

**Office of the People's Counsel
District of Columbia**

1133 15th Street, NW • Suite 500 • Washington, DC 20005-2710
202.727.3071 • FAX 202.727.1014 • TTY/TDD 202.727.2876



Elizabeth A. Noël
People's Counsel

February 27, 2009

VIA ELECTRONIC FILING

Dorothy Wideman
Commission Secretary
Public Service Commission
of the District of Columbia
1333 H Street, N.W.
Second Floor West
Washington, D.C. 20005

Re: **Formal Case No. 945, In the Matter of the Investigation into Electric Services
Market Competition and Regulatory Practices**

Dear Ms. Wideman:

Enclosed for filing in the above-referenced proceeding are an original and three (3) copies of the "Motion of the Office of the People's Counsel for an Order Directing the Potomac Electric Power Company To Provide The Commission a Report on Its Plans and Efforts To Obtain Funds Allocated by the American Recovery and Reinvestment Act of 2009 for its Proposed Energy Efficiency Programs and Advanced Metering Infrastructure Detailed in the Blueprint Application."

If there are any questions regarding this matter, please contact me at (202) 727-3071.

Sincerely,

Brian O. Edmonds
Assistant People's Counsel

Enclosure

cc: Parties of record

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

In the Matter of	§	
	§	
The Investigation into Electric Service Market Competition and Regulatory Practices	§	Formal Case No. 945
	§	
and	§	
	§	
In the Matter of	§	
	§	
The Application of the Potomac Electric Power Company for Authorization to Establish a Demand Side Management Surcharge and an Advance Metering Infrastructure Surcharge and to Establish a DSM Collaborative and an AMI Advisory Group	§	Formal Case No. 1056 (Motion)
	§	
	§	

**MOTION OF THE OFFICE OF THE PEOPLE’S COUNSEL FOR AN ORDER DIRECTING
THE POTOMAC ELECTRIC POWER COMPANY TO PROVIDE A REPORT ON ITS PLANS
AND EFFORTS TO OBTAIN FUNDS ALLOCATED BY THE AMERICAN RECOVERY AND
REINVESTMENT ACT OF 2009 FOR ITS PROPOSED ENERGY EFFICIENCY PROGRAMS
AND ADVANCED METERING INFRASTRUCTURE PROJECT DETAILED IN THE
BLUEPRINT APPLICATION**

Pursuant to Rule 105.8 of the Public Service Commission of the District of Columbia’s (“Commission” or “PSC”) Rules of Practice and Procedures, 15 D.C.M.R. § 105.8 (2007), the Office of the People’s Counsel for the District of Columbia (“OPC” or “Office”), the statutory representative of District of Columbia ratepayers and consumers¹, respectfully files this motion requesting the Commission issue an order directing the Potomac Electric Power Company (“PEPCO” or “Company”) to provide a report of the Company’s plans and efforts to obtain funds allocated by the American Recovery and Reinvestment Act of 2009 (“ARRA”)² to fund the Company’s proposed energy efficiency programs and the advance metering infrastructure (“AMI”) project detailed in the Blueprint For the Future Application

¹ D.C. Code § 34-804 (2007).

² American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009).

filed on April 4, 2007 and accompanying Business Case filed on October 1, 2007.³

In 2007, the PEPCO Blueprint Application proposed recovery then demand-side management (“DSM”) programs totaling \$31.041 million.⁴ The PEPCO Blueprint Application also seeks recovery for a proposed AMI deployment totaling \$61.272 million.⁵ On December 18, 2008, the Commission conditionally approved five of the ten DSM programs proposed in the PEPCO Blueprint Application in the amount of \$14.929 million over a three year period.⁶

On February 17, 2009, President Barack Obama signed into law the ARRA, for the purpose of, among other things, investing in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits.⁷ The ARRA authorizes, among other things, the Secretary of Energy to provide approximately \$40 billion in financial support various energy initiatives, including modernizing the electric grid, and energy efficiency. The Energy Secretary is authorized to provide funding for smart grid projects in urban areas where electric system assets are controlled by investor-owned utilities.⁸ The precise amount to be allocated for funding utility administered energy efficiency programs and electric grid modernization is unknown. However, the Company has requested the Commission authorize an estimated \$1.055 million in incentives “to be spent to incentivize District of Columbia customers to install conservation and energy efficiency measures.”⁹ This amount is above and

