beyond the obvious and try to understand the strategy of what is now the largest utility in America and likely to become bigger still.

Exelon has no plans to allow greater competition and innovation in these markets. In the Exelon plan a select amount of wind, solar, storage and micro-grids will be developed by the utility at ratepayer expense. Alternative energy will not be allowed to compete with nuclear, coal and gas and new companies will not be allowed to develop and deploy broad new products and strategies such as demand management and load shifting plays that would allow all ratepayers to enjoy lower rates and

greater reliability. Exelon wants the transition to a low carbon electric grid to include high subsidies for nuclear, codifying another century of monopoly control of new and emerging technologies – regardless of cost or efficiency at a pace carefully managed by the utility to optimize quarterly returns to shareholders and corporate bonus checks.

There is almost no financial support to engage in these essential grid of the future proceedings. Only the visionary Town Creek Foundation has had the foresight to play in this arena to date. But Town Creek has limited assets and is focused only in Maryland. There are not any funders interested in supporting the proceeding in D.C. The largest utility in the United States is making a play to lay down the rules for the grid of the future and the environmental community is mostly not paying attention.

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## MICROGRIDS, STORAGE, AND DEMAND MANAGEMENT

The modernizing electric grid goes far beyond individual ownership of solar. DC SUN made a demand for open and competitive ownership of microgrids a central focus of our formal intervention. Microgrids are smaller electric grids that, while connected to the larger electric grid, can disconnect and distribute electricity autonomously from it should the larger electric grid go down. Microgrids will continue to play an increasingly important role in the development of distributed energy and increased resiliency in the era of super storms and climate change. While other environmental interests, including the D.C. Department of the Environment focused on getting Exelon to develop microgrids and solar installations as part of the settlement agreement—DC SUN fought for an open and competitive market for the emerging microgrid sector. We were successful in getting the Public Service Commission to defer this question to its proceeding on grid modernization, where they will decide whether microgrids should be owned by the utility or developed via a competitive, market-driven process. We are hopeful that the PSC will support a competitive market for microgrids and other distributed generation and storage technologies. In the PSC’s alternative settlement micro-grid ownership was one of the key points of deviation from the Mayor’s settlement. The PSC explicitly removed the provisions in the settlement that called for Exelon to develop microgrids and they inserted language that suggested their standard would be to keep competition in the sector.

Utilities have realized that it is becoming increasingly impossible to completely stop the expansion of a multi-modal grid with renewables, storage, and demand management. Many have therefore pivoted to “capturing and controlling” these sectors. An excellent example is in the PJM grid. The PJM set rules to promote (and handsomely compensate) the development of storage for ancillary markets. Environmentalists and solar developers initially greeted this move warmly. But the market appears to have been quickly captured by utility players. These companies have secured control of \$300,000/mWh of payments by developing the storage themselves and using their control of interconnection as a throttle on any would be competitors. Environmentalists and funders need to continue to advocate for fair, open markets if we are to prevent the utilities from exerting absolute control over the burgeoning microgrid and storage sector.

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## THE INTERPLAY AND EVOLUTION OF THE OVERALL ENERGY SYSTEM

In addition to tackling some of the specific issues above, advocates also need to step back from the wonky details and clearly analyze how the energy system itself is changing. There is an interplay between different levels of energy policy that is extremely important, and is often ignored. Energy policies are made and regulated on the federal level via FERC and Congress, the regional level via regional grid management organization (i.e. PJM in the mid-Atlantic), and on the state level via state legislatures and their various Public Service Commissions. The issues are complex, highly technical,

and require a nuanced understanding of how they all interact if advocates are to be able to successfully advocate for changes in the system.

The task of monitoring the changing system cannot be left to the current players because there is a mismatch of oversight. State-level public utility commissions will not voluntarily take on examining these larger trends because they lack the resources or mandate to look at issues outside of their specific jurisdiction. At the federal level, FERC is also extremely constrained in what it can consider. However, the Exelon case showed that, if forced to focus on the issues, public utility commissions will take notice and respond to public calls for a more thorough review—although even there they steadfastly refused to look at the merger’s potential impact on the balance of power on our regional grid even though decisions at the PJM have profound impacts on ratepayers. Most of our legislators are captive to the local utility, due to campaign contributions and heavy investment in lobbying. Exelon, for example, is the single largest campaign contributor in the state of Maryland. Most PSC Commissions are also highly captured by the utilities, with overburdened staff and a rapidly revolving door—most PSC’s consider their local utility as a colleague to be protected even at the expense of ratepayers and local business.

