



**PUBLIC SERVICE
COMMISSION**

District of Columbia

Your Energy. Your Voice.

**BIENNIAL REPORT
ON FUEL MIX**

JULY 3, 2023



Rooftop solar installation in the 900 block of Bladensburg Rd NW (Ward 5)

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EXECUTIVE SUMMARY

The Retail Electric Competition and Consumer Protection Act of 1999 requires the Public Service Commission of the District of Columbia (DCPSC) to report to the Council of the District of Columbia (Council) every two years, beginning July 1, 2003, on the [overall fuel mix information](#) for electricity sold in the District of Columbia (District), the amount of electricity sold in the District that comes from renewable sources, and on the feasibility of requiring each licensed electricity supplier doing business in the District to provide a minimum percentage of electricity sold from renewable sources.¹ The last item is now being addressed through the District's renewable energy portfolio standard (RPS). The Commission also filed an annual Renewable Energy Portfolio Standard Report to the Council in May 2023.

During calendar year 2022, 48 active competitive suppliers and Pepco – the default service provider – collectively supplied approximately 10.16 million megawatt-hours (MWHs) to District electric customers. Electricity sales during 2022 increased by approximately 3% over 2020 (the year of the prior fuel mix report) as consumption continues to slowly recover over the initial year of the COVID-19 pandemic. Actual electric sales are also influenced by weather impacts, continued gains in energy efficiency, and increasing local solar energy production.

As noted within this report, the District continues to achieve meaningful progress on its renewable energy goals and remains a recognized leading jurisdiction within the larger PJM Interconnection regional grid, which includes 13 states and the District. For calendar year 2022, based on the specific fuel mix reports provided by the retail electricity suppliers, including Pepco's Standard Offer Service (SOS), **the approximate fuel mix for the District appears to reflect an**

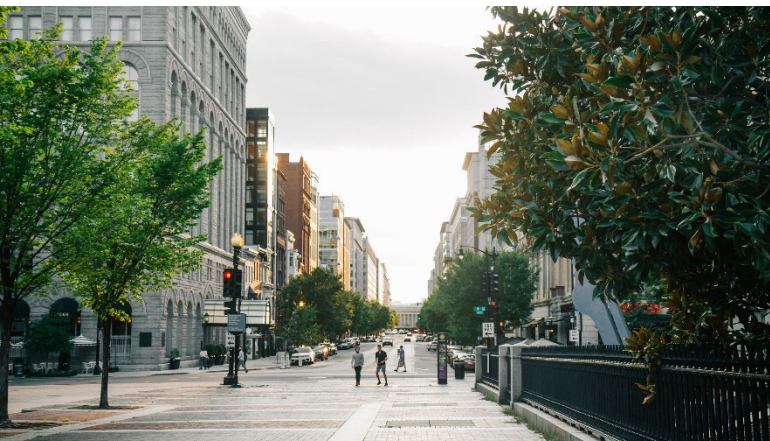
overall renewable energy component of nearly 16% of the total energy sold in the District, in contrast to the renewable PJM System Mix of roughly 7%. This indicative fuel mix may not fully include the effects of some large power purchase agreements structured between certain parties in bilateral contracts. The District continues to maintain a robust and legislatively mandated RPS program, which serves as the controlling indicator for tracking renewable energy performance in the District. It should be noted that the Commission has not independently verified the fuel mix representations made by the suppliers.



In terms of individual retail electricity suppliers, five companies accounted for roughly 88% of retail electricity sales in 2022. Two of the five companies reported a fuel mix similar to the PJM System Mix described below. The other three claimed that their fuel mix differed significantly from the PJM System Mix, with two reporting renewable resources over 30%. **This higher use of renewable resources for the latter two companies helped contribute to around a 22%-24% reduction in their individual emissions relative to the overall District carbon dioxide emissions** (carbon dioxide emissions are one of the key metrics of greenhouse gases (GHG)). The remaining electricity suppliers, accounting for roughly 12% of the retail sales for 2022, reported differing results with the majority generally indicating the PJM System Fuel Mix.

The renewable resource component in the fuel mix for any particular year may be different from the same component in the RPS report for that same year because of the manner in which the RPS requirement is implemented. In particular, renewable energy credits (RECs) are generally valid for three years from the date of generation.² To the extent that an electricity supplier meets its RPS compliance requirement using RECs from a year different from the fuel mix reporting period, the renewable component will not be reflected in the fuel mix and emissions report due to the difference in the date of generation.³

It should be noted that, for the 2022 compliance year, retail electricity suppliers supplied RECs equivalent to the 32.5% Tier I requirement.⁴ That is, 32.5% of the retail electricity sales in calendar year 2022 was associated with renewable generation, although a portion of the RECs associated with that generation was not produced in 2022 as discussed above.



To collect the information necessary for this report, the DCPSC has adopted a fuel mix disclosure reporting methodology that requires suppliers serving load in the District to report their most current fuel mix statistics for the prior calendar year using data from the Regional Transmission Organization (RTO) that provides service to the District (i.e., PJM).

Electricity suppliers serving customers in the District, including Pepco, were required to report their fuel mix statistics for the prior calendar year to the DCPSC by June 1, 2023. For comparative purposes, the [fuel mix for the entire PJM Interconnection region during 2022](#) is also included in the following table.⁵

Fuel Mix Percentage Share

Fuel Source	DC	PJM
Natural Gas	37.6%	40.1%
Nuclear	27.3%	32.7%
Coal	18.5%	20.2%
Oil / Other	0.9%	0.2%
Total Renewables⁶	15.7%	6.8%

NOTE: The District percentages are based on representations made by electricity suppliers and have not been independently verified.

The share of renewable resources within the PJM region also continues to rise, although its share of generation remains relatively small – around 6.5% in 2021 compared to 6.8% in 2022 – with wind energy representing the largest share with 3.8%, followed by solar photovoltaic at 1.1%.

The Council also enacted the *Omnibus Utility Amendment Act of 2004* that, among other things, requires the DCPSC to determine the feasibility of requiring an electricity supplier to disclose every six months the emissions on a pound per megawatt-hour basis and the fuel mix of the electricity sold by that supplier in the District.⁷ The DCPSC adopted final rules in September 2008 that require the electricity suppliers to file reports showing their emissions in pounds per megawatt-hour for carbon dioxide, nitrogen oxide, and sulfur dioxide. This information, along with the fuel mix, is typically available through the supplier’s website. Some suppliers may disclose this

information by customer class and the fuel mix and emissions reported may vary by the type of customer.

The 2022 emissions disclosure available from PJM Environmental Information Services, Inc. (PJM-EIS) compared to 2016 shows a significant decrease over time in the amount of emissions from carbon dioxide, nitrogen oxide, and sulfur dioxide. **Carbon dioxide emissions, one of the key metrics of GHGs, have decreased by about 18% since 2016.**⁸ Nitrogen oxide, which plays an important role in the formation of smog and contributes to the problem of acid rain, decreased by roughly 56% over the same time period. Sulfur dioxide, which can adversely impact respiratory health, dropped by nearly 67% since 2016. Based on the PJM System Fuel Mix, 2016 through 2022 emissions reported by PJM-EIS are as follows:

PJM Average System Mix Emissions, 2016-2022

	Carbon Dioxide	Nitrogen Oxide	Sulfur Dioxide
2016	992.04	0.75	1.32
2017	948.43	0.66	0.79
2018	924.26	0.53	0.70
2019	851.19	0.45	0.55
2020	791.15	0.36	0.43
2021	843.31	0.38	0.48
2022	810.84	0.33	0.44

NOTE: Quantities listed in pounds per MWH

Based on the District’s 2022 fuel mix reported on earlier pages, the overall emissions mix associated with retail electricity sales in the District should depict more favorable emission results – in particular, lower carbon dioxide emissions (GHG).

The fuel mix and emissions information can help District customers make more informed choices when

selecting their electricity supplier and help the District community monitor the environmental impacts of the fuel choices that are being made. This is important as consumers can select alternative electricity suppliers through [DC Power Connect](#), the official retail choice site for the District.⁹

About 12% of the District’s residential customers and 27% of commercial customers currently receive electricity supplied by a licensed alternative electricity supplier. There has been some migration of customers to Pepco’s SOS service from third-party suppliers from 2020 to 2022.

In an effort to help the District meet its climate change commitments and renewable energy goals, by **Order No. 19897** the DCPSC established a pilot program to procure renewable energy supply through long-term power purchase agreements (PPAs) for electricity generated by solar or wind power facilities located within the PJM Interconnection region with a target quantity of 5% of the SOS load. Subsequently, the DCPSC approved Pepco’s PPA agreement with a counterparty for the sale of energy, RECs, and capacity for a term of 15 years. Pepco notified the DCPSC on April 20, 2023, that the counterparty terminated the agreement because it could not contract for the sale of 90% of the entire project. Pepco submitted a proposal to the DCPSC requesting to issue a new Request for Proposals (RFP) and expand the terms of the RFP to allow for bidding by existing and new renewable energy projects in order to expand the pool of potential bidders. The DCPSC issued a notice requesting comments on Pepco’s proposal on May 3, 2023 and will take further action upon completing its review of all comments.

The installation and use of distributed energy have expanded significantly in the District in recent years. At the end of 2022, the total amount of distributed energy resources (DERs) in the District was

approximately 383 MW. Notably, the total RPS solar capacity certified to meet the District’s RPS solar requirement of 2.6% in 2022 was approximately 225.5 MW at year-end 2022, exceeding the required estimated solar capacity of 189.9 MW. Please refer to the body of this report for a more detailed discussion of these important solar resources.

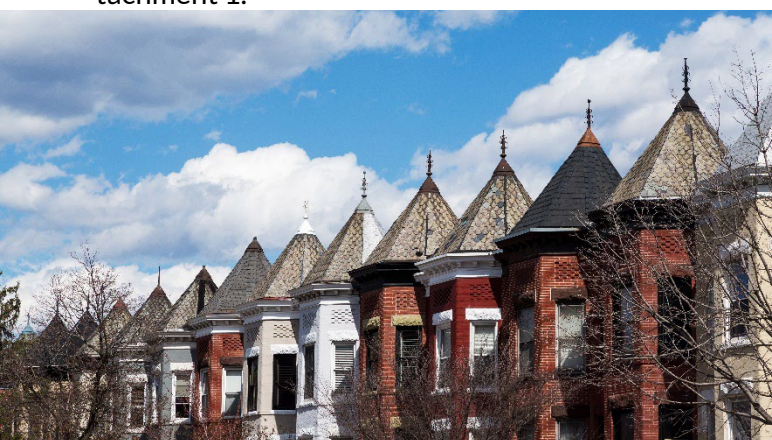
The DCPSC is proud to offer this report which documents the District’s solid progress towards securing a cleaner fuel mix for residents and businesses.

