

# D.C. Utility Consumer Guide



Advocating | Educating | Protecting



**The Office of the People's Counsel**

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# Welcome from the People's Counsel

District of Columbia Utility Consumers,

As your utility consumer advocate, a critical part of OPC's comprehensive advocacy program is to educate District residents about their public utility services. This guide is designed to help you better understand how the District's utility companies provide these vital services, as well as OPC's role as your utility consumer advocate and to inform you about critical utility issues. OPC has always believed that a strong partnership with the community it serves is vital to its consumer advocacy efforts. To that end, we continue to work diligently with advisory neighborhood commissions, civic and citizens associations, offering their members valuable utility information and technical assistance for public hearings. It is equally important to hear their concerns and issues.

The District has entered into a new era of utility technology, with changes affecting delivery of telecommunications, natural gas and electric services to our neighborhoods. OPC will increase its efforts to ensure reliable delivery of your utility services. OPC will work with you, the consumer, to protect your rights to have affordable basic services, quality of services and to provide all necessary educational information to empower you to become informed utility consumers. OPC is here to give you a voice in the District's public utilities services regulatory process. Please share this information with your neighbors.

And remember . . . OPC is always here to serve you.



Sincerely,

A handwritten signature in black ink that reads "Sandra Mattavous Frye". The signature is written in a cursive, flowing style.

Sandra Mattavous-Frye  
People's Counsel

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# How OPC Works for You

*The Office of the People's Counsel is the public advocate for natural gas, electric, and telecommunications ratepayers in the District of Columbia. By law, the Office represents D.C. utility ratepayers' interests before the Public Service Commission, Federal Energy Regulatory Commission ("FERC"), Federal Communications Commission ("FCC"), other utility regulatory bodies and the courts. The Office is mandated to conduct consumer education and outreach and may represent individual consumers with complaints related to their utility service and bills.*



The Office is headed by the People's Counsel, Sandra Mattavous-Frye, an attorney appointed to a three-year term by the Mayor with the advice and consent of the District City Council. The Office works for D.C. ratepayers in the following ways:

**Litigation:** OPC's attorneys manage and present cases involving utility companies before the Public Service Commission (PSC), federal regulatory agencies and the D.C. Court of Appeals. This work includes developing overall litigation strategies, preparing aspects of each case, coordinating outside counsel, and marshaling various expert technical witnesses.

**Consumer Complaints:** If you have a problem with your utility bill or service, OPC may be able to help you. Staff is available to contact the utility on your behalf to address the problem informally. If your complaint cannot be resolved informally, OPC may provide you with a staff attorney who will represent you at a hearing before the PSC.

**Community Outreach:** OPC encourages public participation in the regulatory process and provides general information and technical assistance to D.C. consumers. Staff speaks at meetings of ANCs, civic and citizens associations and other community groups throughout the District to educate the public about current utility issues and trends. OPC also serves as a technical resource for these organizations and the Consumer Utility Board.

# How to File a Complaint with OPC

As the statutory representative of the District's utility consumers, a consumer can file an individual complaint with OPC.

Below is a brief description of OPC's consumer complaint process:

1. OPC staff receives utility consumer complaints by phone, email, fax, walk-in visits or online.
2. OPC staff interviews you to obtain information and provides you with an overview of the complaint resolution process and time frame for follow up with you.
3. OPC staff then forwards a detailed description of the complaint to the utility company. If the complaint involves billing or meter accuracy questions, a referee meter test can be performed. This test measures the accuracy of the meter serving your home. It is conducted on the consumer's premises by a utility company representative and witnessed by a representative of the PSC at the consumer's request.
4. When OPC receives the utility company's report, a staff member will contact you to review the report and discuss proposed next steps.
5. The next steps may include:
  - Requesting additional information from the utility company or you;
  - Negotiating further with the utility company to resolve the complaint;
  - If negotiations are unsuccessful, then seeking an informal hearing before the PSC; or
  - Closing your file.
  - When a complaint file is closed, a "close out" letter is sent to the consumer. The "close out" letter provides a summary of actions taken by OPC staff during the informal resolution phase, the complainant's statements and the utility's response. The "close out" letter also outlines any decision reached during the informal resolution and the consumer's right to request a hearing before the PSC.