Therefore, it becomes critically important for citizen groups to be able to engage in all of these various arenas and push for a more just energy system at multiple levels. NRDC and EarthJustice recently filed suit at FERC. They contend that new market rules enacted by the PJM regional grid favor incumbent coal and nuclear generator to the detriment of solar, wind, and demand side management. As Exelon has worked to buy up utilities in the grid, its power in the PJM regional grid has become outsized. What used to be thought of, at a minimum, as a check on the power of the utilities is rapidly becoming a well-managed cartel designed to benefit shareholders at the expense of both the environment and ratepayers.

The take away is that solar producers, ratepayers, environmentalists, and the renewable energy industry are shining a lot of light on what were cozy utility commission proceedings. In the context of a rapidly changing grid, we should not be satisfied to tinker. Instead we should assume that everything is on the table. The philanthropic sector needs to fund a diverse and vibrant explosion of fresh thinking in this arena. While there are some high-points, such as the work of Karl Rabago at the [Pace Energy and Climate Center](#), we need more public debate and a greater diversity of idea from a greater number of people and perspectives to frame the coming transition.

Within the climate movement, there is a strong need to develop capacity to look at the larger business plays going on in what is likely to be a rapidly evolving sector. An organization like the [Open Markets Program](#) at the New America Foundation would be a good place to start.

## CONCLUSION

Fundamentally, the Exelon-Pepco merger was about more than just opposing an out-of-state company taking over our local Pepco utility. The fight brought to head issues of democracy, local control over our energy system, self-determination, and the right of citizens to have a say in their energy future. Our campaign was successful because we built a true coalition, maintained tight messaging discipline, were nimble in our focus of targets, and maintained awareness of the bigger issues at play throughout the campaign. The result of our work was that the DC Public Service Commission twice turned down Exelon’s bid to acquire Pepco. Each time they cited the inherent conflict of interest in the deal, and the lack of consumer voice in the process. Exelon is now faced with an extremely organized opposition and a wide network of dedicated advocates that are continuing to

work to transform our energy system. If we are to be successful, though, we will need to continue to engage with them on a variety of levels, focusing on issues like net metering, grid of the future, microgrids, and the ongoing evolution of our energy system at many levels. But we know we can be successful, particularly at amplifying the voice of citizens. As the DC Public Service Commission said in their ruling about the merger

**“THIS PROCEEDING HAS GENERATED MORE INTEREST AND MORE ACTIVE PARTICIPATION BY PARTIES AND INTERESTED PERSONS THAN ANY OTHER PROCEEDING IN THE COMMISSION’S MORE THAN A CENTURY OF OPERATIONS.”**

## **APPENDIX A: CAMPAIGN BUDGET**

The Exelon Campaign was a watershed for D.C. energy politics. If we had ultimately succeeded, the fight would have gotten the attention of every utility across the country. It was hard, however, to find foundations and donors that had the vision or appetite for the fight. DC is a strange step-child as we have very few locally focused funders. Furthermore, solar and wind companies who should have a financial interest in the outcome, have too much at stake to make a public enemy with the incumbent or future utility. Overall, our funding for the two-year campaign equaled roughly \$100,000. The money went primarily for communications work, contract organizing, Facebook promotion, signage, as well as other equipment for press conferences and events. Thousands and thousands of hours of staff and volunteer work were unpaid.

We accomplished what we did through DC SUN staff time on the backs of our already full-time jobs, as well as with the support of several hundred volunteers. We did receive some anonymous support and a local energy company paid for tens of thousands of dollars worth of pro-bono robo-calls. But overall, we struggled through every stage of the campaign and would not take on anything remotely similar again without better support.

It is important to put up a good fight. Most NGO’s are afraid of confrontation. Others are too focused on raising money. Most of the groups engaged in real advocacy have no money or resources to bring to the issue. The larger, more established groups such as, CCAN, Public Citizen, and Working Families Party brought their own mailing lists, press, and media staff to the table. But most groups were afraid to anger the Mayor, the utility, and its allies in the business community.

Our opposition by contrast spent lavishly to accomplish its \$6.8 billion dollar transaction. Week after week they took out multiple full-page color ads in the Washington Post, and implemented a paid radio and social media blitz. Their advertising budget alone probably exceeded a million dollars a week during the most intense parts of the campaign.



