

**PUBLIC SERVICE  
COMMISSION**

District of Columbia

**Your Energy. Your Voice.**



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# POWERING FORWARD

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PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA  
**ANNUAL REPORT 2018**



**PUBLIC SERVICE  
COMMISSION**

District of Columbia

**Your Energy. Your Voice.**

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA**

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**October 2019**

The Honorable Muriel Bowser  
Mayor, District of Columbia  
Executive Office of the Mayor  
1350 Pennsylvania Avenue NW  
Suite 316  
Washington, DC 20004

Dear Mayor Bowser:

The Public Service Commission of the District of Columbia (Commission) has the honor of submitting to you its 2018 Annual Report, *Powering Forward*.

We consider 2018 a year in which we were powering forward on a number of significant initiatives at the Commission, as we were transitioning to the leadership of a new Commission Chairman. This annual report highlights the year's crucial agency-wide and office-specific achievements and summarizes expenditures against our 2018 budget. The report also forecasts major initiatives for 2019.

In 2018, as always, the Commission's work was guided by our mission to serve District utility customers by ensuring that financially healthy utility companies provide safe, reliable, and quality services at reasonable prices while promoting the District's climate goals.

Respectfully submitted,

Willie L. Phillips  
Chairman

Richard A. Beverly  
Commissioner

Greer J. Gillis  
Commissioner

# POWERING FORWARD

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# MISSION AND GOALS

Our mission is at the heart of our work. It informs our goals, decisions and initiatives in serving District residents. It also links to the District of Columbia’s energy and climate action policies. As a national leader in sustainability and environmental conservation, with the most aggressive renewable energy standards in the country, the District’s leadership is serious about combating the effects of global climate change. As the utility regulator, we embrace our important role in helping the District achieve a clean energy future.

## MISSION

The mission of the Public Service Commission of the District of Columbia is to serve the public interest by ensuring that financially healthy utility companies provide safe, reliable and quality utility services at reasonable rates for District of Columbia customers, while fostering grid modernization, conservation of natural resources, preservation of environmental quality, and advancement of the District’s climate policy commitments.

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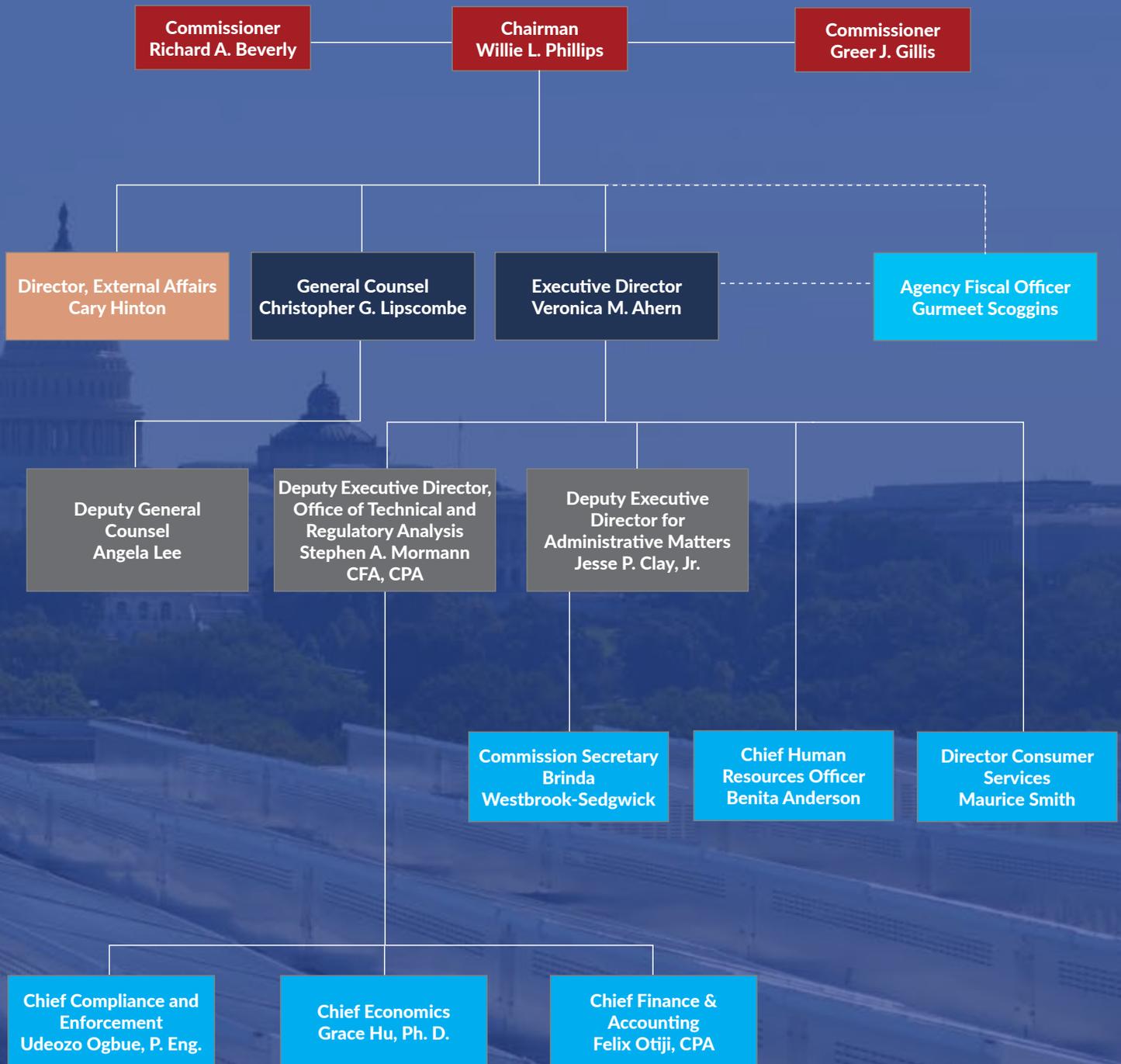
## GOALS

The District of Columbia Public Service Commission carries out its mission by focusing on the following goals:

1. Motivating customer- and results-oriented employees.
2. Protecting consumers and public safety by ensuring safe, reliable, and high-quality utility services.
3. Regulating monopoly utility service providers to ensure their rates are just and reasonable.
4. Fostering fair and open competition among utility service providers.
5. Conserving natural resources and preserving environmental quality.
6. Resolving disputes among consumers and utility service providers.
7. Educating utility consumers and informing the public about utility issues.
8. Supporting the economy of the District of Columbia.

