
Public Service Commission Activities and Energy Update

Briefing for Senate Finance Committee
November 26, 2013



Topics

- ❑ Reliability: Utility Performance and Commission Activity
- ❑ EmPOWER Maryland
- ❑ Renewable Portfolio Standard
- ❑ Natural Gas Prices and Residential Standard Offer Service Rates
- ❑ Smart Meters: Pepco, BGE, DPL, and SMECO
- ❑ Competitive Electricity Suppliers
- ❑ Other Major Commission Activities

Enhanced Oversight of Electric Reliability

- 2013 was the first year that RM 43 annual performance reports were filed and reviewed
 - Commission ordered appropriate corrective action and future reporting adjustments on September 3

RM 43 Performance Metrics

Utility	Meets System-Wide Outage Frequency & Duration Limits (July 1-December 31, 2012) Normal Weather Conditions	Meets Service Restoration Limits (May 28-December 31, 2012)		Timely Downed Wire Response (CY 2012)	Timely Customer Telephone Calls (CY 2012)	Meets Proactive Tree Trimming Standard (May 28, 2012-Aug 9, 2013)
		Normal Weather Conditions	Major Events			
BGE	Yes	Yes	Yes	Yes	Yes	Yes
Choptank	Yes	Yes	Yes	N/A	Yes	Yes
DPL	No (- 11%)	Yes	Yes	Yes	Yes	Yes
PE	Yes	Yes	No (- 10%)	No (- 21%)	No (- 4%)	Yes
PEPCO	Yes	Yes	Yes	Yes	Yes	Yes
SMECO	Yes	Yes	Yes	Yes	Yes	Yes

Enhanced Oversight of Electric Reliability

- Commission will receive by May 1 several filings from Staff concerning ways to continue enhancing the Commission's oversight of electric service reliability, including:
 - Draft proposed regulations revising RM 43 standards, including Major Outage Event Data, Objective Standards for Estimated Times of Restoration, and to strengthen the Poorest Performing Feeder standard
 - Evaluation of performance-based ratemaking
 - BPW approved consultants for additional Derecho work on November 20
- Commission received on November 18 the Staff Report of the Derecho Vulnerable Individuals Work Group and Response to HB 1159
 - Commission will evaluate recommendations
- Reliability4HOCO: September 9 Order directs BGE to report on the results of its Reliability Enhancement Work Plan and survey customers on their satisfaction with the Work Plan's results
 - Staff will file an investigative report on January 1, 2014 concerning additional feeders identified in Howard County's Petition and other reliability measures

EmPOWER Maryland:

Continued Improvement, But More Needed

Utility Program Achievement of the 2015 Energy Reduction Goal			
	Energy Reduction Program-to-Date, September 17, 2013	2015 Goal (MWh)	Percentage of 2015 Goal
BGE	1,583,194	3,593,750	44%
Pepco	627,485	1,239,108	51%
PE	271,646	415,228	65%
DPL	115,505	143,453	81%
SMECO	131,560	83,870	157%

Utility Program Achievement of the 2015 Peak Reduction Goal			
	Demand Reduction Program-to-Date, September 17, 2013	2015 Goal (MW)	Percentage of 2015 Goal
BGE	717	1,267	57%
Pepco	229	672	34%
PE	39	21	186%
DPL	46	18	257%
SMECO	66	139	48%

EmPOWER Maryland: New Programs and post-2015 Planning Studies

- \$94,928,882 approved for next round of utility EmPOWER programs
 - includes \$45.4 million for commercial and industrial programs and \$35.3 million for residential programs
 - Commission earlier approved an additional \$14.2 million for BGE Energy Solutions for Business Custom Program
- RFPs for Baseline and Potential studies for post-2015 EmPOWER Planning
 - Baseline study will analyze the quantity and type of devices by sector and building type that Maryland uses to consume electricity and natural gas
 - Potential study will seek to further understand the level of future savings that may be attained
 - MEA is also leveraging previous work performed by the Power Plant Research Project to develop an avoided cost study
 - The study's price forecasts and price suppression impacts will be used in the potential study

Renewable Portfolio Standard Compliance

RPS Compliance Year	Tier 1 Non-Solar	Tier 1 Solar	Tier 2	Total	
2006	RPS Obligation	520,073	-	1,300,201	1,820,274
	Retired RECs	552,874	-	1,322,069	1,874,943
	ACP Required	\$13,293	-	\$24,917	\$38,209
2007	RPS Obligation	553,612	-	1,384,029	1,937,641
	Retired RECs	553,374	-	1,382,874	1,936,248
	ACP Required	\$12,623	-	\$23,751	\$36,374
2008	RPS Obligation	1,183,439	2,934	1,479,305	2,665,678
	Retired RECs	1,184,174	227	1,500,414	2,684,815
	ACP Required	\$9,020	\$1,218,739	\$8,175	\$1,235,934
2009	RPS Obligation	1,228,521	6,125	1,535,655	2,770,301
	Retired RECs	1,280,946	3,260	1,509,270	2,793,475
	ACP Required	\$395	\$1,147,600	\$270	\$1,148,265
2010	RPS Obligation	1,922,070	15,985	1,601,723	3,539,778
	Retired RECs	1,931,367	15,451	1,622,751	3,569,569
	ACP Required	\$20	\$217,600	\$0	\$217,620
2011	RPS Obligation	3,079,851	28,037	1,553,942	4,661,830
	Retired RECs	3,083,141	27,972	1,565,945	4,677,058
	ACP Required	\$48,200	\$41,200	\$9,120	\$98,520
2012	RPS Obligation	3,901,558	56,130	1,522,179	5,479,867
	Retired RECs	3,902,221	56,194	1,522,297	5,480,712
	ACP Required	\$0	\$4,400	\$1,050	\$5,450

