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# Public Service Commission

[www.dcpsc.org](http://www.dcpsc.org)

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Description	FY 2011 Actual	FY 2012 Approved	FY 2013 Proposed	% Change from FY 2012
Operating Budget	\$9,798,598	\$10,375,515	\$10,822,922	4.3
FTEs	70.5	72.6	72.6	0.0

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The mission of the Public Service Commission (PSC) is to serve the public interest by ensuring that financially healthy electric, natural gas, and telecommunications companies provide safe, reliable, and quality services at reasonable rates for District of Columbia residential, business, and government customers. This mission includes:

- Protecting consumers to ensure public safety, reliability, and quality utility services;
- Regulating monopoly utility services to ensure that their rates are just and reasonable;
- Fostering fair and open competition among utility service providers;
- Conserving natural resources and preserving environmental quality;
- Resolving disputes among consumers and utility service providers;
- Educating utility consumers and informing the public; and
- Motivating customer and results-oriented employees.

## Summary of Services

The Public Service Commission regulates public utilities operating in the District of Columbia by issuing orders in formal proceedings that may include written comments or testimony, hearings, studies, and investigations; ensuring fair and appropriate utility prices; fostering competition by licensing utility service providers and supervising the competitive bidding process; ensuring that utility providers meet various environmental regulations and standards by operating in ways that conserve natural resources and preserve environmental quality; and resolving disputes among consumers and utility service providers.

In addition to its regulatory services, the Commission also conducts outreach via its website, public forums, and various literature in order to educate utility consumers and inform the public.

The agency's FY 2013 proposed budget is presented in the following tables:

## FY 2013 Proposed Gross Funds Operating Budget, by Revenue Type

Table DH0-1 contains the proposed FY 2013 agency budget compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

**Table DH0-1**  
(dollars in thousands)

Appropriated Fund	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
<b>General Fund</b>						
Special Purpose Revenue Funds	9,561	9,239	9,901	10,360	459	4.6
<b>Total for General Fund</b>	<b>9,561</b>	<b>9,239</b>	<b>9,901</b>	<b>10,360</b>	<b>459</b>	<b>4.6</b>
<b>Federal Resources</b>						
Federal Grant Funds	220	509	475	463	-12	-2.5
<b>Total for Federal Resources</b>	<b>220</b>	<b>509</b>	<b>475</b>	<b>463</b>	<b>-12</b>	<b>-2.5</b>
<b>Intra-District Funds</b>						
Intra-District Funds	70	50	0	0	0	N/A
<b>Total for Intra-District Funds</b>	<b>70</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>9,851</b>	<b>9,799</b>	<b>10,376</b>	<b>10,823</b>	<b>447</b>	<b>4.3</b>

\*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to Schedule 80 Agency Summary by Revenue Source in the FY 2013 Operating Appendices located on the Office of the Chief Financial Officer's website.

## FY 2013 Proposed Full-Time Equivalents, by Revenue Type

Table DH0-2 contains the proposed FY 2013 FTE level compared to the FY 2012 approved FTE level by revenue type. It also provides FY 2010 and FY 2011 actual data.

**Table DH0-2**

Appropriated Fund	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change
<b>General Fund</b>						
Special Purpose Revenue Funds	64.8	66.3	67.2	68.0	0.8	1.1
<b>Total for General Fund</b>	<b>64.8</b>	<b>66.3</b>	<b>67.2</b>	<b>68.0</b>	<b>0.8</b>	<b>1.1</b>
<b>Federal Resources</b>						
Federal Grant Funds	1.1	4.2	5.4	4.7	-0.7	-13.7
<b>Total for Federal Resources</b>	<b>1.1</b>	<b>4.2</b>	<b>5.4</b>	<b>4.7</b>	<b>-0.7</b>	<b>-13.7</b>
<b>Total Proposed FTEs</b>	<b>65.9</b>	<b>70.5</b>	<b>72.6</b>	<b>72.6</b>	<b>0.0</b>	<b>0.0</b>

## FY 2013 Proposed Operating Budget, by Comptroller Source Group

Table DH0-3 contains the proposed FY 2013 budget at the Comptroller Source Group (object class) level compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

**Table DH0-3**

(dollars in thousands)