*For further information or to file a complaint, contact OPC at 202.727.3071.*

# Understanding Your Electricity Charges

***Distribution* charges are regulated by the D.C. Public Service Commission.**

## Account Details

### Services for Jan 27, 2012 to Feb 28, 2012:

Winter rates in effect

#### Distribution Services:

Customer Charge		6.65
Energy Charge	First 400 KWH x 0.0066250	2.65
	Next 243 KWH x 0.0141152	3.43
	at 0.0000607 per KWH	0.04
Energy Assistance Trust Fund	at 0.0015000 per KWH	0.96
Sustainable Energy Trust Fund	at 0.0019400 per KWH	1.25
Public Space Occupancy Surcharge	at 0.0070000 per KWH	4.50
Delivery Tax	at 0.0023294 per KWH	1.50 CR
Administrative Credit Res	at 0.0006910 per KWH	0.44
Residential Aid Discount Surcharge		
<b>Total Charges - Distribution</b>		<b>18.42</b>

#### Generation Services:

Minimum Charge	Includes First 30 KWH	2.75
Energy Charge	Next 613 KWH x 0.0915400	56.11
Procurement Cost Adj Res	at 0.0003180 per KWH	0.20

#### Total Charges - Generation

**59.06**

#### Transmission Services:

Minimum Charge	Includes First 30 KWH	0.12
	Next 613 KWH x 0.0045400	2.78

#### Total Charges - Transmission

**2.90**

## CURRENT CHARGES THIS PERIOD

**\$80.38**

**Distribution** is the service provided by the energy utility to deliver electricity safely and reliably to your home. Distribution rates pay for the power poles, lines, meters, linemen and customer service representatives who serve you. You pay Pepco for distribution. This portion is regulated by the D.C. Public Service Commission.

**Generation** is the cost of producing power. You may obtain these services from the energy supplier of your choice.

**Transmission** refers to the cost of transmitting electricity from power plants outside the District over high-voltage lines to Pepco's distribution system. While Pepco owns some transmission facilities, all transmission in the region is operated by a regional transmission operator ("RTO"). This portion of your bill is regulated by the Federal Energy Regulatory Commission.

# Understanding Your Electricity Charges

**Energy Usage History** tracks monthly energy usage for comparison.

**Monthly Usage** make sure you read your bill to ensure it's an actual reading instead

## Energy Usage History

**Price To Compare (Generation and Transmission Services)**  
Based on billed usage

10.23 cents per kwh

	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12
DAYS	28	32	29	29	32	31	28	33	29	33	31	29	32
KWH	680	610	580	540	1200	1530	1110	880	573	716	711	687	643

## Meter Summary

Meter Reading Information					
Meter No.	Description	Previous Reading	Present Reading	Multiplier	KWH Used
	Residential-R	2357	3000	1	643

**Meter Summary** includes your monthly meter reading information: number of kilowatt-hours (KWH) used during the billing period, your rate classification, date of your next scheduled meter reading and whether your current bill is actual or estimated.

The present reading is an actual reading.

Your next scheduled meter reading is March 28, 2012.

**Surcharges** refer to the taxes and other charges that Pepco is required to include on customers' bills. Those funds are paid to the appropriate government agency. Examples include the Gross Receipt Tax, Environmental Surcharge and Delivery Tax.

**Price to Compare** is the average cost per kilowatt-hour for generation and transmission service, based on your rate classification. Use this to compare your Pepco costs with offers you may receive from other electricity suppliers. This figure will fluctuate monthly depending on your usage and rates.

# Understanding Your Natural Gas Charges

**Charges** look at this section to ensure your previous month's payment has been correctly posted to your account.

GAS USAGE DETAIL		CHARGES	
TOTAL THERMS USED	280.0	PREVIOUS BILL AMOUNT	591.97
DISTRIBUTION SERVICE		PAYMENTS RECEIVED	591.97
DISTRIBUTION CHARGE		CHARGES THIS PERIOD	
280.0 TH @ \$.3216	90.04	GAS USAGE	317.57
CUSTOMER CHARGE	7.95	TOTAL THIS PERIOD	317.57
DC RIGHTS-OF-WAY FEE	8.57		
NATURAL GAS SUPPLY SERVICE		TOTAL DUE	\$ 317.57
PGC @ \$.6629	185.61		
SUSTAINABLE ENERGY TRUST FUND	3.92	TO AVOID LATE PAYMENT CHARGES, FULL PAYMENT MUST BE RECEIVED BY 03/12/12.	
ENERGY ASSISTANCE TRUST FUND	1.68		
STATE & LOCAL			
DELIVERY TAX @ .070700	19.80		
<b>TOTAL GAS CHARGES</b>	<b>\$ 317.57</b>		

**12-Month Energy Use History** tracks monthly energy use patterns.

## 12-MONTH ENERGY USE HISTORY

Mo/Yr	HDD	Th	Mo/Yr	HDD	Th
01/12	839	299	07/11	0	25
12/11	594	181	06/11	6	27
11/11	329	128	05/11	120	40
10/11	78	33	04/11	429	159
09/11	0	22	03/11	572	215
08/11	0	22	02/11	836	347

Total TH 1,498

**Distribution Charges** are the cost of delivering the natural gas through Washington Gas' system to your residence.

**System Charges** cover some costs of providing your service, including depreciation, taxes, maintenance and repair of gas lines, along with customer-related expenses, such as meter reading and billing.

**Taxes** are imposed by your federal and District governments, and are collected and remitted to the appropriate taxing authorities.

# Understanding Your Natural Gas Charges

## *Days in This Billing Period*

pay close attention to this section because it affects the amount of your total bill.

