

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA



**Presentation to the
The D.C. Council Committee
on
Business, Consumer & Regulatory Affairs
Roundtable**

**Betty Ann Kane, Chairman
Joanne Doddy Fort, Commissioner
Willie L. Phillips, Jr., Commissioner**

January 29, 2015

Public Service Commission of the District of Columbia

- Independent Home Rule Charter agency
- Two Commissioners and Chairman appointed by the Mayor with the advice and consent of the D.C. Council
- Staggered four year terms

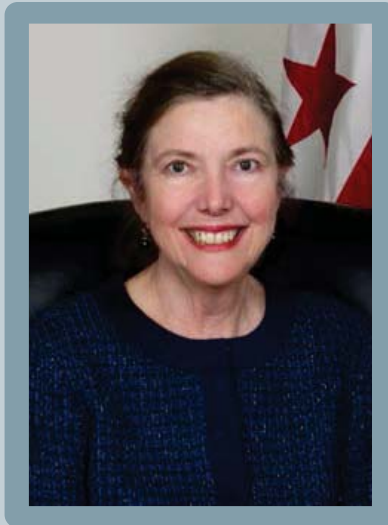


Commissioners

DC Public Service Commission



Joanne Doddy Fort



Betty Ann Kane
Chairman



Willie L. Philips, Jr.

PSC Staff



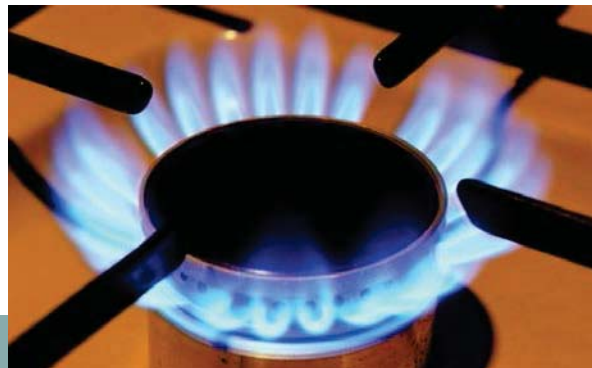
- Staff of 82.6 – attorneys, engineers, economists, accountants, consumer specialists and administrative support personnel



Mission Statement



To serve the public interest by ensuring that financially healthy electric, natural gas and telecommunications companies provide safe, reliable and quality utility services at reasonable rates for District of Columbia residential, business and government customers.



The Commission functions as a quasi-judicial body.

Operates Like a Court

The Commissioners are like judges

- **All staff is advisory to the Commissioners**
- **The Commission Secretary is like the Clerk of the Court**
- **Office of Consumer Services also provides mediation services to consumers and businesses for complaints about utility service providers and pay telephone service providers and Office of General Counsel serve when formal hearings are requested.**
- **Office of Technical and Regulatory Analysis manages the natural gas pipeline safety program.**





Commission



Public – Utility Customers

**Privately-Owned
Utility Companies**

**e.g., Pepco, Verizon,
and WGL**

**Office of the People's
Counsel (OPC) –
Consumer Advocate**

**Representing
residential ratepayers**

**Government
Intervenors – e.g.,
DC Govt. including
DDOE and Federal
Govt. (GSA)**

**Private Intervenors –
e.g., Apartment & Office
Building Association
(AOBA), Competitive
Suppliers/Providers and
Special Interest Groups**

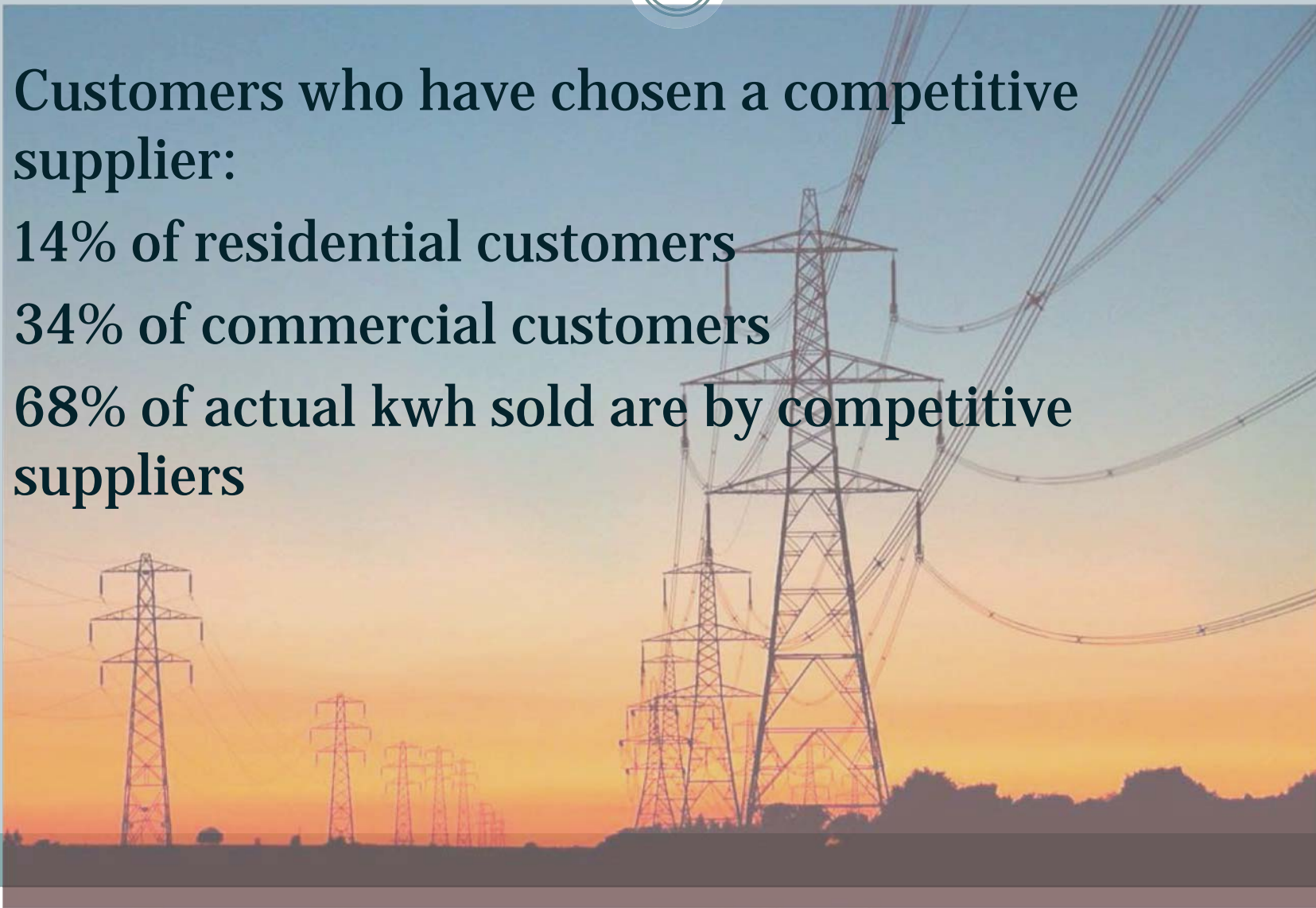
The Retail Electric Competition and Consumer Protections Act of 1999