Comptroller Source Group	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
11 - Regular Pay - Continuing Full Time	4,927	4,861	5,309	5,442	134	2.5
12 - Regular Pay - Other	1,008	1,203	1,229	1,263	34	2.8
13 - Additional Gross Pay	25	29	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	1,079	1,104	1,301	1,349	48	3.7
<b>Subtotal Personal Services (PS)</b>	<b>7,039</b>	<b>7,197</b>	<b>7,839</b>	<b>8,054</b>	<b>215</b>	<b>2.7</b>
20 - Supplies and Materials	43	31	40	44	3	8.0
30 - Energy, Comm. and Building Rentals	2	2	2	2	1	57.3
31 - Telephone, Telegraph, Telegram, Etc.	76	74	80	76	-4	-5.1
32 - Rentals - Land and Structures	1,517	1,607	1,671	1,693	22	1.3
33 - Janitorial Services	0	0	2	0	-2	-100.0
35 - Occupancy Fixed Costs	9	0	8	6	-2	-20.5
40 - Other Services and Charges	383	388	347	508	161	46.4
41 - Contractual Services - Other	601	350	204	257	52	25.7
70 - Equipment and Equipment Rental	181	148	182	182	0	0.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>2,812</b>	<b>2,601</b>	<b>2,537</b>	<b>2,769</b>	<b>232</b>	<b>9.2</b>
<b>Gross Funds</b>	<b>9,851</b>	<b>9,799</b>	<b>10,376</b>	<b>10,823</b>	<b>447</b>	<b>4.3</b>

\*Percent change is based on whole dollars.

## Program Description

The Public Service Commission operates through the following 4 programs:

**Natural Gas Pipeline Safety** – conducts inspections, investigations, and audits, and issues notices of probable violations to Washington Gas so that it can provide safe and reliable natural gas service to District consumers in compliance with federal grant provisions and to prevent harmful incidents. Conducts inspections of natural gas construction projects, investigates incidents, audits Washington Gas' records, and issues notices of probable violations to ensure compliance with federal and District standards.

**Utility Regulation** – regulates natural gas, electric, and local telecommunications services to ensure providers offer safe, reliable, and quality services at reasonable rates to District of Columbia residential, business, and government customers.

This program contains the following 6 activities:

- **Public Safety and Reliability** – issues orders and regulations, monitors implementation of plans and quality service standards, and proposes legislation for services offered by natural gas, electric, and local telecommunications providers serving the District;
- **Regulate Monopoly** – provides rate-setting services to natural gas, electric and local telecommunications utility companies through the issuance of orders and regulations;
- **Foster Competition** – monitors performance of natural gas, electric, and telecommunications service providers where the markets have been opened to competition, and ensures compliance with the Commission's restructuring rules;
- **Dispute Resolution** – provides investigation, mediation, and resolution services to District consumers and customers of energy and telecommunications services so that they can have their complaints resolved and inquiries addressed in a timely manner in accordance with applicable laws, regulations, and tariffs;
- **Public Information and Consumer Education** – facilitates the public's access to the Commission through its website and provides oral and written information services to District consumers and customers of energy and telecommunications services so that they can make informed choices in obtaining quality services at reasonable rates; and
- **Conserving Natural Resources and Preserving the Environment** – processes Renewable Energy Portfolio applications, monitors the fuel mix of electricity suppliers, participates in the Sustainable Energy Utility program, and implements sub-metering rules for commercial electricity customers.

**Agency Management** - provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

**Agency Financial Operations** – provides comprehensive and efficient financial management services to, and on behalf of, District agencies so that the financial integrity of the District of Columbia is maintained. This program is standard for all agencies using performance-based budgeting.

## Program Structure Change

The Public Service Commission has no program structure changes in the FY 2013 proposed budget.

## FY 2013 Proposed Operating Budget and FTEs, by Program and Activity

Table DH0-4 contains the proposed FY 2013 budget by program and activity compared to the FY 2012 approved budget. It also provides the FY 2011 actual data.

