

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

PUBLIC NOTICE

FORMAL CASE NO. 1168, IN THE MATTER OF THE APPLICATIONS FOR APPROVAL OF BIENNIAL UNDERGROUND INFRASTRUCTURE IMPROVEMENT PROJECTS PLANS AND FINANCING ORDERS,

NOTE THAT ALL DATES IN THIS NOTICE ARE BASED ON THE DATE THIS NOTICE IS PUBLISHED IN THE *DC REGISTER* (OCTOBER 15, 2021).

On July 11, 2017, the Electric Company Infrastructure Improvement Financing Emergency Amendment Act of 2017 (D.C. Law 22-005), amending the Electric Company Infrastructure Improvement Financing Act of 2014 (D.C. Law 20-102) (as amended, the “Undergrounding Act”), became effective.¹ The Undergrounding Act authorizes the District of Columbia and the Potomac Electric Power Company (“Pepco”) to collect and use certain charges to finance the undergrounding of certain electric power lines and ancillary facilities. The Undergrounding Act governs Pepco’s and the District Department of Transportation’s (“DDOT”) public-private partnership to bury overhead primary power lines to improve electric service reliability and reduce the impact of storm-related outages in the District of Columbia that is commonly referred to as the District of Columbia Power Line Undergrounding (“DC PLUG”) initiative.

The Public Service Commission of the District of Columbia (“Commission”) hereby gives notice that, on September 30, 2021, DDOT and Pepco filed a Joint Application for Approval of the Third Biennial Underground Infrastructure Improvement Projects Plan and Financing Order Application (“Joint Application”) in compliance with the Undergrounding Act. This Notice describes the filing and sets deadlines, pursuant to the Undergrounding Act, for the filing of comments and petitions to intervene.

Third Biennial Underground Infrastructure Improvement Projects Plan

Pursuant to DC Code § 34-1313.07(a), DDOT and Pepco filed the Joint Application seeking approval of the third biennial Underground Infrastructure Improvement Projects Plan (“Third Biennial Plan”). The Third Biennial Plan identifies four (4) electric distribution feeders that are currently overhead, all or parts of which DDOT and Pepco propose to place underground. As part of the feeder-selection process, Pepco ranked every overhead and combined overhead/underground feeder in the District of Columbia based on a number of criteria, including the number and duration of outages and customer minutes of interruption on each feeder for the years 2010-2020 (including storm outage data). DDOT and Pepco selected the feeders that will be placed underground as part of the Third Biennial Plan based on this historical feeder performance data and other secondary criteria, as well as the funding limitations the Undergrounding Act establishes for the DC PLUG initiative.

The Joint Application also requests approval of a change in the “Underground Project Charge” (“UPC”) to recover costs Pepco incurs to place DC PLUG initiative feeders underground and other authorized costs and charges. Pursuant to the Undergrounding Act, the UPC is applicable to Pepco’s District of Columbia customers who purchase electric distribution service, except for customers served

¹ The Undergrounding Act has been subsequently amended and is codified in Chapter 13A of Title 34 of the District of Columbia Official Code (“DC Code”).

under Pepco’s Residential Aid Discount (“RAD”) Rider. Pepco may file with the Commission an application to adjust the UPC no later than April 1 of each year to update forecasted expenditures for the calendar year in which the update is filed and to true-up costs and collections for the prior calendar year.

The proposed UPC for 2022 represents a total increase of approximately two (2) cents per month for a typical residential customer on Standard Offer Service (“SOS”) who uses 692 kWh per month. Over the two-year period in which these charges will be in effect, the UPCs are designed to collect \$4,475,445 in total revenues. In 2022 and 2023, Pepco expects to add approximately \$29.4 million in electric plant in service under the DC PLUG initiative.

For 2022, the first year of the Third Biennial Plan, the proposed UPC for each Rate Schedule is as follows:

<u>Rate Schedule</u>	<u>Underground Project Charge (per kilowatt-hour)</u>
R	\$0.00006
R-PIV	\$0.00006
MMA	\$0.00016
GS ND	\$0.00018
T	\$0.00036
GS LV	\$0.00028
GS 3A	\$0.00015
MGT LV	\$0.00023
GT LV	\$0.00022
GT 3A	\$0.00012
GT 3B	\$0.00001
RT	\$0.00010
SL/TS/OL LED	\$0.00007
TN	\$0.00003

If the proposed UPC is granted in full, the average monthly effect for each Rate Schedule in the first year will be:

Underground Project Charge

<u>Rate Schedule**</u>	<u>Average Monthly Usage</u>	<u>Monthly Bill Change (Distribution Only)*</u>		<u>Monthly Increase for Standard Offer Service Customers (Total Bill)*</u>	
		<u>Percent Change</u>	<u>Dollar Amount</u>	<u>Percent Change</u>	<u>Dollar Amount</u>
Residential Service	692	0.06%	\$ 0.02	0.02%	\$ 0.02
Master Metered Apartment Service	463	0.25%	\$ 0.06	0.10%	\$ 0.06
General Service – Non-Demand	1,104	0.11%	\$ 0.11	0.06%	\$ 0.11
Temporary Service	7,176	0.33%	\$ 2.01	0.18%	\$ 2.01
General Service – Low Voltage	10,260	0.24%	\$ 2.05	0.13%	\$ 2.05
General Service - Primary Service	17,850	0.05%	\$ 0.54	0.02%	\$ 0.54
Time Metered Medium General Service – Low Voltage	76,689	0.20%	\$ 11.50	0.10%	\$ 11.50
Time Metered General Service – Low Voltage	569,310	0.20%	\$ 79.70	0.09%	\$ 79.70
Time Metered General Service – Primary Service	1,256,904	0.16%	\$ 87.98	0.04%	\$ 87.98
Time Metered General Service – High Voltage	15,954,659	0.06%	\$ 159.55	0.01%	\$ 159.55
Rapid Transit Service	287,006	0.17%	\$ 20.09	0.05%	\$ 20.09
Street Lighting Service	236,044	0.22%	\$ 11.80	0.06%	\$ 11.80
Traffic Signal Service	290,611	0.13%	\$ 14.53	0.05%	\$ 14.53
Telecommunications Network Service	416	0.06%	\$ 0.01	0.03%	\$ 0.01

* The effect of the proposed rates on any particular customer is dependent upon the actual usage of the customer.

Changes shown are for customers with average monthly usage per Formal Case No. 1156.

** Schedules OL LED and R-PIV are not modeled separately as average usage per Formal Case No. 1156 is not available.

Third Financing Order Application

In the Joint Application, pursuant to DC Code § 34-1313.02(a), Pepco included an application requesting that the Commission issue a financing order authorizing Pepco to assess a charge called the “Underground Rider” to recover charges the District of Columbia imposes on Pepco. The charge the District of Columbia imposes on Pepco is called the DDOT Underground Electric Company Infrastructure Improvement Charge or “DDOT Charge.”

Pursuant to the Undergrounding Act, DDOT will use amounts Pepco pays in through the DDOT Charge to fund costs associated with work DDOT performs to place underground the distribution feeders included in the Third Biennial Plan and that Pepco will use to provide electric distribution service in the District of Columbia. The work DDOT will perform includes civil engineering for, and the construction and installation of, certain underground conduits, duct banks, electric vaults, manholes and similar facilities, and repaving and other road work.

The Underground Rider is applicable to all customers who take electric distribution service, except customers served under Pepco’s RAD Rider. The proposed Underground Rider for 2022 represents a total increase of approximately three (3) cents per month for a typical residential SOS customer who uses 692 kWh per month. Over the two-year period in which these charges will be in effect, the Underground Rider is designed to collect \$67.5 million, or \$33.75 million per year. Pepco may file to adjust the Underground Rider not more frequently than twice per year to true-up the difference between the DDOT Charge imposed on Pepco for the period for which the adjustment is filed and actual amounts Pepco collects through the Underground Rider for the corresponding period. The recovery for under-collection or over-collection will be allocated to each customer class in the proportion to which the customer class contributed to the under-collection or over-collection.

For 2022, the charges under the proposed Underground Rider for each Rate Schedule are as follows:

<u>Rate Schedule</u>	<u>Underground Rider (per kilowatt-hour)</u>
R	\$0.00133
R-PIV	\$0.00133
MMA	\$0.00345
GS ND	\$0.00381
T	\$0.00757
GS LV	\$0.00590
GS 3A	\$0.00314
MGT LV	\$0.00477
GT LV	\$0.00461
GT 3A	\$0.00250
GT 3B	\$0.00021
RT	\$0.00216
SL/TS/OL LED	\$0.00157
TN	\$0.00055

If the proposed Underground Rider is granted in full, the average monthly effect for each Rate Schedule in the first year will be:

Underground Rider

<u>Rate Schedule**</u>	<u>Average Monthly Usage</u>	<u>Monthly Bill Change (Distribution Only)*</u>		<u>Monthly Increase for Standard Offer Service Customers (Total Bill)*</u>	
		<u>Percent Change</u>	<u>Dollar Amount</u>	<u>Percent Change</u>	<u>Dollar Amount</u>
Residential Service	692	0.10%	\$ 0.03	0.03%	\$ 0.03
Master Metered Apartment Service	463	4.17%	\$ 1.08	1.71%	\$ 1.08
General Service – Non-Demand	1,104	-0.98%	\$ (0.99)	-0.55%	\$ (0.99)
Temporary Service	7,176	3.37%	\$ 20.52	1.87%	\$ 20.52
General Service – Low Voltage	10,260	-0.33%	\$ (2.87)	-0.18%	\$ (2.87)
General Service - Primary Service	17,850	-3.04%	\$ (34.09)	-1.14%	\$ (34.09)
Time Metered Medium General Service – Low Voltage	76,689	-0.04%	\$ (2.30)	-0.02%	\$ (2.30)
Time Metered General Service – Low Voltage	569,310	-0.27%	\$ (108.17)	-0.12%	\$ (108.17)
Time Metered General Service – Primary Service	1,256,904	-0.64%	\$ (351.93)	-0.17%	\$ (351.93)
Time Metered General Service – High Voltage	15,954,659	-0.11%	\$ (319.09)	-0.02%	\$ (319.09)
Rapid Transit Service	287,006	0.67%	\$ 77.49	0.17%	\$ 77.49
Street Lighting Service	236,044	-0.49%	\$ (25.96)	-0.13%	\$ (25.96)
Traffic Signal Service	290,611	-0.28%	\$ (31.97)	-0.10%	\$ (31.97)
Telecommunications Network Service	416	-0.10%	\$ (0.02)	-0.04%	\$ (0.02)