[NPR](#) Estimated that:

*"Exelon had spent [about \\$259 million](#) through the end of 2015 in pursuit of the merger, according to filings with the Securities and Exchange Commission. That figure doesn't include lobbying and advertising spending by the energy behemoth. And Exelon and Pepco haven't skimped on those expenditures. In D.C., Pepco spent about \$62,000 lobbying city officials last year, according to reports filed with the D.C. Board of Ethics and Government Accountability."*

All in all, Pepco Executives and board members made \$56 million in cash payments and stock options. The deal offered a 30% premium on stock holdings, millions in golden parachutes, thousands to local non-profits in grant, and significant campaign contributions to elected officials. For Exelon and Pepco there was much at stake.

Exelon Campaign Budget	
<b>Income</b>	
Town Creek Foundation	\$50,000
Rockefeller Family Fund	\$25,000
Packard Foundation	\$10,000
Horning Family Foundation	\$10,000
Individual Donations	\$6,700.00
<b>TOTAL</b>	<b>\$101,700.00</b>
<b>Expenses</b>	
CPN Staff	\$28,031.97
Technology	\$4,717.58

Organizing Contracts	\$32,113.60
Communications Contracts	\$5,700.00
Events	\$7,056.42
Promotion	\$16,882.79
Printing and Office Supplies	\$4,581.38
Other	\$2,616.26
<b>TOTAL</b>	<b>\$101,700.00</b>

## Opinions

# Why D.C. should oppose the Exelon-Pepco merger

By Anya Schoolman August 1, 2014

*The writer is executive director of DC Solar United Neighborhoods and its parent nonprofit the Community Power Network.*

In April, the giant nuclear electricity company [Exelon announced plans to buy Pepco](#), the electricity utility that serves Maryland and Washington. Coming on the heels of a 2012 takeover of Constellation Energy and its subsidiary Baltimore Gas and Electric, the deal will make Exelon the dominant utility in our region. And with its recent takeovers of utilities in Chicago and Philadelphia, Exelon would become the biggest power distributor in the United States, should the deal go through.

For that to happen, the Public Service Commissions in the District and Maryland must approve it, finding that the deal serves the “public interest.”

My group, DC Solar United Neighborhoods (DC SUN), believes this deal is bad for local citizens. It would lead to higher prices and a lower quality of service. Worse, it would restrict our ability to generate more power locally using solar and wind technologies. We therefore call on the Public Service Commissions to block this deal.

DC SUN represents thousands of families, businesses and community organizations. We believe local solar and wind power is the best way to lower energy prices, deal with the childhood asthma health crisis, create local jobs and address climate change.

The District is one of the country’s most solarized cities, as solar electric and solar thermal technologies are extensively used here already. We believe alternative technologies can generate a third of the District’s energy by 2030.

From working with Pepco we know that reaching this goal requires the local utility to be a partner, willing to work through the challenge of integrating new technologies and conservation techniques. Based on Exelon’s history and interests, we believe it will fight to make sure we never achieve our goal.

Exelon has a long record of opposing solar and wind power. This includes vociferous opposition to the federal tax credit for wind energy and the use of hardball tactics to block a popular effort to expand the Illinois solar market.

Why? Exelon is the biggest U.S. nuclear power plant owner. Its main goal is to sell nuclear power. But nuclear energy offers little flexibility in how it produces power, so — unlike natural gas — it does not fit well with the dynamic, renewable-friendly grid of the near future.

Exelon also spends millions on lobbying and direct campaign contributions. It has become the biggest lobbyist in Maryland and is likely to assert similar influence in the District in the near future.

That's one reason citizens in [Florida](#) and [New Jersey](#) rejected Exelon's efforts to buy utilities in those states. The utility business is based on an explicit social contract. We citizens license these monopolies. In exchange, executives and shareholders obligate themselves to serve the public interest — as the public determines that interest. We the citizens of Washington and Maryland have a duty to enforce this contract. Our ability to build the electricity system we need for the 21st century depends on it.