- Required Pepco to sell its power plants-became a distribution company only
- Commission regulates Pepco's distribution rates and service
- Commission prohibited from regulating the price of electricity
- Consumers may purchase electricity from any licensed supplier
- Customers who don't choose are placed in Standard Offer Service- Pepco is the designated administrator
- Price of Standard Offer Service is determined by competitive auctions under Commission rules
- All suppliers covered by Commission rules for consumer protection

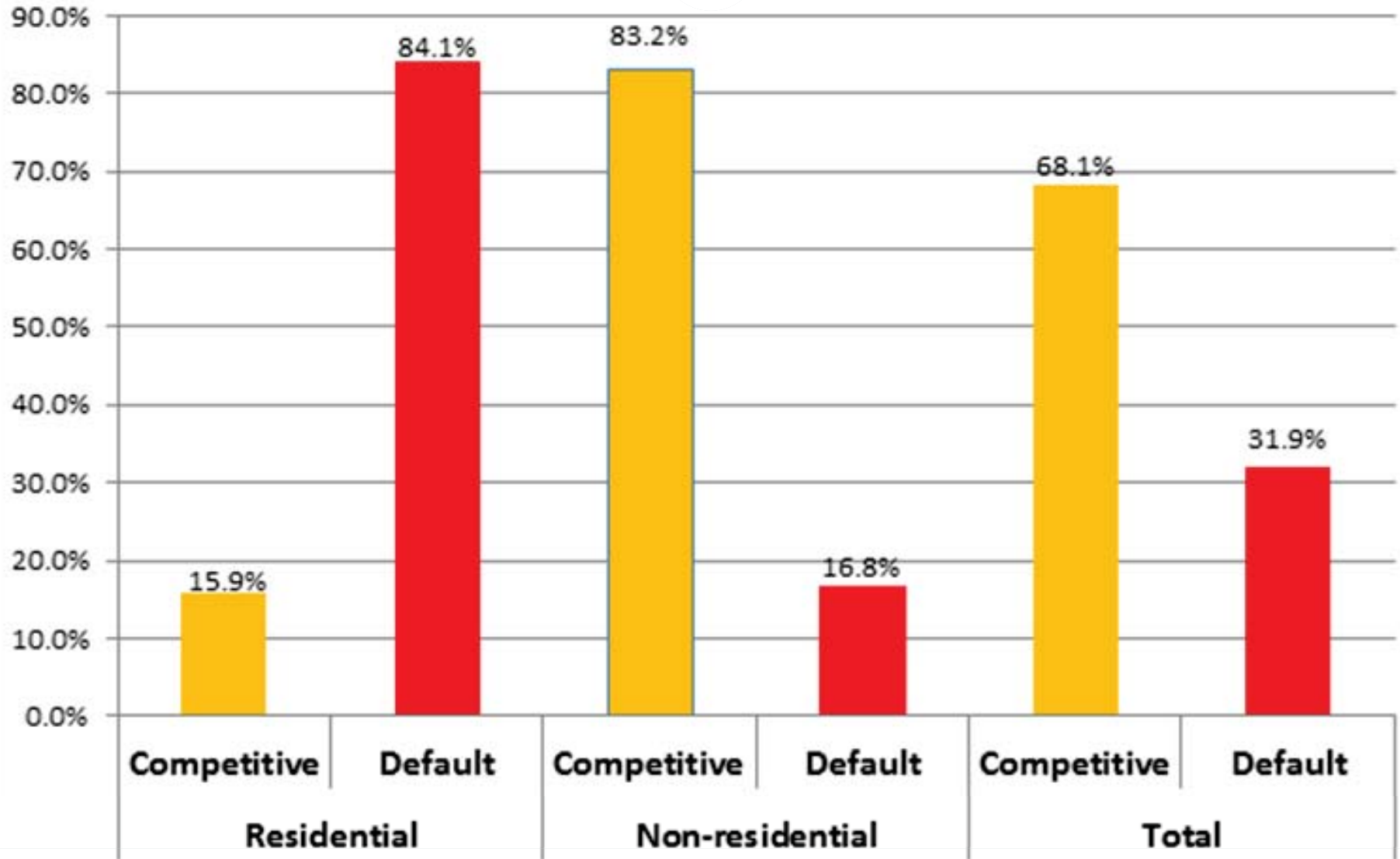
Customer Choice of Electricity Supplier

- Customers who have chosen a competitive supplier:
- 14% of residential customers
- 34% of commercial customers
- 68% of actual kwh sold are by competitive suppliers



Market Shares for Electricity Load (MW)

December 2014



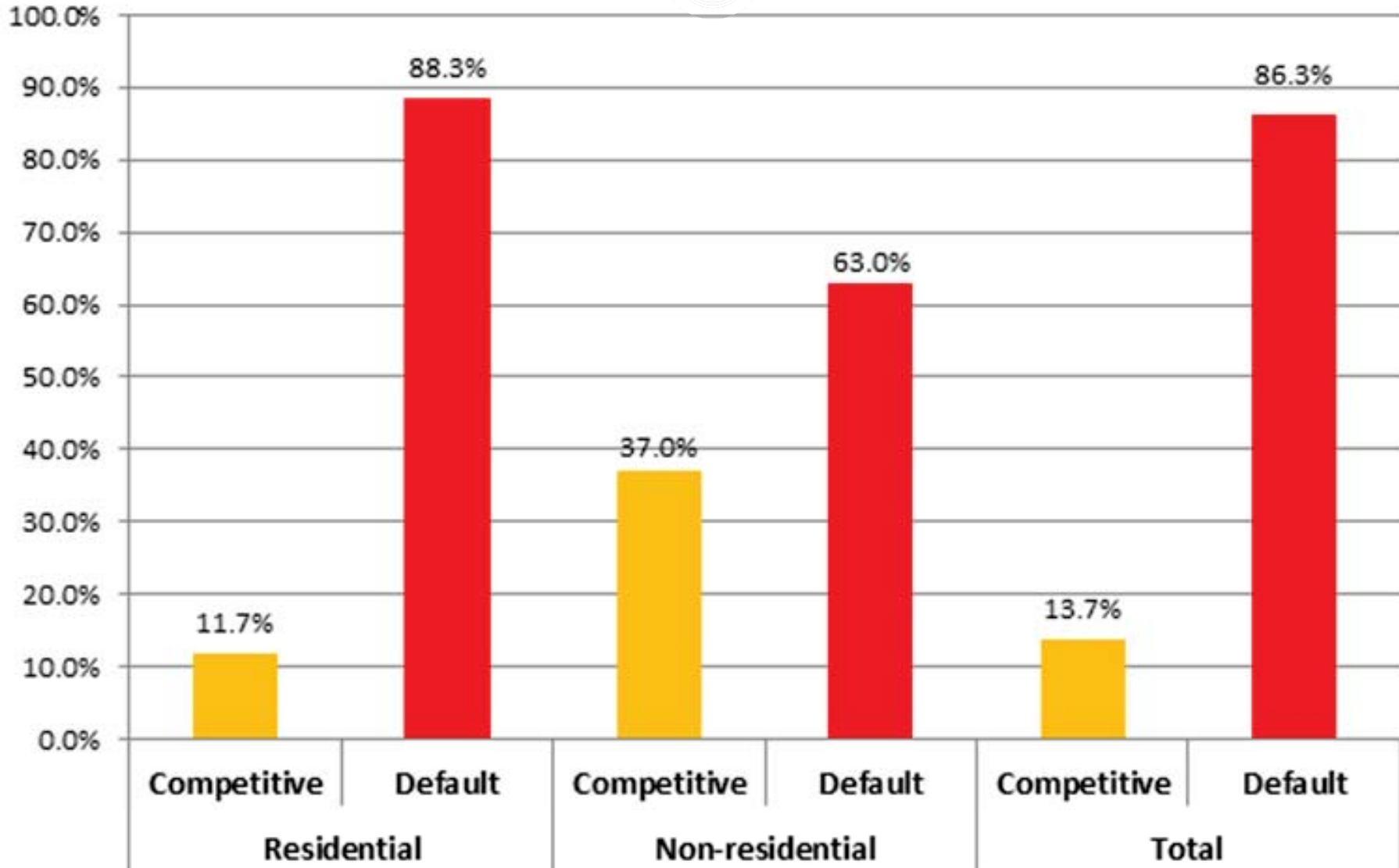
The Retail Natural Gas Supplier Licensing and Consumer Protections Act of 2004



