

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

ORDER

February 18, 2026

PEPPIWGR2026-01-E, IN THE MATTER OF THE PRODUCTIVITY IMPROVEMENT WORKING GROUP, Order No. 22794

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) waives the limitation on participants of the Productivity Improvement Working Group (“PIWG”) under 15 D.C.M.R. § 500.2(a) and grants the Department of Energy and Environment (“DOEE”) permission to participate in the next two quarterly meetings.¹ Staff is directed to issue a Notice of Proposed Rulemaking within fifteen (15) days, seeking public comment on making DOEE a permanent member of the PIWG.

II. BACKGROUND

2. The PIWG’s purpose and focus has shifted over the years. Initially, its purpose was to review the Potomac Electric Power Company’s (“Pepco”) Productivity Improvement Program (“PIP”) and make recommendations to the Commission on changes to the PIP. At that time, the focus of the PIP was largely on Pepco’s generation of power.² When Pepco subsequently divested its generation assets, the focus of the PIP and PIWG shifted to distribution. Specifically, the Commission amended Chapter 5 of our rules to state that the primary purpose of the PIWG shall be to: “(a) Provide a mechanism through which the PIWG [] may expeditiously and informally communicate, among other things, *technical and operational information concerning the Electric Utility’s provision of electric distribution service in the District of Columbia.*”³

¹ *PEPPIWGR2026-01-E, In the Matter of the Productivity Improvement Working Group* (“PEPPIWGR2026-01-E”), Department of Energy and Environment’s Motion for Waiver of 15 D.C.M.R. 500.2(a), filed February 2, 2026 (“DOEE Motion”).

² By Order No. 7618, the Commission formalized rules requiring Pepco to create a Productivity Improvement Program (“PIP”). *Formal Case No. 766, In the Matter of the Commission’s Fuel Adjustment Clause Audit Review Program*, Order No. 7618, at Attachment A-8, issued July 16, 1982 (“Order No. 7618”). See also, *PEPACR-2015-01, In the Matter of the Annual Consolidated Report of the Potomac Electric Power Company*; and *PEPACR-2016-01, In the Matter of the Annual Consolidated Report of the Potomac Electric Power Company*, Order No. 19119, ¶ 3, rel. September 21, 2017 (“Order No. 19119”) (The PIP is a plan created to identify operating factors and practices contributing to productivity losses and to propose productivity measures that would yield net benefits for District ratepayers. The PIP originally addressed specific elements focused on total production expenses, power plant productivity and fuel procurement effectiveness. After Pepco divested or otherwise transferred its generating stations to other entities, the primary focus of the PIP shifted to two areas: first, transmission and distribution productivity improvement projects to increase system efficiency and defer more costly additions to the electric system; and second, to put attention on performance and reliability projects.).

³ 15 D.C.M.R. § 501.2 (a)-(b) (2021) (emphasis added).

3. Although the District of Columbia (“District”) has been adopting ambitious climate goals that affect distribution service, the PIWG has been holding quarterly meetings mostly to review Pepco’s electric quality of service standards and manhole events. However, the Group has also discussed Pepco’s load-driven distribution construction projects.

4. Running parallel to the PIWG is the newly created Integrated Distribution System Planning (“IDSP”) case, *Formal Case No. 1182*, and its collaborative stakeholder process. The IDSP process aims to provide a comprehensive view of anticipated utility needs, priorities, and spending outside of contested rate cases, enabling parties to evaluate significant investments in Pepco’s distribution system.⁴ To support this goal, Order No. 22464 established a collaborative stakeholder process, forming the IDSP working group to incorporate input on load forecasting, transparency and data access, distributed energy resource valuation, hosting capacity, and other issues such as climate resilience, electrification, and equity.⁵

III. DISCUSSION

5. **DOEE Motion.** DOEE asserts that it serves as the State Energy Office of the District, leading energy matters and developing and implementing the District Government’s energy policies.⁶ DOEE further asserts that it is empowered to require energy distributors to provide information like reports, data, and forecasts to carry out its statutory powers and to prevent unnecessary duplication of such information.⁷ DOEE contends that good cause exists to grant its waiver request as its participation in PIWG “would facilitate the agency’s ability to carry out its duties and functions in an efficient manner,” avoiding the duplication of efforts by PIWG to obtain information from Pepco on electric distribution service.⁸ DOEE specifies that its “ability to obtain information on subjects such as Pepco’s investments and operations – outside of discovery in formal rate cases – is essential to meeting the District’s energy policy objectives” and that participating in PIWG would allow DOEE to better understand Pepco’s plans for grid investments and operational changes that enhance reliability and affordability.⁹ DOEE adds that it may contribute to PIWG by asking questions, making suggestions, and using the information learned to “inform planned analyses to reliability and utility operations in the District of Columbia.”¹⁰

⁴ *Formal Case No. 1182, In the Matter of the Investigation into the Implementation of Integrated Distribution System Planning for Electric Utilities (“Formal Case No. 1182”)*, Notice of Inquiry, rel. November 27, 2024.

