

AOBA

Approved and Anticipated Utility Rate Changes For 2007 and Beyond

(Updated April 16, 2008)

April 16, 2008

AOBA Utility Report

***Recently Decided
and
Currently Pending***

Utility Rate Increase Requests

Electric Rate Changes

* Approved Electric Base Rate Changes for 2007 and Beyond

- Increase in **Pepco-MD Distribution** Base Rates: Effective August 16, 2007
- Increase in **Pepco-DC Distribution** Base Rates: Effective February 20, 2008
- **No** Approved Increase in **Dominion Virginia Power** Base Rates, but rate surcharges for costs of new power plants are being considered

* Changes in Utility Charges for Electricity Supply

- **Pepco MD SOS Rates**
 - ✓ As of June 1, 2008 SOS rates for Small (Type I) and Medium (Type II) Commercial customers will only be announced for **one quarter** (three months) **at a time**.
 - ✓ Announced SOS Rates for Small (Type I) for June 2008 through August 2008 are in excess of **13 cents per kWh** for Generation and Transmission service.
- **Pepco DC SOS Rates** – New SOS Rates to be Effective June 1, 2008 (*new are rates scheduled to be announced in April 2008*)
- **Dominion Virginia Power - Fuel & Purchased Power Charges.**
 - ✓ Requested: \$662 million increase
 - ✓ Granted: **\$219 million** increase **Effective July 1, 2007**
 - ✓ **Deferred:** \$443 million for collection after July 1, 2008

Pepco District of Columbia Base Rate Case

* Overall Increase	Proposed	Granted
➤ Request in Dollars:	\$50.5 Million	\$28.2 Million
➤ Request as % of <u>Distribution</u> rates	22.4%	12.5%
* Distribution Rate Increases by Class	Proposed	Granted
➤ Large Commercial (GT-LV)	21.9%	12.3%
➤ Large Commercial (GT-HV)	9.5%	12.3%
➤ Metro - Rapid Transit (Rate RT)	13.0%	12.3%
➤ Small Commercial (GS)	13.4%	12.5%
➤ Residential (Including MMA's)	44.9%	13.3%
* Pepco Also Requested Approval of:		
➤ A Bill Stabilization Adjustment (Rider BSA): Approved in concept, Phase II Ordered		
➤ A Surcharge for Recovery of Costs for Pensions and other Post-Retirement Benefits (Rider POPEB): Denied		
* New Rates Effective February 20, 2008.		

Pepco Maryland Base Rate Case

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|---|------------------------|-----------------------|
| * Overall Increase | Proposed | Granted |
| ➤ Request in Dollars: | \$55.67 Million | \$10.6 Million |
| ➤ Request as % of <u>Distribution</u> rates | 16.8% | 3.3% |
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|--|--------------|-------------|
| * Pepco Distribution Rate Increases by Class | Proposed | Granted |
| ➤ Small Commercial (GS-LV) | 17.0% | 1.5% |
| ➤ Medium Commercial (MGT-LV) | 14.2% | 2.5% |
| ➤ Large Commercial (GT-LV) | 8.7% | 0.5% |
| ➤ Large Commercial (GT-3A) | 16.1% | 0.7% |
| ➤ Residential (Non-TOU) | 19.3% | 4.2% |
| ➤ Residential (TOU) | 25.3% | 5.8% |
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- * Pepco Also Requested Approval of:
- A Bill Stabilization Adjustment (Rider BSA): **Approved**
 - A Surcharge for Costs of Pensions and Other Post-Retirement Benefits (Rider POPEB): **Denied**
- * **New Rates Effective August 16, 2007**

Rate Expectations for Customers of Dominion Virginia Power

- * Increase in Dominion Virginia Power (DVP) Fuel & Purchased Power Charges.
 - Requested: \$662 million
 - Granted: **\$219 million** Effective July 1, 2007
 - Dominion Virginia Power Fuel Factor will increase from **\$0.01981** to **\$0.02232**
 - Deferred: **\$443 million** for collection after July 1, 2008

- * Caps on Base Rates for Dominion Virginia Power (DVP) Customers will end **two years earlier than previously announced**
 - Rate Caps were previously scheduled to continue through December 31, 2010
 - New law **ends rate caps** as of **December 31, 2008**
 - SCC will not begin to review DVP's rates until after rate caps have expired
 - No adjustment to DVP rates are anticipated prior to the second half of calendar year 2009.

- * Commission Approves Rate Adjustment Surcharge for pass-through of costs for a new coal-fired generating plant.
 - Surcharge will be effective **January 1, 2009**.
 - Level of initial surcharge is yet to be determined.
 - Surcharges will increase as construction expenditures for new plant increase.

