



## **FY 13 PERFORMANCE PLAN**

### **Public Service Commission**

#### **MISSION**

The mission of the Public Service Commission is to serve the public interest by ensuring that financially healthy electric, natural gas, and telecommunications companies provide safe, reliable, and quality services at reasonable rates for District of Columbia residential, business, and government customers. This mission includes:

- Protecting consumers to ensure public safety, reliability, and quality utility services;
- Regulating monopoly utility services to ensure their rates are just and reasonable;
- Fostering fair and open competition among utility service providers;
- Conserving natural resources and preserving environmental quality;
- Resolving disputes among consumers and utility service providers;
- Educating utility consumers and informing the public; and
- Motivating customer and results-oriented employees.

#### **SUMMARY OF SERVICES**

The Public Service Commission regulates public utilities operating in the District of Columbia by issuing orders in formal proceedings that may include written comments or testimony, hearings, studies, and investigations; ensuring fair and appropriate utility prices; fostering competition by licensing utility service providers and supervising the competitive bidding process; ensuring utility providers meet various environmental regulations and standards by operating in ways that conserve natural resources and preserve environmental quality; and resolving disputes among consumers and utility service providers.

In addition to its regulatory services, the Commission also conducts outreach via its website, public forums, and various literature in order to educate utility consumers and inform the public.



## WORKLOAD MEASURES

| Measure   | FY10 Actual | FY11 Actual      | FY12 Actual      |
|---|-------------|------------------|------------------|
| Number of cases opened <sup>1</sup>   | 1,684       | 3,095            | 667 <sup>2</sup> |
| Number of orders issued   | 435         | 565              | 376              |
| Number of natural gas pipeline safety inspections conducted                                 | 530         | 500              | 456              |
| Number of One-Call (Miss Utility or Call Before You Dig) inspections conducted <sup>3</sup> | 920         | 960              | 972              |
| Number of payphone site inspections conducted   | 1,727       | 673 <sup>4</sup> | 275              |
| Number of Renewable Portfolio Standards applications received                               | 1,428       | 2,635            | 241 <sup>5</sup> |
| Number of consumer complaints and inquiries processed                                       | 2,135       | 1,881            | 1,582            |

**OBJECTIVE 1: Ensure safe, reliable and quality electric, natural gas and local telecommunications services by managing the natural gas pipeline safety program, monitoring utility providers' compliance with the Commission's service quality standards, and investigating outages.**

**INITIATIVE 1.1: Render a decision on the investigation of Verizon's service reliability (Formal Case No. 1090).**

On October 14, 2011, the Commission opened an investigation into the

<sup>1</sup> The sharp increases in the number of cases opened between FY09 and FY11 reflect a surge in solar generator applications in accordance with the PSC's Renewable Energy Portfolio.

<sup>2</sup> The number of orders declined dramatically in FY12 after the D.C. Council passed the Distributed Generation Amendment Act of 2011 that required all new solar generation facilities to be located in the District or to be close by in Maryland so that they serve the District. As a result of the legislation, the Commission was required to de-certify over 2,000 non-DC based solar generation facilities.

<sup>3</sup> Each year, the Commission has been awarded a federal grant from the U.S. Department of Transportation that funds safety inspections of location markings to prevent damage to underground utility facilities.

<sup>4</sup> The number of inspections in FY11 is low because there are now only about 200 payphones. Moreover, the FY10 figures included inspections of over 1,000 sites where payphones had been removed to ensure no new payphones had been illegally installed. As of FY11, those sites are no longer inspected.

<sup>5</sup> Please see footnote 2 above.



reliability of Verizon's telecommunications infrastructure that us under the Commission's jurisdiction. After receiving input from the parties, the Commission designated issues in Order 16692, issued on January 26, 2012 and issued Order No. 16739 on March 15, 2012, establishing a procedural schedule. At the request of the Office of the People's Counsel, the Commission modified the procedural schedule in Order 16834 issued July 13, 2012. According to the schedule, evidentiary hearings will be held on November 1-2, 2012, Initial Briefs will be due December 3, 2012 and Reply Briefs will be due December 17, 2012. The Commission order will be due within 90 days of the close of the record. Completion date: September 30, 2013.

