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February 16, 2012

The Honorable Joseph I. Lieberman
Chairman, Committee on Homeland
Security and Governmental Affairs
United States Senate
Washington, DC 20510

The Honorable Susan M. Collins
Ranking Member, Committee on Homeland
Security and Governmental Affairs
United States Senate
Washington, DC 20510

Dear Senators Lieberman and Collins:

As a transmission provider and distributor of electricity, Pepeco Holdings, Inc. faces daily intentional and unintentional cyber, physical, and human threats to our critical infrastructures. To address these threats, we invest an extensive amount of time, resources, and capital to secure our critical assets to provide the greatest level of assurance and reliability to our customers. The efforts you and your staff have made to include us in your deliberations on cyber security and the opportunity this has afforded us to work collaboratively with you to craft solutions to these challenges are deeply appreciated.

It is important that Congress continue working with the private sector to address these national security issues in a joint and comprehensive fashion and to pass legislation that strengthens public-private partnerships, clarifies federal authorities, limits duplicative regulatory frameworks, and increases our ability to defend our critical infrastructure and train our workforce to counter advanced cyber threats. We also appreciate the approach you've taken to acknowledge and include limited regulations on critical infrastructures currently covered under existing prescriptive cyber security standards and oversight by regulatory authorities.

As an owner and operator of transmission and distribution systems across a diverse geographic region subject to multiple state regulatory frameworks, we take our grid security and reliability responsibilities very seriously. We have leveraged the full-suite of our corporate resources to strengthen our cyber security workforce, improve internal cyber security governance and oversight, maintain compliance with existing regulations, increase our cyber threat sharing capabilities through public-private partnerships, and enhance our corporate-wide security culture.

We look forward to continuing our work with Congress on a cyber security bill that addresses our homeland, economic, safety, and national security interests by protecting our critical infrastructures from intentional and unintentional cyber, physical, or human threats.

Sincerely,

A handwritten signature in black ink, appearing to read "William M. Gausman", written in a cursive style.

William Gausman