Gas Utility Base Rate Increases

* WGL-Virginia: Base Rate Case

New Rates in Effect October 1, 2007

Refunds of excess charges billed under Interim Rates in November 2007 Bills

* WGL-DC: Base Rate Case

New Rates Effective for meter readings on and after December 31, 2007

* WGL-Maryland: Base Rate Case

New Rates Effective November 27, 2007

WGL Virginia Base Rate Case

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|---|--------------|---------------|
| * Overall Increase | Proposed | Granted |
| ➤ Request in Dollars: | \$23 Million | \$3.9 Million |
| ➤ Request as % of <u>Distribution</u> rates | 11.2% | 1.9% |
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- | | | |
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| * WGL Distribution Rate Increases by Class | Proposed | Granted |
| ➤ Commercial and Industrial | | |
| ✓ Heating and/or Cooling | 6.8% | 0.5% |
| ✓ Non-heating and Non-cooling | 7.3% | 0.6% |
| ➤ Group Metered Apartments | | |
| ✓ Heating and/or Cooling | 6.4% | 0.5% |
| ✓ Non-heating and Non-cooling | 7.8% | 0.6% |
| ➤ Interruptible | 12.9% | 1.8% |
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- * Interim rates increased by \$17.2 million (Effective February 13, 2007)
 - * Pepco Also Requested Approval of:
 - Performance Based Ratemaking Incentives with “Sharing of Excess Earnings”. **Granted**
 - Revenue Normalization Adjustment or Weather Normalization Adjustment. **WNA Granted**
 - Recovery of Hexane Injection through Balancing Charges for Transportation Service Customers **Granted**
 - Asset Management Incentives **Granted**
 - Funds for Outsourcing Customer Service and A&G Activities **Not Granted**
 - * New Rates Effective August 16, 2007

WGL Maryland Base Rate Case

<p>✧ Overall Increase</p> <ul style="list-style-type: none"> ➤ Request in Dollars: ➤ Request as % of <u>Distribution</u> Rates 	<p>Proposed</p> <p>\$33.8 Million 14.3%</p>	<p>Granted</p> <p>\$20.5 Million 8.8%</p>
<p>✧ Increases by Rate Class</p> <ul style="list-style-type: none"> ➤ Commercial and Industrial <ul style="list-style-type: none"> Heating and/or Cooling <ul style="list-style-type: none"> Less than 3,000 therms 3,000 therms or more Non-heating and Non-cooling ➤ Group Metered Apartments <ul style="list-style-type: none"> Heating and/or Cooling Non-heating and Non-cooling ➤ Residential <ul style="list-style-type: none"> Heating and/or Cooling Non-heating and Non-cooling ➤ Interruptible Total All Classes 	<p>Proposed</p> <p>14.48% 8.85% 9.51% 11.54% 10.96% 7.16% 8.32% 14.68%</p>	<p>Granted</p> <p>10.22% 0.0% 0.0% 0.0% 0.0% 12.46% 6.17% 0.0% 8.80%</p>
<p>✧ WGL Also Requested:</p> <ul style="list-style-type: none"> ✓ Performance Based Ratemaking Incentives with “Sharing of Excess Earnings” Denied ✓ Commercial Customers Get Less Than Average Increase Granted ✓ Interruptible System Charge increased 15%, Distribution Charges reduced Denied 		
<p>✧ New Rates Effective November 27, 2007 - Phase II Proceeding to Consider Performance Based Rates and Outsourcing of WGL services to Accenture</p>		

WGL District of Columbia Base Rate Case

<p>✱ Overall Rate Increase</p> <ul style="list-style-type: none"> ➤ Request in Dollars: ➤ Request as % of <u>Distribution</u> Rates 	<p>Proposed</p> <p>\$20.0 Million</p> <p>16.2%</p>	<p>Granted</p> <p>\$1.4 Million</p> <p>1.1%</p>
<p>✱ Distribution Rate Increases by Class</p> <ul style="list-style-type: none"> ➤ Commercial and Industrial <ul style="list-style-type: none"> ✓ Heating and/or Cooling <ul style="list-style-type: none"> ▪ Less than 3,075 therms ▪ 3,075 therms or more ✓ Non-heating and Non-cooling ➤ Group Metered Apartments <ul style="list-style-type: none"> ✓ Heating and/or Cooling <ul style="list-style-type: none"> ▪ Less than 3,075 therms ▪ 3,000 therms or more ✓ Non-heating and Non-cooling ➤ Interruptible <p>Total All Classes</p>	<p>Proposed</p> <p>14.8%</p> <p>13.6%</p> <p>13.7%</p> <p>14.1%</p> <p>13.8%</p> <p>13.9%</p> <p>0.3%</p> <p>16.2%</p>	<p>Approved</p> <p>4.1%</p> <p>0.6%</p> <p>0.6%</p> <p>2.9%</p> <p>0.6%</p> <p>0.6%</p> <p>0.0%</p> <p>1.1%</p>