Photo courtesy DC Sustainable Energy Utility

# PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA ORGANIZATIONAL STRUCTURE





# MESSAGE FROM CHAIRMAN PHILLIPS

## As we look back at 2018, it's clear that the Commission undertook much and accomplished more.

While transitioning to new leadership, we began to set the path forward to a more modern energy grid and a more contemporary Commission. We approved key cases, closed a vital utility merger, managed to achieve rate reductions for consumers, and oversaw the replacement of miles of aging natural gas pipelines in the District. Our work created a launchpad for significant consumer benefits for many years to come.

We celebrated the tenure of former Commission Chair, Betty Ann Kane and said goodbye to her with mixed emotions. We were grateful for her astute leadership of the Commission. We were excited by the strong position in which she left us to achieve our future goals. While sad to see her leave, we were happy for her to enjoy a well-deserved retirement after a 44-year-long career, most of it in public service.

In 2018, we were all about *Powering Forward*.

Continuing from former Chair Kane's tenure into mine was — and will continue to be — a pre-eminent commitment to community engagement and vigilance. Consumers complained that after a case was filed, they heard nothing for a year or more, as they waited for the Commission to issue its decision.

With our grid modernization initiative, now PowerPath DC, we worked to engage stakeholders throughout the entire process and offered opportunities for every stakeholder to participate and to be heard.



To broadly communicate our dedication to transparency and engagement, we underwent a rebranding, including an updated website and a stronger social media presence. Our new logo and tagline, "*Your Energy. Your Voice.*", coupled with an allusion to the D.C. flag, represented by the three stars, says we're focused on you, the consumer of the District.

Our mission, to serve consumers by ensuring safe, reliable, and quality utility services, is what drives the Commission. We strive to do what's in the best interest of our D.C. ratepayers. That's one reason the Commission focused so heavily in 2018 on the DC Power Line Undergrounding (DC PLUG) program.

The Commission has faced numerous hurdles to launching DC PLUG, including protracted litigation. In 2018, the D.C. Court of Appeals upheld all Commission rulings on DC PLUG, clearing the way to implement the program in Spring of 2019, thanks largely to the Commission's legal staff.

*continued*



*Chairman Willie L. Phillips being interviewed during the Winter Ready DC 2018, an annual winter preparedness event.*



As we look ahead, the District will undergo over \$4 billion in utility infrastructure improvements during the coming decade. The Commission is laser-focused on ensuring that the utility companies implement these improvements prudently and efficiently, to best serve D.C. ratepayers. These projects are huge undertakings for the utility companies, which will be a big focus of the Commission. And they will be a big focus of mine, as the Chairman.

The Commission is also focused on increasing our workforce and supplier diversity. The Commission has its own mandate to ensure we have a diverse workforce and a diverse set of contractors and suppliers. The Commission will continue to make diversity a priority as we undertake the coming infrastructure improvements.

In 2018, we were renewing ourselves and powering forward. In 2019, I see a natural progression for the Commission, in my first full year as Commission Chairman, as we build on the accomplishments of 2018.



From L to R: Chairman Phillips and staff at Winter Ready DC Toolkit Giveaway, Commissioner Beverly at a Taking It to the Streets Summer Outreach Event and daughter of Commission employee participates in Take Our Daughters and Sons to Work Day.



This is the best job I've had, hands down. The people are brilliant. We go about our work with passion and conviction. And every day there is a new challenge. Most importantly, we all work together to serve our neighbors – D.C.'s utility consumers – to the best of our abilities.

I look forward to working with the members of the D.C. Public Service Commission, our sister agencies, and the community, as we serve to further advance the Commission's mission in the year ahead.

Willie L. Phillips

# CELEBRATING FORMER COMMISSION CHAIRMAN AND TIRELESS PUBLIC SERVANT BETTY ANN KANE

**In 2007, after more than 30 years working in the D.C. government – including as a member of the D.C. Board of Education, a member of the D.C. City Council, and as executive director of the D.C. Retirement Board – Betty Ann Kane came out of retirement to join the D.C. Public Service Commission.**

She retired from D.C. government again at the end of 2018, having spent more than 11 years on the Commission and nine years as its chair. Of her many, significant accomplishments during that time, Kane pointed to empowering Commission staff as her most rewarding work. She sought to instill in staff members an understanding of the value of their roles, to encourage them to participate in professional development, to move them into more appropriate office space, and to provide them with upgraded tools.

“When I went to the Commission, there was a guy who would come around every day with a rolling cart loaded with Xeroxed copies of everything that had been filed the day before,” she said. “It was like a ton of paper. I knew I didn’t want that to continue.”

So, she set about transferring staff to the electronic docket system that utility representatives used, and creating an integrated, electronic case management system. That system is halfway to completion and will be finished under the leadership of Kane’s successor, Chair Willie Phillips.

Phillips called Kane a “D.C. institution” and said sitting on the Commission with her “was like a crash course in leadership” that lasted throughout their four years on the Commission together.

“I recently read that being calm is like a superpower, and I feel that describes Betty Ann,” he said. “No matter what was going on, she always struck the right balance. That served her well, it served the Commission well, and it is serving me well now, because I learned from her for so long.”





Many others learned from Kane, too, as she was reappointed by then-Mayor Vincent Gray for two additional terms in 2011 and 2014. While leading the Commission, she authorized the formation of staff unions AFGE and AFSCME, improved the Commission’s engagement with the public – instituting several community outreach initiatives, upgrading the Commission’s website, and employing social media, and presided over crucial rate cases, including the merger of D.C.’s electric and gas companies with out-of-town corporations.

She described the Exelon-Pepco merger as “the most political of the cases or issues” that came before the Commission during her tenure. “It really thrust the Commission into the public eye like it hadn’t been before,” she said.

“When I told people, who knew me from the D.C. Council or Retirement Board, that I’d joined the Public Service Commission, they’d ask, ‘What’s that?’” she said.

The Commission’s anonymity didn’t last long once the Exelon Corporation’s proposed merger with Pepco Holdings, Inc. came to light. “After the Exelon merger issue came up, the application was filed with the Commission, and we had over a year’s worth of hearings, filing, and demonstrations, everybody knew what the Public Service Commission was,” Kane said.

*Betty Ann Kane, through her outstanding leadership and advocacy, has made a positive impact on the District of Columbia and its residents with over 44 years of outstanding contributions and invaluable service.*

- Prior to joining the Commission, Kane was elected for two terms as an at-large member of the D.C. School Board. During her School Board tenure, she served as chair of the committees on Federal Grants, Student Services, and Finance, and she worked closely with Congress and federal agencies to increase federal funding for D.C. Public Schools.