I — INTRODUCTION

The Retail Electric Competition and Consumer Protection Act of 1999 requires the DCPSC to report to the District Council every two years, beginning July 1, 2003, on fuel mix information for the electricity sold in the District.

Including the Introduction, this report is divided into four sections. Section II describes the reporting requirements for fuel mix and emissions that the DCPSC has implemented in the District. Section III provides information related to PJM System Fuel Mix and renewable resources.¹⁰ Finally, Section IV summarizes the DCPSC’s ongoing activities.

Selected orders relating to the Commission’s rules on fuel mix and emissions reporting are included in Attachment 1.



II — REPORTING REQUIREMENTS FOR FUEL MIX AND EMISSIONS

A — FUEL MIX

Section 34-1517(c)(2) of the D.C. Code states that before July 1, 2003, and every two years after that date, *“the Commission shall provide a report to the Council on the overall fuel mix of the electricity sold in the District of Columbia, the amount of electricity sold in the District of Columbia which comes from renewable energy sources, and on the feasibility of requiring each licensed electricity supplier doing business in the District of Columbia to provide a minimum percentage of electricity sold from renewable energy sources.”*¹¹

In addition, D.C. Code § 34-1517(b) required that every six months, *“each licensed electricity supplier doing business in the District of Columbia shall report to the Commission on the fuel mix of the electricity sold by the electricity supplier, including categories of electricity from coal, natural gas, nuclear, oil, hydroelectric, solar, biomass, wind, and other resources, and on the percentage of electricity sold by the electricity supplier which comes from renewable energy sources.”*

In **Order No. 12765**, issued June 13, 2003, the DCPSC adopted interim fuel mix disclosure regulations and approved the Retail Competition Working Group’s recommendation that suppliers serving load in the District should report the most current PJM-supplied or self-determined fuel mix statistics by June 1 and December 1 of each year. In addition, the DCPSC directed suppliers to report to their District customers the fuel mix information in the June and December billing cycles of each year. Subsequently, in **Order No. 13391**, issued September 21, 2004, the DCPSC directed active suppliers to file a June fuel

mix report that includes information for the previous calendar year and a December fuel mix report that covers the period January through June of the current year.

B – EMISSIONS DISCLOSURES

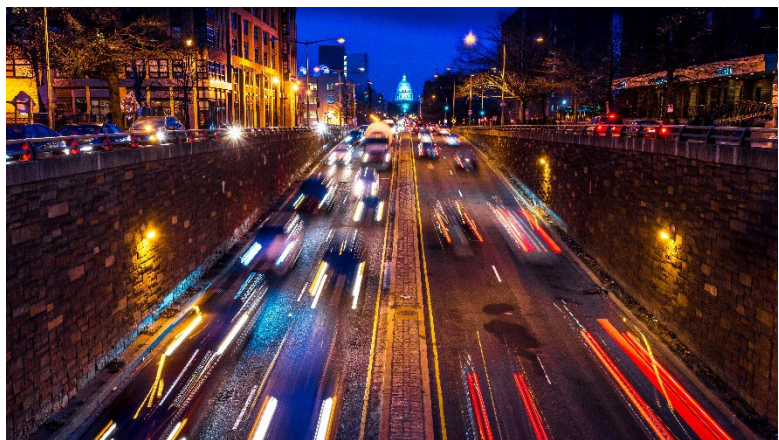
On January 31, 2005, the Council enacted the *Omnibus Utility Amendment Act of 2004* (Omnibus Act), which became effective on April 12, 2005.¹² The Omnibus Act, among other things, amended several sections of the Retail Electric Restructuring Act and required the DCPSC to determine the feasibility of an electricity supplier to disclose every six months emissions on a pound per megawatt-hour basis and the fuel mix of the electricity sold by that supplier in the District. In **Order No. 13589**, issued May 19, 2005, the DCPSC determined that the emissions information required by law is available from PJM. In addition, the DCPSC concluded that since suppliers are already providing the fuel mix information, it would be administratively efficient to require electricity suppliers to disclose the emissions information at the same time that they provide their fuel mix report.

Based on information readily available from PJM, the DCPSC directed that electricity suppliers report on carbon dioxide, nitrogen oxide, and sulfur dioxide emissions by June 1 and December 1 of each year. Active electricity suppliers were also directed to provide this emissions information to their customers.

The DCPSC finalized the interim disclosure requirements in a rulemaking process. A Notice of Proposed Rulemaking (NOPR) appeared in the *D.C. Register* on July 11, 2008, proposing rules governing the submission of fuel mix and emission disclosure reports by the Pepco and electricity suppliers and replacing the interim regulations recommended by the Retail Competition Working Group and later adopted by the

DCPSC in **Order No. 12765** (issued June 13, 2003), as well as other DCPSC directives. No comments were filed in response to the NOPR. A Notice of Final Rulemaking appeared in the *D.C. Register* on September 12, 2008, adopting the rules that appeared in the NOPR. The rulemaking notices are also included in Attachment 1.

As a result of the final rules, electricity suppliers will provide more supplier-specific information about their fuel mix and will supply data about carbon dioxide, nitrogen oxide, and sulfur dioxide emissions in pounds per megawatt hour.



III – FUEL MIX, RENEWABLE RESOURCES, AND EMISSIONS DISCLOSURES

A – FUEL MIX

Figure 1 in the Appendix provides the fuel mix available in the PJM region for 2018 through 2022.¹³ Figure 1 also provides a perspective on the share of renewable resources in the PJM region associated with the generation of electricity. Based on Figure 1, the overall renewable-related resources in the PJM region in 2022 represent about 6.8% of the available fuel resources.

Moreover, the percentage of generation from coal has declined significantly as natural gas generation continues to displace it. Figure 2 in the Appendix provides additional details about the renewable resources in the PJM System Mix from 2018 to 2022.

As of 2022, wind energy accounts for the largest share among renewable resources, about 3.8%. Among other renewable resources, solar energy is second at 1.1% and hydroelectric power represents the third largest resource in 2022, comprising roughly 1.0%. Hydroelectric power was counted as a Tier II resource under the District’s RPS program, but the Tier II requirement ended as of the beginning of the 2020 calendar year.¹⁴ Methane and other biomass gas and wood-related fuels account for approximately 0.2% each in 2022.¹⁵

PJM has also been incorporating the impact of distributed solar photovoltaic (PV) generation into its long-term load forecast. PJM uses the behind-the-meter (BTM) solar PV data from its Generation Attributes Tracking System (GATS), adjusting for various factors, to remove the solar generation impact from its load forecast. This distributed solar impact is separate from the solar generation that is being transmitted in the wholesale market.

In terms of individual suppliers, five companies accounted for nearly 88% of the retail electricity sales in 2022. Two of the five companies reported a fuel mix similar to the PJM System Mix. The other three reported fuel mix that differed significantly from the PJM System Mix, with two reporting renewable resources of over 30%. This higher use of renewable resources for the latter two companies is associated with about a 22-24% reduction in carbon dioxide emissions for their portion of retail electricity sales relative to the emissions associated with the overall PJM System Mix. The remaining electricity suppliers account for about 12% of the retail sales for 2022 and

reported differing results, with the majority generally providing the PJM System Mix.

Thus, for calendar year 2022, based on the specific fuel mix reports provided by the retail electricity suppliers, the suggested fuel mix for the District appears to reflect an overall renewable energy component of around 15.7% of the total energy sold in the District, in contrast to the PJM System Mix of roughly 6.8%.

This indicative fuel mix may not fully include the effects of some large power purchase agreements structured between certain parties in bilateral contracts. **The District continues to maintain a robust and legislatively mandated RPS program, which serves as the controlling indicator for tracking renewable energy performance in the District.**

Fuel Mix Percentage Share

Fuel Source	DC	PJM
Natural Gas	37.6%	40.1%
Nuclear	27.3%	32.7%
Coal	18.5%	20.2%
Oil / Other	0.9%	0.2%
Total Renewables⁶	15.7%	6.8%

NOTE: The District percentages are based on representations made by electricity suppliers and have not been independently verified.

B – RENEWABLE LEGISLATION

The Council enacted the *Renewable Energy Portfolio Standard Act* (REPS Act) on January 19, 2005, which established a RPS that sets the minimum percentage of a District electric provider’s supply source that must be derived from certain types of renewable energy resources beginning January 1, 2007.¹⁸

The RPS minimum requirements, among other things, were amended by the *Clean and Affordable Energy Act of 2008* (CAE Act). Subsequently, the Council adopted legislation, the *Distributed Generation Amendment Act of 2011* (DGAA), which substantially increased the RPS requirement for solar energy – up to 2.5% by 2023, compared to the previous requirement of 0.4% by 2020.¹⁹ In addition, the DGAA generally prohibited the certification of solar energy systems located outside the District of Columbia for RPS purposes.²⁰ However, through the enactment of the *Fiscal Year 2015 Budget Support Act of 2014*, solar energy resources from other states are now able to meet the Tier I portion of the RPS requirement, but not the District solar carve-out requirement.

The enactment of the *Renewable Portfolio Standard Expansion Amendment Act of 2016* raised the RPS requirement to 50.0% from Tier I resources by 2032, with not less than 5.0% from solar energy. In addition, among other things, the 2016 Act amended the solar compliance fee and maintained the fee at \$0.50 per kilowatt-hour (kWh) through 2023, before decreasing to \$0.05 per kWh by 2033.²¹ Previously, the solar compliance fee was set to begin decreasing in 2017.²² The 2016 Act also enables 15 MW solar energy systems in the District or in a location served by a distribution feeder serving the District, and no cap on the size of solar installations owned by District agencies, to be eligible for certification.

Subsequently, the *CleanEnergy DC Omnibus Amendment Act of 2018* (CleanEnergy Act) once again increased the RPS requirement to 100.0% from Tier I resources by 2032 and thereafter, with not less than 5.5% from solar energy in 2032. However, the solar energy requirement continues to increase to 10.0% by 2041. In addition, among other things, the CleanEnergy Act restricted the geographical location of renewable generators to the PJM region but allowed existing generators certified for RPS to

continue to create RECs until January 1, 2029. **With the recent passage of the *Local Solar Expansion Amendment Act of 2022*, the solar RPS requirement increases to 15.0% by 2041.**



C – RENEWABLE RESOURCES

The renewable resources component in the fuel mix for any particular year may be different from the same component in the RPS report for that same year because of the manner in which the RPS requirement is implemented.²³ In particular, pursuant to the DCPSC’s RPS rules, RECs are generally valid for three years from the date of generation.²⁴ To the extent that an electricity supplier meets its RPS compliance requirement using RECs from a year different from the fuel mix reporting period, the renewable component should not be reflected in the report due to the difference in the date of generation.²⁵ In addition, District consumers, particularly large institutional commercial customers, may enter into purchase power agreements for renewable resources that may not be directly reflected in the fuel mix reported by suppliers.²⁶

The District has made significant progress in certifying renewable energy facilities for the RPS program. As of June 1, 2023, 16,246 renewable energy systems, including solar PV and solar thermal, have been certified and are now eligible to participate in the

District’s RPS program. Solar energy systems account for the vast majority of these approved renewable systems—15,937 as of June 1. Within the District, as of June 1, there are currently 12,389 certified solar PV systems and 109 certified solar thermal systems.

