
Public Service Commission

www.dcpssc.org

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Description	FY 2010 Actual	FY 2011 Approved	FY 2012 Proposed	% Change from FY 2011
Operating Budget	\$9,850,570	\$9,855,931	\$10,375,515	5.3
FTEs	65.9	72.6	72.6	0.0

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 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.

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 2012 proposed budget is presented in the following tables:

Summary of Services

PSC 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

FY 2012 Proposed Gross Funds Operating Budget, by Revenue Type

Table DH0-1 contains the proposed FY 2012 agency budget compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table DH0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
General Fund						
Special Purpose Revenue Funds	9,201	9,561	9,453	9,901	447	4.7
Total for General Fund	9,201	9,561	9,453	9,901	447	4.7
Federal Resources						
Federal Grant Funds	125	220	402	475	73	18.0
Total for Federal Resources	125	220	402	475	73	18.0
Intra-District Funds						
Intra-District Funds	0	70	0	0	0	N/A
Total for Intra-District Funds	0	70	0	0	0	N/A
Gross Funds	9,326	9,851	9,856	10,376	520	5.3

*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 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Full-Time Equivalents, by Revenue Type

Table DH0-2 contains the proposed FY 2012 FTE level compared to the FY 2011 approved FTE level by revenue type. It also provides FY 2009 and FY 2010 actual data.

Table DH0-2

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change
General Fund						
Special Purpose Revenue Funds	57.4	64.8	67.1	67.2	0.1	0.1
Total for General Fund	57.4	64.8	67.1	67.2	0.1	0.1
Federal Resources						
Federal Grant Funds	1.0	1.1	5.5	5.4	-0.1	-1.3
Total for Federal Resources	1.0	1.1	5.5	5.4	-0.1	-1.3
Total Proposed FTEs	58.4	65.9	72.6	72.6	0.0	0.0

FY 2012 Proposed Operating Budget, by Comptroller Source Group

Table DH0-3 contains the proposed FY 2012 budget at the Comptroller Source Group (object class) level compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table DH0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
11 - Regular Pay - Cont Full Time	4,599	4,927	5,061	5,309	247	4.9
12 - Regular Pay - Other	979	1,008	1,149	1,229	80	7.0
13 - Additional Gross Pay	3	25	0	0	0	N/A
14 - Fringe Benefits - Curr Personnel	969	1,079	1,120	1,301	181	16.2
Subtotal Personal Services (PS)	6,550	7,039	7,330	7,839	508	6.9
20 - Supplies and Materials	46	43	36	40	4	12.3
30 - Energy, Comm. and Bldg Rentals	1	2	2	2	0	-6.2
31 - Telephone, Telegraph, Telegram, Etc.	82	76	69	80	12	17.1
32 - Rentals - Land and Structures	1,789	1,517	1,607	1,671	64	4.0
33 - Janitorial Services	0	0	0	2	2	N/A
35 - Occupancy Fixed Costs	0	9	0	8	8	N/A
40 - Other Services and Charges	262	383	264	347	83	31.3
41 - Contractual Services - Other	348	601	418	204	-213	-51.1
70 - Equipment and Equipment Rental	248	181	130	182	52	39.7
Subtotal Nonpersonal Services (NPS)	2,775	2,812	2,525	2,537	11	0.4
Gross Funds	9,326	9,851	9,856	10,376	520	5.3

*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.

This program contains the following activity:

- **Natural Gas Pipeline Safety** – 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;
- **Fostering 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 2012 Proposed Budget.

FY 2012 Proposed Operating Budget and FTEs, by Program and Activity

Table DH0-4 contains the proposed FY 2012 budget by program and activity compared to the FY 2011 approved budget. It also provides the FY 2010 actual data.

Table DH0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011
(1000) Agency Management								
(1010) Personnel	333	300	303	3	3.1	3.2	2.9	-0.3
(1015) Training and Development	169	150	232	82	0.4	0.4	1.2	0.7
(1020) Contracting and Procurement	221	43	205	162	1.4	0.4	1.8	1.4
(1030) Property Management	119	1,974	2,114	140	0.4	1.2	0.6	-0.6
(1040) Information Technology	200	283	295	12	0.3	1.1	1.3	0.2
(1050) Financial Management	1,695	70	79	8	0.3	0.3	0.4	0.1
(1060) Legal	581	338	194	-144	0.8	0.8	0.9	0.1
(1070) Fleet Management	0	2	2	0	0.0	0.0	0.0	0.0
(1080) Communications	45	60	177	117	0.5	0.5	2.1	1.6
(1085) Customer Service	132	138	185	47	1.6	1.7	2.2	0.5
(1090) Performance Management	39	41	51	10	0.3	0.3	0.4	0.0
Subtotal (1000) Agency Management	3,536	3,399	3,836	437	9.2	9.9	13.7	3.8
(100F) Agency Financial Operations								
(110F) Budget Operations	184	182	190	8	1.6	1.6	1.6	0.0
(120F) Accounting Operations	86	81	87	5	1.0	1.0	1.0	0.0
Subtotal (100F) Agency Financial Operations	270	263	277	13	2.5	2.6	2.6	0.0
(2000) Pipeline Safety								
(2010) Pipeline Safety	332	540	594	53	2.5	6.9	6.7	-0.2
Subtotal (2000) Pipeline Safety	332	540	594	53	2.5	6.9	6.7	-0.2
(3000) Utility Regulation								
(3010) Public Safety and Reliability	778	825	788	-37	7.1	7.7	6.4	-1.3
(3020) Regulate Monopoly	1,767	1,664	1,818	154	14.2	14.8	14.7	-0.1
(3030) Foster Competition	1,364	1,396	1,060	-337	11.6	11.6	8.6	-3.0
(3040) Resolve Dispute	929	923	677	-246	9.2	9.2	6.5	-2.7
(3050) Public Information/Consumer Education	787	846	682	-164	9.5	9.9	7.9	-2.0
(3060) Conserving Energy and Preserving Environ	0	0	644	644	0.0	0.0	5.6	5.6
Subtotal (3000) Utility Regulation	5,625	5,654	5,669	15	51.6	53.2	49.7	-3.6
(7000) Intra-District- Broadband Mapping								
(7010) Intra-District- Broadband Mapping	70	0	0	0	0.0	0.0	0.0	0.0
Subtotal (7000) Intra-District- Broadband Mapping	70	0	0	0	0.0	0.0	0.0	0.0
(8000) Public Service Commission								
(8010) Pipeline Safety-One Call Grant	18	0	0	0	0.0	0.0	0.0	0.0
Subtotal (8000) Public Service Commission	18	0	0	0	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	9,851	9,856	10,376	520	65.9	72.6	72.6	0.0

