

PEPCO'S CLIMATE COMMITMENT

Driving the District's clean energy economy for our company, our customers and our communities



An Exelon Company

We have launched a multi-faceted plan as an essential component to helping the District achieve its greenhouse gas and climate goals. Collectively, and in support of the District's goals, we will focus on actionable measures to reduce our greenhouse gas footprint, deliver innovative solutions that will empower customers to meet their climate change objectives and drive collaborative efforts with stakeholder and community partners to help achieve greater greenhouse gas reduction across the District. As a result of our proposed actions in the District, Pepco aims to reduce its operationally-driven emissions by approximately 70% by 2025 and support the readiness of the grid to both enable increasing amounts of system electrification and withstand future climate-related events.



LEADING BY EXAMPLE

We are committed to shrinking our own carbon footprint as quickly and efficiently as possible.

Energy Efficient Lighting

- In 2021, Pepco's Edison Place HQ will be retrofit with high efficiency LED lighting. By 2025, we will upgrade 100 percent of our substation lighting. Upgrades will continue through 2026 at other facilities.

Measuring Our Electricity Usage to Eliminate Energy Waste

- We will complete comprehensive energy efficiency audits and assessments of metering data for Benning Service Center and Edison Place by 2021.



Transitioning to 100 Percent Clean and Renewable Energy

- We are seeking to accelerate the transition to 100 percent clean and renewable electricity use at our facilities in the District.

Reducing Our SF6 Use

- We will reduce our average SF6 leak rate to less than 1 percent by 2022 through increased detection and equipment replacement efforts.



Innovating with SF6-Free Equipment

- We are exploring opportunities to pilot SF6-free equipment on our system, including pursuing a demonstration project using SF6-free containing equipment in our service territory to understand impacts to overall system performance.

Electrifying Our Fleet

- We have committed to converting 30 percent of our passenger vehicles and compact SUVs to all electric and medium and heavy-duty trucks to Plug-in Hybrid models by 2025; increase conversions to 50 percent by 2030.



Installing Chargers

- We will maintain a balanced ratio of electric vehicle (EV) chargers for both fleet vehicles and workplace charging.

Enabling Our Employees

- Pepco and its Eco-Team Employee Resource Group are taking actions to encourage the use of public transit, measure and monitor employees' personal GHG footprint, and provide energy saving tips for home and work.

EMPOWERING OUR CUSTOMERS

We will help our customers achieve their climate goals.

Promoting Efficiency and Affordability

- Pending regulatory approval in 2021, we will offer a suite of energy efficiency programs for customers in the District of Columbia.

Providing Information to Enable Advanced Energy Solutions

- Beginning in 2021 all customers will be able to access all the information they need to effectively manage their energy usage. We are also exploring the integration of functionalities to enable customers to share their energy usage data with third-party providers.

Smart Energy Choices to Save Energy, Save Money and Cut Greenhouse Gas Emissions

- We will launch a helpful online "Energy Marketplace," which will provide customers with the opportunity to identify, compare and purchase energy efficient equipment, lighting, appliances and other devices in one convenient location.

Helping Local Solar Thrive

- We will support the deployment of solar energy projects through hosting maps that enables customers and developers to site new solar, toolkits and enhanced interconnection processes.



Advancing the Electric Vehicle Revolution

- We offer special electric rates for residential customers with electric vehicle chargers. This encourages charging during off-peak energy usage periods.

ADVANCING A CLEANER AND BRIGHTER FUTURE FOR OUR COMMUNITIES

We will collaborate with community, civic, non-profit and other partners to reduce greenhouse gas emissions, save money and energy and build resilience.

#Reduce Energy Use DC

- In collaboration with District government and community partners, launched initiative to help residents use energy more efficiently and save money while helping fight climate change.

Planting Energy Saving Trees

- We will support tree planting in the District of Columbia to reduce energy use, create shade and sequester carbon from the atmosphere.