*continued*



- In 1978, Kane successfully ran for at-large member of the D.C. Council. During her Council tenure, she served as chair of the Committee on Government Operations and as chair of the Committee on Public Services and Cable Television, where she had oversight, legislative, and budgetary responsibility for the Public Service Commission. She spent 12 distinguished years as a City Councilmember.
- In 1993, the Council appointed Kane as trustee for the D. C. Retirement Board. In that role, she led the Retirement Board's negotiations with the U.S. Congress and the then-D.C. Control Board to fund the District's unfunded pension liability and protect fund assets for city employees and retirees.
- Kane was appointed executive director of the Retirement Board in 2002. She transformed the body from an investment board to a full-service retirement agency, overseeing efforts to enact the necessary authorizing legislation, plan for and move to a new facility, recruit staff, and develop member services.
- Kane was active on the board of numerous non-profit organizations, including the Historical Society of Washington, D.C.; Friends of the National Zoo, Women's Advisory Council, and Girl Scouts of the National Capital Area.
- During her tenure on the Commission, Kane served as a board member of the National Association of Regulatory Utility Commissioners (NARUC), a member of the NARUC Telecommunications Committee, treasurer of the National Regulatory Research Institute (NRRI), chair of the NRRI board, president of the Mid-Atlantic Conference of Regulatory Utilities Commissioners, and as founding member and chair of the Mid-Atlantic Distributed Resources Initiative (MADRI).

Kane offered the following advice to future Commissioners: "You're an economic regulator, so the numbers, the bottom line, and the rates count. However, the policy will change so rapidly that you have to take a deep breath, find out the facts, learn as much as you can, and be prepared for more change."

Sound advice for Commissioners, Commission staff, and the rest of us – from a tireless public servant.



Betty Anne Kane with staff and their children on Take Our Daughters and Sons to Work Day.

## 2018 was a year of transition for the D.C. Public Service Commission.

Throughout the management shift, Commissioners and staff, alike, maintained their focus on successfully advancing numerous projects underway to improve utility service for District residents.

Former Chairman Kane passed on an empowered, engaged agency and new Chairman Phillips took steps to strengthen the agency's commitment to its customers across the D.C. community.

Among the many valuable Commission efforts in 2018, the following initiatives stand out as providing consequential and lasting benefit to D.C. utility consumers.

## CONSUMER INTERESTS

We place consumer interests at the center of our policies and initiatives. Through our work, the Commission strives to provide direct and tangible benefits to District ratepayers.

**Managing Washington Gas Light Company/AltaGas Merger.** The Commission approved a settlement agreement in [Formal Case No. 1142](#) to merge Washington Gas Light with AltaGas, of Canada. The Commission concluded that the agreement would benefit ratepayers and the District. The settlement includes, among other benefits:

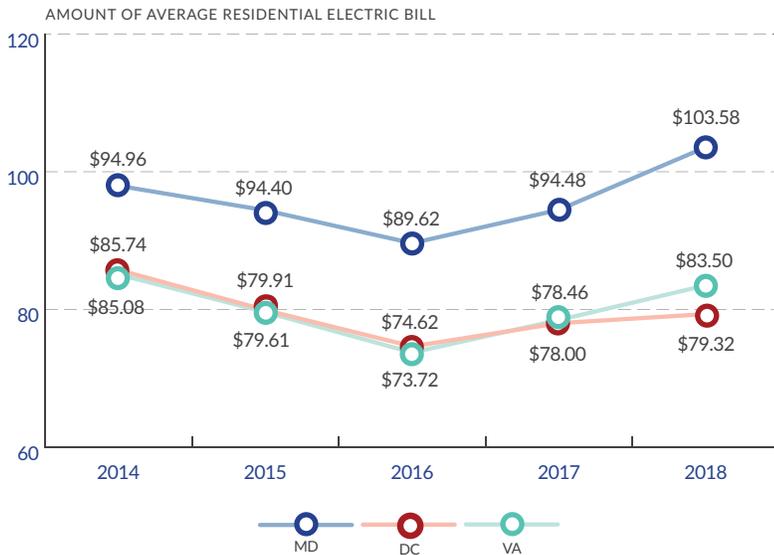
- a one-time rate credit of \$20,482,254 for residential customers and a one-time rate credit of \$5,422,582 for non-residential customers;
- \$4.2 million for energy efficiency and conservation initiatives in D.C.;
- \$1.5 million in funding for the Washington Area Fuel Fund;
- \$6 million to fund workforce development initiatives, such as the Mayor's [DC Infrastructure Academy](#) and programs that promote job training and job creation in the energy sector and in Science, Technology, Engineering and Math (STEM) fields.

The Commission required 85 commitments of AltaGas and WGL, which are listed in the Gas Merger Commitment Tracker found on the Commission's website.

**Establishing New Rate Class for Seniors and Disabled Residents.** The Commission approved a new experimental electricity rate class credit for D.C.'s senior citizens and disabled residents. After hearing from numerous stakeholders at three technical conferences held over the course of 2018, the Commission approved a credit that equals \$7.50 per month for eligible Pepco customers who receive the DC Homestead Deduction and Senior Citizen/Disabled Property Tax reduction, but do not receive the Residential Aid Discount (RAD).

**Lowering Standard Offer Service Rates.** Standard Offer Service (SOS) is the default electricity service for customers who have not chosen to purchase electricity from a competitive electric provider. The Com-

## AVERAGE RESIDENTIAL ELECTRIC BILLS IN D.C., MD, & VA IN CY 2014-CY 2018



*In 2018, average residential electric bills continued to be lower in D.C. than in Pepco's Maryland service territory. The average bills in D.C. were slightly lower than in Northern VA, where electric service is provided by Dominion Power.*

*Source: Pepco and PSC of the District of Columbia*

mission announced that beginning on June 1, 2018, SOS rates for District customers would decrease by approximately \$2.74 per month for the average residential user. The reduction resulted from Pepco's purchase of electricity through power supply contracts in recent auctions. The Commission approved the auction results in [Formal Case No. 1017](#).

**Approving Pepco Rate Reduction.** In [Formal Case No. 1150](#), the Commission approved a similar settlement by Pepco, passing along the corporate tax savings as a result of the Tax Cuts and Jobs Act of 2017. The settlement provided ratepayers a one-time credit of \$24.2 million for deferred taxes and Excess Deferred Income Tax. The combination of these savings resulted in approximately \$1.56 savings for the average residential customer consuming 648 kWh.