## ACCOUNT INFORMATION

### Service Address:

Mailed	02/21/12
Account Number	0359215027
Meter ID No.	982575
Rate Class	RESIDENTIAL HEAT/COOL
Level	1
Next Meter Reading Date	03/16/12
Days in This Billing period	29

Gas Use	Reading	Date	Method
Current Reading	5360	02/15/12	READ BY CO.
Previous Reading	- 5086	01/17/12	READ BY CO.
CCF of Gas Used	274		
Unmetered Gas Light (CCF) +			
Total CCF of Gas Used	274		
Conversion Factor	X 1.022		
Total Therms (TH) Used	280.0		

**CCF of Gas Used** is the unit of measurement on your meter of the amount of natural gas used. One CCF is equal to 100 cubic feet of gas. There is a conversion factor for the heating value of the fuel and a converted usage figure, which is Total Therms.

**Purchased Gas Charge** includes the cost of the natural gas and transporting the gas to the Washington Gas system.

# Understanding Your Telephone Charges

## Breakdown of Charges

Aug 23 – Sep 22

### Voice Services

Residence DialTone & Local Usq	12.78
Monthly Flat Svc	
<b>Total Voice Services</b>	<b>\$12.78</b>

### Change in Service and Partial Month

Residence DialTone & Local Usq	10.65
Monthly Flat Svc	
Economy II Senior Upgrade Service	-.83
<b>Total Change in Service and Partial Month</b>	<b>\$9.82</b>

### Taxes, Fees & Other Charges

#### Voice

DC Universal Service Trust Fund	.39
DC Public Rights-of-Way Use Fee	2.27
DC Gross Receipts Tax Surcharge	2.26
DC E911/311 Fee	.76
DC Federal Universal Service Fund Surcharge	.53
Federal Excise Tax	.90
Federal Subscriber Line Charge	3.87
<b>Total Taxes, Fees &amp; Other Charges</b>	<b>\$10.98</b>

*Voice Services* make sure that these are the features that you have approved and use regularly or often.

*Taxes, Fees and Other Charges* are approved by Federal government and D.C. City Council.

**Bundled Services** allow you to receive telephone, cable television and internet services provided by one company. Please note: Only local telephone service is regulated by the DC Public Service Commission and falls under the jurisdiction of OPC.

**DC Universal Service Fund** is a surcharge used to pay for Economy II and Telecommunications Relay Service (telephone service for deaf consumers).

**Federal Excise Tax** is mandated by Congress and is imposed on all telecommunications services. This charge appears on local and long distance bills.

**Federal Subscriber Line Charge** is required by federal law and assists with providing telecommunication services to low-income and rural consumers, as well as eligible schools and libraries.

**Gross Receipts Tax Surcharge** is required of all District public utilities. They are required to pay this tax to the District government.

# Utility Consumer Bill of Rights

The Consumer Bill of Rights (CBOR) was revised in 2009. As stated in the CBOR Introduction, its purpose is as follows:

Technological changes, new federal and District of Columbia laws, and the actions of the Public Service Commission have created competitive natural gas, electricity and telecommunications service markets in the District of Columbia, providing residential consumers with new choices.

Consumers have access to an array of Competitive Service Provider services as well as continued access to the regulated services of utilities. The purpose of this chapter is to set forth residential consumer rights, responsibilities and rules for the initiation and acquisition of services, such as, but not limited to, Meter reading, Billing, Deposits, Disconnections and Reconnections of service and the resolution of Complaints between residential consumers and a Utility, Energy Supplier or Telecommunications Service Provider.

## Consumer Bill of Rights Highlights

The CBOR provides safeguards for utility consumers that use natural gas, electricity and telecommunications services in the District's competitive utility markets. It defines the relationship and responsibilities of utility service providers and consumers. Following are highlights of several of the CBOR's most important sections:

**Energy Meter Locations** describes the meters' location, the responsible party for meter relocation costs and meter accessibility;

**Disconnection and Reconnection of Utility Services** describes procedures for disconnection, policies regarding consumers' health and safety if service is to be disconnected, disconnection notices and time frame for reconnecting services; and

**Customer Inquiries and Complaints** describes the procedures for utility consumers to make inquiries or lodge complaints about their utility services, the companies' customer service representatives responsibilities regarding complaints and consumers rights concerning resolution of their complaints.

Copies of the CBOR are available at the Public Service Commission of the District of Columbia, 1333 H Street, NW, or on line at

[www.dcpsc.org](http://www.dcpsc.org) or [www.opc-dc.gov](http://www.opc-dc.gov).

