

Government of the District of Columbia
ADVISORY NEIGHBORHOOD COMMISSION 3F
North Cleveland Park • Forest Hills • Tenleytown

3F01 – Adam Tope, Chair
3F02 – Karen L. Perry, Vice Chair
3F03 – Mary Beth Ray
3F04 – Sally Gresham
3F05 – Andrea Molod, Secretary
3F06 – Malachy Nugent, Treasurer
3F07 – Patrick Jakopchek



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Public Meeting – January 20, 2015

Forest Hills of DC
4901 Connecticut Avenue, NW
Washington, DC 20008

MINUTES

ANC 3F convened its regular public meeting on January 20, 2015 at Forest Hills of DC, 4901 Connecticut Avenue, NW, Washington DC 20008. The meeting was duly advertised and open to the public.

Copies of resolutions approved are available at www.anc3f.us, and the livestream recording of the meeting is available at <http://new.livestream.com/anc-3f>.

Commissioners Present: Tope
 Ray
 Gresham
 Molod
 Nugent
 Jakopchek

ITEM	VOTE	KEYWORDS
Motion to elect officers: Tope as Chair, Perry as Vice Chair, Nugent as Treasurer, Molod as Secretary	6-0-0	
Motion to participate in security fund for \$25	6-0-0	
Motion to approve the minutes of the Dec. 2014 meeting	6-0-0	

Motion to renew header ad in Forest Hills Connection	6-0-0	
Motion to renew Van Ness Vision Committee	6-0-0	
Motion to create ANC3F Technology Committee	6-0-0	

Call to Order: 7:30 pm
Adjournment: 9:00 pm

Call for additions to agenda:

- Van Ness vision committee report
- Discussion of zoning adjustment to be filed by owners of 3318 Fessenden St., NW
- Motion to create ANC 3F technology committee

Agenda additions approved 5-0-0

AGENDA ITEMS

1. Election of Commission Officers and Other Administrative

Commissioner Ray nominated:

- Adam Tope as Commission Chair
- Karen Perry as Commission Vice Chair
- Malachy Nugent as Treasurer
- Andrea Molod as Secretary

Slate of officers approved 6-0-0

Tope: Proposed ANC 3F meeting schedule for 2015 to be on the 3rd Tues. of every month – approved based on no objections from commissioners

Tope: Motion to participate in security fund for \$25. Passed 6-0-0

2. Police Report

Captain Gresham of the MPD second police district presented a summary of crime statistics. For the 30 day period ending today compared to last year, violent crime was down by 100%, property crime down 13%. There was a robbery in the 3800 block of Chesapeake St. NW, the case was closed with 2 arrests. There was an increase in thefts (up by 100%), but theft from auto was down by 17%.

Q (Ray): What is the difference between burglary and theft?

A: Theft is when someone ventures on to your property and steals something. Burglary is different.

Q (Nugent): There was a discussion about having cruisers patrol in an alley between Ellicott St., NW and Fessenden St., NW to prevent cars from cutting through near Murch elementary school.

A: Will make sure it is addressed.

Q (Ray): Who is our police contact?

A: Lt. Craig (as before) or there may be a transition.

Q (Gresham): Is our contact still Lt. Steve Franchak (email:stephen.franchak@dc.gov)? Is he still cruising near Calvert Woodley Liquors and Giant and ticketing?

A: yes

3. Commissioner Announcements

Nugent:

- Jeannie Niles agreed to attend next Murch (Tues. Feb. 10) modernization meeting
- Successful in getting potholes filled

Ray:

- Caroling was a success.
- Forest Hills citizens meeting Thurs Jan 22 at 7 PM at Forest Hills of DC - \$25 dues
- Van Ness vision committee will have meetings at WAMU (thanks to Gresham) - next meeting on Friday Feb. 13.
- Ryan Hand (Ward 3 planner) continuing with Van Ness framework and a determination of which retail shops are desired. He will host a workshop on Sat., Jan. 31 at 9AM-12.