* The effect of the proposed rates on any particular customer is dependent upon the actual usage of the customer.

Changes shown are for customers with average monthly usage per Formal Case No. 1156.

** Schedules OL LED and R-PIV are not modeled separately as average usage per Formal Case No. 1156 is not available.

Pepco has requested that the UPC and the Underground Rider become effective within 30 days of the Commission's issuance of an order in *Formal Case No. 1168* approving these charges.

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Community Hearings, Intervention, and Comments

The Commission will hold one or more community hearings on the Joint Application to receive comments from residents and businesses in the affected communities. The dates, times, and locations of the community hearings will be posted on the Commission's website.

Any person desiring to intervene in this proceeding may file a petition to intervene with the Commission within 14 days from the date this Notice is published in the *D.C. Register*. The Joint Applicants and any party to the proceeding may file an answer or oppose the granting of a petition to intervene within 24 days from the date this Notice is published in the *D.C. Register*. All petitions to intervene and answers thereto shall conform to the requirements of the Commission's Rules of Practice and Procedure as set forth in Section 106 of Chapter 1 of Title 15 of the District of Columbia Municipal Regulations (15 DCMR Section 106). Any person desiring to comment on the Joint Application may file written comments with the Commission within 60 days from the date this Notice is published in the *D.C. Register*.

All petitions for intervention and written comments should be sent to Ms. Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street, NW, Suite 800, Washington, DC 20005.

Discovery and Evidentiary Hearings

Pursuant to DC Code §§ 34-1313.03(d) and 34-1313.16, the Commission's review of the Joint Application is required to be expedited. The issues the Commission are to consider in reviewing the Joint Application are identified in DC Code §§ 34-1313.02, 34-1313.08, and 34-1313.10.

In accordance with DC Code § 34-1313.09(b)(1), "the period for discovery shall commence on the date the application is filed with the Commission [September 30, 2021] and shall continue for 60 days." The following discovery schedule is to be adhered to in this proceeding to comply with the statutory 60-day discovery period:

1. 60-Day Discovery Period Begins September 30, 2021;
2. Period for Filing First Round of Data Requests – September 30, 2021 - October 18, 2021;
3. Period for Filing First Round of Data Responses – October 18, 2021 - October 29, 2021;
4. Period for Filing Second Round of Data Requests – October 30, 2021 - November 8, 2021;

5. Period for Filing Second Round of Data Responses – November 8, 2021 - November 29, 2021;
6. 60-Day Discovery Period Ends November 29, 2021.

Pursuant to D.C. Code §§ 34-1313.03(b)(2) and 34-1313.09(c)(2), an evidentiary hearing shall be required only if contested issues of material fact are present and those issues cannot be resolved by the Commission based on the pleadings and discovery responses filed, if any. The final day to request a hearing based on a contested material issue of fact is November 29, 2021.

The Joint Application is available for viewing on the Commission’s website (www.dcpssc.org). The Joint Application may also be inspected at the following public libraries:

District of Columbia Public Ward Libraries

Mount Pleasant Library
3160 16th St. NW
Washington, D.C. 20010
mtpleasantlibrary@dc.gov
202-671-3121

Southeast Library
900 Wesley Pl. SW
Washington, D.C. 20024
southwestlibrary@dc.gov
202-724-4752

Southwest Library
900 Wesley Pl. SW
Washington, D.C. 20024
southwestlibrary@dc.gov
202-724-4752

Petworth Library
4200 Kansas Ave. NW
Washington, D.C. 20011
petworthlibrary@dc.gov
202-243-1188

Cleveland Park Library
4340 Connecticut Ave NW
Washington, D.C. 20008
clevelandparklibrary@dc.gov
202-282-3080

Woodridge Library
1801 Hamlin St. NE
Washington, D.C. 20018
woodridgelibrary@dc.gov
202-541-6226

Bellevue Library
William O. Lockridge
115 Atlantic St. SW
Washington, D.C. 20032
bellevuelibrary@dc.gov
202-243-1185

Capitol View Library 5001
Central Ave. SE
Washington, D.C. 20019
capitolviewlibrary@dc.gov
202-645-0755