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**VIA HAND DELIVERY**

July 17, 2019

Ms. Brinda Westbrook-Sedgwick  
Commission Secretary  
Public Service Commission  
of the District of Columbia  
1325 G Street, N.W.  
Suite 800  
Washington, DC 20005

**Re: Commission Deposit Order No. 19974**

Dear Ms. Westbrook-Sedgwick:

Pursuant to D.C. Public Service Commission ("Commission") Order No. 19974 dated July 11, 2019, Pepco submits to the Commission its check in payment of Deposit Order No. 19974 for expenses incurred in FC 1145.

**Deposit Order No. 19974    \$77,995**

Sincerely,



Wendy E. Stark

WES/dmb

Enclosures

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

ORDER

July 11, 2019

**FORMAL CASE NO. 1145, IN THE MATTER OF APPLICATIONS FOR APPROVAL OF BIENNIAL UNDERGROUND INFRASTRUCTURE IMPROVEMENT PROJECTS PLANS AND FINANCING ORDERS, Order No. 19974**

**I. INTRODUCTION**

1. By this Order, the Public Service Commission of the District of Columbia ("Commission") directs the Potomac Electric Power Company ("Pepco" or "Company") to deposit **\$77,995** into the Treasury of the District of Columbia to the credit of the account known as the, "Office of the People's Counsel Agency Fund," by July 18, 2019. The funds are needed by the Office of the People's Counsel ("OPC" or "Office") to meet expenses incurred by OPC in carrying out its statutory mandate to represent ratepayers in *Formal Case No. 1145*.

**II. BACKGROUND**

2. On June 25, 2019, OPC filed a Notice of Agency Fund Requirements ("NOAFR" or "Notice") in *Formal Case No. 1145*.<sup>1</sup> In its NOAFR, OPC seeks to retain the assistance of legal and technical consultants to assist the Office in reviewing all aspects of Pepco's Biennial Plan to ensure the Company and the District Department of Transportation's ("DDOT") Plan comports with the Electric Company Infrastructure Improvement Financing Emergency Amendment Act of 2017 ("ECIIFEEA") and Commission Orders. The Office notified the Commission of the need for an Order directing Pepco to deposit \$77,995 into the Treasury of the District of Columbia, to the credit of the fiduciary account known as the "Office of the People's Counsel Agency Fund" to meet expenses incurred by OPC in carrying out its statutory mandate to represent ratepayers in this on-going proceeding. OPC's filing indicates that the Office delivered a copy of the proposed Notice and a proposed Commission Order to the Pepco attorney designated for service.<sup>2</sup> The record reflects that no objection or opposition was filed to the Notice<sup>3</sup>

<sup>1</sup> *Formal Case No. 1145, In the Matter of Applications for Approval of Biennial Underground Infrastructure Improvement Projects Plans and Financing Orders ("Formal Case No. 1145")*, Notice of Agency Fund Requirements ("NOAFR"), filed June 25, 2019.

<sup>2</sup> *Formal Case No. 1145*, NOAFR, Letter from Naunihal S. Gumer, Regulatory Finance Director, to Wendy E. Stark, Esq., Pepco Vice President and General Counsel, dated June 18, 2019.

<sup>3</sup> *Formal Case No. 1145*, NOAFR.

### III. OPC REQUIREMENTS

3. According to OPC, in order for the Office to represent ratepayers before the Commission in *Formal Case No. 1145*, it requires the technical services of GDS Associates, Inc. ("GDS"), and the legal services of McCarter & English, LLP ("McCarter & English").

#### **GDS Associates, Inc.**

4. OPC states that GDS personnel have over twenty-five years of consulting experience specializing in the planning, designing and construction of electric distribution systems and that Mr. Kevin Mara is a registered engineer in 14 states. OPC notes that Mr. Mara has provided technical assistance on behalf of OPC in *Formal Case Nos. 766, 982, 991, 1002, 1056, 1076, 1087, 1103, and 1139*. OPC states that GDS will contractually provide the Office with expert technical analysis, including engineering assistance on the issues involving electric-utility regulation and the analysis of Pepco and DDOT's Biennial and related submissions. OPC notes that GDS' analysis will entail ascertaining the justness, reasonableness, and prudence of Pepco and DDOT's Biennial Plan.

5. OPC states that the contract with GDS is \$46,995, with out-of-pocket expenses to be specifically accounted. OPC represents that compensation for the contractor is at the hourly rate of \$270 for Kevin Mara; \$215 for Linda Gray; \$175 for Curtis Freeman; and \$175 for Mareks Zviedritis. OPC states that Kevin Mara is the primary contractor.

#### **McCarter & English, LLP**

6. OPC states that McCarter & English is a firm of over 400 lawyers with offices in Boston, Hartford, Stamford, New York, Newark, Philadelphia, Wilmington, and Washington, D.C. who provides professional services to more than 400 government and consumer-oriented clients located in approximately 40 states and the District of Columbia in the areas of energy, litigation, construction and infrastructure, and business and finance. OPC notes that McCarter & English has assisted the Office on many matters involving the District's major investor-owned utilities, including representing the Office in both Washington Gas Light Company and Pepco's most recent rate cases. OPC states that McCarter & English is intimately familiar with the Office's role in Commission proceedings and in the litigation of matters before the Commission. OPC states that McCarter & English will contractually provide the Office with expert legal analysis on issues involving electric-utility regulation and the analysis of Pepco and DDOT's Biennial and related submissions. OPC notes that McCarter & English's analysis will entail ascertaining the justness, reasonableness, and prudence of Pepco and DDOT's Biennial Plan.