✱ **WGL Also Requested**

- ✓ Performance Based Ratemaking Incentives with “Sharing of Excess Earnings” **Denied**
- ✓ Revenue Normalization Adjustment
- ✓ Recovery of Hexane Injection Costs through Balancing Charges for Transportation Service Customers
- ✓ Funds for Outsourcing Customer Service and A&G Activities

✱ **New rates effective for meter readings on and after December 31, 2007.**

WGL District of Columbia Rate Case Interruptible Rates

Approved Fixed Interruptible Rates

Customer Charge

\$63.55 per month

Distribution Charges

- First 75,000 Therms Monthly
- Over 75,000 Therms

\$0.1700 per therm

\$0.1564 per therm

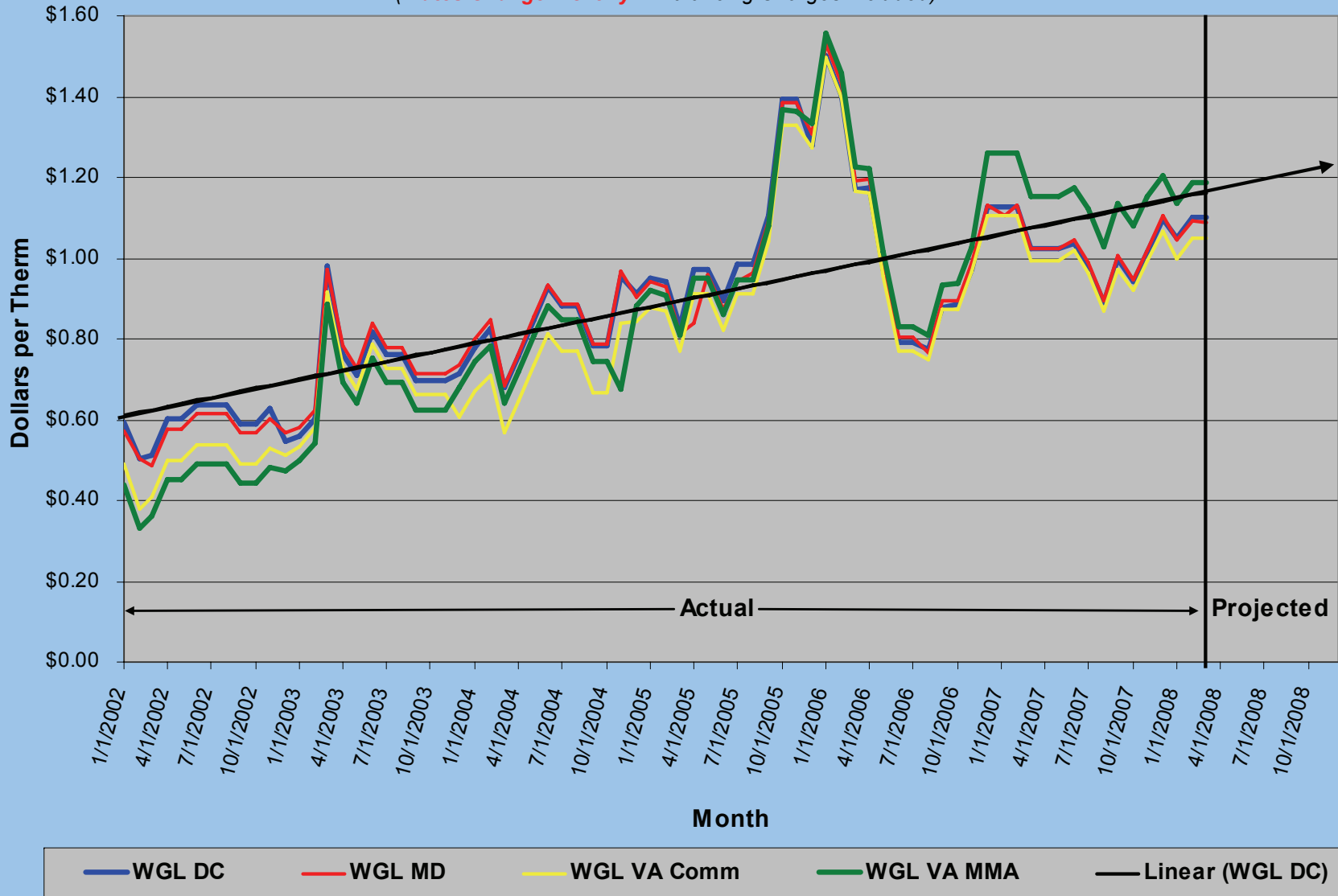
Washington Gas Light Company

Purchased Gas Charges

By Jurisdiction and Rate Class

Washington Gas Light Company Purchased Gas Charges by Jurisdiction

(Rates Change Monthly -- Balancing Charges Included)



April 16, 2008

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