

Pepco's Reliability Enhancement Plan

Montgomery County Progress Report

During the first two months of 2011, Pepco has been aggressively implementing its Reliability Enhancement Plan with the goal of improving reliability as quickly as possible. The company has dramatically increased the number of tree trimmers in the field from 80 in the beginning of 2010 to more than 300 today. In addition, crews have been out in force across Montgomery County, modernizing the electric system by installing automated technologies and replacing aging poles and wires.

While power outages due to severe weather sometimes are unavoidable, Pepco understands the inconvenience that long-lasting outages can cause our customers. Pepco is committed to significantly improving its level of service and is confident that the Reliability Enhancement Plan will improve our customers' experience.

Please continue to watch our progress at www.pepco.com/energy/reliability. As always, if you have any comments, questions, or concerns, please contact: Kim Watson, Region Vice President-Maryland Affairs, at 202-872-2524.



Six-Point Reliability Enhancement Plan

Montgomery County Progress Results

(January/February 2011 Update)

1. Trimming Trees

Many of Pepco's recent outages are a direct result of trees falling on power lines. Pepco is aggressively trimming trees along public rights of way to obtain increased clearance between the overhead electric wires and existing trees. Pepco also will work with counties, communities and homeowners to remove potentially hazardous trees which fall outside of the company's right of way area.

1. Pepco trimmed trees along 52 miles of power lines in the county in January and February. The target is to trim 850 miles in the county by the end of the year.

2. Improving Priority Feeders

A feeder is an electric power line that distributes power to up to 1,100 customers within a specific geographic area. Each year, across Montgomery County, Pepco selects and replaces feeders that are performing poorly. As part of the Reliability Enhancement Plan, Pepco has expanded this program by 45 percent.

2. In January and February, Pepco continued work on two projects in Chevy Chase and Takoma Park and began work on an additional two projects in Silver Spring and Gaithersburg. Pepco has a total of 47 projects planned for completion in 2011.

3. Meeting Increased Customer Demand for Energy

Similar to upgrading electric service to your home to accommodate new appliances and electronic devices, Pepco is continuing to upgrade power lines and is adding circuits to accommodate new customers and support increased energy use by existing customers.

3. In January and February, Pepco continued work on a high impact area in Bethesda. This represents one of four projects planned for completion in 2011. Additionally, Pepco began an engineering analysis in anticipation of increased capacity needed to fulfill summer demand.

4. Installing Advanced Technologies

Pepco is installing advanced control systems that allow the electric system to identify problems and perform switching automatically. These technologies will automatically isolate failed pieces of equipment and restore most of the affected customers within minutes of the failure.

4. In January and February, Pepco continued work on six projects in Bethesda. Pepco has a total of 14 projects planned for completion in 2011.

5. Replacing Aging Infrastructure

Pepco has a long-standing project to replace underground cable in residential developments that for the most part was installed during the 1970s. This program replaces cable to prevent future failures and increases the reliability of the distribution system for customers supplied from the underground system.

5. In January and February, Pepco replaced or renewed 47,000 feet of cable throughout the county, and started work in Middlevale Lane, Highfield, Williamsburg Village, Glen Oaks, Red Mill Shopping Center, Olney Acres and New Mark Esplanade.

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6. Selective Undergrounding and Supply Line Enhancements

In areas where traditional modifications on the overhead system have not produced the desired results, Pepco will selectively replace the overhead system with an underground system. In addition, measures will be taken to further protect the high-voltage substation supply lines to reduce the number of outages. By increasing the reliability of the supply lines, Pepco increases the reliability of the substation, which in turn improves the performance of the 12 to 15 individual distribution feeders supplied by each substation.

6. In January and February, Pepco narrowed the list to two feeders meeting the undergrounding criteria in the county and started an engineering evaluation on both. Additionally, Pepco completed field inspection work on six critical 69-kilovolt circuits in the county. All problems found that would impact the reliability of service were immediately addressed.