

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

NOTICE

April 11, 2023

FORMAL CASE NO. 1050, IN THE MATTER OF THE INVESTIGATION OF THE IMPLEMENTATION OF INTERCONNECTION STANDARDS IN THE DISTRICT OF COLUMBIA,

RM40-2023-01, IN THE MATTER OF TITLE 15 DCMR CHAPTER 40 – DISTRICT OF COLUMBIA SMALL GENERATOR INTERCONNECTION RULES,

and

ET2023-02, IN THE PETITION OF POTOMAC ELECTRIC POWER COMPANY TO APPROVE A TARIFF CHANGE FOR 20kW AND BELOW RESIDENTIAL NEM SOLAR INTERCONNECTIONS,

1. On April 4, 2023, the Potomac Electric Power Company (“Pepco” or “Company”) filed a petition requesting approval of modifications to its tariff Rider-NEM to require prospective Residential Net Energy Metering customers seeking to interconnect solar generators 20kW or smaller (“Qualifying NEM Customers”) to pay a flat System Upgrade Fee of \$280.00 regardless of whether the interconnecting customer would otherwise be charged a distribution system upgrade or interconnection facility cost.¹ Pepco states that under its proposed changes to Rider-NEM, Qualifying NEM Customers would not be responsible for any distribution system upgrades or interconnection facility costs that these customers would be required to pay under the current regulations adopted by the Public Service Commission of the District of Columbia (“Commission”).²

2. Pepco further proposes to recover approximately 20% of the distribution system upgrade and interconnection facility costs from all customers.³ Moreover, Pepco requests that it be allowed to record all amounts collected through the System Upgrade Fee as a regulatory liability to offset the balance of distribution system upgrade and interconnection facilities costs in plant in-

¹ *Formal Case No. 1050, In the Matter of the Investigation of the Implementation of Interconnection Standards in the District of Columbia (“Formal Case No. 1050”), RM40-2023-01, In the Matter of 15 DCMR Chapter 40 – District of Columbia Small Generator Interconnection Rules (“RM40-2023-01”), and ET2023-02, In the Matter of the Petition of Potomac Electric Power Company to Approve a Tariff Change for 20kW and Below Residential NEM Solar Interconnections (“ET2023-02”),* filed April 4, 2023 (“Pepco Petition”).

² *Formal Case No. 1050, RM40-2023-01, ET2023-02,* Pepco Petition at 2.

³ *Formal Case No. 1050, RM40-2023-01, ET2023-02,* Pepco Petition at 9.

service.⁴ The Company indicated that it intends to include the proposed regulatory liability and results of the Pepco Petition in its next multi-year case for recovery from its customers.⁵ Pepco also proposes to amortize distribution assets approved in the most recent depreciation study over the composite life of the asset.⁶ Pepco further proposes modifications to Rider-NEM, amendments to Chapter 40 of the Commission’s regulations, and waiver of any other regulations that may conflict with the Company’s System Upgrade Fee proposal.⁷

3. The Commission requests that interested persons file comments on the Pepco Petition on May 1, 2023. Comments should be filed with the Commission Secretary at psc-commissionsecretary@dc.gov – subject “Formal Case No. 1050, RM40-2023-01, ET2023-02.” After reviewing the comments, the Commission will address Pepco’s proposed modifications to Rider-NEM, amendments to Chapter 40 of the Commission’s regulations, and waiver request.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**

⁴ *Formal Case No. 1050, RM40-2023-01, ET2023-02, Pepco Petition at 9.*

⁵ *Formal Case No. 1050, RM40-2023-01, ET2023-02, Pepco Petition at 9.*

⁶ *Formal Case No. 1050, RM40-2023-01, ET2023-02, Pepco Petition at 9.*

⁷ *Formal Case No. 1050, RM40-2023-01, ET2023-02, Pepco Petition at 7-9.*