*“The Consumer Bill of Rights defines the relationship and responsibilities of utility service providers and consumers.”*

# Quick Facts about Energy Efficiency



- Set your water heater temperature at 120°F which can reduce your water bill by 10%. Water heating can account for 14% to 25% household energy.
- Insulate your electric water heater which can reduce heat loss by an appreciable 25% to 40%, representing a savings of around 9% on your annual water heating costs.
- Seal tiny cracks and gaps around doors, windows and baseboards to prevent air from leaking into your home. Sealing these areas can save you up to 10% on your utility bill.
- Tape a heavy-duty, clear plastic sheet to the inside of your window frames during the cold winter months to stop leaks.
- Install exterior or interior storm windows which can reduce heat loss through windows by 25% to 50%. Storm windows should have weatherstripping at all movable joints, be made of strong durable materials and have interlocking or overlapping joints.
- Use controls such as timers and photo cells to save electricity by turning off lights when they are not in use.
- Use Compact Fluorescent Lightbulbs (CFL) which will save about \$30 over their lifetime. CFLs use 75 percent less energy and last about 10 times longer than an incandescent bulb.
- Install a programmable thermostat which can save you about \$180 a year in energy costs.
- Purchase multi-function electronic devices that combine several capabilities. All In One Printers (print, fax, copy, scan), computers, and TV/ DVD combinations save energy and reduce clutter.
- Buy ENERGY STAR electronics which use 70% less electricity than electronics without this designation. They spend a large portion of time in low-power mode which not only saves energy, but helps equipment run cooler and last longer.
- Avoid the “phantom load” that many appliances continue to draw when switched off. These “phantom loads” occur in most appliances that use electricity, such as televisions, stereos, and items with a digital display. Phantom loads can be avoided by unplugging the electronics or using a power strip to cut them off.
- Repair leaky faucets promptly because they waste gallons of water in a short period or time.
- Use rechargeable batteries for products like cordless phones and PDAs. They are more cost effective than throwaway batteries.

*Source: U.S. Department of Energy, Office of Energy Efficiency & Renewable Energy*

*The District of Columbia Department of the Environment Energy Office (DDOE) has a variety of programs that can assist you with your utility costs and help make your home more energy efficient. For more information, please contact DDOE at (202) 535-2600 or online at [www.green.dc.gov](http://www.green.dc.gov).*

# Current Issues in Electricity

## OPC Advocates for a Review of Smart Meter Opt-Out Provision

After hearing a number of complaints and concerns from consumers about the safety of Pepco's newly deployed smart meters, the Office requested the DC Public Service Commission to conduct a feasibility study to determine if Pepco would provide consumers with an opt-out provision. The opt-out would allow a consumer not to have a smart meter installed on their home. The Commission denied OPC's request citing the lack of an opt-out provision in the DC City Council's legislation that approved the smart meter deployment. OPC continued to advocate on this issue for consumers by requesting the Council to direct the Commission to conduct the opt-out feasibility study and to study the health and safety of the new meters. The Council encouraged the Commission to conduct the study. Shortly thereafter, the Commission initiated a proceeding to determine if an opt-out is feasible and to investigate the health and safety of the smart meters. As of March 2013, was no procedural schedule for this investigation.

## OPC Petitions to Investigate Pepco Executive Compensation

On February 15, 2013, the DC Public Service Commission (PSC) initiated an investigation into a mechanism by which Pepco's senior management's executive compensation can be tied to electric reliability. The Order is based on an August, 2012, OPC Petition. For years, OPC has advocated for Pepco's executive compensation, which is funded by D.C. ratepayers, to be responsive to Pepco's electric reliability woes. In numerous Comments, the Office has stated that such a tie is necessary and fair to reflect the electric reliability issues that plague the District. Finally, the Commission initiated the investigation. Pursuant to PSC Order No. 17078, Pepco has sixty days to file a response to the D.C. PSC's inquiry. OPC and interested parties will have thirty days from the date of Pepco's filing to respond and comment.



# Current Issues in Electricity

## Important Questions to Ask Before Selecting an Alternative Utility Service Provider

It is important to fully understand that you are entering into a private contract with an independent utility provider and that some of the consumer protections available under regulated utility service may not apply.

### Why am I considering an alternative energy provider?

Is your goal to save money, to be environmentally conscious, to choose a renewable energy option or to take advantage of new features offered by the provider? Determining the reasons for considering an alternative supplier is critical in making the right decision for you.

**Do you feel unwanted pressure to switch?** Any legitimate offer of utility service should not rely upon pressure sales tactics. OPC recommends that you ask to be provided a full copy of the contract to review, including details of all charges and penalty provisions before making a decision to sign or agree to service over the telephone.

**What personal information can a supplier require as a condition of service?** Under no circumstances should you be required to provide your social security number, bank account numbers, drivers license or credit card information before a contract offer is made. If asked for these items up front, OPC recommends that you take extreme caution. Use of your credit cards or bank accounts should only be an option for your convenience in making payment. You should also ask whether the company will run a credit report on your application.

**Will my customer data remain private?** OPC also recommends that you ask whether your personal information will remain private or will the company have the right to resell its customer list to businesses such as bulk mailers and telemarketers.

**Has the alternative provider been authorized to operate in D.C.?** For any offer you receive, ask whether the provider is approved by the Public Service Commission to conduct business in the District of Columbia. You can check the list of authorized providers at the Public Service Commission website: [dcpsc.org](http://dcpsc.org).