**Monitoring Pepco/Exelon Merger Commitments.** The Commission continued to track the commitments Pepco and Exelon Corporation made as part of their 2016 merger in [Formal Case No. 1119](#). The [Pepco/Exelon Merger Commitment Tracker](#), found on the Commission's website, lists the 128 commitments both companies made.

**Approving Washington Gas Light Rate Reduction.** In [Formal Case No. 1151](#), WGL sought to pass through to consumers the corporate tax cuts mandated by the Tax Cuts and Jobs Act of 2017. The Commission approved a settlement in the case, which resulted in an approximate 6.5 percent across-the-board reduction for all WGL customer classes. For the average WGL residential customer, the settlement meant a reduction of about \$2.63 per month. The Commission also ordered WGL to provide an additional one-time billing credit of approximately \$5.1 million to its customers, to take effect during the 2018-2019 winter heating season. This provided approximately a \$20 credit for residential heating and cooling customers.

*continued*



**Improving the Consumer Bill of Rights.** The Commission issued a new and improved Consumer Bill of Rights. Created in 1979, the Consumer Bill of Rights established the rights and responsibilities of consumers and service providers in the natural gas, electric, and local telephone services, as well as the enforcement authority to ensure District residents are adequately protected. The impetus for the new rules was an investigation into business and solicitation practices of retail energy suppliers, due to allegations of slamming—the illegal practice of switching a consumer’s energy company without express authorization from the customer of record, misrepresentation, and rate confusion from customers.



**Engaging District Residents.** In 2018, the Commission underwent a comprehensive assessment of its outreach, communications and brand efforts. Based upon feedback from Commission employees, stakeholders and utility consumers, the Commission began developing its new brand identity and outreach plan to better engage residential, business and government customers.

## CLEAN ENERGY COMMITMENTS

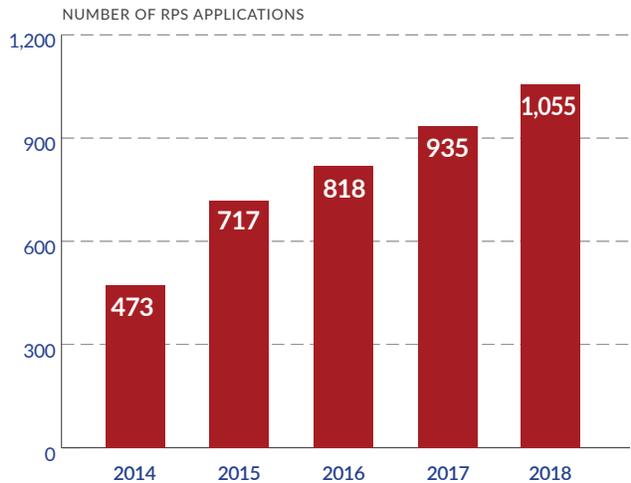
The Commission has taken steps to advance the District’s climate policy commitments to reduce fossil fuel dependence, energy costs, air pollution and greenhouse gas emissions. These actions help to achieve the District’s clean energy plan while also encouraging innovation, efficiency, and resiliency.

**Focusing on Renewables.** The Commission continued to focus on meeting environmental standards in the District. [The CleanEnergy DC Omnibus Amendment Act of 2018](#) requires an increased emphasis on renewable energy and, particularly, on the deployment of solar energy in the District. In 2018, the Commission received 1,055 applications for Renewable Portfolio Standards (RPS) installations, 120 more applications than in 2017. This increase reflects the growth of solar resources and could also be attributed to the increase in leasing programs that eliminate or reduce the upfront costs of solar installation for homeowners and businesses as well as the continued high prices for Renewable Energy Credits in the District.

**Streamlining the Renewable Portfolio Standards Process.** Recognizing the increase in RPS applications, in 2018 the Commission streamlined processing those applications. Now, applications can be completed on-line and any deficiencies automatically flagged for the applicant through the Commission’s [RPS Portal](#). The approval process has also been automated. Applicants now receive approval letters after Commission technical staff review, without the need for a Commission Order. The streamlining has resulted in a smoother – and faster – review and approval of RPS applications.

**Promoting Energy Efficiency.** Following an extensive review period, the Commission established an Energy Efficiency and Energy Conservation Working Group (the EEEEC) to develop and implement a whole-building, deep energy retrofit program targeted primarily at affordable multi-family units and master-metered multi-family buildings in D.C. These include buildings where residents with low and limited incomes live. Once fully implemented, this program will take advantage of \$11.25 million in previously committed Exelon/Pepco merger funds.

## NUMBER OF RENEWABLE PORTFOLIO STANDARD (RPS) APPLICATIONS RECEIVED BY THE PSC IN CY 2014–CY 2018



*In CY 2018, there was a 12.8% increase over CY 2017, with the total number of applications exceeding 1,000.*

*Source: PSC of the District of Columbia*

## GRID MODERNIZATION

**Advancing D.C.'s Electrical Grid.** For years, the Commission has worked to improve the reliability of electricity in the District. In surmounting the final legal hurdles to grid modernization in 2018, the Commission cleared the way to achieve a high standard of service for all D.C. residents.

**Modernizing the Energy Delivery System for Increased Sustainability (MEDSIS).** MEDSIS is [Formal Case No. 1130](#), the Commission's initiative for grid modernization. MEDSIS, which will provide the foundation for modernizing our energy delivery system, included one of the largest and most inclusive stakeholder-driven processes run by the Commission. In 2018, the Commission hired the Smart Electric Power Alliance (SEPA) to facilitate stakeholder engagement in a technical conference and in working groups. As a result, the Commission created six MEDSIS Working Groups::

- WG1: Data and Information Access and Alignment
- WG2: Non-wire Alternative to Grid Investment
- WG3: Future Rate Design
- WG4: Customer Impact
- WG5: Microgrids
- WG6: Pilot Projects