- **Opened the sale of natural gas to any supplier licensed by the Commission**
- **Washington Gas Light retains a monopoly over the distribution of natural gas to consumers**
- **The Commission regulates WGL's distribution rates and service**
- **The price of gas itself is determined by the market**
- **Commission does not regulate the price of gas sold by competitive suppliers**
- **Commission monitors the purchase of gas by WGL for customers who have not chosen another supplier**
- **All suppliers are subject to Commission's consumer protection rules**

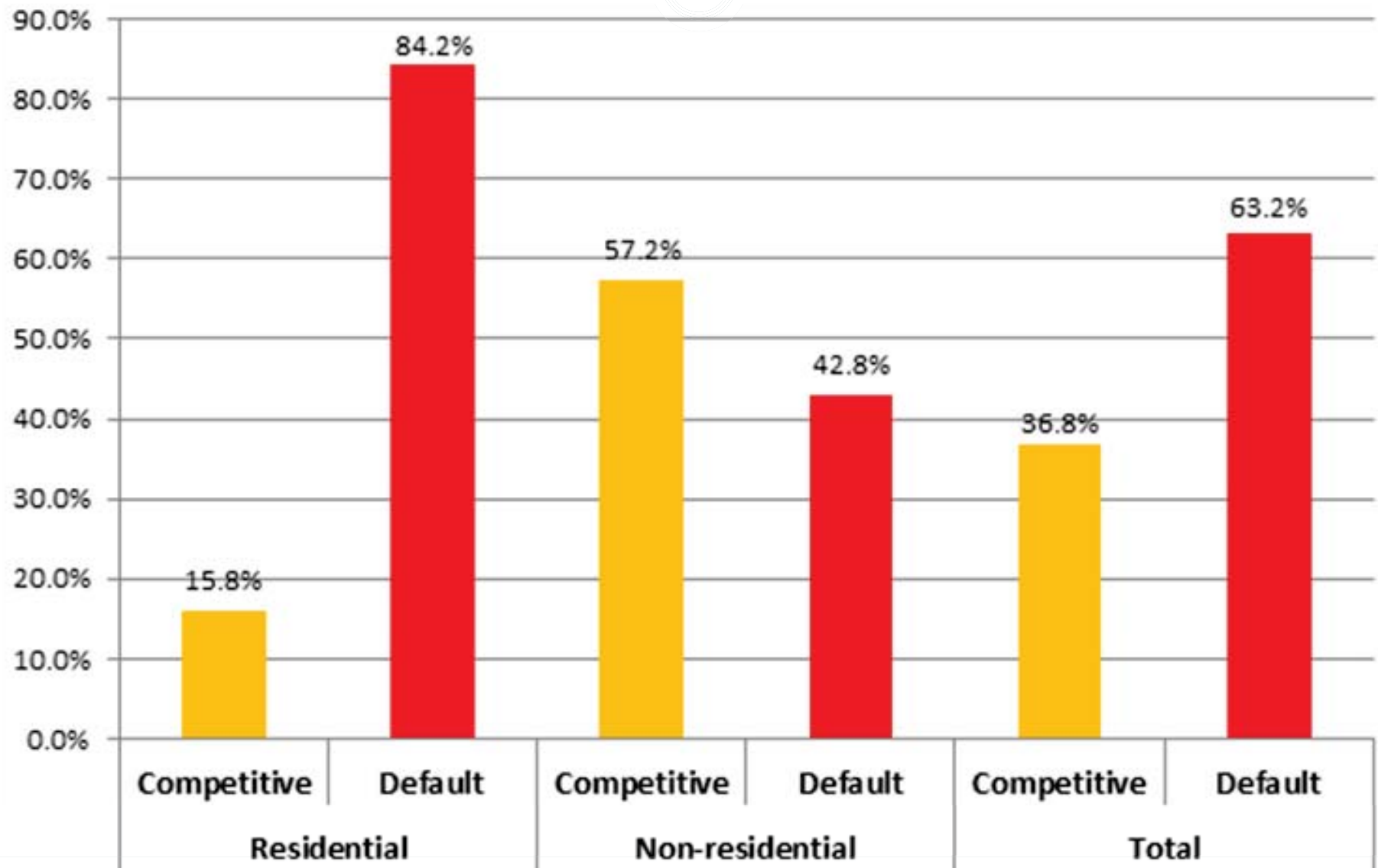
Market Share Natural Gas Customers

November 2014



Market Shares for Natural Gas Usage

November 2014



The Telecommunications Competition Act of 1996

- Consumers may purchase telecommunications services from any carrier licensed by the Commission
- Commission regulates Verizon's rates for basic residential and basic single line business services
- Commission does not regulate the rates for competitive carriers or for Verizon services that are deemed competitive
- All carriers are subject to Commission's consumer protection rules
- Commission has no authority over wireless telecommunications, VOIP, or internet



Consumer Protections



The PSC is responsible for protecting consumers and resolving disputes among consumers and utility service providers. To do this, there are several consumer protections in place to assist consumers.

