

Exhibit 85



COUNCIL OF THE DISTRICT OF COLUMBIA
THE JOHN A. WILSON BUILDING
1350 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20004

October 16, 2015

Public Service Commission of the District of Columbia
1325 G Street, NW
Suite 800
Washington, DC 20005

Re: Exelon-PHI Joint Application and Settlement Agreement

Dear Chairperson Kane, Commissioners Fort and Phillips:

We write to express our hope that the Public Service Commission (the "Commission") will approve the merger of Pepco and Exelon pursuant to the terms of the settlement agreement reached by the District of Columbia Government, the Office of People's Counsel ("OPC"), the Apartment and Office Building Association of Metropolitan Washington ("AOBA") and the other parties with Pepco and Exelon.

The settlement agreement represents the consensus of a broad spectrum of parties representing the many important interests of District stakeholders that the merger, undertaken in accordance with the terms of the settlement agreement, will benefit the District of Columbia. In addition to the District Government, OPC (the statutory representative of all residential customers in the District) AOBA, on behalf of commercial customers in the District, the Attorney General's Office, DC Water, the National Consumer Law Center, the National Housing Trust, and the National Housing Trust-Enterprise Preservation Corporation are also parties to the settlement agreement.

We realize the Commission has the final say whether the merger pursuant to the settlement agreement satisfies the "public interest" standard. As we explain below, with the settlement agreement and its enhanced benefits, we believe the proposed merger settlement agreement is in the public interest, and we respectfully ask the Commission to give this letter consideration as you proceed with any deliberations in this case.

The settlement agreement proposes an increase in the Customer Investment Fund to \$72.8 million. This is a substantial increase that assures residential ratepayers that they will not face any rate increases until March 2019. This substantial financial commitment also allows approximately \$16 million to be dedicated to assisting low-income citizens. This \$16 million allocation includes, among other things, providing more home energy assistance, weatherizing homes, existing debt forgiveness and conducting more outreach to these categories of ratepayers on energy efficiency programs and practices. We believe an investment in energy efficiency is very effective, often resulting in two dollars saved for each dollar spent and creating sustainable reductions in energy costs. Finally, we are pleased that there is an additional \$14 million in direct bill credits to be distributed to residential customers. All of these financial benefits reduce costs for residential ratepayers and will provide much



needed help to our citizens.

The settlement agreement contains several provisions that will lead to increased employment, and revenue for the District. Exelon has agreed to relocate its Exelon Utilities and Exelon Corporate Strategy headquarters to the District and the offices of the top officials of those groups for ten years. The Joint Applicants have also agreed not to have any net staff reductions due to involuntary terminations as a result of the Merger at Pepco's utility operations in the District for five years, to relocate 100 positions to the District (both from Virginia and other places where Exelon operates) and to hire 102 union workers. Moreover, Exelon-PHI has committed \$5.2 million for a job training program, and this amount is in addition to the Customer Investment Fund.

Approval of the proposed merger is predicted to result in improved system reliability throughout Pepco's District of Columbia service area. By the terms of the settlement agreement, Pepco is required to improve system reliability beyond the current statutory requirements. If Pepco fails to meet certain standards that are set forth in the settlement agreement, it will be subject to financial and other penalties that can be imposed by the Commission. And, Pepco must meet the reliability standards set forth in the settlement agreement without exceeding the budget and without regard to the schedule for the DC PLUG undergrounding initiative. Finally, Pepco has agreed to continue to meet with the Office of the People's Counsel to discuss reliability and system productivity measures and will continue to file information concerning its capital budget.