Gresham:

- Park van ness traffic control plan still extant - same as old plan with sign changes
- 3800 block of 32nd St NW has new sidewalks and gutters
- Donation from ANC3F given to Forest Hills of DC for the new meeting room wall mounted television

Molod: None

Tope: None

Jakopchek: None

4. Announcements / Open Forum

- ❖ Discussion of proposed board of zoning adjustment at 3318 Fessenden St. NW.

Property owner reported that the neighbors agreed, that the footprint of the house will not change, that there will be no tree loss (they want to raise roof). There is no opposition, but that they need an increased sideyard because of forest hills tree slope overlay. For this they need an exception to zoning laws.

The exception will be voted on at the next ANC 3F meeting.

5. Discussion of proposed merger between PEPCO Holdings, Inc. and Exelon

Presentation was made by Robert Robinson, GRID2.0, on the subject of the pending merger between PEPCO Holdings, Inc., the provider of electricity to District ratepayers, and Exelon corporation. The presentation is part of the discussion related to a resolution to be voted on at the Feb. 17, 2015 meeting. Mark Battle, a representative from PEPCO spoke to the Commission on the subject of the merger at the Oct, 2014 meeting.

Mr. Robinson introduced himself as an intervener in the Public Services Commission (PSC) hearings on the subject of the merger between Exelon Corporation and PEPCO Holdings Incorporated (PHI). He said that his major objection to the merger is as a member of the renewable energy community in the District of Columbia, although he spoke about objections on financial grounds as well.

His presentation began with a short summary of the progress made over the last decade by the renewable energy community in the District, and the gradual and increasing partnership with PEPCO to achieve their ends. He reminded us that PEPCO is required by the PSC to act "in the public interest", and this has been translated into a business model with the goals of providing electricity to the ratepayers at the cheapest price possible, and the maintenance of the most reliable grid possible. Progress over the last decade included the establishment of the Mount Pleasant Solar Cooperative in 2006, the advocacy for the Clean Affordable Energy Act passed by the District Council in 2008 which required PEPCO to make provisions for "net metering" of distributed solar energy generation, the advocacy for the 2013 Community Renewable Energy Act passed by the District Council which allows ratepayers to invest in an existing solar array, and the organization of the Ward 3 Group Solar purchase, under which more than 50 Ward 3 homeowners signed contracts to install rooftop solar at a roughly 20% discount.

Mr. Robinson included some background information on Exelon Corporation, which is presently the largest owner of nuclear generation facilities in the country, and with the PEPCO merger would become the largest distributor of electric power in the country. The vertically integrated business model translates into a corporate goal of selling their nuclear energy at the highest price to meet the responsibility to their shareholders. Exelon owns a large solar array in Illinois, but has advocated for and contributed financially to the rollback of existing distributed solar energy laws in NY., PA., Ill. and Ohio.

Mr. Robinson also gave some background information on the existing grid infrastructure (transmission lines, transformers, etc.) owned by PEPCO. He spoke about the aging infrastructure, much of which was built in the 1930's through the 1950's, the absence of modern technological advances in the grid that, for instance, can easily accommodate distributed energy generation, and the also obsolete "cost recovery" paradigm, where the PSC authorizes rate increases when the utility can demonstrate that maintaining the grid costs more money. He presented statistics and examples to show that PEPCO is lagging behind many other U.S. Cities in the costs of the grid, the reliability, and the advances into 21st century technology.

After the background information, Mr. Robinson spoke about the merger in terms of "who gets what" from the Exelon-PHI merger, which is costing Exelon approximately \$6.8 billion. Fundamentally,

- PHI shareholders and executives are getting approximately \$1.2 billion - \$2.5 billion (depending on how the accounting is done) in the form of a premium stock price.
- Exelon gets the assets of PHI, the absence of the voice of their shareholders, and a virtually captive and non-competitive revenue base of ratepayers.
- District of Columbia ratepayers get \$50 per household

Mr. Robinson told us that according to the statements made by PHI and Exelon executives, they claim that the merger benefits PEPCO ratepayers because of the economies of scale, that is, the reduction of costs because the electric power is being purchased in bulk. According to Mr. Robinson it may be true that there are economies of scale, but there are no plans explicit in any of the merger documents or testimony to pass on these economies of scale to the ratepayers, rather, the merger documents call for a three-year freeze on rates.

