

MontCo Council: Pepco ignores maintenance

By: [Brian Hughes](#) 02/07/11 8:05 PM

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Montgomery County Council members Monday accused Pepco, the region's largest electricity supplier, of ignoring basic system maintenance while leaving residents in the dark and lining the pockets of shareholders -- as calls intensified for federal power reliability standards. "We have a public utility that allowed its system to degrade over many years to the point where the service -- on sunny days -- is the worst in the state, worst in the region and has been in the lowest quartile in the nation for five years," said Councilman Roger Berliner, D-Bethesda/Potomac. "It is truly Third World service."

Pepco rolled out a plethora of high-ranking officials to offer an apology, of sorts, for outages that left nearly 140,000 county customers without power during a fairly routine winter storm.

But the apology largely fell on deaf ears as council staff noted that Pepco Holdings Inc., which includes Pepco, Delmarva Power and Atlantic City Electric, paid more than \$1 billion to shareholders between 2005 and 2009.

At the same time, the Pepco subsidiary spent a combined total of \$271 million on transmission and distribution maintenance, staff said.

Dave Velazquez, Pepco executive vice president of power delivery, said the figures painted an unfair portrait of the company: "We are in the bottom quartile; we are not the worst utility that is out there."

However, citing frustrations with Pepco, U.S. Sen. Barbara Mikulski, D-Md., Monday asked a Senate committee to hold hearings on whether the federal government should require federal reliability standards for power.

Pepco officials said the company has trimmed roughly 900 miles of trees in the county and replaced or upgraded more than 140,000 feet of underground cable through a five-year plan to improve reliability.

But Velazquez acknowledged that the company's bottom line is not affected during periods of extended outages, a practice being investigated by the Maryland Public Service Commission. The regulator says the company's collection method takes away incentive to restore power because customers essentially pay the same rates regardless of how long it takes to turn the lights back on.

Velazquez told The Washington Examiner the company would be willing to return money if told to do so by the commission.