There continues to be out-of-District solar energy systems certified for RPS purposes, with 3,439 systems still “grandfathered” into the RPS program under the DGAA or in locations served by a feeder serving the District.²⁷ As depicted in the table below, the total capacity associated with these solar energy systems is approximately 240.8 MW, of which about 197.0 MW is located in the District. The total RPS solar capacity certified to meet the District’s RPS solar requirement of 2.6% in 2022 was 225.5 MW at year-end 2022, exceeding the required estimated solar capacity of 189.9 MW.

Solar Energy Systems as of June 1, 2023

	Number	Capacity (MW)
Solar PV (DC only)	12,389	191.8
Solar Thermal (DC only)	109	5.2
Total (DC only)	12,498	197.0
Solar PV (outside DC)	3,204	43.1
Solar Thermal (outside DC)	235	0.7
Total (outside DC)	3,439	43.8
Total Solar Energy	15,937	240.8

In terms of other renewable resources in the District, the DCPSC approved DC Water’s 14 MW generating facility, using methane produced from the wastewater treatment process, for the RPS program. In addition, the DCPSC also approved, pursuant to

the RPS Expansion Act that allowed wastewater used as heat source or sink for a heating or cooling system, a DC Water facility that uses the thermal energy from wastewater and is located above its O Street Pump Station. The installed system provides both heating and cooling to help reduce the carbon emissions that would otherwise have been associated with conditioning the building’s interior.

As part of its merger commitments, Exelon was required to develop or assist in the development of 7 MW of solar generation in the District outside of Blue Plains. This has been completed and is online primarily at the Joint Base Anacostia-Bolling (JBAB), which has gone through the certification process for the RPS program. In addition, Exelon committed that Pepco would support and expedite the interconnection for 5 MW of solar generation at Blue Plains that is developed, constructed, and installed by a vendor selected by DC Water. The DCPSC approved an application for 4.4 MW of solar generation at Blue Plains. Exelon also committed to providing \$5 million of capital to creditworthy governmental entities at market rates for the development of renewable energy projects in the District. The implementation of this latter commitment is still ongoing.

Moreover, Exelon or its non-utility subsidiaries also committed to solicit offers to purchase a total of 100 MW of renewable energy from one or more new or existing wind-generation facilities located within the PJM territory. Exelon has executed a power purchase agreement (PPA) with the owner of a wind energy facility built in Indiana that is currently operational. There were also commitments relating to the enhancement of the interconnection process and support for customer-owned behind-the-meter distributed generation. The DCPSC continues to foster enhancements in the interconnection process.

As a result of the AltaGas, Ltd., Washington Gas Light Holdings, Inc., and Washington Gas Light Company merger, AltaGas is to develop or cause to be developed 10 MW of either electric grid energy storage or Tier I renewable resources in the District. This commitment is ongoing.

In an effort to help the District meet its climate change commitments and renewable energy goals, by **Order No. 19897**, the DCPSC established a pilot program to procure renewable energy supply through long-term PPAs for electricity generated by solar or wind power facilities located within the PJM region with a target quantity of 5% of the SOS load. Subsequently, the DCPSC approved Pepco’s PPA agreement with a counterparty for the sale of energy, RECs, and capacity for a term of 15 years. Pepco notified the DCPSC on April 20, 2023, that the counterparty terminated the agreement because it could not contract for the sale of 90% of the entire project. Pepco submitted a proposal to the DCPSC requesting to issue a new RFP and expand the terms of the RFP to allow for bidding by existing, as well as new, renewable energy projects, in order to expand the pool of potential bidders. The DCPSC issued a Notice on May 3, 2023, requesting comments on Pepco’s proposal. The DCPSC will take further action upon completing its review of all comments.

The District Department of Energy & Environment (DOEE) has developed substantial strategic partnerships (including other District agencies and other organizations) as part of its Solar for All Program to expand the construction of solar systems throughout the District, including community solar systems. Indeed, the number of community renewable energy facilities (CREFs) located in the District has grown rapidly in recent years.

CREFs Certified for the RPS Program as of December 31, 2022

	Number	Capacity (MW)
2018	9	0.85
2019	12	1.10
2020	137	13.29
2021	219	26.53
2022	301	36.35

As of June 1, 2023, the DCPSC has certified 315 CREFs, which is associated with 41.2 MW of capacity.

On May 1, 2020, the DCPSC adopted changes to Chapter 9 of Title 15 of the District of Columbia Municipal Regulations eliminating the need for a CREF to directly connect to the distribution system. This facilitated the implementation of a virtual CREF (VCREF), using a BTM configuration for the system, that helps reduce the cost of establishing a CREF by avoiding certain infrastructure upgrades while maintaining safety and reliability.

On August 14, 2020, the DCPSC amended the net energy metering (NEM) rules allowing NEM systems for individual BTM generators to exceed 100% of the customer’s historical usage and customer payment for excess generation. A NEM system can increase the generation threshold by 20% annually, starting in 2020, until the generation threshold reaches 200% in 2024.

D – EMISSION DISCLOSURES

Table 1 below shows the emissions disclosures from 2016-2022 based on the PJM System Fuel Mix:

PJM Average System Mix Emissions, 2016-2022

	Carbon Dioxide	Nitrogen Oxide	Sulfur Dioxide
2016	992.04	0.75	1.32
2017	948.43	0.66	0.79
2018	924.26	0.53	0.70
2019	851.19	0.45	0.55
2020	791.15	0.36	0.43
2021	843.31	0.38	0.48
2022	810.84	0.33	0.44

NOTE: Quantities listed in pounds per MWH

Based on the District’s 2022 fuel mix reported in earlier sections of this report, the overall emissions mix associated with retail electricity sales in the District should depict more favorable emission results – in particular, lower carbon dioxide emissions (GHG).

The reported emissions have improved over time, mainly due to the switch from coal to natural gas as noted above. The Sustainable DC 2.0 Plan calls for reducing GHG emissions by 50% below 2006 levels by 2032, and achieving carbon neutrality (eliminating GHG emissions, or offsetting any remaining emissions by supporting initiatives outside the District that will reduce such emissions) by 2050.²⁸

Moreover, the Plan calls for reducing the use of fossil fuels for electricity generation and heating and eliminating coal and fuel oils by 2023.²⁹ These objectives are also included in the CleanEnergy Act, which

states that in “developing energy performance standards, [the District’s Department of Energy and Environment] shall seek to help the District achieve its short- and long-term climate commitments, including reducing greenhouse gas emissions by 50% by 2032 and carbon neutrality by 2050.” More recently, the *Climate Commitment Act of 2022* calls for achieving carbon neutrality by 2045.

IV – DCPSC ONGOING ACTIVITIES

The DCPSC continues to monitor the fuel mix and emissions reports that are submitted by retail electricity suppliers and Pepco every six months. DCPSC staff also continue to monitor the regional GATS collaborative process, as appropriate, through PJM-EIS meetings. The DCPSC remains dedicated to facilitating renewable energy in the District and helping the city to achieve its climate commitments and clean energy/RPS objectives.

ENDNOTES

¹ D.C. Code § 34-1517(c) (2).

² Solar RECs are valid for five years from the date of generation, and RECs for other fuel sources remain valid for three years from the date of generation. See D.C. Code § 34-1438 (c), A REC is equal to one megawatt-hour of electricity produced, representing the environmental attributes of the particular renewable energy resource.

³ For example, if the fuel mix reporting period is for calendar year 2022 and the electricity supplier acquired some RECs associated with generation in 2020 to comply with the renewable portfolio standard, then the supplier's fuel mix report should not count the renewable resources associated with generation in 2020. The only RECs that should be included in the fuel mix report would be those renewable resources associated with generation in 2022.

⁴ The District's RPS defines Tier I resources to include solar energy, wind, biomass, methane from landfill gas or wastewater treatment, geothermal, ocean, fuel cells, and wastewater used as a heat source or sink. See D.C. Code § 34-1431 (15).

⁵ <https://gats.pjm-eis.com/gats2/PublicReports/PJMSystemMix>

⁶ Renewable resources include hydroelectric power, wind, methane from landfill gas/coal mines and other biomass gases, municipal solid waste, solar energy, and wood waste.

⁷ D.C. Code § 34-1504(c) (2)(A).

⁸ Due to the COVID-19 pandemic, there was a decline in generation in 2020 that impacted emissions.

⁹ The DCPSC has information on retail competitive suppliers at <https://dcpowerconnect.com/>.

¹⁰ This information is provided through PJM-EIS which was formed to provide environmental and emissions attributes reporting and tracking services to its subscribers. PJM-EIS owns and administers the GATS.

¹¹ The DCPSC provides an annual report to the Council on the electricity suppliers' compliance with the District's Renewable Energy Portfolio Standard.

¹² See D.C. Law 15-342, *Omnibus Utility Amendment Act of 2004*.

¹³ The PJM System Mix represents the distribution of generating resources used to produce electricity in the PJM region and is used as a proxy to represent the fuel mix for the District of Columbia. A certificate is created for each megawatt hour of electricity generated. Suppliers may claim certificates from specific generators. Unclaimed certificates represent the residual mix of generation.

¹⁴ Municipal solid waste is no longer eligible to meet the District's RPS requirement as of 2013.

¹⁵ Coal mine methane gas is not generally eligible under most RPS policies.

¹⁶ The data is based on representations in reports submitted by the suppliers; therefore, the data has not been independently verified by the DCPSC.

¹⁷ Renewable resources include hydroelectric power, wind, methane from landfill gas/coal mines and other biomass gases, municipal solid waste, solar energy, and wood waste.

¹⁸ Renewable energy resources were separated into two categories, Tier I and Tier II, with Tier I resources including solar energy, wind, qualifying biomass, methane, geothermal, ocean, and fuel cells, and Tier II resources including hydroelectric power other than pumped storage generation, other qualifying biomass, and waste-to-energy. Minimum percentage requirements are specified for Tier I and Tier II resources, but Tier I resources can be used to comply with the Tier II standard. In addition, a minimum requirement is carved out specifically for solar energy.