³ *Formal Case No. 1056, In the Matter of the Application of Potomac Electric Power Company For Authorization to Establish a Demand Side Management Surcharge and an Advance Metering Infrastructure Surcharge and to Establish a DSM Collaborative and an AMI Advisory Group, Application of Potomac Electric Power Company for Authorization to Establish a Demand Side Management Cost Recovery Mechanism and Advanced Metering Infrastructure Rate Adjustment Mechanism and To Establish a DSM Collaborative and an AMI Advisory Group, filed Apr. 4, 2007 (“PEPCO Blueprint Application”) and Business Case In Support of PEPCO’s Blueprint For the Future Application, filed Oct. 1, 2007 (“PEPCO’s Blueprint Application Business Case”).*

⁴ *See, Formal Case No. 1056, PEPCO Blueprint Application at 11.*

⁵ *Id.*

⁶ *See, Formal Case No. 945, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices, Order No. 15139, rel. Dec. 18, 2008.*

⁷ *See, ARRA, Sec. 3 (a) (4).*

⁸ *See, e.g., ARRA, Sec. 405 (1) (A).*

⁹ *Formal Case No. 945, In the Investigation into Electric Services, Market Competition and Regulatory Practices, Response of the Potomac Electric Power Company to Commission Order No. 15139, Issued December 18, 2009, Providing Preliminary Approval of Five Demand Side Management Programs at 6, filed Feb. 23, 2009.*

beyond the \$14.929 million conditionally approved by the Commission to administer the five approved programs.

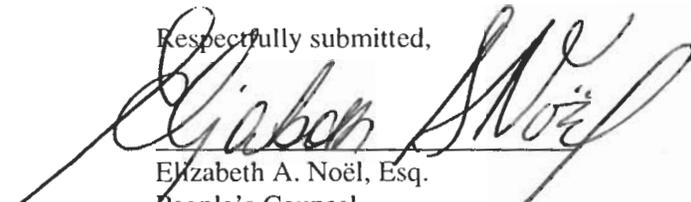
The Office submits it is important for the public to know what plans and efforts PEPCO will undertake to secure funds for the proposals for which it has sought cost recovery from District ratepayers and consumers, to the extent that any recovery from District ratepayers and consumers can be reduced or eliminated given funds that would be provided from the U.S. Department of Energy under the ARRA. Public dollars will ultimately fund efforts to make the District more energy efficient. To the extent the Company is entitled to receive funds allocated under the ARRA to administer these programs, the Office submits every effort should be made to obtain such funds, because the public interest is best served thereby.

Accordingly, a report from PEPCO filed on the public record in these proceedings would be an appropriate means of communicating these plans and efforts. The Office submits given the burden that District ratepayers and consumers are already burdened with given rising energy costs, plus the potential for future increases, the public interest is served by having PEPCO provide the Commission with this vital information.

CONCLUSION

Wherefore, for the reasons stated herein, OPC requests the Commission issue an order directing PEPCO provide a report of the Company's plans and efforts to obtain funds allocated by the ARRA to fund the Company's proposed energy efficiency programs and the advance metering infrastructure project.

Respectfully submitted,



Elizabeth A. Noël, Esq.
People's Counsel
D.C. Bar No. 288965

Sandra Mattavous-Frye, Esq.
Deputy People's Counsel
D.C. Bar No. 375833

Karen R. Sistrunk, Esq.
Associate People's Counsel
D.C. Bar No. 390153

Barbara L. Burton, Esq.
Assistant People's Counsel
D.C. Bar No. 430524

Laurence C. Daniels, Esq.
Assistant People's Counsel
D.C. Bar No. 471025

Brian O. Edmonds, Esq.
Assistant People's Counsel
D.C. Bar No. 475869

OFFICE OF THE PEOPLE'S COUNSEL
1133 15th Street, N.W., Suite 500
Washington, D.C. 20005
(202) 727-3071

Dated: February 27, 2009

CERTIFICATE OF SERVICE

Formal Case No. 945, In the Matter of the Investigation into Electric Services Market Competition and Regulatory Practices

I hereby certify that on this 27th day of February, 2009, a copy of the "Motion of the Office of the People's Counsel for an Order Directing the Potomac Electric Power Company To Provide The Commission a Report on Its Plans and Efforts To Obtain Funds Allocated by the American Recovery and Reinvestment Act of 2009 for its Proposed Energy Efficiency Programs and Advanced Metering Infrastructure Detailed in the Blueprint Application" was served on the following parties of record by hand delivery; first class mail, postage prepaid; or, electronic mail:

Richard Beverly, Esq.
General Counsel
Public Service Commission of the
District of Columbia
1333 H Street, N.W., 7th Floor East
Washington, D.C. 20005
rbeverly@psc.dc.gov