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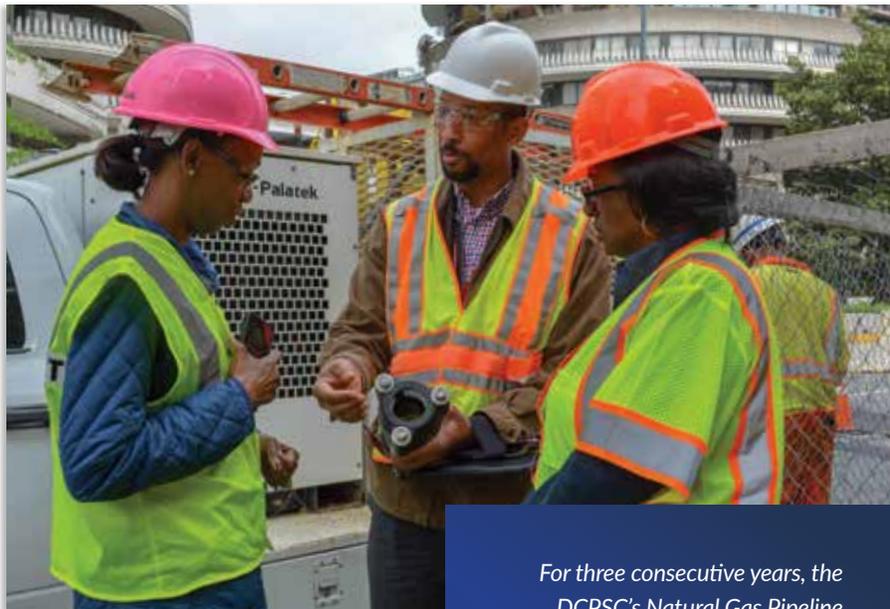
## INFRASTRUCTURE INVESTMENTS

The Commission issued an open call to industry stakeholders, D.C. residents, environmental activists, and community groups to participate in working groups. Meetings to develop recommendations in each of the six areas began in the summer of 2018 and will continue into 2019, with Smart Electric Power Alliance (SEPA) responsible for compiling a report to the Commission on the recommendations.

The Commission continued to monitor and initiate investments in energy and utility infrastructure improvements during 2018, looking to ensure the safety and sustainability of the city's utility delivery systems.

**Enhancing Safety and Reliability.** The Commission concluded that the program to replace vintage pipes, which resulted from the settlement of [Formal Case No. 1027](#) between Washington Gas Light Company and the D.C. Office of the People's Counsel, had successfully remediated potentially hazardous portions of the natural gas distribution system and closed the case. The Commission noted at the time that the costs to replace vintage mechanical would be determined in the next rate case. However, WGL and OPC agreed to write off the remaining costs for replacing the vintage mechanical couplings. WGL will not seek to recover any additional costs associated with the case.

**Replacing Aging Infrastructure.** The conclusion of [Formal Case No. 1027](#) did not end the Commission's efforts to ensure that the aging natural gas distribution system does not pose a safety risk. During 2018, the Commission also oversaw WGL's work to replace hundreds of miles of pipe (as part of PROJECTpipes) and the work of two consultants hired to audit the PROJECTpipes program. One of these audits, the Agreed Upon Procedures audit, was completed in 2018. The consultant found variances in the cost and schedule of the PROJECTpipes program, which the Commission will consider when reviewing the PROJECTpipes investment in the next rate case and the next five-year PROJECTpipes plan (called PIPES 2), which was filed at the end of 2018. In that plan, [Formal Case No. 1154](#), WGL asks for approval of PIPES 2 and recovery of costs associated with PIPES 2 through an approved surcharge mechanism. The Pipes 2 plan expands on the company's first five-year efforts and includes eight distribution programs and five transmission programs.



*For three consecutive years, the DCPSC's Natural Gas Pipeline Safety Program has earned a 100% audit rating by U.S. Department of Transportation/PHMSA in the areas of gas pipeline construction, operation, maintenance, records, drug and alcohol inspections, damage prevention and operator qualifications. Commissioner Gillis and staff inspect pipeline construction near Watergate Hotel.*

**Undergrounding Powerlines.** The Commission approved the Pepco/District Department of Transportation undergrounding project, known as the DC

## NUMBER OF NATURAL GAS PIPELINE SAFETY FIELD INSPECTION ACTIVITIES PERFORMED IN CY 2014-CY 2018



*The number of natural gas pipeline safety field inspection activities increased from 192 in CY 2015 to 386 in CY 2016. There was a slight decrease in the number of inspections in 2018 due to the loss of one Pipeline Safety Engineer/Inspector.*

Power Line UnderGrounding (DC PLUG), [Formal Case No. 1145](#) in November 2017. AOBA appealed the Commission's decision primarily because the company was dissatisfied with the allocation of costs for the project. The Commission successfully defended its decision to approve the DC PLUG program in the District of Columbia Court of Appeals.

**Improving Resiliency.** In addition, the Commission focused on infrastructure investments in its review of a Notice of Construction for the Capitol Grid project, which was filed by Pepco in late 2017. This project,

[Formal Case No. 1144](#), would add or renovate significant infrastructure (substations as well as transmission and distribution lines) to provide resiliency in the electrical network. Some commenters, including the Office of the People's Counsel, objected to the project, in part because of inconsistency with Formal Case No. 1130. Those objecting argued that Pepco was circumventing grid modernization efforts by proposing a very large and expensive project, without considering the District's goals for increasing sustainable, energy-efficient technologies and other advances currently under study in [Formal Case No. 1130](#). The Commission continued to review the comments and will decide on the case in 2019.



# CHAIRMAN AND COMMISSIONERS OF THE D.C. PUBLIC SERVICE COMMISSION



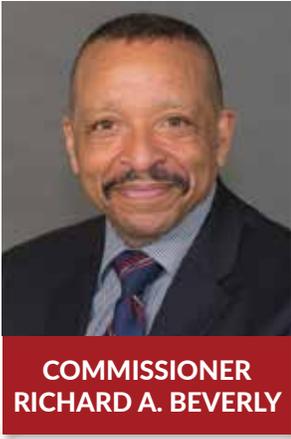
Willie L. Phillips was nominated by Mayor Muriel Bowser and confirmed as chair of the D.C. Public Service Commission by the D.C. Council effective December 18, 2018, for a term ending June 30, 2022. Chairman Phillips was first appointed as a DCPSC Commissioner in 2014, on the nomination of former Mayor Vincent Gray.

Chairman Phillips is an experienced regulatory attorney with more than a decade of legal expertise in private practice and as an in-house counsel. He has an extensive background in the areas of public utility regulation, bulk power system reliability, and corporate governance. Chairman Phillips has represented the District of Columbia in national and international energy policy discussions, including dialogues at the U.S. Congress, U.S. Department of State, and the Federal Energy Regulatory Commission. He also has led efforts to improve the Commission's communications with D.C. consumers.

Prior to coming to the DCPSC, Chairman Phillips served as assistant general counsel for the North American Electric Reliability Corporation (NERC), a not-for-profit international regulatory authority, in Washington, D.C. He also worked for Washington, D.C. law firm Van Ness Feldman LLP, where he advised clients on regulatory compliance and policy matters and assisted on litigation and administrative proceedings at the federal and state levels.

