

**Testimony of People’s Counsel Sandra Mattavous-Frye  
Before the District of Columbia Council  
Committee On Transportation and the Environment  
On the  
Office of the People’s Counsel FY 2025  
Agency Oversight Performance**

**March 5, 2026**

Good morning, Chairman Allen, Members of the Committee, staff, and public viewers.

I am Sandra Mattavous-Frye, People’s Counsel. I welcome the opportunity to appear before you today to share OPC accomplishments to date.

Joining me at the table are members of my senior management team, including Deputy People’s Counsel, Karen Sistrunk, Director of Litigation Services, Laurence Daniels, and Chief of Staff, Eric Coard, who are available to respond to questions.

The challenges in the District of Columbia’s utility landscape are serious, and the stakes for consumers could not be higher. Rising energy costs, continued infrastructure investment, and economic uncertainty are placing increasing and unsustainable pressure on households across the city.

My testimony today highlights how OPC achieved its FY25 goals.

**I. Litigation Services Division (LSD)**

During FY 25, OPC’s Litigation Services Division (LSD) has been involved in 35 open cases before the Public Service Commission (PSC) and the Federal Energy Regulatory Commission (FERC). The cases include rate cases before the PSC. We are also awaiting the outcome of OPC’s appeal of the Pepco rate decision in Formal Case 1176.

In response to growing public concern and supported by our independent investigations, OPC filed three formal Petitions asking the PSC to act in the following matters:

- Petition to establish an Affordability Proceeding-November 25, 2025
- Petition to investigate the impact of the PJM auction on consumer rates-October 15, 2025
- Petition to investigate the unexplained power outages occurring, particularly in Wards 2, 3, 4, and 6- November 19, 2025

## **II. There is No Dispute that Utility Consumers are Facing Intense Financial Pressure**

Federal cuts are having a dramatic impact on all utility consumers, particularly low-and middle-income consumers. According to the DC Office of the Chief Financial Officer (OCFO), the ripple effect of federal cuts will result in 40,000 job losses in the District. At the same time, thousands of residents lost their social benefits due to federal cuts to LIHEAP, SNAP, and Medicaid. OPC has seen an overall 14% increase in consumer complaints, with 20% of all cases involving potential disconnection.

Under these oppressive economic conditions, consumers continue to accumulate large utility bill arrears and face service disconnection. The elimination of federal tax benefits for solar and energy-efficiency improvements is also wreaking havoc on families seeking affordable clean-energy alternatives.

## **III. Consumers are Feeling the Impact of PSC Decisions on Rates and Services**

Critical issues facing consumers are:

### **PEPCO**

- Pepco's Multiyear Rate Plan ("MYRP") (Pepco Formal Case 1176) is in its 2nd year. In the initial phase of the case, OPC argued that the MYRP failed to deliver tangible benefits to consumers. Rates have increased by \$123.4M over the last two years. OPC vigorously opposed the multiyear rate case on

substantive and procedural grounds. OPC argued against the PSC's over-reliance on projected costs and using evidence that was not in the evidentiary record.

- Procedurally, OPC argued against the Commission's decision not to hold an evidentiary hearing. OPC appealed the decision to the DC Court of Appeals because it conflicts with long-standing PSC practice. We are awaiting a decision.
- Unfortunately, the increases approved by the Commission at the local level, and at FERC, and PJM caused consumers' bills to rise to unprecedented levels.
- At the federal level, OPC joined with other state advocate offices to file comments with PJM and FERC, which has resulted in new rules to increase generation in the PJM region and to set price caps for future wholesale auctions. Both will prevent large increases in electric wholesale prices.
- Explaining the complex PJM case to the public is challenging. OPC developed a comprehensive report that explained what happened at the auction and outlined steps to reduce costs in the future.

### **Washington Gas (WGL)**

- OPC has aggressively fought to keep WGL's rates low. We objected to WGL's requested \$45.86 million rate increase, arguing that the over-inflated request lacked sufficient evidence. We countered WGL's request with a more equitable and reasonable rate increase of \$9.42 million. Notwithstanding the objections of all non-utility parties in the case, the PSC granted WGL a \$33.4 million rate increase.

Washington Gas (WGL) has increased investments in natural gas infrastructure (ProjectPipes) and continues to do so, despite the District's move toward

electrification. The original estimate for ProjectPipes was \$110 million over the first 5-year phase and \$1 billion over 40 years. In the past 3 years, the PSC has authorized nearly \$120 million in rate increases, with no end in sight.