**What is the actual rate being offered?** Whether your goal is to save money or to secure a specific type of service, you must not lose sight of the rate for the service. Can the provider guarantee in writing the rate you are quoted for the entire length of the contract?

**Will customer service be satisfactory?** Quality of Service is another key decision in selecting a utility supplier. An important measure is whether the utility supplier will provide customer service assistance at a local business office that is open to the public and if a local telephone number is provided for customer service inquiries.

**Is assistance available to compare your existing rates with your current utility with those of the alternative energy provider?** Utilities bills and the charges, taxes and fees outlined on them can be very intimidating. Most consumers

will find that they need an impartial third party help to break down the many items on the bill for comparison. OPC can assist you with this. A sample utility bill comparison can be found at [www.opc-dc.gov](http://www.opc-dc.gov).

**Did you know that even if you change to an alternative energy service provider, your local utility will still get the energy supply to your home?** In most cases, regardless of which supplier you choose, you will also remain a customer of the local utility for the purpose of service delivery. Therefore you must learn in advance how you will be billed, when the bill will arrive and when will it be due. It is your responsibility to be sure both companies are being paid in a timely manner.

**What are the terms for cancelling a new energy service provider?** Finally, OPC recommends that you carefully consider whether you have the option to cancel the contract upon request for any reason within the first few weeks, or at any other time during the contract term. Before signing or giving verbal consent, you should ask if there is a rescission period, and what penalties apply for early cancellation.

For more information, contact the Office of the People's Counsel at 202-727-3071, by email: [ceceo@opc-dc.gov](mailto:ceceo@opc-dc.gov), or on the web: [www.opc-dc.gov](http://www.opc-dc.gov).

# Current Issues in Electricity

## FAQ's about Public Service Commission's Order in Rate Increase Application

**Formal Case No. 1087**

**Q: What was the result of the rate case and what is the financial impact for consumers?**

A. On September 27, 2012 the Commission issued its order on the rate case granting Pepco a \$24 million rate increase. As a result, consumers' bills will increase by \$2.60 a month.

**Q. Why did PSC grant Pepco \$24.3 million despite its poor quality of service?**

A. The Commission granted Pepco \$24 million dollars because it felt the Company presented sufficient evidence on a number of proposals including the installation of the NE substation and new subtransmission lines to improve reliability, an upgrade of the network control center, and for improvements to the Company's customer care services. Additionally, the Commission granted approval of nearly \$9 million for smart grid recovery as directed by the City Council's approval of the AMI Act. The AMI cost recovery represents 37% of the overall rate increase.

**Q. What was the Commission's decision on Pepco's proposed new cost recovery mechanism known as the Reliability Improvement Recovery Mechanism ("RIM")?**

A. The Commission rejected Pepco's RIM outright. The order stated that the RIM was flawed in its design, is bad regulatory policy and inappropriate for the District of Columbia.

**Q. What did the Commission decide about OPC's proposal of a \$2 million credit to consumers for the Company's poor reliability performance?**

A. Unfortunately, the Commission denied OPC's proposal for a \$2 million credit. The PSC found that although Pepco's performance was not stellar, the Company had complied with the Commission's reliability standards.

**Q. How will the Commission evaluate Pepco's reliability performance in future rate cases?**

A. The Commission will pay very close attention to Pepco's request for cost recovery for reliability projects. In fact, the Commission is requiring Pepco to provide detailed information 3 months before the Company files its next rate case about all reliability projects for which it seeks recovery.

**Q. What can OPC do to ensure Pepco makes efficient use of its resources to improve service reliability?**

A. OPC will continue to participate in every proceeding before the Commission and the Mayor's Undergrounding Task Force. Additionally, OPC will monitor the progress of every one of Pepco's reliability projects and advocate for the Commission to use the full breadth of its authority to hold Pepco accountable for providing safe, adequate and reliable service.

# Current Issues in Natural Gas

## Washington Gas Light Company Rate Increase Application

### Formal Case No. 1093

#### What is Washington Gas Light Company (“WGL”) asking for?

On February 29, 2012, WGL filed a base rate application requesting approximately \$29 million in additional revenues, which is an overall increase of approximately 14% in revenues.

#### If WGL is allowed the additional \$29 Million, what does that mean for a District natural gas consumer?

WGL’s requested \$29 million will increase the average natural gas consumer’s bill by 14.9 % or \$11.79 per month.

#### What is OPC’s position regarding the WGL rate increase?

On July 17, 2012, OPC filed its Direct Testimony in the WGL base rate proceeding. OPC opposes WGL’s rate increase request. In fact, OPC is recommending a reduction in current rates of \$9,295,657, which is \$38,265,227 less than the \$28,969,570 increase requested by the Company

#### What else does OPC say in its Direct Testimony?

In addition to the over \$9 million rate reduction, OPC also recommends and finds:

#### I. FINDING:

WGL seeks an excessive 24% increase for its Rate of Return

#### OPC RECOMMENDATION:

A rate of return on equity of 8.50%, as opposed to the 10.9% proposed by WGL, this would cap how much profit the company is allowed to earn.

