

MD-DC Utilities Association

EMS and ISO 14001 Panel

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Pepco Holdings, Inc.

A regulated power delivery company

- Formed in 2002 in connection with the merger of Pepco and Conectiv
- One of the largest electricity delivery company in the Mid-Atlantic region
- Headquartered in Washington, DC
- Provides electric and gas services to about 1.9 million customers
- Operations in the District of Columbia, Delaware, Maryland and New Jersey
- Other non-regulated energy related services



Our Vision

Be the premier energy delivery and services company in the mid-Atlantic region through employees focused on safety, customer service, reliability, and profitability.

Our Environmental Policies

PHI's Environmental Policy Statement

“Pepco Holdings, Inc. is dedicated to conducting its business activities with respect and care for the environment. We focus on providing safe, reliable and affordable energy to our customers while we strive to minimize environmental impacts that result from our operations...”

PHI's Environmental Management System

- **Assigns accountability and measures progress in reducing our environmental footprint.**



Environmental Policy

Pepco Holdings, Inc. is dedicated to conducting its business activities with respect and care for the environment. We focus on providing safe, reliable and affordable energy to our customers while we strive to minimize environmental impacts that result from our operations. The following principles guide our activities in protecting and preserving the environment for future generations.

We Will:

- Conduct all operations, including production, transmission, distribution and sales of our products and services, in compliance with applicable environmental laws and regulations and corporate policies and procedures.
- Seek to continually assess and improve our environmental performance at all levels of the Company through proactive management and integration of innovative pollution prevention, greenhouse gas management, habitat and species protection and natural resource conservation considerations into our business planning process.
- Use cost-effective advanced technologies, innovative customer programs and renewable energy sources to enable a reliable, energy-efficient and environmentally-friendly tomorrow for our customers.
- Foster open dialogue with employees, shareholders, customers and other stakeholders, and respond to their concerns about potential impacts of our operations.
- Provide appropriate resources to meet our environmental commitments.
- Collaborate with members of the scientific, business and government communities and other stakeholders to analyze emerging environmental issues in our industry and foster the development of sound, scientifically-based policies and solutions.
- Work with our suppliers and contractors to promote the use of environmentally-preferred products and services.

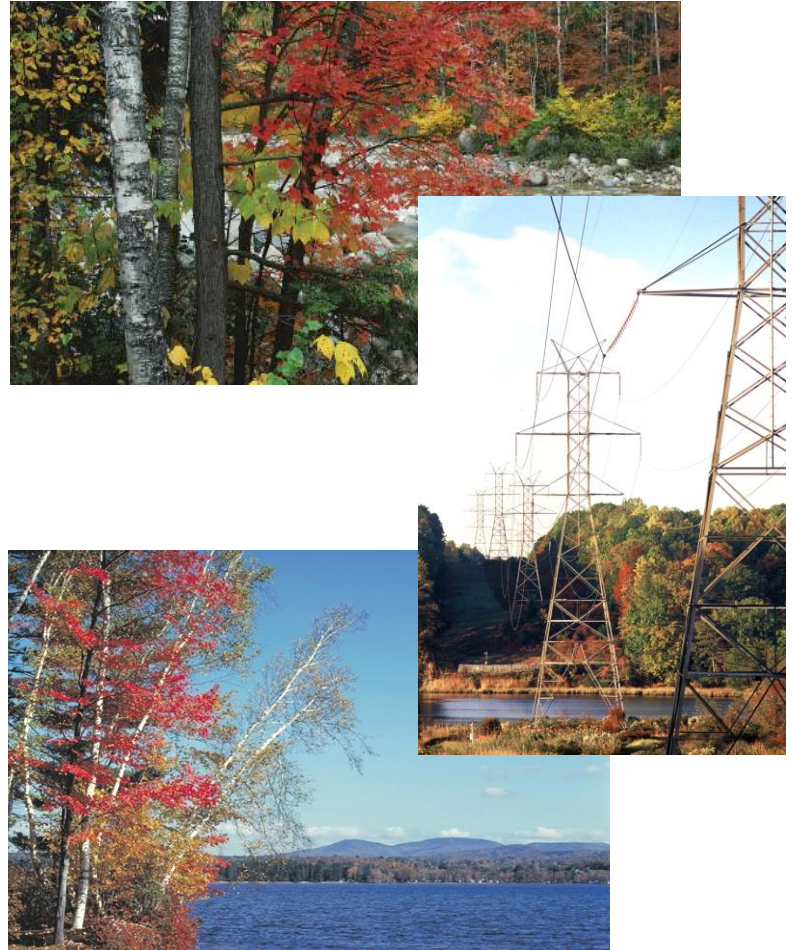
Compliance with applicable environmental laws and regulations is a critical aspect of our corporate values. All PHI employees, contractors and business partners are responsible and will be held accountable for implementing this policy and ensuring ongoing environmental compliance and protection. In support of this policy, fair and reasonable disciplinary action may be applied when appropriate levels of environmental compliance and protection are not achieved.

Code Number
Date

Our Environmental Management System

PHI's EMS is:

- Based on the premise of ISO14001
- Organized into 5 functional areas:
 - Policy
 - Roles and Responsibilities
 - Compliance
 - Stewardship
 - Risk Management



Our Environmental Management System

We have adopted a comprehensive EMS to:

- **Ensure that appropriate technology and procedural controls are in place.**
- **Increase communication within and among LOBs**
- **Ensure that roles and responsibilities are clearly delineated.**
- **Promote clear lines of accountability.**
- **Reduce potential environmental risks and liabilities.**
- **Drive continuous improvement in environmental performance.**

