

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1325 G STREET, N.W., SUITE 800
WASHINGTON, D.C. 20005**

ORDER

June 13, 2024

RM46-2024-01-E, IN THE MATTER OF THE INVESTIGATION INTO THE PUBLIC SERVICE COMMISSION’S RULES GOVERNING THE LICENSURE AND BONDING OF ELECTRIC SUPPLIERS IN THE DISTRICT OF COLUMBIA;

AND

RM47-2024-01-G, IN THE MATTER OF THE INVESTIGATION INTO THE PUBLIC SERVICE COMMISSION’S RULES GOVERNING THE LICENSURE AND BONDING OF NATURAL GAS SUPPLIERS AND NATURAL GAS CONSUMER PROTECTION STANDARDS IN THE DISTRICT OF COLUMBIA, Order No. 22005

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) adopts certain amendments and deletes a rule in Chapter 46 (Licensure of Electricity Suppliers) and Chapter 47 (Licensure of Natural Gas Suppliers), of Title 15 (Public Utilities and Cable Television) of the District of Columbia Municipal Regulations (“DCMR”). The amended rules shall become effective upon publication of the Notice of Final Rulemaking (“NOFR”) in the *District of Columbia Register*.

II. BACKGROUND

2. On April 5, 2024, the Commission published a Notice of Proposed Rulemaking (“NOPR”) in the *District of Columbia Register* proposing to amend Section 4601 (Licensing Requirements), repeal Section 4603 (Electricity Supplier Education Workshop), and amend Section 4604 (Bond Requirements for Electricity Suppliers Collecting Deposits or Prepayments (“Customer Payments Bond”)), Section 4605 (Bond Requirements for Financial Integrity (“Integrity Bond”)), Section 4609 (Sanctions and Enforcement), and Section 4698 (Waiver), in Chapter 46. The NOPR also proposed to amend Section 4701 (Licensing Requirements), repeal Section 4703 (Natural Gas Supplier Education Workshop) and amend Section 4704 (Bond Requirements for Natural Gas Suppliers Collecting Deposits or Prepayments (“Customer Payments Bond”)), Section 4705 (Bond Requirements for Financial Integrity (“Integrity Bond”)), Section 4709, (Sanctions and Enforcement), and Section 4798 (Waiver) in Chapter 47.¹ No Comments were filed in response to the NOPR.

¹ 71 D.C. Reg. 003981 – 003992 (April 5, 2024).

III. DISCUSSION

3. Specific changes to Chapter 46 include amendments to Licensing Requirements Subsections 4601.2 (f) and (m), the addition of new Subsection (n), and the renumbering of the previous Subsection (n) to new (o). Section 4603, Electricity Supplier Education Workshop, is repealed in its entirety. Sections 4604.1 to 4604.3 are amended to permit an electricity supplier applicant or licensee to submit a copy of a customer payments bond, if so required, and Sections 4605.2 and 4605.3 are amended to permit an electricity supplier applicant or licensee required to provide and maintain an integrity bond to do so in copy form. Section 4609.1 is amended to describe the process for suspension and revocation of an electricity supplier license. Section 4698.1 is revised to include the insertion of a missing word to the sentence on waiver of the Commission's rules.

4. Similarly, the proposed changes to Chapter 47 include amendments to Licensing Requirements Subsections 4701.2 (f) and (m), the addition of new Subsection (n) and the renumbering of the previous Subsection (n) to new (o). Section 4703, Natural Gas Supplier Education Workshop, is repealed in its entirety. Sections 4704.1 to 4704.3 are amended to permit a natural gas supplier applicant or licensee to submit a copy of a customer payments bond, if so required, and Sections 4705.2 and 4705.3 are amended to permit a natural gas supplier applicant or licensee required to provide and maintain an integrity bond to do so in copy form. Section 4709.1 is amended to describe the process for suspension and revocation of a natural gas supplier license. Section 4798.1 is revised to include the insertion of a missing word to the sentence on waiver of the Commission's rules.