**Rulemaking,
Monitoring, &
Enforcement**

**Refereed
Meter Tests**



**Consumer Bill
of Rights**

**Consumer
Complaint
Mediation Process**

Consumer Bill of Rights

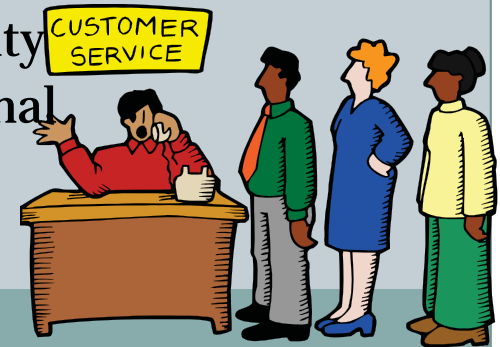
- **The PSC adopted a Consumer Bill of Rights (CBOR) in 1979 to protect utility consumers' interests.**
- **The CBOR established uniform rules and policies to govern the conduct and practices of the three utility companies, C&P (now Verizon), Pepco, and Washington Gas, that provided service to District consumers.**
- **The PSC revised the CBOR in 2009 to cover not only the three utility companies, but also the Competitive Local Exchange Carriers (CLECs), Competitive Electric Supply (CES) and Competitive Gas Supply (CGS)**



Community Outreach

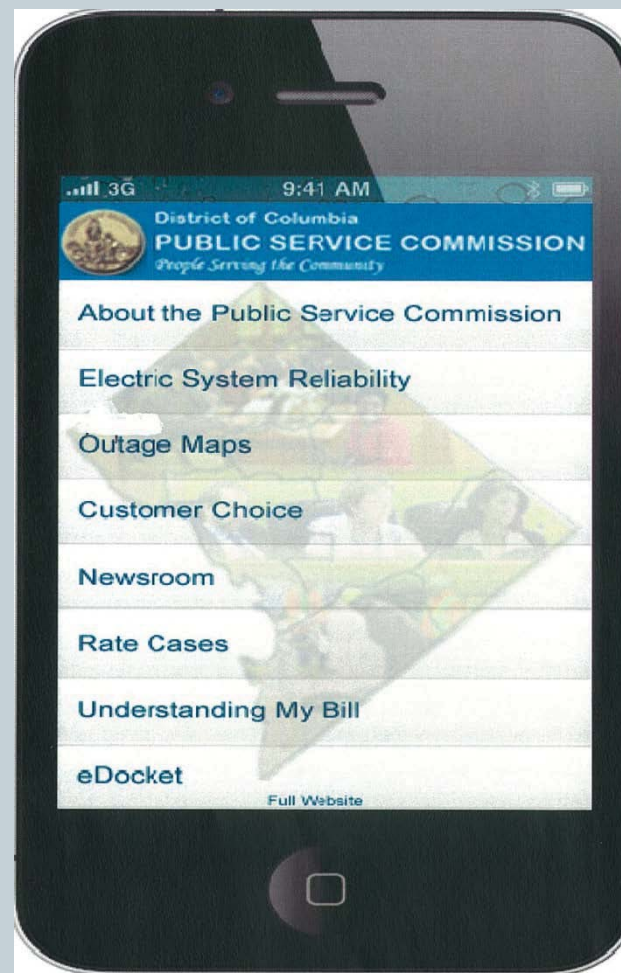
Information Outreaches provides basic information to a consumer about the D.C. PSC. It is an introduction of who we are, what we do, and our consumer services. Information Outreaches are conducted at civic association meetings, church meetings, community fairs, etc. This is the most common and most important type of outreach because it explains our mission to the community.

- **Speaker's Bureau:** Staff members who are knowledgeable in specific aspects of the utility industry are requested to speak at community events.
- **Community Meetings:** Staff members will provide an overview of Commission and how we serve consumers. Staff will also address questions and provide an update on any issues before the D.C. PSC.
- **Information Booths:** Staff members attend community fairs and events to distribute information and promotional items as well as answer questions.

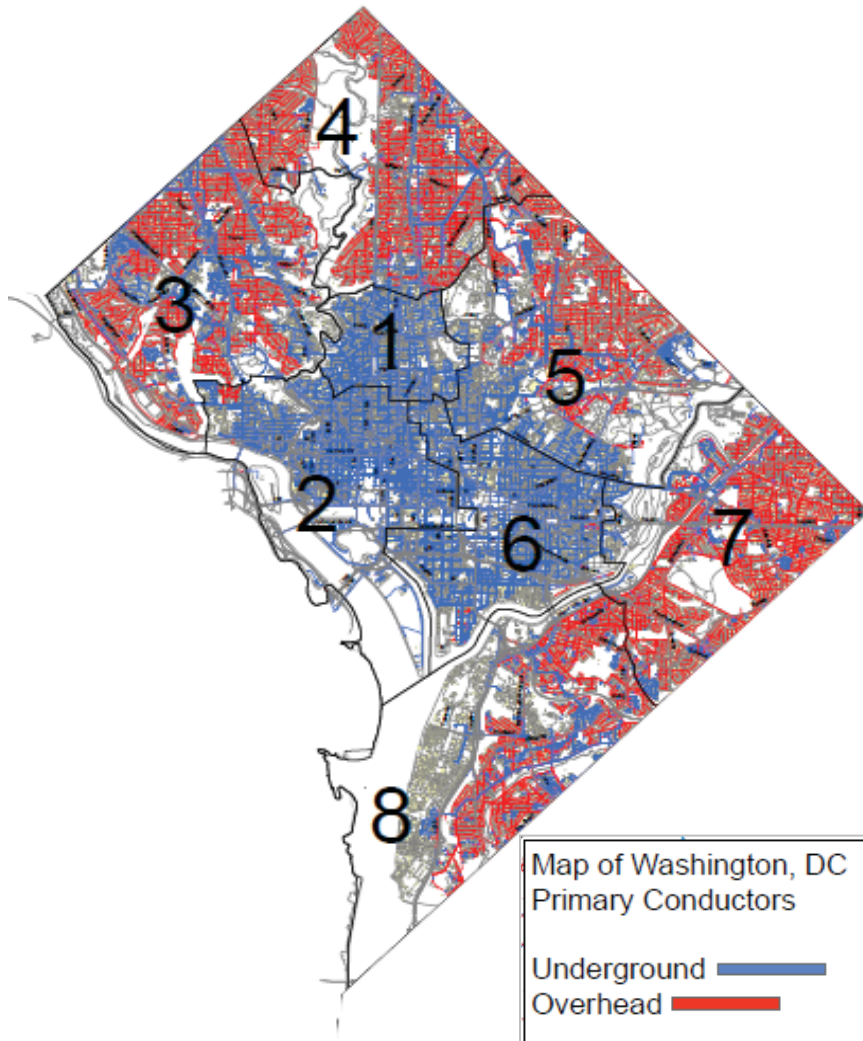


PSC Mobile App

- Allows consumers to easily access the website
- Accessible to consumers who may only have access to the internet through their phone



