

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

**ORDER**

**September 19, 2018**

**RM3 –2014-01 – UTILITY CONSUMER BILL OF RIGHTS; and**

**FORMAL CASE NO. 1140, IN THE MATTER OF THE INVESTIGATION INTO THE ESTABLISHMENT OF A PURCHASE OF RECEIVABLES PROGRAM FOR NATURAL GAS SUPPLIERS AND THEIR CUSTOMERS IN THE DISTRICT OF COLUMBIA, Order No. 19675**

**I. INTRODUCTION**

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) adopts amendments to Sections 327.36 and 327.37 in Chapter 3 of Title 15 of the District of Columbia Municipal Regulations (“DCMR”), governing the exchange of information between natural gas suppliers and the natural gas utility, and the enrollment process for customers switching natural gas suppliers. The rules in Attachment A will become effective upon the date of publication of the Notice of Final Rulemaking in the *D.C. Register*.

**II. BACKGROUND**

2. The Commission opened *Formal Case No. 1140* to consider a Purchase of Receivables (“POR”) program in the District of Columbia for natural gas suppliers and their customers, given its potential to further competition in the District’s retail natural gas market.<sup>1</sup> As a result of stakeholders’ comments, the Commission directed Washington Gas Light Company (“WGL” or “Company”) to develop a POR program for natural gas suppliers and their customers, and among other things, identify potential amendments to Commission rules necessary for the program’s implementation.<sup>2</sup> WGL filed its Implementation Plan (“Implementation Plan”) with the Commission, proposing a revision to 15 DCMR § 327.36 and submitting a proposed POR tariff

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<sup>1</sup> *Formal Case No. 1140, In the Matter of the Investigation into the Establishment of a Purchase of Receivables Program for Natural Gas Suppliers and Their Customers in the District of Columbia (“Formal Case No. 1140”), Order No. 18638, ¶ 6, rel. December 15, 2016. See Formal Case No. 1085, In the Matter of the Investigation of a Purchase of Receivables Program in the District of Columbia, Order No. 16916, ¶ 3, rel. September 20, 2012. As described in Order No. 16916, POR programs permit utilities to purchase the receivables of retail electricity or gas suppliers at a discount rate, at least, equal to the utility’s actual uncollectible rate (bad debt rate). Under POR, the risk for collecting unpaid debt is shifted from suppliers to the utility.*

<sup>2</sup> *Formal Case No. 1140, Order No. 18798, ¶¶ 1, 54, rel. June 15, 2017.*

consistent with WGL's proposed revision to 15 DCMR § 327.36.<sup>3</sup> WGL contends that the proposal is based on its experience with the Company's existing POR program in Maryland.<sup>4</sup> Meanwhile, WGL also submitted separate comments to a Notice of Proposed Rulemaking ("NOPR") in *RM3-2014-01*, which proposed revisions to Chapter 3 of 15 DCMR, including § 327.36.<sup>5</sup>

3. On September 28, 2017, WGL filed a revised Page 27G to its proposed POR tariff.<sup>6</sup> By Order No. 19140, the Commission approved WGL's Implementation Plan and explained that it will consider any changes to 15 DCMR § 327.36 in the context of the POR program.<sup>7</sup> Subsequently, the Commission issued a Notice of Proposed Tariff ("NOPT") inviting comments on WGL's POR tariff.<sup>8</sup> In response to WGL's proposed revisions to 15 DCMR § 327.36, the Commission issued another NOPR in *RM3-2014-01*.<sup>9</sup> On February 21, 2018, WGL filed a revised POR tariff including language that did not comply with proposed rule 15 DCMR § 327.36 in *RM3-2014-01*.<sup>10</sup> The Commission issued a subsequent NOPR in *RM3-2014-01*, harmonizing the language of the proposed 15 DCMR § 327.36 with WGL's proposed POR tariff.<sup>11</sup>

4. On April 25, 2018, in response to the *RM3-2014-01* NOPR, WGL filed comments requesting an amendment to 15 DCMR § 327.37.<sup>12</sup> According to WGL, the revision is needed to ensure its proposed POR tariff is consistent with Commission rules, the corresponding POR rules in Maryland, and WGL's established POR process in Maryland.<sup>13</sup> On June 8, 2018, the Commission issued a NOPR revising 15 DCMR § 327.37 to address WGL's concerns.<sup>14</sup>

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<sup>3</sup> *Formal Case No. 1140*, Washington Gas Light Company's Purchase of Receivables Implementation Plan ("Implementation Plan"), filed July 17, 2017, at 8-9; Attachment C.