## APPENDIX C: EVENT TIMELINE

### 2014- KICK OFF

**April 30 – Exelon announces takeover bid**

**June 27 – Formal Proceeding FC 1119 begins at the Public Service Commission**

**August – Takeover opposition begins**

- DC SUN places an op-ed in the Washington Post opposing the takeover
- DC SUN launches anti-takeover petition garnering 671 signatures

**December – PowerDC coalition forms**

- PowerDC develops and agrees to messaging plan
- PowerDC launches website with 21 diverse community groups joining coalition

**December 2014 through January 2015 – Initial public hearings**

- December 17: PSC holds first public hearing; PowerDC holds holiday party to draw out activists
- January 6: Public hearing in Thurgood Marshall in Anacostia
- January 12: Public hearing at Public Meeting at Southwest Library
- January 20: Public hearing at the University of District of Columbia

**December – March – ANC outreach**

- PowerDC volunteers attend more than 60 ANC meetings
- 27 out of 40 ANCs pass resolutions against the takeover

### 2015- BUILDING PUBLIC OPPOSITION

**February – Formal Evidentiary hearings at the PSC**

- DC SUN submits testimony
- DC SUN expert witness Anya Schoolman testifies and is cross-examined
- Activists rally outside PSC during cross-examination of Exelon CEO Chris Crane

**January-February – Email alerts to activists to contact PSC**

- January 6: 290 letters in opposition to the merger submitted to PSC
- February 4: 1220 letters in opposition to the merger submitted
- February 10: 1667 letters in opposition to the merger submitted
- Public submissions against the merger exceeds 2,000
- Five council members (out of 13 –but 2 recused) take public positions in opposition to the merger due to PowerDC's efforts

**March 26 – Public record closes for first round**

**May 15 – Maryland approves takeover in contentious 3-2 decision**

- New Jersey, Delaware, Virginia and the PJM Market Monitor had already decided in favor

#### **March-June – PowerDC pressures Mayor not to settle**

- March 15: Citizens send 219 letters to Mayor Bowser urging her not to settle
- June 1: Citizens send 185 letters to Mayor Bowser urging her not to settle
- June 23: Citizens send 69 letters to Mayor Bowser urging her not to settle
- PowerDC launches robo-calls to urge Mayor not to settle

#### **August 26 – Public Service Commission rejects merger by 3-0 vote**

- August 26: PowerDC sends 613 letters to Mayor Bowser urging her not to settle

#### **September 18 – Pepco gives Mayor \$25 million to be used for soccer stadium land**

- Pepco provides Mayor with cash upfront for un-specified “naming rights” that allows Mayor to conclude 11<sup>th</sup> hour eminent domain to launch largest real estate development deal of her administration

#### **October 3 – Mayor announces settlement with Exelon/Pepco**

- Settlement brings in all other parties except DC SUN and GSA (representing the Federal Government) due to heavy pressure from the Mayor

#### **October 6 – PowerDC responds to settlement with PSC outreach**

- PowerDC sends 759 letters to PSC asking for thorough review of the settlement

#### **October-December – Soccergate media campaign**

- November 11: PowerDC holds press conference at site of new soccer stadium
- Mayor closes pay-to-play FreshPac as scandal expands
- Coalition partners launch freedom of information request and ethics inquiry into deal

#### **October-December – Public turn-out Phase 2**

- Second round of public meetings on the merger
- Exelon launches astro-turf campaign and the “green shirts” paid activists appear
- Final Day of Public Comment Dec 2015
- PowerDC again attends ANC meetings and drums up opposition to the merger
- PowerDC again targets DC councilmembers and urges them to oppose the merger

### **2016- PSC FINAL DECISION**

#### **February 26 – PSC rejects settlement but proposes alternative settlement to be approved if all settling parties agree**

- PowerDC submits 1,091 letters to Mayor urging her to reject the settlement. The elected Attorney General and People’s Counsel are also targeted.

#### **March: PSC Proposed--Revised Settlement is rejected by all major parties**

- March 1: PowerDC supporters send 839 letters to PSC to pull the plug as revised settlement is only supported by Exelon
- March 7: PowerDC supporters send 601 letters to PSC to pull the plug as revised settlement is only supported by Exelon
- March 17: PowerDC supporters send in 815 letters to the PSC to pull the plug as revised settlement is only supported by Exelon

#### **March 23 – PSC approves takeover**

- The PSC's approval comes with only the support of Exelon and Pepco

#### **Coda: The Appeal**

- Request for reconsideration filed by all parties including Mayor, AG and People's counsel.
- Request for reconsideration denied
- August 16: DC SUN/Public Citizen, Mayor, AG, and Peoples Counsel file in DC Circuit Court to challenge merger decision.

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<sup>1</sup> <http://mayor.dc.gov/release/bowser-administration-statement-exlon-and-pepco-merger-negotiations>