¹⁹ On August 1, 2011, the *Distributed Generation Emergency Amendment Act of 2011* became law (See D.C. Act 19-126). The permanent version of this legislation, the *Distributed Generation Amendment Act of 2011*, became law on October 20, 2011 (See D.C. Law 19-0036).

²⁰ However, solar energy systems located outside of the District that were certified prior to February 1, 2011, were "grandfathered" and remain eligible under the RPS program for the solar carve-out requirement.

²¹ Pursuant to D.C. Code § 34-1438 (c), a compliance fee is due if the electricity supplier does not provide sufficient renewable energy credits to meet the percentage of sales requirement.

²² Under the DGAA, the solar energy compliance payment was set to decrease from \$0.50 per kWh in 2016 to \$0.35 in 2017; then \$0.30 in 2018; then \$0.20 in 2019 through 2020; then \$0.15 in 2021 through 2022; until reaching \$0.05 in 2023 and thereafter.

²³ For the 2020 Compliance Year, retail electricity suppliers supplied RECs equivalent to the 20% Tier I requirement.

²⁴ The CleanEnergy Act extended the life of solar RECs to five years from the date of generation.

²⁵ For example, if the fuel mix reporting period is for calendar year 2022 and the electricity supplier acquired some RECs associated with generation in 2020 to comply with the renewable portfolio standard, then the supplier's fuel mix report should not count the renewable resources associated with generation in 2020. The only RECs that should be included in the fuel mix report would be those renewable resources associated with generation in 2022.

²⁶ For example, there have been online reports of universities in the District that have entered into power purchase agreements for solar energy.

²⁷ This does not include solar energy resources that are eligible to meet the Tier I requirement only and not the solar carve-out.

²⁸ *Sustainable DC 2.0 Plan* (April 2019), p.76.

²⁹ *Ibid*, p. 76.



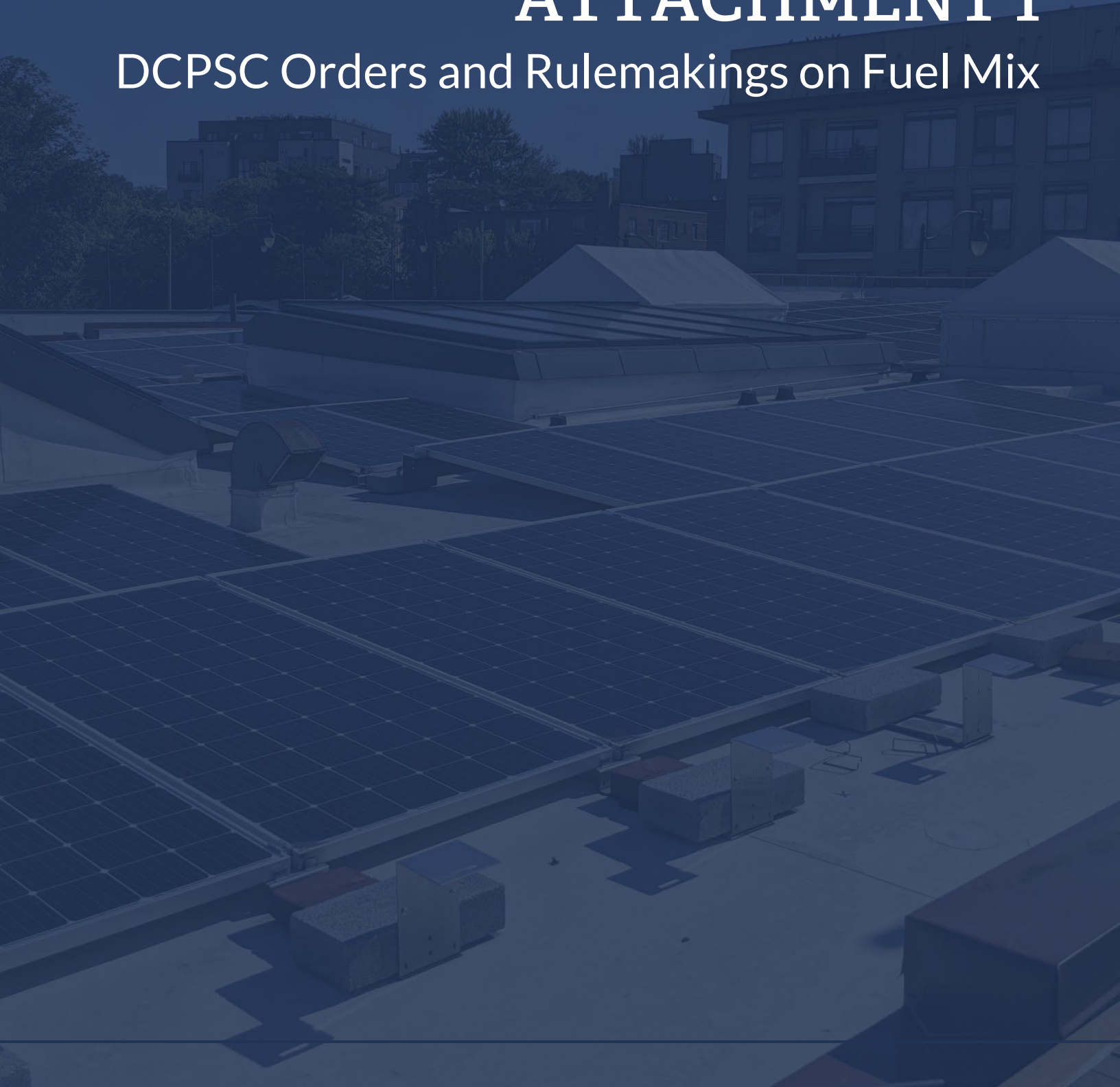
**PUBLIC SERVICE
COMMISSION**

District of Columbia

Your Energy. Your Voice.

ATTACHMENT 1

DCPSC Orders and Rulemakings on Fuel Mix



945 - E - 1032

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1333 H STREET, N.W., SUITE 200, WEST TOWER
WASHINGTON, D.C. 20005

ORDER

June 13, 2003

FORMAL CASE NO. 945, IN THE MATTER OF THE INVESTIGATION INTO
ELECTRIC SERVICE MARKET COMPETITION AND REGULATORY PRACTICES,
ORDER NO. 12765

1. INTRODUCTION

1. By this Order, and for the reasons set forth in more detail below, the Public Service Commission of the District of Columbia ("Commission") approves and adopts proposed *interim* fuel mix disclosure regulations as amended, and *interim* reporting format submitted by the Retail Competition Working Group ("Working Group").¹ The Commission also approves and adopts the June 1 and December 1 timeframes for suppliers to provide fuel mix data to the Commission pursuant to Sections 34-1517(b) and 34-1504 (c)(2)(B) of the District of Columbia Retail Electric Competition and Consumer Protection Act of 1999 ("Act").² The Commission directs that fuel mix information shall be reported to customers in the District of Columbia within the June and December billing cycles of each year pursuant to Section 34-1504(c)(2)(C) of the Act. Finally, the Commission directs the Working Group to submit recommendations on specific issues listed in ordering paragraph 13 within 10 days of this Order.

2. This particular phase of the proceeding fulfills three of the Commission's statutory obligations under the Act: (1) to establish feasibility criteria regarding an individual supplier's duty to disclose its fuel mix under Section 34-1504 (c)(2)(A)(ii) of the Act,³ (2) to provide, *inter alia*, a report to the District of Columbia City Council on the overall fuel mix of electricity sold to customers in the District of Columbia;⁴ and (3) to require the electricity

¹ For purposes of this filing, the Working Group consists of PEPCO, the Office of the People's Counsel, Pepco Energy Services, Inc., Constellation NewEnergy, and Washington Gas Energy Services.

² See §34-1517 (b) and §34-1504(c) (2) (C); and *see generally*, D.C. Code, 2001 Ed. §§ 34-1501 - 1520.

³ See D.C. Code, 2001 Ed. § 34-1504(c)(2)(A)(ii) which provides that the Commission shall make a determination of feasibility pursuant to subsection (c)(2)(A)(i) of this section within 6 months after the date an electricity supplier receives a license pursuant to § 34-1505.

⁴ See D.C. Code, 2001 Ed § 34-1517(c) (2) of the D.C. Code, which states in part, "[b]efore July 1, 2003, and every 2 years after that date, the Commission shall provide a report to the Council on the overall fuel mix of the electricity sold in DC, the amount of electricity sold in DC which comes from renewable energy sources. . ." The report to the Council should contain whether it is feasible to require licensed electricity suppliers to provide a minimum percentage of electricity sold from a renewable energy source. In order for the Commission to "track" this kind of information, the Commission requires all electricity suppliers to report their fuel mix to the Commission every 6 months after January 1, 2002. See also § 34-1517 (b) of the Act.

suppliers to disclose to customers every 6 months, fuel mix of electricity sold in the District of Columbia.⁵ These mandates are part of the Commission's efforts to restructure the District of Columbia's electricity market pursuant to the Act.

II. BACKGROUND

3. By Order No. 12003, the Commission directed the Working Group to submit proposed criteria relating to the feasibility of fuel mix reporting to customers.⁶ The Commission also reminded licensed suppliers in that Order, that they still bear the independent responsibility of reporting their fuel mix data to the Commission under Section 34-1517 of the District of Columbia Code.⁷ The Working Group submitted proposed criteria regarding the feasibility of requiring individual electricity suppliers to disclose fuel mix information, every six months, to their customers for the electricity they sell in the District of Columbia.⁸ Specifically, the Working Group proposed that the Commission adopt a regulation, which states that it is feasible for a licensed supplier to disclose its *actual* fuel mix, provided that the electricity supplied in the District of Columbia is from generation purchased under contract from specified resources or unit or system contracts. The Working Group recommended, however, that such a disclosure is not possible if the electricity supplied in the District of Columbia is purchased from the PJM Interconnection, L.L.C. ("PJM") spot market or a contract for unspecified resources.⁹

⁵ See D.C. Code, 2001 Ed § 34-1504 (c) (2) (C) which states in part, if the Commission determines that it is not feasible for an electricity supplier to disclose the fuel mix of electricity sold by the supplier in the District of Columbia, "the Commission, by regulation or order; shall require the electricity supplier to disclose to its customers every 6 months a regional fuel mix average." See also D.C. Code, 2001 Ed § 34-1504 (c) (2) (B) which states that if the Commission determines that it is feasible for an electricity supplier to disclose the fuel mix it sells in the District, then a supplier must disclose every 6 months its fuel mix of electricity, including categories of electricity from coal, natural gas, nuclear energy, oil, hydroelectric, solar, biomass, wind and other sources.