⁵ *See Formal Case No. 1182, Order No. 22464, ¶ 62, Appendix A, rel. July 16, 2025.*

⁶ DOEE Motion at 1.

⁷ DOEE Motion at 1-2.

⁸ DOEE Motion at 2.

⁹ DOEE Motion at 2.

¹⁰ DOEE Motion at 2.

6. **Pepco Reply.** Pepco contends that DOEE fails to explain how its desire for more information is unique to DOEE – concluding that does not amount to good cause because theoretically it could apply to any entity in the District, including those that typically participate fully in Pepco’s base rate cases. Pepco adds that DOEE fails to articulate how its participation would enhance the PIWG’s core purpose of advancing productivity and operational efficiency; further asserting that granting DOEE’s request creates the risk of diverting the group from its narrowly defined mandate.¹¹ Pepco further asserts that DOEE “provides no specifics as to what ‘information’ it believes it could attain at PIWG that is not already provided in the public domain.”¹² Pepco asserts that DOEE does not explain how it is harmed or prejudiced by being excluded from the meetings as the PIWG meeting minutes and presentations are publicly filed; DOEE does not explain why accessing that publicly available information is insufficient.¹³

7. Pepco also argues that in addition to the significant information it provides on its system, operations, expenditures, and assets placed in service through its base rate cases, Rate of Return reports, Annual Information Filings, and Annual Consolidated Reports, the Commission also opened an IDSP (*Formal Case No. 1182*), in part at DOEE’s request, for the very purpose DOEE now requests to participate in the PIWG.¹⁴ Thus, Pepco contends that DOEE’s participation in the PIWG would not only be duplicative, but it could also set a precedent for other parties to request to join when PIWG was not intended to be a broad stakeholder forum.¹⁵ In light of this, Pepco requests that if the Commission grants DOEE’s Motion, it should do so subject to reconsideration of: (a) DOEE’s continuing involvement after establishing the IDSP process; or (b) the need for PIWG after establishing the IDSP process.¹⁶ Essentially, Pepco requests that, after the IDSP process is established, the Commission terminate DOEE’s participation in PIWG or terminate the PIWG.¹⁷

IV. DECISION

8. Unlike other potentially interested persons, DOEE is the District’s only Energy Office and the only entity charged with developing and implementing the District Government’s energy policies. Additionally, as Pepco implicitly concedes, there is no existing IDSP process that duplicates the work of the PIWG. The PIWG is an informal forum where it may be optimal for both sides (Pepco and DOEE) to know as soon as possible whether the plans of one side might

¹¹ *PEPPIWGR2026-01-E*, Potomac Electric Power Company’s Response to DOEE’s Motion for Waiver of 15 D.C.M.R. § 500.2(a), filed February 9, 2026, at 2 (“Pepco Reply”).

¹² Pepco Reply at 2.

¹³ Pepco Reply at 2-3.

¹⁴ Pepco Reply at 3.

¹⁵ Pepco Reply at 3.

¹⁶ Pepco Reply at 3-4.

¹⁷ Pepco Reply at 4.

facilitate or undermine the plans of the other. As we move forward along a changing landscape, increased cooperation between Pepco and DOEE becomes crucial. We reserve judgment on the future of the PIWG until we have moved further along in *Formal Case No. 1182*.

THEREFORE, IT IS ORDERED THAT:

9. 15 D.C.M.R § 500.2(a) is **WAIVED** and the Department of Energy and Environment is **GRANTED** permission to participate in the next two quarterly meetings of the Productivity Improvement Working Group.

10. Commission Staff is **DIRECTED** to release a Notice of Proposed Rulemaking to seek comment on the Department of Energy and Environment’s permanent membership on the Productivity Improvement Working Group within fifteen (15) days of the date of this Order.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**

COMMISSION ACTION

PEPPIWGR2026-01-E, IN THE MATTER OF THE PRODUCTIVITY IMPROVEMENT WORKING GROUP,

Date 2/18/26 Formal Case No. PEPPIWGR2026-01-E Tariff No. _____ Order No. 22794

	Approve Initial & Date	Dissent Initial & Date	Abstain Initial & Date
Chairman Emile Thompson	<u>ET/DJ 2/18/26</u>	_____	_____
Commissioner Richard A. Beverly	<u>RB/DJ 2/18/26</u>	_____	_____
Commissioner Ted Trabue	<u>TT/DJ 2/18/26</u>	_____	_____

Certification of Action

Dionne Joemah
General/Deputy General Counsel

Naza Shelley
OGC Counsel/Staff