

FACTSHEET Formal Case No. 1180: Washington Gas Rate Case

On August 5, 2024, Washington Gas Light Company (WGL) requested the D.C. Public Service Commission's (PSC) approval to increase its revenues by \$45.6 million and increase customer rates by 16%. The Office of the People's Counsel's (OPC) review of WGL's request for rate increase revealed several significant concerns that warrant scrutiny from the Commission.

1. Unsubstantiated Rate Increase Request:

Washington Gas recently received a rate increase in Formal Case No. 1169. In April 2022, the Company filed for an increase of over \$50 million. After strong opposition from OPC, the PSC granted WGL a much smaller rate increase of \$24.6 million. Seven months later, WGL filed its current request for a \$45.6 million increase in annual revenues without sufficient evidence to support its request. OPC's analysis indicates that if the Commission grants an increase, it should not exceed \$9.42 million. Frequent rate increases will make gas service unaffordable for many District residents, especially the elderly and economically disadvantaged. OPC continues to advocate for just and reasonable rates, as well as a disallowance of excessive *PROJECTPipes* costs sought by WGL.

2. Proposed Residential and Small Commercial Customer Charge Increase

WGL has proposed increasing both the residential and small commercial customer charge to levels that would exceed regional averages. WGL's proposed residential customer charge for D.C. would be 75% higher than WGL's Maryland charge and 67% higher than WGL's Virginia charge. In addition to increasing the energy burdens on ratepayers, increasing the customer charge reduces customer incentive to control monthly costs through energy efficiency and conservation efforts.

3. Rejection of the Proposed Weather Normalization Adjustment (WNA)

The Company has proposed a weather normalization adjustment mechanism that OPC opposes because WGL provides no evidence that it will experience any financial harm without the mechanism. OPC is urging the Commission to reject the Company's WNA proposal because WGL has not shown that the WNA can provide any real benefit to customers—it would only reduce WGL's business risk without giving customers any cost reduction.

4. The Need for Evidentiary Hearings

Given the Commission's recent history of failing to hold evidentiary hearings in rate cases involving fact-intensive disputes, OPC is strongly advocating that the PSC hold evidentiary hearings in this case.

5. Community Hearings:

The PSC has announced that it will host three community hearings in April. OPC encourages consumers to participate. The hearings are scheduled for:

- April 10, 2025, at Benning (Dorothy I. Height) Neighborhood Library, 3935 Benning Road, NE, Meeting Room 1, from 5:30 p.m. to 7:30 p.m.;
- April 21, 2025, at Petworth Neighborhood Library, 4200 Kansas Avenue, NW, Meeting Room 1, from 5:00 p.m. to 7:00 p.m.; and
- April 29, 2025, in the Commission Hearing Room at 1325 G Street, NW, Suite 800, from 6:00 p.m. to 8:00 p.m.

To testify at the community hearing, please contact the Commission Secretary by the close of business three (3) business days prior to the community hearing, by sending an email to PSC-CommissionSecretary@dc.gov.

To submit written statements, email PSC-CommissionSecretary@dc.gov, or submit through the Commission's eDocket system at https://edocket.dcpsc.org/public/public_comments referencing the Formal Case No. 1180 docket.

If you need assistance in preparing your comments, please contact OPC by phone at (202) 727-3071 or email at info@opc-dc.gov.