### **DC Water**

- DC Water is proposing 6.6% and 5.3% rate increases for FY27 and FY28, respectively, driven primarily by capital improvement projects and debt service. OPC does not have a meaningful role in the rate-setting process. DC Water's Board of Directors sets the rates. Nonetheless, OPC is carefully reviewing and will submit comments on the rate proposal for timing, cost-effectiveness, capital expenditure efficiency, appropriate cost allocation, and the most appropriate rate structure to support water affordability for all consumers.

## **Interconnection, Outage Restoration, and Climate Plans**

### **Interconnection**

For years, consumers have voiced frustration with Pepco's solar interconnection process, citing delays and significant cost differences among neighbors. In 2024, OPC filed a petition to investigate the root causes of these issues. The petition calls for the PSC to require Pepco to adopt more efficient processing methods to support the District's clean air goals. Since early 2025, OPC and various stakeholders have collaborated to update and improve the rules governing residential solar interconnection in DC.

We thank you, Chairman Allen, and support your bill to address these issues. OPC believes that if adopted, these changes will simplify the interconnection process, enhance accountability, and establish clear timelines and standards.

## **Pepco Outages**

Pepco power outages throughout the city continue to plague DC residents. Consumers are experiencing outages and major appliance damage resulting from Pepco's flawed restoration process in Wards 2, 3, 4, and 6. In response to several consumer complaints, OPC filed a petition with the Commission requesting an investigation into the outages, Pepco's service restoration process, liability, and consumer reimbursement practices. OPC's investigation highlighted several flaws in Pepco's restoration of service that caused an electrical surge, resulting in equipment damage to homeowners.

In response to OPC's petition, the Commission issued an order requesting comments from OPC and Pepco about the outages and Pepco's reimbursement practices. OPC's goal is to improve Pepco's service restoration process, particularly when consumers are not at fault.

## **Pepco and WGL Climate Plans**

In Formal Case No. 1167, both Washington Gas and Pepco have filed their 15-year climate business plans to reduce carbon emissions.

OPC has filed comments noting deficiencies in both plans and emphasizing the need for details on how each utility will meet the District's goals for reducing carbon emissions in a manner that benefits consumers and supports affordable electrification.

### **IV. OPC's Advocacy to Protect Consumers**

Affordability is a nationwide crisis. OPC commissioned a 2025 Affordability Study to provide empirical data and analysis on the scope and impact of the affordability crisis in DC. OPC petitioned the PSC to open a proceeding to examine affordability and to address the problem at the front end of proceedings.

Energy burden is defined as the amount of income a consumer spends on utility bills. Above 6 percent of household income is "unaffordable" and above 10 percent is a "severe" energy burden. OPC's 2020 energy affordability study found that SNAP-eligible households in the

District face an average energy burden of 20.5%. The Commission granted OPC's petition on January 15, 2026.

OPC's goal is to provide the PSC and the parties with a sound basis to make a full and reasonable decision that provides tangible benefits to consumers and relieves the financial pressure.

In addition, OPC supports your bill for automatic enrollment in utility discount program.

**V. Consumer Complaints are Increasing, and OPC's Consumer Education is Expanding.**

In FY 2025, OPC handled an unprecedented 6,463 consumer complaints. The surge in complaints is the direct result of the economy's fiscal impact.

To further enhance consumer education and outreach, OPC:

OPC attended 284 consumer education meetings, produced 4 Podcasts with DC Cable TV and developed 16 educational videos. We also hosted a Water Summit drawing over 700 consumers; a 2-day Youth Environmental Summit for HS students. Also, with the support of DC Public Schools, we launched our Adopt-a-school program at Anacostia HS with a four-part curriculum. Thank you, Principal Kenneth Walker and Dr. Deborah Lyons and staff, for your invaluable help.

**Closing Statement**

The Office of People's Counsel was established in 1926 and was dissolved in 1952. After 23 years, public outcry over skyrocketing rates and poor service led to OPC's reestablishment in 1975. Stakeholders aimed to level the playing field and protect DC consumers' entitlement to "just, reasonable, and affordable utility service." They saw the need for consumers to have independent representation against monopoly utilities. The need remains, and OPC will continue to aggressively advocate for consumers to address that need.