⁶ See *Formal Case No. 945, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices*, Order No. 12003, rel. May 17, 2001.

⁷ In order for the Commission to discharge its statutory duty to "track the fuel mix of the electricity sold in the District of Columbia and the amount of electricity from renewable sources sold in the District of Columbia," we deem it necessary, regardless of what a particular supplier's customer disclosure might cover (*i.e.*, fuel mix for electricity sold in the District of Columbia or regional fuel mix average), for each licensed electricity supplier to report their fuel mix to the Commission every 6 months after January 1, 2002. See § 34-1517 (b) of the District of Columbia Code. (emphasis added for clarity).

⁸ See *Formal Case No. 945, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices*, Letter from the Retail Competition Working Group to Jesse P. Clay, Jr., Commission Secretary, filed June 22, 2001. The letter stated that the Working Group had been informed that PJM was in the process of testing a new fuel mix tracking system that may "enable more accurate reporting of fuel mix information."

⁹ *Id.* (The letter attached proposed regulations submitted by Working Group, entitled "Regulations re: Feasibility of Fuel Mix Disclosure.")

4. The Commission concluded in Interim Order No. 12065,¹⁰ issued July 18, 2001, that the Working Group's proposed criteria were consistent with the requirements of the Act and would promote the public interest by requiring individual suppliers to disclose fuel mix information to consumers. The proposed criteria were found to be in the public interest because individual suppliers have the opportunity to assess in advance, based on their procurement activity, the feasibility of disclosing the fuel mix of electricity that is sold in the District, including the origins of the electricity (*i.e.*, coal, natural gas, and nuclear resources) and the percentage of the electricity that is sold from renewable energy sources. The proposed criteria contemplate that electricity suppliers can purchase the electricity to be sold in the District of Columbia using four types of contracts and one market source.¹¹

5. Based on the Working Group's report, the Commission adopted three interim regulations ("criteria") regarding the reporting of electricity fuel mix in Order No. 12065. First, the Commission directed individual electricity suppliers that procure electricity through contracts, which specify the origins of that electricity as being from specified resources, specified units, or a specified system, to disclose the fuel mix of the electricity sold in the District of Columbia. Second, the Commission's Order provided that, on an interim basis, individual electricity suppliers are not required to disclose the fuel mix of the electricity sold in the District, provided that the procured electricity is derived through purchases from the PJM spot market, or a contract from unspecified sources.¹² The Commission emphasized that this exemption was temporary, until such time as fuel mix disclosure becomes feasible. Third, the Working Group was directed to submit comments on the method by which suppliers should disclose their fuel mix to District customers and to report on PJM's progress in establishing its new fuel mix tracking system. The Commission ordered that its interim criteria remain in effect, until a PJM tracking system is established, in order to accurately report fuel mix information.

III. MAY 15, 2003 WORKING GROUP REPORT RECOMMENDATIONS:

6. The Commission issued Order No. 12533¹³ on August 12, 2002, which directed the Working Group to submit for the Commission's consideration, proposed interim regulations, including reporting standards and procedures that will govern the disclosure of data by suppliers of the fuel mix sold in the District of Columbia. The Order further directed the Working Group

¹⁰ See Formal Case No. 945, *In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices*, Order No. 12065, rel. July 18, 2001.

¹¹ These categories include:

- a) contracts that specify that the electricity is generated from specified resources (e.g., fuels, hydro, etc.);
- b) contracts that specify that the electricity is generated from a specified unit(s);
- c) contracts that specify that the electricity is generated from a specified system(s);
- d) purchases from the PJM spot market; and
- e) contracts for electricity from unspecified resources.

¹² *Id.*

¹³ See Formal Case No. 945, *In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices*, Order No. 12533 at 6-7, rel. August 12, 2002.

to provide recommendations on certain specific issues such as the fuel mix reporting format and on consumer bills, promulgation of enforcement rules, the timeframe for disclosure of fuel mix, and an implementation plan for reporting.¹⁴ Because the Working Group did not respond to all of the Commission's questions, the Commission again, in Order No. 12705, directed the Working Group to prepare and file an *updated* comprehensive fuel mix data report.¹⁵ The Working Group filed its report on May 15, 2003,¹⁶ which included a status report on fuel mix reporting in the District of Columbia, interim regulations, and interim reporting format.

7. Overall, the Working Group states that the fuel mix disclosure standards and procedures under development by PJM, met the requirements under the Act. The Working Group represents that the proposed interim regulations provide sufficient flexibility to incorporate the current average PJM control area data as well as any future improvements as to providing zone-specific fuel mix data. Alternatively, suppliers may submit self-generated disclosure information at any time in lieu of those provided by PJM.¹⁷

8. The Commission believes that because the interim regulations are not final rules, and PJM is still in its developmental stages, it is more beneficial to electricity suppliers to have an interim "model" to guide them in their fuel mix data disclosure reporting than not. Attachment B to the Working Group report represents PJM's fuel mix data reporting format. We agree with the Working Group that the format is consistent with other jurisdictions in the control area, and provides renewable energy resource information mandated by the Act. The Commission adopts the format in Attachment B.

9. The Working Group attached proposed regulations to its report.¹⁸ The Commission approves the proposed interim regulations as amended. First, the word "energy" found in (a), should be replaced with "electricity," to maintain uniformity and consistency in the provisions. Secondly, the Commission amends the Working Group's proposed interim regulations to read as follows (revisions in **bold**):

"On June 1 and December 1 of each year, each licensed supplier doing business in the District of Columbia, and the Electric company as the provider of Standard Offer Service for the District of Columbia, shall report to the

¹⁴ *Id.* The specific issues were: fuel mix reporting formats, timeframe for disclosure of fuel mix, and an implementation plan for reporting.

¹⁵ See Formal Case No. 945, Phase II, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices, Order No. 12705, rel. April 16, 2003.

¹⁶ See Formal Case No. 945, Phase II, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices, Status Report on Fuel Mix Reporting, filed May 15, 2003.

¹⁷ See Formal Case No. 945, Phase II, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices, Status Report on Fuel Mix Reporting, filed May 15, 2003.

¹⁸ See Formal Case No. 945, Phase II, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices, Attachment A—Proposed Regulations, filed May 15, 2003.

Commission on the fuel mix of the electricity sold in the District of Columbia by the electricity supplier or the Electric Company.

- (a) For the electricity sold by an electricity supplier or the Electric Company that is from a specific generation resource, the electricity supplier or the Electric Company shall use the specific fuel mix from that generation resource in its fuel mix report to the Commission.
- (b) For the electricity sold by an electricity supplier or the Electric Company that is not from specific generation resources, the electricity supplier or the Electric Company shall use the average fuel mix statistics for all generation resources provided by PJM in its fuel mix report to the Commission.

The fuel mix information provided to the Commission shall be in a format consistent with that provided by PJM." In addition to the fuel mix report provided to the Commission, fuel mix information shall be reported to customers of the District of Columbia within the June and December billing cycles of each year."

The inclusion of this language fulfills our duty under Sections 34-1504(c)(2)(B) and 34-1504(c)(2)(C) of the Act to require electricity suppliers to report regional fuel mix to customers every 6 months.

10. Because the Working Group did not provide responses to all of the specific issues detailed in Order No. 12533, the Commission, once again, directs the Working Group to respond to those questions listed in paragraph 13 of the Order within 10 days of the date of this Order.¹⁹ Additionally, the Commission believes that because the interim regulations are not final rules, and PJM is still in its developmental stages, it is more beneficial to electricity suppliers to have an interim "model" to guide them in their fuel mix data disclosure reporting than not. Attachment B to the Working Group report represents PJM's fuel mix data reporting format. We agree with the Working Group that the format is consistent with other jurisdictions in the control area, and provides renewable energy resource information. The Commission adopts the format in Attachment B.

11. With respect to these timeframes for reporting fuel mix data to the Commission, the Commission also approves the Working Group's recommendations that suppliers serving load in the District of Columbia report to the Commission and customers, the most current PJM-supplied or self-determined fuel mix statistics on June 1 and December 1 of each year. The Commission supports a uniform, single fuel mix reporting system that will support compliance and verification of electric generation attributes. This system will ensure accurate accounting

¹⁹ See Formal Case No. 945, Phase II, *In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices*, Order No. 12533 at 6-7, rel. August 12, 2002.

and reporting, and facilitate efficient and transparent transaction among market participants. Further, PJM's Generation Attributes Tracking System (GATS) will be flexible enough to accommodate varied and changing policies and programs here in the District of Columbia.

THEREFORE, IT IS ORDERED THAT:

12. Consistent with the guidance set forth in this Order, and until such time as the PJM GATS is finalized, the Commission approves and adopts the following:

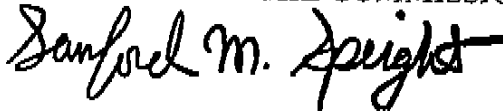
- (a) the interim fuel mix disclosure regulations as amended herein;
- (b) the interim reporting format used by PJM (Attachment B);
- (c) the fuel mix information shall be reported to customers of the District of Columbia within the June and December billing cycles of each year, pursuant to Sections 34-1504(c)(2)(B) and 34-1504 (c)(2)(C) of the Act; and

13. The Working Group shall provide recommendations on the following issues within 10 days of this Order:

- (a) Should the Commission promulgate enforcement rules and penalties for the failure to comply with the reporting requirements as set forth in the Act? And, if suppliers violate the disclosure requirements under the Act, what penalties should be assessed? Is the Commission the appropriate regulatory entity to audit electricity suppliers' compliance with environmental disclosure requirements?
- (b) How should fuel mix be reported on the consumer's bill?
- (c) Whether the renewable energy resources listed in PJM's average fuel mix statistics format (Attachment B of the Working Group report) are consistent with the definitions of the renewable sources under Section 34-1517(a) in the Act.²⁰ If the definitions are inconsistent, how or should they be reconciled?

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK

SANFORD M. SPEIGHT
ACTING COMMISSION SECRETARY

²⁰ The Working Group shall define the following sources of energy under D.C. Code, 2001 Ed. §34-1517(a): solar; wind; tidal; geothermal; biomass; hydroelectric facilities; and digester gas.