(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 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Budget Changes

Intra-Agency Adjustments: The Public Service Commission (PSC) increased Special Purpose Revenue funding for fringe benefits by \$154,985 and Federal Grant funding by \$16,147 to accommodate for the historical growth rate in that expenditure. PSC realized an increase of \$282,357 in Special Purpose Revenue and \$54,864 in Federal Grants to properly align personal services with expected expenditures to include planned step increases. Special Purpose Revenue funds in the Agency Management program were increased by \$221,182 to cover the

adjustments in supplies and materials, telecom, rent, janitorial services, occupancy, other services and charges, and equipment purchases. PSC has a reduction of \$101 in the fixed cost estimate for energy and a reduction of \$213,289 in contractual services. Federal Grant funding for the Pipeline Safety program will increase by \$3,438 for supplies and materials and other services and charges.

Shift: The agency will shift 0.1 FTE and \$1,936 from Federal Grant funds to Special Purpose Revenue funds.

FY 2011 Approved Budget to FY 2012 Proposed Budget, by Revenue Type

Table DH0-5 itemizes the changes by revenue type between the FY 2011 approved budget and the FY 2012 proposed budget.

Table DH0-5

(dollars in thousands)

	PROGRAM	BUDGET	FTE
FEDERAL GRANT FUNDS: FY 2011 Approved Budget and FTE		402	5.5
Cost Increase: Align personal services with projected expenditures and step increases	Multiple Programs	55	0.0
Cost Increase: Adjust fringe benefits based on historical growth rate	Multiple Programs	16	0.0
Cost Increase: Increase other services and charges	Pipeline Safety	2	0.0
Cost Increase: Increase supplies and materials	Pipeline Safety	1	0.0
Shift: FTE to Special Purpose Revenue funds	Multiple Programs	-2	-0.1
FY 2012 Initial Adjusted Budget		475	5.4
FEDERAL GRANT FUNDS: FY 2012 Proposed Budget and FTE		475	5.4
SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Approved Budget and FTE		9,453	67.1
Cost Decrease: Decrease spending in contractual services	Agency Management Program	-213	0.0
Cost Decrease: Decrease energy costs (less than \$500)	Agency Management Program	0	0.0
Cost Increase: Align personal services with projected expenditures and step increases	Multiple Programs	282	0.0
Cost Increase: Adjust fringe benefits based on historical growth rate	Multiple Programs	155	0.0
Cost Increase: Increase other services and charges	Agency Management Program	80	0.0
Cost Increase: Revise fixed cost estimate for rent	Agency Management Program	64	0.0
Cost Increase: Increase office equipment purchases	Agency Management Program	52	0.0
Cost Increase: Revise fixed cost for telecom	Agency Management Program	12	0.0
Cost Increase: Revise fixed costs for occupancy	Agency Management Program	8	0.0
Cost Increase: Increase supplies and materials	Agency Management Program	3	0.0
Cost Increase: Revise fixed cost for janitorial services	Agency Management Program	2	0.0
Shift: FTE from Federal Grant funds	Multiple Programs	2	0.1
FY 2012 Initial Adjusted Budget		9,901	67.2
SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Proposed Budget and FTE		9,901	67.2
Gross for DH0 - Public Service Commission		10,376	72.6

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

Agency Performance Plans

The agency's performance plan has the following objectives for FY 2012:

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.

Agency Performance Measures

Measure	FY 2009 Actual	FY 2010 Target	FY 2010 Actual	FY 2011 Projection	FY 2012 Projection	FY 2013 Projection
Industry Benchmark Measure - USDOT rating for the Commission's Natural Gas Pipeline Safety program ¹	98%	95%	94%	98%	98%	98%
Adjudicative case decisions to be issued within 90 days from the close of the record	100%	90%	100%	95%	95%	95%
Cost per informal consumer complaint ²	\$69.20	\$67.84	\$63.57	\$67.84	\$67.84	\$67.84
Number of hits to EducateDC consumer section of the homepage of the website (includes customer choice sections)	Not Available	100,000	153,298	205,000	280,000	380,000

Performance Plan Endnotes:

1. USDOT Natural Gas Pipeline Safety program ratings are for prior calendar year performance. PSC's rating of 94 percent in FY 2010 for the 2009 calendar year is below target in part because federal evaluators determined that the District's standards were less stringent than federal standards. The PSC disputed this finding and agreed to modify its rules to avoid any further argument.
2. Cost refers to agency personnel expenses in processing informal consumer complaints. The target originally included a 3 percent escalator due to anticipated District government-mandated cost-of-living increases and step increases. However, no District government pay increases have been approved for FY 2009 through FY 2011, and step increases were eliminated for FY 2011.