Deborah M. Royster, Esq.
Potomac Electric Power Company
701 Ninth Street, N.W., Suite 1100
Washington, D.C. 20068
dmroyster@pepcoholdings.com

Frann G. Francis, Esq.
Senior Vice President & General Counsel
Apartment and Office Building
Association of Metropolitan Washington
1050 17th Street, N.W., Suite 300
Washington, D.C. 20036
ffrancis@aoba-metro.org

Honorable Richard E. Morgan
Commissioner
Public Service Commission of the
District of Columbia
1333 H Street, N.W., 7th Floor East
Washington, D.C. 20005
rmorgan@psc.dc.gov

Honorable Betty Ann Kane
Commissioner
Public Service Commission of the
District of Columbia
1333 H Street, N.W., 7th Floor East
Washington, D.C. 20005
bakane@psc.dc.gov

Phylcia Fauntleroy Bowman
Executive Director
Public Service Commission of the
District of Columbia
1333 H Street, N.W., 6th Floor East
Washington, D.C. 20005
pbowman@psc.dc.gov

Honorable Muriel Bowser, Chairperson
Committee on Public Services
and Consumer Affairs
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 110
Washington, D.C. 20004
mbowser@dccouncil.us

Brian R. Caldwell, Esq.
Assistant Attorney General
Office of the Attorney General
441 4th Street, N.W., Suite 450-N
Washington, D.C. 20001
brian.caldwell@dc.gov

Marc Biondi, Esq.
Assistant General Counsel
WMATA
600 5th Street, N.W., Room 2C-08
Washington, D.C. 20001
mebiondi@wmata.com

Cathy Thurston-Seignious, Esq.
Senior Attorney
Washington Gas Light Company
District of Columbia Division
101 Constitution Avenue, NW
Washington, D.C. 20080
cthurston-seignious@washgas.com

Chantel Ornstein Freedman, Esq.
Alexander & Cleaver
54 State Circle
Annapolis, MD 21401-1904
For Mirant Mid-Atlantic, LLC

Jack Werner, Director
D.C. Department of the Environment
Energy Office
2000 14th Street, NW, 3rd Floor
Washington, D.C. 20009
jack.werner@dc.gov

Brian Lederer, Esq.
IBEW
3003 Van Ness Street, NW
Suite W 110
Washington, D.C. 20008
brian.lederer@worldnet.att.net

Leonard Lucas, Esq.
Assistant General Counsel
Office of General Counsel
General Services Administration
1800 F Street, N.W., Room 5115
Washington, D.C. 20405
leonard.lucas@gsa.gov

Robert Notigan, Esq.
Assistant General Counsel
Office of General Counsel
General Services Administration
1800 F Street, N.W., Room 5113
Washington, D.C. 20405
robert.notigan@gsa.gov

Kenneth Hurwitz, Esq.
Haynes and Boone, LLP
1615 L Street, NW, Suite 800
Washington, D.C. 20036-5610

Herbert Harris, Jr., Chairman
D.C. Consumer Utility Board
P.O. Box 77871
National Capitol Station
Washington, D.C. 20013
dccub@msn.com

Daryl L. Avery, Esq.
4104 13th Place, NE
Washington, D.C. 20017
darylavery@aol.com

Sheila Slocum Hollis, Esq.
Duane Morris, L.L.P.
505 9th Street, N.W., Suite 1000
Washington, D.C. 20004-2166
sshollis@duanemorris.com

Sharon L. Taylor
Arnold & Porter
555 12th Street, NW
Washington, D.C. 20004

Kenneth C. Strobel, Esq.
Technical Associates, Inc.
James Center III
1051 East Cary Street, Suite 601
Richmond, VA 23219

Robert I. White, Esq.
Squire, Sanders & Dempsey
1201 Pennsylvania Avenue, N.W.
P.O. Box 407
Washington, D.C. 20044-0407
For the D.C. Water and Sewer Authority
rwhite@ssd.com

Belva D. Newsome, Esq.
The Law Firm of Belva D. Newsome
5402 Connecticut Avenue NW, Suite 503
Washington DC 20015

Brian W. Kalcic
Excel Consulting
225 S. Meramec Avenue, Suite 720T
St. Louis, MO 63105

Louis R. Jahn
Irene M. Prezelj
First Energy Services
395 Ghent Road, Suite 411
Akron, OH 44333

Jordan Karp, Esq.
Constellation NewEnergy, Inc.
750 East Pratt Street, 17th Floor
Baltimore, MD 21202



Brian O. Edmonds
Assistant People's Counsel