
Public Service Commission

www.dcpsc.org

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Description	FY 2009 Actual	FY 2010 Approved	FY 2011 Proposed	% Change from FY 2010
Operating Budget	\$9,325,796	\$10,111,382	\$9,971,116	-1.4
FTEs	58.4	67.6	72.6	7.4

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.

Summary of Services

PSC protects consumers by requiring the companies to provide safe, reliable, and quality services; regulating monopoly services to ensure their rates are just and reasonable; fostering fair and open competition among service providers; conserving natural resources and preserving environmental quality; resolving dis-

putes among consumers and service providers; educating consumers and informing the public; motivating customer- and results-oriented employees; and promoting energy efficiency.

The agency's FY 2011 proposed budget is presented in the following tables:

FY 2011 Proposed Gross Funds Operating Budget, by Revenue Type

Table DH0-1 contains the proposed FY 2011 agency budget compared to the FY 2010 approved budget. It also provides FY 2008 and FY 2009 actual expenditures.

Table DH0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change*
General Fund						
Special Purpose Revenue Funds	8,568	9,201	9,958	9,569	-389	-3.9
Total for General Fund	8,568	9,201	9,958	9,569	-389	-3.9
Federal Resources						
Federal Grant Funds	127	125	154	402	249	161.6
Total for Federal Resources	127	125	154	402	249	161.6
Gross Funds	8,695	9,326	10,111	9,971	-140	-1.4

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

FY 2011 Proposed Full-Time Equivalents, by Revenue Type

Table DH0-2 contains the proposed FY 2011 FTE level compared to the FY 2010 approved FTE level by revenue type. It also provides FY 2008 and FY 2009 actual data.

Table DH0-2

Appropriated Fund	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change
General Fund						
Special Purpose Revenue Funds	43.8	57.4	66.1	67.1	1.0	1.5
Total for General Fund	43.8	57.4	66.1	67.1	1.0	1.5
Federal Resources						
Federal Grant Funds	0.2	1.0	1.5	5.5	4.0	270.3
Total for Federal Resources	0.2	1.0	1.5	5.5	4.0	270.3
Private Funds						
Private Grant Funds	0.2	0.0	0.0	0.0	0.0	N/A
Total for Private Funds	0.2	0.0	0.0	0.0	0.0	N/A
Total Proposed FTEs	44.2	58.4	67.6	72.6	5.0	7.4

FY 2011 Proposed Operating Budget, by Comptroller Source Group

Table DH0-3 contains the proposed FY 2011 budget at the Comptroller Source Group (object class) level compared to the FY 2010 approved budget. It also provides FY 2008 and FY 2009 actual expenditures.

Table DH0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change*
11 - Regular Pay - Cont Full Time	4,807	4,599	5,303	5,150	-153	-2.9
12 - Regular Pay - Other	1,088	979	940	1,166	226	24.1
13 - Additional Gross Pay	6	3	0	0	0	N/A
14 - Fringe Benefits - Curr Personnel	913	969	1,031	1,130	99	9.6
Subtotal Personal Services (PS)	6,814	6,550	7,274	7,446	172	2.4
20 - Supplies and Materials	6	46	36	36	0	0.0
30 - Energy, Comm. and Bldg Rentals	2	1	2	2	0	0.0
31 - Telephone, Telegraph, Telegram, Etc.	79	82	67	69	2	3.0
32 - Rentals - Land and Structures	1,228	1,789	1,894	1,607	-287	-15.2
35 - Occupancy Fixed Costs	0	0	9	0	-9	-100.0
40 - Other Services and Charges	125	262	283	264	-19	-6.6
41 - Contractual Services - Other	320	348	417	418	0	0.0
50 - Subsidies and Transfers	4	0	0	0	0	N/A
70 - Equipment and Equipment Rental	116	248	130	130	0	0.0
Subtotal Nonpersonal Services (NPS)	1,880	2,775	2,837	2,525	-312	-11.0
Gross Funds	8,695	9,326	10,111	9,971	-140	-1.4

*Percent Change is based on whole dollars.

Program Description

The Public Service Commission operates through the following 4 programs:

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 5 activities:

- **Public Safety and Reliability** – provides orders, regulations, plans, and proposed legislation for services to natural gas, electric, and telecommunications service providers;
- **Monopoly Regulation** – provides rate-setting services to natural gas, electric, and telecommunications utility companies through the issuance of orders and regulations and the establishment of quality of service and other standards;
- **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;
- **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
- **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.

