



### November 2022

## A Note from Your People's Counsel Sandra Mattavous-Frye

# OPC Advocates for Justice for Consumers with WGL's Move to Raise Rates

In the District of Columbia, regulated utilities like Washington Gas Light (WGL) must seek permission from the DC Public Service Commission (PSC) to increase their rates or change their terms of service. On April 4, 2022, WGL filed a rate case application with the PSC requesting a \$53 million rate



increase--the company's largest request to date. On November 4, OPC filed testimony with the PSC asking them to reject \$45.2 million of WGL's proposed rate increase and require the company to strengthen its poor performance with infrastructure projects. We also urged the PSC to closely examine the impact the rate increase will have on the most financially vulnerable consumers, many of whom are still suffering from the impact of the COVID-19 pandemic.

According to WGL, the increase is needed to offset a revenue shortfall and pay

for climate related expenses.

OPC opposed WGL's proposal because it fails to provide sufficient evidence or justification for such an excessive rate increase, fails to convincingly demonstrate how its proposals advance the District's clean energy goals and initiatives, and highlights the company's failure to manage its most important responsibility: the safe provision of natural gas service. In particular, OPC finds that the company's demonstrated poor performance in reducing hazardous leaks is not only a safety concern, but also compromises the District's efforts to reduce harmful greenhouse gas emissions which contribute to climate change.

On November 10, OPC participated in a discussion with WGL, the Apartment & Office Building Association, the Sierra Club, and the DC Office of the Attorney General to determine if there were any areas where a settlement of the case could be negotiated to avert a lengthy, full-blown PSC hearing. OPC remains concerned that WGL's proposed increase is too high of a financial burden for ratepayers, and that the gas company's climate proposals, combined with WGL under performing in the PROJECT*pipes* infrastructure upgrade program, will not advance the city's climate goals.

OPC is aggressively advocating for consumers and will encourage the Commission to examine WGL's actual financial needs and hold it accountable to provide safe and reliable natural gas service. We will keep you posted on developments in the case and inform you of opportunities for public comment.

# New "Digs" for OPC

The offices of the Office of the People's Counsel have moved. *OPC is now located at 655*15<sup>th</sup> Street NW, Washington, DC 20005. The new location is just a few blocks away from the previous quarters.



Please direct all correspondence to the new address. All systems are still being transitioned, therefore, walk-in assistance for utility consumers is not yet available. In the meantime, you can communicate with OPC staff at the same telephone numbers and email addresses. And they won't change once things are all settled. We'll make announcements on <a href="mailto:opc-dc.gov">opc-dc.gov</a> and on OPC social media platforms when the new digs are open.



OPC Gets a Key Court Win for Pepco Consumers in the District

OPC achieved a major victory for Pepco customers before the DC Court of Appeals in securing rejection of two aspects of a Public Service Commission decision in a Pepco rate plan that OPC believed would harm consumers.

The first involved an attempt to recover from consumers the cost of an investigation and feasibility study of possible environmental damage at Pepco's old Benning Road generating station. The Court agreed with OPC that a prior agreement in place prohibits Pepco from billing its customers for these costs.

The second issue involved the inclusion of two energy efficiency rebate and loan programs targeting small businesses, which would permit Pepco to recover the costs of those programs from its customers in a future rate case. The Court agreed with OPC that pre-conditions imposed by the DC Council did not allow Pepco to pass these costs along to consumers. The decision was sent back to the Commission for reconsideration. Learn more <a href="here">here</a>.

# The Consumer Connection Capturing Feedback from the Community

"I'd like to express my appreciation for the work your agency is doing to promote better regulation of Pepco by



the Public Service Commission...The dedication and tenacity of the OPC in advocating for the public is greatly appreciated." – **Comment by a Ward 3** resident.

"Thank you so much for joining Zeta Phi Beta Sorority, Inc. Omicron Phi Zeta Chapter and The New Macedonia Baptist Church as a co-sponsor [of the Making Strides Against Breast Cancer Awareness Walk/Run and Resource Fair] this year...It was a pleasure to once again have OPC with us to share information on how District residents can apply for assistance with paying for their utilities. It is our hope that OPC will consider our invitation to participate next year...I look forward to working together again. – Comment by the breast cancer walk sponsor



# The Water Connection 3rd Party Billing Blues

OPC's Water Services Division has been receiving numerous complaints involving third-party billing. We are working to resolve the issues, even under constraints. DC residents receive their water supply directly from DC Water, and

ordinarily, receive a bill directly from the water utility. Tenants living in a multi-

unit building, however, may receive a bill from a "third-party biller." A property owner hires a third-party biller to calculate water usage for each unit and there is one meter for the property.

These tenants are at a significant disadvantage. They merely receive a line on their rent ledger indicating the cost of the water usage. In addition, the water usage is not the tenant's actual usage. The value of the water usage is based on a predetermined calculation stated in a tenant's lease, including administrative fees associated with the water bill.

Third-party water billing is unregulated and goes unchecked. OPC's Water Services Division ((WSD) is receiving calls from tenants at risk of being evicted for failing to pay a third-party biller because it's considered a lease violation.