District of Columbia's Electric System Overview



Pepco DC System

- 1,433 miles of overhead lines (35%)
- 2,636 miles of underground lines (65%)
- 60% of customers are served by underground service
- 40% of customers are served by overhead service

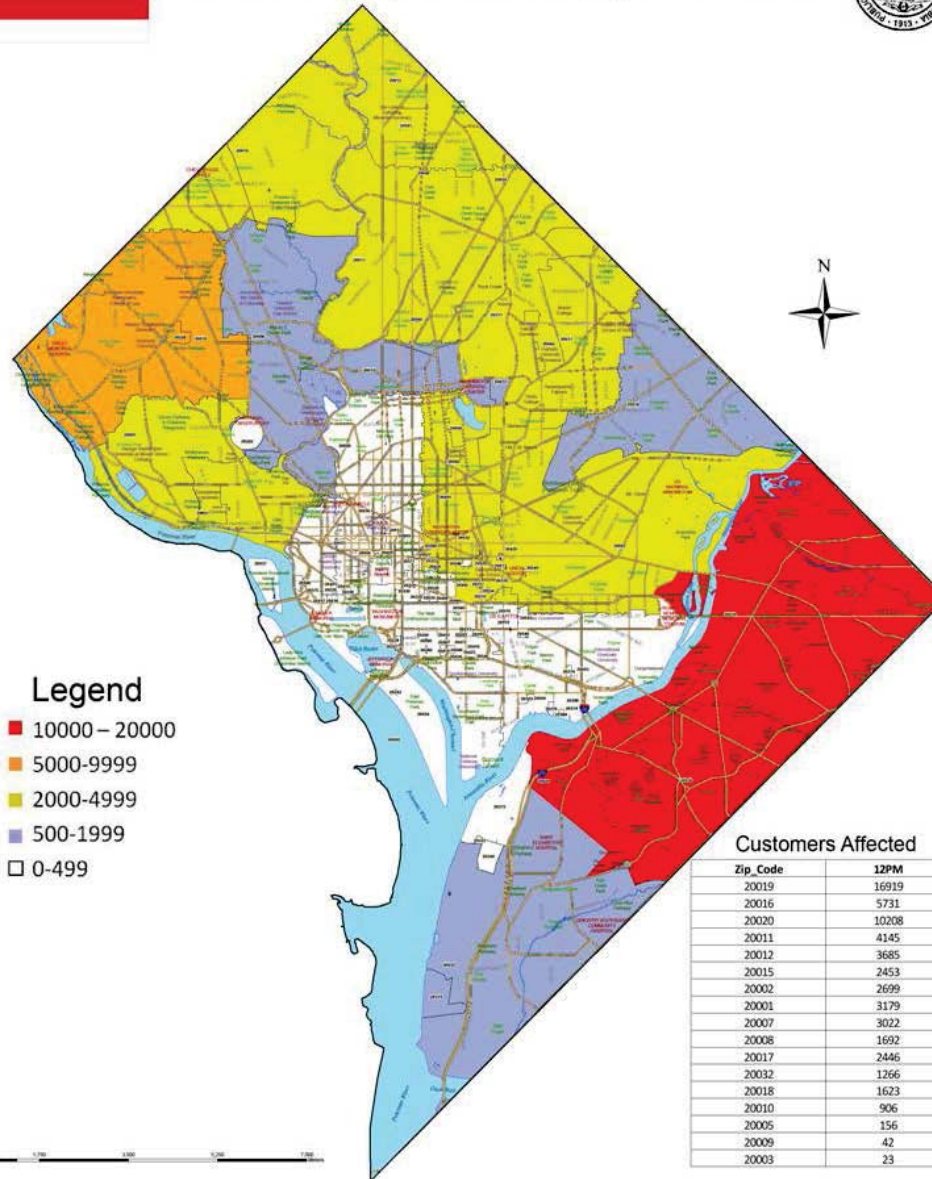
Customers by Feeder

- 35% of customers are on 100% underground feeders
- 22% of customers are on feeders that are $\geq 85\%$ underground
- 43% of customers are on mixed feeders

District Derecho Storm Map



District of Columbia Electric Customers
Affected by Zip Codes on July 1st at 12PM



