

PRESS RELEASE

OPC Files Testimony with the PSC Opposing Washington Gas Light's Proposed \$53 Million Rate Increase and Calls for Increased Regulatory Oversight of Infrastructure Projects

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Washington, DC - The Office of the People's Counsel for the District of Columbia (OPC) has filed testimony requesting that the DC Public Service Commission (PSC) reject the vast majority (\$47.3 million) of Washington Gas Light's (WGL) \$53 million proposed rate increase and urges the PSC to closely examine the impact the rate increase will have on the most financially vulnerable DC consumers. OPC also calls on the PSC to strengthen its regulatory oversight of the gas company's poor performance with infrastructure projects.

OPC's major concerns with WGL's proposal are whether they 1) ensure equitable and affordable rates 2) advance the District's climate goals, and 3) improve WGL's infrastructure performance. "Unfortunately, Washington Gas Light's rate case application fails horribly on all three fronts," said People's Counsel Sandra Mattavous-Frye.

OPC's testimony and analysis demonstrate that WGL's proposal fails to provide sufficient evidence or justification for such an excessive rate increase, which would unnecessarily increase the financial burden on consumers, who may be still struggling under the strain of the pandemic and record high inflation. In addition, and importantly, WGL fails to convincingly demonstrate how its proposals advance the District's current and future clean energy goals and initiatives, particularly for low- and medium-income households. OPC recommends the PSC reject WGL's proposal for two climate surcharges, which consumers will be forced to pay if approved, because they are not needed and fail to address how they will advance DC's climate goals and energy efficiency policies. "Both of WGL's climate change surcharges are poorly supported and do not provide ratepayer protections," said Mattavous-Frye.

OPC's examination of the rate application exposes WGL's continued mismanagement of its infrastructure projects. OPC recommends the Commission, at a minimum, audit the company's leak accounting and reporting practices.

"Washington Gas Light's poor performance in the areas of reducing hazardous leaks and the replacement of aging infrastructure should not be rewarded with tens of millions of dollars. Instead, it is imperative that the Commission establish a strong regulatory oversight and accountability framework to improve the natural gas infrastructure. The company's poor performance with hazardous leak reduction is not only a safety concern, but also harms the District's efforts to reduce harmful greenhouse gas emissions." OPC also believes the Commission should fully consider its obligation to include equity as a factor in its policy determinations," said Mattavous-Frye.

The People's Counsel reminds consumers that public participation is critical. OPC will keep consumers up to date as to how they can comment on WGL's proposal in writing and at public hearings.

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Media Contact:

Doxie McCoy Public Information Officer (202) 731-9152 dmccoy@opc-dc.gov

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