

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1325 G STREET, N.W., SUITE 800
WASHINGTON, D.C. 20005**

PUBLIC NOTICE

**FORMAL CASE NO. 1169, IN THE MATTER OF THE APPLICATION OF
WASHINGTON GAS LIGHT COMPANY FOR AUTHORITY TO INCREASE
EXISTING RATES AND CHARGES FOR GAS SERVICE**

1. The Public Service Commission of the District of Columbia (Commission) hereby gives notice, pursuant to D.C. Code § 34-901 and 34-909, that on April 4, 2022, Washington Gas Light Company (WGL or Company) filed an Application requesting authority to increase existing rates and charges for natural gas service in the District of Columbia (District). The requested rates are designed to collect approximately \$226.4 million in total annual revenues, which represents an increase in the Company’s weather-normalized annual revenues of no more than \$53.0 million, which includes a transfer of \$5.3 million associated with costs from the natural gas system upgrades currently paid by customers through the PROJECT*pipes* monthly surcharge, resulting in a net increase of \$47.7 million in new revenues. These new revenues reflect an overall increase of approximately 20.4% over and above current bills. WGL contends that the request to increase base rates is because the Company is operating in the District with negative cash flows from operating activities and with an insufficient return to cover its financing costs.¹

2. The proposed changes in base rates for firm and interruptible customers’ Customer Charge and Distribution Charges are summarized below.

3. The first element of a firm or interruptible customer’s bill is the Customer Charge, and the Application, if fully granted, would result in charges as follows:

| Type of Customer | Current Monthly Customer Charge | Proposed Monthly Customer Charge |
|---|--|---|
| <u>RESIDENTIAL</u> | | |
| Heating/Cooling | \$15.05 | \$18.80 |
| Non-Heating/Non-Cooling: | | |
| Individually Metered Apts. | \$10.90 | \$14.75 |
| Other | \$12.30 | \$16.65 |
| <u>COMMERCIAL & INDUSTRIAL</u> | | |
| Heating/Cooling: | | |
| Small | \$27.20 | \$36.75 |
| Large | \$63.70 | \$79.65 |

¹ *Formal Case No. 1169, In the Matter of the Application of Washington Gas Light Company for Authority to Increase Existing Rates and Charges for Gas Service (“Formal Case No. 1169”), Application, filed April 4, 2022.*

| | | |
|-------------------------|---------|---------|
| Non-Heating/Non-Cooling | \$25.90 | \$32.40 |
|-------------------------|---------|---------|

GROUP METERED APARTMENTS

Heating/Cooling:

| | | |
|-------------------------|---------|---------|
| Small | \$25.90 | \$32.40 |
| Large | \$63.70 | \$79.65 |
| Non-Heating/Non-Cooling | \$25.90 | \$32.40 |

INTERRUPTIBLE

| | | |
|---------------|----------|----------|
| All Customers | \$110.00 | \$137.50 |
|---------------|----------|----------|

COMBINED HEAT AND POWER/DISTRIBUTED GENERATION FACILITIES

| | | |
|---------------|----------|----------|
| All Customers | \$312.50 | \$390.65 |
|---------------|----------|----------|

4. The second element of a firm or interruptible customer's bill is the Distribution Charge per therm. The current and proposed basic per therm charges, if fully granted, are:

| Type of Customer | Current Distribution Charge Per Therm | Proposed Distribution Charge Per Therm |
|--|--|---|
| <u>RESIDENTIAL</u> | | |
| All gas used during the billing month | | |
| Heating/Cooling | \$0.4542 | \$0.6971 |
| Non-Heating/Non-Cooling | \$0.4076 | \$0.7227 |
| Other | \$0.4511 | \$0.8317 |
| <u>COMMERCIAL & INDUSTRIAL</u> | | |
| All gas used during the billing month | | |
| Heating/Cooling: | | |
| Small | \$0.4135 | \$0.7582 |
| Large | \$0.4006 | \$0.5769 |
| Non-Heating/Non-Cooling | \$0.3993 | \$0.5812 |
| <u>GROUP METERED APARTMENTS</u> | | |
| Heating/Cooling: | | |
| Small | \$0.4014 | \$0.6014 |
| Large | \$0.4060 | \$0.5853 |
| Non-Heating/Non-Cooling | \$0.4027 | \$0.5837 |
| <u>INTERRUPTIBLE</u> | | |
| First 75,000 therms | \$0.1755 | \$0.2846 |
| Over 75,000 therms | \$0.1619 | \$0.2774 |
| <u>COMBINED HEAT AND POWER/DISTRIBUTED GENERATION FACILITIES</u> | | |
| All therms | \$0.08 | \$0.1315 |

