PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA 1325 G STREET N.W., SUITE 800 WASHINGTON, D.C. 20005

ORDER

January 25, 2017

FORMAL CASE NO. 1130, IN THE MATTER OF THE INVESTIGATION INTO MODERNIZING THE ENERGY DELIVERY SYSTEM FOR INCREASED SUSTAINABILITY, Order No. 18673

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia ("Commission") accepts the Staff Report on modernizing the distribution energy delivery system for increased sustainability ("MEDSIS") or "MEDSIS Staff Report" into the *Formal Case No. 1130* docket and releases it for public comment. Initial comments are due on the MEDSIS Staff Report within 60 days of the date of this Order and reply comments are due 30 days thereafter.

II. <u>BACKGROUND</u>

- 2. The investigation into modernizing the energy delivery system in the District of Columbia was initiated in response to intervenors' requests in both *Formal Case No. 1103* (Pepco's last base rate case)¹ and *Formal Case No. 1123* (Pepco's Notice of Construction for a new substation).² In consideration of intervenor requests, technological advancements in the energy industry, and changing consumer preferences, on June 12, 2015, the Commission issued Order No. 17912 which opened this proceeding to identify technologies and policies that can be implemented in the District to modernize the distribution energy delivery system for increased sustainability; and, in the near-term, to make the distribution energy delivery system more reliable, efficient, cost effective, and interactive.³ The Order also established a series of workshops to be held in the proceeding; the first in October 2015, the second in November 2015, and the third on March 17, 2016.
- 3. At the conclusion of the third workshop, the Commission announced the development of a MEDSIS Staff Report which would incorporate information presented at the

See Formal Case No. 1103, In the Matter of the Application of the Potomac Electric Power Company for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service ("Formal Case No. 1130"), Order No. 17539, at ¶ 120, rel. July 10, 2014 ("Order No. 17539").

Formal Case No. 1123, In the Matter of the Potomac Electric Company's Notice to Construct a 230kV/138 kV/13 kV Substation and Four 230 kV/138 kV Underground Transmission Circuits on Buzzard Point ("Formal Case No. 1123"), Order No. 17851, at ¶ 19, rel. April 9, 2015 ("Order No. 17851").

³ Formal Case No. 1130, Order No. 17912, rel. June 12, 2015 ("Order No. 17912").

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workshops and comments filed in the *Formal Case No. 1130* docket, provide guidance as to how the MEDSIS Initiative would proceed, as well as present Staff's recommendations for achieving MEDSIS goals.

III. <u>DISCUSSION</u>

- 4. Staff has completed the MEDSIS Staff Report and submitted it to the Commission for consideration. Staff has recommended that the Commission issue the MEDSIS Staff Report for public comment with extended comment and reply comment periods in order to facilitate broad public input on the Report's content.
- 5. The Commission would like to thank Staff for its hard work developing the MEDSIS Staff Report. We would also like to thank the public for its engagement in the workshops that helped inform Commission Staff's recommendations in the Report. The Commission agrees that broad public input is needed on the entirety of the MEDSIS Staff Report before any formal decisions on Staff's recommendations can be made. Due to the extensive nature of the Report, the Commission also agrees that it is appropriate to issue the Report with extended comment and reply comment periods.

THEREFORE, IT IS ORDERED THAT:

- 6. The MEDSIS Staff Report is accepted into the Formal Case No. 1130 docket; and
- 7. Initial comments on the MEDSIS Staff Report are due 60 days from the date of this Order and reply comments are due 30 days thereafter.

A TRUE COPY: BY DIRECTION OF THE COMMISSION:

CHIEF CLERK: BRINDA WESTBROOK-SEDGWICK

COMMISSION SECRETARY

Junda Derthurt Sedgwil