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Press Release

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DCPSC Approves Innovative Pilot Program to Procure Renewable Energy through PPA

Program Targets Five Percent of the District's Standard Offer Service Load

(Washington, D.C.) The Public Service Commission of the District of Columbia (Commission) has approved a pilot program to procure a long-term renewable energy power purchase power agreement (PPA) for five percent of the District's Standard Offer Service (SOS) procurement portfolio. There is a target quantity of 5% of the SOS load (Formal Case No. 1017). The District's SOS program is the default electric supply service for residential and commercial consumers who do not choose their electric generation and transmission from a third-party (or competitive) supplier. As the Administrator of the SOS program, Pepco purchases SOS electricity from wholesale suppliers through a competitive bidding process regulated by the Commission.

"Through this Order, the Commission is taking direct action to reduce greenhouse gas (GHG) emissions by promoting the construction of new renewable energy generation facilities within the PJM Interconnection region," stated Willie L. Phillips, Chairman of the Public Service Commission. "Utilizing PPAs in this manner is consistent with the District's Climate Change and Energy Action Plans and the <u>Clean Energy DC Omnibus Amendment Act</u> of 2018's climate change commitment of a 50% reduction in GHG emissions by 2032 and carbon neutrality by 2050 and meeting the 100% Renewable Energy Portfolio Standard in 2032."

The Commission directs Pepco to file a revised request for proposal (RFP) and a draft final agreement, consistent with this Order, within 30 days of the date of this Order. The Commission expects the RFP for the PPA to be issued by Pepco in September 2020, and that energy supply from the PPA will begin to serve the target quantity of five percent of SOS load on June 1, 2024. In addition, the Commission will hire a consultant within 90 days of the end of the first year that the PPA has provided energy to SOS customers to assess the benefits, costs, and risks to SOS customers. The Commission will use this information to analyze the feasibility of expanding the percentage of the District's SOS load to be served by renewable energy PPAs beyond the initial five percent.

For more information, please visit the Commission at www.dcpsc.org.

The Public Service Commission of the District of Columbia is an independent agency established by Congress in 1913 to regulate electric, natural gas, and telecommunications companies in the District of Columbia.

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