5. The third element of a non-residential firm customer's bill is the Peak Usage Charge. The current and proposed charges are:

| Type of Customer | Present | Proposed |
|--|----------------|-----------------|
| <u>COMMERCIAL & INDUSTRIAL</u> | | |
| Rate per therm of peak month usage from prior year | | |
| Annual Usage less than 3,075 therms | \$0.0369 | \$0.0677 |
| Annual Usage 3,075 therms or more | \$0.0352 | \$0.0507 |
| Non-Heating and Non-Cooling | \$0.0351 | \$0.0511 |
| <u>GROUP METERED APARTMENTS</u> | | |
| Rate per therm of peak month usage from prior year | | |
| Annual Usage less than 3,075 therms | \$0.0351 | \$0.0526 |
| Annual Usage 3,075 therms or more | \$0.0352 | \$0.0507 |
| Non-Heating and Non-Cooling | \$0.0352 | \$0.0510 |
| <u>COMBINED HEAT AND POWER/DISTRIBUTED GENERATION FACILITIES</u> | | |
| Rate per therm of peak month usage from prior year | \$0.07 | \$0.1151 |

6. If granted in full, the average monthly effects of the proposed increase on the average sales service customer will be:

| Type of Customer | Annual Therm Usage | Average Monthly Increase | % Increase |
|--|---------------------------|---------------------------------|-------------------|
| <u>RESIDENTIAL</u> | | | |
| Heating/Cooling | 629 | \$ 16.48 | 19.1% |
| Non-Heating/Non-Cooling: | | | |
| Individually Metered Apts. | 62 | \$ 5.48 | 31.0% |
| Other | 457 | \$ 18.85 | 29.4% |
| <u>COMMERCIAL & INDUSTRIAL</u> | | | |
| Heating/Cooling: | | | |
| Small | 1,083 | \$ 44.35 | 29.3% |
| Large | 17,545 | \$ 296.96 | 14.6% |
| Non-Heating/Non-Cooling | 3,881 | \$ 69.49 | 15.1% |
| <u>GROUP METERED APARTMENTS</u> | | | |
| Heating/Cooling: | | | |

| | | | | |
|-------------------------|-------|---------|------------|-------|
| | Small | 1,571 | \$ 35.06 | 17.3% |
| | Large | 16,352 | \$ 283.50 | 14.9% |
| Non-Heating/Non-Cooling | | 4,686 | \$ 82.24 | 15.0% |
| <u>INTERRUPTIBLE</u> | | | | |
| Interruptible | | 337,059 | \$3,090.89 | 31.8% |

7. In its Application, the Company is proposing a Climate Progress Adjustment (CPA) in its proposed rate structure that the Company alleges will benefit customers and the Company. The proposed CPA stabilizes customers' annual bills for the delivery of energy while also allowing WGL the opportunity to recover its approved revenue requirement notwithstanding reduced customer consumption in direct alignment with the District's climate goals. The Company is also proposing a Climate Action Recovery Tariff (CART), a regulatory mechanism to allow the Company to timely recover costs associated with the Company's efforts to support the District's climate goals.

8. The public version of WGL's Application can be viewed on the Commission's website at www.dcpssc.org.

9. Any person desiring to intervene in the proceeding shall file a petition to intervene with the Commission no later than May 23, 2022. All petitions to intervene shall conform to the requirements of the Commission's Rules of Practice and Procedure as set forth in Chapter 1, Section 106 of Title 15 of the District of Columbia Municipal Regulations (15 DCMR § 106, *et seq.* (1998)). Any objections to petitions to intervene shall be filed by May 31, 2022. All written comments should be addressed to Brinda Westbrook-Sedgwick, Commission Secretary, Public Service Commission of the District of Columbia, 1325 G Street, N.W., Suite 800, Washington, D.C. 20005 and filed electronically on the Commission's website at https://edocket.dcpssc.org/public/public_comments.

10. Pursuant to 15 DCMR § 129, the Commission will hold a Virtual Status Conference on the Application at 10:00 a.m., on June 29, 2022, via Microsoft Teams. Parties shall be prepared to discuss proposed issues of material fact, procedural schedules, and any other preliminary matters. Parties may file proposed issues of material fact, procedural schedules, and statements of other preliminary matters by June 22, 2022.