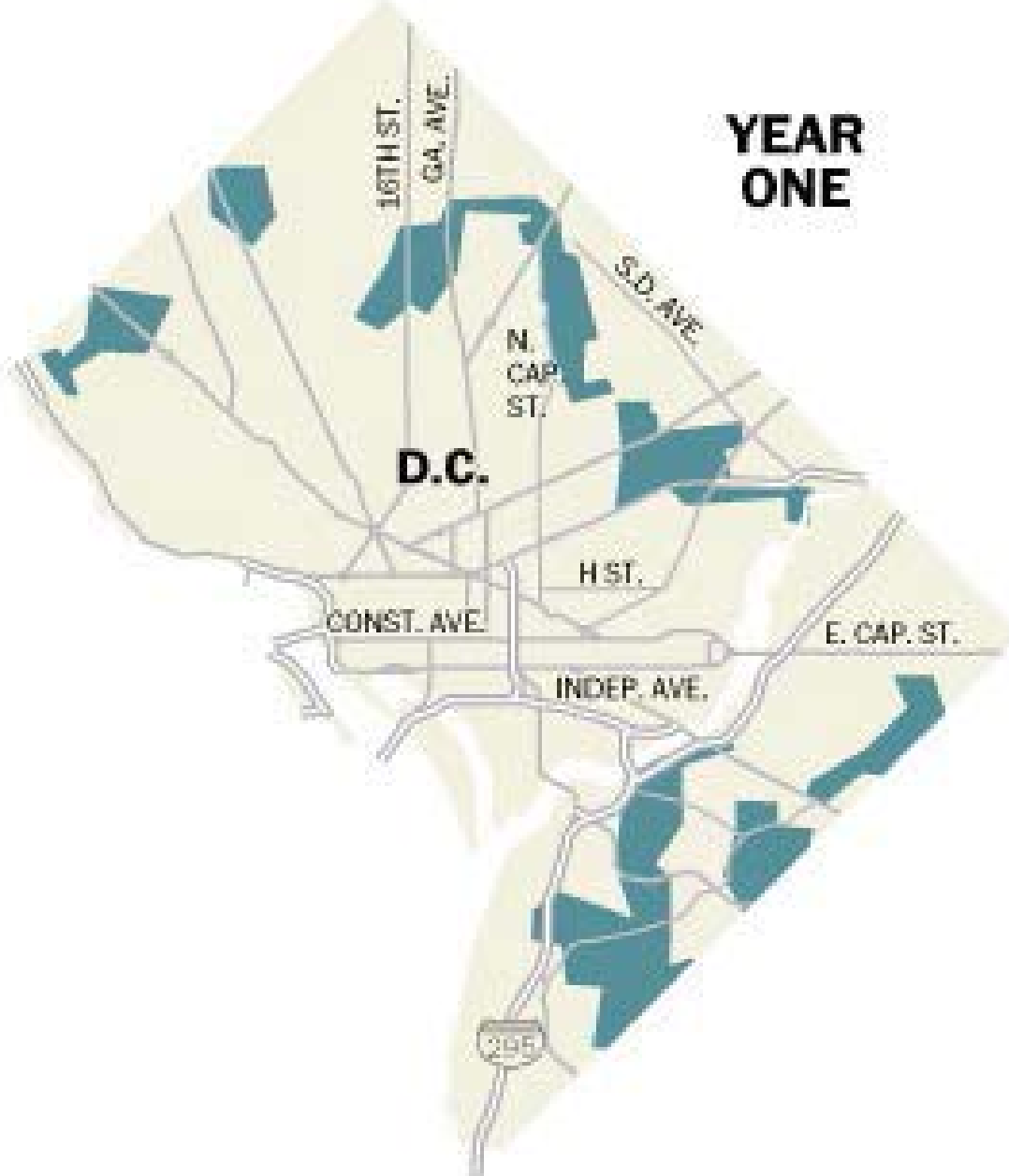
Legend

- 10000 – 20000
- 5000-9999
- 2000-4999
- 500-1999
- 0-499

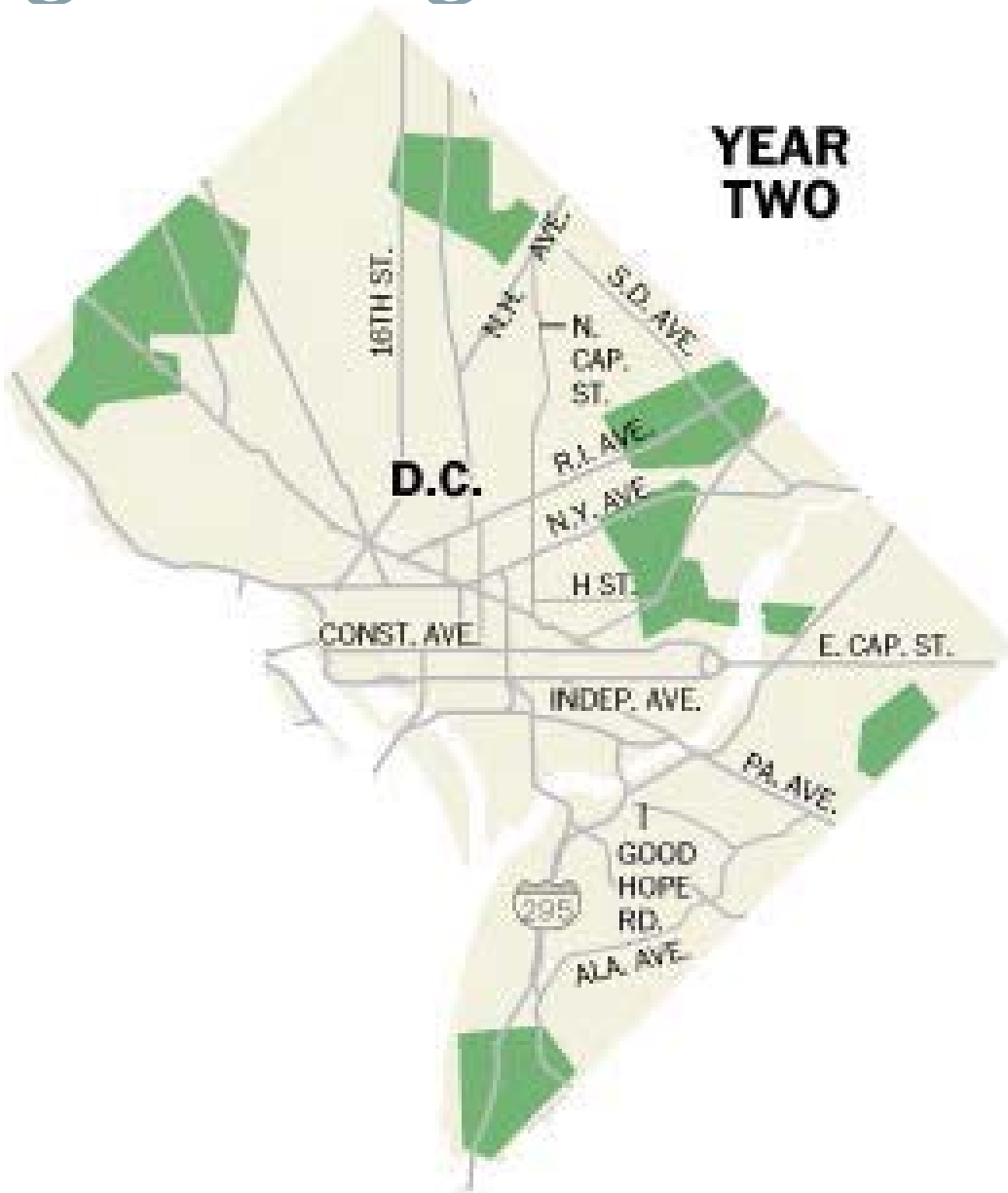
Customers Affected

Zip Code	12PM
20019	16919
20016	5731
20020	10208
20011	4145
20012	3685
20015	2453
20002	2699
20001	3179
20007	3022
20008	1692
20017	2446
20032	1266
20018	1623
20010	906
20005	156
20009	42
20003	23