Identify Grid Readiness to Transition to a More Electrified Energy System

- As the electric utility responsible for providing safe, affordable, reliable and sustainable electric service to all Washingtonians, we are undertaking an analysis to understand the investments needed in the electric grid to support the electrification pathways in Carbon Free DC, as well as the timing of identified investment needs. We will publish the findings of this study by Q3 2021, which will include the necessary changes to system design and other potential actions to accommodate increasing levels of electrification in alignment with District of Columbia policy.



Solar for Limited Income Customers

- We will help ensure that all residents benefit from the clean energy revolution by making land and roof space available for community solar projects.

Grid Enhancement Solutions

- We will implement key elements of *Power Path DC* and *Capital Grid*, including already initiating an innovative distribution system planning (DSP) effort that facilitates non-wires alternatives for meeting customer demand, including energy storage and distributed solar projects that help meet the District's clean energy goals.

Beneficial Electrification

- To facilitate the District's building—and broader—electrification and efficiency goals, we will explore the opportunity to reintroduce an All Electric Rate in the District of Columbia, which has been historically offered to Pepco DC customers.

Powering the Future of Transportation

- In 2021, we will launch an approved program to provide infrastructure to support the charging of electric taxis, rideshare vehicles, buses and other vehicles in the District.



Electrifying Food Trucks for a Sustainable Food Culture

- We will explore opportunities to power food trucks with electricity rather than relying on polluting diesel generators, helping to clear the air while reducing carbon and noise pollution.

Sustainable Community Grants

- In collaboration with Rock Creek Conservancy, we provided \$75,000 to fund environmental stewardship projects and \$50,000 for community resilience projects across the Pepco region.

Building a Resilient System

We take our responsibility to maintain the safety and reliability of the system seriously. We design our system and processes to withstand extreme weather events, respond to outages and restore service quickly, and build redundancy and resilience into our facilities. We have an extensive vegetation management program and work closely with the District of Columbia's Department of Transportation's Division of Urban Forestry. We also conduct Summer and Winter Readiness analyses and inform customers of steps they can take to prepare for extreme weather, along with our actions, which include:



- **System Hardening, Redundancy and Resilience:** We are making our infrastructure even more resilient to climate change, by modernizing the grid through dedicated initiatives such as DC PLUG and Capital Grid, and the newly launched Distribution System Planning process. These efforts will result in the undergrounding of select lines, the hardening and modernization of targeted substations and the identification of decentralized alternatives to meeting future capacity needs.
- **System Automation:** We are making the grid smarter through the use of advanced technologies for the quick identification of outages and automated problem-solving. The pace and scale at which grid modernization and associated technologies can be deployed is determined by the regulatory approvals for these investments and funding requests.
- **Standards Assessment:** We are reviewing our engineering standards to ensure that equipment will be able to withstand a changing environment and more extreme weather, such as higher temperatures, increasing wind speeds, greater levels of precipitation, and flooding.
 - In the District of Columbia, a large part of the transmission system is underground, with the cable system designed to operate fully submerged in water for extended periods. Pepco is also taking additional precautions in areas prone to flooding.
 - Pepco's overhead transmission standards meet National Electric Safety Code (NESC) Extreme Wind (Rule 250C) and Ice Loading (Rule 250B) criteria. The overhead lines are also designed to meet required electrical clearances at maximum operating temperatures.
- **Flood Mitigation:** Pepco launched a flood mitigation program focusing on infrastructure located within both the 100- and 500-year floodplains. We will install flood monitors at five key locations to allow us to react quickly should a flooding event become likely.
- **Storm Preparedness and Response:** Pepco launched a Major Storm Response Improvement Project in 2020 to identify and implement improvements ranging from operations and logistics, to customer engagement and communications to ensure the Company is prepared for the future.
- **Community Resilience Support:**

Through Pepco's charitable program, including the Sustainable Communities Grant program, the company has funded two resilience demonstration projects in partnership with local organizations, including one with Jubilee Housing, a community-based nonprofit housing developer, and New Partners Solar located at the Maycroft Apartments in Ward 1, as well as a project located in Ward 6 at Ludlow-Taylor Elementary School.

While many of these activities and efforts are underway, others may require additional regulatory approvals. Pepco will continue to identify investments to enhance the resilience of its system and advance as part of the regulatory process.



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