<sup>4</sup> *Formal Case No. 1140*, Implementation Plan at 8.

<sup>5</sup> *RM3-2014-01*, *Utility Consumer Bill of Rights ("RM3-2014-01")*, Washington Gas Light Company's Comments to the Commission's June 30, 2017, Notice of Proposed Rulemaking, filed July 31, 2017.

<sup>6</sup> *Formal Case No. 1140*, Washington Gas Light Company's Revised Tariff, filed September 28, 2017.

<sup>7</sup> *Formal Case No. 1140*, Order No. 19140, ¶¶ 1, 23, rel. October 19, 2017, ("Order No. 19140").

<sup>8</sup> *Formal Case No. 1140*, 64 D.C. Reg. 011359-011360 (October 27, 2017).

<sup>9</sup> *RM3-2014-01*, 64 D.C. Reg. 013113 - 013129 (December 22, 2017).

<sup>10</sup> *Formal Case No. 1140*, Washington Gas Light Company's Revised Tariff, filed February 21, 2018. See also Washington Gas Light Company's Motion for Approval of Revised Tariff, filed March 7, 2018.

<sup>11</sup> *RM3-2014-01*, 65 D.C. Reg. 002979-002995 (March 23, 2018). The Commission also issued a NOPT on March 23, 2018.

<sup>12</sup> *Formal Case No. 1140*, *RM3-2014-01*, Washington Gas Light Company's Withdrawal of Comments and Request for Approval of Proposed Regulation ("Approval Request"), filed April 25, 2018.

<sup>13</sup> *Formal Case No. 1140*, *RM3-2014-01*, Approval Request at 1, 2.

<sup>14</sup> *Formal Case No. 1140*, *RM3-2014-01*, 65 D.C. Reg. 006179-006180 (June 8, 2018).

### III. DECISION

5. Section 327.36 currently states:

By the ninth (9<sup>th</sup>) calendar Day of the month (or next Business Day, if the ninth day falls on a holiday or weekend), each Energy Supplier shall provide to the Natural Gas Utility a list of Customers to be supplied by that Energy Supplier beginning with the Customer's Meter read date the following month.

6. WGL recommended that we amend this section to require the energy supplier (natural gas supplier) to provide WGL a list of customers to be served by the energy supplier (natural gas supplier) no less than the seven (7) days before the first day of the next month. WGL reasoned that without this change, customer enrollments sent by natural gas suppliers may be delayed by an additional month.<sup>15</sup> WGL explained that currently, the customer must be dropped by the incumbent natural gas supplier in order for a new enrollment to be processed. Otherwise, according to WGL, the enrollment will not occur, and the natural gas suppliers will have to re-submit the enrollment and possibly wait until the next month to be enrolled, thus causing a delay in the process. A similar rule was adopted by the Maryland Public Service Commission and WGL recommended the same requirement for the District.<sup>16</sup> We accepted WGL's rationale and issued a NOPR proposing the seven (7) day period on March 23, 2018. No comments were received on the proposed change to this rule. Accordingly, the Commission approves amended 15 DCMR § 327.36 to read as follows:

Not less than seven (7) days before the first day of the next month each Energy Supplier shall provide to the Natural Gas Utility a list of new Customers to be supplied by that Energy Supplier beginning with the first day of the next month.

7. Section 327.37 currently states:

Once the Natural Gas Utility processes a Customer Enrollment from an Energy Supplier, the Natural Gas Utility shall not accept Enrollments from any other Energy Supplier for that Customer until Termination of Contract.

WGL requested that we follow the same customer enrollment process as it does in Maryland, such that when a customer is currently with a supplier the customer will be switched to a new supplier with the new enrollment rather than waiting for the prior supplier to give notice of termination of the contract. WGL will process enrollments on a first-in basis during any given month.<sup>17</sup> WGL explained that this expedited process will also enable enrollment via telephone or

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<sup>15</sup> *Formal Case No. 1140*, Implementation Plat at 8.

<sup>16</sup> *Formal Case No. 1140*, Implementation Plat at 8.

<sup>17</sup> *Formal Case No. 1140*, Approval Request at 2-3.

other technological means, allowing customers to timely switch natural gas suppliers at their request.<sup>18</sup> The Commission agreed with WGL's proposal and issued a NOPR with the proposed change on June 8, 2018. We received no comments. Accordingly, the Commission approves amended section 15 DCMR § 327.37 to read as follows:

The Natural Gas Utility shall drop a customer from its current supplier when another supplier enrolls the customer and shall process an electronic transaction for enrollment regardless of whether the customer is currently supplied by another supplier or by the utility. Enrollments shall be processed on a first-in basis during any given month.