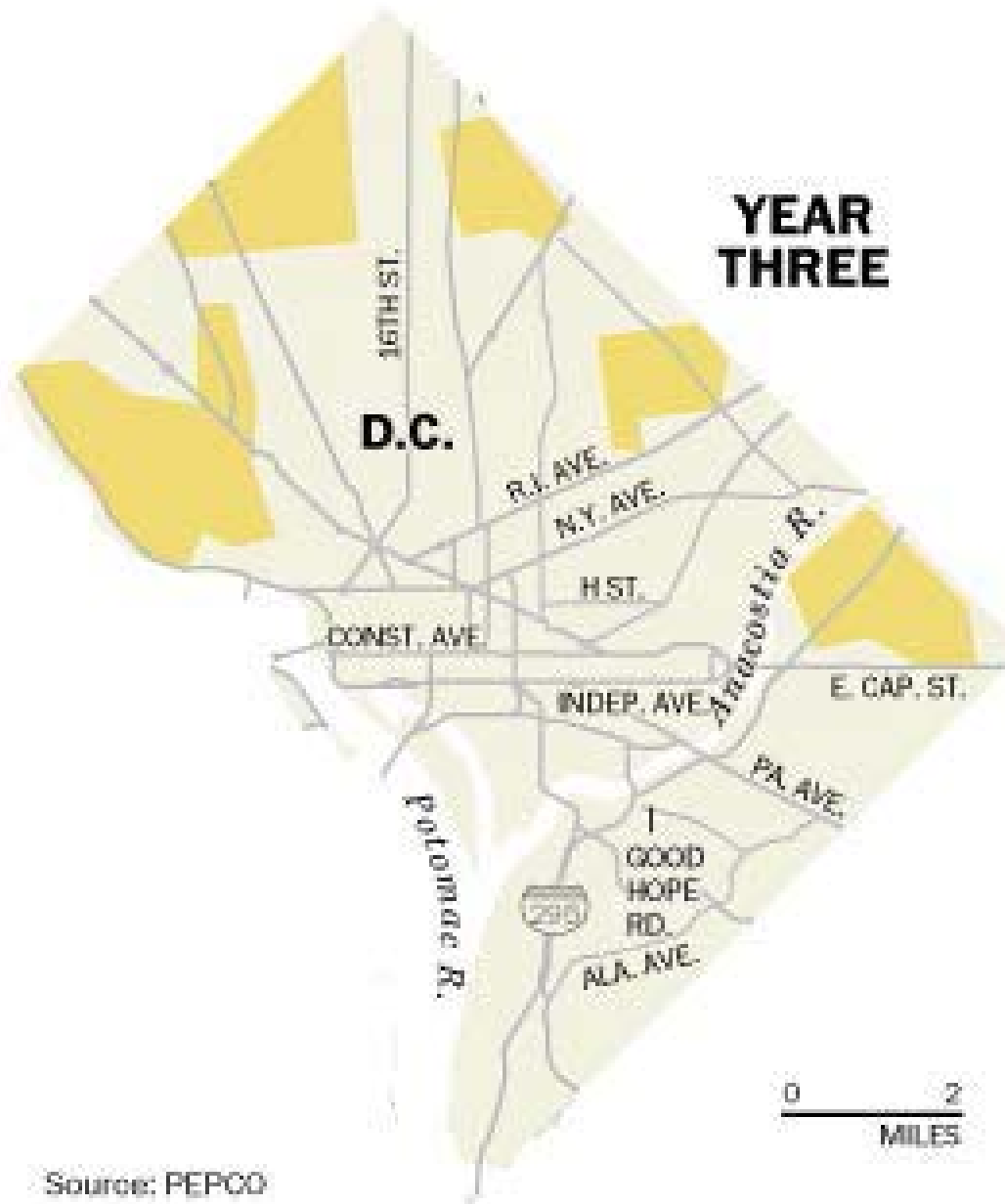
Undergrounding Feeder Locations



Undergrounding Feeder Locations



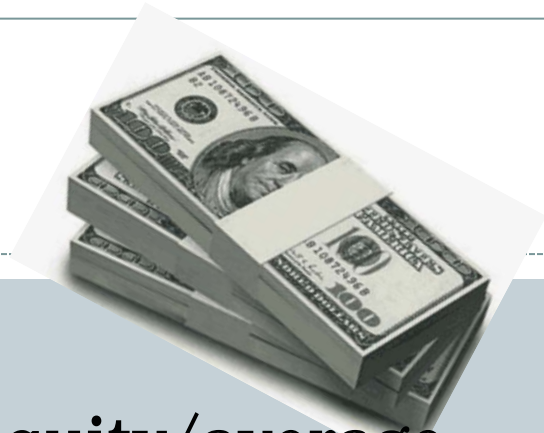
Undergrounding Feeder Locations



Source: PEPCO

**DC
PLUG**

FINANCING



- \$500 Million – Pepco –debt and equity/average residential surcharge \$.17¢ per month
- \$375 Million – DDOT work – DC Bonds average residential surcharge \$1.12 per month
- \$125 Million – other DC and other funds

Proposed Merger of Pepco with Exelon\Formal Case 1119

- **Filed June 17, 2014**
- **Four community hearings held December-January**
- **Evidentiary hearings Feb 9-13, 25, 26, 2015**
- **Record open until March 26, 2015**
- **To file comments:**

**Office of the Commission Secretary
1333 H Street, NW Suite 200 West Tower
Washington, DC 20005 or**

- **PSC-CommissionSecretary@dc.gov**

Accelerated Pipeline Replacement Program FC 1115

- Full plan is to replace
 - 23,600 bare and unprotected steel service lines over 15 years- \$118 million
 - 54 miles of bare or unprotected steel main over 15 years- \$97 million
 - 428 miles of cast iron main over 40 years- \$800 million
- Commission approved first five year plan
 - 18 miles bare/unprotected steel main- \$32.5 million
 - 20 miles cast iron main- \$38.5 million
 - Surcharge 60 cents a month/ average residential customer
 - Ongoing Commission review of construction and costs



Advanced Metering Infrastructure (AMI)

- 284,066 two-way digital “smart” electricity meters installed to 98.9% of all customers
- 50% funded by \$44.6 million federal ARRA grant to Pepco
- Meters provide hourly data on usage
- Customer can access own data online through My Account
- Meters automatically inform Pepco if power is out



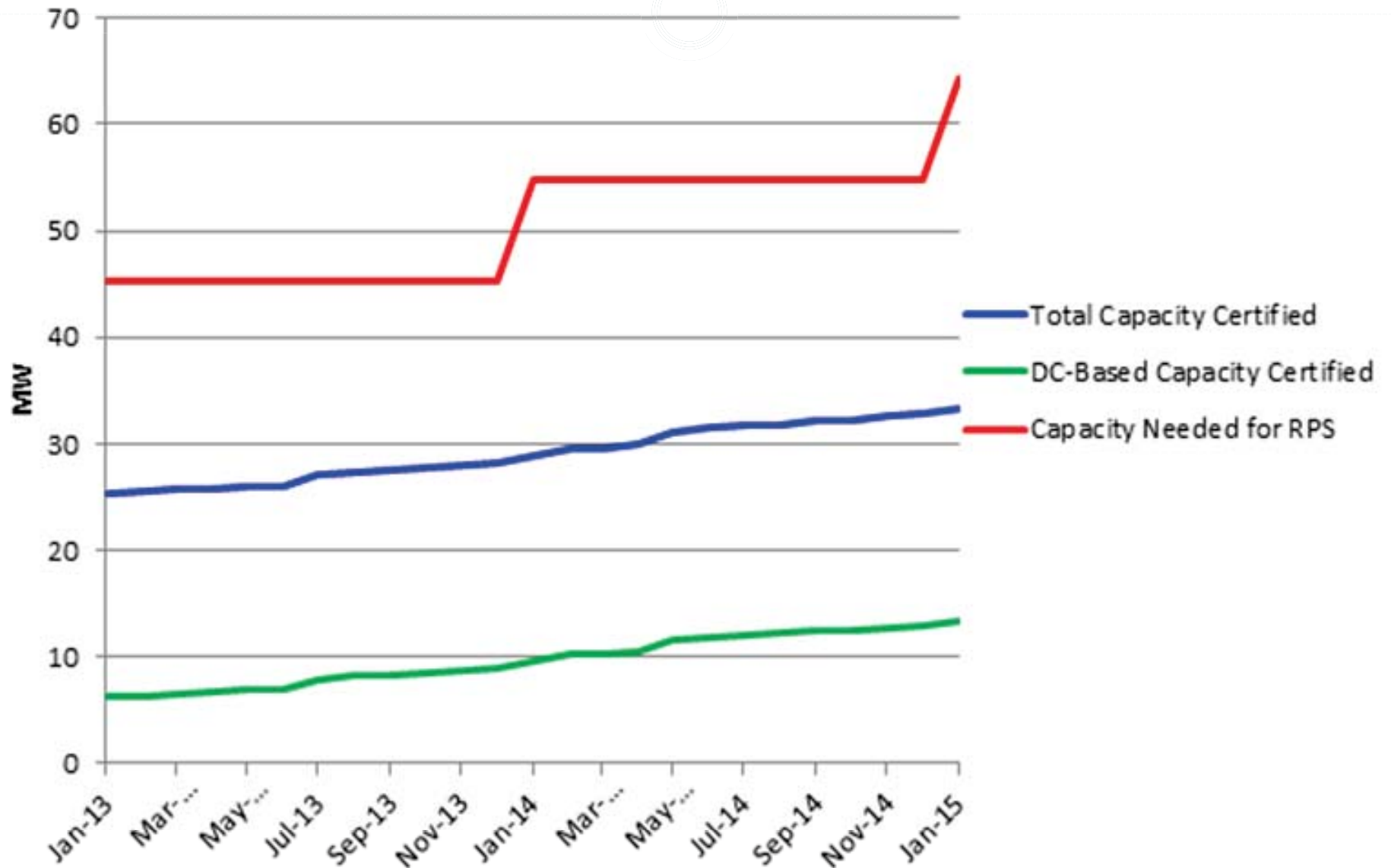
Distributed Generation Amendment Act of 2011