New Renewable Generators

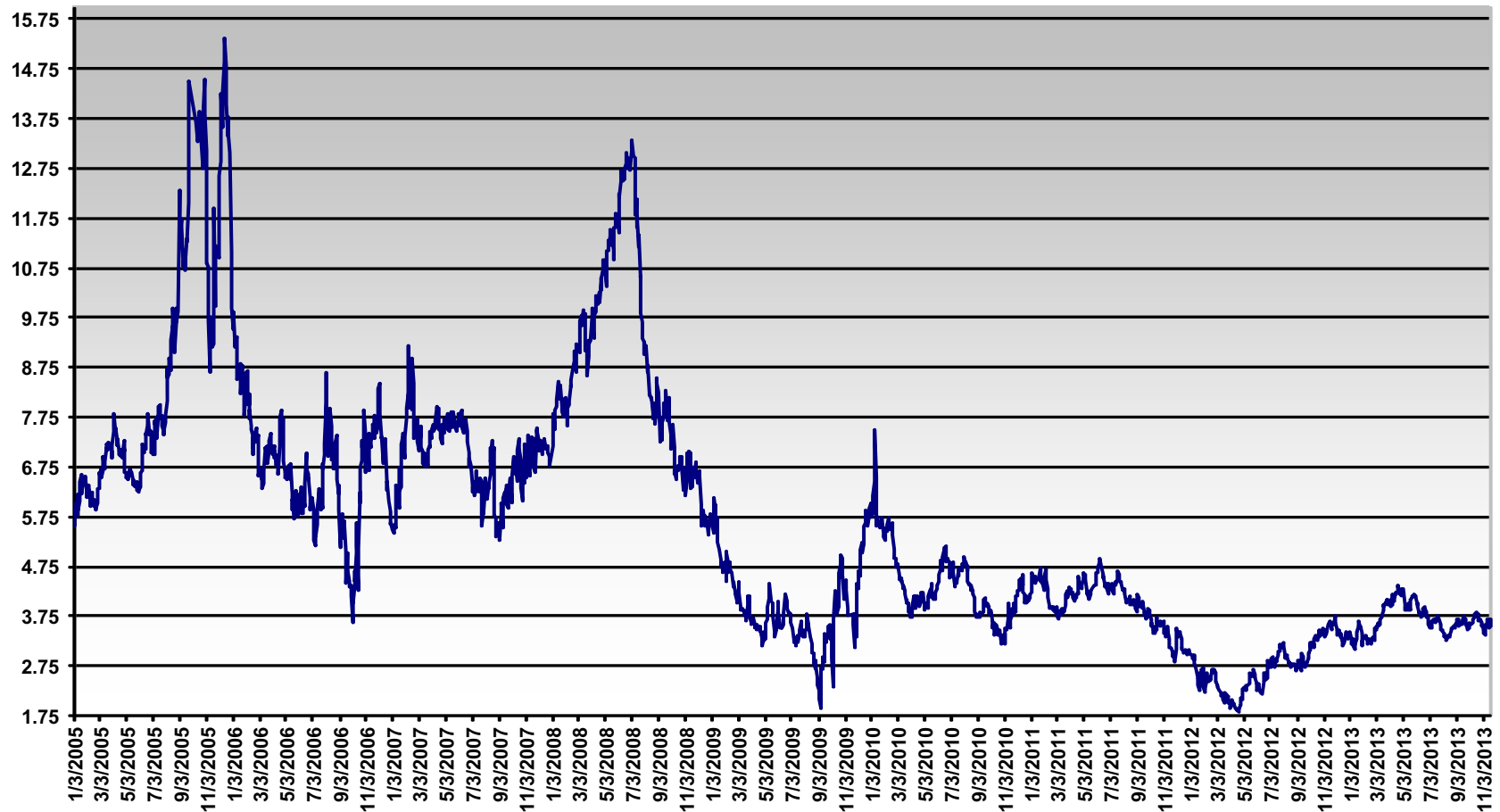
Since the inception of Maryland's RPS (2006), 5,490 MW of capacity have been installed and registered.