5. The changes made to Sections 4601.2 and 4701.2 clarify certain filing requirements in the application process. For instance, Subsection (f) is amended to reflect that an applicant for a supplier license has registered with the correctly named governmental office, *i.e.*, the Department of Licensing and Consumer Protection rather than the Department of Consumer and Regulatory Affairs, and the Office of Tax and Revenue rather than the Department of Tax and Revenue. Subsection (m) is amended to exempt brokers and aggregators, who by definition do not take title to energy for sale, from having to submit sample copies of customer contracts with their applications. New Subsection (n) codifies that the electronic filings of bonds and similar instruments are accepted in the same manner and with the same effect as their physical versions; and former Subsection (n) is renumbered to Subsection (o) with no change in the provision.

6. Electricity and natural gas supplier licensees were previously required to take a workshop course within 90-days following the award of their licenses and every three years thereafter. The workshop requirement was intended to ensure that licensees had or acquired the knowledge and understanding of the energy supplier rules to conduct business in the District. However, applicants for supplier licenses are required to have the knowledge and understanding of the Commission's rules per the supplier application process and are imputed to maintain that knowledge as they conduct business and provide services in the District. It is our view, therefore, that the workshop obligation is a redundant and unnecessary requirement at this juncture. Accordingly, Section 4603, Electricity Supplier Education Workshop and Section 4703, Supplier Education Workshop have been repealed in their entirety. The respective sections are reserved for future use.

7. With respect to the bonding requirements, Sections 4604.1 to 4604.3 and 4704.1 to 4704.3 are amended to reflect that the filing of copies of customer payment bonds are accepted and will have the same effect as their original versions. The terms are reflected in the appropriate places within the relevant bond provisions. The same rationale is applied with regard to the filing of financial integrity bonds in the amendments to Sections 4605.2 and 4605.3 and 4705.2 and 4705.3.

8. With regard to the provisions on sanctions and enforcement against licensees, new Sections 4609.1 (e) (1) – (4) and 4709.1 (e) (1) – (4) are amended to permit the Commission to suspend following notice, and revoke the licenses of suppliers who have not provided energy services within a two-year period, have not reported jurisdictional revenue within any consecutive two-year period, or are no longer providing energy services but have not submitted a license surrender application. These amendments are made to enable the Commission to take appropriate and quicker action against licensees who are not providing energy services, nor attempting to provide services in the District, as well as licensees who do not submit responses to assessment surveys or who do submit responses but consistently report the absence of any jurisdictional revenue.

9. Lastly, the waiver provision in Sections 4698 and 4798 is amended to include the previously omitted word “to” following the word “intention.”

THEREFORE, IT IS ORDERED THAT:

10. The amended rules in Chapters 46 and 47 of Title 15 of the District of Columbia Municipal Regulations as described in this Order are **ADOPTED** and shall become effective upon publication of the Notice of Final Rulemaking in the *District of Columbia Register*.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**

COMMISSION ACTION

RM46-2024-01-E, IN THE MATTER OF THE INVESTIGATION INTO THE PUBLIC SERVICE COMMISSION'S RULES GOVERNING THE LICENSURE AND BONDING OF ELECTRIC SUPPLIERS IN THE DISTRICT OF COLUMBIA; AND

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Date 6/13/24 Formal Case No. RM46-2024-01-E/RM47-2024-01-G Order No. 22005 & NOFR

	Approved Initial & Date	Dissent Initial & Date	Abstain Initial & Date
Chairman Emile Thompson	<u>ET/CL 6/13/24</u>	_____	_____
Commissioner Richard A. Beverly	<u>RB/CL 6/13/24</u>	_____	_____
Commissioner Ted Trabue	<u>TT/CL 6/13/24</u>	_____	_____

Certification of Action

C. Lipscombe
General/Deputy General Counsel

Noel Antonio
OGC Counsel/Staff