7. OPC states that the contract with McCarter & English is \$31,000 with out-of-pocket expenses to be specifically accounted. OPC represents that compensation for the contractor is at the hourly rates of \$430 for John Michael Adragna; \$400 for Kevin J. Conoscenti; \$240 for Nathan Howe; and \$110 for Joanna R. Hurt. OPC states that John Adragna is the primary contractor.

#### IV. APPLICABLE LAW

8. The Commission has reviewed the information submitted by OPC in support of this Notice. As required by 15 DCMR § 1405.2, the Commission finds that OPC has:

- (1) Provided the total amount sought from the utility and the date on which payment is requested to be made by the utility;
- (2) Identified the contractors hired;
- (3) Described the qualifications of the contractors;
- (4) Described the work performed by the contractors;
- (5) Identified the number of persons to be employed by the contractors;
- (6) Provided the rate of compensation on an hourly basis for each person employed by the contractors; and
- (7) Provided the contract ceiling for the contracts.

9. The Commission is also required to determine whether OPC's Notice is consistent with the relevant statutory authority. D.C. Official Code § 34-912(a)(3) provides that "[i]n any valuation or rate case, neither the Commission nor the Office may individually seek special franchise tax deposits of more than one-quarter of one percent of the jurisdictional valuation of the company which is the subject of the proceeding."<sup>4</sup> This same section also provides that "the Office may [not] individually seek special franchise tax deposits in any one year of more than one-twentieth of one percent of the jurisdictional valuation of each public utility which is the subject of one or more investigations during that year."<sup>5</sup> The Commission's most recent determination of the Company's District of Columbia jurisdictional valuation is \$1,627,944,000.<sup>6</sup> Calculation of this jurisdictional valuation against the "one-quarter of one percent" and the "one-twentieth of one percent" limitations set out in D.C. Code § 34-912(a)(3) yields a maximum individual rate case assessment of \$4,069,860. Non-rate case proceedings or other investigations are limited to a maximum assessment amount of \$813,972 per year. *Formal Case No. 1145* is a rate case proceeding. Thus far, OPC has not assessed Pepco in *Formal Case No. 1145*. Accordingly, OPC's Agency Fund Requirements of \$77,995 will not cause the Office to exceed its statutory millage limit.

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<sup>4</sup> D.C. Code § 34-912(a)(3) (2001).

<sup>5</sup> *Id.*

<sup>6</sup> *Formal Case No. 1139, 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. 18846, rel. July 25, 2017 (Note that Errata Order No. 18850 issued on July 31, 2017, corrected the rate base valuation from \$1,614,803,000 to \$1,627,944,000).

**V. CONCLUSION**

10. In conclusion, the Commission finds this Notice of Agency Fund Requirements is:

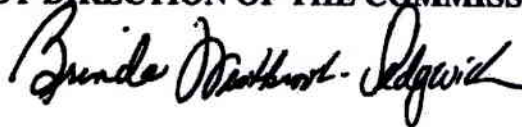
- (1) Not opposed by any party;
- (2) Consistent with the statutory authority of and rules issued by the Office;
- (3) Supported by findings, which findings are sustained by substantial evidence in the record submitted with the Notice; and
- (4) Within the limitations enumerated in D.C. Code § 34-912(a)(3).

**THEREFORE, IT IS ORDERED THAT:**

11. The Potomac Electric Power Company is directed to deposit \$77,995 into the Treasury of the District of Columbia, to the credit of the account known as the "Office of the People's Counsel Agency Fund" by July 18, 2019.

**A TRUE COPY:**

**BY DIRECTION OF THE COMMISSION:**



**CHIEF CLERK:**

**BRINDA WESTBROOK-SEDGWICK  
COMMISSION SECRETARY**





An Exelon Company

1310 Point Street, 18th Floor  
Baltimore, MD 21231

POTOMAC ELECTRIC POWER CO.  
1310 POINT STREET, 18TH FLOOR  
BALTIMORE, MD 21231



DISTRICT OF COLUMBIA GOVERNMENT  
1325 G ST NW  
STE 800  
WASHINGTON, DC 20005

12277 0297

## PAYMENT SUMMARY

VENDOR NUMBER: 22 48105 -01

CHECK NUMBER: 62-35/311  
CHECK DATE: 07/15/19

INVOICE NUMBER	DATE	VOUCHER NUMBER	GROSS AMOUNT	DISCOUNT	NET AMOUNT
19974	07/12/2019		77,995.00	.00	77,995.00
19974/\$77,995.00					
For future reference, to obtain the status of your invoice, please log on to <a href="https://www.exeloncorp.com/supply/apinquiry/">https://www.exeloncorp.com/supply/apinquiry/</a> .					
TOTAL					77,995.00

DOCUMENT CONTAINS ANTI-COPY VOID PANTOGRAPH MICRO PRINT BORDER VERIFICATION BOX (TO RIGHT OF ARROW HOLD BETWEEN THUMB AND FOREFINGER, OR BREATHE ON IT, COLOR WILL DISAPPEAR, THEN REAPPEAR), AND A SIMULATED WATERMARK ON THE BACK



An Exelon Company

POTOMAC ELECTRIC POWER CO.  
1310 POINT STREET, 18TH FLOOR  
BALTIMORE, MD 21231

62-35/311

CHECK DATE

CHECK NUMBER

07/15/2019

PAY...SEVENTY SEVEN THOUSAND NINE HUNDRED NINETY FIVE DOLLARS 00 CENTS

DISTRICT OF COLUMBIA GOVERNMENT  
1325 G ST NW  
STE 800  
WASHINGTON, DC 20005

\$\*\*\*\*77,995.00

BNY MELLON TRUST OF DELAWARE  
DELAWARE