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1333 H STREET, N.W. 2ND FLOOR, WEST TOWER
WASHINGTON, D.C. 20005

ORDER

September 21, 2004

FORMAL CASE NO. 945, IN THE MATTER OF THE INVESTIGATION INTO
ELECTRIC SERVICE MARKET COMPETITION AND REGULATORY
PRACTICES, Order No. 13391

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia ("Commission") requires Washington Gas Energy Services, Inc. ("WGES") and Baltimore Gas and Electric Home ("BGE Home") to file fuel mix reports pursuant to Order No. 12765. The Commission also requires PEPCO Energy Services, Inc. ("PES") to file a supplemental report to advise the Commission whether its customers received bill insert notification of its fuel mix. Finally, the Commission reminds all electric suppliers of their obligation to file a fuel mix report with the Commission in June and December of each year.

II. BACKGROUND

2. By Order No. 12003, the Commission directed the Formal Case No. 945 Working Group ("Working Group")¹ to submit proposed criteria relating to the feasibility of fuel mix reporting to customers.² In that Order, the Commission also reminded licensed suppliers that they still bear the independent responsibility of reporting their fuel mix data to the Commission under D.C. Code § 34-1517.³ The Working Group submitted proposed criteria regarding the feasibility of requiring individual electricity suppliers to disclose fuel mix information every six months to their customers for the electricity they sell in the District of Columbia.⁴ Specifically, the Working Group

¹ The participating members of the Working Group are PEPCO, the Office of the People's Counsel, Constellation NewEnergy, Inc. and PEPCO Energy Services, Inc.

² See *Formal Case No. 945, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices ("F.C. 945")*, Order No. 12003, rel. May 17, 2001.

³ In order for the Commission to discharge its statutory duty to track the fuel mix and the amount of electricity from renewable sources sold in the District of Columbia, we deem it necessary, regardless of what a particular supplier's customer disclosure might cover (*i.e.*, fuel mix for electricity sold in the District of Columbia or regional fuel mix average), for each licensed electricity supplier to report its fuel mix to the Commission every six months after January 1, 2002.

⁴ See *F.C. 945*, Letter from the Retail Competition Working Group to Jesse P. Clay, Jr., Commission Secretary, filed June 22, 2001. The letter stated that the Working Group had been informed

proposed that the Commission adopt a regulation which states that it is feasible for a licensed supplier to disclose its actual fuel mix, provided that the electricity supplied in the District of Columbia is from generation purchased under contract from specified resources, unit, or system contracts. The Working Group suggested, however, that such a disclosure is not possible if the electricity supplied in the District of Columbia is purchased from the PJM Interconnection, L.L.C. ("PJM") spot market or under a contract for unspecified resources.⁵

3. By Interim Order No. 12065, the Commission concluded that the Working Group's proposed criteria were consistent with the requirements of the Act and would promote the public interest by requiring individual suppliers to disclose fuel mix information to consumers.⁶ The proposed criteria were found to be in the public interest because individual suppliers have the opportunity to assess in advance, based on their procurement activity, the feasibility of disclosing the fuel mix of electricity that is sold in the District, including the origins of the electricity (i.e. coal, natural gas, and nuclear resources) and the percentage of the electricity that is sold from renewable energy sources. The proposed criteria contemplated that electricity suppliers could purchase electricity to be sold in the District of Columbia using four types of contracts and one market source.⁷

4. Based on the Working Group's criteria, by Interim Order No. 12065, the Commission adopted three interim regulations regarding the reporting of electricity fuel mix.⁸ First, the Commission directed individual electricity suppliers who procure electricity through contracts that specify the origins of the electricity as being from specified resources, specified units, or a specified system, to disclose the fuel mix of the electricity sold in the District of Columbia. Second, the Commission's Order provided that, on an interim basis, individual electricity suppliers are not required to disclose the fuel mix of the electricity sold in the District if the procured electricity is derived through purchases from the PJM spot market, or under a contract from unspecified sources.⁹ The

that PJM was in the process of testing a new fuel mix tracking system that may enable more accurate reporting of fuel mix information.

⁵ *Id.* Attached to the letter were proposed regulations drafted by the Working Group, entitled "Regulations re: Feasibility of Fuel Mix Disclosure."

⁶ *F.C. 945*, Order No. 12065, rel. July 18, 2001.

⁷ These categories include:

- a) contracts that specify that the electricity is generated from specified resources (e.g., fuels, hydro, etc.);
- b) contracts that specify that the electricity is generated from a specified unit(s);
- c) contracts that specify that the electricity is generated from a specified system(s);
- d) purchases from the PJM spot market; and
- e) contracts for electricity from unspecified resources.

⁸ *See F.C. 945*, Order No. 12065, rel. July 18, 2001.

⁹ *Id.*

Commission emphasized that this exemption was temporary, until such time as fuel mix disclosure becomes feasible. Third, the Working Group was directed to submit comments on the method by which suppliers should disclose their fuel mix to District customers and to report on PJM's progress in establishing its new fuel mix tracking system. The Commission ordered that its interim criteria remain in effect until a PJM tracking system is established in order to accurately report fuel mix information.

5. By Order No. 12533, the Commission further directed the Working Group to submit, among other things, proposed interim regulations.¹⁰ The Commission approved the proposed regulations, as amended, by Order No. 12765.¹¹ The regulations set forth, among other things, the December and June fuel mix reporting requirements.

6. On June 23, 2003, the Working Group submitted a Fuel Mix Working Group Report in compliance with Order No. 12765. The report responded to three key questions raised by the Commission in that Order: (1) Whether the Commission should promulgate enforcement rules and penalties for the failure to comply with the reporting requirements as set forth in the Act; (2) How fuel mix should be reported on a customer's bill; and (3) Whether the renewable energy resources listed in PJM's average fuel mix statistics format (Attachment B of the Working Group report) are consistent with the definitions of the renewable sources under Section 34-1517(a) the Act. In response to the first issue, the Working Group does not believe there is any need for the Commission to promulgate enforcement rules and penalties, inclusive of the amount of any penalty, for the failure to comply with the fuel mix reporting requirements. In response to the second issue, the Working Group concludes that for residential and small commercial customers, the electricity supplier should report on its fuel mix in a mailing to each of its customers. In response to the third issue, the Working Group believes that the renewable resources listed in PJM's average fuel mix statistics are consistent with the definitions of the renewable resources under D.C. Code § 34-1517(a)(2001 ed.).

7. On December 1, 2003, PEPCO filed its fuel mix report in compliance with Order No. 12765 and also included its fuel mix information in the bill insert for its December billing cycle.¹² On December 4, 2003, PES reported on its fuel mix of electricity sold in the District of Columbia for the twelve months ending October 31, 2003.¹³ Constellation NewEnergy filed a fuel mix report which indicated that it does not purchase unit-specific energy and attached the most recent PJM Regional Average

¹⁰ See *F.C. 945*, Order No. 12533, rel. August 12, 2002.

¹¹ See *F.C. 945*, Order No. 12765, rel. June 13, 2003.

¹² See *F.C. 945*, Regional Fuel Mix Data for Potomac Electric Power Company, filed December 1, 2003. We note that on June 14, 2004, PEPCO also filed its required June fuel mix report. No other party filed a June report as required by the regulations.

¹³ See *F.C. 945*, Compliance Filing of PEPCO Energy Services, Inc., filed December 4, 2003.

Disclosure Label in compliance with Section 117(b) of the 1999 Act.¹⁴ No other electric suppliers filed their fuel mix reports.

III. DISCUSSION

8. We agree with the Working Group that each electricity supplier to residential and small commercial customers in the District should report its fuel mix in a mailing to its customers and that the renewable resources listed in PJM's average fuel mix statistics are consistent with the definitions of the renewable resources under D.C. Code § 34-1517(a). However, we reserve judgment on the necessity to promulgate enforcement rules and penalties until we have given suppliers one more opportunity to file their fuel mix reports for December 2003 and June 2004.

9. Our records indicate that WGES and BGE Home are active suppliers of electricity to District consumers and have not filed fuel mix reports for December 2003 and June 2004. By this Order, we remind all active suppliers that they are required to file fuel mix reports with the Commission in June and December of each year and to disclose such information to customers every six months. All active suppliers shall have 45 days from the date of this order to file any overdue fuel mix reports.

10. We note that PJM data for a current year is not available until December of that year and covers only the period January to June. Complete data for the year is not available until the following June but does not segregate out data for the previous July – December period. For that reason, we modify the fuel mix reporting requirements to be consistent with PJM's publication practices. Accordingly, active suppliers shall file their December fuel mix report for the period January – June of that year. Active suppliers shall file a June fuel mix report that includes information for the previous calendar year.

11. Finally, we note that in PES's December 4, 2003 filing, PES failed to mention whether it included its fuel mix report in mailings to its consumers. We direct PES to file a supplemental report within 10 days from the date of this Order stating whether it has provided this notice to its customers as required by Order No. 12765.

THEREFORE, IT IS HEREBY ORDERED THAT:

12. All active electric suppliers shall have 45 days from the date of this Order to file the overdue fuel mix reports;

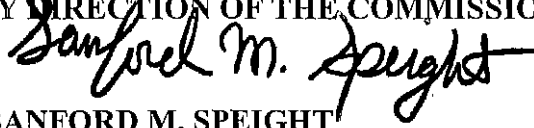
13. All future fuel mix reports shall be filed in accordance with Order No. 12765, as modified by this Order; and,

¹⁴ See *F.C. 945*, Constellation NewEnergy, Inc.'s Fuel Mix Reporting, filed December 4, 2004. The data attached to Constellation's filing was described as the "most recent" fuel mix average, but the data was from 2002. Constellation's filing was not in compliance with Order No. 12765 because it contained outdated fuel mix data. However, Constellation is not required by Order No. 12765 to report its fuel mix to the Commission or to its D.C. customers because it does not have any D.C. customers at this time.

14. PES is directed to file a supplemental fuel mix report within 10 days from the date of this Order stating whether it mailed its fuel mix report to its customers.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:

A handwritten signature in black ink that reads "Sanford M. Speight". The signature is written in a cursive style with a long horizontal stroke at the end.

CHIEF CLERK

SANFORD M. SPEIGHT
ACTING COMMISSION SECRETARY

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1333 H STREET, N.W., 2nd FLOOR, WEST TOWER
WASHINGTON, D.C. 20005

ORDER

May 19, 2005

FORMAL CASE NO. 945, IN THE MATTER OF THE INVESTIGATION INTO
ELECTRIC SERVICE MARKET COMPETITION AND REGULATORY
PRACTICES, Order No. 13589

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia ("Commission") directs all active electricity suppliers to disclose their emissions information semi-annually as required by D.C. Law. Suppliers are to file this information by June 1 and December 1 of each year along with their fuel mix information.