Chairman Phillips is an active member of the National Association of Regulatory Utility Commissioners and currently serves on its board of directors as vice chair of the Subcommittee on Supplier and Workforce Diversity and a member of the Electricity Committee. Mr. Phillips also is second vice president of the Mid-Atlantic Conference of Regulatory Utility Commissioners and a member of the Advisory Council to the Electric Power Research Institute, Harvard Electricity Policy Group, Keystone Policy Center Energy Board, Energy Bar Association, Dentons Smart Cities & Communities Think Tank, and American Association of Blacks in Energy. In addition, he serves on the board of directors of the Organization of PJM States, Inc. (OPSI) and the Living Classrooms Foundation of the National Capital Region.

Chairman Phillips has a juris doctor from Howard University School of Law and a Bachelor of Science from the University of Montevallo. He is a member of the District of Columbia Bar and the Alabama State Bar.



Richard A. Beverly was nominated by Mayor Muriel Bowser and confirmed as a DCPSC Commissioner by the D.C. Council effective December 21, 2016, for a term ending June 30, 2020.

Commissioner Beverly has a long and distinguished record. He served as a Clinton Administration appointee to the U.S. Department of Labor's Administrative Review Board and has served as general counsel for both the DCPSC and the D.C. Office of Employee Appeals for a total of more than 30 years.

A Ward 1 resident, Mr. Beverly received a bachelor's degree in political science from Howard University and a juris doctor from American University.



Greer J. Gillis was nominated by Mayor Muriel Bowser and confirmed as a DCPSC Commissioner by the D.C. Council effective December 18, 2018, for a term ending June 30, 2022.

Commissioner Gillis is a senior professional engineer and project manager with more than 20 years of experience. She has led large-scale infrastructure projects from inception to completion. Her background is in transportation, and she has overseen several regional projects to improve traffic operations. She is a certified Professional Engineer in Washington, D.C., and Virginia as well as a certified Lean Six Sigma Black Belt.

An experienced administrator and organizational leader, Commissioner Gillis has served as director for the D.C. Department of General Services, the agency responsible for managing capital improvement and construction programs for a variety of District government agencies as well as for acquiring property, disposing of property, managing space in buildings and adjacent areas, and providing building management services for facilities owned or operated by the District. She led the agency during the building of three short-term family housing projects and the closure of the D.C. General Hospital Homeless Shelter. Ms. Gillis previously served as the deputy director for the D.C. Department of Transportation.

Prior to that, she served as the area manager for the Washington, D.C., office of Parsons Brinckerhoff, a global engineering and construction management firm. While at Parsons Brinckerhoff, Ms. Gillis also served as the president of the D.C. Corporation of Parsons Brinckerhoff, P.C., and as assistant vice president of the parent company, Parsons Brinckerhoff Inc.

Before that, Ms. Gillis served as the deputy chief engineer for the D.C. Department of Transportation (DDOT).

In 2014, Ms. Gillis was honored by President Obama and U.S. Secretary of Transportation Anthony Foxx as a White House Champion of Change for Transportation Ladders of Opportunity. She was commended for her efforts to increase the participation of women and minorities in the transportation industry through mentoring, training, and championing others. Throughout her career, Commissioner Gillis has served as a role model and advocate for building a diverse transportation workforce.

# TEAM ACHIEVEMENTS IN SERVICE TO THE D.C. COMMUNITY

**Each of the D.C. Public Service Commission's nine offices plays a valuable role in our accomplishments every year.**

The members of those nine teams contribute to the year's most significant agency-wide accomplishments as well as to vital achievements specific to their own offices. Together, in 2018, they produced an impressive record of success, as they worked to ensure safe, reliable, and quality utility services, at reasonable rates, for residents, businesses, and government agencies in D.C.



## OFFICES OF THE CHAIRMAN AND COMMISSIONERS

In 2018, the Chairman and Commissioners reviewed over 2,000 advisory memos, orders, rulemakings, and public notices. Considering and deciding on public policy issues related to the regulation of utilities in the District is their responsibility. The Commissioners and their staff also monitored relevant legislative and administrative actions before the D.C. Council, the Federal Communications Commission, and the Federal Energy Regulatory Commission.

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## OFFICE OF CONSUMER SERVICES

Staff in the Office of Consumer Services (OCS) responded to more than 1,550 consumer inquiries or complaints and assisted with approximately 100 community outreach events, focusing heavily on D.C.'s diverse communities. The OCS team joined with the Office of the Chairman to conduct the Third Annual Winter-Ready D.C. symposium. OCS staff also launched the "Taking it to the Streets" initiative to reach consumers in community venues such as grocery stores and farmers' markets and continued public education efforts for "Call 8-1-1 Before You Dig" and Lifeline Awareness Week.



## OFFICE OF HUMAN RESOURCES

Members of the Office of Human Resources (OHR) team continued to reduce the number of vacancies at the Commission, adding 10 employees to the Commission staff in 2018. OHR staff also ensured that all employees received mandatory training on subjects ranging from sexual harassment and LGBTQ concerns to cybersecurity and ethics. In addition, OHR staff coordinated numerous classroom and online employee sessions on practical issues such as wellness, investing for retirement, and financial empowerment. OHR also planned special employee events such as Employee Appreciation Day, Health Fair, and Take our Daughters and Sons to Work Day.



## OFFICE OF TECHNICAL AND REGULATORY ANALYSIS

Staff in the Office of Technical and Regulatory Analysis (OTRA) completed 790 damage prevention inspections, 318 pipeline safety inspections, 54 compliance enforcement actions, 141 meter tests, 36 new utility services applications and 939 RPS renewable energy facility applications. OTRA members provided recommendations on Pepco and WGL's rate cases resulting from the Tax Cuts and Jobs Act of 2017. They also worked with OGC staff on the WGL/AltaGas merger and on tracking commitments from the merger. OTRA staff helped develop the MEDSIS initiative's principles and participated in all of the meetings of the six MEDSIS working groups.

## OFFICE OF THE AGENCY FISCAL OFFICER

Staff in the Office of the Agency Fiscal Officer (OAFO) prepared the Commission's FY 2019 budget and managed the agency's FY 2018 funds, in accordance with proper budgetary procedures. OAFO staff satisfied all District audit requirements and produced all necessary reports. The staff significantly reduced the Commission's delinquencies under the D.C. Quick Payment Act. The OAFO team received a "Grade A" designation from the D.C. Office of Financial Operations and Systems on its year-end closing duties.

