

Testimony of People's Counsel Sandra Mattavous-Frye

Before the

DC Council Committee on Business and Economic Development

On the Fiscal Year 2023 Agency Performance Oversight of the

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

February 28, 2024

Good morning, Chairman McDuffie, members of the committee, and the viewing public. I am People's Counsel, Sandra Mattavous-Frye. Accompanying me today are members of OPC's Directorate.

Today, I'm presenting an overview of OPC's performance achievements during Fiscal Year 2023, to date.

Staffing y

We are authorized for 56.4 Full-time Equivalent (FTE) positions and currently we have 49.4 full-time staff on board. We are actively recruiting for seven vacancies. The continuing challenge to hire and retain skilled staff, particularly for attorney and technical positions, is primarily due to the specialized nature of the positions, and a limited pool of candidates.

SBE Numbers

For FY '23, we have again exceeded our SBE goal, achieving 118% of our spending targets with Small and Disadvantaged DC-based businesses. We will continue looking for more SBE contractors.

Complaints

For FY'23 through the first quarter of FY'24, OPC's consumer services divisions have responded to 4,918 complaints. 3,501 are energy and telco complaints (a 19% increase over '22) and 1,417 are water complaints (42% increase over '22). This rise in complaints is a result of

unresolved consumer arrearages from the pandemic years when over 20% of all consumers were past due 30 days or more.

Unquestionably, the disconnection moratoriums saved lives and kept segments of the local economy afloat. Unfortunately, our 85% closure rate of energy and telco complaints indicates we are still months away from eliminating this high uptick.

Our closure rate on Water Services Division (WSD) complaints is 53%. The uniqueness of the water complaint process drives this lower closure rate. Resolution frequently requires intervention by multiple agencies, social service organizations, and Councilmember offices. The complexity of the disputes and agency and utility processes extend the resolution timeline.

In addition to complaints, OPC received more than 4,889 informal consumer inquiries from FY'23 to FY'24 to date.

Water Services Division Update

OPC's Water Services Division's complaints have grown exponentially, over the last 5 years.

¹ In FY '23, we successfully negotiated rule changes that allowed consumers to dispute billing irregularities and increased the timeline for a consumer to file a complaint from 10 to 20 days. In addition, we meet monthly with DC Water to keep the channels of communication open between the agencies.

Addressing Racial Equity

OPC currently collects demographic data, including race, as part of its consumer intake process. We use this information to create outreach materials and develop outreach events for targeted communities. In fiscal year 2023, our consumer services and water services divisions conducted a total of 221 outreach events.

The District's Non-and Limited English-speaking population (NEP/LEP) is rapidly growing. OPC has adapted its outreach accordingly. OPC received a perfect score of 12-out-of-12 for our outreach to NEP/LEP consumers from the DC Office of Human Rights for FY '23.

¹ Since its start in 2019, OPC's Water Services Division has received 3,062 consumer complaints.

Litigation

For FY '23, our litigation team represented consumers in 58 cases before the PSC, FERC, FCC, and the PJM. Additionally, OPC has litigated five consumer cases before DC Water hearing officers.

I continue to focus on affordability, equity, and educational outreach to the community. In addition, I am intensifying OPC's climate change advocacy, consistent with the city's laser focus on climate change, and its impact.

In WGL's recent rate case, OPC convinced the Public Service Commission to reduce WGL's excessive rate request. The Commission agreed with OPC that WGL's climate change proposals were not in the public interest and resulted in inequitable public benefits, especially for low-income consumers.

Pepco CREF Petition

Last year, we received numerous complaints that Pepco violated the interconnection rules for Community Renewable Energy (CREF) facilities. We petitioned the PSC to investigate Pepco's CREF practices. Our petition addressed consumer complaints about Pepco's issuance of inaccurate community solar bill credits and its noncompliance with metering rules.

OPC's CREF Petition resulted in a tangible victory in savings and advanced DC climate change goals.

Affordability

OPC is advocating for an affordability index in the current Pepco rate case. OPC recommends that the Commission establish a stand-alone proceeding after the rate case to examine low-income and affordability issues, including the affordability index.

DCCA Benning Road Victory

OPC recently won an appeal of the PSC's approval of Pepco's recovery of the costs of its Benning Road power plant cleanup from ratepayers. OPC believes these costs should not be charged to ratepayers. Our advocacy saved consumers \$1.9 million for remediation of the hazardous waste left at the plant.

Verizon

OPC has a statutory mandate to represent customers remaining on local telephone service. We focus on protecting the rights of seniors and low-to-moderate-income consumers who do not choose or cannot afford smartphone services. Many of these consumers do not know their options. We have conducted multiple consumer briefings on the Copper-to-Fiber “landline telephone” transition. We will continue to educate on this issue to protect seniors and other vulnerable consumers.

Climate Change

OPC supports the District’s goal to create a healthy, sustainable, and environmentally friendly energy future for District residents. OPC will continue to advance policies and initiatives prioritizing renewable energy, energy efficiency, and other carbon reduction strategies.

Our Environmental Justice Education campaign is on track. I will include conducting climate change and environmental justice events for youth and young adult audiences. We must inform everyone, especially young people, about the link between fossil fuels, high respiratory illness, and exposure to carcinogens in certain neighborhoods.

Public communication must be two-way. We educate and we listen. For example, because of the positive feedback we received from our youth seminar last April, we are initiating a plan to reach DC high schools this year.

Legislative

OPC actively participated in legislative climate change initiatives introduced by the Council, including the Healthy Homes and Residential Electrification Act and the Comprehensive Electric Vehicle Infrastructure Access, Readiness, and Sustainability Act.

In each case, OPC has emphasized the need for (1) equitable distribution of benefits and costs, (2) the development of consumer-centric policies as the District transitions to a clean energy environment, (3) meeting the District’s commitments to reduce greenhouse gases, and (4) creating a healthy environment for all DC residents.

The Energy Transition Accelerates

The utility industry's transition to a new energy order is in full stride. Industry players are already building out sections of the electric grid to support EV charging at levels previously unimagined. However, there should be equitable sharing of the costs and benefits of this transition.

The private sector is on a fast track. Amazon has already rolled out 10,000 electric delivery vehicles in the country. Walmart is working to increase electric capacity at each of its 5,000 store locations by 150% to support a huge commercial/public charging network that will service long-haul delivery trucks and has an 8,000 EV fleet of local delivery vans already on order.²

Competitors are investing more to keep up in this sector. Industry analysts estimate the US EV infrastructure growth rate will be 31% now through 2030.³

Conclusion

Previously, when I came before the Council, I would say, "Change is coming. Today, we know change is here!" Consumers cannot be left out of the decision-making process around electrification, because they must live with the resulting economic and environmental impacts. OPC will work to preserve the basic protections of affordability, equity, and reliability and simultaneously help prepare a clean and safe environment for consumers.

² <http://tinyurl.com/4ahcckn5>

³ <https://www.fortunebusinessinsights.com/electric-vehicle-ev-charging-stations-market-102058>
<https://www.pwc.com/us/en/industries/industrial-products/library/electric-vehicle-charging-market-growth.html> <https://chargelab.co/blog/ev-charging-market#:~:text=Most%20estimates%20put%20the%20expected,over%20the%20next%20seven%20years>