**Table DH0-4**

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012
<b>(1000) Agency Management</b>								
(1010) Personnel	297	303	307	4	3.2	2.9	2.9	0.0
(1015) Training and Development	211	232	236	4	0.4	1.2	1.2	0.0
(1020) Contracting and Procurement	62	205	207	2	0.4	1.8	1.8	0.0
(1030) Property Management	1,953	2,114	2,128	14	1.2	0.6	0.6	0.0
(1040) Information Technology	296	295	301	6	1.1	1.3	1.3	0.0
(1050) Financial Management	71	79	79	0	0.3	0.4	0.4	0.0
(1060) Legal	307	194	203	9	0.8	0.9	0.9	0.0
(1070) Fleet Management	1	2	2	1	0.0	0.0	0.0	0.0
(1080) Communications	60	177	173	-4	0.5	2.1	2.1	0.0
(1085) Customer Service	138	185	184	-1	1.7	2.2	2.2	0.0
(1090) Performance Management	41	51	52	1	0.3	0.4	0.4	0.0
<b>Subtotal (1000) Agency Management</b>	<b>3,438</b>	<b>3,836</b>	<b>3,873</b>	<b>36</b>	<b>9.8</b>	<b>13.7</b>	<b>13.7</b>	<b>0.0</b>
<b>(100F) Agency Financial Operations</b>								
(110F) Budget Operations	182	190	208	18	1.6	1.6	1.6	0.0
(120F) Accounting Operations	82	87	88	1	1.0	1.0	1.0	0.0
<b>Subtotal (100F) Agency Financial Operations</b>	<b>264</b>	<b>277</b>	<b>295</b>	<b>19</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>0.0</b>
<b>(2000) Pipeline Safety</b>								
(2010) Pipeline Safety	661	594	314	-280	5.6	6.7	2.7	-4.0
<b>Subtotal (2000) Pipeline Safety</b>	<b>661</b>	<b>594</b>	<b>314</b>	<b>-280</b>	<b>5.6</b>	<b>6.7</b>	<b>2.7</b>	<b>-4.0</b>
<b>(3000) Utility Regulation</b>								
(3010) Public Safety and Reliability	784	788	1,239	451	7.6	6.4	9.6	3.2
(3020) Regulate Monopoly	1,660	1,818	1,901	84	14.6	14.7	14.8	0.2
(3030) Foster Competition	1,275	1,060	1,084	25	11.4	8.6	8.5	-0.1
(3040) Resolve Dispute	825	677	709	32	9.1	6.5	6.7	0.1
(3050) Public Information/Consumer Education	795	682	707	25	9.8	7.9	8.3	0.4
(3060) Conserving Energy and Preserving Environment	2	644	701	57	0.0	5.6	5.9	0.3
<b>Subtotal (3000) Utility Regulation</b>	<b>5,341</b>	<b>5,669</b>	<b>6,341</b>	<b>672</b>	<b>52.6</b>	<b>49.7</b>	<b>53.7</b>	<b>4.0</b>

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**Table DH0-4 (continued)**

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012
<b>(7000) Intra-District - Broadband Mapping</b>								
(7010) Intra-District - Broadband Mapping	50	0	0	0	0.0	0.0	0.0	0.0
<b>Subtotal (7000) Intra-District - Broadband Mapping</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>(8000) Public Service Commission</b>								
(8010) Pipeline Safety - One Call Grant	45	0	0	0	0.0	0.0	0.0	0.0
<b>Subtotal (8000) Public Service Commission</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>(9960) Audit Adjustments</b>								
(9960) Audit Adjustments	3	0	0	0	0.0	0.0	0.0	0.0
<b>Subtotal (9960) Audit Adjustments</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>(9980) Payroll Default Program</b>								
(9980) Payroll Default Program	-3	0	0	0	0.0	0.0	0.0	0.0
<b>Subtotal (9980) Payroll Default Program</b>	<b>-3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Proposed Operating Budget</b>	<b>9,799</b>	<b>10,376</b>	<b>10,823</b>	<b>447</b>	<b>70.5</b>	<b>72.6</b>	<b>72.6</b>	<b>0.0</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2013 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## **FY 2013 Proposed Budget Changes**

The Public Service Commission's (PSC) proposed FY 2013 gross budget is \$10,822,922, which represents a 4.3 percent increase over its FY 2012 approved gross budget of \$10,375,515. The budget is comprised of \$10,359,612 in Special Purpose Revenue funds and \$463,310 in Federal Grant funds.

### **Initial Adjusted Budget**

**Cost Increase:** The Public Service Commission will add \$45,000 in Federal Grant funds for the One Call grant. These funds will be allocated to the Pipeline Safety program in Contractual Services. The agency will also increase Federal Grant funding by \$7,750 in Equipment and \$5,717 in Supplies. Special Purpose Revenue funds will receive an increase of \$186,416 in Other Services and Charges. These funds will primarily be used to support public safety and reliability initiatives. An additional \$146,113 aligns personal services to historical spending, \$22,748 covers utility and rent assessments, and \$7,500 supports Contractual Services.

**Cost Decrease:** The agency will reduce the amount of Federal Grant funding allocated to personal services by \$45,902 and Training and Education by \$25,257. Special Purpose Revenue fund decreases of \$10,249 in Supplies and Equipment, \$4,064 in Telecom, and \$3,277 in Janitorial and Occupancy assessments from the Department of General Services (DGS) will not impact service delivery.

### **Additionally Adjusted Budget**

**Technical Adjustment:** Adjustment of Fringe Benefits to restore the District Government contribution for employee health insurance from 72 percent, implemented in the FY 2011 budget, to 75 percent in FY 2013, resulting in an increase of \$21,881 in Special Purpose Revenue funds and \$1,031 in Federal Grant funds.

### **Policy Initiative**

**Cost Increase:** PSC will add an additional \$92,000 in the Utility Regulation program for union salary increases to comply with the collective bargaining agreement confirmed by the Compensation Unit 34 Approval Resolution of 2012.

## FY 2012 Approved Budget to FY 2013 Proposed Budget, by Revenue Type

Table DH0-5 itemizes the changes by revenue type between the FY 2012 approved budget and the FY 2013 proposed budget.