## OFFICE OF THE COMMISSION SECRETARY

The Office of the Commission Secretary (OCMS) staff opened over 1,400 new cases and processed 6,212 documents – including 126 Commission orders for formal cases. Additionally, OCMS supported approximately 20 meetings that were open to the public, one community hearing and a host of Commission-sponsored meetings, technical conferences, and events.

## OFFICE OF THE DEPUTY EXECUTIVE DIRECTOR FOR ADMINISTRATIVE MATTERS

Staff in the Office of the Deputy Executive Director for Administrative Services (ODEDAM) executed 22 contracts, arranged 250 procurements, and processed 700 invoices in 2018. ODEDAM staff handled facilities, telephone, and vehicle issues Commission-wide and managed the One Fund charitable program in which 97 percent of staff participated. The IT office expanded the Commission's technological footprint by purchasing new equipment and overseeing the implementation of new databases.

## OFFICE OF THE EXECUTIVE DIRECTOR

The Office of the Executive Director (OED) prepared testimony and responses to questions for the agency's oversight and budget hearings before the D.C. Council. In 2018, OED oversaw negotiations with the unions representing Commission employees and developed a Performance Based Rewards Program to assure that high performing employees are appropriately rewarded. That Program is subject

to approval by the DC Office of Human Resources. OED staff also developed the Commission's Fiscal Year 2018 Performance Plan and monitored the Commission's continual progress against its Fiscal Year 2017 performance goals.

## OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel (OGC) drafted more than 600 formal case orders. The OGC team provided legal support on the WGL/AltaGas merger and on the WGL and Pepco rate cases resulting from the Tax Cuts and Jobs Act of 2017. OGC staff litigated the DC Powerline Undergrounding (DC PLUG) case in the U.S. Court of Appeals. OGC staff oversaw 14 prehearing conferences in consumer complaint cases and participated in more than 30 working group meetings, including those of the six MEDSIS working groups.





# SERVICE IN THE D.C. COMMUNITY

**We at the Commission don't only serve D.C. residents and businesses from their offices. In 2018, members of the Commission team were really "taking it to the streets" – and not just for the new outreach initiative of the same name.**

In May, the Commission joined with Hamilton Relay, the provider for the District's relay and captioned telephone services for hard of hearing D.C. residents, to honor Ann Rancourt and Rachel Stevens with the 2018 Better Hearing and Speech Month Recognition Award for the District. Rancourt and Stevens bring together young professionals with hearing loss to share their successes and challenges. As co-founders of the Hearing Loss Association of America (HLAA) Young Professionals, they were recognized for expanding the group's membership, providing additional opportunities for interaction, and continuing to offer a caring environment for group members to support one another.

Officially kicking off with summer, "Taking it to the Streets" brought Commissioners and staff from across the agency to busy community venues to engage directly with neighbors and inform them about the Commission's work and programs. The Commission sponsored 13 "Taking it to the Streets" events throughout the District during the summer of 2018. The events



*Councilmember Kenyan McDuffie presents the Commissioners with a proclamation for the Winter Ready DC Campaign.*



*Above: The Commission partnered with DC SEU to give out 100 Winter Ready DC Toolkits to District residents at Annie's Hardware in Brookland.*



*Right: The Commission donated 1,000 pounds of food, our largest donation to WHUR's Food 2 Feed food drive.*

highlighted vital consumer topics, including utility discount programs, energy and telecommunications provider options, and renewable energy portfolio standards. The events also featured a DCPSC trivia contest with surge protectors and energy-efficient light bulbs as prizes and a kids' corner offering conservation activity books.

With fall came the Commission's third annual Winter Ready DC campaign moderated by WHUR's public affairs reporter, Renee Nash. The campaign provided District utility consumers with information about services available to D.C. residents and steps they could take to save energy and money during winter months. Ward 5 Councilmember Kenyan McDuffie presented a proclamation recognizing how the Winter Ready DC campaign is helping D.C. residents prepare for winter. Ted Trabue, Managing Director of the DC Sustainable Energy Utility (DCSEU), was awarded the 2018 Community Leader Award for his tireless efforts to help D.C. residents and businesses use less energy and save money.

The Winter Ready DC program is focused primarily on seniors and consumers with low incomes and/or disabilities. The 2018 event included energy efficiency demonstrations, a giveaway of 100 toolkits to help residents weatherize their homes, and a winter weather forecast by NBC 4's meteorologist Doug Kramerer.

In November, Commission team members donated over 1,000 pounds of food to WHUR's Food 2 Feed drive to provide food for District families in need at Thanksgiving. This contribution to the Howard University Radio program marked the Commission's largest to date. Numerous staff donated, packed, and/or delivered contributions to help their community.



Local hardware store employee demonstrates how to weatherize windows.



L to R: In 2018, the Commission joined Hamilton Relay, the District's DC Relay provider in awarding Ann Rancourt and Rachel Stevens the 2018 Better Hearing and Speech Month Recognition Award.



NBC4 Storm Team 4 Chief Meteorologist Steve Kammerer provides the winter weather outlook.



The issues affecting District utility consumers today are numerous and complex. Partnerships with professionals across the utility regulatory industry are invaluable to solving problems and producing successful outcomes for D.C. ratepayers. Through active involvement with local, national, international, and federal utility organizations, the Commission contributes to and benefits from key discussions about industry challenges, innovation, and effective practices. The lessons learned through these partnerships accrue to the District's utility consumers.

Commissioners and staff continually update their knowledge, push their thinking, and deepen their expertise by engaging in a range of opportunities with the following leading utility industry partners.

### Committee on Business and Economic Development of the D.C. Council



The Committee on Business and Economic Development of the D.C. Council has oversight of the Commission. The Committee is responsible for matters concerning small and local business development policy as well as matters related to economic, industrial, and commercial development. This includes the city's public utilities.

### DCSEU

**DCSEU**

DISTRICT OF COLUMBIA SUSTAINABLE ENERGY UTILITY

The District of Columbia Sustainable Energy Utility (DCSEU) helps D.C. residents and businesses use less energy and save money. The DCSEU offers financial incentives, technical assistance, and information to tens of thousands of District residents and businesses, helping them to save millions of dollars on their energy costs.

### EPRI

**EPRI** | ELECTRIC POWER RESEARCH INSTITUTE

The Electric Power Research Institute (EPRI) provides thought leadership, industry expertise, and collaborative value to help the electricity sector identify issues, technology gaps, and broader needs that can be addressed through effective research and development programs for the benefit of society.

### FCC



The Federal Communications Commission (FCC) regulates interstate and international communications by radio, television, wire, satellite, and cable in all 50 states, the District of Columbia, and U.S. territories. The FCC's primary authority is communications law, regulation and technological innovation.

