



FY09 PERFORMANCE PLAN Public Service Commission

MISSION

The Mission of the Public Service Commission is to serve the public interest by ensuring that financially healthy electric, natural gas, and telecommunications companies provide safe, reliable, and quality services at reasonable rates for District of Columbia residential, business, and government customers.

SUMMARY OF SERVICES

- Protecting consumers to ensure public safety, reliability, and quality services;
- Regulating monopoly services to ensure their rates are just and reasonable;
- Fostering fair and open competition among service providers;
- Conserving natural resources and preserving environmental quality;
- Resolving disputes among consumers and service providers; and
- Educating consumers and informing the public.

OBJECTIVE 1: Ensure Public Safety by Managing the Natural Gas Pipeline Safety Program and Monitoring and Investigating Electric, Natural Gas, and Telecommunications Incidents.

OBJECTIVE 2: Promote Energy Efficiency in the District of Columbia and increase public awareness of energy efficiency opportunities.

INITIATIVE 2.1: Begin implementing the Clean and Affordable Energy (“CAE”) Act of 2008 and expand the Commission’s programs to increase the public’s awareness of energy efficiency opportunities.

The Commission has a long tradition of promoting energy efficiency dating back to the mid-1980s. In FY 2008, the D.C. Council passed the Clean and Affordable Energy Act, which requires the establishment of a Sustainable Energy Utility (“SEU”) and changes the role of the Commission. In accordance with Section 207 of the Act, in FY 2009, the Commission is committed to rendering a decision regarding PEPCO’s proposed energy efficiency programs in Formal Case No. 945 within 90 days after the close of the record. The Commission will also revise its Renewable Energy Portfolio Standard rules to address the 2008 Act’s higher standards and accelerated schedule than was contained in the 2005 REPS Act. In addition, the Commission will combine the current Heat Smart Campaign with an **EducateDCconsumers** component that, among other things, will include the creation and distribution of several new brochures; the addition of a “green” section to the Commission’s website; preparation of presentations to ANCs, civic associations, and other citizen groups; and expanded media contacts. The new “green” section of the website will provide information in a variety of formats, including videos, and will also contain links to related information on other websites within and outside of the District Government.

OBJECTIVE 3: Mitigate the Impact of Rising Energy Prices on the District’s Energy Consumers

INITIATIVE 3.1: Assist PEPCO’s Low-Income Residential Aid Discount (“RAD”) Customers in Mitigating the Impact of Rising Electricity Prices.

The Clean and Affordable Act of 2008 seeks to protect low-income consumers by ensuring the continuation of funding for the RAD at current levels through a newly established Energy Assistance Trust Fund (“EATF”). However, the funding in the Act does not take into account several changes that will occur in FY 2009; including likely higher generation rates that will go into effect in June 2009 and the expiration of the cap on RAD distribution rates in August 2009.



According to the U.S. Department of Energy's August 2008 Short-term Energy Outlook, residential electricity prices in the South Atlantic region that includes the District of Columbia are projected to increase about 11 percent between 2008 and 2009. Thus, the Commission will determine the appropriate mitigation strategy by considering rate design changes, financing options, and increasing participation in the RAD by targeting part of the **EducateDCconsumers** component to low-income electricity consumers and the District Government social service agencies that serve them. **EducateDCconsumers** will also be aimed at increasing awareness of District residents to the availability of services offered by competitive energy providers.

INITIATIVE 3.2: Assist Washington Gas's Customers in Mitigating the Impact of Rising Natural Gas Prices.

This summer, wholesale and retail natural gas prices, tracking oil prices, reached new highs that will likely translate into relatively high prices this winter. Thus, to assist Washington Gas's customers in mitigating the impact of rising natural gas prices through this winter, the Commission will issue an order requesting comments from stakeholders on a number of measures such as relaxing shut-off standards and liberalizing deposit and payment options. Upon receipt of stakeholder comments a final implementation order will be issued, and it is expected to be issued with the onset of winter 2008/2009. The Commission's Heat Smart and **EducateDCconsumers** Campaign will also include information on natural gas customer choice programs and the Residential Essential Service ("RES") in order to expand participation in both programs.



PROPOSED KEY PERFORMANCE INDICATORS

Measure	FY07 Actual	FY08 Target	FY08 YE Actual	FY09 Projection	FY10 Projection	FY 11 Projection
USDOT rating for the Commission's gas pipeline safety program ¹	98% (for 2006)	90%	98% (for 2007)	90%	95%	98%
Adjudicative case decisions to be issued within 90 days from the close of the record	N/A	New measure – Baseline Year	100%	90%	90%	95%
Percent of electric, gas, and local telecommunications service standards that are not met and for which improvement plans have been requested and implemented	N/A	90% New Measure – Baseline Year	100%	90%	90%	95%
Cost ² per informal consumer complaint	\$65.00	\$66.50	\$57.24	\$68.50	\$70.50	\$73.00
Number of hits to EducateDCconsumers section of website	N/A	N/A	N/A	Baseline year	TBD	TBD

N/A – Not applicable; TBD – To be determined after baseline data are received

¹ Results are on a calendar year basis and usually issued by USDOT in the fall after all state audits have been completed.

² Cost refers to agency personnel expenses in processing informal consumer complaints.