



# PUBLIC SERVICE COMMISSION

District of Columbia

**Your Energy. Your Voice.**

## **ADVISORY FROM THE OFFICE OF EXTERNAL AFFAIRS**

**For Immediate Release:** January 24, 2020

**OEA Contact:** Diamond Wade, 202-626-5110

### **DCPSC Concerned How FERC Ruling Will Impact the Cost of Clean Energy** *DCPSC Files Request for Rehearing by FERC Over Pricing Rule*

(Washington, D.C.) The Public Service Commission of the District of Columbia (Commission) [has requested](#) that the Federal Energy Regulatory Commission (FERC) clarify or grant a rehearing of their December 2019 Order. The Commission is concerned that the Order will impact the cost of clean energy in the District.

FERC's Order directs PJM to expand its Minimum Offer Price Rule (MOPR) by setting minimum bids for state-subsidized electricity generators. The Order rules that PJM's MOPR is unjust and unreasonable because there are indirect benefits from state subsidies that could be deemed to provide an advantage to renewable energy generators. Generators who are shut out of the capacity market would need to make up the revenue possibly through higher prices for long-term power purchase agreements.

For the District of Columbia, the MOPR potentially imposes large costs, that are unknown to either FERC or the Commission, on DC ratepayers. The MOPR would impact three types of electricity generators:

- (1) Existing renewable resources that are participating in state organized default service procurement programs like the District's Standard Offer Service (SOS);
- (2) New renewable energy generation; and
- (3) New demand response, energy efficiency, and storage resources.

The Commission also signed on to the [rehearing request submitted by the Organization of PJM States](#) to the FERC on the December 2019 Order, which raised similar issues as the Commission.

*The Public Service Commission of the District of Columbia is an independent agency established by Congress in 1913 to regulate electric, natural gas, and telecommunications companies in the District of Columbia.*

###