Unfortunately, DC law limits how OPC can handle consumer complaints against third-party billers. Nonetheless, we still want to hear from you. WSD can connect tenants with other government agencies, like the Office of the Tenant Advocate for assistance, and identify bill payment funds for tenants. If you live in a multi-unit building and are experiencing a water-related issue, contact OPC WSD at (202) 727-3071.



# Proposal Developed by OPC to Help Keep the Lights On is Approved

Members of PJM, the regional grid operator that helps to get electricity to DC homes or businesses, recently approved a proposal to enhance the reliability of the electric grid and increase opportunities for the integration of renewable energy resources. The proposal, developed by OPC in partnership with PJM and Brookfield Renewable, focuses on "black start facilities," which are generating resources that can help "jump start" the grid if there is a widespread power outage or black out.

The plan guarantees a certain number of black start facilities that can go into action during an outage, ensuring that critical electric service can be quickly restored. Working with its partners as well as state commissions and utilities, OPC ensured that the number and location of black start facilities would be based upon costs and benefits to balance reasonable restoration times with consumer costs.

Deploying an approach focused on reliability and addressing only the more extreme cases of potential restoration times will eliminate the need for costly system upgrades while still enhancing grid reliability. Additionally, while black start facilities are traditionally natural gas or other thermal generation units, the

proposal provides for increased use of renewable energy resources like wind and solar to ensure the facilities are up to speed. This plan will help the District meet its clean energy goals while potentially lowering costs and enhancing reliability.

## OPC Seeking to Keep Cost of Transmitting Electricity to Your Home Down

One of the fastest rising parts of consumer electric bills is the cost of transmission, that is the cost of moving power from where it is generated to where it is used, including homes and businesses in the District. One reason for those increased costs is the need to replace older transmission facilities that have reached the end of their service life.



On November 8, 2022, the US Court of Appeals for the District of Columbia heard a case on the planning process for replacing transmission facilities, and OPC was one of the principal parties arguing for more regional, cost-effective planning. Back in 2020, OPC, other consumer advocates, state commissions, public power entities and merchant transmission developers developed a process in which PJM, the regional power grid planner, would decide what replacement projects, if any, should be built when a facility is retired. OPC believes PJM is in the best position to determine what replacement facilities should be built, ensure costs are fairly allocated, and utilize a competitive planning process to help ensure that the right project is built for the right price.

The transmission owners offered a competing proposal that would continue to allow them to green light replacement projects. That would mean individual transmission owners would get to determine what they build--and at what cost-and PJM, as well as consumer voices, would be absent from the review of these projects. Unfortunately, when these two competing visions of transmission planning were brought to the Federal Energy Regulatory Commission, FERC chose the transmission owner proposal. OPC believes that this decision was based on neither the facts nor the law and, along with other parties, appealed it. A decision from the court is expected early next year.

## **OPC In Your Neighborhood!**

OPC looks forward to seeing you in-person. We welcome the opportunity to speak at your Advisory Neighborhood Commission, civic association or community group meeting onsite or virtually. We can give updates on utility issues, trends, and outline how we serve. Call (202) 727-3071 if

your group would like our staff to make a presentation onsite or "Zoom in." Contact the organizations listed below if you would like links to attend the meetings we'll be visiting virtually.

ANC 7C Meeting Thursday, December 8, 2022 7:00 pm - 8:00 pm Virtual

ANC 7B Meeting Thursday, December 15 6:30 pm - 7:30 pm Virtual

DC Housing Authority Service Providers Focus Group Friday, December 23 10:00 pm - 11:00 pm Virtual

> ANC 7B Meeting Thursday, January 19, 2023 6:30 pm - 7:30 pm Virtual

## **Photo Gallery**



OPC Consumer Outreach Specialist Jean Gross-Bethel (left) speaks with an attendee at Joint Utility Day at the Washington Convention Center. The November 10 consumer information event was third in a series where OPC and representatives of other DC government agencies, Washington Gas, DC Water, and Pepco educated consumers about programs to help them save energy and money on utility bills.



OPC Hispanic Coordinator Silvia Garrick hands out consumer information at a food distribution sponsored by the Mayor's Office on Latino Affairs in Ward 4.



These Ward 8 residents are happy to pick up our "purple power bags," filled with information about how OPC serves utility consumers, plus some good giveaways.



At a Ward 4 neighborhood tour in Brightwood Park, OPC Community Outreach Specialist Jason Starks explains to a consumer that OPC can negotiate with a utility on a customer's behalf to try to prevent disconnections and set up a payment plan to catch up with late bills.

#### **Connect With OPC!**

Do you have feedback or an idea for an article that could be featured in an upcoming edition of the OPC Connection? We want to hear from you! Just drop our editorial team an email @ <a href="mailto:info@opc-dc.gov">info@opc-dc.gov</a> or tweet us <a href="mailto:opc-dc.gov">opc-dc.gov</a> or tweet us <a href="mailto:opc-dc.gov">opc-dc.gov</a>

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