	RPS Total		MD Projects	
	# of Units	MW	# of Units	MW
Solar	5,392	152.4	5,392	152.4
Non-Solar	98	4,987.2	17	142.8
Total	5,490	5,140	5,409	295
			98.5%	5.7%

Natural Gas Prices at Henry Hub: 2005-2013

Wholesale Prices Remain at Historically Low Levels

Daily Spot Prices (\$/Dth) at Henry Hub: 2005-2013



Residential SOS Rates Show Recent Declines

Residential Standard SOS Rates in dollars per kWh	Summer 2011	Winter 2011	Summer 2012	Winter 2012	Summer 2013	Winter 2013	Summer 2014
	6/1/11-9/30/11	10/1/11-5/31/12	6/1/12-9/30/12	10/1/12-5/31/13	6/1/13-9/30/13	10/1/13-5/31/14	6/1/14-9/30/14
BGE	\$0.09380	\$0.08232	\$0.08808	\$0.07955	\$.09686	\$.08924	Not filed yet.
Delmarva	\$0.08819	\$0.07799	\$0.08733	\$0.08133	\$0.08978	\$.08363	\$.07889
Pepco	\$0.09163	\$0.08174	\$0.08531	\$0.08052	\$0.08789	\$.08592	\$.07932
Potomac Edison	\$0.06458	\$0.06243	\$0.05624	\$0.05495	\$.05506	\$.05241	Not filed yet.

Smart Meters: Deployments and Deferrals

- BGE has installed 480,625 meters
 - 35% deployed
 - Deployment planned to be complete by end of 2014
 - 5.5% (26,500) have deferred installation
 - Due to difficulties reaching indoor or otherwise inaccessible meters, BGE on September 16 asked permission to designate non-responsive customers as “opt-out” customers, or, in the alternative, terminate their service
 - On October 17, the Commission rejected both alternatives and ordered BGE to increase its efforts and report back in 6 months
- Pepco has installed 550,668 meters
 - 99% deployed
 - 0.39% (2,158) have deferred installation
- DPL has installed 106,511 meters
 - 92% deployed
 - Deployment planned to be complete by early 2014
 - 1.5% (1,630) have deferred installation
- SMECO’s 150,000 meter plan for all customers was approved in June
 - Will begin installations after soon-to-be filed customer education plan is approved

Retail Choice: Shopping Continues to Increase Gradually

Number of Customers Served by Competitive Electricity Suppliers

Service Territory	October 2012		July 2013	
	Residential	Non-Residential	Residential	Non-Residential
BGE	294,286	54,864	332,243	56,802
Delmarva	26,837	12,379	29,849	12,607
Potomac Edison	26,235	11,029	32,803	11,093
Pepco	115,381	22,137	129,549	22,338
Total	462,739	100,409	524,444	102,840

Licensed Electricity Suppliers

- 285 electricity suppliers now licensed
 - up from 249 as of January 1, 2013
- 199 brokers/aggregators
 - up from 180 as of January 1, 2013
- Starion Energy PA, Inc.
 - Commission initiated investigation into Starion's marketing practices on May 16 at the request of Staff
 - Hearings held on October 10; Order pending
 - Starion has been the subject of 196 complaints filed with OER during the period of January 1, 2013 to August 8, 2013
 - Seventy-one complaints alleged misrepresentations and/or fraud
 - Thirty-seven complaints describe very high rates
 - Remaining complaints typically involved allegations of slamming and billing disputes

Other Major Commission Activities

- BGE Rate Cases: Decision in last rate case issued February 23
 - Decision is new rate case due December 13
- Pepco Rate Case: Decision in last rate case issued July 12
 - Appealed to Circuit Court by Montgomery County, Pepco, and AARP
 - New filing expected in early December
- DPL Rate Cases: Decision in latest rate case accepting settlement filed with PULJ issued August 30
- WGL Rate Case: PULJ Order issued on October 10, appealed to Commission by WGL, OPC, and AOBA
 - Decision issued November 22
- Columbia Gas Rate Case: Decision on appeal of rate case from PULJ issued on September 24
- STRIDE Filings:
 - BGE decision due February 1, 2014
 - Columbia decision due February 3, 2014
 - WGL filed on November 7; decision due May 6, 2014

Major Commission Activities

- Offshore Wind: September 5, 2013 RFP for consultant to assist in the development of regulations and project application
 - Recommended consultant selection submitted to DBM for BPW approval on December 18, 2013
- Solar: 1835 facility certification applications approved so far in 2013
 - Approvals amount to approximately 40MW of capacity
- Supplier Diversity: 2012 saw \$344M in participating company contracts to diverse suppliers, exceeding the \$311 million target
 - 20 years since the PSC developed first supplier diversity MOU with utilities
- Transportation
 - Uber: PULJ handling case to determine if Uber is a common carrier subject to Commission regulation; Proposed Order may be issued by March 2014
 - UberX & Lyft: November 25 Administrative Meeting included issues relating to Lyft and UberX, both ridesharing services
 - Baltimore For-Hire Tax: November 25 Administrative Meeting included matter of allowing Baltimore City and Baltimore County taxicabs to post a notice to allow the drivers to collect the City's new excise tax

For more information...



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