### FERC



The Federal Energy Regulatory Commission (FERC) is an independent agency that regulates the interstate transmission of electricity, natural gas, and oil. FERC also reviews proposals to build liquefied natural gas (LNG) terminals and interstate natural gas pipelines as well as licensing hydropower projects.

### Harvard Electricity Policy Group



HARVARD Kennedy School

**MOSSAVAR-RAHMANI CENTER**  
for Business and Government

The Harvard Electricity Policy Group (HEPG), based at Harvard University's John F. Kennedy School of Government, provides a forum for the analysis and discussion of important policy issues facing the electricity industry.

### Keystone Energy Board



The Keystone Energy Board is a forum for representatives across the energy sector to learn about and discuss current energy issues and to examine the linkages among energy, environmental, and economic policies.

### MACRUC



The Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC) promotes the region-wide advancement of public utility regulation and the related regulatory, legislative, and policy interests of MACRUC membership, consistent with MACRUC member state public utility commissions.

### MADRI



Mid-Atlantic  
Distributed Resources Initiative  
Working Group

The Mid-Atlantic Distributed Resources Initiative (MADRI) seeks to identify and remedy retail and wholesale market barriers to the deployment of distributed generation, demand response, energy efficiency, and energy storage in the Mid-Atlantic region.

### NARUC



The National Association of Regulatory Utility Commissioners (NARUC) is a non-profit organization dedicated to representing the state public service commissions that regulate the utilities that provide essential services such as energy, telecommunications, power, water, and transportation.

### NCEP



NATIONAL COUNCIL  
ON ELECTRICITY POLICY

The National Council on Electricity Policy (NCEP) is a platform for all state-level electricity decision-makers to share and learn from diverse perspectives on the evolving electricity sector.

### NRRI



The National Regulatory Research Institute (NRRI) serves as a research arm to NARUC and its members, the utility regulatory commissions of the 50 states and the District of Columbia.

### OPSI



The Organization of PJM States, Inc. (OPSI) is an intergovernmental organization of the utility regulatory agencies of 14 jurisdictions around the United States.

The Commission's budget is comprised of two primary revenue types: Operating Funds (or Special Purpose Revenue) and Grant Funds. As an independent D.C. government agency, the Commission's operating budget is not funded by taxpayers, but rather by assessments levied on regulated utility companies based on their share of revenue derived in the D.C. marketplace.



## OPEN FORMAL CASES AND ISSUES

Each year, the D.C. Public Service Commission ends the year with open formal cases and issues that carry forward for resolution in the months ahead. In keeping with the Commission's commitment to transparency, the formal cases and issues still open at the close of 2018 are listed in the 2018 Statistical Report, which is available online.

**PUBLIC SERVICE COMMISSION  
BUDGET VS. EXPENDITURE SUMMARY  
FY 2016-2018 (FY 2019 APPROVED)**

**FY 2016-2018 Budget Summary (dollars in thousands)**

Comptroller Source Group	FY 2016 Actual Exp.	FY 2017 Actual Exp.	FY 2018 Budget	FY 2018 Actual Exp.	FY 2018 Variance Budget vs. Exp.	% Change Over Budget	FY 2019 Approved Budget	FY 2019 Budget Variance over FY 2018
0011-REGULAR PAY – CONT FULL TIME	6,782	7,351	8,377	7,710	667	9%	8,632	255
0012-REGULAR PAY – OTHER	1,043	895	1,036	804	232	22%	1,148	112
0013-ADDITIONAL GROSS PAY	67	96	0	97	-97	0%	0	0
0014-FRINGE BENEFITS – CURR PERSONNEL	1,557	1,619	2,014	1,702	312	15%	2,092	78
0015-OVERTIME	6	5	0	1	-1	0%	0	0
<b>Subtotal Personnel Services (PS):</b>	<b>9,455</b>	<b>9,966</b>	<b>11,427</b>	<b>10,314</b>	<b>1,113</b>	<b>10%</b>	<b>11,872</b>	<b>445</b>
0020-SUPPLIES AND MATERIALS	57	61	36	60	-24	-67%	51	15
0030-ENERGY, COMM. AND BLDG RENTALS	2	1	2	1	1	50%	2	0
0031-TELEPHONE, TELEGRAPH, TELEGRAM, ETC	84	78	81	89	-8	-10%	75	-6
0032-RENTALS – LAND AND STRUCTURES	1,181	1,542	1,615	1,576	39	2%	1,634	19
0033-JANITORIAL SERVICES	0	0	0	0	0	0%	0	0
0034-SECURITY SERVICES	0	0	0	0	0	0%	1	1
0035-OCCUPANCY FIXED COSTS	0	0	25	24	0	0%	1	-24
0040-OTHER SERVICES AND CHARGES	1,206	1,338	950	1,205	-255	-27%	1,634	684
0041-CONTRACTUAL SERVICES – OTHER	202	108	192	391	-199	-104%	192	0
0050-SUBSIDIES AND TRANSFERS	1,308	0	0	0	0	0%	0	0
0070-EQUIPMENT & EQUIPMENT RENTAL	374	237	271	309	-38	-14%	289	18
<b>Subtotal Non-Personnel Services (NPS):</b>	<b>4,414</b>	<b>3,365</b>	<b>3,172</b>	<b>3,655</b>	<b>-483</b>	<b>-15%</b>	<b>3,879</b>	<b>707</b>
<b>Gross Funds</b>	<b>13,869</b>	<b>13,331</b>	<b>14,599</b>	<b>13,969</b>	<b>630</b>	<b>4%</b>	<b>15,751</b>	<b>1,152</b>

**Full Time Employees (FTEs)**

Appropriated Fund	FY 2016 Actual FTEs	FY 2017 Actual FTEs	FY 2018 Budgeted FTEs	FY 2018 Actual FTEs	FY 2018 FTE Variance (Budget vs. Actual):	% Change	FY 2019 Approved FTEs	FY 2019 FTE Variance of FY 2018
Special Purpose Revenue	73.5	79.7	80.5	73.2	7.3	9%	81.9	1.4
Federal Grant Funds	3.1	3.6	4.1	3.1	1.0	24%	3.7	(0.4)
<b>Gross Funds</b>	<b>76.6</b>	<b>83.3</b>	<b>84.6</b>	<b>76.3</b>	<b>8.3</b>	<b>0.3</b>	<b>85.6</b>	<b>1.0</b>



**PUBLIC SERVICE  
COMMISSION**

District of Columbia

**Your Energy. Your Voice.**



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