**Table DH0-5**  
(dollars in thousands)

	PROGRAM	BUDGET	FTE
<b>FEDERAL GRANT FUNDS: FY 2012 Approved Budget and FTE</b>		<b>475</b>	<b>5.4</b>
Cost Increase: One Call grant to be used for Contractual Services	Pipeline Safety	45	0.0
Cost Increase: Pipeline Safety grant increase in Equipment	Pipeline Safety	8	0.0
Cost Increase: American Recovery and Reinvestment Act (ARRA) and Pipeline Safety funding for Supplies	Pipeline Safety	6	0.0
Cost Decrease: Align personal services with projected costs	Pipeline Safety	-46	-0.7
Cost Decrease: ARRA grant reduction in Training and Education	Pipeline Safety	-25	0.0
<b>FY 2013 Initial Adjusted Budget</b>		<b>462</b>	<b>4.7</b>
Technical Adjustment: Health insurance contribution	Multiple Programs	1	0.0
<b>FY 2013 Additionally Adjusted Budget</b>		<b>463</b>	<b>4.7</b>
<b>FEDERAL GRANT FUNDS: FY 2013 Proposed Budget and FTE</b>		<b>463</b>	<b>4.7</b>
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Approved Budget and FTE</b>		<b>9,901</b>	<b>67.2</b>
Cost Increase: Other Services and Charges	Agency Management	186	0.0
Cost Increase: Align personal services with projected costs	Multiple Programs	146	0.8
Cost Increase: Utility and rent assessments from DGS	Agency Management	23	0.0
Cost Increase: Contractual Services	Agency Management	8	0.0
Cost Decrease: Supplies and Equipment	Agency Management	-10	0.0
Cost Decrease: Efficient use of Telecom devices	Agency Management	-4	0.0
Cost Decrease: Janitorial and Occupancy assessments from DGS	Agency Management	-3	0.0
<b>FY 2013 Initial Adjusted Budget</b>		<b>10,246</b>	<b>68.0</b>
Technical Adjustment: Health insurance contribution	Multiple Programs	22	0.0
<b>FY 2013 Additionally Adjusted Budget</b>		<b>10,268</b>	<b>68.0</b>
<b>FY 2013 Policy Initiatives</b>			
Cost Increase: Union salary increases per collective bargaining agreement	Utility Regulation	92	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Proposed Budget and FTE</b>		<b>10,360</b>	<b>68.0</b>
<b>Gross for DH0 - Public Service Commission</b>		<b>10,823</b>	<b>72.7</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

## Agency Performance Plan

The agency's performance plan has the following objectives for FY 2013:

**Objective 1:** Ensure safe and quality service by managing the Natural Gas Pipeline Safety Program, monitoring utility providers' compliance with the Commission's service quality standards, and investigating outages.

**Objective 2:** Ensure reliable electricity service by facilitating the transition to a "Smart Grid," a more technologically advanced network that includes advanced metering, communications, and delivery systems.

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## Agency Performance Measures

Measure	FY 2010 Actual	FY 2011 Projection	FY 2011 Actual	FY 2012 Projection	FY 2013 Projection	FY 2014 Projection
Industry Benchmark Measure - USDOT rating for the Commission's Pipeline Safety program	94% <sup>1</sup>	98%	Not Available	98%	98%	98%
Adjudicative case decisions to be issued within 90 days from the close of the record	100%	95%	100% <sup>2</sup>	95%	95%	95%
Cost per informal consumer complaint <sup>3</sup>	\$63.57	\$67.84	\$66.43	\$67.84	\$69.87	\$71.97
Number of hits to EducateDC consumer section of the homepage of the website (includes customer choice sections)	153,298	205,000	209,508	280,000 revised to 266,640 <sup>4</sup>	380,000 revised to 337,445	408,000

### Performance Plan Endnotes:

1. USDOT's pipeline safety program ratings are for prior calendar year performance. The PSC's rating of 94 percent in FY 2010 for the 2009 calendar year is below target in part because federal evaluators determined that one of the District's standards was less stringent than the federal standard. The PSC disputed the rating received in 2010 and agreed to modify its rules to avoid further argument- See Initiative 1.1.
2. The Commission had only one adjudicative proceeding in FY 2011 – F.C. No. 1079.
3. Cost refers to agency personnel expenses in processing informal consumer complaints. The target originally included a 3 percent escalator due to District government-mandated cost-of-living increases and step increases. However, no District government pay increases were approved for FY 2010 through FY 2011, and step increases were eliminated as of the beginning of FY 2011. The 3 percent escalator is reapplied in FY 2013 and FY 2014.
4. The revised FY 2012- FY 2014 projections were computed using a linear projectional algorithm based on historic monthly values.