II. BACKGROUND

2. All electricity suppliers are currently disclosing their fuel mix information by filing it with the Commission by June 1 and December 1 of each year as well as reporting this information to their customers. On January 31, 2005, the District of Columbia City Council enacted the Omnibus Utility Amendment Act of 2004 ("Omnibus Act").² The Act became effective on April 12, 2005 and, in part, requires the Commission to direct each electricity supplier to disclose emissions information regarding carbon dioxide, nitrogen oxide, sulfur dioxide, and any other pollutant that the Commission deems appropriate, for electricity sold in the District of Columbia.³ According to the Act, the Commission must determine whether it is feasible for the supplier to disclose this information every six months and may direct suppliers to provide this information either by rule or by order.⁴

¹ See Formal Case No. 945, *In the Matter of the Investigation into the Electric Service Market Competition and Regulatory Practices*, Order No. 12765 rel. June 13, 2003.

² Omnibus Utility Amendment Act of 2004, Pub. L. No. 15-342 (2005). The Omnibus Act became effective on April 12, 2005. The Omnibus Act superseded the "Omnibus Utility Emergency Amendment Act of 2005" which was passed in January 2005.

³ Omnibus Act at Sec. 304.

⁴ *Id.*

III. DECISION

3. The Commission determines that the emissions information required by law is readily available from the PJM Interconnection ("PJM"), the regional transmission organization that includes the District of Columbia. Inasmuch as suppliers are already providing fuel mix information every six (6) months, we believe that it would be administratively efficient to require suppliers to disclose the additional emissions information at the same time, and in the same report, that they disclose their fuel mix. Because information on additional pollutants is not readily available from PJM, we determine that expanding the list of pollutants is infeasible at this time. Consequently, we direct all electricity suppliers to provide their emissions data for carbon dioxide, nitrogen oxide, and sulfur dioxide by June 1 and December 1 of each year.⁵

THEREFORE, IT IS ORDERED THAT:

4. All active electricity suppliers are directed to provide their emissions information by June 1 and December 1 of each year to their customers and the Commission.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:

CHIEF CLERK



**CHRISTINE D. BROOKS
COMMISSION SECRETARY**

⁵ Because the PJM Generation Attribute Tracking System ("GATS") is currently not in operation, suppliers can use information from PJM's fuel mix/emission disclosure label for their June 1, 2005 filing. PJM's Fuel Mix Disclosure Label includes information on the suppliers' fuel mix and emissions.

945 - E - 1898 *Att*

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1333 H STREET, N.W., SUITE 200, WEST TOWER
WASHINGTON, DC 20005

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2008 JUL 11 A 10:29

NOTICE OF PROPOSED RULEMAKING

DISTRICT OF COLUMBIA
PUBLIC SERVICE COMMISSION

**FORMAL CASE NO. 945, IN THE MATTER OF THE INVESTIGATION INTO
ELECTRIC SERVICES MARKET COMPETITION AND REGULATORY
PRACTICES**

1. The Public Service Commission of the District of Columbia ("Commission"), pursuant to its authority under D.C. Official Code § 34-1504(b) (2007 Supp.), hereby gives notice of its intent to adopt Chapter 42 of Title 15 DCMR, in not less than thirty (30) days after publication of this Notice of Proposed Rulemaking ("NOPR") in the *D.C. Register*.¹

2. The proposed regulations establish the Commission's rules governing the submission of Fuel Mix and Emissions Disclosure Reports. These proposed rules replace the Interim Regulations recommended by the Retail Competition Working Group and later adopted by the Commission in Order No. 12765.²

CHAPTER 42 FUEL MIX AND EMISSIONS DISCLOSURE REPORTS

Section	
4200	APPLICABILITY
4201	FUEL MIX AND EMISSIONS DISCLOSURE REQUIREMENTS
4202	WAIVER
4206-4298	[RESERVED]
4299	DEFINITIONS

4200 APPLICABILITY

4200.1 This Chapter establishes the Public Service Commission's ("Commission") regulations governing the disclosure of fuel mix and emissions applicable to an Electricity Supplier as provided in D.C. Official Code §§ 34-1504(c)(2) and 34-1517(b)-(c).

¹ D.C. Official Code § 34-1504(b) (2007 Supp.).

² *Formal Case No. 945, In The Matter Of The Investigation Into Electric Services Market Competition And Regulatory Practices*, Order No. 12765, rel. June 13, 2003.

4201 FUEL MIX AND EMISSIONS DISCLOSURE REQUIREMENTS

- 4201.1 Each active District of Columbia Electricity Supplier and the Electric Company shall report every six (6) months the fuel mix of electricity sold and the emissions produced in accordance with D.C. Official Code §§ 34-1504(c)(2)(A)(i) and 34-1517(b).
- 4201.2 Each active Electricity Supplier and the Electric Company must submit a semi-annual Fuel Mix and Emissions Report ("Fuel Mix Report") to the Commission on June 1 and December 1. The June 1 report shall provide fuel mix and emissions information for the prior calendar year. The December 1 report shall provide fuel mix and emission information for the period January through June of the current year.
- 4201.3 Each Fuel Mix Report must contain the following information in accordance with D.C. Official Code §§ 34-1504(c)(2)(A)(i) and 34-1517(b):
- (a) The percentage of electricity generated from the following energy sources:
 - (1) Coal;
 - (2) Oil;
 - (3) Natural gas;
 - (4) Nuclear;
 - (5) Solar;
 - (6) Wind;
 - (7) Biomass;
 - (8) Captured methane gas from landfill gas or wastewater treatment plant;
 - (9) Water, including hydroelectric and ocean;
 - (10) Geothermal;
 - (11) Municipal solid waste; and
 - (12) Other.

- (b) The emissions in pounds per megawatt-hour of:
- (1) Carbon dioxide;
 - (2) Nitrogen oxides; and
 - (3) Sulfur dioxide.
- 4201.4 In the Fuel Mix Report, the percentages for § 4201.3(a)(5) through (11) above should also be added together and designated as the "Renewable Energy Resources Subtotal."
- 4201.5 For electricity sold by an Electricity Supplier or the Electric Company that is from a specific generation resource, including any renewable energy credits associated with generation in the reporting period, the Electricity Supplier or the Electric Company shall include the specific generation resource in its Fuel Mix Report.
- 4201.6 For electricity sold by an Electricity Supplier or the Electric Company that is not from specific generation resources, the Electricity Supplier or the Electric Company shall include the PJM Environmental Information Services, Inc. ("PJM EIS") average residual fuel mix statistics, by generation resource, in its Fuel Mix Report. Pursuant to § 4201.2 for the Fuel Mix Reports to be submitted by December 1 covering the time period January through June of the current year, Electricity Suppliers and the Electric Company may use estimates, if the actual numbers are unavailable, when reporting residual fuel mix statistics.
- 4201.7 A Fuel Mix Report shall be in a format similar to the information provided by the PJM EIS.
- 4201.8 Each Electricity Supplier and the Electric Company shall provide a Fuel Mix Report to its customers in the District of Columbia within the June and December billing cycles each year in accordance with D.C. Official Code §§ 34-1504(c)(2)(B)-(C) and consistent with § 4201.3 of this Chapter. The Fuel Mix Report submitted to the Commission shall indicate that the information is also being disclosed to customers.
- 4201.9 If an Electricity Supplier or the Electric Company fails to file a semi-annual Fuel Mix Report or to disclose the information to its customers as required by this Chapter and D.C. Official Code §§ 34-1504(c)(2)(B)-(C), that company may be subject to Commission action. In addition, pursuant to D.C. Official Code § 34-1508, failure to file a Fuel Mix Report or disclose information to customers may result in suspension or revocation of a license to supply electricity or imposition of a civil penalty up to \$10,000 per violation.

4202 WAIVER

The Commission reserves the right to waive any provision of these rules for good cause shown.

4202-4298 (Reserved)**4299 DEFINITIONS****4299.1 For the purposes of this chapter:**

"Biomass" means a solid, nonhazardous, cellulosic waste material that is segregated from other waste materials and is derived from any of the following forest-related resources, with the exception of old growth timber, unsegregated solid waste, or post-consumer waste paper: (a) mill residue, (b) precommercial soft wood thinning, (c) slash, (d) brush, (e) yard waste, (f) waste pallet, crate or dunnage, and (g) agricultural sources, including tree crops, vineyard materials, grain, legumes, sugar, and other crop by-products or residues.

"Commission" means the Public Service Commission of the District of Columbia.

"Electric company" means every corporation, company, association, joint-stock company or association, partnership, or person doing business in the District of Columbia, their lessees, trustees, or receivers appointed by any court whatsoever, physically transmitting or distributing electricity in the District of Columbia to retail electric customers. The term excludes any building owner, lessee, or manager who, respectively, owns, leases, or manages, the internal distribution system serving the building and who supplies electricity and other electricity related services solely to the occupants of the building for use by the occupants.

"Electricity supplier" means a person, including an aggregator, broker, or marketer, who generates electricity; sells electricity; or purchases, brokers, arranges, or markets electricity for sale to customers. The term excludes the following:

- (a) Building owners, lessees, or managers who manage the internal distribution system serving such building and who supply electricity solely to occupants of the building for use by the occupants;
- (b) Any person who purchases electricity for its own use or for the use of its subsidiaries or affiliates; or
- (c) Any apartment building or office building manager who aggregates electric service requirements for his or her building or buildings, and who does not:

- (1) Take title to the electricity;
- (2) Market electric services to the individually-metered tenants of the building; or
- (3) Engage in the resale of electric services to others;
- (d) Property owners who supply small amounts of power, at cost, as an accommodation to lessors or licensees of the property; and
- (e) A consolidator.

“Hydroelectric” means power produced through conventional hydroelectric turbines.

“Ocean” means power produced from currents, tides, waves, and thermal differences.

“PJM Environmental Information Services” means the wholly-owned subsidiary of PJM Technologies, Inc. that provides environmental and emissions attributes reporting and tracking services to its subscribers.

“Residual fuel mix” means the net amount of generation remaining after subtracting from the total generation occurring during a year any generation that has been removed through specific claims on such generation.

3. All persons interested in commenting on this proposed rulemaking may submit comments, in writing, no later than thirty (30) days after the date of publication of this NOPR in the *D.C. Register*. Persons interested in submitting reply comments may do so no later than forty-five (45) days after the date of publication of this NOPR in the *D.C. Register*. All comments and replies must be sent to Dorothy M. Wideman, Commission Secretary, Public Service Commission of the District of Columbia, 1333 H Street, N.W., Suite 200, West Tower, Washington, DC 20005. Copies of these proposed rules may be obtained, at cost, by writing to the Commission Secretary at the above address or on the Commission’s website at www.dcpssc.org. Once the comment period has expired, the Commission will take final rulemaking action.