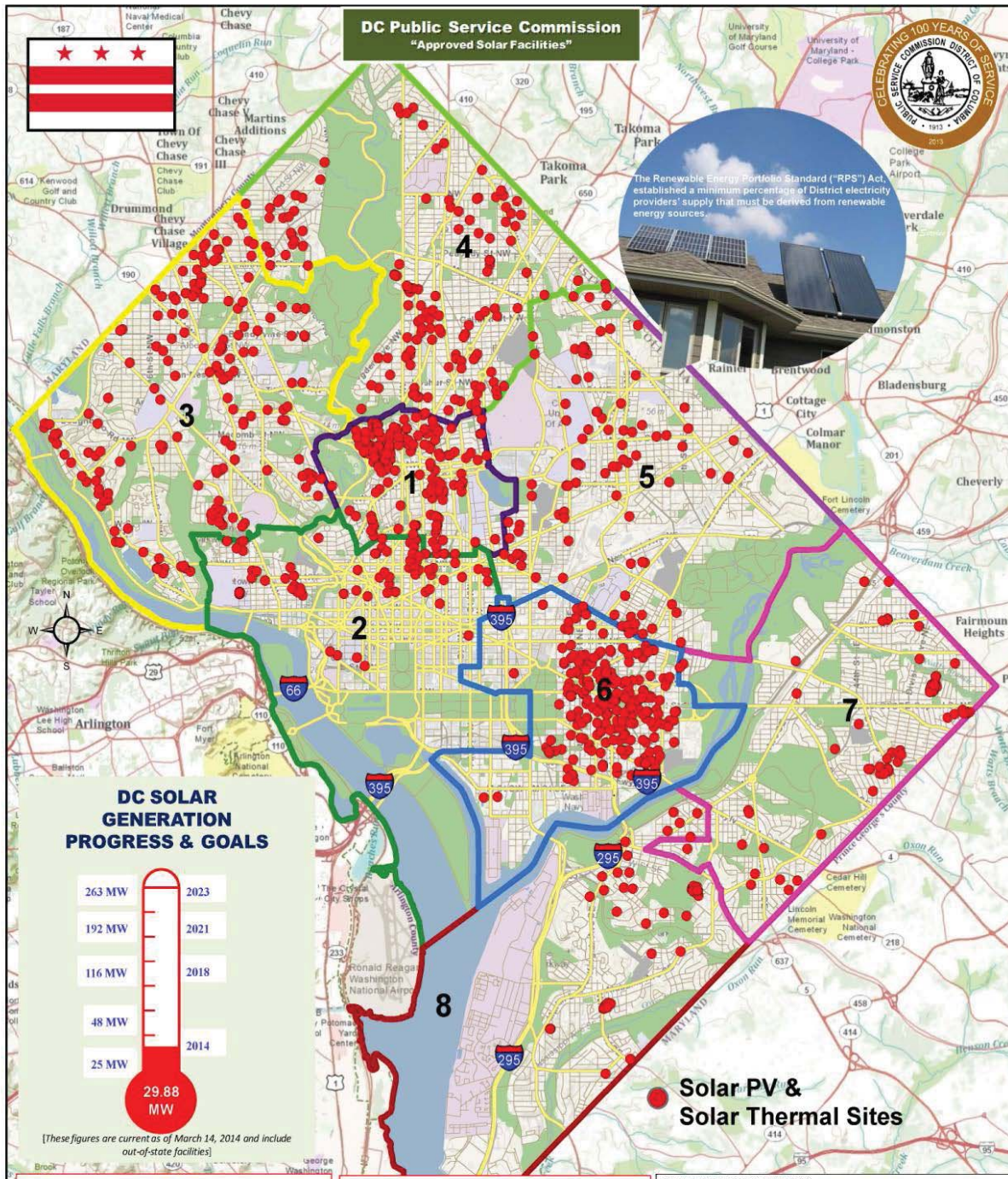


Annual Increase in RPS

Year	Tier 1	Tier 2	Solar
2011	4%	2.5%	0.40%
2012	5%	2.5%	0.50%
2013	6.5%	2.5%	0.50%
2014	8%	2.5%	0.60%
2015	9.5%	2.5%	0.70%
2016	11.5%	2%	0.825%
2017	13.5%	1.5%	0.98%
2018	15.5%	1%	1.15%
2019	17.5%	0.5%	1.35%
2020	20%	0%	1.58%
2021	20%	0%	1.85%
2022	20%	0%	2.175%
2023	20%	0%	2.50%

MW in District of Columbia Solar RPS





Solar facilities in the District certified by the Commission. (Does not include all installed facilities.)

Utility Discount Programs - Energy



- Residential Aid Discount (RAD) for electricity
- Residential Essential Service Discount (RES) for natural gas
- Low income eligibility based on LIHEAP guidelines
- Intake and certification performed by DDOE
- Funded by surcharges on all other customers' distribution bills
- FC 1120 and FC 1127 Commission is reviewing and updating program design

Utility Discount Programs – Telephone



- Lifeline- Basic land line from Verizon Economy II
- Low income \$3/ month
- Low income elderly \$1/month
- Enrollment and verification by Solix
- Paid for by
 - DC Universal Service Fund Surcharge
 - Federal Universal Service Fund Surcharge
- Discount for wireless service administered by FCC





The End



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