

DC PSC MADRI Update

MADRI Working Group

February 6, 2007

Baltimore, MD



MADRI Related Activities

- Decoupling - (PEPCO Rate Case, FC# 1053, WGL Rate Case, FC # 1054)
- Distributed Generation Interconnection - (FC # 1050)
- DR - Brattle Study & 3% DR Goal
- AMI - Smart Meter Pilot Program, Inc. (SMPPI, FC # 1002)



Decoupling - PEPCO

- ❑ Part of Rate Case filed December 12, 2006
- ❑ Base Stabilization Adjustment, BSA (revenue stabilization mechanism based on revenue per customer)
- ❑ Increase in Minimum Charge (effective customer charge)
- ❑ If BSA approved then requested ROE decreased from 11% to 10.75%
- ❑ No DR or EE programs included as part of rate case



Decoupling – Washington Gas

- Part of rate case filed December 21, 2006
- Revenue Normalization Adjustment (RNA, revenue per customer mechanism)
- Includes EE education plan
- Rate case also includes a Performance-Based Ratemaking (PBR) proposal (asymmetrical mechanism, increase in ROE up to 50 basis points if quality of service measures are met, some sharing with customers)



Distributed Generation Interconnection

- MADRI November 2005 *Interconnection Procedures* were put out for comments July 31, 2006
- Received a wide range of comments
- Commission's Technical Consultant, Resource Dynamics Corp (RDC) and Staff have review comments and presented Commissioners with recommendations
- Next steps are to form Working Group and use either Pennsylvania rules or Maryland straw-man as basis for developing rules in the District



Brattle Study & 3% DR Goal

- Commission is putting the Brattle Report out for comment
- Will also be asking for comments on the MADRI 3% DR goal and how best to reach it
- What comes after receipt of comments and reply comments is currently uncertain



Smart Meter Pilot Program, Inc (SMPPI)

- Pilot AMI program approved on January 12, 2007.
- Program will start by fall of 2007 & run for two years
- 2,250 randomly residential customers
- Three pricing options:
 - Hourly Pricing based on day-ahead PJM market
 - Critical Peak Pricing
 - Critical Peak Rebate
- Will incorporate smart thermostats along with smart meters