

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1333 H STREET N.W., SUITE 200, WEST TOWER
WASHINGTON, D.C. 20005**

**ORDER
OPENING INVESTIGATION**

June 12, 2015

**FORMAL CASE NO. 1130, IN THE MATTER OF THE INVESTIGATION INTO
MODERNIZING THE ENERGY DELIVERY SYSTEM FOR INCREASED
SUSTAINABILITY, Order No. 17912**

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) opens this proceeding to identify technologies and policies that can modernize our energy delivery system for increased sustainability and will make our system more reliable, efficient, cost-effective and interactive. To that end, the Commission invites the public to file initial comments on the preliminary scope of the proceeding and discuss whether and to what extent the scope of this proceeding should be expanded or refined. Comments are due by August 31, 2015. The Commission will hold a Kickoff Workshop for interested persons at 10:00 AM on September 22, 2015, in the Commission’s Hearing Room at 1325 G Street, N.W., Eighth Floor, Washington, D.C. 20005 to set out an initial overview of the current energy distribution system in the District and to discuss the future plans for this Commission investigation.

II. BACKGROUND

2. On July 10, 2014, in Order No. 17539 in Formal Case No. 1103, in response to a request from Grid 2.0 and the Sierra Club of the District of Columbia, the Commission said it would “continue to investigate new technologies that could improve Pepco’s grid with the incorporation of distributed generation including solar energy, and the exploration of micro-grid architecture opportunities, and other conservation and environmental quality issues, as we work to also ensure that Pepco provides safe and reliable retail electric service in the District of Columbia, both now and in the future” but declined to do so during the course of a rate proceeding.¹

3. On April 9, 2015, in Order No. 17851, in response to a request by DC Climate Action and Advisory Neighborhood Commission 6D06 that the Commission

¹ See *Formal Case No. 1103, In the Matter of the Application of the Potomac Electric Power Company for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service*, Order No. 17539, rel. July 10, 2014, at ¶ 120.

convene an expedited working group to, among other things, “investigate the costs and benefits of installing state of the art interconnection infrastructure for distributed generation including substantial battery storage and smart inverters, along with financing options,”² during the consideration of the Potomac Electric Power Company’s (“Pepco”) application to build a 230 kilovolt (“kV”) 138 kV/13 kV substation and four (4) 230 kV/138 kV underground transmission circuits on Buzzard Point, the Commission declined to form the requested expedited working group as part of the substation approval process but determined that it would open a new docket to establish a working group “to address in a more global way the future outlook for energy growth in the District of Columbia, the feasibility of deploying more energy storage facilities and increased distribution generation, and the impact of these new technologies on Pepco’s load forecasting and construction plans for the city.”³

III. DISCUSSION

4. There has been increasing interest among various stakeholders in the District of Columbia for the Commission to initiate a review of the current energy delivery system in the District and related policies to determine whether the system and the policies are currently supporting the goals that have been articulated in the Mayor’s Plan for a Sustainable DC and the legislative mandates that have been set out in key pieces of legislation such as the Clean and Affordable Energy Emergency Act (“CAEA”).⁴ In Order No. 17851 the Commission committed to opening a docket and to establish a working group to begin this review. With the opening of this docket, we honor that commitment.

5. Generally, the scope of this proceeding is to identify technologies and policies that can modernize our energy delivery system for increased sustainability and make the system more reliable, efficient, cost effective and interactive. As a preliminary matter, we have identified the topics to be addressed to include and obtain an initial overview of the current energy distribution system in the District and current plans to modernize the system; an examination of new technologies that will impact the delivery of energy in the District including but not limited to energy storage, distributed energy resources, electric vehicles, microgrids and the integration of identified enabling technologies; and an identification of regulatory and other policies that will enable or inhibit the modernization of the District’s energy delivery system for increased sustainability and for increased reliability, efficiency and interactivity. Parties are invited

² *Formal Case No. 1123, In the Matter of the Potomac Electric Company’s Notice to Construct a 230kV/138 kV/13 kV Substation and Four 230 kV/138 kV Underground Transmission Circuits on Buzzard Point, (“Formal Case No. 1123”)* Order No. 17851, rel. April 9, 2015 at ¶19.

³ *Formal Case No. 1123, Order No. 17851* at ¶ 78.

⁴ *See D.C. Law 17-250*; The CAEA was amended in 2013 as the Clean and Affordable Energy Public Engagement Enhancement Act of 2013. Also, see the Sustainable DC Act of 2012.

to comment on the preliminary scope of the proceeding and discuss whether and to what extent this scope should be expanded or refined.

6. The purpose of the Kickoff Workshop is two-fold: (1) to set out an initial overview of the current energy distribution system in the District; and (2) to discuss the future plans for this Commission investigation. We are tasking the Commission's Office of Infrastructure and Systems Planning to gather information from Pepco, the Washington Gas Light Company, the District of Columbia Government, the PJM Interconnection, L.L.C., the D.C. Water and Sewer Authority, the General Services Administration and the Architect of the Capitol to develop the initial overview for the Kickoff Workshop.

THEREFORE, IT IS ORDERED THAT:

7. The Commission opens this proceeding to identify technologies and policies that can modernize our energy delivery system for increased sustainability and will make our system more reliable, efficient, cost-effective and interactive;

8. Interested stakeholders and persons are directed to provide any additional input on the scope of the proceeding by August 31, 2015; and

9. The Commission will hold a Kickoff Workshop at 10:00 AM on September 22, 2015, in the Commission's Hearing Room at 1325 G Street, N.W., Eighth Floor, Washington, D.C. 20005.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**