945 - E - 1932 AH

RECEIVED PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1333 H STREET, N.W., SUITE 200, WEST TOWER
WASHINGTON, DC 20005

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DISTRICT OF COLUMBIA
PUBLIC SERVICE COMMISSION**NOTICE OF FINAL RULEMAKING****FORMAL CASE NO. 945, IN THE MATTER OF THE INVESTIGATION INTO
ELECTRIC SERVICES MARKET COMPETITION AND REGULATORY
PRACTICES**

1. The Public Service Commission of the District of Columbia ("Commission") hereby gives notice, pursuant to Sections 2-505(a) and 34-1504(b) of the District of Columbia Official Code,¹ of final rulemaking action, adopting Chapter 42 of Title 15 DCMR governing Fuel Mix and Emissions Disclosure Reports. The Commission issued a Notice of Proposed Rulemaking ("NOPR") which was published in the *D.C. Register* on July 11, 2008, giving notice of the Commission's intent to adopt Chapter 42 of Title 15 DCMR.² No comments were filed in response to the NOPR.

2. As indicated in the NOPR, the proposed regulations establish the Commission's rules governing the submission of Fuel Mix and Emissions Disclosure Reports.³ In addition, the proposed rules replace the Interim Regulations recommended by the Retail Competition Working Group and later adopted by the Commission in Order No. 12765.⁴ The replacement of the Interim Regulations with permanent rules will facilitate the submission of Fuel Mix and Emissions Disclosure Reports by electricity suppliers and the Electric Company to the Commission consistent with the provisions of Section 34-1504 of the District of Columbia Official Code.⁵ Accordingly, the Commission hereby adopts Chapter 42 of Title 15 DCMR governing Fuel Mix and Emissions Disclosure Reports as contained in the *D.C. Register* on July 11, 2008. The rules will become effective upon publication of this Notice of Final Rulemaking in the *D.C. Register*. Copies of the rules may be obtained by contacting Dorothy Wideman, Commission Secretary, Public Service Commission of the District of Columbia, 1333 H Street, N.W., 2nd Floor, West Tower, Washington, D.C. 20005. Copies may also be obtained from the Commission's website at www.dcpsc.org.

¹ D.C. Official Code §§ 2-505(a) (2001 Ed.) and 34-1504(b) (2008 Supp.).

² 55 *D.C. Register* 7572-7576 (July 11, 2008).

³ 55 *D.C. Register* at 7572.

⁴ *Formal Case No. 945, In The Matter Of The Investigation Into Electric Services Market Competition And Regulatory Practices*, Order No. 12765, rel. June 13, 2003.

⁵ D.C. Official Code § 34-1504(b) (2008 Supp.).



PUBLIC SERVICE COMMISSION

District of Columbia

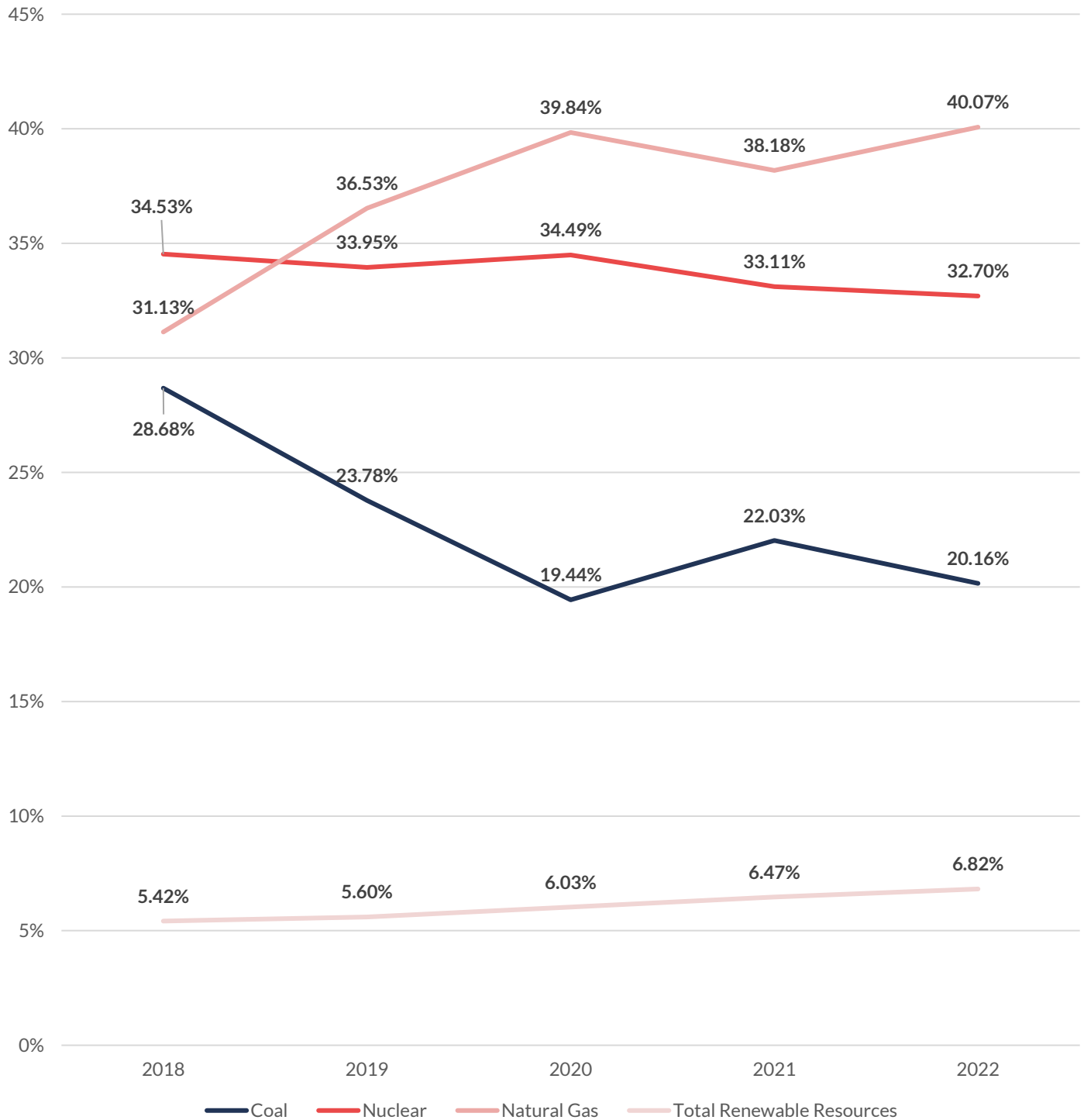
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APPENDIX

PJM System Mix Information



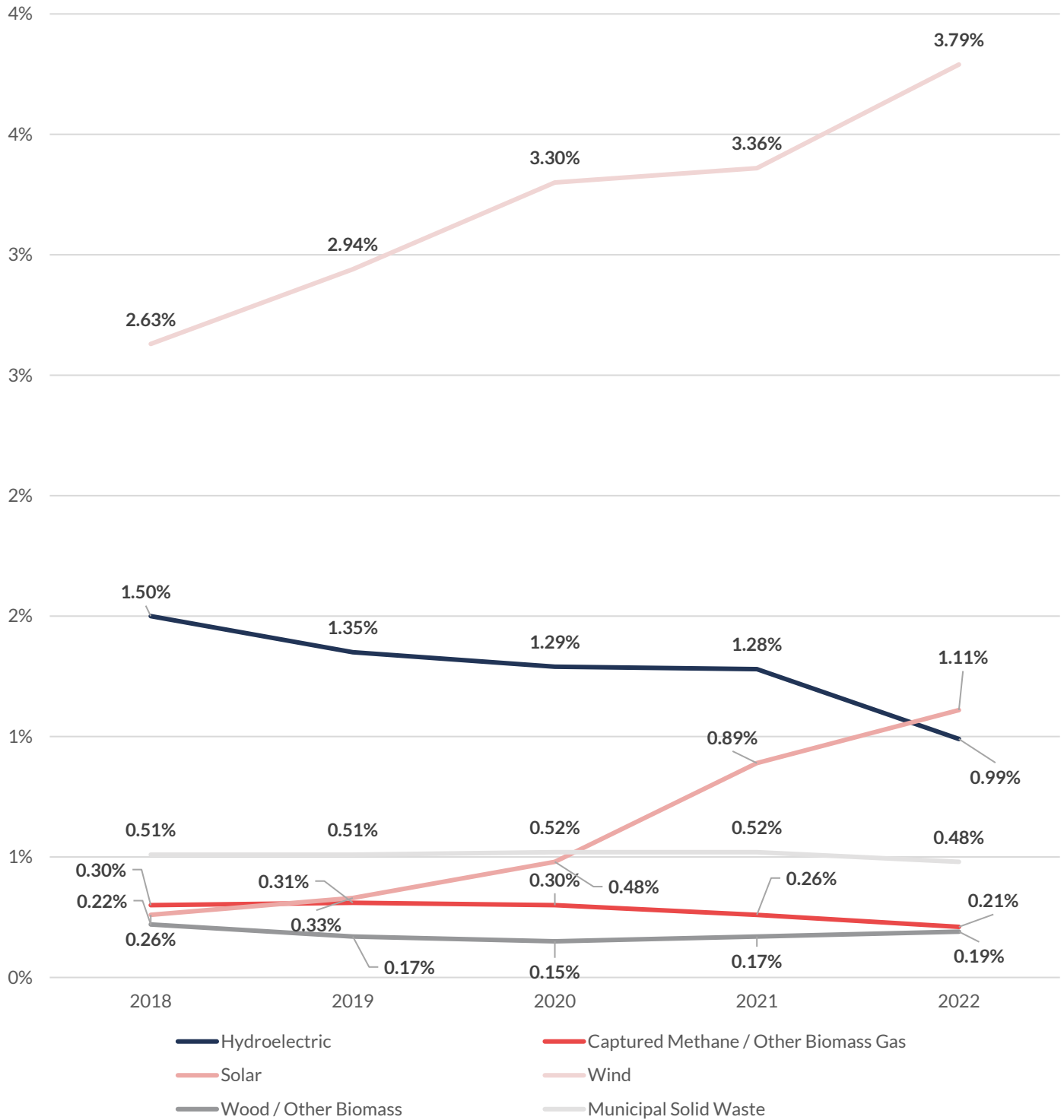
FIGURE 1
PJM System Fuel Mix, 2018-2022



Source: PJM-EIS GATS

Total renewable resources available in PJM include methane and other biomass gas, fuel cells, geothermal, hydro-electric, solar PV, solid waste, wind, and wood/other biomass.

FIGURE 2
Renewable Resources in PJM System Mix, 2018-2022



Source: PJM-EIS GATS

Solid waste and hydroelectric power are no longer considered a renewable resource for the District’s RPS program.