WGL’s proposed depreciation rates and expenses are excessive.

#### OPC RECOMMENDATION:

OPC is recommending that WGL’s depreciation expenses should be reduced.

#### III. FINDING:

WGL’s proposed weather normalization adjustment is understated. Understating usage will mean higher payments to the Company when actual usage is calculated.

#### OPC RECOMMENDATION:

Reject WGL’s proposed research and development initiatives for gas customers resulting in a \$176,821 reduction to adjusted test year expenses.

#### IV. FINDING:

WGL’s cost of service study understates the contribution of residential ratepayers to the Company’s earnings. OPC finds the proposed rates and rate design are flawed.

The Company’s proposed method of recovery would significantly diminish the Commission’s oversight abilities and result in excess earnings.

#### OPC RECOMMENDATION:

WGL’s proposed accelerated pipeline replacement plan recovery mechanism is unnecessary and should be rejected.

The Company can recover prudent expenditures through a conventional rate case.

#### V. FINDING:

WGL’s pipe replacement proposals do not clearly describe the number of service lines and miles of unprotected steel and small

diameter cast iron pipe to be replaced. The proposals also fail to identify how the work would proceed each year. WGL’s proposal lacks specific performance measures and how the costs and budgets will be controlled.

#### OPC RECOMMENDATION:

OPC recommends WGL correct data supporting its proposed pipeline replacement program.

#### VI. FINDING:

WGL requests too much flexibility in its pipeline replacement plan. As a result there is not accountability as to how program funds would be used.

OPC’s analysis of WGL’s leak rates does not support an urgent need for accelerated replacement programs.

#### OPC RECOMMENDATION:

OPC recommends that WGL’s accelerated replaced plan be denied.

#### CASE UPDATE:

A briefing for the public was held by OPC on September 6, 2012. Evidentiary hearings were held on October 4 & 5 and 15-17, 2012. Post-Hearing Briefs were filed on November 7, 2012 and Reply Briefs were filed thereafter on November 20, 2012. On February 15, 2013, the Commission accepted and included the supplemental written testimony of the Apartment and Office Building Association of Metropolitan Washington (“AOBA”) and WGL into the record. The Commission also closed the record on February 15, 2013, and the parties are now awaiting a decision.

# Current Issues in Telecommunications

## Investigation into the Reliability of Verizon's Telecommunications Infrastructure in the District of Columbia Formal Case No. 1090

### Why did OPC file a Petition with the Commission about Verizon DC?

On August 26, 2011, the Office of the People's Counsel (OPC) petitioned the DC Public Service Commission (Commission) to conduct an inquiry regarding Verizon DC's service quality performance. In its petition, OPC advised the Commission that it had received numerous complaints from consumers and ratepayers in all of the District of Columbia's wards about the recurring service outages and interference on their telephone lines. The common theme of these complaints was that Verizon DC's existing telecommunications infrastructure in the District of Columbia is unreliable. DC law requires all public utilities operating in the District to provide safe, adequate, and reliable service. The complaints OPC received from consumers indicate Verizon DC's service is inconsistent with its statutory requirements; therefore, OPC determined that a formal investigation was necessary.

### What was the Commission's response to OPC's Petition?

The Commission granted OPC's Petition, opened the docket to establish an investigation, and set a procedural schedule.

### Has OPC filed testimony in the case?

Yes, on July 2, 2012, OPC filed Direct Testimony setting forth its position on the issues.

On September 25, 2012, OPC filed Rebuttal Testimony challenging Verizon DC's overall position that the quality of service Verizon DC provides District consumers is fine.

### What is OPC's position?

OPC made the following key points in its Direct Testimony:

- The Commission should require Verizon DC to provide the highest level of service possible consistent with its statutory obligation under Section 34-1101(a) of the D.C. Code, regardless of the medium (e.g., landline service provided over a copper infrastructure, FiOS and Broadband) used to provide local exchange service in the District of Columbia.
- Based on available evidence, OPC concluded that Verizon DC did not incorporate the agreed-upon terms of the 2008 Settlement Agreement approved by the Commission into its day-to-day operations or business practices. Verizon DC continued business as usual, using the same training programs, even after the Settlement Agreement ordered Verizon

DC to amend its policies and practices.

- The Commission should set quality of service standards in the District at a higher level and the Commission should sanction Verizon DC with penalties if the quality of service standards are not met.

### How will consumers be affected if the Commission adopts OPC's position?

Consumers can expect Verizon DC to pay more attention to the quality of service it provides in DC and to actually provide more reliable service because it will be required to adhere to higher standards of service or pay penalties for not doing so.

