

Third Settlement ("Settlement C") Business Process

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- **Third Settlement, referred to as Settlement C**
 - Provides EDCs with ability to true-up significant metering or billing errors beyond the 60-day or Settlement B timeframe
 - Current Settlement C process as defined in the tariff requires agreement by all affected parties
 - Members have experienced issues in gaining consensus to resolve a billing error
 - Existing process doesn't define specifics on communication and timing

- **Considerations for Settlement C process**
 - Define an official process similar to Settlement B
 - Identify improvements for handling resettlement between multiple parties
 - Communication
 - Timeline
 - Dispute Resolution
 - Extend the current two year window for resettlements

- Sponsors:
 - Direct Energy
 - Dayton Power and Light
 - PepcoHoldings, Inc.
 - Potomac Electric Power Company
 - Delmarva Power & Light Company
 - Atlantic City Electric Company

- **Work Activities**
 - Provide education
 - Identify design components
 - Develop potential solutions
 - Review governing documents for necessary changes
 - Obtain stakeholder approval

- **Schedule**
 - Targeted implementation in Q3 2016