

POTOMAC ELECTRIC POWER CO
 Form 8-K
 March 04, 2016

UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
 Pursuant to Section 13 or 15(d) of the
 Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 4, 2016

| State or Other Jurisdiction of Incorporation | Exact Name of Registrant as specified in its Charter, Address of Principal Executive Offices, Zip Code and Telephone Number (Including Area Code) | Commission File Number | IRS Employer Identification No. |
|--|--|------------------------------|--|
| Delaware | PEPCO HOLDINGS, INC. 701 Ninth Street, N.W. Washington, D.C. 20068 Telephone: (202) 872-2000 | 001-31403 | 52-2297449 |
| New Jersey | ATLANTIC CITY ELECTRIC COMPANY 500 North Wakefield Drive Newark, DE 19702 Telephone: (202) 872-2000 | 001-03559 | 21-0398280 |
| District of Columbia and Virginia | POTOMAC ELECTRIC POWER COMPANY 701 Ninth Street, N.W. Washington, D.C. 20068 Telephone: (202) 872-2000 | 001-01072 | 53-0127880 |
| Delaware and Virginia | DELMARVA POWER & LIGHT COMPANY 500 North Wakefield Drive Newark, DE 19702 Telephone: (202) 872-2000 | 001-01405 | 51-008428 |

Not Applicable
 (Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

THIS COMBINED FORM 8-K IS BEING SEPARATELY FILED BY EACH OF PEPCO HOLDINGS, INC., ATLANTIC CITY ELECTRIC COMPANY, POTOMAC ELECTRIC POWER COMPANY AND DELMARVA POWER & LIGHT COMPANY. INFORMATION CONTAINED HEREIN RELATING TO ANY INDIVIDUAL REGISTRANT IS FILED BY SUCH REGISTRANT ON ITS OWN BEHALF. NO REGISTRANT MAKES ANY REPRESENTATION AS TO INFORMATION RELATING TO ANY OTHER REGISTRANT.

Item 7.01. Regulation FD.

As previously disclosed, on April 29, 2014, Pepco Holdings, Inc., a Delaware corporation (Pepco Holdings), entered into an Agreement and Plan of Merger with Exelon Corporation, a Pennsylvania corporation (Exelon), and Purple Acquisition Corp., a Delaware corporation and an indirect, wholly owned subsidiary of Exelon (Merger Sub), which was amended and restated on July 18, 2014 (the Merger Agreement), providing for the merger of Merger Sub with and into Pepco Holdings (the Merger), with Pepco Holdings surviving the Merger as a wholly owned subsidiary of Exelon.

Pursuant to that certain Letter Agreement, dated October 6, 2015, among Pepco Holdings, Exelon and Merger Sub, either Pepco Holdings or Exelon may terminate the Merger Agreement at any time after the issuance of the District of Columbia Public Service Commission (DCPSC) order on February 26, 2016, which (i) rejected the Nonunanimous Full Settlement Agreement and Stipulation (the Settlement Agreement) filed by Pepco Holdings, Exelon, and certain of their respective affiliates and the District of Columbia Government, the Office of the People's Counsel and other parties (the Settling Parties), and (ii) directed the Settling Parties to review a revised settlement agreement (the DCPSC Revised Settlement Agreement) with alternative terms as set forth in the DCPSC's order and to notify the DCPSC of their acceptance of the DCPSC Revised Settlement Agreement by March 11, 2016.

Although Pepco Holdings and Exelon have not agreed to extend the Merger Agreement, the companies are now operating under the timeline set forth in the February 26, 2016 DCPSC order, which requires a filing by March 11, 2016. Pepco Holdings and Exelon are continuing to have conversations with the Settling Parties about such DCPSC order and the new provisions, and will provide an update at the appropriate time.

Pursuant to the DCPSC order, if all of the Settling Parties were to accept the DCPSC Revised Settlement Agreement by March 11, 2016, the merger application submitted by the Joint Applicants will be deemed approved without further DCPSC action. If the Settling Parties chose, they may request relief from the DCPSC other than as provided in the DCPSC order and the non-Settling Parties to the DCPSC proceeding will have seven days to file comments in response to the Settling Parties' filing.

Cautionary Statements Regarding Forward-Looking Information

Certain of the matters discussed in this Current Report on Form 8-K constitute "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, both as amended by the Private Securities Litigation Reform Act of 1995. Words such as "may," "might," "will," "should," "could," "anticipate," "estimate," "predict," "project," "future", "potential," "intend," "seek to," "plan," "assume," "believe," "target," "forecast," "goal," "object" the negative of such terms or other variations thereof and words and terms of similar substance used in connection with any discussion of future plans, actions, or events identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding benefits of the proposed Merger, the expected timing of completion of the Merger, anticipated future financial and operating performance and results of Pepco Holdings if the Merger is not completed, including estimates for growth. These statements are based on the current expectations of management of Pepco Holdings and its utility subsidiaries. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this Current Report on Form 8-K. For example, (1) conditions to the closing of the Merger may not be satisfied; (2) the Merger may involve unexpected costs, unexpected liabilities or unexpected delays, or the effects of purchase accounting may be different from the companies' expectations; (3) the credit ratings of the combined company or its subsidiaries may be different from what the companies expect;

(4) Pepco Holdings and its utility subsidiaries may not realize the values expected to be obtained for properties expected or required to be sold; (5) the industry may be subject to future regulatory or legislative actions that could adversely affect Pepco Holdings and its utility subsidiaries; and (6) Pepco Holdings and its utility subsidiaries may be adversely affected by other economic, business, and/or competitive factors. Other unknown or unpredictable factors could also have material adverse effects on future results, performance or achievements of the combined company. Therefore, forward-looking statements are not guarantees or assurances of future performance, and actual results could differ materially from those indicated by the forward-looking statements. Discussions of some of these other important factors and assumptions are contained in Pepco Holdings' and its utility subsidiaries' filings with the Securities and Exchange Commission (SEC), and available at the SEC's website at www.sec.gov, including: (1) the definitive proxy statement that Pepco Holdings filed with the SEC on August 12, 2014 and mailed to its stockholders in connection with the proposed Merger; (2) Pepco Holdings' Current Report on Form 8-K filed with the SEC on September 12, 2014, which provides supplemental disclosures to the definitive proxy statement; and (3) Pepco Holdings' and its utility subsidiaries' Annual Report on Form 10-K for the year ended December 31, 2015 in (a) Part I, Item 1A. "Risk Factors," (b) Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and (c) Note (16), "Commitments and Contingencies" to the consolidated financial statements of Pepco Holdings included in Part II, Item 8. "Financial Statements and Supplementary Data. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this communication may not occur. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this communication. Pepco Holdings and its utility subsidiaries do not undertake any obligation to publicly release any revision to these forward-looking statements to reflect events or circumstances after the date of this communication. New factors emerge from time to time, and it is not possible for Pepco Holdings or its utility subsidiaries to predict all such factors. Furthermore, it may not be possible to assess the impact of any such factor on Pepco Holdings' or its utility subsidiaries' businesses or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Any specific factors that may be provided should not be construed as exhaustive.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PEPCO HOLDINGS, INC.
DELMARVA POWER & LIGHT COMPANY
POTOMAC ELECTRIC POWER COMPANY
ATLANTIC CITY ELECTRIC COMPANY

Date: March 4, 2016

/s/ FRED BOYLE

Name:

Frederick J. Boyle

Title:

Senior Vice President and Chief Financial Officer of Pepco Holdings, Inc., Delmarva Power & Light Company and Potomac Electric Power Company and Chief Financial Officer of Atlantic City Electric Company