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 the District public in compliance with federal grant provisions and to prevent harmful incidents.

This program contains the following activity:

- **Pipeline Safety** – conducts inspections of natural gas construction projects, investigates incidents, and audits Washington Gas' records, and issues notices of probable violations to ensure compliance with federal and District standards.

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 2011 Proposed Budget.

FY 2011 Proposed Operating Budget and FTEs, by Program and Activity

Table DH0-4 contains the proposed FY 2011 budget by program and activity compared to the FY 2010 approved budget. It also provides the FY 2009 actual data.

Table DH0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010
(1000) Agency Management								
(1010) Personnel	323	360	300	-60	3.0	3.2	3.2	0.0
(1015) Training and Development	119	123	150	27	0.4	0.4	0.4	0.0
(1020) Contracting and Procurement	243	211	43	-168	1.3	1.4	0.4	-1.0
(1030) Property Management	137	145	1,974	1,829	0.4	0.4	1.2	0.7
(1040) Information Technology	271	152	283	131	0.3	0.3	1.1	0.8
(1050) Financial Management	1,962	2,077	70	-2,007	0.2	0.3	0.3	0.0
(1060) Legal	327	434	338	-96	0.5	0.8	0.8	0.0
(1070) Fleet Management	0	0	2	2	0.0	0.0	0.0	0.0
(1080) Communications	45	62	60	-2	0.4	0.5	0.5	0.0
(1085) Customer Service	132	132	138	6	1.5	1.7	1.7	0.0
(1090) Performance Management	38	45	41	-4	0.3	0.3	0.3	0.0
Subtotal (1000) Agency Management	3,597	3,740	3,399	-341	8.3	9.4	9.9	0.5
(100F) Agency Financial Operations								
(110F) Budget Operations	183	200	182	-19	1.8	1.6	1.6	0.0
(120F) Accounting Operations	81	80	81	2	1.0	1.0	1.0	0.0
Subtotal (100F) Agency Financial Operations	264	280	263	-17	2.7	2.6	2.6	0.0
(2000) Pipeline Safety								
(2010) Pipeline Safety	228	303	540	237	1.9	2.9	6.9	4.0
Subtotal (2000) Pipeline Safety	228	303	540	237	1.9	2.9	6.9	4.0
(3000) Utility Regulation								
(3010) Public Safety & Reliability	784	845	825	-20	6.7	7.2	7.7	0.5
(3020) Regulate Monopoly	1,568	1,777	1,779	1	11.9	14.5	14.8	0.3
(3030) Foster Competition	1,240	1,390	1,396	7	10.0	11.8	11.6	-0.2
(3040) Resolve Dispute	852	948	923	-24	8.2	9.5	9.2	-0.3
(3050) Public Information/Consumer Education	793	829	846	16	8.7	9.8	9.9	0.2
Subtotal (3000) Utility Regulation	5,237	5,788	5,769	-20	45.5	52.8	53.2	0.5
Total Proposed Operating Budget	9,326	10,111	9,971	-140	58.4	67.6	72.6	5.0

(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 2011 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2011 Proposed Budget Changes

Intra-Agency Adjustments: The Public Service Commission (PSC) increased Special Purpose Revenue funding for fringe benefits by \$74,378 to accommodate for the historical growth rate in this expenditure. PSC will partially fund two Recovery Act positions with Special Purpose Revenue funds, for a total of \$44,209. Fixed cost estimates for IT, telecom, and occupancy will increase by \$5,000 to account for cost adjustments.

Transfers In/Out: PSC will transfer \$78,429 in Special Purpose Revenue funds to the Office of Contracting and Procurement and the D.C. Department of Human Resources.

Cost Savings: Savings of \$286,908 in fixed costs were achieved due to an adjustment of the rental estimate, and a savings of \$13,920 was achieved through the elimination of employee parking subsidies. A cost decrease of \$13,807 was achieved by realigning the salary level for the Federal grant-funded Pipeline Safety Engineering position. Additionally, PSC will achieve a savings of \$129,894 by reclassifying positions to lower-grade career ladder. In FY 2011, PSC's fleet assessment from the Department of Public Works will be reduced by \$1,415.