**THEREFORE, IT IS ORDERED THAT:**

8. Sections 327.36 and 327.37 in Chapter 3 of Title 15 of the District of Columbia Municipal Regulations, as shown in the Attachment A to this Order, are **ADOPTED** and shall become effective upon publication of a Notice of Final Rulemaking in the *D.C. Register*.

**A TRUE COPY:**

**BY DIRECTION OF THE COMMISSION:**



**CHIEF CLERK:**

**BRINDA WESTBROOK-SEDGWICK  
COMMISSION SECRETARY**

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<sup>18</sup> *Formal Case No. 1140, Approval Request at 2.*

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA**

**NOTICE OF FINAL RULEMAKING**

**RM3 –2014-01 – UTILITY CONSUMER BILL OF RIGHTS; and**

**FORMAL CASE NO. 1140, IN THE MATTER OF THE INVESTIGATION INTO THE ESTABLISHMENT OF A PURCHASE OF RECEIVABLES PROGRAM FOR NATURAL GAS SUPPLIERS AND THEIR CUSTOMERS IN THE DISTRICT OF COLUMBIA**

1. The Public Service Commission of the District of Columbia (Commission), pursuant to its authority under D.C. Official Code §§ 2-505 and 34-802 (2001), hereby gives notice of its final rulemaking action adopting amendments to Chapter 3 (Consumer Rights and Responsibilities) of Title 15 of the District of Columbia Municipal Regulations (15 DCMR). The Commission issued a Notice of Proposed Rulemaking (NOPR) in the *D.C. Register* on March 23, 2018, giving notice of its intent to adopt amendments to Chapter 3 of its Rules, including Subsection 327.36 (Consumer Protection Standards Applicable to Energy Suppliers).<sup>1</sup> The Commission also issued a NOPR on June 8, 2018, giving notice of the Commission's intent to adopt amendments to Subsection 327.37.<sup>2</sup>

2. The revisions to Subsections 327.36 and 327.37 are in response to Washington Gas Light Company's (Company) request and are necessary for the implementation of the Company's Purchase of Receivables Program in the District of Columbia. No Comments were filed on the proposed Subsections 327.36 and 327.37.

3. Accordingly, the Commission, at its regularly scheduled open meeting held on September 19, 2018, took final action to adopt Subsections 327.36 and 327.37. The following rules will become effective upon publication of the Notice of Final Rulemaking in the *D.C. Register*.

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<sup>1</sup> 65 *D.C. Reg.* 002979-002995 (March 23, 2018). The Commission published three previous NOPRs on October 17, 2014, June 30, 2017, and December 22, 2017, amending certain rules in Chapter 3. See 64 *D.C. Reg.* 010807-010822 (October 17, 2014); 64 *D.C. Reg.* 006128 - 006144 (June 30, 2017); 64 *D.C. Reg.* 013113 - 013129 (December 22, 2017). Note that due to the long period, over two and half years that exist between the issuance of the first NOPR and subsequent NOPR's, the Commission made a scrivener's error of incorrectly numbering the NOPR's. There is a total of five NOPRs instead of three as indicated by the last issued NOPR issued on June 8, 2018.

<sup>2</sup> 65 *D.C. Reg.* 006179-006180 (June 8, 2018). The Commission published four previous NOPRs on October 17, 2014, June 30, 2017, December 22, 2017, and March 23, 2018, amending certain rules in Chapter 3. See 64 *D.C. Reg.* 010807-010822 (October 17, 2014); 64 *D.C. Reg.* 006128 - 006144 (June 30, 2017); 64 *D.C. Reg.* 013113 - 013129 (December 22, 2017); 65 *D.C. Reg.* 002979-002995 (March 23, 2018).

## Attachment A

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**Chapter 3, CONSUMER RIGHTS AND RESPONSIBILITIES, of Title 15 DCMR, PUBLIC UTILITIES AND CABLE TELEVISION, is amended as follows:**

**Subsections 327.36 and 327.37, of Section 327, are amended to read as follows:**

- 327.36** Not less than seven (7) days before the first day of the next month each Energy Supplier shall provide to the Natural Gas Utility a list of new Customers to be supplied by that Energy Supplier beginning with the first day of the next month.
- 327.37** The Natural Gas Utility shall drop a customer from its current supplier when another supplier enrolls the customer and shall process an electronic transaction for enrollment regardless of whether the customer is currently supplied by another supplier or by the utility. Enrollments shall be processed on a first-in basis during any given month.