The bottom line for District ratepayers was summarized as a \$50 premium in return for being owned by Exelon, a corporation with a business model that clashes with the interests of the ratepayers, carries a large and increasing corporate debt due to ownership of aging nuclear facilities, and that is unwilling to make the necessary moves towards the future of sustainable energy generation and distribution for the District.

Commissioner Q&A:

Q (Commissioner Ray): How would the merger effect the plans for burying cables that is in the works, and how much would it effect reliability of power delivery?

A: No known impact on the plans to bury cables. As for reliability, the PSC has set a goal of an averaged 90-minute duration of outage (one of the metrics for reliability) for the 2018-2020 time frame. Testimony by Exelon spokesman Alden said that they would not meet that target, that the estimated time per outage for that time frame would be closer to 107 minutes. In response to a follow up question, Mr. Robinson reported that PEPCO has also predicted that they would not meet the 90 minute target set by the PSC.

Q (Commissioner Gresham): Why is the ratepayer premium \$50 when it was \$200 per household for the Baltimore Gas and Electric merger previously negotiated by Exelon? Also, what does the DC Council and the mayor think of the merger?

A: This is a demonstration that Exelon is not giving DC ratepayers the best deal they can. As for the council and the mayor, there is no formal role to intervene and they have not spoken.

Q (Commissioner Jakopchek, follow on by Commissioner Molod): You stated that the grid infrastructure is nearing the end of its life, will the costs of the upgrade be passed on to ratepayers, and who is the better partner to make the upgrade affordable, PEPCO or Exelon?

A: The short answer is that Exelon has stated that there are no plans for capital upgrades, that it is consistent with their business model to maintain the current infrastructure for as long as possible. So the better partner for the likelihood of seeing upgrades is PEPCO.

Q (Commissioner Ray): Are you opposed outright to the merger? Or could an amended agreement be worked out? ie., if you could name three "fixes" to the merger documents, what would they be?

A: There may be fixes, but Exelon would not be inclined to agree to them. To name three, they would be:

- Explicitly remove the potential financial burden from the ratepayers for ANYthing we do not presently bear the financial burden for
- Add an agreement on how to proceed into the future with renewable energy
- Add an agreement to continue progress with net-metering to facilitate distributed generation

Other Comments from Public

David Bardin - Has no position on whether there should be a merger. Has testified before the PSC and raised an issue of reliability. It is the vulnerability to malevolent or natural (sun flares) phenomenon that may interrupt service. Mr Bardin is interested in getting ourselves resilient, and asking the PSC to think about a plan for a 60-day outage.

Nicole Rentz from Councilwoman Mary Cheh's office - There will be roundtable discussion of the merger on Fri. Jan 23 at 11AM in the Wilson building. In answer to a query from commissioner Gresham, Ms. Rentz said that there will be no minutes, but that the discussion of the merger will be recorded.

6. Miscellaneous

Approval of Minutes from December Meeting

Commissioner Tope made a motion to approve the minutes of the December, 2014 meeting. The motion was approved by a vote of 6-0-0.

Renewal of Forest Hills Connection ad

Option is to renew header ad (\$960), or switch to right side (\$1200) ad which is narrower but taller.

Jakopchek: In favor of either option.

Nugent: In favor, perhaps we give more support with the bigger ad.

Ray: In favor of switch from banner to side ad and get someone to design the new ad from FHC. It is good to be fresh with a new ad

Gresham: In favor of either ad, asked if there is any way to keep banner but make it bigger in some other way?

Nugent: Motion to purchase \$960 header ad. Motion passed 6-0-0

Renewal of Van Ness vision committee

Ray: Motion to renew Van Ness vision committee as an ad-hoc committee of ANC 3F. Motion passed 6-0-0

Creation of ANC3F Technology committee

Purpose of the ANC3F technology committee would be primarily to launch a new ANC3F website. It would be a 2-year committee, charged with determining what it will cost/involve and make the plans for the website upgrade. Proposed chairs are Nugent and Jakopchek.

Nugent: Motion to create Technology committee with chairs Nugent and Jakopchek. Motion passed 6-0-0

7. Adjournment

Tope: Motion to adjourn. Passed 6-0-0