### **INITIATIVE 1.2: Develop an enforcement plan.**

The Commission's FY13 operating budget contains \$200,000 for improving the agency's enforcement capability by developing an enhanced monitoring and enforcement program. At the beginning of the 21<sup>st</sup> century, the Commission had identified 3 areas of focus. The first was a market monitoring plan required with the introduction of competition in the electric, natural gas, and local telecommunications markets in the District. That plan was developed and implemented and continues in operation today. The second area of focus was a consumer outreach and communications plan because it was clear that customers and the public would need to be informed of their options in a competitive environment so they could make informed decisions. The third area of focus was enforcement. However, before an enforcement plan could be established and implemented, the Commission had to establish quality of service standards applicable to incumbent utility companies and competitive service providers for all 3 industries. With the achievement of that goal, the toughening of the electric quality of standards in FY11, and the establishment of fines and forfeiture rules in FY12 based on additional authority granted the Commission by the D.C. Council in 2010 and 2011, the Commission decided to escalate the timetable for implementing an enforcement plan by creating a new Office of Compliance and Enforcement (OCE). To that end, in FY 13, the Commission will obtain approval to add two new Compliance and Enforcement FTEs, prepare position descriptions, and recruit and fill these two positions. The Commission also plans to fill a vacancy in the Office of the General Counsel that will be detailed to the new OCE. In FY 14, the Commission will move several existing positions to the new office to complete its staffing. Completion date: September 30, 2013.

### **OBJECTIVE 2: Conserve natural resources and preserve the environment**

#### **INITIATIVE 2.1: Educate the public about solar energy opportunities.**

There is a need to spur a significantly greater number of renewable energy



facilities in the District if it is going to meet the solar carve out requirements contained in the “Distributed Generation Amendment Act of 2011” passed by the D.C. Council last year. The Renewable Energy Portfolio Standards (RPS) Act, enacted and amended by the D.C. Council, established a minimum percentage of District electricity providers’ supply that must be derived from renewable energy sources. The RPS also includes a solar set-aside requiring a certain percentage of the RPS to be met specifically with solar energy.

As the implementing and rulemaking authority, the Commission wants to do all it can do so the District can meet its yearly RPS goal. To achieve this, District residents and businesses must know of and understand their options and the benefits of renewable energy resources. Thus, in FY13, the Commission will continue to work with the District Department of the Environment, the Sustainable Energy Utility (SEU), and stakeholders to implement a customer outreach plan. Already, the Commission has prepared and distributed fact sheets that explain the process for installing solar and obtaining solar credits. Additional materials will be prepared and distributed in FY13. Completion date: September 30, 2013.

**OBJECTIVE 3: Educate consumers and inform the public.**

**INITIATIVE 3.1: Increase public awareness about the Public Service Commission by implementing a public outreach campaign to celebrate the Commission’s Centennial Anniversary.**

The Commission will celebrate its Centennial Anniversary on March 4, 2013. In recognition of this notable date, the Commission is planning to undertake a number of activities. For example, the PSC will prepare a booklet containing a written history of the Commission, host various public events, and add a supplement to the 2012 Annual Report with a profile of the Commission over the past 100 years. Completion date: September 30, 2012



## KEY PERFORMANCE INDICATORS

| Measure  | FY11 Actual       | FY12 Target | FY12 Actual       | FY13 Projection | FY14 Projection | FY15 Projection |
|--|-------------------|-------------|-------------------|-----------------|-----------------|-----------------|
| USDOT rating for the Commission's natural gas pipeline safety program                | 96.55%            | 98%         | 99.2%             | 98%             | 98%             | 98%             |
| Adjudicative case decisions to be issued within 90 days from the close of the record | 100% <sup>6</sup> | 95%         | 100% <sup>7</sup> | 95%             | 95%             | 95%             |
| Percentage of consumer complaints resolved at the informal level                     | NA                | NA          | 97%               | 80%             | 85%             | 90%             |

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<sup>6</sup> The Commission rendered a decision in only one adjudicative proceeding in FY11 – F.C. No. 1079.

<sup>7</sup> The Commission rendered a decision in only one adjudicative proceeding in FY12 – F.C. No. 1087, a Pepco rate case.