



# Exelon-Pepco Merger Fund

(P362105)

Category	General Government	Date Last Modified	01/09/24
SubCategory	County Offices and Other Improvements	Administering Agency	General Services
Planning Area	Countywide	Status	Ongoing

## EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Planning, Design and Supervision	73	73	-	-	-	-	-	-	-	-	-
Construction	7,269	4,733	2,536	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>7,342</b>	<b>4,806</b>	<b>2,536</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Utility Merger Funds	7,342	4,806	2,536	-	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>7,342</b>	<b>4,806</b>	<b>2,536</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	-	Year First Appropriation	FY21
Appropriation FY 26 Request	-	Last FY's Cost Estimate	7,342
Cumulative Appropriation	7,342		
Expenditure / Encumbrances	5,554		
Unencumbered Balance	1,788		

## PROJECT DESCRIPTION

This project provides for the design and implementation of energy savings projects in various County facilities and locations using funds obtained through the merger of Exelon Corporation, Pepco Holdings, Inc., Potomac Electric Power Company, and Delmarva Power & Light Company ("Exelon/PHI merger"), approved by the Maryland Public Service Commission (PSC) per Order No. 86990 on May 15, 2015. Projects include lighting retrofits, heating, ventilation, and cooling (HVAC) controls upgrades and equipment replacement including chillers, condensing units and air handling units.

## ESTIMATED SCHEDULE

Projects are identified and scheduled based on energy savings potential, reduced maintenance costs, overall cost savings, and quantifiable environmental benefits. Schedule is subject to change based on project need. Currently planned projects include:

Completed FY23: Animal Shelter, Circuit Court North Tower, Clara Barton Neighborhood Recreation Center, Colesville Depot, Gwendolyn Coffield Community Recreation Center, Holiday Park Senior Center, Materials Management Warehouse, Public Safety

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Communication Center, Warehouse Center, White Oak Community Recreation Center.

FY24: Circuit Court South Tower, Brigadier General Charles McGee Library, Fire Station 31, Lone Oak Center, 600 East Gude Drive, Mid-County Community Recreation Center, Public Safety Training Academy, Public Safety Headquarters, Ross Boddy Community Recreation Center, Wheaton Rescue Squad #2.

## COST CHANGE

FY24 supplemental in Utility Merger Funds for the amount of \$504,662.

## PROJECT JUSTIFICATION

The Exelon/PHI (PHI) merger, approved by the Maryland PSC per Order No. 86990 on May 15, 2015 and Order No. 88128 on April 12, 2017 regarding the Most Favored Nation Provision, resulted in the County receiving over \$40 million, of which \$8.4 million was designated to establish a Green Sustainability Fund. The County will use \$6.7 million of these funds for this project to establish energy savings projects in public facilities. Generally, projects will pay for themselves over several years. Significant reductions in energy consumption, greenhouse gas emissions, and maintenance are expected.

## FISCAL NOTE

A total of \$6.7 million was originally appropriated in the Restricted Donation Fund in FY19. Approximately \$500,000 was spent in FY20 from the Restricted Donation Fund to fund the initial round of projects, including Potomac Library, Upper County Community Recreation Center and Pool, Bethesda-Chevy Chase Regional Services Center, and Margaret Schweinhaut Senior Center. The remaining funds of \$6.2 million shifted to this new CIP project.

Projects are also expected to be eligible for utility incentives during and after implementation; utility incentives will offset the use of the merger funds. Merger funds cannot be used to supplant existing County funding for projects, including staff charges.

FY23 Supplemental in Utility Merger Funds for the amount of \$636,971.

FY24 supplemental in Utility Merger Funds for the amount of \$504,662.

## COORDINATION

Department of General Services, Department of Finance, Office of Management and Budget, Office of the County Attorney