Policy Initiatives: In FY 2011, PSC will expand inspections of underground utility facilities to year-round with an enhancement of \$15,000. The PSC inspections entail checking to ensure that markings of utility lines are being done correctly. By conducting inspections throughout the year, PSC will reduce the likelihood of damage to underground utility facilities.

Stimulus: PSC received American Recovery and Reinvestment Act of 2009 (ARRA) funding from the US Department of Energy to manage and respond to issues related to implementation of a smart grid through energy efficiency and demand response programs. In FY 2011, PSC will budget \$262,183 for 4 ARRA-funded positions and associated nonpersonal services costs.

FY 2010 Approved Budget to FY 2011 Proposed Budget, by Revenue Type

Table DH0-5 itemizes the changes by revenue type between the FY 2010 approved budget and the FY 2011 proposed budget.

Table DH0-5
(dollars in thousands)

	PROGRAM	BUDGET	FTE
FEDERAL GRANT FUND: FY 2010 Approved Budget and FTE		154	1.5
Enhance: Fund nonpersonal services expenditures, including training, travel, and office supplies for Recovery Act positions	Multiple Programs	48	0.0
Cost Decrease: Adjust salary for Pipeline Safety position	Pipeline Safety	-14	0.0
Create: Fund salary and fringe benefits for Recovery Act positions	Multiple Programs	214	4.0
Reduce: Hold salary steps constant (less than \$1,000)	Multiple Programs	0	0.0
FEDERAL GRANT FUND: FY 2011 Proposed Budget and FTE		402	5.5
SPECIAL PURPOSE REVENUE FUNDS: FY 2010 Approved Budget and FTE		9,958	66.1
Cost Decrease: Adjust fixed cost estimate for rent	Agency Management	-287	0.0
Cost Decrease: Align fleet assessment with DPW estimate	Agency Management	-1	0.0
Cost Decrease: Eliminate employee parking subsidy	Agency Management	-14	0.0
Cost Decrease: Reclassify positions to lower grades	Agency Management	-130	0.0
Reduce: Hold salary steps constant	Agency Management	-17	0.0
Cost Increase: Revise fixed cost estimates for IT, telecom, and occupancy	Agency Management	5	0.0
Enhance: Increase underground facility inspections to year-round	Agency Management	15	0.0
Transfer Out: Transfer procurement and human resources assessments to OCP/DCHR	Agency Management	-78	0.0
Cost Increase: Adjust Fringe Benefits based on historical growth rate	Multiple Programs	74	0.0
Enhance: Establish salary for part-time Recovery Act funded positions	Multiple Programs	44	1.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Proposed Budget and FTE		9,569	67.1
Gross for DH0 - Public Service Commission		9,971	72.6

Agency Performance Plans

The agency's performance plan has the following objectives for FY 2011:

Objective 1: Ensure public safety by managing the Natural Gas Pipeline Safety Program and monitoring and investigating electric, natural gas, and telecommunications incidents.

Objective 2: Promote energy efficiency in the District of Columbia and increase public awareness of energy efficiency opportunities.

Objective 3: Render a decision in PEPCO's rate case within 90 days of the close of the record (after the parties file their reply briefs).

Objective 4: Ensure the effective implementation of the American Recovery and Reinvestment Act of 2009 in the District of Columbia.

Agency Performance Measures

Table DH0-6

Measure	FY 2008 Actual	FY 2009 Target	FY 2009 Actual	FY 2010 Projection	FY 2011 Projection	FY 2012 Projection
USDOT rating for the Commission's natural gas pipeline safety program ¹	98% (for 2007)	90%	98% ¹	95%	98%	98%
Adjudicative case decisions to be issued within 90 days from the close of the record	100%	90%	100%	90%	95%	95%
Percent of electric, gas, and local telecommunications service standards that are not met and for which improvement plans have been requested and implemented	100%	90%	100%	90%	95%	95%
Cost per informal consumer complaint ²	\$57.24	\$68.50	\$69.20	\$70.50	\$73.00	
Number of hits to educate DConsumer section of Website	N/A	N/A	TBD	TBD	TBD	TBD

N/A - Not applicable; TBD - To be determined after baseline data are received

¹Results are on a calendar year basis and usually issued by USDOT in the fall after all state audits have been completed.

²Cost refers to agency personnel expenses in processing informal consumer complaints. The targets include a 3 percent escalator for pay increases due to District government-mandated cost-of-living increases and step increases.