### Case Update

On January 23 – 24, 2013, the Commission held evidentiary hearings where OPC officially entered its testimony and exhibits into the record. The Office also cross-examined Verizon's witness concerning the quality of service it provides to DC consumers and the reliability of its network. OPC will file its initial brief on March 27, 2013, urging the Commission to direct Verizon to comply fully with the terms of the 2008 Settlement Agreement and also to change the telecommunication quality of service standards that Verizon must meet. Once the briefs are submitted and the record is closed, the Commission will issue a final decision in this

# Utility Discount Program (UDP)

Qualified D.C. residents can apply for Discounted Rates on their natural gas, electric, water and telephone bills by visiting one of the [District Department of the Environment Energy Administration](#) centers between 8:30 a.m. - 4:00 p.m. at one of the following locations:

**Wards 1-6:** 1207 Taylor Street, NW (no appointment is necessary)

**Wards 7-8:** 2100 Martin Luther King Avenue, SE (no appointment is necessary)

## Residential Essential Service (RES) Program

Eligible Washington Gas customers in the District of Columbia may qualify for a discount on a portion of the natural gas they use during the winter heating season from November to April. To participate in the RES Program, District residents must use natural gas as the principal source for home heating. The maximum potential annual savings through the RES program is \$276.



## Residential Aid Discount (RAD) Program

Eligible Pepco customers in the District of Columbia may qualify for a discount on a portion of the electricity they use. RAD customers receive a monthly discount on the first 400 kilowatt hours of electricity used. The potential savings are about \$28 per month or \$336 annually. Electric heating customers save approximately \$44 per month or \$528 annually.



## Customer Assistance Program (CAP)

Eligible residential DC Water customers in the District of Columbia may qualify for a discount on the first 400 cubic feet (4ccf or 3,000 gallons) of water and sewer services used each month. The potential discount could be up to \$372 annually.



## Lifeline Program

Verizon's Lifeline service is a government assistance program and only eligible consumers may enroll. The service is non-transferable and the program is limited to only one discount per household.



## ENROLLMENT PROCESS

New UDP Applicants:

1. Consumers not currently enrolled in UDP may apply by mail or visiting one of the DDOE, Energy Administration centers.
2. UDP and Lifeline applications may be downloaded from the DDOE website at [www.ddoe.dc.gov](http://www.ddoe.dc.gov).

## RECERTIFICATION PROCESS

Existing UDP Participants:

1. DDOE will mail application packets to current participants during August and follow up with a reminder notice during September.
2. Applicants may call 311 to obtain the status of their utility discount application(s).

## INCOME ELIGIBILITY REQUIREMENTS FY 2013

# of Persons in Household	Maximum Annual Income
1	\$23,915
2	\$31,274
3	\$38,632
4	\$45,991
5	\$53,350
6	\$60,708

*Note: Eligible customers may apply anytime during the year.*

# Utility Discount Program (UPD)

## Lifeline/Link-Up Program

To qualify for any of the discounts below, utility bills must be in the applicant's name and they must meet the income guidelines established by the U.S. Department of Health and Human Services.

### Economy II Telephone Service (ECON II)

The Economy II program offers discounted local Verizon telephone service to qualified District residents age 64 years and under for \$3.00 a month. Economy II customers will be provided with unlimited calling in the Washington metropolitan area. Seniors age 65 and older will receive a monthly discounted rate of \$1.00 with unlimited calling in the Washington metropolitan area. With the Economy II program, Verizon offers a free blocking option for long distance calls. If a customer chooses this blocking option voluntarily, no security deposit will be required. Other Verizon services such as call waiting, return call and three-way calling are available at the normal rates. You must be a Verizon or NationsLine customer to participate in the Economy II service. Customers must recertify each year.

### Link-Up America

Link-Up America is for District residents who are eligible for social service assistance. They may qualify for a 50 percent reduction in service connection charges associated with installing a single phone line in their homes. Link-Up America applies only to service connection charges.

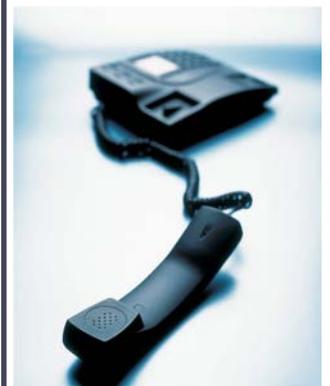
### How Do Residents Apply ?

Call the District Department of the Environment's Energy Office Hotline at 311 between 8:30 a.m. and 4:30 p.m., Monday through Friday, to make an appointment.

### What Do You Need To Apply ?

You MUST bring all of the following: Identification that shows social security number, picture ID, proof of household income, recent utility bills, proof of age if applying for Verizon phone bill discounts, and a copy of your lease agreement and/ or rent receipt if your heat is included in your rent.