The settlement agreement contemplates a substantial commitment to support the District's green, alternative, renewable and sustainable energy goals. Seven million dollars will be allocated to the Sustainable Energy and the Renewable Energy Trust Funds to help the District achieve its goal to become a more sustainable city. Another \$10 million will be contributed to the District's Green Building Fund to support and to expand the use of green energy and clean water. Exelon has agreed to purchase 100 megawatts of wind power commencing within five years of the merger closing date, and, to build up to 10 MW of solar in the District – nearly doubling the current 12 MW the District currently has in place. All of these commitments are complimentary to the public policy objectives advanced by the Mayor and the Council of the District of Columbia, and will help accelerate the District's progress in reaching its sustainability goals.

In addition, Exelon has agreed to a number of significant structural commitments that will protect the focus of Pepco on its District of Columbia electric distribution business, including through local management and a board of directors at the Pepco holding company level that has a majority of independent directors. The settlement agreement also provides the Commission with the authority to require Exelon to divest Pepco to a third party if Exelon's financial condition or nuclear business prevents Pepco from fulfilling its obligation to protect the interests of its customers in a financially healthy utility and in the continued receipt of quality utility service at just and reasonable rates.

The settlement agreement requires that Exelon continues PHI's and Pepco's excellent records of charitable giving. Pepco will continue to contribute \$1.9 million annually to the not-for-profit community. Previous recipients such as Greater Washington Urban League and the Covenant House have been a lifeline to many of our citizens for many years.

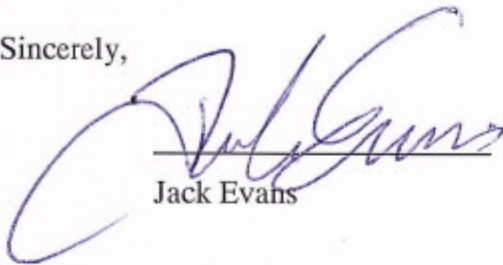
Though the proposed merger will result in many fiscal and economic benefits, there are other benefits that should be considered. The settlement agreement requires Pepco to eliminate fees for interconnection applications and to improve the review and approval process. Additionally, the agreement requires Pepco to develop at least four microgrids, an important step towards implementing new innovative technologies in the District.

The approval of the proposed merger will give the District an electric utility with greater financial resources, machinery and human capital to respond to major weather events. Like the rest of our Nation, the

District continues to face increased and more severe weather conditions. The ability to have all the necessary resources to respond and to restore electric service in a timely manner is in the interests of all our residents and our businesses. These major weather crises threaten the health and safety of the District's residents, the economic well-being of our businesses and the District's overall economy.

In closing, we want to commend the Commission for the considerable time and careful deliberation that has been applied to the review of this case. We thank you in advance for considering our requests, and we await your decision.

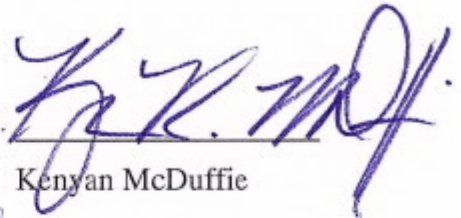
Sincerely,



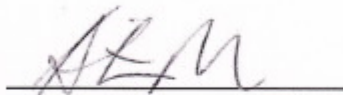
Jack Evans

Brianne K. Nadeau

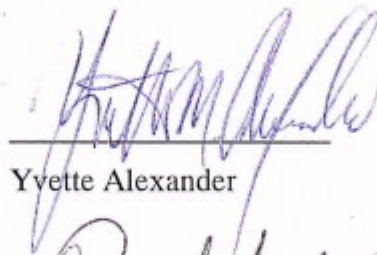
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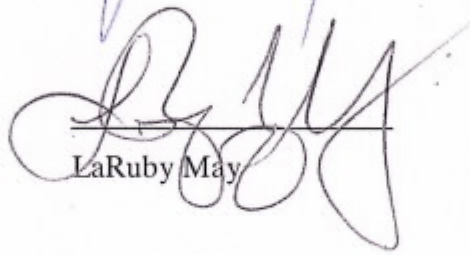
Anita Bonds



Yvette Alexander



Brandon Todd



LaRuby May