*Information Compiled From DC Energy Office Website: [www.ddoe.dc.gov](http://www.ddoe.dc.gov).*



## Resource Information for You

### **Pepco**

#### **Pepco Customer Service Centers:**

701 9<sup>th</sup> Street, NW, 8:30 a.m. to 5:15 p.m., Monday - Friday

2306 Martin Luther King Jr. Avenue, S.E., 9:00 a.m. to 5:00 p.m., Monday - Friday

#### **By Telephone:**

(202) 833-7500 – Customer Service

(202) 872-2369 - TTY/ TDD

(202) 872-4641 - Habla Español

(202) 872-3432 – Pepco Safety Emergency, to report down wires

**(877) 737-2662 – 24-hour outage report hotline**

(202) 872-2126 – Meter Reading Department

(202) 872-2445 – Pepco Claims Office

#### **By Web:**

Website: [www.pepco.com](http://www.pepco.com)

Email: [correspondence@pepco.com](mailto:correspondence@pepco.com)

### **Washington Gas**

#### **Washington Gas Customer Service Centers:**

*\*\*Centers are closed on Saturday and Sunday*

1100 H Street, NW, First Floor, N.W.,

Hours: 8:30 a.m. to 4:30 p.m., Monday - Friday.

3101 Martin Luther King Jr. Avenue, S.E.,

Hours: 8:30 a.m. to 4:30 p.m. Monday - Friday.

#### **By Telephone:**

(703) 750-1000 - Customer Service

(703) 750-7975 - TTY/ TDD

(703) 750-1000 - Habla Español

(703) 750-1400 - Gas leaks or emergencies

#### **By Web:**

Website: [www.washgas.com](http://www.washgas.com)

Email: [custsrv@washgas.com](mailto:custsrv@washgas.com)

## Verizon

**By Telephone:**

(800) 837-4966 - Customer Service -  
(800) 974-6006 - TTY

**By Web:**

[www.verizondc.com](http://www.verizondc.com)

## DC Public Service Commission

1333 H Street, NW, Suite 200, West Tower | Washington, DC 20005

**By Telephone:**

(202) 626-5100

**By Fax:**

(202) 393-1389

**By Web:**

[www.dcpsc.org](http://www.dcpsc.org)

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

## DC Office of Cable Television

3007 Tilden Street, NW, Pod P | Washington, DC 20008

**By Telephone:**

(202) 671-0066

**By Fax:**

(202) 332-7020

**By Web:**

Website: [www.oct.dc.gov](http://www.oct.dc.gov)

Email: [comments.OCT@dc.gov](mailto:comments.OCT@dc.gov)

*OCT administers the cable franchise contracts and is the cable customers advocate, holding cable companies to the highest levels of customer and technical service.*

## DC Department of the Environment

1200 First Street, NE, 5th Floor | Washington, DC 20002

### Energy Assistance:

- *Serving Wards 1, 2, 3, 4 and 5*

1207 Taylor Street, NW, First Floor Washington, DC 20011

- *Serving Wards 6, 7 and 8*

2100 MLK Jr. Avenue, SE, Suite 404 Washington, DC 20020

### By Telephone:

Main Line - (202) 535-2600

TTY - (800) 855-1000

Energy Assistance - 311

8:30 p.m. to 3:30 p.m., Monday - Friday

### By Web:

Website: [www.ddoe.dc.gov](http://www.ddoe.dc.gov)

Email: [ddoe@dc.gov](mailto:ddoe@dc.gov)

## DC Water and Sewer Authority

5000 Overlook Avenue, SW | Washington, DC 20032

### By Telephone:

Customer Service - (202) 354-3600

8:00 a.m. to 5:00 p.m., Monday - Friday

Water and Sewer Emergency Number (24 hour) - 202-612-3400

Credit and Collections - 202-354-3750

Meter Operations - (202) 612-3485 (9 a.m. to 5 p.m.),

**(202) 612-3487 (24 hours a day, 7 days a week)**

Water Quality Division - (202) 612-3440

TDD-TYY Hearing Impaired - (202) 787-2339

### By Web:

Website: [www.dewater.com](http://www.dewater.com)

Email: [info@dewater.com](mailto:info@dewater.com)

[custserv@dewater.com](mailto:custserv@dewater.com)

### By Mail:

District of Columbia Water and Sewer Authority - Customer Service Department

P.O. Box 97200 | Washington, DC 20090

## **DC Sustainable Energy Utility**

80 M St, SE, Suite 310 | Washington DC 20003

**By Telephone:**

202-479-2222 | Toll Free: 855-MY-DCSEU (855-693-2738)

**By Fax:**

202-683-6748

**By Web:**

[www.dcseu.com](http://www.dcseu.com)

*The District of Columbia Sustainable Energy Utility (DC SEU) is designed to help District households, businesses, and institutions save energy and money through energy efficiency and renewable energy programs.*

## **DC Office of the Tenant Advocate**

2000 14th Street, NW, Suite 300N | Washington, DC 20009

**By Telephone:**

202-719-6560

**By Fax:**

202-719-6585

**By Web:**

[www.ota.dc.gov](http://www.ota.dc.gov)

*The Office of the Tenant Advocate (OTA) advocates for, educates, and provides outreach for tenants in the District of Columbia.*

